

[For immediate release]



## CTIH Announces 2010 Annual Results

(21 March 2011, Hong Kong) China Taiping Insurance Holdings Company Limited (“CTIH” or the “Company”; stock code: HK 00966) today announced its results for the year ended 31 December 2010 (the “Year”).

### Key Financial Highlights

**Continued Strong Premium and Consolidated Profit Growth.** Gross premiums written and policy fees increased significantly by 57.2% to HK\$48,759.31 million. The net profit attributable to the owners increased by 1.7 times to HK\$2,244.79 million.

The net profit/(loss) attributable to the owners by each business line for the Year is summarized as follows:

HK\$ million	2010	2009
Life insurance	543.01	579.31
Property and casualty insurance	423.13	53.75
Reinsurance	376.15	404.15
Other businesses	(279.48)	(211.47)
Sale of MAC	1,181.98	-
Net profit attributable to the owners	2,244.79	825.74

### Key Operating Highlights

**Life Insurance Business – Taiping Life Insurance Company Limited (“TPL”).** The life insurance operations of TPL recorded stable growth in premiums, business values and maintained a net profit level which is sustainable into the future. Mr. Lin Fan, the Chairman of CTIH, said: “During the Year, TPL continued to increase the sales products with regular premium features. The higher level of sales of regular premium products and their higher profitability are reflected in the significantly higher embedded value and new business value figures of TPL for 2010.”

**Property and Casualty Insurance Business – PRC Operations Carried Out by Taiping General Insurance Company Limited (“TPI”).** The restructuring of the sales management system of the property and casualty insurance operations at TPI began to take effect and allowed the operation to contribute profits to CTIH in 2010. The improvements in underwriting were due to TPI’s efforts to centralize the underwriting of its motor business, restructure product-line management and re-underwrite its entire portfolio. Chairman Lin said: “The pricing and competitive environment of the PRC property and casualty insurance sector also improved significantly during the Year, as regulatory measures aimed at improving industry fundamentals by the CIRC began taking effect.”

***Property and Casualty Insurance Business – Hong Kong Operations Carried Out by China Taiping Insurance (HK) Company Limited (“CTPI (HK)”)***. CTPI (HK) recorded a significant increase in earnings. The increase in profitability was mainly due to lower expenses from measures aimed at cutting costs and increasing productivity during the Year.

***Reinsurance Business – Taiping Reinsurance Company Limited (“TPRe”)***. The business of TPRe grew rapidly and continued to maintain a solid level of net income. Chairman Lin said: “The strong premium growth was mainly driven by Mainland China, where TPRe’s Beijing Branch was well-positioned to make inroads into the market. In its core Asian markets, such as Hong Kong and Macau, TPRe further consolidated its strong market positions by diversifying its businesses and product lines, which brought greater services to its clients and allowed for further premium growth.”

## **Prospects**

***Life Insurance Business.*** Over the next twelve months, TPL will continue its major strategy of prioritizing the sale of traditional products with regular premium features. TPL intends to grow regular premium sales at rates which are faster than industry averages, in both the bank distribution channel and the individual agency distribution channel. Chairman Lin said: “Despite uncertainties and challenges ahead in both the individual agency and bancassurance distribution channels, TPL will continue to follow its policy of “Do It Taiping’s Way”, which has proven to be successful and sustainable in building up long-term value for the company’s shareholders.”

***Property and Casualty Insurance Business – PRC.*** With industry fundamentals in the PRC property and casualty insurance sector improving and with penetration rates for property and casualty insurance in the PRC still at low levels, TPI is optimistic about its prospects in 2011. Chairman Lin said: “A solid and enhanced operating platform at TPI has been established over the past two years, which will allow TPI to sustain a healthy and optimal growth rate going forward.”

***Property and Casualty Insurance Business – Hong Kong.*** CTPI (HK) expects grow steadily in line with the economic growth of Hong Kong over the next few years, as the mature and competitive landscape in Hong Kong will make rapid gains in market share highly unlikely. In 2011, CTPI (HK) will focus on improving productivity and lowering expenses, while maintaining its market position as one of the top niche insurers in the city.

***Reinsurance Business.*** TPRe will strive to expand its reinsurance business in Mainland China, and believes that its broad experience in many different lines of reinsurance across many different geographies, and its cultural affinities with and understanding of PRC clients will give the reinsurance operations strong competitive advantages in building TPRe’s presence in the country. Chairman Lin said: “The severity and frequency of the catastrophes lately should prompt the hardening of pricing on global reinsurance with catastrophe exposures. TPRe is confident that it will be able to benefit from the price increases and fulfill its objectives for 2011”

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***Company Background:***

CTIH is a member of the group of companies under China Taiping Insurance Group Co., which is a large scale, Chinese insurance enterprise incorporated in the People's Republic of China ("PRC"). Through its subsidiaries, CTIH is principally engaged in the business of underwriting direct life insurance business in the PRC, property and casualty insurance businesses in the PRC and Hong Kong, and also all classes of global reinsurance business. CTIH also carries on asset management, insurance intermediary and pension businesses and, to support its insurance activities, holds money market, fixed income, equity and property investments.

For more information, please contact:

**China Taiping Insurance Holdings Company Limited**

Ms. Cynthia Choi

Tel: (852) 3602 9888

Fax: (852) 2866 2262

Email: [investor\\_relations@ctih.cntaiping.com](mailto:investor_relations@ctih.cntaiping.com)