

CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2006

	<i>Notes</i>	2006 <i>RMB million</i>	2005 <i>RMB million</i> (Restated)
TURNOVER	4, 5	71,348	65,914
Net premiums earned	4, 5	55,616	53,384
Net claims incurred	4, 6	(38,616)	(36,335)
Amortisation of deferred acquisition costs, net	4, 25	(8,882)	(8,001)
Insurance protection expenses	4, 35	(610)	(537)
General and administrative expenses		(6,904)	(7,003)
UNDERWRITING PROFIT		604	1,508
Net investment income	7	1,689	1,478
Net realised and unrealised gains/(losses) on investments	8	2,326	(336)
Interest expenses credited to policyholders' deposits	4	(138)	(143)
Exchange losses, net	9	(426)	(305)
Sundry income		85	26
Sundry expenses		(133)	(102)
Finance costs	10	(209)	(181)
Share of profit of an associate		2	–
PROFIT BEFORE TAX	11	3,800	1,945
Tax	14	(1,718)	(1,005)
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		2,082	940
BASIC EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (in RMB)	15	0.187	0.084
DIVIDEND PER SHARE (in RMB)	16	–	0.072