

17 October, 2005

Public Statement issued by China Insurance International Holdings Co. Ltd. (“CIHH” or the Company, with share listing on Hong Kong Stock Exchange Main Board stock code: 966).

Impact of Hurricane Katrina

Hurricane Katrina, the largest-ever storm to hit the United States gulf states of Alabama, Louisiana and Mississippi on 30 August 2005, has also become the largest-ever catastrophe to hit the worldwide insurance and reinsurance industries. It is estimated that the market loss of Hurricane Katrina will be approximately US\$40 billion, which would surpass the previous largest catastrophes, Hurricane Andrew in the United States in 1992 and the terrorist attack on New York, United States on 11 September 2001.

CIHH, through its wholly-owned subsidiary, China International Reinsurance Company Ltd. (“CIRe”), conducts reinsurance business globally, with around 4% of its gross reinsurance premium income derived from North America.

Based on the latest notifications received from ceding companies and the assessments of the known exposures of business lines affected, CIRe estimates that the net retained loss from Hurricane Katrina will be approximately HK\$75 million, after deducting retrocession recoveries, equivalent to about 7.5% of the estimated net retained premium income of CIRe in 2005.

CIRe expects the impact of Hurricane Katrina to bolster pricing in reinsurance markets worldwide. There is already a clear sign that insurance and reinsurance companies around the world are tightening their underwriting strategy for premium pricing, and the downwards pricing trend of major reinsurance markets is likely to come to a halt. It is expected that reinsurance markets globally will perform strongly in the forthcoming renewal season.

- End -

Company Background:

CIIH is a member of China Insurance (Holdings) Company, Limited (“China Insurance”), one of the most established insurance groups in China under the supervision of the State Council of the PRC. CIIH is the only listed flagship of China Insurance. The Group is principally engaged in reinsurance underwriting through CIRE and reinsurance broking business through SINO-RE. The Group is also involved in life insurance and general insurance in the domestic PRC market through TPL and TPI, respectively. The Group is also involved in asset management through CIGAML. To support its reinsurance and primary insurance activities, the Group holds a portfolio of security and money market investments.

For more information, please contact:

China Insurance International Holdings Company Limited

Dr. Ming DONG

Tel: (852) 2864 1999

Fax: (852) 2866 2262

Email: dong_ming@ciih.com

or

Mr. Kenneth NG

Tel: 2865 3838

Fax: 2544 9633

Email: kenneth_ng@ciireins.com