

## Press Release

# China Huarong Signs Partnership Agreements with Eight Strategic Investors

August 28, 2014, Beijing, China -- China Huarong Asset Management Co., Ltd. (“China Huarong”) today announced that regulators have approved its plan to issue new shares to a consortium of strategic investors including China Life Insurance (Group) Company, Warburg Pincus, CITIC Securities International Company Limited, Khazanah Nasional Berhad, China International Capital Corporation Limited, China National Cereals, Oils and Foodstuffs Corporation (COFCO), Fosun International Ltd. and Goldman Sachs, and that all parties have entered into investment agreements and strategic partnership agreements regarding the capital increase. A signing ceremony was held in China Huarong’s Beijing headquarters on the morning of August 28, to mark the successful introduction of the strategic investors and the strategic partnership.

According to the agreements, China Life Insurance (Group) Company and seven other investors will make additional strategic investments amounting to a total of RMB 14.5 billion, accounting for 20.98% of the enlarged share capital of China Huarong upon completion of the transaction. In accordance with restructuring plans approved by the State Council, China Huarong will seek a market window to make a public offering of its shares following the introduction of strategic investors.

Mr. Lai Xiaomin, Chairman of China Huarong, commented: “This is an important milestone for China Huarong, marking a positive step by a state-owned financial asset management company to explore the mixed-ownership structure for state-owned enterprises (SOEs). All of the eight strategic investors are leading institutions with solid track records and outstanding reputations in their respective fields and markets. The strategic partnership will not only help China Huarong enhance its capital strength and structure and improve its corporate governance, but also introduce international standards to improve the company’s operational capabilities and services to the real economy.”

China Huarong will launch extensive partnerships with the strategic investors in various business areas, including asset management, investment and financing, investment banking, financial leasing, risk management, internal controls and employee training. China Huarong aims to work together with its strategic investors to establish innovative partnerships featuring the sharing of resources, strength, risk and profit, achieving mutual benefits and win-win results, with the objective of cooperation and development.

Founded on October 19, 1999, China Huarong, as one of the big four financial asset management companies in China, was restructured into a joint-stock company in September 2012 with the approval from the State Council. It had a registered capital of RMB 25.8 billion, of which the Ministry of Finance and China Life held 98.06% and 1.94%, respectively. As of the end of 2013, the Group’s total assets and net assets stood at RMB 408.7 billion and RMB 52.5 billion, respectively; in 2013, the net profit of the Group was RMB 10.093 billion, of which RMB 8.66 billion was attributable to parent.

China Huarong is the largest financial asset manager by total assets. It has established a nationwide network covering 30 provinces, autonomous regions, municipalities and the Hong Kong Special Administrative Region with 32 offices (outlets) in China, including Huarong Xiangjiang Bank, Huarong Financial Leasing, Huarong International Trust and Huarong Securities. These branches and subsidiaries serve as China Huarong's business platforms which offer full-licensed, multi-functional and integrated financial services, including asset management, banking, securities, trust, leasing, investment, funds, futures, and as a result, China Huarong has preliminarily established itself as a stated-owned large-scale financial holding group. Looking into the future, China Huarong will continue to follow the development strategy of "seeking growth while maintaining stability, reform and innovation, transformation and optimization" in order to create a first-class asset management company with superior governance, disciplined controls, prominent key businesses, comprehensive offerings and excellent performance.