

PICC 中国人民保险

PICC P&C (2328.HK)

2018 Interim Results



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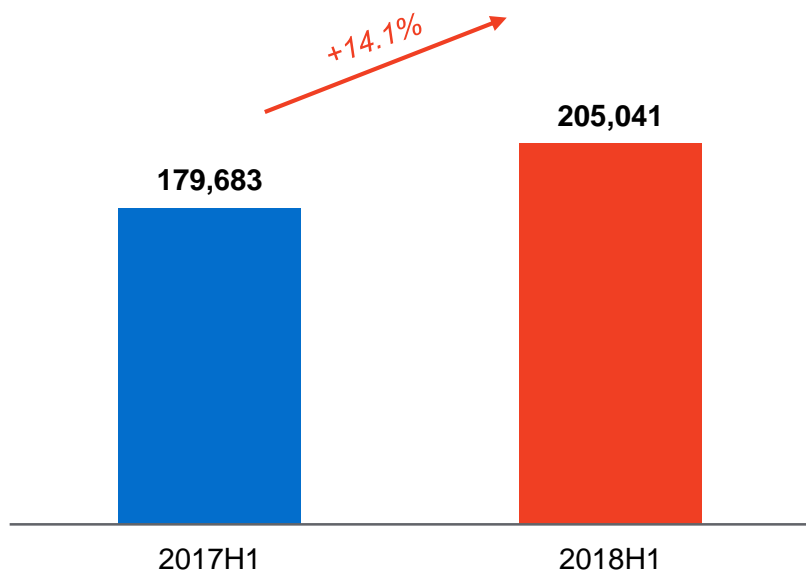
2018 Interim Results Highlights

- 1 Gross written premiums of RMB205.04bn, a YoY growth of 14.1%, market share of 34.0%, an increase of 0.9 ppts from 2017
- 2 Underwriting profit of RMB7.01bn, a YoY growth of 7.6%, combined ratio of 95.9%, consistently outperforming the industry
- 3 Total investment income of RMB10.93bn, a YoY growth of 9.6%, annualized total investment yield of 5.2%, annualized net investment yield of 4.2%
- 4 Net profit of RMB12.09bn, EPS of RMB0.544, annualized ROE of 17.8%
- 5 Total assets and net assets increased by 7.4% and 3.7% from the beginning of the year, respectively; comprehensive solvency ratio of 280%

