



Press Release

For Immediate Release

**CHINA LIFE INSURANCE COMPANY LIMITED
ANNOUNCES 2010 INTERIM RESULTS (H SHARE)**

HONG KONG, 25 August 2010 – China Life Insurance Company Limited (SSE: 601628, SEHK: 2628, NYSE: LFC;) today announces the unaudited consolidated results of the Company (China Life Insurance Company Limited and its subsidiaries) for the six months ended 30 June 2010 (the “Reporting Period”) under International Financial Reporting Standards.

Highlights

- During the Reporting Period, the Company’s total revenues reached RMB215,391 million, up 10.0% year-on-year. Net profit attributable to shareholders of the Company was RMB18,034 million, up 7.4% year-on-year and earnings per share (basic and diluted) were RMB0.64.
- As at the end of the Reporting Period, the Company’s total assets reached RMB1,320,354 million, up 7.7% from the end of 2009. The Company’s embedded value was RMB278,440 million.
- As at the end of the Reporting Period, the Company’s investment assets reached RMB1,242,944 million, up 6.0% from the end of 2009. During the Reporting Period, the Company’s gross investment yield was 2.51% (the simple annualized gross investment yield was 5.06%).
- The Company will not declare an interim dividend for the Reporting Period.

Mr. Yang Chao, Chairman of the Board of Directors of China Life, said: “In the first half of 2010, due to the extreme complexity of both the domestic and international economic environment, there were macro-economic control dilemmas on an increasing number of



issues, which led to greater challenges to the development of the insurance industry. With the full implementation of the “No. 2 Interpretation of Accounting Standard for Business Enterprises”, a new structure for the life insurance market in China is emerging. In order to actively respond to market competition, the Company accelerated its structural adjustments, strived to maintain the stable and healthy development of its business and strengthened its leading market position. By greatly improving its infrastructure, the Company made steady progress in the reform of its operation and management system. The Company also kept improving its back-office support capabilities, controlled its operating risks effectively, and transformed its model of development continuously.”

Mr. Wan Feng, President of China Life, said: “During the Reporting Period, the Company’s total revenues reached RMB215,391 million, up 10.0% year-on-year. Net profit attributable to shareholders of the Company was RMB18,034 million, up 7.4% year-on-year and earnings per share (basic and diluted) were RMB0.64. As at the end of the Reporting Period, the Company’s total assets reached RMB1,320,354 million, up 7.7% from the end of 2009. The Company’s embedded value was RMB278,440 million”

Review of the First Half of 2010

The Company closely monitored the development trend of the life insurance market, intensified its efforts in business development and sped up the growth of its regular premiums business. On the basis of maintaining a steady and healthy business development, the Company has achieved remarkable success in its business restructuring. During the Reporting Period, the Company’s net premiums earned reached RMB183,589 million, up 13.3% year-on-year. First year premiums and first-year regular premiums increased by 9.4% and 24.2% compared to the corresponding period in 2009 respectively, and renewal premiums increased by 18.9% compared to the corresponding period in 2009. The percentage of first-year regular premiums in first year premiums increased to 27.82% in the first half of 2010 from 24.50% in the corresponding period in 2009. The percentage of accident insurance premiums in short-term insurance premiums increased to 53.28% in the

first half of 2010 from 50.75% in the corresponding period in 2009. The percentage of renewal premiums in gross written premiums increased to 39.23% in the first half of 2010 from 37.28% in the corresponding period in 2009. New business value increased steadily, with new business value for the 6 months to 30 June 2010 reaching RMB11,548 million, an increase of 10.9% compared with that for the 6 months to 30 June 2009. Underwriting quality of the Company was further enhanced. As at 30 June 2010, the number of in-force policies increased by 7.8% from the end of 2009, and the Policy Persistency Rate (14 months and 26 months) reached 93.83% and 89.76%, respectively. Surrender Rate was 1.3%, a 0.34 percentage point decrease from the corresponding period in 2009.

