

Chairman's Statement

2010 is the tenth year anniversary of CTIH's listing on the Hong Kong Stock Exchange, as well as the thirtieth year anniversary of the founding of TPre. All of our staff at the Company and its subsidiaries have worked diligently and cooperated well over the years in an effort to constantly and consistently improve our operations amidst a market environment full of complexity, volatility and opportunity. As a result, all of our core operations have continuously developed their profitability, significantly improved their operating results and greatly enhanced their respective operating strengths, allowing the combined entity at CTIH to become one of the most influential, major insurance institutions in the PRC.

The long-term development objectives and goals of CTIH are: to establish and develop an integrated and customer-focused operating model which produces sustainable profitability, to continuously improve on the professionalism and capability of our people and operations, and to lay the foundation for the sustainable long-term development of the Company and its long-term overall earnings capability. By striving for such long-range goals and objectives, we will eventually become a leading financial and insurance conglomerate in the PRC, and a prominent and high quality financial and insurance conglomerate in the world.

2010 RESULTS

In 2010, net profit attributable to shareholders amounted to HK\$2,244.79 million, representing an increase of 1.7 times compared to Last Year. Without taking into account the extraordinary gain of HK\$1,181.98 million from the sale of MAC, profits from the core businesses amounted to HK\$1,062.81 million, representing an increase of 28.7% compared to Last Year. Premiums and policy fees amounted to HK\$48,759.31 million, representing an increase of 57.2% compared to Last Year. Net assets attributable to shareholders amounted to HK\$12,712.39 million, representing an increase of 23.5% compared to Last Year. Details of the operating results and performance of each business segment are set out in the Management Review and Analysis.

OPERATIONS AND ACHIEVEMENTS

CTIH's sale of its equity interests in MAC will consolidate the Company's core strengths and optimize our capital management and distribution. Our initiatives to optimize the shareholding structures of TPAM and TPP by eliminating the multiple shareholdings of TPAM and TPP held by our Group member companies will improve corporate governance and clarify the consolidated corporate structure, as well as reinforce the position of the Company as the holding company of our various operating entities.

During the Year, an integrated, customer-focused operating model was adopted in substance by all of our operating units in the Group. The initiatives for developing a shared services back office platform also moved ahead steadily, smoothly and on schedule. As such, our ambition for a customer based, integrated, financial services platform has begun to take shape. For investments, we further improved our overall capabilities in centralizing our investments decision-making and by achieving breakthroughs in accessing new investment channels for the future. Improvements in our information and research capabilities have also allowed us to form an integrated investment operation to serve our core insurance units.

Operationally, the underlying core profitability of each business segment increased significantly during the Year, and our overall model for sustainable earnings growth has made positive strides and advancements. Specifically, the life insurance operations of TPL recorded stable growth in premiums, business values and maintained a net profit level which is sustainable into the future. The restructuring of the sales management system of the property and casualty insurance operations at TPI began to take effect and allowed the operation to contribute profits to CTIH in 2010. TPP strengthened its fundamental management and has reshaped its operating model, and is well-positioned for the future. CTPI (HK) recorded a significant increase in earnings. The business of TPre grew rapidly and continued to maintain a solid level of net income. The global credit ratings of the Company, TPL, CTPI (HK) and TPre further improved during the Year with upgrades received from Fitch and S&P.

董事長報告



Lin Fan 林帆
Chairman 董事長

二零一零年是中國太平保險控股有限公司（「中國太平控股」或「本公司」）在香港聯交所上市十周年，以及太平再保險成立三十周年。本公司及各附屬公司同仁經過多年的拼搏進取、精誠協作，使本公司得以在複雜而又充滿機遇的市場中不斷進步，各附屬公司盈利能力不斷提升，經營業績明顯改善，綜合實力大大增強，已經躋身國內具有一定影響力的保險集團。

本公司長遠發展的目標是：建立和完善以客戶為中心的綜合運營模式和可持續盈利模式，不斷提高本公司專業化運作能力、整體盈利能力和可持續發展能力，最終把集團打造成為國內領先、國際一流的跨國綜合金融保險集團。

二零一零年的業績

二零一零年，股東應佔溢利淨額為22.4479億港元，較去年上升1.7倍。撇除因出售民安中國而獲得11.8198億港元的特殊收益後，核心業務的溢利為10.6281億港元，較去年上升28.7%。保費及保單費收入為487.5931億港元，較去年上升57.2%。股東應佔資產淨值為127.1239億港元，較去年上升23.5%。各業務單位狀況及表現詳情請見管理層回顧和分析部分內容。

工作進展及成效

轉讓民安中國股權，優化了資源配置，壯大了本公司實力；通過太平資產及太平養老內部股權重組優化了股權架構，減免多層持股，改善企業管治，並鞏固本公司作為其多個經營實體之控股公司的地位。

以客戶為中心的集團化綜合運營模式基本建立。在共享服務集中方面，集中進程按計劃穩步推進，進展順利，運作日趨流暢，以客戶為中心的綜合金融服務模式已見雛形；在投資資源整合方面，信息和研究資源整合後，整體投資能力進一步提高，新投資渠道取得突破。

各業務單位盈利能力明顯提高，可持續盈利模式已見雛形。具體來說，太平人壽業務穩健增長，保持持續盈利；太平財險營銷體制改革初見成效，二零一零年實現公司整體盈利；太平養老基礎管理得到加強，經營模式日漸清晰；中國太平香港盈利貢獻大幅攀升；太平再保險業務快速增長而維持其一貫盈利水平；本公司、太平人壽、中國太平香港和太平再保險的國際評級進一步提升。

Chairman's Statement

By consolidating and focusing on our single brand, "China Taiping", our brand awareness and prominence have continuously improved. Reaching back to our long history and heritage, we have begun forming a unified corporate culture of "Trustworthiness, Professionalism and Value", and have remolded the foundations of our Company to focus on the concepts of value enhancement in practice and by implementation.

