

## **CITIC Prudential awarded life insurance licence for Nanning City, capital of Guangxi Zhuang Autonomous Region\* in South West China**

London-based Prudential plc (Prudential) announced today that its China joint venture, CITIC Prudential, has been awarded a life insurance licence for Nanning City, capital city of the Guangxi Zhuang Autonomous Region in South West China.

Nanning City is located in the southern part of the Guangxi Zhuang Autonomous Region, 160 km from the border of Vietnam and has a population of 6.7 million, of which 1.5m lives directly in the city centre. In 2006 Nanning City generated a GDP of US\$9 billion (RMB 72 billion) and annual per capita income of US\$1,080 (RMB 12,840), increases of 15% and 18% over 2005 respectively.

Garth Jones, Managing Director, Insurance, China said “The Nanning branch license grants us access into our sixth new province in Guangxi, next to Guangdong province where we already have presence in 8 cities. We will leverage on the advantage of being the first foreign insurer in Nanning, Guangxi and continue to build a material life insurance business in China with our partner CITIC. Our expansion into Nanning underscores our commitment to meet the savings, protection and investment needs of the Chinese people.”

The Nanning City branch is expected to be operational by Q4 2007.

In the first quarter of 2007, CITIC Prudential also opened new sales offices in Zhuhai, in Guangdong Province and Ningbo in Zhejiang Province. These, together with the Nanning City branch licence in Guangxi now mean that CITIC-Prudential has licenses in 21 cities covering 6 Provinces and 3 Direct Administration Zones, making it the leading European life insurance joint venture in China.

\* An autonomous region is an area associated with one or more ethnic minorities. It is a first level administrative division for China, similar to a Province and Direct Administration Zone.

### **About CITIC- Prudential**

CITIC Prudential, the joint venture between CITIC and Prudential was launched in 2000 and continues to expand its geographic presence in China. It currently has 21 city licences for individual life insurance, a licence permitting it to sell group life insurance nationally in China and a network of over 16,000 agents and staff in China. In addition to life insurance, CITIC Prudential also has a fund management operation based on Shanghai with a national licence to sell retail mutual funds.

City	Province	Licence granted
Guangzhou	Guangdong	Q2 2000
Beijing	Direct Administration Zone	Q1 2003
Suzhou	Jiangsu	Q1 2004
Shanghai	Direct Administration Zone	Q4 2004
Foshan	Guangdong	Q1 2005
Dongguan	Guangdong	Q1 2005
Wuhan	Hubei	Q1 2005
Zhongshan	Guangdong	Q2 2005
Shenzhen	Guangdong	Q2 2005
Nanjing	Jiangsu	Q2 2005
Jinan	Shandong	Q1 2006
Wuxi	Jiangsu	Q2 2006
Jiangmen	Guangdong	Q2 2006
Hangzhou	Zhejiang	Q3 2006
Qingyuan	Guangdong	Q4 2006
Yichang	Hubei	Q4 2006
Changzhou	Jiangsu	Q4 2006
Tianjin	Direct Administration Zone	Q4 2006
Ningbo	Hangzhou	Q1 2007
Zhuhai	Guangdong	Q1 2007
Nanning	Guangxi	Q2 2007

### **About Prudential**

Prudential plc is a leading international financial services group, providing retail financial services and fund management in its chosen markets: the United Kingdom, the United States, Asia and continental Europe.

Prudential has been writing life insurance in the United Kingdom for over 150 years and has had the largest long-term fund in the United Kingdom for over a century. Today, Prudential has over 21 million customers worldwide and over £251 billion (US\$490 billion as of 31 December 2006) of funds under management.

In the United Kingdom Prudential is a leading life and pensions provider offering a range of retail financial products. M&G is Prudential's UK & European Fund Manager, with around £164 billion of funds under management (US\$320 billion as of 31 December 2006). Jackson National Life, acquired by Prudential in 1986, is a leading provider of long-term savings and retirement products to retail and institutional customers throughout the United States.

Prudential is the leading European-based life insurer in Asia with operations in 12 markets as well as funds management businesses in 10 markets.

\*Prudential plc, a company incorporated and with its principal place of business in the United Kingdom, and its affiliated companies constitute one of the world's leading financial services groups. It provides insurance and financial services directly and through its subsidiaries and affiliates throughout the world. It has been in existence for over 150 years and has £251 billion in assets under management, (as at 31 December 2006). Prudential plc is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America.



**About CITIC Group (China International Trust and Investment Corporation)**

CITIC was established on October 4 1979 by Rong Yiren. The creation of CITIC was initiated and approved by Deng Xiaoping, chief architect of China's reform.

CITIC is a window on the way China has opened to the outside world. Since its inception, CITIC has always adhered to the principle of innovation. In line with government laws, regulations and policies, CITIC has attracted and utilized foreign capital, introduced advanced technologies, and adopted advanced and scientific international practices in operations and management. CITIC has established successful, strong performing businesses in many fields. As a result, CITIC has made significant contributions to the country's reform and opening up drive and has improved China's reputation both domestically and abroad.

CITIC has grown into a large multinational conglomerate. It now owns 44 subsidiaries in countries including Hong Kong, the United States, Canada, Australia and New Zealand. The company has also set up representative offices in Tokyo, New York and Frankfurt. CITIC's core business ranges from financial services to service industries.