The Company effectively responded to changes in the capital markets and consistently optimized its investment portfolio. By capturing market opportunities, the Company has increased investment in negotiated deposits, adjusted the structure of its investment in bonds, reduced the proportion of its equity investments, and successfully implemented its debt plan investment, achieving satisfactory investment results. As at the end of the Reporting Period, the Company's investment assets reached RMB1,242,944 million, up 6.0% from the end of 2009. The proportion of debt securities decreased from 49.68% as at the end of 2009 to 48.46%, while the proportion of equity securities decreased from 15.31% to 11.15%. The proportion of term deposits increased from 29.43% as at the end of 2009 to 33.89%. During the Reporting Period, the Company's gross investment yield was 2.51% (the simple annualized gross investment yield was 5.06%).

The Company kept on strengthening the infrastructure of its exclusive individual agent channel and enhancing the professionalism and meticulousness of its operation and management, as a result of which the quality of its sales team has improved continually. The group insurance channel intensified its efforts to expand the business from major projects, resulting in further increase of the Company's market share in short-term insurance business, and the model of development on its policy-oriented business has been widely praised. The bancassurance channel has accomplished significant progress in increasing regular premium business, which resulted in a significant lead over its



competitors in regular premium business and continuous improvement in its team's competitiveness. As at the end of the Reporting Period, the Company had approximately 736,000 exclusive individual agents, and 12,900 direct sales representatives. The number of intermediary bancassurance outlets reached 97,000, with approximately 28,500 client service managers and 14,200 financial advisors.

The Company introduced standards for all customer service personnel and developed the inquiry functions of self-service terminals, in the aim of improving customer services continuously. By optimizing its business management practices and workflows, the Company effectively enhanced the efficiency of its business processing operations. The Company also consistently improved the professional research and development of, and operation supporting systems for information technologies, so as to provide strong back-up support and services guarantee to all sales channels. The Company also actively promoted its telephone and online sales business.

The Company strictly implemented the "Standards for the Operation of Personal Accident and Casualty Insurance Business" issued by the China Insurance Regulatory Commission. The Company also strengthened the insurance agent risk warning system and follow-up visits of clients, and developed the credit assessment system for insurance agents. The Company revised and improved its "Manual for the Implementation of Internal Control", focusing on certain key points, and further implemented the internal control standards, establishing a mechanism whereby all employees undertake to carry out internal control measures. The Company accomplished centralized management of internal audit functions and created an off-site audit control benchmark system for the commencement of off-site control.

Corporate Governance

In the first half of 2010, the Company has strictly complied with all the relevant regulatory requirements and listing rules. In the 2009 AGM, Mr. Anthony Francis Neoh was elected as

an independent non-executive director of the Company to join the third session of the Board of Directors, thus further facilitating the development of the Board of Directors. Meanwhile, independent non-executive director Mr. Sun Shuyi left his position on 30 June 2010 after completing 6 consecutive years of service. The Company expresses its heartfelt gratitude to Mr. Sun Shuyi for his diligence towards his duties and his significant contribution to the Company's development.

Corporate Social Responsibility

The Company donated RMB10 million to the Ministry of Civil Affairs through the China Life Foundation and RMB1 million to the Qinghai Charity Federation for the disaster rescue and post-disaster construction of Yushu. At the same time, the Company announced that it would support Yushu earthquake orphans by undertaking their basic living expenses until they reach the age of 18. The Company donated RMB1 million to Gansu Red Cross Society for the mudslide rescue and post-disaster construction of Zhouqu. The Company donated RMB1 million to “China Women’s Development Foundation – Special Fund for the Health of Chinese Women” to provide for “Screening for Two Gynaecological Cancers” and protection against serious diseases to women living in poor areas. The Company also donated RMB2 million to the China Foundation for Poverty Alleviation for addressing the drinking water and other livelihood problems encountered by the poor families in Yunnan Province and Guizhou Province severely hit by drought. The Company donated over RMB1 million to Jiangxi Province, Fujian Province, Jilin Province and Shanxi Province which suffered from serious flood disasters. The Company continued to promote the “China Life Earthquake-stricken Orphan Support Plan”. Through the scheme under which one-on-one assistance is provided to orphans by China Life volunteers, photography exhibitions on Wenchuan earthquake orphans and the second “China Life Summer Camp-earthquake orphans visiting the Shanghai EXPO”, etc., the Company provided orphans from the Wenchuan earthquake with long-term, continuous physical and spiritual support. Through the China Life Foundation, the Company continued to work on the

“Healthy New Villages” project jointly initiated with the Red Cross Foundation of China.

