

(2823.tw)

IR Announcement

China Life Reports 1Q 2014 Financial Results Asset size amounted to over NT\$1 trillion

China Life Insurance Co., Ltd. (China Life) reports unaudited financial results for the first quarter in 2014. First year premium (FYP) for the first three months was NT\$ 28.77 billion, total premium was \$ 42.48 billion. Year-to-date net profit after tax was NT\$ 1.56 billion, with Basic EPS after tax \$ 0.57, and the basic EPS excluding the impact of FX reserve was \$ 0.69. Total assets amounted to NT\$1.0048 trillion. In addition, China Life's equity investment in Mainland China, CCB Life, received Fujian province branch setup approval today.

China Life rapidly grew its assets size in the past 10 years, from NT\$115.7 billion in the end of 2002 to over \$1 trillion as of March 2014, demonstrating an outstanding 768% growth, which secures its top 5 market position in Taiwan life insurance industry. Under the Company's continuous focus on regular-paid products selling, not only FYP of \$28.77 billion in the first quarter 2014 enjoyed a strong growth of 66%, but also FYP on regular-paid products in bancassurance channel was nearly fivefold; in addition, sales contribution of regular-paid, non-participating NTD denominated products in agency force was also doubled. Overall, the Company demonstrated strong sales results, which would significantly contribute to the growth of the embedded value (EV). On the other hand, new business strain on a sturdy regular-paid products selling also squeezed profits; however China Life delivered \$1.56 billion net profit after tax.

CCB Life generated RMB\$ 9.96 billion premium income in the first quarter of 2014, representing a 340% YoY growth; the result was almost equivalent to 90% of CCB Life's full year premium income in 2013. In the first two months of 2014, CCB Life ascended its market share ranking to #9, from #17 in the end of 2013. The asset size in CCB Life was RMB\$36.73 billion (approximately to NT\$180 billion), increased by 95% YoY. In 2014, CCB Life will continue its expansion plan and applies for another 3~5 new provincial branches. The Company received Fujian province branch setup approval today on top of its existing 12 provincial branches in operation.