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IR Announcement

China Life Reports 1H 2012 Unaudited Financial Results

China Life reported the unaudited financial results for the first half year in 2012. First year premium (FYP) in the first six months was NT\$34.8 billion, total premium was NT\$61.9 billion. Year-to-date net profit after tax was NT\$2.01 billion, with Basic EPS after tax \$0.89. Without the impact of FX reserve mechanism, the Basic EPS after tax for the first half year in 2012 should be NT\$ 0.97. As of June 2012, total FX reserve accumulation was NT\$ 1.95 billion, increased by NT\$ 0.2 billion, from NT\$ 1.75 billion in March 2012.

China Life shaped its product strategy toward more long-term regular paid products from 4Q 11, and the strategy continues on both regular traditional and regular investment-linked products. FYP on regular paid traditional products demonstrated a 126% YoY growth. Regular paid products also contributed to 80% of FYP sales on agency channel, which represented a 52% increase from same period last year. When the market targeted at short duration single premium endowment products, China Life maintains its principle to focus on enhancing the Embedded Value (EV), not to participate in price competition.

Moreover, China Life's equity investment in Mainland China, CCB Life, is endeavoring to accelerate business growth and expedite branch expansion. The Company's total premium for the first five months in 2012 was RMB\$2.3 billion, representing a 683% YoY growth; its market share ranking also notably increased from #34 in end of 2011 to #19 in May 2012. CCB Life completed a capital injection in July 2012, to increase its paid-in capital to RMB\$ 4.5 billion, with shareholders' equity increased to over RMB\$7.0 billion, and the proceeds received will be used to support the strong business growth of CCB Life. After the introduction of the new shareholder National Council for Social Security Fund (SSF, 14.3%) to CCB Life, China Life remains the second largest shareholder (19.9%) of CCB Life