

Fact Sheet (Updated as of June 30, 2018)

Overview

China Life Insurance Company Ltd. (“China Life” or “the Company”) is a leading life insurance company in China, with its headquarters located in Beijing. China Life is a core member of China Life Insurance (Group) Company, which is one of the Fortune Global 500 companies and one of the World’s Top 500 Brands. China Life is a well-regarded insurer with a long history, solid financial strength, a strong competitive edge and a well-known brand name. The Company has been a leading player in the life insurance market in China since its establishment. The precursor of the Company, which was established in 1949, was the only insurance company approved by the Chinese Central Government at that time. In 2003, China Life Insurance Company was successfully restructured into China Life Insurance (Group) Company, and in the same year, China Life Insurance (Group) Company exclusively established China Life Insurance Company Ltd. China Life was successfully listed on the New York Stock Exchange and Hong Kong Stock Exchange on December 17 and 18, 2003 respectively, the world’s largest IPO that year. On January 9, 2007, China Life was listed on the Shanghai Stock Exchange and became the first Chinese insurance company to be triple-listed in the three markets. The Company’s registered capital is RMB 28,264,705,000.

Diversified product range and services

China Life is a leading provider of individual and group life insurance, annuity, and accident and health insurance in China. With a controlling stake in China Life Pension Company Ltd. and significant stake in China Life Property and Casualty Insurance Company Ltd., the Company has expanded into other insurance-related areas.

The broadest distribution and service network

China Life possesses the most extensive distribution and service network among all insurers in China. Its network comprises dedicated individual agents, direct-sales representatives, sales representatives in the bancassurance channel and dedicated and non-dedicated agencies.

Extensive nationwide distribution network across urban and rural areas

- 1,441,000 exclusive individual agents
- Over 97,000 direct sales representatives
- 302,000 sales representatives in the bancassurance channel

Unparalleled customer service network

- A sound institutional and services network with business outlets and services counters covering both urban and rural areas
- Dedicated customer service representatives
- 24/7 “95519” customer service hotline

Extensive customer base

China Life has an extensive customer base, which has made its brand one of China’s best known. As of June 30, 2018, the Company had approximately 275 million long-term individual and group life insurance policies, annuity contracts and long-term health insurance policies in force. It also provides both individual and group accident and short-term health insurance policies and services.

One of the largest institutional investors in China

China Life is one of the largest domestic institutional investors in China. Through its controlling stake in China Life Asset Management Company Ltd., the Company has become one of the largest insurance asset management institutions in China. The Company continuously optimizes its investment portfolio and adjusts its investment structure for better investment returns. As of June 30, 2018, China Life’s investment assets amounted to RMB 2.70 trillion, an increase of 4.6% from the end of 2017.

Credit Rating

As of June 30, 2018, China Life was assigned an ‘A1’ IFS rating with a “stable” outlook from Moody’s; ‘A+’ IFS rating with a “stable” outlook from Fitch Ratings; and ‘A+’ long-term insurer financial strength and counterparty credit ratings with a “negative” outlook from Standard & Poor’s.

Increasing Brand Value and Impact

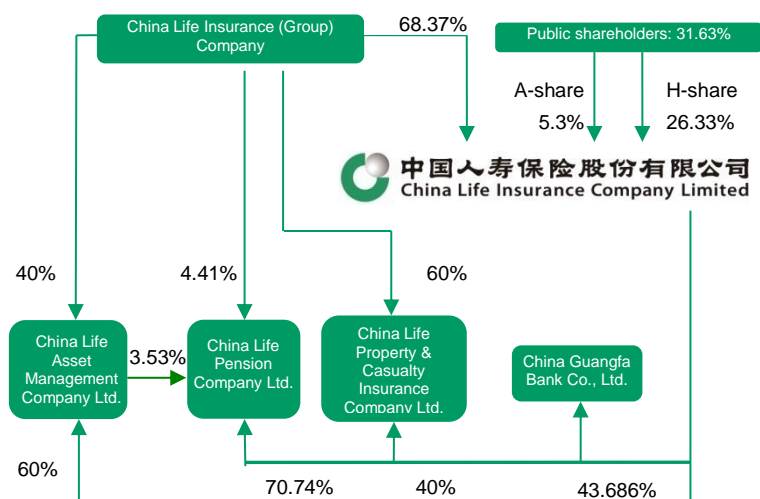
China Life has been included in the “Forbes Global 2000” list for 15 consecutive years, ranking 35th in 2018. China Life Insurance (Group) Company, with its core member China Life Insurance Co., Ltd., has also been included in the “Fortune Global 500” list for 16 consecutive years, ranking the 42nd in 2018. The China Life brand ranked fifth in the list of “China’s Top 500 Most Valuable Brands” in 2018, with its brand value amounting to RMB 325.37 billion, helping it to sustain its leading position in the insurance industry. In addition, the Company won the “Ark Prize for High Quality Development Insurance Company in 2018” at the “Ark Prize for China Insurance Industry” organized by Securities Times.

Fact Sheet (Updated as of June 30, 2018)

Vision

With a commitment to aligning its business strategies with the current position of the Company, keeping abreast of development trends within the industry and fully capitalizing on its unique strengths, China Life strives to maintain its leading position in China's life insurance industry, and forge ahead with its transformation into a world-class life insurance company.

Company Structure



Note: China Life Pension Company Ltd. is 70.74% owned by China Life Insurance Company Ltd., 4.41% owned by China Life Insurance (Group) Company, and 3.53% owned by China Life Asset Management Company Ltd.

