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新華人壽保險股份有限公司

NEW CHINA LIFE INSURANCE COMPANY LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1336)

2017 THIRD QUARTER REPORT

This announcement is made by New China Life Insurance Company Ltd. (the “**Company**”) pursuant to the provisions regarding disclosure of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial data in the 2017 Third Quarter Report of the Company have been prepared in accordance with the PRC Accounting Standards for Business Enterprises and are unaudited.

§1 IMPORTANT INFORMATION

- 1.1 The board of directors of the Company (the “**Board**”), the board of supervisors of the Company and the directors, supervisors, and members of senior management warrant the truthfulness, accuracy and completeness of the contents of this report, and that there are no false representations, misleading statements or material omissions in this report, and are legally liable for this report jointly and severally.
- 1.2 The 2017 Third Quarter Report of the Company was considered and approved at the sixteenth meeting of the sixth session of the Board on 27 October 2017, which 13 directors were required to attend and 13 of them attended in person.
- 1.3 The financial statements of the Company for the third quarter of 2017 have been prepared in accordance with the PRC Accounting Standards for Business Enterprises and are unaudited.

1.4 Mr. WAN Feng, the Chairman of the Board, Mr. YANG Zheng, the Chief Financial Officer (Financial Principle) of the Company, Mr. GONG Xingfeng, the Chief Actuary of the Company and Mr. ZHANG Tao, the officer in charge of the Accounting Department of the Company warrant the truthfulness, accuracy and completeness of the financial statements in the 2017 Third Quarter Report.

§2 BASIC INFORMATION OF THE COMPANY

2.1 Key accounting data and financial indicators

Unit: RMB in millions

	As of 30 September 2017	As of 31 December 2016	Change
Total assets	714,771	699,181	2.2%
Shareholders' equity attributable to shareholders of the Company	63,610	59,118	7.6%
Net assets per share attributable to shareholders of the Company (<i>RMB per share</i>)	20.39	18.95	7.6%
	For the nine months ended 30 September 2017	For the nine months ended 30 September 2016	Change
Net cash flows from operating activities	4,334	9,819	-55.9%
Weighted average net cash flows per share from operating activities (<i>RMB per share</i>)	1.39	3.15	-55.9%
Operating income	115,561	117,785	-1.9%
Net profit attributable to shareholders of the Company	5,042	4,786	5.3%
Net profit attributable to shareholders of the Company after deducting non-recurring items	5,122	4,726	8.4%
Basic/diluted earnings per share (<i>RMB per share</i>)	1.62	1.53	5.9%
Basic earnings per share after deducting non-recurring items (<i>RMB per share</i>)	1.64	1.51	8.6%
Weighted average return on equity	8.18%	8.12%	Increase by 0.06 percentage points
Weighted average return on equity after deducting non-recurring items	8.31%	8.02%	Increase by 0.29 percentage points

Note:

Data and indicators of shareholders' equity refer to shareholders' equity attributable to shareholders of the Company, while those of net profit refer to net profit attributable to shareholders of the Company.

2.2 Deducting non-recurring items and amount

Unit: RMB in millions

	For the nine months ended 30 September 2017
Non-recurring items	
Gains/(Losses) on disposal of fixed assets, intangible assets and other long-term investment assets	(4)
Gains/(Losses) on other non-recurring items	(101)
Effect on the amount of income tax expenses of non-recurring items	25
Interests attribute to minority shareholders	–
Total	(80)

2.3 Other key indicators

Unit: RMB in millions

	As of 30 September 2017/For the nine months ended 30 September 2017	As of 31 December 2016/For the nine months ended 30 September 2016	Change
Investment assets ⁽¹⁾	692,253	679,794	1.8%
Premium income	89,840	93,418	-3.8%
Premiums earned	88,426	92,474	-4.4%
Growth rate of earned premiums	-4.4%	-1.6%	decrease by 2.8 percentage points
Net claims expense	30,144	29,745	1.3%
In: claims and death, invalid and medical benefits	4,190	3,335	25.6%
maturity benefits and annuity paid	26,436	27,711	-4.6%
Less: claims recoverable from reinsurers	(482)	(1,301)	-63.0%
Surrender rate ⁽²⁾	4.7%	5.3%	decrease by 0.6 percentage points

