

Consolidated Statement of Income

For the year ended 31 December 2017

(in RMB million)	Notes	2017	2016
Gross written premiums	7	605,035	469,555
Less: Premiums ceded to reinsurers		(17,420)	(17,827)
Net written premiums	7	587,615	451,728
Change in unearned premium reserves		(14,625)	(10,108)
Net earned premiums		572,990	441,620
Reinsurance commission revenue		6,728	6,353
Interest revenue from banking operations	8	147,386	131,075
Fees and commission revenue from non-insurance operations	9	44,407	39,859
Investment income	10	152,101	115,053
Share of profits and losses of associates and jointly controlled entities		7,145	(1,370)
Other revenues and other gains	11	43,813	41,898
Total revenue		974,570	774,488
Gross claims and policyholders' benefits	12	(436,658)	(334,500)
Less: Reinsurers' share and policyholders' benefits	12	9,415	9,686
Claims and policyholders' benefits		(427,243)	(324,814)
Commission expenses on insurance operations		(114,587)	(78,754)
Interest expenses on banking operations	8	(72,501)	(52,937)
Fees and commission expenses on non-insurance operations	9	(6,599)	(4,392)
Loan loss provisions, net of reversals	13, 23	(40,814)	(45,491)
Foreign exchange (losses)/gains		(128)	1,401
General and administrative expenses		(145,126)	(141,007)
Finance costs		(11,167)	(12,144)
Other expenses		(21,665)	(21,939)
Total expenses		(839,830)	(680,077)
Profit before tax	13	134,740	94,411
Income tax	14	(34,762)	(22,043)
Profit for the year		99,978	72,368
Attributable to:			
- Owners of the parent		89,088	62,394
- Non-controlling interests		10,890	9,974
		99,978	72,368
Earnings per share attributable to ordinary equity holders of the parent:		RMB	RMB
- Basic	17	4.99	3.50
- Diluted	17	4.99	3.49

Consolidated Statement of Financial Position

As at 31 December 2017

(in RMB million)	Notes	31 December 2017	31 December 2016
Assets			
Cash and amounts due from banks and other financial institutions	18	483,891	561,143
Balances with the Central Bank and statutory deposits	19	318,236	318,860
Fixed maturity investments	20	2,559,137	2,156,291
Equity investments	21	630,676	426,908
Derivative financial assets	22	16,192	8,836
Loans and advances to customers	23	1,660,864	1,458,291
Premium receivables	24	45,694	35,325
Accounts receivable	25	71,923	22,353
Reinsurers' share of insurance liabilities	26	15,633	15,269
Finance lease receivable	27	112,028	78,056
Policyholder account assets in respect of insurance contracts	28	38,775	39,706
Policyholder account assets in respect of investment contracts	28	4,109	4,084
Investments in associates and jointly controlled entities	29	86,207	48,955
Investment properties	30	40,108	36,568
Property and equipment	31	47,067	40,143
Intangible assets	32	60,981	63,017
Deferred tax assets	43	40,141	28,292
Other assets	33	261,413	234,806
Total assets		6,493,075	5,576,903
Equity and liabilities			
Equity			
Share capital	34	18,280	18,280
Reserves	35	217,881	188,910
Retained profits	35	237,190	176,259
Equity attributable to owners of the parent		473,351	383,449
Non-controlling interests	35	114,566	103,012
Total equity		587,917	486,461
Liabilities			
Due to banks and other financial institutions	37	780,530	584,794
Other financial liabilities held for trading		14,060	25,883
Assets sold under agreements to repurchase	38	133,981	89,166
Derivative financial liabilities	22	17,950	8,715
Customer deposits and payables to brokerage customers	39	1,952,695	1,894,377
Accounts payable		5,468	8,565
Income tax payable		28,775	22,003
Insurance payables		114,108	113,387
Insurance contract liabilities	40	1,932,969	1,625,473
Investment contract liabilities for policyholders	41	50,309	44,930
Policyholder dividend payable		45,622	39,216
Bonds payable	42	451,283	349,825
Deferred tax liabilities	43	25,891	11,274
Other liabilities	44	351,517	272,834
Total liabilities		5,905,158	5,090,442
Total equity and liabilities		6,493,075	5,576,903

The financial statements on pages 154 to 292 were approved and authorized for issue by the Board of Directors on 20 March 2018 and were signed on its behalf.

MA Mingzhe
Director

SUN Jianyi
Director

YAO Jason Bo
Director

Consolidated Statement of Cash Flows

For the year ended 31 December 2017

(in RMB million)	Notes	2017	2016
Net cash flows from operating activities	50	121,283	227,821
Cash flows from investing activities			
Purchases of investment properties, property and equipment, and intangible assets		(19,257)	(16,624)
Proceeds from disposal of investment properties, property and equipment, and intangible assets		571	376
Proceeds from disposal of investments		1,960,127	2,827,962
Purchases of investments		(2,471,001)	(3,243,364)
Term deposits withdrawn/(placed), net		35,873	(23,139)
Acquisition of non-controlling interests in subsidiaries		(6,675)	(5,203)
Acquisition and disposal of subsidiaries, net		(1,080)	(12,558)
Interest received		124,094	116,966
Dividends received		37,980	35,917
Rentals received		2,757	1,615
Others		(18,156)	(12,564)
Net cash flows used in investing activities		(354,767)	(330,616)
Cash flows from financing activities			
Capital injected into subsidiaries by non-controlling interests		5,595	14,153
Proceeds from bonds issued		953,639	762,547
Increase/(Decrease) in assets sold under agreements to repurchase of insurance operations, net		51,615	(40,926)
Proceeds from borrowed funds		348,046	267,828
Repayment of borrowed funds		(1,147,255)	(853,733)
Interest paid		(16,109)	(13,284)
Dividends paid		(21,278)	(11,694)
Others		4,335	8,113
Net cash flows from financing activities		178,588	133,004
(Decrease)/Increase in cash and cash equivalents		(54,896)	30,209
Net foreign exchange differences		(3,992)	4,018
Cash and cash equivalents at beginning of the year		367,552	333,325
Cash and cash equivalents at end of the year	49	308,664	367,552