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中國太平洋保險(集團)股份有限公司

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02601)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is made pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The announcement is attached hereof for information purpose only.

By Order of the Board
China Pacific Insurance (Group) Co., Ltd.
KONG Qingwei
Chairman

Shanghai, the PRC, 27 October 2017

As at the date of this announcement, the Executive Director of the Company is Mr. KONG Qingwei; the Non-executive Directors of the Company are Mr. WANG Jian, Mr. WANG Tayu, Mr. KONG Xiangqing, Mr. ZHU Keping, Ms. SUN Xiaoning, Mr. WU Junhao and Mr. CHEN Xuanmin; and the Independent Non-executive Directors of the Company are Mr. BAI Wei, Mr. LEE Ka Sze, Carmelo, Mr. LAM Chi Kuen, Mr. ZHOU Zhonghui and Mr. GAO Shanwen.

Summary of Quarterly Solvency Report

China Pacific Life Insurance Co., Ltd.

Third Quarter of 2017

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I. Basic information

(I) Registered address

South Tower, Bank of Communications Financial Building, 190 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, the PRC

(II) Legal representative

XU Jinghui

(III) Business scope and territories

1. Business scope

Personal insurance denominated in RMB yuan or foreign currencies including life insurance, health insurance, accident insurance, etc.; reinsurance of the above said insurance; statutory life insurance; agency and business relationship with domestic and overseas insurers and organizations, loss adjustment, claims and other business entrusted from overseas insurance organizations; insurance funds investment as prescribed by The Insurance Law and relevant laws and regulation; international insurance activities as approved; other business as approved by the CIRC.

2. Business territories

Beijing, Shanghai, Tianjin, Chongqing, Heilongjiang Province, Jilin Province, Liaoning Province, Hebei Province, Shanxi Province, Shandong Province, Anhui Province, Jiangsu Province, Zhejiang Province, Fujian Province, Jiangxi Province, Guangdong Province, Hainan Province, Guangxi Zhuang Autonomous Region, Hunan province, Hubei Province, Henan Province, Yunnan Province, Guizhou Province, Sichuan Province, Shaanxi Province, Gansu Province, Xinjiang Uygur Autonomous Region, Ningxia Hui Autonomous Region, Inner Mongolia Autonomous Region, Qinghai Province.

(IV) Ownership structure and shareholders :

1. Ownership structure (10k shares or 10k RMB)

Equity category	Shares as at the end of the reporting period	Percentage (%)
Domestic shares held by legal entities	842,000	100
Domestic shares held by natural persons	-	-
Foreign shares	-	-
Others	-	-
Total	842,000	100

2. Top 10 shareholders (10k shares or 10k RMB)

Name of shareholders	Shares held at the end of the reporting period	Percentage of the shareholding (%)
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China Pacific Insurance (Group) Co., Ltd.	827,621.84	98.292
Shenergy Group Co., Ltd.	4,597.90	0.546
Shanghai State-Owned Assets Operation Co., Ltd.	4,576.09	0.544
Shanghai Haiyan Investment Management Company Limited	3,140.45	0.373
Yunnan Hehe (Group) Co., Ltd.	2,063.72	0.245

(V) Controlling shareholder or de facto controller

China Pacific Insurance (Group) Co., Ltd. is the de facto controller, holding 98.292% of the shares of the Company.

(VI) Subsidiaries, joint or associate ventures

Company name	Number of shares held (10k shares)	Percentage of shareholding (%)
Fenghua Xikou Garden Hotel	414	51.80
Changjiang Pension Insurance Co., Ltd.	40,761	51.753
Tianjin Trophy	35,369	100
City Island Developments Limited	0.1	100
Pacific Insurance Elderly Care Investment Management Co., Ltd.	21,900	100
Shanghai Dabao Guisheng Information Technology Co.Ltd.	1,020	34
CHEMCHINA Infrastructure Debt Investment Schemes	2,142	71.4
Ningbo Zhilin Investment Management (limited partnership)	102,676	99.8

(VII) Contacts for solvency information disclosure

Contact person: WANG Teng

Office number: 021-33965143

Email address: wangteng@cpic.com.cn

II. Key Indicators

Items	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Core solvency margin ratio	245%	256%
Core solvency margin surplus (10K RMB)	14, 112, 262	14, 303, 506
Comprehensive solvency margin ratio	245%	257%
Comprehensive solvency margin surplus (10K RMB)	14, 112, 262	14, 453, 506
The latest comprehensive risks assessment	--	A
Premium income (10K RMB)	4, 443, 997	3, 563, 098
Net profit (10K RMB)	281, 753	310, 593
Net assets (10K RMB)	6, 076, 796	5, 795, 588

