



China licenses first insurance asset management company with foreign shareholder

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Beijing, February 18, 2005 - The China Insurance Regulatory Commission (CIRC) has licensed China Re Asset Management Company Limited (CRAMC) as the country's first insurance asset manager with a foreign shareholder, Swiss Re Asset Management Asia Ltd.

Based in Beijing, CRAMC is founded by six companies: China Re Group (50.1%), China P&C Re (10%), China Life Re (10%), China Continent P&C (10%), Swiss Re Asset Management Asia Ltd (10%) and Fuxi Investment (9.9%). The company was granted permission to apply for a license in late September 2004, under the new "Provisional Regulations on the Administration of Insurance Asset Management Companies", which came into effect on 1 June 2004.

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Commenting on the establishment of the company, CRAMC Chairman **Mr DAI Feng Ju** said, "China's huge insurance asset management market has enormous potential, which CRAMC aims to develop by leveraging our strong local expertise and solid network, to create the best investment returns for our business, while ensuring our position as the leading asset management company for China's insurance industry."

Peter Reichenbach, Head of Swiss Re Asset Management in Asia, remarked, "Swiss Re is very honoured to have been invited to be a founding member of CRAMC and we look forward to this opportunity to support China in maximizing the potential of its insurance market."

CRAMC will begin operations in late February focused on managing the capital assets of China Re, and aims at expanding to serve both life and non-life insurance companies in China.

According to the CIRC, assets in China's insurance industry grew to Yuan 1.185 trillion (USD 143bn) by the end of December 2004.

Notes to editors

China Re

China Reinsurance (Group) Company ("China Re") was established, based on the former China Reinsurance Company, on 18 Aug 2003, and approved by the State Council and licensed by the CIRC. Based in Beijing, China Re has a strong registered capital of RMB3.9 billion (USD471 million).

For many years, China Reinsurance Company has been the national reinsurance company and played an instrumental role in China's reinsurance market. To further facilitate the reform of the country's reinsurance market, the company underwent capital reform and founded China Re.

China Re is dedicated to building its core reinsurance business while at the same time starting to diversify. The group initiated and introduced domestic and foreign strategic investors as shareholders in setting up the holding company for China Property & Casualty Reinsurance Company Ltd, China Life Reinsurance Company Ltd and China Continent P&C. The group also wholly owns China Insurance News, Huatai Insurance Agency & Consultant Service Ltd, and is a shareholder of the Insurance Industrial College.

Guided by the requirements set for China's financial holding companies, China Re's strategic development objective is to establish and perfect a progressive enterprise system upon which to build itself into a diversified, modern financial holding group with strong international competitiveness.

Swiss Re

Swiss Re is one of the world's leading reinsurers and the world's largest life and health reinsurer. The company operates through more than 70 offices in over 30 countries. Swiss Re has been in the reinsurance business since its foundation in Zurich, Switzerland, in 1863. Through its three business groups Property & Casualty, Life & Health and Financial Services, Swiss Re offers a wide variety of products to manage capital and risk. Traditional reinsurance products, including a broad range of property and casualty as well as life and health covers and related services, are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management. Swiss Re is rated "AA" by Standard & Poor's, "Aa2" by Moody's and "A+" by A.M. Best.

Swiss Re has been associated with Asia since 1913, opened a branch in Beijing in 2003, and now has over more than 600 staff in 13 offices in Asia Pacific.