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## IR Announcement

# China Life Reports 9M 2013 Financial Results

China Life Insurance Co., Ltd. (China Life) reported an unaudited financial result for the first nine months in 2013. First year premium (FYP) for the third quarter was NT\$ 33.23 billion, compared to NT\$ 16.02 billion in the same period of 2012, representing a 107% YoY growth ; year-to-date first year premium was NT\$ 66.23 billion, total premium was NT\$ 109.41 billion, and net profit after tax was NT\$ 4.20 billion, with Basic EPS after tax \$ 1.54. In the first three quarters of 2013, the Company booked an additional FX reserve of NT\$ 320 million, and excluding the impact of FX reserve, the basic EPS should be NT\$ 1.64.

As a result of the volatile economic changes this year, the FYP for the entire life insurance industry in the first nine months was NT\$770.16 billion, declined by 18.3% YoY. Compared to the market slowdown, China Life demonstrated a 30.2% FYP growth YoY; among which, regular-paid traditional life products increased by 46%, and the FYP in September 2013 was ranked No. 3 in the industry. In accordance with the fast-paced growth of FYP in the third quarter, new business strain was massively increased; nevertheless, China Life maneuvered to deliver outstanding net profit after tax of NT\$ 4.20 billion.

Considering the aging population trend, and the increasing demands for retirement and medical care, China Life will carry on offering policies with a variety of currency choices, to reinforce whole-life & medical protection elements, as well as endowments and interest sensitive annuities, in order to provide policyholders with well-rounded asset allocation plans. At the same time, we increased regular-paid product contribution at bancassurance channel to enhance embedded value, and the sales in agency force increased by 3.2% YoY, superior to 14.4% decline at the overall agency channel in the industry.

China Life's equity investment in Mainland China, CCB Life, generated RMB\$ 7.92 billion premium income in the first three quarters of 2013, representing a 78.2% growth. Responding to the demands on business growth, after setting up the back-office support center in Chengdu, CCB Life continued to establish another support center in Shanghai, to provide customers expeditious and expedient services. The unaudited net profit for CCB Life in the first three quarters of 2013 was RMB\$ 92.6 million, already surpassed the full year net profit in 2012 of RMB\$ 49.6 million, with assets size scaled to RMB\$ 24.4 billion, which is approximately NT\$120 billion.