

# CHINA LIFE INSURANCE COMPANY LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE SIX MONTHS ENDED 30 JUNE 2004

	<u>2004/06/30</u>	<u>2003/6/30</u>
	RMB million	RMB million
<b>REVENUES</b>		
Gross written premiums and policy fees	34,668	36,091
Less: premiums ceded to reinsurers	(584)	(690)
Net written premiums and policy fees	<u>34,084</u>	<u>35,401</u>
Net change in unearned premium reserves	(147)	17
Net premiums earned and policy fees	<u>33,937</u>	<u>35,418</u>
Net investment income	5,018	5,070
Net realised (loss)/gain on investments	(63)	691
Net unrealised (loss)/gain on trading securities	(723)	280
Other income	<u>776</u>	<u>122</u>
<b>Total revenues</b>	<b><u>38,945</u></b>	<b><u>41,581</u></b>
<b>BENEFITS, CLAIMS AND EXPENSES</b>		
Insurance benefits and claims		
Life insurance death and other benefits	(2,740)	(4,580)
Accident and health claims and claim adjustment expenses	(2,732)	(2,455)
Increase in future life policyholder benefits	(19,245)	(23,192)
Interest credited to policyholder contract deposits	(2,084)	(4,109)
Policyholder dividends and participation in profits	(1,157)	(862)
Amortisation of deferred policy acquisition costs	(2,893)	(2,648)
Underwriting and policy acquisition costs	(758)	(708)
Administrative expenses	(3,418)	(3,005)
Other operating expenses	(84)	(704)
Interest expense on bank borrowings	-	(5)
Statutory insurance levy	<u>(47)</u>	<u>(38)</u>
<b>Total benefits, claims and expenses</b>	<b><u>(35,158)</u></b>	<b><u>(42,306)</u></b>
<b>Profit/(loss) before income tax expenses and minority interests</b>	<b>3,787</b>	<b>(725)</b>
Income tax expenses	<u>(955)</u>	<u>(8)</u>

<b>Profit/(loss) before minority interests</b>	<b>2,832</b>	<b>(733)</b>
Minority interests	(20)	19
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<b>Profit/(loss) attributable to shareholders</b>	<b>2,812</b>	<b>(714)</b>
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<b>Dividends</b>	-	-
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<b>Basic and diluted earnings/(losses) per share</b>	RMB 0.11	RMB (0.04)
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