

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Financial Position

As of 30 June 2013

(All amounts in RMB million unless otherwise stated)

| | Notes | As of 30 June 2013 Unaudited | As of 31 December 2012 |
|---|-------|---------------------------------------|------------------------------|
| ASSETS | | | |
| Property, plant and equipment | | 4,155 | 4,126 |
| Investment properties | | 1,615 | 1,635 |
| Intangible assets | | 102 | 102 |
| Investments in associates | 6 | 9,296 | 708 |
| Financial assets | | | |
| Debt securities | | 261,683 | 234,130 |
| - Held-to-maturity | 7(1) | 178,096 | 176,817 |
| - Available-for-sale | 7(2) | 67,620 | 55,624 |
| - At fair value through income | 7(3) | 2,027 | 1,381 |
| - Loans and receivables | 7(4) | 13,940 | 308 |
| Equity securities | | 33,258 | 32,085 |
| - Available-for-sale | 7(2) | 29,619 | 28,711 |
| - At fair value through income | 7(3) | 3,639 | 3,374 |
| Term deposits | 7(5) | 173,280 | 171,853 |
| Statutory deposits | | 716 | 717 |
| Policy loans | | 5,360 | 3,866 |
| Financial assets purchased under agreements to resell | | 468 | - |
| Accrued investment income | | 11,036 | 10,764 |
| Premiums receivable | | 2,551 | 1,556 |
| Deferred tax assets | 18 | 906 | 863 |
| Reinsurance assets | | 2,945 | 3,282 |
| Other assets | | 2,268 | 2,940 |
| Cash and cash equivalents | | 21,409 | 25,066 |
| Total assets | | 531,048 | 493,693 |

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Financial Position (Continued)

As of 30 June 2013

(All amounts in RMB million unless otherwise stated)

| | Notes | As of 30 June 2013 Unaudited | As of 31 December 2012 |
|--|-------|---------------------------------------|------------------------------|
| LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| Insurance contracts | | | |
| Long-term insurance contracts liabilities | 8 | 392,624 | 361,070 |
| Short-term insurance contracts liabilities | | | |
| - Outstanding claims liabilities | 8 | 462 | 452 |
| - Unearned premiums liabilities | 8 | 1,046 | 750 |
| Financial liabilities | | | |
| Investment contracts | 9 | 25,795 | 18,988 |
| Borrowings | 10 | 15,000 | 15,000 |
| Financial assets sold under agreements to repurchase | 11 | 52,484 | 55,437 |
| Benefits, claims and surrenders payable | | 929 | 789 |
| Premiums received in advance | | 176 | 518 |
| Reinsurance liabilities | | 91 | 33 |
| Provisions | 12 | 458 | 458 |
| Other liabilities | | 4,292 | 4,258 |
| Current income tax liabilities | | - | 62 |
| Total liabilities | | <u>493,357</u> | <u>457,815</u> |
| Shareholders' equity | | | |
| Share capital | 13 | 3,120 | 3,120 |
| Reserves | 14 | 25,592 | 25,967 |
| Retained earnings | | 8,970 | 6,783 |
| Total shareholders' equity | | <u>37,682</u> | <u>35,870</u> |
| Non-controlling interests | | <u>9</u> | <u>8</u> |
| Total equity | | <u>37,691</u> | <u>35,878</u> |
| Total liabilities and equity | | <u>531,048</u> | <u>493,693</u> |

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2013
(All amounts in RMB million unless otherwise stated)

| | Notes | For the six months ended 30 June | |
|---|-------|-------------------------------------|-------------------|
| | | 2013 Unaudited | 2012 Unaudited |
| REVENUES | | | |
| Gross written premiums and policy fees | 15 | 51,628 | 56,114 |
| Less: premiums ceded out | | (161) | 40 |
| Net written premiums and policy fees | | 51,467 | 56,154 |
| Net change in unearned premiums liabilities | | (242) | (227) |
| Net premiums earned and policy fees | | 51,225 | 55,927 |
| Investment income | 16 | 10,631 | 7,303 |
| Other income | | 87 | 83 |
| Total revenues | | 61,943 | 63,313 |
| BENEFITS, CLAIMS AND EXPENSES | | | |
| Insurance benefits and claims | | | |
| Claims and net change in outstanding claims liabilities | | (554) | (462) |
| Life insurance death and other benefits | | (17,458) | (11,584) |
| Increase in long-term insurance contracts liabilities | | (31,959) | (40,130) |
| Investment contracts benefits | | (344) | (364) |
| Commission and brokerage expenses | | (3,257) | (3,825) |
| Administrative expenses | 17 | (4,492) | (4,517) |
| Other expenses | | (335) | (135) |
| Total benefits, claims and expenses | | (58,399) | (61,017) |
| Share of results of associates | | (12) | (1) |
| Finance cost | | (1,036) | (787) |
| Net profit before income tax | | 2,496 | 1,508 |
| Income tax | 18 | (308) | 397 |
| Net profit for the period | | 2,188 | 1,905 |
| Net profit for the period attributable to: | | | |
| - Shareholders of the Company | | 2,187 | 1,904 |
| - Non-controlling interests | | 1 | 1 |
| Earnings per share (RMB) | | | |
| Basic and diluted | 19 | 0.70 | 0.61 |

