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## **中國太平保險控股有限公司**

China Taiping Insurance Holdings Company Limited

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 966)**

### **CHANGES IN ACCOUNTING POLICIES**

The board of directors (the “Board”) of China Taiping Insurance Holdings Company Limited (the “Company”) announces that the Company will change the following accounting policies in preparing its consolidated financial statements for the year ended 31 December 2009:

1. Measurement of insurance contract liabilities for the life insurance segment and property and casualty insurance segment;
2. Recognition of premium income of mixed insurance contracts containing insurance and other risks.

The above accounting policies will be changed in accordance with the “Regulation on the Accounting Treatment of Insurance Contracts” (the “Regulation”) issued by the Ministry of Finance (the “MOF”) of the People’s Republic of China (“PRC”), pursuant to which PRC-incorporated insurance companies are required to adopt the Regulation in preparing their 2009 annual reports. Based on preliminary assessments, the accounting policies to be adopted under the Regulation are consistent with accounting principles generally accepted in Hong Kong, which have been adopted by the Company in preparing its financial statements published and to be published in accordance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The above changes in accounting policies will be applied retrospectively and the comparative figures of 2008 will be restated accordingly.

Based on preliminary assessments, it is estimated that the consolidated results of the Company and its subsidiaries for the year ended 31 December 2009 will not be materially affected by the above changes in accounting policies. Detailed financial information in relation to such changes in accounting policies will be disclosed in the Company's 2009 annual report.

## **The Reason for the Changes in Accounting Policies**

The Board notes that key PRC-incorporated insurance companies listed in Hong Kong will be adopting the Regulation in preparing their respective 2009 annual reports pursuant to the requirements of the MOF. As the life insurance and property and casualty insurance operations in the PRC have become the largest part of the consolidated operations of the Company, the Board believes that it is in the best interests of the shareholders of the Company if the major accounting policies adopted by the Company in preparing its published financial statements in respect of the life insurance segment and property and casualty insurance segment are comparable with those of other key market players.

By order of the board of  
**China Taiping Insurance Holdings Company Limited**  
**NG Yu Lam Kenneth**  
*Executive Director & Chief Executive Officer*

Hong Kong, 12 March 2010

*As at the date of this announcement, the Board comprises 11 directors, of which Mr. LIN Fan, Mr. SONG Shuguang, Mr. XIE Yiqun, Mr. PENG Wei, Mr. NG Yu Lam Kenneth, Mr. SHEN Koping Michael and Mr. LAU Siu Mun Sammy are executive directors, Mr. LI Tao is a non-executive director and Dr. WU Jiesi, Mr. CHE Shujian and Mr. LEE Kong Wai Conway are independent non-executive directors.*

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