

[For immediate release]



Placement of Existing Shares and Subscription for New Shares

(5 December, 2006, Hong Kong) China Insurance International Holdings Company Limited (“CIIH”, stock code: 966) announced that China Insurance (Holdings) Company, Limited (“CIHC”), the ultimate holding company of CIIH, through its wholly-owned subsidiary, has placed a total of 75,000,000 existing shares of CIIH at a price of HK\$8.25 per share to independent third parties, through Cazenove Asia Limited, the sole bookrunner and lead manager to the placing. Within 14 days from the placement, CIHC will subscribe for 63,750,000 of new shares issued by CIIH at HK\$8.25 per share. The price represents a discount of approximately 4.84% to the closing share price of HK\$8.67 per share quoted on the Hong Kong Stock Exchange on 4 December, 2006, and a discount of 0.12% to the average closing share price of CIIH of HK\$8.26 per share for the 5 consecutive trading days up to and including 4 December, 2006.

The new shares of 63,750,000 represents 4.75% of the existing share capital and approximately 4.53% of the enlarged share capital of CIIH.

The net proceeds from the new shares issued are estimated to be approximately HK\$515 million. CIIH intends to apply such net proceeds mainly for future expansion of its insurance businesses in the PRC. The issuance of new shares will also broaden its shareholders’ and capital base.

Mr. Feng Xiaozeng, the Chairman of CIIH, commented, “We’re very happy to see that the placing has been successfully completed within a very short period of time and received so many quality demands. We would like to express our gratitude on the continuous support from the investment public.”

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Company Background:

CIIH is a member of the group of companies under China Insurance (Holdings) Company, Limited, which is a state-owned company in the People's Republic of China ("PRC"). CIIH Group is principally engaged in the business of underwriting all classes of global reinsurance and direct life insurance in the PRC. Apart from these lines of business, CIIH also carries on asset management and insurance intermediary businesses and, to support its insurance activities, holds money market, fixed income, equity and property investments. CIIH also holds a 40.025% interest in TPI, which is engaged in the underwriting of property and casualty insurance in the PRC.

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