Notes:

- Investment assets of unit-linked contract accounts are included in investment assets.
- Surrender rate = Surrenders/(Balance of life insurance contract liabilities at the beginning of the period + Opening balance of long-term health insurance contract liabilities + Premium income of long-term insurance policies)

For the nine months ended 30 September 2017, the annualized total investment yield was 5.2%, the annualized total investment yield = (Investment income + Fair value gains/(losses) – Impairment losses on investment assets – Interest expense of items sold under agreements to repurchase))/ (Average monthly investment assets balance – Average monthly financial assets sold under agreements to repurchase balance – Average monthly interest receivables balance) x 365/273.

2.4 Quarterly business data

Unit: RMB in millions

For the nine months ended 30 September	2017	2016	Change
Individual insurance channel	71,328	57,378	24.3%
First year premiums	21,154	16,598	27.4%
Regular premiums	19,462	14,338	35.7%
Regular premiums with payment periods of ten years or more	16,316	11,118	46.8%
Single premiums	1,692	2,260	-25.1%
Renewal premiums	50,174	40,780	23.0%
Bancassurance channel	16,833	34,931	-51.8%
First year premiums	6,054	24,631	-75.4%
Regular premiums	6,014	4,713	27.6%
Regular premiums with payment periods of ten years or more	221	57	287.7%
Single premiums	40	19,918	-99.8%
Renewal premiums	10,779	10,300	4.7%
Group insurance	1,679	1,109	51.4%
Total	89,840	93,418	-3.8%

Note:

1. Numbers may not be additive due to rounding.

2.5 Solvency

The Company calculated and disclosed core capital, actual capital, minimum capital and solvency margin ratios according to *the Solvency Regulatory Rules (No. 1-17) for Insurance Companies*. As required by the China Insurance Regulatory Committee, solvency margin ratios of a domestic insurance company in the PRC must meet the prescribed thresholds.

Unit: RMB in millions

	As of 30 September 2017	As of 30 June 2017
Core capital	190,167	181,313
Actual capital	194,167	195,313
Minimum capital	69,587	66,590
Core solvency margin ratio	273.28%	272.28%
Comprehensive solvency margin ratio	<u>279.03%</u>	<u>293.31%</u>

Notes:

1. Core solvency margin ratio = core capital/minimum capital; comprehensive solvency margin ratio = actual capital/minimum capital.
2. For details of the solvency margin of the Company, please refer to the Company's website (www.newchinalife.com).

2.6 Total number of shareholders and their shareholdings as of the end of the reporting period

Unit: Share

Total number of shareholders	46,900 (including 46,611 A Share shareholders and 289 H Share shareholders)					
Shares held by top ten shareholders						
Names of the shareholders	Classes of the shares	Percentage of the shareholding	Total number of shares held	Number of shares held with selling restrictions	Number of shares pledged or frozen	Types of shares
HKSCC Nominees Limited ⁽²⁾	Overseas legal person shares	33.14%	1,033,883,356	–	–	H
Central Huijin Investment Ltd.	State-owned shares	31.34%	977,530,534	–	–	A
China Baowu Steel Group Corporation ⁽³⁾	State-owned legal person shares	13.59%	424,090,520	–	117,878,334	A
China Securities Finance Corporation Limited	State-owned legal person shares	2.59%	80,893,798	–	–	A
Central Huijin Asset Management Ltd.	State-owned legal person shares	0.91%	28,249,200	–	–	A
Beijing Taiji Huaqing Information System Co., Ltd.	Domestic legal person shares	0.61%	19,000,000	–	–	A
NSSF Portfolio 113	State-owned legal person shares	0.50%	15,649,758	–	–	A
NSSF Portfolio 108	State-owned legal person shares	0.34%	10,705,567	–	–	A
Hong Kong Securities Clearing Company Limited ⁽⁴⁾	Overseas legal person shares	0.28%	8,587,389	–	–	A
CUAM Fund-ICBC-CUAM-No.53 Tianfuniu Asset management plan	Others	0.24%	7,538,697	–	–	A
Description of related-party relations or concerted action among the aforesaid shareholders	Central Huijin Asset Management Ltd. is a wholly owned subsidiary of Central Huijin Investment Ltd. Save for the above, the Company is not aware of any related-party relationship among the shareholders or whether they are parties acting in concert.					

