

# Embedded Value of TPL

## 太平人壽之內涵價值

### 1. CAUTIONARY STATEMENT

The calculations of embedded value and the new business value of TPL are based on certain assumptions with respect to future experience. Thus, the actual results could differ significantly from what is envisioned when these calculations were made. From an investor's perspective, the valuation of CTIH is measured by the stock market price of the Company's shares on any particular day. In valuing CTIH's shares, investors should take into account not only the embedded value and the new business value, but also various other considerations. In addition, TPL is 50.05%-owned by the Company. The embedded value and the new business value as at 30 June 2011 as disclosed below should therefore not be applied 100% in valuing CTIH. Investors are advised to pay particular attention to this factor, as well as the other assumptions underlying the calculations of the embedded value and new business value of TPL, if they believe such calculations are important and material to the valuation of the Company.

### 2. EMBEDDED VALUE

HK\$ million

			At 30 June 2011 於二零一一年 六月三十日	At 30 June 2010 於二零一零年 六月三十日	At 31 December 2010 於二零一零年 十二月三十一日
Adjusted net worth	經調整資產淨值	a	5,392	4,415	6,008
Value of in-force business before cost of capital	有效業務扣除資本 成本前之價值	b	16,838	12,776	14,156
Cost of capital	資本成本	c	3,120	3,004	2,653
Value of in-force business after cost of capital	有效業務扣除資本 成本後之價值	d=b-c	13,718	9,772	11,503
Embedded Value	內涵價值	e=a+d	19,110	14,187	17,511

Adjusted net worth is the shareholders' net assets of TPL as measured on a PRC statutory basis, which is different from PRC accounting standards.

### 1. 提示聲明

計算內涵價值及新業務價值乃基於有關未來經驗之若干假設。故此實際結果可能與作出該等計算時之預測有重大差異。從投資者角度看，中國太平控股之估值乃按照本公司股份於某個別日子之股市價格計量。於評估中國太平控股股份時，投資者不僅要慮及內涵價值及新業務價值，而且亦應考慮到其他多項因素。此外，本公司擁有太平人壽之50.05%股權。因此，不應把下列所披露之於二零一一年六月三十日內涵價值及新業務價值全數作為中國太平控股的估值。倘若彼等認為該等因素重要，及對本公司之估值關係重大，投資者務須特別留意該因素，及其他支持計算太平人壽內涵價值及新業務價值計算之因素。

### 2. 內涵價值

百萬港元

經調整資產淨值是太平人壽按中國法定基準計量之股東資產淨值，因此與中國會計準則不同。

## Embedded Value of TPL 太平人壽之內涵價值

### 3. NEW BUSINESS VALUE

HK\$ million

			1H 2011 二零一一年 上半年	1H 2010 二零一零年 上半年	2H 2010 二零一零年 下半年	FY 2010 二零一零年 全年
New business value before cost of capital	新業務扣除資本成本前之價值	a	1,629	1,580	960	2,540
Cost of capital	資本成本	b	376	525	188	713
New business value after cost of capital	新業務扣除資本成本後之價值	c=a-b	1,253	1,055	772	1,827

With rapid changes occurring in the economic and investment environment in recent years, the management of TPL is seriously considering and contemplating the necessity of updating certain key assumptions in its actuarial appraisal at the year end, which will be submitted to TPL's board of directors for a final decision. It is estimated that if the investment assumption is increased by 50 basis points, the new business value for the Period would be upwardly revised to HK\$1,408 million, representing an increase of 33.5% over the Last Period.

### 3. 新業務之價值

百萬港元

隨着近年經濟及投資環境急劇轉變，太平人壽的管理層正審慎地研究是否需要調整二零一一年年底精算評估的若干主要假設，並將提交太平人壽董事會作最後定案。若投資收益率假設上調50基點，本財務期內新業務價值將相應上調至14.08億港元，較去年同期增長33.5%。