

INCOME STATEMENT

Year ended 31 December 2005

	Notes	2005 RMB million	2004 RMB million (Restated)
TURNOVER	4, 5	62,332	62,003
Net premiums earned	4, 5	49,802	50,628
Net claims incurred	4, 6	(36,335)	(39,015)
Amortisation of deferred acquisition costs, net	4, 24	(4,792)	(3,560)
Insurance protection expense	4, 32	(537)	(563)
General and administrative expenses		(6,372)	(7,054)
UNDERWRITING PROFIT		1,766	436
Net investment income	7	1,478	1,326
Net realised and unrealised losses on investments	8	(336)	(988)
Interest expense credited to policyholders' deposits		(143)	(144)
Exchange losses, net	9	(305)	(15)
Sundry income		26	28
Sundry expenses		(102)	(79)
Finance costs	10	(181)	(169)
PROFIT BEFORE TAX	11	2,203	395
Tax	14	(1,090)	(261)
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS		1,113	134
BASIC EARNINGS PER SHARE (in RMB)	15	0.100	0.012
DIVIDEND PER SHARE (in RMB)	16	0.072	–