Business Achieved Rapid Growth, Maintaining Dominant Position

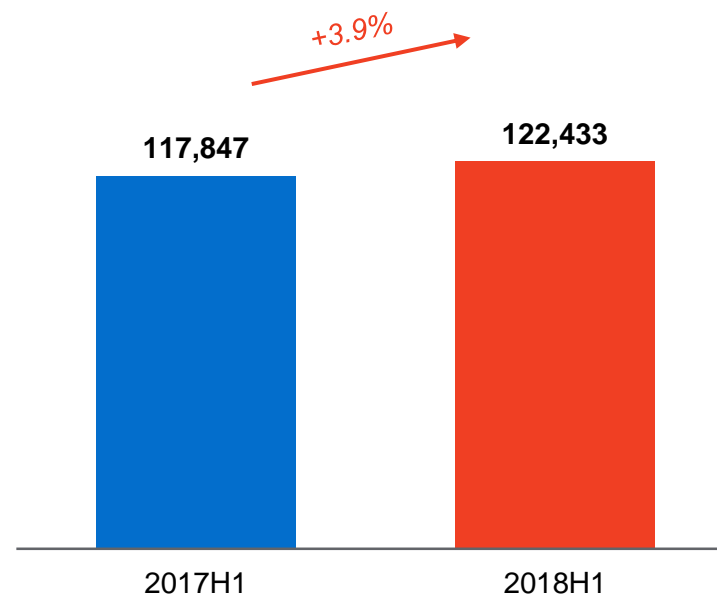
Gross Written Premiums

RMB mm



Motor insurance

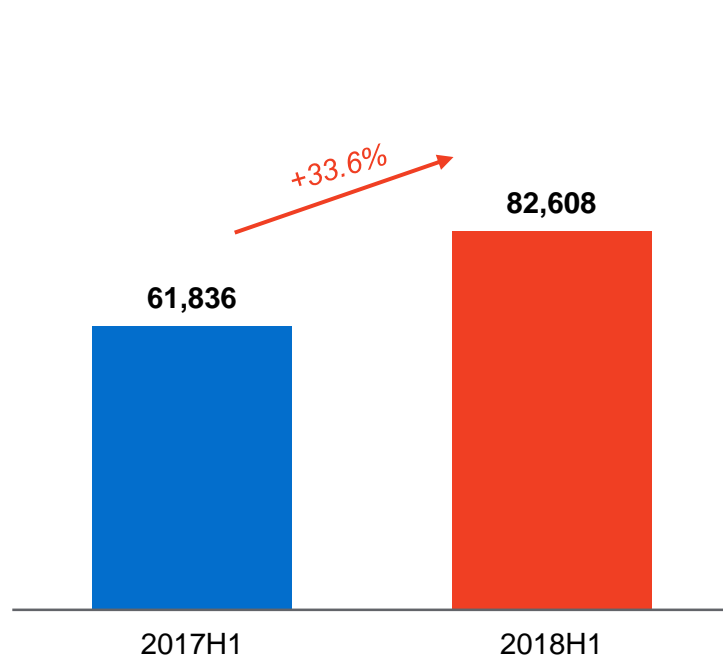
Gross Written Premiums, RMB mm



Non-motor Insurance Business Growth Outperformed the Industry

