

## Historical Information

Provided by: CHINA LIFE INSURANCE COMPANY, LTD.

SEQ_NO	4	Date of announcement	2014/12/25	Time of announcement	18:36:01
Subject	The Company announced to change the accounting policy starting from January 1, 2014.				
Date of events	2014/12/25	To which item it meets	paragraph 9		

1.Date of the board of directors resolution:2014/12/25  
2.The nature of the change:Change in accounting policy from 2014/01/01.  
3.Reason for the change:The Company announced to change the accounting policy regarding subsequent measurement of investment properties from cost model to fair value model.  
4.The prior periods affected by retrospective application of the new accounting policy:2014/01/01  
5.The line items affected and the actual effect for the immediately preceding financial year:  
(1) The affected items of 2013/01/01 Balance sheet (NT\$): Total assets increased 8,333 million, Participating dividend reserve increased 612 million, Deferred tax liabilities increased 636 million and Total equity increased 7,085 million.  
(2) The affected items of 2013/12/31 Balance sheet (NT\$): Total assets increased 9,822 million, Participating dividend reserve increased 801 million, Deferred tax liabilities increased 626 million and Total equity increased 8,395 million.  
(3) The affected items of Statement of comprehensive income 2013 (NT\$): Gains on investment property increased 1,325 million, Net change in insurance liability increased 188 million, Operating expenses decreased 135 million, Income tax expense decreased 3 million, Net profit increased 1,275 million, Other comprehensive income increased 35 million and Total comprehensive profit increased 1,310 million.  
The Company has followed the FSC's requirement to conduct a fair value assessment of its 2013 liability reserve, and it has confirmed the sufficiency of its reserve and doesn't need to make additional liability reserve.  
6.The actual effect on the opening balance of retained earnings for the immediately preceding financial year:NT\$7,085 million increased in the opening balance of retained earnings for 2013.  
7.The reasonableness and necessity for the change in accounting policy or accounting estimate after the beginning of the financial year:  
Taiwan FSC amended Regulations Governing Preparation of Financial and Operational Reports by Insurance Enterprises on January 10th, 2014. The Company changed the accounting policy regarding subsequent measurement of investment properties from cost model to fair value model. The new policy is retroactively applied to January 1, 2014. Adopting the fair value method can improve the relevance, reliability and transparency of financial statements and continue to lead Taiwan toward consistency with international practices.  
The stronger reported book value will also provide a buffer to market volatility.  
8.If retrospective application is impracticable, specify the reasons, how and from when the accounting policy change be applied:NA  
9.If retrospective application is impracticable, CPA provides the opinion about the impact of the audit opinion for the financial year preceding the accounting change:NA  
10.About the reasonableness of the item 2 to 9, the itemized analysis and reviewed opinion from CPA:The CPA had reviewed in accordance with Article 6 of the Regulations Governing Preparation of Financial and Operational Reports by Insurance Enterprises and issued an opinion on the Company changes in accounting policy that the abovementioned items 2 to 9 are fair and reasonable.  
11.Objection or reservation opinion from the independent directors:NA  
12.Countermeasures:The Company elected to subsequently measure investment

Statement

properties at fair value from January 1, 2014 in accordance with "Regulations Governing Preparation of Financial and Operational Reports by Insurance Enterprises". This accounting policy change approved by the Company's Board on December 25, 2014.

13. Any other matters that need to be specified: NA