Notes:

1. As at the end of the reporting period, none of the Company's A Shares or H Shares was subject to selling restrictions.
2. HKSCC Nominees Limited is a company that holds shares on behalf of the clients of the Hong Kong stock brokers and other participants of CCASS system. The relevant regulations of The Stock Exchange of Hong Kong Limited do not require such persons to declare whether their shareholdings are pledged or frozen. Therefore, HKSCC Nominees Limited is unable to calculate or provide the number of shares pledged or frozen.
3. China Baowu Steel Group Corporation Limited ("**Baowu Group**") completed the issuance of exchangeable bonds on 12 December 2014. A total number of 165,000,000 A Shares of the Company held by Baowu Group that are exchangeable from the bonds and the entitlements of such shares have been transferred into a special trust account as guaranteed and trusted assets. The shares are held by China International Capital Corporation Limited nominally and registered on the list of shareholders with "Baosteel Group-CICC-14 Baosteel EB Guaranteed and Trusted Assets Special Account" as the shareholder. For details, please refer to the announcement titled *Announcement in Relation to the Completion of the Issuance of Exchangeable Bonds by A Substantial Shareholder of the Company and the Guarantee and Trust Registration for the Company's A Shares Held by The Shareholder* published by the Company on 17 December 2014. As of the end of the reporting period, a total number of 47,121,666 A Shares of the Company held by Baowu Group as guaranteed and trusted assets for the Bonds were exchanged into A Shares of the Company by exchangeable bonds holders.
4. Hong Kong Securities Clearing Company Limited is the nominee for investors of Shanghai-Hong Kong Stock Connect programme.

§3 SIGNIFICANT EVENTS

3.1 Significant changes in key financial statement items and financial indicators and reasons for the changes

✓ Applicable □ Not applicable

Unit: RMB in millions

Items in the Balance sheet	As of 30 September 2017	As of 31 December 2016	Change	Main reasons for the change
Financial assets measured at fair value through profit or loss	6,990	11,678	-40.1%	Decrease of funds allocated to financial assets for trading purpose
Financial assets purchased under agreements to resell	8,494	2,322	265.8%	Requirements for daily liquidity management
Premiums receivables	4,227	1,846	129.0%	Uneven distribution of insurance business among quarters and accumulative increase of insurance business
Receivables from reinsurers	263	720	-63.5%	Significant decrease in maturity payment of certain businesses ceded out in 2017
Term deposits	42,126	79,845	-47.2%	The maturity of certain term deposits
Investment properties	4,570	3,395	34.6%	The rent out of the ready-to-use workplaces of branches
Premiums received in advance	125	3,042	-95.9%	Difference in timing of business underwriting
Brokerage and commission payable	2,761	1,713	61.2%	Adjustment in insurance product structure
Reinsurance payable	355	215	65.1%	The impact of billing cycles of the reinsurance business
Other payable	2,732	1,460	87.1%	Increased payment in advance for real estate purchases
Unearned premiums liabilities	1,667	1,164	43.2%	Increase in short-term insurance business and uneven distribution among quarters
Borrowings	4,000	14,000	-71.4%	Maturity of some subordinated bonds
Other comprehensive income	1,828	921	98.5%	Increase in carrying amount of available-for-sale financial assets due to the upturn of the capital market with fluctuation