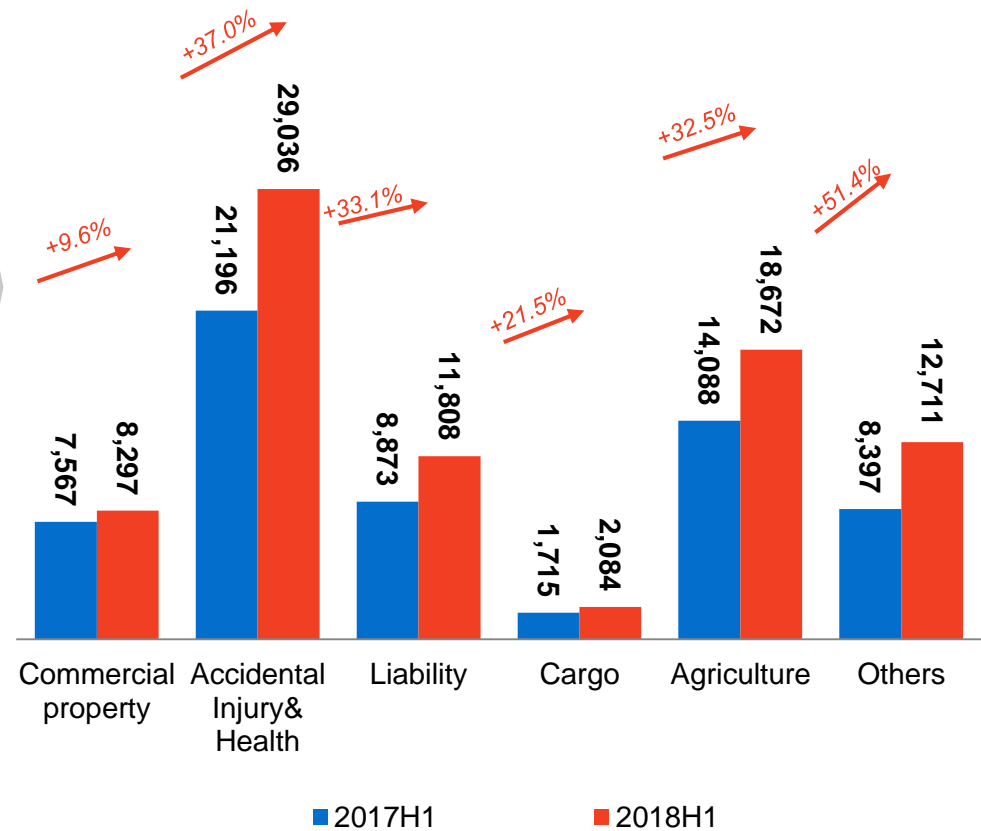
Non-motor Insurance

Gross Written Premiums, RMB mm



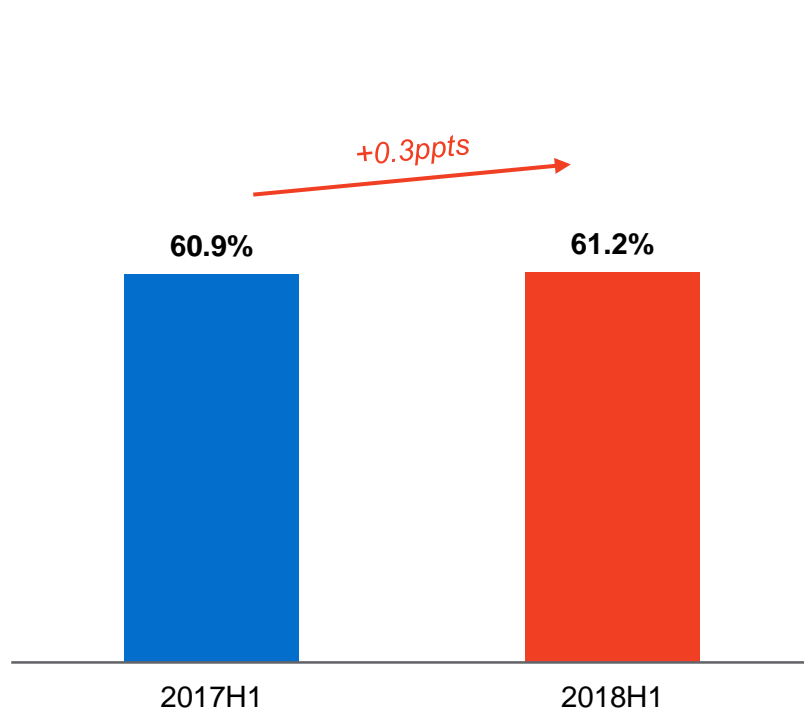
Non-motor Insurance, By Product Line

Gross Written Premiums, RMB mm

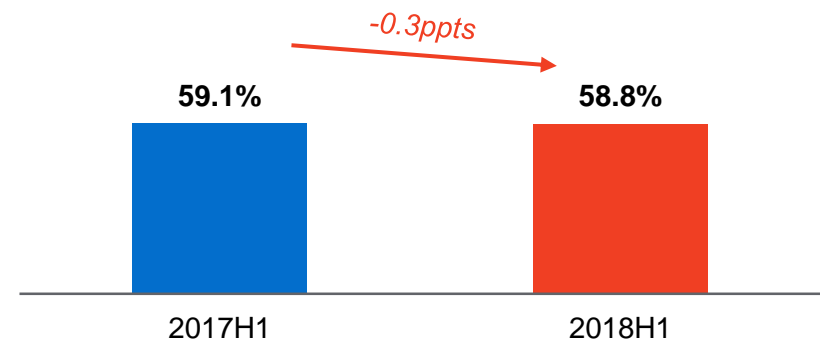


Loss Ratio Remained Stable

