

NEW CHINA LIFE INSURANCE COMPANY LIMITED

Condensed Consolidated Statement of Financial Position

As of 30 June 2012

(All amounts in RMB million unless otherwise stated)

	Notes	As of 30 June 2012 Unaudited	As of 31 December 2011
ASSETS			
Property, plant and equipment		5,089	4,284
Investment properties		504	451
Intangible assets		67	65
Investments in associates		708	709
Financial assets			
Debt securities		212,152	190,464
- Held-to-maturity	6(1)	156,800	141,090
- Available-for-sale	6(2)	53,370	46,866
- At fair value through income	6(3)	1,971	2,488
- Loans and receivables		11	20
Equity securities		33,396	29,051
- Available-for-sale	6(2)	29,456	26,010
- At fair value through income	6(3)	3,940	3,041
Term deposits	6(4)	162,927	122,949
Statutory deposits		717	522
Policy loans		2,761	2,055
Financial assets purchased under agreements to resell		1,000	79
Accrued investment income		9,082	7,743
Premiums receivable		2,304	1,395
Deferred tax assets	18	962	14
Reinsurance assets		4,075	4,202
Other assets		2,385	1,693
Cash and cash equivalents	7	30,875	21,095
Total assets		469,004	386,771

The notes on pages 8 to 43 form an integral part of these interim financial information.

NEW CHINA LIFE INSURANCE COMPANY LIMITED

Condensed Consolidated Statement of Financial Position (Continued)

As of 30 June 2012

(All amounts in RMB million unless otherwise stated)

	Notes	As of 30 June 2012 Unaudited	As of 31 December 2011
LIABILITIES AND EQUITY			
Liabilities			
Insurance contracts			
Long-term insurance contracts liabilities	8	334,817	292,818
Short-term insurance contracts liabilities			
- Outstanding claims liabilities	8	385	392
- Unearned premiums liabilities	8	855	604
Financial liabilities			
Investment contracts	9	19,575	19,001
Borrowings	10	5,214	5,073
Financial assets sold under agreements to repurchase	11	68,536	32,481
Benefits, claims and surrenders payable		645	499
Premiums received in advance		127	504
Reinsurance liabilities		98	31
Provisions	12	458	458
Other liabilities		3,232	3,405
Current income tax liabilities		120	192
Total liabilities		<u>434,062</u>	<u>355,458</u>
Shareholders' equity			
Share capital	13	3,120	3,117
Reserves	14	24,470	22,468
Retained earnings		7,344	5,721
Total shareholders' equity		<u>34,934</u>	<u>31,306</u>
Non-controlling interests			
		<u>8</u>	<u>7</u>
Total equity		<u>34,942</u>	<u>31,313</u>
Total liabilities and equity		<u>469,004</u>	<u>386,771</u>

The notes on pages 8 to 43 form an integral part of these interim financial information.

NEW CHINA LIFE INSURANCE COMPANY LIMITED

Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2012
(All amounts in RMB million unless otherwise stated)

		For the six months ended 30 June	
	Notes	2012	2011
		Unaudited	
REVENUES			
Gross written premiums and policy fees	15	56,114	50,843
Less: premiums ceded out		40	238
Net written premiums and policy fees		<u>56,154</u>	<u>51,081</u>
Net change in unearned premiums liabilities		(227)	(193)
Net premiums earned and policy fees		<u>55,927</u>	<u>50,888</u>
Investment income	16	7,303	6,813
Other income		83	101
Total revenues		<u>63,313</u>	<u>57,802</u>
BENEFITS, CLAIMS AND EXPENSES			
Insurance benefits and claims			
Claims and net change in outstanding claims liabilities		(462)	(368)
Life insurance death and other benefits		(11,584)	(9,528)
Increase in long-term insurance contracts liabilities		(40,130)	(37,620)
Investment contracts benefits		(364)	(346)
Commission and brokerage expenses		(3,825)	(3,689)
Administrative expenses	17	(4,517)	(3,998)
Other (expenses) / income		(135)	108
Total benefits, claims and expenses		<u>(61,017)</u>	<u>(55,441)</u>
Share of results of associates		(1)	-
Finance cost		(787)	(311)
Net profit before income tax		<u>1,508</u>	<u>2,050</u>
Income tax	18	397	(275)
Net profit for the period		<u>1,905</u>	<u>1,775</u>
Net profit for the period attributable to:			
- Shareholders of the Company		1,904	1,775
- Non-controlling interests		1	-
Earnings per share (RMB)			
Basic and diluted	19	<u>0.61</u>	<u>0.93</u>

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NEW CHINA LIFE INSURANCE COMPANY LIMITED

Condensed Consolidated Statement of Comprehensive Income (Continued)
For the six months ended 30 June 2012
(All amounts in RMB million unless otherwise stated)

	For the six months ended 30 June	
	2012	2011
	Unaudited	
Other comprehensive income / (losses)		
Available-for-sale financial assets		
Gains / (losses) arising from fair value changes	1,618	(4,705)
Reclassification adjustments for losses / (gains) included in profit or loss	372	(964)
Impairment charges reclassified to the statement of comprehensive income	2,016	113
Changes in liabilities for insurance and investment contracts arising from net unrealized gains / (losses)	(2,377)	3,420
Income tax relating to components of other comprehensive income	317	265
Total other comprehensive income / (losses)	1,946	(1,871)
Total comprehensive income / (losses)	3,851	(96)
Total comprehensive income / (losses) for the period attributable to:		
- Shareholders of the Company	3,850	(96)
- Non-controlling interests	1	-
	1	-

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NEW CHINA LIFE INSURANCE COMPANY LIMITED

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2012

(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 2011						
As of 1 January 2011	1,200	1,889	3,478	6,567	6	6,573
Net profit for the period	-	-	1,775	1,775	-	1,775
Other comprehensive income	-	(1,871)	-	(1,871)	-	(1,871)
Total comprehensive income	-	(1,871)	1,775	(96)	-	(96)
Capital injection	1,400	12,600	-	14,000	-	14,000
Total transactions with owners	1,400	12,600	-	14,000	-	14,000
As of 30 June 2011	2,600	12,618	5,253	20,471	6	20,477
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

The notes on pages 8 to 43 form an integral part of these interim financial information.

NEW CHINA LIFE INSURANCE COMPANY LIMITED

**Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June 2012
(All amounts in RMB million unless otherwise stated)**

	For the six months ended 30 June	
	2012	2011
	Unaudited	
Net cash flows from operating activities	33,046	30,837
Net cash flows from investing activities	(59,115)	(48,042)
Net cash flows from financing activities	35,843	9,412
Effect of foreign exchange rate changes	6	(32)
Net increase / (decrease) in cash and cash equivalents	9,780	(7,825)
Cash and cash equivalents		
Beginning of the period	21,095	27,368
End of the period	30,875	19,543
Analysis of balance of cash and cash equivalents		
Cash at bank and in hand	29,692	17,871
Short-term bank deposits	1,183	1,672

The notes on pages 8 to 43 form an integral part of these interim financial information.