Items in the statement of income	For the nine months ended 30 September 2017	For the nine months ended 30 September 2016	Change	Main reasons for the change
Increase in unearned premiums liabilities	(491)	(232)	111.6%	Increase of short-term insurance business
Fair value gains/(losses)	128	(155)	N/A	Increase in carrying amount of financial assets measured at fair value through profit or loss due to the upturn of the capital market with fluctuation
Foreign exchange gains/(losses)	(268)	195	N/A	Effect of fluctuation in foreign exchange rate of assets denominated in foreign currencies
Other operating income	500	379	31.9%	Increase in rental income
Claims recoverable from reinsurers	482	1,301	-63.0%	Significant decrease in maturity payment of certain business ceded out in 2017
Insurance reserves recoverable from reinsurers	49	(810)	N/A	Significant decrease in maturity payment of certain business ceded out in 2017
Business tax and surcharges expenses	(99)	(72)	37.5%	Increase in real estate tax and urban maintenance and construction tax
Income tax	(1,811)	(1,314)	37.8%	Increase in taxable income
Other comprehensive income/ (losses)	907	(1,947)	N/A	Increase in carrying amount of available-for-sale financial assets due to the upturn of the capital market with fluctuation

3.2 Explanation and analysis of significant events and their impacts and solutions

Applicable Not applicable

3.3 Implementation of undertakings by the Company and its shareholders with over 5% shares

Applicable Not applicable

Controlling shareholder's commitment relating to avoidance of horizontal competition

For details of the commitment made by Central Huijin Investment Ltd., the controlling shareholder of the Company, to avoid horizontal competition, please refer to Announcement on the Conditions of None Fulfilled Commitments of the Company's Shareholders, Related Parties and the Company published on 13 February 2014 by the Company.

During the reporting period, the commitment relating to avoidance of horizontal competition is being fulfilled continuously and normally.

3.4 Warnings and explanation for any significant changes in net profit or cumulative losses from the beginning of the year to the end of the next reporting period as compared to the same period of last year

Applicable Not applicable

By order of the Board
New China Life Insurance Company Ltd.
WAN Feng
Chairman

Beijing, China, 27 October 2017

As at the date of this announcement, the executive directors of the Company are WAN Feng and LI Zongjian; the non-executive directors are LIU Xiangdong, XIONG Lianhua, WU Kunzong, HU Aimin, DACEY John Robert and PENG Yulong; and the independent non-executive directors are LI Xianglu, ZHENG Wei, CHENG Lie, NEOH Anthony Francis and GENG Jianxin.

§4 APPENDIX

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Financial Position (unaudited)

30 September 2017

(All amounts in RMB millions unless otherwise stated)

	As of 30 September 2017 Group	As of 31 December 2016 Group	As of 30 September 2017 Company	As of 31 December 2016 Company
Assets				
Assets				
Cash and bank deposits	11,672	14,132	11,050	12,634
Financial assets measured at fair value through profit or loss	6,990	11,678	6,109	11,585
Financial assets purchased under agreements to resell	8,494	2,322	8,227	2,211
Interest receivables	9,591	9,664	9,417	9,312
Premiums receivables	4,227	1,846	4,227	1,846
Receivables from reinsurers	263	720	263	720
Unearned premium reserves receivables from reinsurers	69	57	69	57
Claim reserves receivable from reinsurers	21	38	21	38
Reserves for life insurance receivables from reinsurers	1,351	1,410	1,351	1,410
Reserves for long-term health insurance receivables from reinsurance	593	468	593	468
Policy loans	25,850	23,831	25,850	23,831
Other receivables	721	866	1,059	1,911
Term deposits	42,126	79,845	41,726	79,245
Available-for-sale financial assets	316,299	283,308	310,205	277,844
Held-to-maturity investments	205,092	195,126	205,052	195,126
Investments classified as loans and receivables	60,223	54,235	40,123	34,235
Long-term equity investments	4,646	4,575	35,050	33,652
Statutory deposits	915	816	715	715
Investment properties	4,570	3,395	4,570	3,395
Fixed assets	6,221	6,292	4,442	4,546
Constructions in process	1,870	1,557	865	508
Intangible assets	1,702	1,792	1,505	1,595
Deferred tax assets	268	308	251	290
Other assets	751	643	852	931
Separate account assets	246	257	246	257
Total assets	<u>714,771</u>	<u>699,181</u>	<u>713,838</u>	<u>698,362</u>

