

CHINA LIFE INSURANCE CO LTD

Form 20-F

April 26, 2013

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As filed with the Securities and Exchange Commission on April 26, 2013

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 20-F**

**REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

**OR**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2012**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**OR**

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report \_\_\_\_\_

Commission file number 001-31914

Exact name of Registrant as specified in its charter)

# **China Life Insurance Company Limited**

(Translation of Registrant's name into English)

People's Republic of China

(Jurisdiction of incorporation or organization)

16 Financial Street

Xicheng District

Beijing 100033, China

(Address of principal executive offices)

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(Name, Telephone, Email and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

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**Title of each class**  
**American depositary shares**  
**H shares, par value RMB1.00 per share**

**Name of each exchange on which registered**  
**New York Stock Exchange**  
**New York Stock Exchange\***

\* Not for trading, but only in connection with the listing on the New York Stock Exchange of American depositary shares, each representing 15 H shares.

**Securities registered or to be registered pursuant to Section 12(g) of the Act:**

**None.**

(Title of Class)

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:**

**None.**

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2012, 7,441,175,000 H shares and 20,823,530,000 A shares, par value RMB1.00 per share, were issued and outstanding. H shares are listed on the Hong Kong Stock Exchange. A shares are listed on the Shanghai Stock Exchange. Both H shares and A shares are ordinary shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  Yes  No

If this report is an annual report or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.  Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing: U.S.GAAP  International Financial Reporting Standards as issued by the International Accounting Standards Board  Other

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.  Item 17  Item 18

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If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).    Yes     No

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**FORWARD-LOOKING STATEMENTS**

This annual report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements state our intentions, beliefs, expectations or predictions for the future, in particular under Item 4. Information on the Company, Item 5. Operating and Financial Review and Prospects and Item 8. Financial Information Embedded Value.

The forward-looking statements include, without limitation, statements relating to:

future developments in the insurance industry in China;

the industry regulatory environment as well as the industry outlook generally;

the amount and nature of, and potential for, future development of our business;

the outcome of litigation and regulatory proceedings that we currently face or may face in the future;

our business strategy and plan of operations;

the prospective financial information regarding our business;

our dividend policy; and

information regarding our embedded value.

In some cases, we use words such as believe, intend, anticipate, estimate, project, forecast, plan, potential, will, may, should, similar expressions to identify forward-looking statements. All statements other than statements of historical facts included in this annual report, including statements regarding our future financial position, strategy, projected costs and plans and objectives of management for future operations, are forward-looking statements. Although we believe that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct, and you are cautioned not to place undue reliance on such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed under Item 3. Key Information Risk Factors and elsewhere in this annual report, including in conjunction with the forward-looking statements included in this annual report. We undertake no obligation to publicly update or revise any forward-looking statements contained in this annual report, whether as a result of new information, future events or otherwise, except as required by law. All forward-looking statements contained in this annual report are qualified by reference to this cautionary statement.

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**CERTAIN TERMS AND CONVENTIONS**

References in this annual report to we, us, our, the Company or China Life mean China Life Insurance Company Limited and, as the context may require, its subsidiaries. References to CLIC mean China Life Insurance (Group) Company and, as the context may require, its subsidiaries, other than China Life. References in this annual report to AMC mean China Life Asset Management Company Limited, the asset management joint venture established by us with CLIC on November 23, 2003. References to CLPCIC mean China Life Property and Casualty Insurance Company Limited, the property and casualty joint venture established by us with CLIC on December 30, 2006. References to China Life Pension mean China Life Pension Company Limited established by us, CLIC and AMC on January 15, 2007.

The statistical and market share information contained in this annual report has been derived from government sources, including the China Insurance Yearbook 2010, the China Insurance Yearbook 2011, the China Insurance Yearbook 2012 and other public sources. The information has not been verified by us independently. Unless otherwise indicated, market share information set forth in this annual report is based on premium information as reported by the CIRC. The reported information includes premium information that is not determined in accordance with HKFRS, U.S. GAAP or IFRS.

References to A shares mean the RMB ordinary shares which have been listed on the Shanghai Stock Exchange since January 9, 2007.

References to China or PRC mean the People's Republic of China, excluding, for purposes of this annual report, Hong Kong, Macau and Taiwan. References to the central government mean the government of the PRC. References to State Council mean the State Council of the PRC. References to the CIRC mean the China Insurance Regulatory Commission. References to MOF or Ministry of Finance mean the Ministry of Finance of the PRC. References to Ministry of Commerce mean the Ministry of Commerce of the PRC. References to CSRC mean the China Securities Regulatory Commission. References to CBRC mean the China Banking Regulatory Commission. References to PBOC mean the People's Bank of China. References to SAFE mean the State Administration of Foreign Exchange of the PRC. References to SAIC mean the State Administration for Industry and Commerce of the PRC.

References to HKSE or Hong Kong Stock Exchange mean The Stock Exchange of Hong Kong Limited. References to NYSE or New York Stock Exchange mean the New York Stock Exchange. References to SSE or Shanghai Stock Exchange mean the Shanghai Stock Exchange.

