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## IR Announcement

# China Life Reports 1H 2014 Financial Results

China Life Insurance Co., Ltd. (China Life) today reported an unaudited financial result for the first six months in 2014. First year premium (FYP) in 1H14 was NT\$ 47.8 billion, total premium was NT\$ 77.3 billion; net profit after tax for the 2Q14 was NT\$ 0.92 billion, up by 43% YoY. Year-to-date net profit after tax was NT\$ 2.47 billion, with Basic EPS after tax NT\$ 0.9, and the basic EPS excluding the impact of FX reserve was NT\$ 0.89. As of June 2014, balance of FX reserve was NT\$2.73 billion, and total assets amounted to NT\$ 1.02 trillion.

Under the Company's continuous focus on regular-paid products selling, FYP of \$47.8 billion in 1H14 was up by 45%, superior to the industry average growth of 16%. FYP on regular-paid products grew by 40% YoY, and regular-paid sales in bancassurance channel were 2.5 folds. Overall, the Company demonstrated strong sales results, which would significantly contribute to the growth of the EV.

China Life carries on providing well-rounded medical, long-term care, and retirement plans to respond to the demographic trend of aging population, via a variety of products offering, such as coverage for hospitalization, operations, cancer, specified disease, etc. In addition, through promoting multi-currency and regular-paid ILP products, the Company endeavors to thoroughly help policyholders prepare for after-retirement life.

CCB Life generated RMB\$ 11.9 billion (approx. NT\$57.4 bn) premium income in the first six months of 2014, representing a 185% YoY growth, exceeding CCB Life's full year premium income in 2013. Unaudited net profit for the 1H14 was RMB\$ 96 million (approx. NT\$ 460 mn), up by 50% YoY, representing 94% of 2013 net profit of RMB\$101.5 million. Asset size was RMB\$39.47 billion (approx. NT\$190.2 bn). CCB Life continues its expansion plan on top of its 13 provincial branches, with 74 offices in operation, and aggressively develops e-Commerce channel; not only 12% of July's new business came from online insurance purchase, but also Year-to-July FYP from online channel of RMB\$140 million was 2.8 times of full year's online sales target. The newly developed online insurance channel proves to expedite business expansion and promote sales momentum.