WAN Feng
Chairman

YANG Zheng
Chief Financial Officer

GONG Xingfeng
Chief Actuary

ZHANG Tao
Head of Accounting Department

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Financial Position (unaudited) (continued)

30 September 2017

(All amounts in RMB millions unless otherwise stated)

	As of 30 September 2017 Group	As of 31 December 2016 Group	As of 30 September 2017 Company	As of 31 December 2016 Company
Liabilities and Equity				
Liabilities				
Financial liabilities measured at fair value through profit or loss	9	9	–	–
Financial assets sold under agreements to repurchase	32,776	39,246	32,776	39,246
Premiums received in advance	125	3,042	125	3,042
Brokerage and commission payable	2,761	1,713	2,761	1,713
Reinsurance payable	355	215	355	215
Salary and welfare payable	1,999	2,078	1,779	1,781
Taxes payable	1,747	1,550	1,738	1,491
Claims payable	2,840	2,950	2,840	2,950
Other payable	2,732	1,460	2,665	1,484
Policyholder deposits	33,215	29,820	33,215	29,820
Unearned premiums liabilities	1,667	1,164	1,667	1,164
Outstanding claims liabilities	766	640	766	640
Reserves for life insurance	518,623	502,493	518,623	502,493
Reserves for long-term health insurance	46,743	38,931	46,743	38,931
Borrowings	4,000	14,000	4,000	14,000
Provisions	29	29	29	29
Deferred tax liabilities	54	54	–	–
Other liabilities	469	411	467	408
Separate account liabilities	243	251	243	251
Total liabilities	651,153	640,056	650,792	639,658
Shareholders' equity				
Share capital	3,120	3,120	3,120	3,120
Capital reserve	23,959	23,919	23,957	23,917
Other comprehensive income	1,828	921	1,804	900
Surplus reserve	3,403	3,403	3,403	3,403
General reserve	3,403	3,403	3,403	3,403
Retained earnings	27,897	24,352	27,359	23,961
Total equity attributable to shareholders of the company	63,610	59,118	63,046	58,704
Non-controlling interests	8	7	–	–
Total shareholders' equity	63,618	59,125	63,046	58,704
Total liabilities and shareholders' equity	714,771	699,181	713,838	698,362

WAN Feng
Chairman

YANG Zheng
Chief Financial Officer

GONG Xingfeng
Chief Actuary

ZHANG Tao
Head of Accounting Department

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Income (unaudited)

For the nine months ended 30 September 2017

(All amounts in RMB millions unless otherwise stated)

