

Consolidated Balance Sheet

As at December 31, 2004

| | <i>Note</i> | 2004 <i>RMB million</i> | 2003 <i>RMB million</i> |
|---|-------------|-----------------------------------|----------------------------|
| ASSETS | | | |
| Investments | | | |
| Fixed maturity securities | | 150,234 | 70,604 |
| Held-to-maturity securities, at amortised cost | 4.4 | 79,603 | – |
| Non-trading securities, at estimated fair value | 4.2 | 69,791 | 70,604 |
| Trading securities, at estimated fair value | | 840 | – |
| Equity securities | 4.3 | 17,271 | 10,718 |
| Non-trading securities, at estimated fair value | 4.2 | 12,597 | 5,550 |
| Trading securities, at estimated fair value | | 4,674 | 5,168 |
| Term deposits | 4.6 | 175,498 | 137,192 |
| Statutory deposits – restricted | 4.7 | 4,000 | 4,000 |
| Policy loans | | 391 | 116 |
| Securities purchased under agreements to resell | 4.8 | 279 | 14,002 |
| Cash and cash equivalents | | 27,217 | 42,616 |
| | | 374,890 | 279,248 |
| Other assets | | | |
| Accrued investment income | 9 | 5,084 | 2,875 |
| Premiums receivables | 10 | 3,912 | 2,801 |
| Reinsurance assets | 7 | 1,297 | 997 |
| Deferred policy acquisition costs | 6 | 32,787 | 24,868 |
| Property, plant and equipment, net of accumulated depreciation | 8 | 12,250 | 12,008 |
| Other | 11 | 3,451 | 5,923 |
| | | 58,781 | 49,472 |
| Total assets | | 433,671 | 328,720 |

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|---|---------------|-----------------------------------|----------------------------|
| LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| Future life policyholder benefits | | 117,301 | 82,718 |
| Policyholder contract deposits and other funds | | 225,996 | 154,731 |
| Unearned premium reserves | | 5,212 | 5,382 |
| Reserves for claims and claim adjustment expenses | <i>13</i> | 1,215 | 814 |
| Annuity and other insurance balances payable | | 2,801 | 638 |
| Premiums received in advance | | 2,447 | 2,407 |
| Policyholder dividends payable | | 2,037 | 1,916 |
| Securities sold under agreements to repurchase | <i>14</i> | – | 6,448 |
| Other liabilities | <i>15</i> | 4,960 | 6,891 |
| Deferred tax liabilities | <i>18</i> | 4,371 | 3,686 |
| Statutory insurance fund | <i>16</i> | 429 | 333 |
| Total liabilities | | 366,769 | 265,964 |
| Contingencies and commitments | <i>24, 25</i> | | |
| Minority interests | | 372 | 320 |
| Shareholders' equity | | | |
| Share capital | <i>22</i> | 26,765 | 26,765 |
| Reserves | <i>23</i> | 31,573 | 34,051 |
| Retained earnings | | 8,192 | 1,620 |
| Total shareholders' equity | | 66,530 | 62,436 |
| Total liabilities and equity | | 433,671 | 328,720 |