

(2823.tw)

IR Announcement

China Life Reports Embedded Value for 2012

China Life Insurance Co., Ltd. (China Life) today announced the result of embedded value as of the end of 2012. Embedded Value (EV) was NT\$ 94.8 billion, compared with the EV in 2011 of NT\$ 79.6 billion, representing a 19.2% growth. Based on the 2,388 million outstanding common shares, EV per share was NT\$ 39.71. PricewaterhouseCoopers Asia Actuarial Services provides an independent review of the Company's actuarial assumptions on EV.

China Life remained all major assumptions unchanged from last year: investment yield of 3.75% ~ 5.15% for traditional policies and 2.75% ~ 4.5% for interest sensitive policies; Rate of discount rate of 10.5%, and K factor of 0.5 for RBC calculation. Adjusted net worth of NT\$54.3 billion excluded the impact of asset reclassification by netting of the unrealized gain of \$21.2 billion. In 2012, the value of new business (V1NB) was NT\$ 12.3 billion, increased from NT\$ 1.14 billion with an 8.2% growth over 2011.

China Life has demonstrated strong results in 1Q 2013. First year premium (FYP) for the first quarter was NT\$ 17.32 billion, total premium of \$ 31.71 billion. Year-to-date net profit after tax was NT\$ 2.08 billion, with Basic EPS \$ 0.87, and was \$1.24 if excluding the impact of FX reserve. China Life remains the only large life insurance company to continuously deliver the RBC ratio above 300%.

China Life's equity investment in Mainland China, CCB Life, announced that the Executive Vice President of CCB, Mr. Gengsheng Zhang, has concurrently taken a position as the Chairman of CCB Life from May, and we believe Mr. Zhang's new post will enhance a comprehensive and effective strategic support from CCB to CCB Life. Currently CCB Life has expanded to 10 provincial branches, with superior solvency ratio far exceeded regulatory requirement of 100%, demonstrating a firm capability in progressing branch expansion and business development. CCB Life was ranked # 16 in the first two months of 2013 in terms of total premium income.