

(2823.tw)

IR Announcement

China Life Reports 2014 Financial Results

Posted a Historic High Net Profit of NT\$6.51billion

China Life Insurance Co., Ltd. (China Life) today reported unaudited financial results for year 2014. First year premium (FYP) in 2014 was NT\$ 83.89 billion, total premium was NT\$ 154.45 billion, and net profit after tax was NT\$ 6.51 billion, with the Basic EPS after tax of \$ 2.15, and the basic EPS excluding the FX reserve impact of NT\$ 2.83. The Company booked NT\$2.49 billion to the FX reserve pool in 2014, and the accumulated FX reserve balance was NT\$5.26 billion; total assets amounted to NT\$ 1.1072 trillion. China Life adopted fair value method for investment property evaluation since 2014, posted an impact of NT\$9.01 billion to the net worth. The Company's Shareholders' Equity was NT\$74.3 billion, and book value per share was \$24.5

In 2014, China Life recorded a historic high net profit of NT\$6.51 billion, an addition to the Company's new milestone of over NT\$1 trillion asset size, achieving overall business scale enlargement and a sustainable profit growth. Regular-paid products remained China Life's main product shaft, increasingly contributing to the new business, and regular-paid FYP from bancassurance grew by 45% in 2014, which would be a bolster to the Company's embedded value growth. With the demographic change of declining birthrate and ageing population, China Life continues its diversified product lines with various focuses on health, medical, long-term care, dread diseases, and retirement, to fulfill policyholders' protection requirements of different life stage.

China Life's equity investment in Mainland China, CCB Life, generated RMB\$ 17.86 billion premium income in the year of 2014, representing a 60% growth. The unaudited net profit for 2014 was RMB\$ 170 million, increased by 69% YoY; assets size scaled to RMB\$ 40.59 billion. CCB Life continues its expansion plan with a total of 15 provincial branches and 87 sub-branches and offices, utilizing CCB's 6,000 bancassurance network. In addition, CCB Life worked with CCB to establish a VTM (Vision TV Machine) system at bank branches, which helps promoting direct communications between life product managers and bank clients via the Pad, effectively save acquisition costs and enhance sales efficiency. CCB Life had solid kick-off sales (Kai Men Hong) in the beginning of 2015, contributing a premium income of RMB\$8.2 billion in the first two weeks of January.