



PACIFIC CENTURY INSURANCE HOLDINGS LIMITED

(盈科保險集團有限公司)*

(An investment holding company incorporated in Bermuda with limited liability)

(Stock Code: 65)

**ACQUISITION OF 1063 KING'S ROAD
VERY SUBSTANTIAL ACQUISITION**

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR NINE MONTHS ENDED 30 SEPTEMBER 2006**

The Board announces that the Circular is expected to be despatched on 19 January 2007, and is pleased to present the unaudited condensed consolidated cash flow statement of the Group for the nine months ended 30 September 2006 together with 2005 comparative figures (being the cash flow statement upon which the pro forma consolidated cash flow statement to be set out in the Circular is based).

References are made to the announcements made by the Company dated 13 December 2006 and 3 January 2007 in relation to the acquisition of the entire issued share capital of HKL (King's Road) and related shareholder's loans to HKL (King's Road) and Foundasia by the Purchaser, an indirect wholly owned subsidiary of the Company (the "Announcements"). HKL (King's Road), through Foundasia, owns the Property. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context herein requires otherwise.

The Board announces that the Circular is expected to be despatched on 19 January 2007. The Board is also pleased to present the unaudited condensed consolidated cash flow statement of the Group for the nine months ended 30 September 2006 together with comparative figures for the corresponding period in 2005 (being the cash flow statement upon which the pro forma consolidated cash flow statement to be set out in the Circular is based) as follows:

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the nine months ended 30 September	
	2006	2005
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
NET CASH INFLOW FROM OPERATING ACTIVITIES	774,906	244,121
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(22,008)	(17,725)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	<u>(96,695)</u>	<u>(12,668)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	656,203	213,728
Cash and cash equivalents as at beginning of period	<u>1,393,931</u>	<u>1,299,466</u>
CASH AND CASH EQUIVALENTS AS AT END OF PERIOD	<u><u>2,050,134</u></u>	<u><u>1,513,194</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	451,515	1,050,701
Non-pledged time deposits with original maturity of less than three months when acquired	1,561,037	424,512
Cash and short term deposits attributable to a discontinued operation	<u>37,582</u>	<u>37,981</u>
	<u><u>2,050,134</u></u>	<u><u>1,513,194</u></u>

By Order of the Board
Pacific Century Insurance Holdings Limited
Cheng Wan Seung, Ella
Company Secretary

Hong Kong, 16 January 2007

** for identification purpose only*

As at the date of this announcement, the executive directors of the Company are Messrs Yuen Tin Fan, Francis, Chan Ping Kan, Raymond and, So Wing Hung, Peter; the non-executive directors of the Company are Messrs Peter Anthony Allen, Chung Cho Yee, Mico, Feng Xiaozeng and Zheng Changyong; and the independent non-executive directors of the Company are Prof. Chang Hsin Kang, Mr. Timothy George Freshwater, Mr. Wang Xianzhang and Prof. Wong Yue Chim, Richard.

Please also refer to the published version of this announcement in The Standard.