	For the nine months ended 30 September 2017 Group	For the nine months ended 30 September 2016 Group	For the nine months ended 30 September 2017 Company	For the nine months ended 30 September 2016 Company
1. Operating Income	115,561	117,785	115,362	117,332
Premiums earned	88,426	92,474	88,426	92,474
Premium income	89,840	93,418	89,840	93,418
Less: Premiums ceded out	(923)	(712)	(923)	(712)
Net change in unearned premiums liabilities	(491)	(232)	(491)	(232)
Investment income	26,775	24,892	26,681	24,537
In: Share of profit of associates	83	28	82	16
Fair value gains/(losses)	128	(155)	127	(161)
Foreign exchange gains/(losses)	(268)	195	(268)	195
Other operating income	500	379	396	287
2. Operating expenses	(108,602)	(111,730)	(108,554)	(111,752)
Surrenders	(29,466)	(32,620)	(29,466)	(32,620)
Claims expense	(30,626)	(31,046)	(30,626)	(31,046)
Less: claims recoverable from reinsurers	482	1,301	482	1,301
Increase in insurance contracts reserve	(22,721)	(25,755)	(22,721)	(25,755)
Less: insurance reserves recoverable from reinsurers	49	(810)	49	(810)
Policyholder Dividends	(1)	-	(1)	-
Business tax and surcharges expenses	(99)	(72)	(84)	(60)
Commission and brokerage expenses	(12,921)	(10,531)	(12,921)	(10,531)
Administrative expenses	(10,115)	(9,575)	(10,106)	(9,613)
Less: expenses recoverable from reinsurers	120	147	120	147
Other operating expenses	(2,424)	(1,986)	(2,400)	(1,982)
Impairment losses	(880)	(783)	(880)	(783)
3. Operating profit	6,959	6,055	6,808	5,580
Add: Non-operating income	40	117	20	115
Less: Non-operating expenses	(145)	(71)	(145)	(70)

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Income (unaudited) (continued)

For the nine months ended 30 September 2017

(All amounts in RMB millions unless otherwise stated)

	For the nine months ended 30 September 2017 Group	For the nine months ended 30 September 2016 Group	For the nine months ended 30 September 2017 Company	For the nine months ended 30 September 2016 Company
4. Net profit before income tax expenses	6,854	6,101	6,683	5,625
Less: Income tax	<u>(1,811)</u>	<u>(1,314)</u>	<u>(1,788)</u>	<u>(1,237)</u>
5. Net profit	<u>5,043</u>	<u>4,787</u>	<u>4,895</u>	<u>4,388</u>
6. Attributable to:				
Shareholders of the Company	5,042	4,786		
Non-controlling interests	1	1		
7. Earnings per share				
Basic earnings per share	RMB1.62	RMB1.53		
Diluted earnings per share	RMB1.62	RMB1.53		
8. Other Comprehensive income	<u>907</u>	<u>(1,947)</u>	<u>904</u>	<u>(1,945)</u>
9. Total Comprehensive income	<u>5,950</u>	<u>2,840</u>	<u>5,799</u>	<u>2,443</u>
Attributable to shareholders of the Company	5,949	2,839		
Attributable to non-controlling interests	1	1		
WAN Feng <i>Chairman</i>	YANG Zheng <i>Chief Financial Officer</i>	GONG Xingfeng <i>Chief Actuary</i>	ZHANG Tao <i>Head of Accounting Department</i>	

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Income (unaudited)

For the three months ended 30 September 2017

(All amounts in RMB millions unless otherwise stated)

	For the three months ended 30 September 2017 Group	For the three months ended 30 September 2016 Group	For the three months ended 30 September 2017 Company	For the three months ended 30 September 2016 Company
1. Operating Income	38,491	30,334	38,407	30,280
Premiums earned	28,277	22,172	28,277	22,172
Premium income	28,601	22,383	28,601	22,383
Less: Premiums ceded out	(287)	(266)	(287)	(266)
Net change in unearned premiums liabilities	(37)	55	(37)	55
Investment income	10,186	7,965	10,132	7,944
In: Share of profit of associates	(35)	(11)	(35)	(11)
Fair value gains/(losses)	(10)	20	(4)	18
Foreign exchange gains/(losses)	(111)	53	(111)	53
Other operating income	149	124	113	93
2. Operating expenses	(36,503)	(28,455)	(36,475)	(28,455)
Surrenders	(7,347)	(5,808)	(7,347)	(5,808)
Claims expense	(7,199)	(10,326)	(7,199)	(10,326)
Less: claims recoverable from reinsurers	194	400	194	400
Increase in insurance contracts reserve	(14,012)	(5,723)	(14,012)	(5,723)
Less: insurance reserves recoverable from reinsurers	1	293	1	293
Policyholder Dividends	(1)	–	(1)	–
Business tax and surcharges expenses	(24)	(9)	(22)	(8)
Commission and brokerage expenses	(4,127)	(3,115)	(4,127)	(3,115)
Administrative expenses	(3,099)	(3,203)	(3,083)	(3,206)
Less: expenses recoverable from reinsurers	53	94	53	94
Other operating expenses	(781)	(717)	(771)	(715)
Impairment losses	(161)	(341)	(161)	(341)