III. Actual Capital

Items	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	97,130,884	92,994,938
Admitted liabilities (10K RMB)	73,289,333	69,344,954
Actual capital (10K)	23,841,551	23,649,984
Tier 1 core capital (10K RMB)	23,841,551	23,499,984
Tier 2 core capital (10K RMB)	-	-
Tier 1 supplement capital (10K RMB)	-	150,000
Tier 2 supplement capital (10K RMB)	-	-

IV. Required Capital

Items	As at the end of this quarter	As at the end of last quarter
Required capital (10K RMB)	9,729,289	9,196,478
Required capital for quantitative risk (10K RMB)	9,862,932	9,322,801
1) Required capital for insurance risk (10K RMB)	3,000,568	2,854,523
2) Required capital for market risk (10K RMB)	10,171,608	9,654,500
3) Required capital for credit risk (10K RMB)	1,984,619	1,897,001
4) Diversification effect for quantitative risks (10K RMB)	2,586,737	2,461,820
5) Loss absorption effect for special-type insurance contracts (10K RMB)	2,707,126	2,621,403
Required capital for control risk (10K RMB)	(133,643)	(126,323)
Supplement capital (10K RMB)	-	-
1) Counter-cyclical supplement capital (10K RMB)	-	-
2) Supplement capital of D-SIIs (10K RMB)	-	-
3) Supplement capital of G-SIIs (10K RMB)	-	-
4) Other supplement capital (10K RMB)	-	-

V. Comprehensive Risk Assessment

The Company received an A rating for both Q1 and Q2 2017.

VI. Risk Management Status

(I) The latest CIRC solvency risk management assessment of the Company

The Company's SARMRA score for 2016 was 82.71 points. To be specific, we received 15.41 points for risk management infrastructure and environment, 7.57 points for risk management objectives and tools, 8.62 points for insurance risk management, 8.66 points for market risk management, 8.54 points for credit risk management, 8.38 points for operational risk management, 8.64 points for strategic risk management, 8.49 points for reputation risk management, and 8.42 points for liquidity risk management.

Item	Score
Infrastructure and environment	15.41
Objectives and tools	7.57
Insurance risk	8.62
Market risk	8.66
Credit risk	8.54
Operational risk	8.38
Strategic risk	8.64
Reputation risk	8.49
Liquidity risk	8.42
Total	82.71

CIRC has completed the SAMRA evaluation for 2017, and when this report was prepared, the Company had not received the feedback on the evaluation result.

(II) Measures taken to improve solvency risk management (if any) and the latest status in the reporting period

The Company has achieved some initial success in establishing a comprehensive risk management system, improved relevant systems and processes, and set up an internal control system consisting of three lines of defense. Based on recommendations made by the CIRC inspection team in the assessments for 2016 and 2017, and the actual situation of our risk control, we formulated the following improvement measures: first, based on our annual work plan and CIRC recommendations, to develop a solvency risk management improvement plan to further improve risk management capability in terms of risk appetite and limits, risk management system, effectiveness of implementation, etc. Second, based on the

ongoing solvency risk management projects and the best practices of the industry, to comprehensively enhance the Company's risk management expertise and management capabilities, improve risk appetite transmission mechanism, and integrate risk appetite system into business decision-making.

VII. Liquidity Risk

(I) Liquidity risk management indicators

1. Net cash flow

Item	During/as at the end of this quarter
Net cash flow (10K RMB)	9, 222, 379

2. Comprehensive current ratio

Item	Within 3 months
Comprehensive current ratio	108%

3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio -Company level	1846%	1850%

(II) Liquidity risk analysis and mitigation

Liquidity risk is projected to be largely manageable in the next quarter. The Company has taken the following measures to pro-actively mitigate potential liquidity risk:

1. Strengthen daily cash flow management and ensure sufficient liquidity to meet all payment obligations via cash budgeting management.
2. Assess the Company's liquidity and the impact on liquidity before making business plans, selling new products or conducting other insurance business activities.
3. Assess the Company's liquidity and investment's impact on liquidity when formulating investment strategies and plans.
4. Strengthen the management of financing activities; ensure access to financing at reasonable costs and in a timely manner to meet liquidity needs.
5. Closely monitor major events that might lead to liquidity risks, such as irregular concentration of surrenders, major maturity payments or survival benefit pay-outs, and assess their impact on liquidity in a timely manner.
6. Develop contingency plans to avoid major liquidity risks.

VIII. Regulatory Measures Taken Against the Company

(I) Regulatory measures taken against the Company by CIRC

The Company head-office did not receive any regulatory penalty from the CIRC in Q3

2017.

(II) Corrective measures taken by the Company

Going forward, the Company will pay continued attention to internal control and address the root causes of various issues to improve its overall risk management capabilities.