

BALANCE SHEET

31 December 2006

	Notes	2006 RMB million	2005 RMB million (Restated)
ASSETS			
Cash and cash equivalents	17	21,603	15,895
Term deposits	18	6,768	11,641
Derivative financial assets	19	6	–
Debt securities	20	22,889	18,524
Equity securities	21	7,962	2,840
Subordinated debts held by the Company	22	2,910	2,910
Capital security fund	23	2,228	2,228
Premiums receivable and agents' balances, net	24	3,960	3,767
Unearned premium reserves-reinsurers' share	38	4,881	5,967
Deferred acquisition costs	25	6,817	5,719
Other non-current assets		198	178
Receivables from reinsurers	26	2,709	2,500
Reinsurance recoverable on unpaid losses	39	4,864	5,185
Prepayments and other receivables	27	1,858	1,213
Investment in an associate	28	160	–
Investments in subsidiaries	29	3	–
Property, plant and equipment	30	10,031	10,576
Investment properties	31	443	213
Construction in progress	32	1,872	1,756
Prepaid land premiums	33	3,960	4,000
TOTAL ASSETS		106,122	95,112
LIABILITIES			
Payables to reinsurers	34	3,391	3,531
Accrued insurance protection fund	35	217	195
Tax payable		325	404
Other liabilities and accruals	36	6,628	6,009
Deferred tax liabilities	37	1,905	551
Deferred acquisition costs-reinsurers' share	25	1,315	1,642
Unearned premium reserves	38	36,842	32,507
Loss and loss adjustment expense reserves	39	22,880	22,026
Policyholders' deposits	40	8,894	8,449
Subordinated loan/debts issued by the Company	41	3,000	2,000
TOTAL LIABILITIES		85,397	77,314
EQUITY			
Issued share capital	43	11,142	11,142
Reserves		9,583	6,656
TOTAL EQUITY		20,725	17,798
TOTAL EQUITY AND LIABILITIES		106,122	95,112