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Income (unaudited) (continued)

For the three months ended 30 September 2017

(All amounts in RMB millions unless otherwise stated)

	For the three months ended 30 September 2017 Group	For the three months ended 30 September 2016 Group	For the three months ended 30 September 2017 Company	For the three months ended 30 September 2016 Company
3. Operating profit	1,988	1,879	1,932	1,825
Add: Non-operating income	13	21	13	19
Less: Non-operating expenses	<u>(26)</u>	<u>(31)</u>	<u>(26)</u>	<u>(30)</u>
4. Net profit before income tax expenses	1,975	1,869	1,919	1,814
Less: Income tax	<u>(169)</u>	<u>(416)</u>	<u>(181)</u>	<u>(430)</u>
5. Net profit	<u>1,806</u>	<u>1,453</u>	<u>1,738</u>	<u>1,384</u>
6. Attributable to:				
Shareholders of the Company	1,805	1,453		
Non-controlling interests	1	-		
7. Earnings per share				
Basic earnings per share	RMB0.58	RMB0.46		
Diluted earnings per share	RMB0.58	RMB0.46		
8. Other Comprehensive income	<u>83</u>	<u>593</u>	<u>78</u>	<u>593</u>
9. Total Comprehensive income	<u>1,889</u>	<u>2,046</u>	<u>1,816</u>	<u>1,977</u>
Attributable to shareholders of the Company	1,888	2,046		
Attributable to non-controlling interests	1	-		
WAN Feng <i>Chairman</i>	YANG Zheng <i>Chief Financial Officer</i>	GONG Xingfeng <i>Chief Actuary</i>	ZHANG Tao <i>Head of Accounting Department</i>	

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Cash Flows (unaudited)

For the nine months ended 30 September 2017

(All amounts in RMB millions unless otherwise stated)

	For the nine months ended 30 September 2017 Group	For the nine months ended 30 September 2016 Group	For the nine months ended 30 September 2017 Company	For the nine months ended 30 September 2016 Company
1. Cash flows from operating activities				
Premium received	84,834	89,375	84,834	89,375
Net cash received from reinsurance business	276	239	276	239
Net increase in policyholder deposits	2,481	2,114	2,481	2,114
Cash received for taxes and surcharges	25	304	25	304
Cash received from other operating activities	1,478	566	1,589	459
Sub-total of cash inflows from operating activities	89,094	92,598	89,205	92,491
Cash paid for claims	(60,200)	(62,514)	(60,200)	(62,514)
Cash paid for brokerage and commission fees	(11,876)	(10,031)	(11,876)	(10,031)
Cash paid for Policyholder dividends	(1)	–	(1)	–
Cash paid to and for employees	(7,781)	(7,026)	(7,437)	(6,720)
Cash paid for taxes and surcharges	(2,337)	(1,301)	(2,239)	(1,235)
Cash paid for other operating activities	(2,565)	(1,907)	(2,465)	(2,359)
Sub-total of cash outflows from operating activities	(84,760)	(82,779)	(84,218)	(82,859)
Net cash flows from operating activities operating activities	4,334	9,819	4,987	9,632
2. Cash flows from investing activities				
Cash received from sales and redemption of investments	200,733	164,745	200,518	163,312
Cash received from investment income	25,496	21,308	25,405	21,195