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Comprehensive Income (Continued)
For the six months ended 30 June 2013
(All amounts in RMB million unless otherwise stated)

| | For the six months ended 30 June | |
|--|---|------------------|
| | 2013 | 2012 |
| | Unaudited | Unaudited |
| Other comprehensive income / (losses) | | |
| Items that may be reclassified subsequently to profit or loss | | |
| Available-for-sale financial assets | | |
| Gains / (losses) arising from fair value changes | (767) | 1,618 |
| Reclassification adjustments for losses / (gains) included in profit or loss | (975) | 372 |
| Impairment charges reclassified to the statement of comprehensive income | 928 | 2,016 |
| Changes in liabilities for insurance and investment contracts arising from net unrealized gains / (losses) | 315 | (2,377) |
| Income tax relating to components of other comprehensive income | 124 | 317 |
| Total other comprehensive income / (losses) | <u>(375)</u> | <u>1,946</u> |
| Total comprehensive income | <u>1,813</u> | <u>3,851</u> |
| Total comprehensive income for the period attributable to: | | |
| - Shareholders of the Company | 1,812 | 3,850 |
| - Non-controlling interests | <u>1</u> | <u>1</u> |

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2013

(All amounts in RMB million unless otherwise stated)

| | Attributable to shareholders of the Company | | | | Non-controlling Interests | Total Equity |
|--|---|----------|-------------------|--------|---------------------------|--------------|
| | Share capital | Reserves | Retained earnings | Total | | |
| For the six months ended 30 June 2012 | | | | | | |
| (Unaudited) | | | | | | |
| As of 1 January 2012 | 3,117 | 22,468 | 5,721 | 31,306 | 7 | 31,313 |
| Net profit for the period | - | - | 1,904 | 1,904 | 1 | 1,905 |
| Other comprehensive income | - | 1,946 | - | 1,946 | - | 1,946 |
| Total comprehensive income | - | 1,946 | 1,904 | 3,850 | 1 | 3,851 |
| New shares issued | 3 | 56 | - | 59 | - | 59 |
| Dividends paid | - | - | (281) | (281) | - | (281) |
| Total transactions with owners | 3 | 56 | (281) | (222) | - | (222) |
| As of 30 June 2012 | 3,120 | 24,470 | 7,344 | 34,934 | 8 | 34,942 |
| For the six months ended 30 June 2013 | | | | | | |
| (Unaudited) | | | | | | |
| As of 1 January 2013 | 3,120 | 25,967 | 6,783 | 35,870 | 8 | 35,878 |
| Net profit for the period | - | - | 2,187 | 2,187 | 1 | 2,188 |
| Other comprehensive income | - | (375) | - | (375) | - | (375) |
| Total comprehensive income | - | (375) | 2,187 | 1,812 | 1 | 1,813 |
| As of 30 June 2013 | 3,120 | 25,592 | 8,970 | 37,682 | 9 | 37,691 |

NEW CHINA LIFE INSURANCE COMPANY LTD.

**Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June 2013
(All amounts in RMB million unless otherwise stated)**

| | For the six months ended 30 June | |
|---|-------------------------------------|-------------------|
| | 2013 Unaudited | 2012 Unaudited |
| Net cash flows from operating activities | 31,056 | 33,046 |
| Net cash flows from investing activities | (30,906) | (59,115) |
| Net cash flows from financing activities | (3,747) | 35,843 |
| Effect of foreign exchange rate changes | (60) | 6 |
| Net increase/(decrease) in cash and cash equivalents | (3,657) | 9,780 |
| Cash and cash equivalents | | |
| Beginning of the period | 25,066 | 21,095 |
| End of the period | 21,409 | 30,875 |
| Analysis of balance of cash and cash equivalents | | |
| Cash at bank and in hand | 20,739 | 29,692 |
| Short-term bank deposits | 670 | 1,183 |