Outlook

In the second half of 2010, the Company will face various challenges as well as opportunities in its development: China’s macro-economic environment will maintain a positive outlook. The coordination in respect of economic growth driven by consumption, investment and exports is hopefully to be strengthened, as a result of which the basis of the development for the insurance industry will be more stable. With the thorough implementation of the “No. 2 Interpretation of Accounting Standard for Business Enterprises”, the insurance industry will enjoy a healthier market environment for development. With investment channels for insurance companies further expanded, asset allocation will be more diversified. Meanwhile, the perspective for capital markets is unclear, resulting in greater challenge in asset–liability matching and achieving higher investment return.

On the basis of maintaining steady business development, the Company will proactively capture opportunities and strengthen its advantages, so as to achieve a robust and superior development. It will accelerate the development of its regular premium business and expand the scale of its renewal premiums, so as to enhance its sustainable development capabilities. The Company will strive to strengthen its sales force to further consolidate its core competitive edge. It will also establish a professional sales organization and management system to lay down a solid foundation for continuous development. In order to expand the scope for sustainable development, the Company will increase its capabilities for expanding customer resources. It will also strike a good balance between business scale and structure, short term and long term goals, objectives and foundations, as well as business development and risk control. The Company will also strive to enhance its core competitiveness, and create a new outlook for its sustainable development.



To Shareholders

With continuous economic and social development, the life insurance industry in China will continue to grow at a rapid pace and there will be tremendous room for market development, although a lot of uncertainties exist. China Life will focus on serving economic development, social improvement and security of people's livelihood as a whole. Based on solid business development, internal management and team construction, we will make great efforts to achieve sustainable business development by utilizing our own competition advantages. We hereby express our heartfelt gratitude to the continuing support provided by all the Company's shareholders. Taking a long-term perspective, China Life will maintain its commitment to offer long-term, stable return to the society and investors, and continue to display the Company's image as a reliable and responsible corporate citizen for shareholders.



About China Life Insurance Company Limited

China Life Insurance Company Limited is a life insurance company established in Beijing, China on 30 June 2003 according to the Company Law of the People's Republic of China. The Company was successfully listed on the New York Stock Exchange, the Hong Kong Stock Exchange and the Shanghai Stock Exchange on 17 and 18 December 2003, and 9 January 2007, respectively. The Company's registered capital is RMB28,264,705,000.

The Company is the largest life insurance company in China. Our distribution network, comprising exclusive agents, direct sales representatives, and dedicated and non-dedicated agencies, is the most extensive one in China. The Company is one of the largest institutional investors in China, and through its controlling shareholding in China Life Insurance Assets Management Company Limited, the Company is the largest insurance asset management company in China. The Company also has controlling shareholding in China Life Pension Company Limited.

Our products and services include individual life insurance, group life insurance, accident and health insurance. The Company is a leading provider of annuity products and life insurance for both individuals and groups, and a leading provider of accident and health insurance in China. We also provide both individual and group accident and short-term health insurance policies and services. As at June 30, 2010, the Company had nearly 124 million individual and group life policies and annuities, and long-term health insurance policies in force.



Forward-looking statements

Certain statements contained in this press release may be viewed as “forward-looking statements” within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of the Company to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company’s Registration Statement on Form F-1 for its initial public offering (333-110615) and in the Company’s other filings with the Securities and Exchange Commission (“SEC”), including our annual filing with the SEC on Form 20-F. You should not place undue reliance on these forward-looking statements. All information provided in this press release is as of today’s date, unless otherwise stated, and we undertake no duty to update such information.



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