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Cash Flows (unaudited) (continued)

For the nine months ended 30 September 2017

(All amounts in RMB millions unless otherwise stated)

	For the nine months ended 30 September 2017 Group	For the nine months ended 30 September 2016 Group	For the nine months ended 30 September 2017 Company	For the nine months ended 30 September 2016 Company
Cash received from sales of fixed assets, intangible assets and other long-term assets	4	3	4	1
Cash received from financial assets purchased under agreements to resell	<u>223,217</u>	<u>46,249</u>	<u>199,021</u>	<u>46,057</u>
Sub-total of cash inflows from investing activities	<u>449,450</u>	<u>232,305</u>	<u>424,948</u>	<u>230,565</u>
Cash paid for investment	(203,227)	(201,788)	(202,441)	(200,531)
Net increase in policy loans	(2,018)	(2,464)	(2,018)	(2,464)
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	(1,855)	(1,244)	(1,811)	(662)
Cash paid for financial assets purchased under agreements to resell	(229,291)	(46,490)	(204,938)	(46,300)
Net cash generated from the disposal of subsidiary	-	(855)	-	-
Cash paid from other investing activities	<u>-</u>	<u>-</u>	<u>(430)</u>	<u>(384)</u>
Sub-total of cash outflows from investing activities	<u>(436,391)</u>	<u>(252,841)</u>	<u>(411,638)</u>	<u>(250,341)</u>
Net cash flows from investing activities	<u>13,059</u>	<u>(20,536)</u>	<u>13,310</u>	<u>(19,776)</u>
3. Cash flows from financing activities				
Cash received from financial assets sold under agreements to repurchase	<u>5,725,542</u>	<u>3,161,251</u>	<u>5,725,542</u>	<u>3,161,251</u>

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Cash Flows (unaudited) (continued)

For the nine months ended 30 September 2017

(All amounts in RMB millions unless otherwise stated)

	For the nine months ended 30 September 2017 Group	For the nine months ended 30 September 2016 Group	For the nine months ended 30 September 2017 Company	For the nine months ended 30 September 2016 Company
Sub-total of cash inflows from financing activities	<u>5,725,542</u>	<u>3,161,251</u>	<u>5,725,542</u>	<u>3,161,251</u>
Cash paid for dividends and interests	(1,958)	(1,590)	(1,958)	(1,590)
Cash paid from financial assets sold under agreements to repurchase	(5,733,385)	(3,146,325)	(5,733,385)	(3,146,325)
Cash paid for borrowings	<u>(10,000)</u>	<u>(5,000)</u>	<u>(10,000)</u>	<u>(5,000)</u>
Sub-total of cash outflows from financing activities	<u>(5,745,343)</u>	<u>(3,152,915)</u>	<u>(5,745,343)</u>	<u>(3,152,915)</u>
Net cash flows from financing activities	<u>(19,801)</u>	<u>8,336</u>	<u>(19,801)</u>	<u>8,336</u>
4. Effect of foreign exchange rate changes	<u>(148)</u>	<u>153</u>	<u>(156)</u>	<u>150</u>
5. Net increase/(decrease) in cash and cash equivalents	(2,556)	(2,228)	(1,660)	(1,658)
Add: Opening balance of cash and cash equivalents	<u>14,230</u>	<u>13,904</u>	<u>12,732</u>	<u>12,432</u>
6. Closing balance of cash and cash equivalents	<u><u>11,674</u></u>	<u><u>11,676</u></u>	<u><u>11,072</u></u>	<u><u>10,774</u></u>

WAN Feng
Chairman

YANG Zheng
Chief Financial Officer

GONG Xingfeng
Chief Actuary

ZHANG Tao
Head of Accounting Department