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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.

Gao Guofu

Chairman

Shanghai, the PRC, 30 September 2016

As of the date of this announcement, the Executive Directors of the Company are Mr. GAO Guofu and Mr. HUO Lianhong; the Non-executive Directors of the Company are Mr. WANG Jian, Mr. WANG Chengran, Ms. SUN Xiaoning, Mr. WU Jumin, 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 Solvency Report

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

First half of 2016

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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

Gao Guofu

(III) Business scope

Invest and hold controlling stakes in insurance companies; supervise and manage the domestic and international reinsurance business of the insurers under its control; supervise and manage the investments by the insurers under its control; participate in international insurance activities as approved.

(IV) Contacts for solvency information disclosure :

Contact person: Cao Yu

Office number: 021-33961213

Email address: caoyu-010@cpic.com.cn

II. Group ownership structure and changes to member companies

(I) Share capital and controlling relationship of member companies

Name	Percentage of voting rights attributable to the Company (%)
China Pacific Property Insurance Co., Ltd. ("CPIC Property")	98.50
China Pacific Life Insurance Co., Ltd. ("CPIC Life")	98.29
Pacific Asset Management Co., Ltd. ("CPIC Asset Management")	100.00
China Pacific Insurance Co., (H.K.) Ltd.	100.00
Shanghai Pacific Real Estate Co., Ltd.	100.00
Fenghua Xikou Garden Hotel	100.00
Changjiang Pension Insurance Co., Ltd. ("Changjiang Pension")	51.75
CPIC Investment Management (H.K.) Company Limited ("CPIC Investment (H.K.)")	100.00
City Island Developments Limited	100.00
Great Winwick Limited*	100.00
Great Winwick (Hong Kong) Limited*	100.00
Newscott Investments Limited*	100.00
Newscott (Hong Kong) Investments Limited*	100.00
Shanghai Xinhui Real Estate Development Co., Ltd.*	100.00
Shanghai Hehui Real Estate Development Co., Ltd.*	100.00
Pacific Insurance Online Services Technology Co., Ltd.	100.00
Tianjin Trophy Real Estate Co., Ltd. ("Tianjin Trophy")	100.00
Pacific Insurance Aging Industry Investment Management Co., Ltd. ("CPIC Aging Investment")	100.00
CPIC Allianz Health Insurance Co.,Ltd. ("CPIC Allianz Health")	77.05
Shanghai Nan Shan Ju Xuhong Nursing Home Co., Ltd. ("Nan Shan Ju")	100.00

* Subsidiaries of City Island

(II) Changes to member companies

There were no changes to the Group's subsidiaries or associates.

III. Main indicators

Items	At the end of this quarter	At the end of last quarter
Core solvency margin ratio	282%	289%
Core solvency margin surplus (10K RMB)	22,226,263	21,173,093
Comprehensive solvency margin ratio	291%	299%
Comprehensive solvency margin surplus (10K RMB)	18,299,279	17,612,148

IV. Actual capital

Items	At the end of this quarter	At the end of last quarter
Actual capital (10K)	27,873,248	26,454,038
Tier 1 core capital (10K RMB)	27,013,248	25,594,038
Tier 2 core capital (10K RMB)	-	-
Tier 1 supplement capital (10K RMB)	860,000	860,000
Tier 2 supplement capital (10K RMB)	-	-

V. Required capital

Items	At the end of this quarter	At the end of last quarter
Required capital (10K RMB)	9,573,969	8,841,890
Required capital for quantitative risks (10K RMB)	9,573,969	8,841,890
1) Required capital for parent company	-	-
2) Required capital for insurance-type member company	9,573,969	8,841,890
3) Required capital for banking-type member company	-	-
4) Required capital for securities-type member company	-	-
5) Required capital for trust-type member company	-	-
6) Required capital for quantifiable Group specific risks	-	-
7) Increase of required capital for risk aggregation effect	-	-
8) Decrease of required capital for risk diversification effect	-	-
Required capital for control risk (10K RMB)	-	-
Supplement capital (10K RMB)	-	-

Note: Detailed regulations remain to be rolled out by the CIRC regarding the required capital for quantifiable Group specific risks, increase of required capital for risk aggregation effect, decrease of required capital for risk diversification effect, required capital for control risk, and supplement capital.

VI. Material events

Within this reporting period, there was no material investment loss, no guarantees offered for debts of external parties, no financial crisis or administration by regulators for the Group's subsidiaries or associates.

VII. Group specific risks

(I) Risk contagion

As per regulatory requirements, CPIC Group has set up risk insulation mechanism in

its business operation, personnel management, funding management, information systems and internal transactions, to effectively prevent the spread and contagion of relevant risks within the Group.

(II) Risk due to nontransparent organizational structure

As a listing insurance controlling group, CPIC Group enjoys clear ownership structure and sound corporate governance. With a focus on insurance, it effectively prevents the risks arising out of nontransparent organizational structure.

(III) Concentration risk

As per regulatory requirements, the Group and its member insurers identify, evaluate, supervise and report on concentration risks on a regular basis, including investment and reinsurance counterparty concentration risk, insurance and non-insurance business concentration risk and investment asset concentration risk, which effectively prevents the aggregation of single risk and risk portfolios at the Group level and their material threat on the Group's solvency and liquidity.

(IV) Non-insurance risk

CPIC Group takes non-insurance risk management very seriously. In strict compliance with regulatory rules, CPIC Group makes great efforts to prevent and manage the adverse effect on the Group and member insurers' solvency brought by non-insurance investment and non-insurer member company's business operation, in a bid to safeguard policyholder's interests.