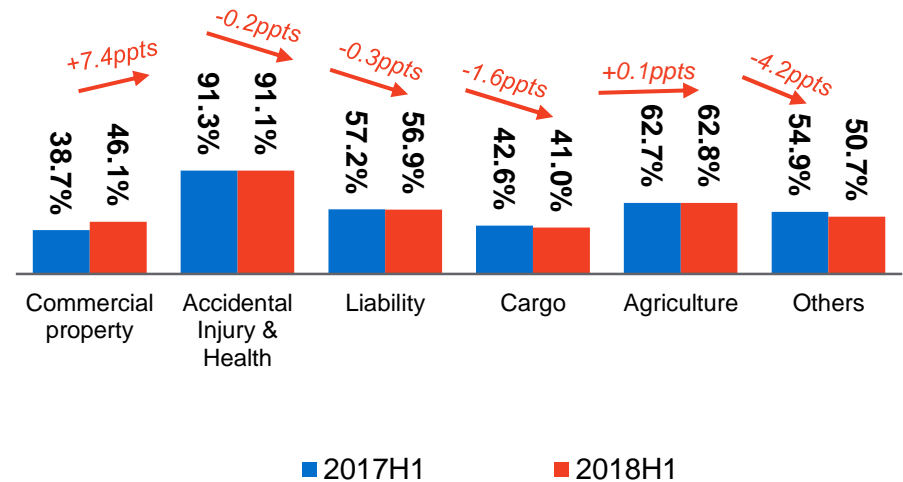
Overall Loss Ratio



Loss Ratio For Motor Insurance



Loss Ratio For Non-motor Insurance

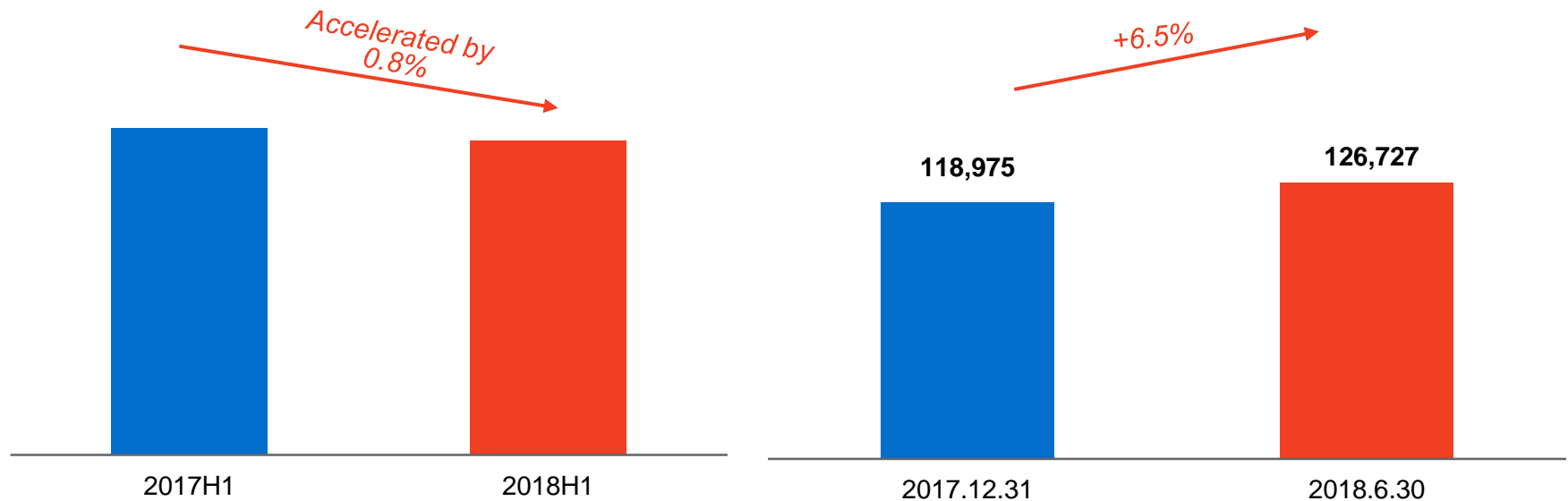


Sufficient Appropriation of Loss and LAE Reserves

Claims Cycle

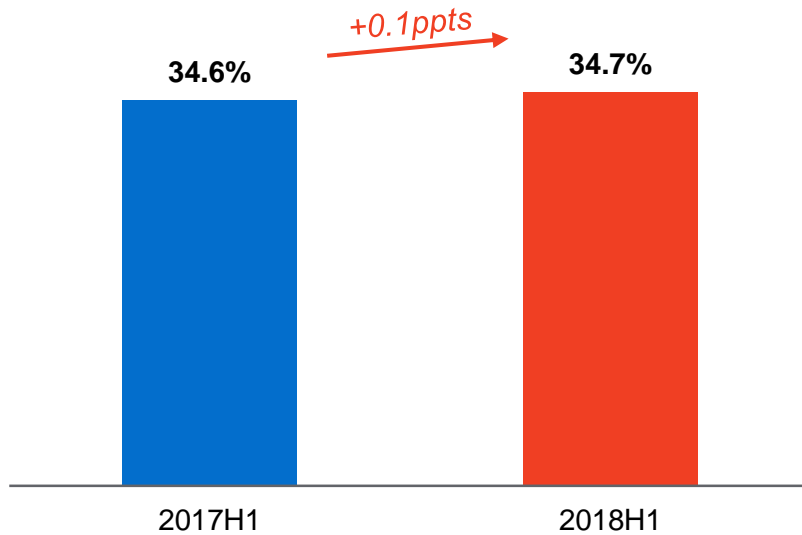