Business Development Overview

In the second half of 2018, the Company will stick to the general keynote of making progress while maintaining stability, maintain strategic consistency and tactical flexibility, and make efforts to enhance business value and achieve better operating results, so as to make progress on high-quality development.

- Enhance our business capability in creating value. With new business value growth as guidance, we shall implement the strategy of diversified products, accelerate the growth of protection-oriented business, actively expand the "Integrated Aged Care and Inclusive Healthcare Services" so as to satisfy the needs for health and elderly-care protection of general consumers.
- Enhance our sales force capability in creating value. We shall put more efforts in the transformation of sales model, strengthen the sales force, reinforce the day-to-day management, further enhance the integration between sales, education and training, and strive to improve the quality of sales force, with an aim to increase its productivity and income level.
- Enhance our investment capability in creating value. We shall strike a balance between the long-term strategic allocation and the short-term objective of investment income. Based on the characteristics of liabilities and with reference to risk preference, we shall take advantage of market cycles to optimize allocations, and strengthen the capability of investment for maintaining the stability of investment income level in long run.
- Enhance our technological capability in creating value. By capitalizing on our digital platform, we shall strive to create the "Internet +" ecological system that is fully integrated with external related industries to achieve a win-win situation, and fully optimize the digital system of customer services to provide a powerful platform, resources and support for sales agents and offer a whole-length, all-channel, full-value digital journey for customers.
- Enhance our risk control capability in creating value. In order to adapt to the new regulatory regime, we shall consistently strengthen the internal control system, put more efforts in enhancing our risk control capability and standards, and integrate compliance requirements into the entire process of business management.

Overview of major business performance

(Under IFRS)

| Table 1 (RMB, Million) | June 30, 2018 | June 30, 2017 | Change |
|---|---------------|---------------|--------------------|
| Total revenues | 401,690 | 396,165 | +1.39% |
| Gross Written Premiums | 360,482 | 345,967 | +4.20% |
| Total benefits, claims and expenses | (384,379) | (383,901) | +0.12% |
| Gross Investment Income | 48,801 | 56,663 | (13.88%) |
| Net Profit Attributable to Shareholders | 16,423 | 12,242 | +34.15% |
| Weighted Average ROE | 5.11% | 4.01% | Increase of 1.10pp |

(Table 1) Note: Gross Investment Income = Net investment income + Net realized gains on financial assets + Net fair value gains through profit or loss

| Table 2 (RMB, Million) | June 30, 2018 | December 31, 2017 | Change |
|----------------------------------|---------------|-------------------|--------|
| Total Assets | 3,043,178 | 2,897,591 | +5.02% |
| Investment Assets | 2,709,971 | 2,591,652 | +4.57% |
| Total Liabilities | 2,715,658 | 2,572,281 | +5.57% |
| Total equity holders' equity | 323,008 | 320,933 | +0.65% |
| EV | 769,225 | 734,172 | +4.77% |

Fact Sheet (Updated as of June 30, 2018)

(Table 2) Note: Investment assets = Cash and cash equivalents + Securities at fair value through profit or loss + Available-for-sale securities + Held-to-maturity securities + Term deposits + Securities purchased under agreements to resell + Loans + Statutory deposits-restricted + Investment properties

Investment Portfolio

| Table 3 | June 30, 2018 | December 31, 2017 |
|---|----------------------|--------------------------|
| Fixed-maturity investments | 81.93% | 80.81% |
| Term deposits | 16.58% | 17.34% |
| Bonds | 47.23% | 45.86% |
| Debt-type financial products ² | 11.71% | 11.65% |
| Other fixed-maturity investments ³ | 6.41% | 5.96% |
| Equity investment | 15.38% | 15.80% |
| Common stocks | 6.38% | 6.69% |
| Funds ⁴ | 3.96% | 3.91% |
| Bank wealth management products | 1.38% | 1.56% |
| Other equity investments ⁵ | 3.66% | 3.64% |
| Investment properties | 0.20% | 0.12% |
| Cash and others⁶ | 2.49% | 3.27% |
| Total | 100.00% | 100.00% |

(Table 3) Note:

- Debt-type financial products include debt investment plans, equity investment plans, trust schemes, project asset-backed plans, credit asset-backed securities, specialized asset management plans, and asset management products, etc.
- Other fixed-maturity investments include policy loans, statutory deposits-restricted, bank wealth management products, and interbank certificates of deposits, etc.
- Funds include equity funds, bond funds and money market funds, etc. In particular, the balances of money market funds as at 30 June 2018 and 31 December 2017 were RMB3,887 million and RMB6,942 million, respectively.
- Other equity investments include private equity funds, unlisted equities, preference shares, equity investment plans, and specialized asset management plans, etc.
- Cash and others include cash, cash at banks, short-term bank deposits and securities purchased under agreements to resell.

Stock Performance

The total Market Cap of China Life: USD 90 billion (June 30, 2018)

H Share

H Shares Outstanding 7,441 million (26.33%)
52 Week Price Range
Low: HKD 19.98 (June 28, 2018)
High: HKD 27.70 (November 1, 2017)

H Share - 52 Week Chart



A Share

A Shares Outstanding 20,824 million (73.67%)
52 Week Price Range
Low: RMB 22.19 (June 26, 2018)
High: RMB 34.70 (November 21, 2017)

A Share - 52 Week Chart

