



Consolidated Profit and Loss Account

For the year ended December 31, 2003

	Note	2003 RMB million	2002 RMB million
REVENUES			
Gross written premiums and policy fees		69,334	68,769
Less: premiums ceded to reinsurers		(1,571)	(1,869)
Net written premiums and policy fees		67,763	66,900
Net change in unearned premium reserves		(547)	(476)
Net premiums earned and policy fees		67,216	66,424
Net investment income	4.1	9,825	8,347
Net realised gain on investments	4.1	868	266
Net unrealised gain/(loss) on trading securities	4.1	247	(1,067)
Other income		727	338
Total revenues		78,883	74,308
BENEFITS, CLAIMS AND EXPENSES			
Insurance benefits and claims			
Life insurance death and other benefits	12	(8,570)	(7,010)
Accident and health claims and claim adjustment expenses	12	(4,882)	(4,053)
Increase in future life policyholder benefits	12	(43,084)	(45,374)
Interest credited to policyholder contract deposits		(7,260)	(7,095)
Policyholder dividends and participation in profits		(1,207)	(641)
Amortisation of deferred policy acquisition costs	6	(5,023)	(3,832)
Underwriting and policy acquisition costs		(1,294)	(1,661)
Administrative expenses		(6,862)	(6,162)
Other operating expenses		(872)	(634)
Interest expense on bank borrowings		(7)	(7)
Statutory insurance levy		(85)	(73)
Total benefits, claims and expenses		(79,146)	(76,542)
Loss before income tax expenses and minority interests	19	(263)	(2,234)
Income tax expenses	20	(1,180)	(14)
Loss before minority interests		(1,443)	(2,248)
Minority interests		15	(2)
Loss attributable to shareholders		(1,428)	(2,250)
Dividends		-	-
Basic and diluted loss per share	22	RMB(0.07)	RMB(0.11)