Net Loss and LAE Reserves

RMB mm

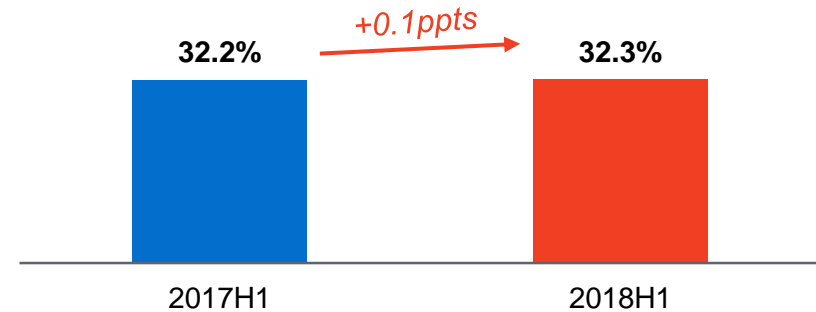


Expense Ratio Slightly Increased

Overall Expense Ratio



Underwriting Expense Ratio



Note: Underwriting expense ratio = (Net Policy Acquisition cost + Other underwriting expenses) / Net earned premiums

Administrative Expense Ratio

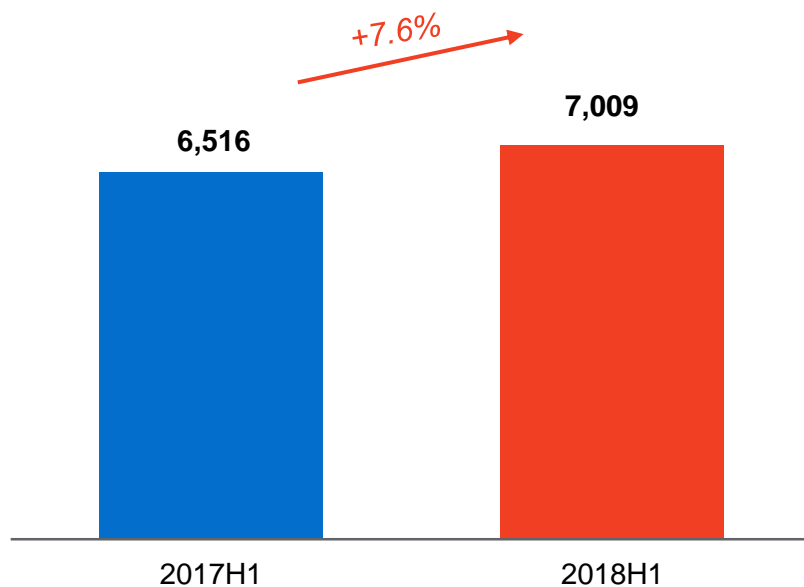


Note: Administrative expense ratio = Administrative expenses / Net earned premiums

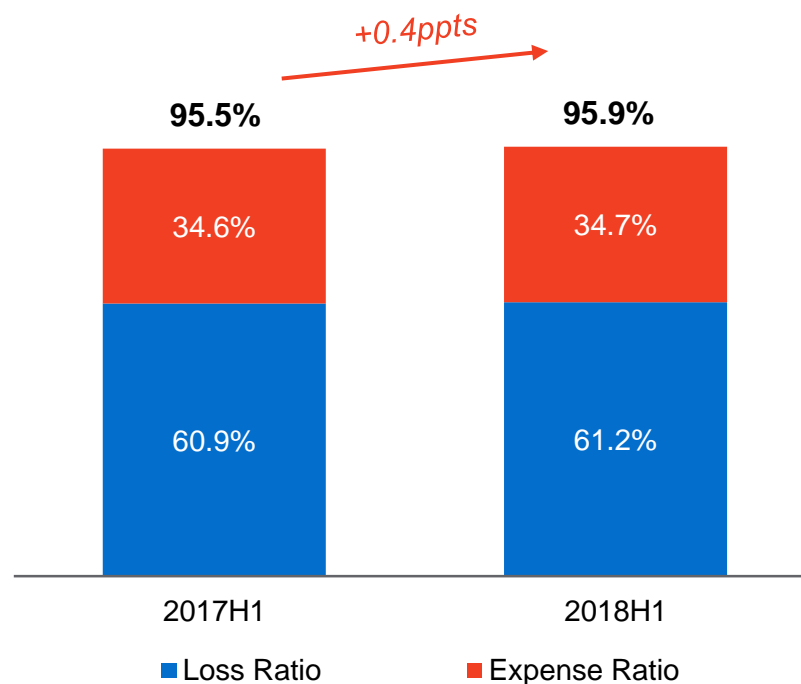
Underwriting Profitability Continued to Outperform the Industry

