

Fact Sheet (Updated as of December 31, 2017)

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 stakes in China Life Property and Casualty Insurance Company Ltd., the Company has gradually 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

- 1,578,000 exclusive individual agents
- Over 104,000 direct sales representatives
- 339,000 sales representatives in the bancassurance channel

Unparalleled customer service network

- A sound institutional and services network with its 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 December 31, 2017, the Company had approximately 268 million long-term individual and group life insurance policies, annuity contracts and long-term health insurance policies in place. 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 December 31, 2017, China Life’s investment assets amounted to RMB 2.60 trillion, an increase of 5.6% from the end of 2016.

Credit Rating

As of December 31, 2017, 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

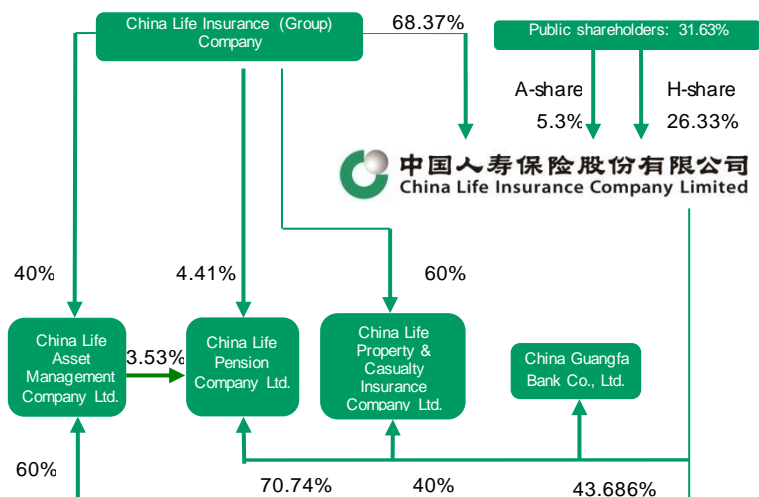
China Life has been included in the “Forbes Global 2000” list for 14 consecutive years, ranking 52nd in 2017. China Life Insurance (Group) Company, with its core member China Life Insurance Co., Ltd., has also been included in the “Fortune 500” list for 15 consecutive years, ranking the 51st in 2017. The China Life brand continued to rank fourth on the list of “China’s 500 Most Valuable Brands” in 2017, with its brand value amounting to RMB 287.156 billion, helping it to sustain its leading position in the insurance industry. In addition, the Company won the “2017 Golden Bee CSR China Honor Roll – Leading Enterprises Award” at the 12th Golden Bee CSR International Forum.

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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 2018, the Company will continue to maintain its strategic focus and tactical flexibility, aiming to implement five initiatives to achieve high-quality development and push forward a "client-oriented, big service-led and digitalized" operational and management system, embark on a new journey of high-quality development.

- First, we will transform and upgrade the sales management model. The Company will enhance the day-to-day management and training of the sales force, further expand the scale of productive agents, and improve sales force quality.
- Second, we will optimize our business structure. Considering the Company's achievements in terms of optimizing premium structure, we will strengthen the innovation of protection-type products and services, and emphasize the growth of protection-oriented and long-term savings insurance businesses to optimize the product structure.
- Third, we will accelerate the development in large- and medium-sized cities. Following the changing demands of customers in these cities, the Company will adopt effective and comprehensive strategies to strengthen the competencies of its branches in those cities.
- Fourth, we will speed up the development of a "Technology-driven China Life". The Company will continuously optimize its business and management process, and apply new technology to facilitate the establishment of "On-line China Life", "Smart China Life" and "Digitalized China Life". It will also integrate internal and external resources to meet customers' whole life-cycle demands and offer holistic family solutions.
- Fifth, we will continue to emphasize risk prevention. The Company will operate in stricter compliance with the law and regulations, optimize the risk control system and management mechanism, strengthen key risk prevention and safeguard against risks.

Overview of major business performance

(Under IFRS)

Table 1 (RMB, Million)	December 31, 2017	December 31, 2016	Change
Total revenues	643,355	540,781	+19.0%
Gross Written Premiums	511,966	430,498	+18.9%
Total benefits, claims and expenses	608,827	522,794	+16.5%
Gross Investment Income	129,021	108,151	+19.3%
Net Profit Attributable to Shareholders	32,253	19,127	+68.6%
Weighted Average ROE	10.49%	6.16%	Increase of 4.33pp

(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)	December 31, 2017	December 31, 2016	Change
Total Assets	2,897,591	2,696,951	+7.4%
Investment Assets	2,591,652	2,453,283	+5.6%
Total Liabilities	2,572,281	2,389,303	+7.7%
Total equity holders' equity	320,933	303,621	+5.7%
EV	734,172	652,057	+12.6%

(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

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Investment Portfolio

Table 3	December 31, 2017	December 31, 2016¹
Fixed-maturity investments	80.81%	78.27%
Term deposits	17.34%	21.94%
Bonds	45.86%	45.63%
Debt-type financial products ²	11.65%	5.38%
Other fixed-maturity investments ³	5.96%	5.32%
Equity investment	15.80%	17.17%
Common stocks	6.69%	5.71%
Funds ⁴	3.91%	4.89%
Bank wealth management products	1.56%	3.34%
Other equity investments ⁵	3.64%	3.23%
Investment properties	0.12%	0.05%
Cash and others⁶	3.27%	4.51%
Total	100.00%	100.00%

(Table 3) Note:

1. The figures as at the end of last year were adjusted on the same basis.
2. Debt-type financial products include debt investment schemes, equity investment plans, trust schemes, project asset-backed plans, credit asset-backed securities, specialized asset management plans, and asset management products, etc.
3. Other fixed-maturity investments include policy loans, statutory deposits-restricted, bank wealth management products, and interbank certificates of deposits, etc.
4. Funds include equity funds, bondfunds and money market funds, etc. In particular, the balances of money market funds as at 31 December 2017 and 31 December 2016 were RMB6,942 million and RMB13,609 million, respectively.
5. Other equity investments include private equity funds, unlisted equities, preference shares, equity investment plans, and specialized asset management plans, etc.
6. 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 120.834 billion (December 31, 2017)

H Share

H Shares Outstanding 7,441 million (26.33%)
52 Week Price Range
Low: HKD 20.60 (January 4, 2017)
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 23.81 (April 20, 2017)
High: RMB 34.70 (November 21, 2017)

A Share - 52 Week Chart