COMPLEX MACRO-ECONOMIC CONDITIONS IN THE LOCAL AND OVERSEAS MARKETS

Globally, world economic conditions were very complicated, and the recovery from the Financial Crisis and recession has been weak. Most expectations have been, and continue to be, for global economic growth to be slow. As such, CTIH and the rest of the world's financial institutions were exposed to risks from high unemployment, tightening financial policies, and the threat of currency wars among the major economies, all of which were threats to global economic recovery. Fluctuations in the global economies and international financial markets not only had an impact on the PRC economy, but also brought challenges to the investment returns of the Company. Consequently, we have been very vigilant during the Year and have closely monitored global events and conditions.

Domestically, the PRC central government has adjusted its policy direction on the macro-economy, while at the same time continuing to expect stable growth. Policy adjustments on the direction of the macro-economy were implemented, as the "progressive fiscal policy and loosening monetary policy" of Last Year have been replaced by a "proactive fiscal policy and tightening currency policy" in order to control and stabilize price levels within the country. It is expected that the Chinese economy will record stable growth in 2011 and that inflation will be under control. However, the conditions and trends of the PRC macro-economy remain extremely complicated and difficult to predict. As a result, we continue to make careful evaluations and assessments on the potential effects from the implementation of these policies upon the life insurance, property and casualty insurance, and investment operations of CTIH.

NEW TRENDS AND CHALLENGES IN THE INSURANCE INDUSTRY

Currently, the PRC insurance industries are facing new trends and developments, such as high inflation expectations and a new interest rate hiking cycle, new regulatory policies for the bank distribution channel, liberalization of market pricing of property and casualty insurance products, and the rapid development of telemarketing and internet marketing (which are seriously affecting the traditional sales channels), as well as Hong Kong's economic recovery, all of which have brought both challenges and opportunities to the Company and its core operations.

2011 is the tenth year anniversary for CTIH in its commencement of business operations in the PRC. Our future prospects depend on how we grasp near-term and future emerging opportunities, how we overcome challenges, and how we resolve issues and problems. My colleagues and I are fully aware of these opportunities and are highly confident in overcoming these challenges.

ACKNOWLEDGMENTS

I hereby express my appreciation on behalf of the directors and senior management of CTIH to our shareholders and partners for their trust and support over the years. Moreover, I hereby express my sincere appreciation to the management team and staff for all of the great efforts they have made on our various strategies.

Lin Fan
Chairman

Hong Kong, 21 March 2011

董事長報告

通過整合品牌資源，「中國太平」的品牌知名度不斷提高。在繼傳的基礎上，通過實施文化重塑，初步形成了以「誠信·專業·價值」為核心的統一企業文化，特別是追求價值持續增長的理念轉化為實踐，貫徹執行。

國內外宏觀經濟形勢複雜

從國際來看，全球經濟形勢複雜，復甦脆弱，預計緩慢增長。發達經濟體的高失業率、緊縮財政政策，以及匯率戰的風險對世界經濟復甦構成主要威脅。全球經濟以及國際金融市場的動盪，不僅會影響中國的經濟運行，也會對本公司的金融投資回報帶來挑戰，對此我們已提高警惕，作好充分估計。

從國內來看，中國宏觀經濟政策轉向從去年「積極的財政政策和寬鬆的貨幣政策」調整為今年「積極的財政政策和穩健的貨幣政策」，預計二零一一年中國經濟將呈現穩步增長、通脹可控的格局。然而中國宏觀經濟形勢仍然極為複雜，我們要充分估計實施穩健貨幣政策對本公司產險、壽險和投資等方面的影響。

保險行業新趨勢及挑戰

當前，中國保險行業發展出現了一些新情況、新趨勢，包括：高通脹預期和加息周期的到來、銀保新政實施、產險產品市場化定價改革以及電銷、網銷等新渠道發展對傳統渠道的衝擊、香港經濟復甦等，對本公司發展既帶來了機遇，也帶來了挑戰。

二零一一年，本公司即將迎來在內地開展業務的十周年，公司的發展既存在機遇，也面臨著壓力和挑戰。如何把握這些機遇、如何克服這些挑戰，如何解決這些難題，將決定我們的發展前景。我與公司的員工們充份意識到並滿懷信心面對這些機會和克服挑戰。

致謝

本人謹此代表中國太平控股董事及高級管理層，對多年來給予我們信任及支持的各位股東及夥伴，致以衷心的感謝。我也代表董事會衷心感謝管理團隊及上下員工竭誠盡責執行各項策略。

董事長
林帆

香港，二零一一年三月二十一日