Underwriting Profit

RMB mm



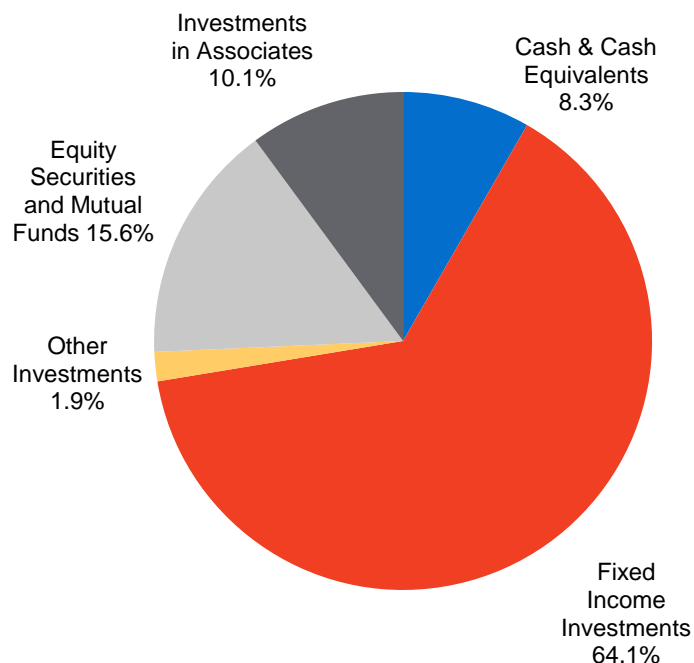
Combined Ratio



Investment Strategy Remained Stable, Investment Portfolio Optimized

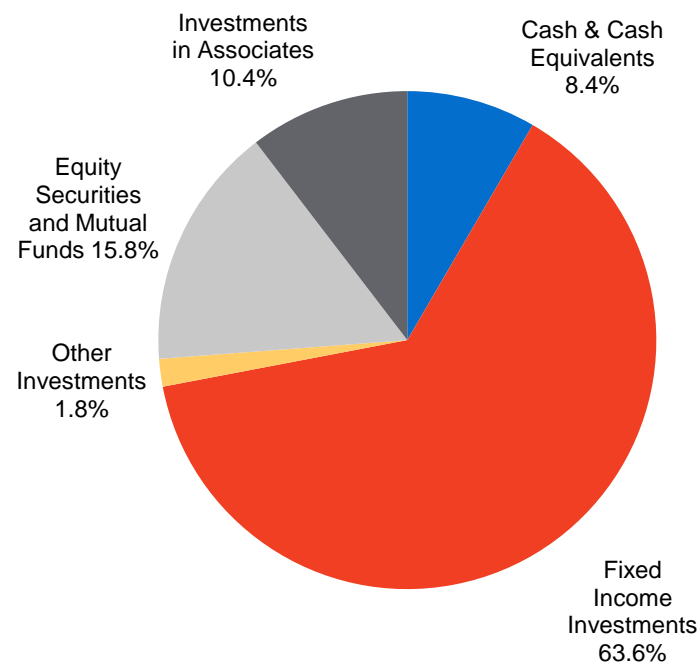
As of December 31, 2017

Total investment assets: RMB415.51bn



As of June 30, 2018

Total investment assets: RMB422.46bn

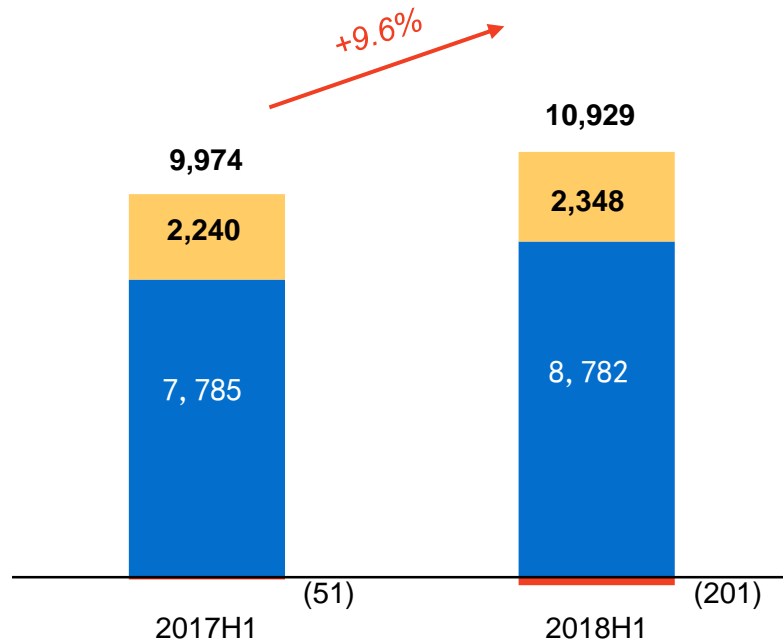


Note: Figures may not add up due to rounding; cash and cash equivalents are mainly denominated in RMB and include financial assets purchased under resale agreement with original maturity of less than three months; "other investments" include investment properties, derivative financial assets, statutory deposits, etc.

Investment Income Increased

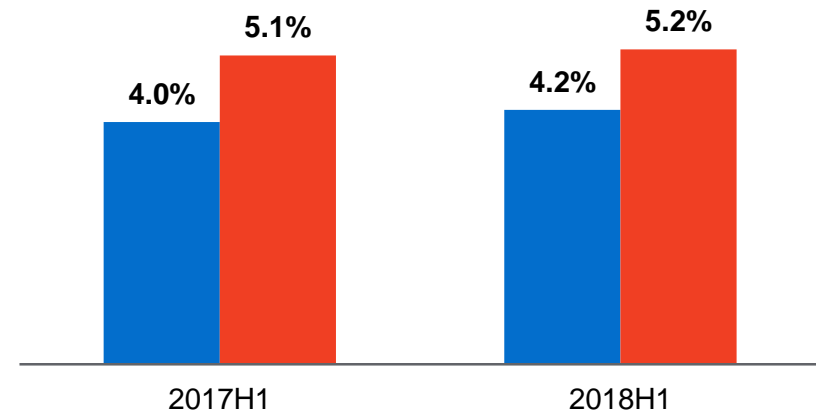
Investment Income

RMB mm



- Investments in associates
- Realized and unrealized net investment income
- Interest, dividend and rental income