References to IFRS mean the International Financial Reporting Standards as issued by the International Accounting Standards Board, references to U.S. GAAP mean the generally accepted accounting principles in the United States, references to HKFRS mean the Hong Kong Financial Reporting Standards, issued by the Hong Kong Institute of Certified Public Accountants, and references to PRC GAAP mean the PRC Accounting Standards for Business Enterprises (2006) applicable to companies listed in the PRC. Unless otherwise indicated, our financial information presented in this annual report has been prepared in accordance with IFRS.

References to Renminbi or RMB in this annual report mean the currency of the PRC, references to U.S. dollars or US\$ mean the currency of the United States of America, and references to Hong Kong dollars, H.K. dollars or HK\$ mean the currency of the Hong Kong Special Administrative Region of the PRC.

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Unless otherwise indicated, translations of RMB amounts into U.S. dollars for presentation only in this annual report have been made at the rate of US\$1.00 to RMB 6.2301, the noon buying rate in the City of New York for cable transfers payable in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 2012. No representation is made that Renminbi amounts could have been, or could be, converted into U.S. dollars at that rate on December 31, 2012 or at all. Translations of foreign currency amounts into RMB amounts for the purpose of preparing our audited consolidated financial statements included elsewhere in this annual report or our previous annual reports have been made at the exchange rates published by the PBOC.

Any discrepancies in any table between totals and sums of the amounts listed are due to rounding.

If there is any discrepancy or inconsistency between the Chinese names of the PRC entities in this annual report and their English translations, the Chinese version shall prevail.

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**PRESENTATION OF FINANCIAL INFORMATION**

We prepare our consolidated financial statements in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. We first adopted IFRS for our annual consolidated financial statements for the year ended December 31, 2009. Until and including our financial statements included in our annual reports on Form 20-F for the year ended December 31, 2008, we prepared our consolidated financial statements in accordance with HKFRS, with reconciliations to U.S. GAAP.

As required by First Time Adoption of International Financial Reporting Standards, or IFRS 1, financial results of the year ended December 31, 2008 included herein have been adjusted in accordance with IFRS and differ from the results reported previously.

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**PART I**

**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS.**  
Not applicable.

**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE.**  
Not applicable.

**ITEM 3. KEY INFORMATION.**

**A. SELECTED FINANCIAL DATA**

**Selected Historical Consolidated Financial Data**

The following tables set forth our selected consolidated financial information for the periods indicated. We have derived the consolidated financial information from our audited consolidated financial statements included elsewhere in this annual report or our previous annual reports.

We prepare our consolidated financial statements in accordance with IFRS as issued by the IASB. Until and including our financial statements included in our annual reports on Form 20-F for the year ended December 31, 2008, we prepared our consolidated financial statements in accordance with HKFRS, with reconciliations to U.S. GAAP. As required by IFRS 1, financial results of the year ended December 31, 2008 included herein have been adjusted in accordance with IFRS and differ from the results reported previously. See Item 5. Operating and Financial Review and Prospects .

You should read this information in conjunction with the rest of the annual report, including our audited consolidated financial statements and the accompanying notes, Item 5. Operating and Financial Review and Prospects included elsewhere in this annual report and the independent registered public accounting firm's report.

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IFRS	For the year ended December 31,					
	2008 RMB	2009 RMB	2010 RMB	2011 RMB	2012 RMB	2012 US\$
<b>Consolidated Statement of Comprehensive Income</b>						
<b>Revenues</b>						
Gross written premiums	265,656	275,970	318,229	318,252	322,742	51,804
Less: premiums ceded to reinsurers	(156)	(158)	(177)	(232)	(384)	(62)
Net written premiums	265,500	275,812	318,052	318,020	322,358	51,742
Net change in unearned premium reserves	(323)	(735)	36	256	(232)	(37)
Net premiums earned	265,177	275,077	318,088	318,276	322,126	51,705
Investment income	44,946	38,890	48,872	60,722	73,243	11,756
Net realized gains/(losses) and impairment on financial assets	(5,964)	21,244	15,841	(11,208)	(26,876)	(4,314)
Net fair value gains/(losses) through profit or loss	(7,194)	1,449	280	337	(313)	(50)
Other income	3,420	2,630	2,757	2,772	3,305	530
<b>Total revenues</b>	<b>300,385</b>	<b>339,290</b>	<b>385,838</b>	<b>370,899</b>	<b>371,485</b>	<b>59,627</b>
<b>Benefits, claims and expenses</b>						
<b>Insurance benefits and claims expenses</b>						
Life insurance death and other benefits	(89,659)	(74,858)	(71,237)	(101,349)	(107,674)	(17,283)
Accident and health claims and claim adjustment expenses	(7,641)	(7,808)	(8,740)	(7,789)	(7,898)	(1,268)
Increase in insurance contracts liabilities	(134,649)	(154,372)	(199,655)	(181,579)	(184,990)	(29,693)
Investment contract benefits	(1,931)	(2,142)	(1,950)	(2,031)	(2,032)	(326)
Policyholder dividends resulting from participation in profits	(1,671)	(14,487)	(13,224)	(6,125)	(3,435)	(551)