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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.

**The Board of
China Pacific Insurance (Group) Co., Ltd.**

Hong Kong, 28 April 2017

As at the date of this announcement, the Executive Director of the Company is Mr. HUO Lianhong; the Non-executive Directors of the Company are Mr. WANG Jian, Mr. WANG Chengran, Ms. SUN Xiaoning, Mr. WU Junhao, Mr. ZHENG Anguo and Ms. HA Erman; 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.

First Quarter of 2017

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I. Basic information

(I) Registered address

South Tower, Bank of Communications Financial Building, 190 Central Yincheng Road, Pudong New District, Shanghai, PRC.

(II) Legal representative

XU Jinghui

(III) Business scope and territories

1. Business scope

Personal insurance denominated in RMB 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	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
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

(VII) Contacts for solvency information disclosure

Contact person: WANG Teng

Office number: 021-33965143

Email address: wangteng@cpic.com.cn

II. Main Indicators

Items	At the end of this quarter	At the end of last quarter
Core solvency margin ratio	265%	255%
Core solvency margin surplus (10K RMB)	15,045,144	12,950,133
Comprehensive solvency margin ratio	267%	257%
Comprehensive solvency margin surplus (10K RMB)	15,195,144	13,100,133
The latest comprehensive risks assessment	-	B
Premium income (10K RMB)	7,492,034	2,002,745
Net profit (10K RMB)	127,457	320,732
Net assets (10K RMB)	6,670,971	6,668,082

III. Actual Capital

Items	At the end of this quarter	At the end of last quarter
Admitted assets (10K RMB)	90,500,547	84,628,617
Admitted liabilities (10K RMB)	66,182,536	63,176,927
Actual capital (10K)	24,318,011	21,451,690
Tier 1 core capital (10K RMB)	24,168,011	21,301,690
Tier 2 core capital (10K RMB)	-	-

Tier 1 supplement capital (10K RMB)	150,000	150,000
Tier 2 supplement capital (10K RMB)	-	-

IV. Required Capital

Items	At the end of this quarter	At the end of last quarter
Required capital (10K RMB)	9,122,867	8,351,557
Required capital for quantitative risk (10K RMB)	9,248,180	8,466,275
1) Required capital for insurance risk (10K RMB)	2,736,264	2,287,939
2) Required capital for market risk (10K RMB)	9,723,218	9,202,708
3) Required capital for credit risk (10K RMB)	1,808,430	1,256,943
4) Diversification effect for quantitative risks (10K RMB)	2,366,983	1,851,534
5) Loss absorption effect for special-type insurance contracts (10K RMB)	2,652,748	2,429,781
Required capital for control risk (10K RMB)	-125,313	-114,718
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 A rating in comprehensive risk assessment for Q3 2016 and B rating for Q4 2016.

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

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

The Company has put in place a basic enterprise risk management system with relevant rules, procedures, IT systems and three lines of defense for internal control. Based on the results of the Company's self-assessment and issues identified in regulatory assessment, we have taken or made plans to take the following measures for improvement. First, based on our annual work plan and the feedback from the CIRC assessment team, we will develop plans to improve solvency risk management by optimizing the risk limit system, organizational structure and definition of roles and responsibilities, as well as enhancing the soundness of the system and the effectiveness of its implementation, in a bid to further enhance risk management capabilities; secondly, we will roll out solvency risk management projects and draw upon industry best practices to enhance the Company's risk management expertise and capability, continue to improve the risk appetite transmission mechanism, and ensure the integration of the risk appetite system into the Company's business decision-making. The project invitation for tender has been completed.

VII. Liquidity Risk

(I) Liquidity risk management indicators

1. Net cash flow

Item	At the end of this quarter
Net cash flow (10K RMB)	13,975,959

2. Comprehensive current ratio

Item	Within 3 months
Comprehensive current ratio	167%

3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio -Company level	2501%	2404%

Note: The significant change during the reporting period was mainly due to the method for treatment of asset repurchase. Excluding the factor, change from the quarter before would have been small.

(II) Liquidity risk analysis and mitigation

Indicators such as comprehensive current ratio and liquidity coverage ratio are projected to be in safe zones for the next quarter, with liquidity risk under control. The Company has

taken the following measures to actively respond to possible liquidity risks:

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; ensure 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 plan to avoid major liquidity risks.

VIII. Regulatory Measures Taken Against the Company

(I) Regulatory measures taken against the Company by CIRC

The Company's head-office did not receive any regulatory penalty from the CIRC in Q1 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.