Annualized Investment Yield

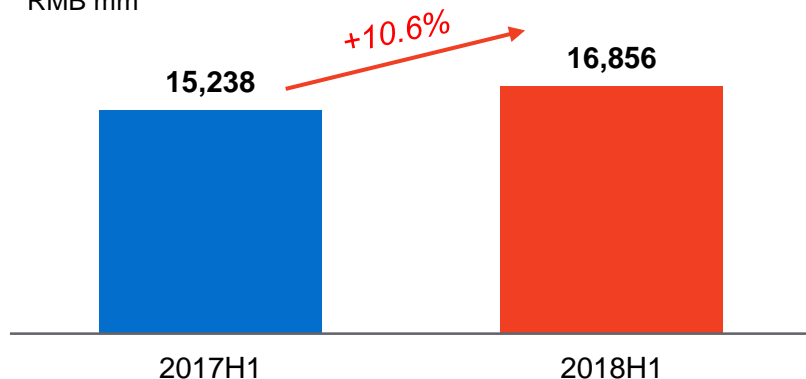


- Annualized net investment yield
- Annualized total investment yield

Net Profit Maintained Stable, Capital Position Further Strengthened

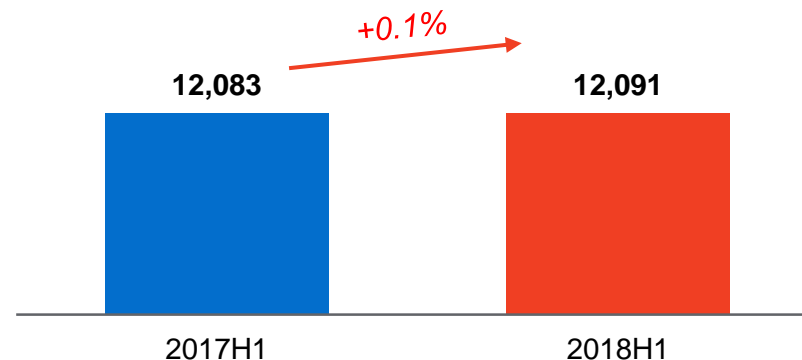
Pre-tax Profit grew rapidly

RMB mm



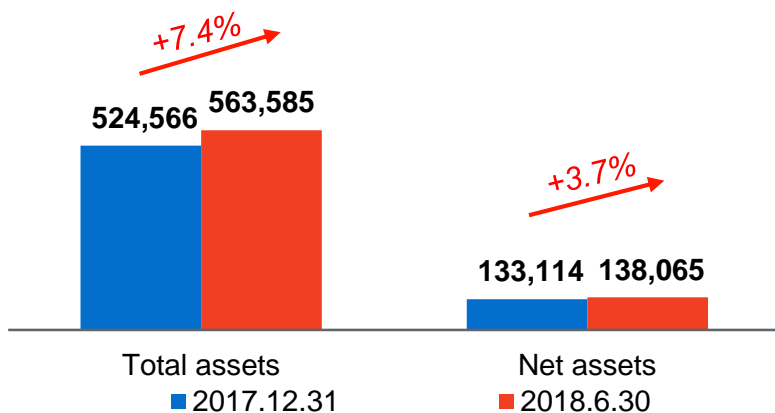
Net Profit Remained Stable

RMB mm

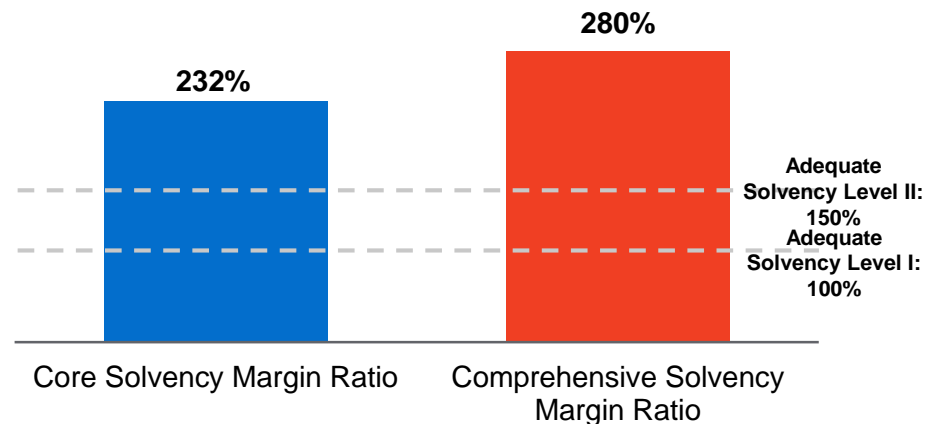


Total Assets and Net Assets grew steadily

RMB mm



Solvency Margin Remained Adequate



Key Initiatives in H2

- 1 Accelerate the transformation of motor insurance business model, optimize resource utilization, promote the profitable development of motor insurance business
- 2 Consolidate the leading advantages of policy-driven business, accelerate commercial non-motor insurance business transformation and upgrade, promote the leapfrog development of non-motor insurance business
- 3 Upgrade refined management, reduce cost, prevent risks, consolidate the leading advantages in profitability
- 4 Strengthen scientific and technological empowerment, accelerate the integration of business model and technological reform, promote transformation towards digitalization
- 5 Adhere to the prudent investment strategy, strictly control risks, seize market opportunities, improve investment returns
- 6 Continue to improve internal control and compliance system, further enhance risk management capabilities