



CIIH

中保國際控股有限公司

China Insurance International Holdings Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 966)

CHANGE OF AUDITOR

The Board hereby announces that KPMG resigned as the auditor of the Company with effect from 21 November 2008 and Deloitte Touche Tohmatsu was appointed as the auditor of the Company on 21 November 2008 to fill the casual vacancy following the resignation of KPMG and will hold office until the next annual general meeting of the Company.

The board of directors (the “Board”) of China Insurance International Holdings Company Limited (the “Company”) hereby announces that KPMG resigned as the auditor of the Company with effect from 21 November 2008. Deloitte Touche Tohmatsu (“Deloitte”) was appointed as the auditor of the Company on 21 November 2008 to fill the casual vacancy following the resignation of KPMG and will hold office until the next annual general meeting of the Company.

In order to streamline and make more efficient the entire audit process, the Board has decided to appoint a single auditor among all of the key subsidiaries of the Company. Previously, different auditors audited different subsidiaries of the Company, which created inefficiencies during the entire audit process. Because of the exemplary work of Deloitte as the auditor of one of the subsidiaries of the Company, the Board has decided to appoint Deloitte as its auditor. As a result, Deloitte will become the auditor of all of the key subsidiaries of the Company. Currently, Deloitte is also the auditor of China Insurance (Holdings) Company Limited, the Company’s controlling shareholder and parent company.

The Board, the audit committee of the Company (the “Audit Committee”) and KPMG have confirmed that there is no matter in connection with the resignation of KPMG which needs to be brought to the attention of the shareholders or creditors of the Company, except that KPMG’s resignation is to facilitate the change of auditors within the Company and its subsidiaries, and for the matter described in the following paragraph, both of which have been mentioned in the resignation letter of KPMG:

During the course of KPMG’s engagement to review the Company’s interim report for the six months ended 30 June 2008 (the “Interim Report”), the Company was not able to reach agreement with KPMG regarding whether there was any objective evidence of impairment of the Company’s and its subsidiaries’ available-for-sale equity securities (the “AFS Equities”). The Company did not require KPMG to issue a report on the Interim Report. This matter was discussed with the Audit Committee on 26 August 2008.

This matter relates to the impairment of AFS Equities amounting to approximately HK\$108 million which was reported in the Interim Report in accordance with the Company’s accounting policy, which is in line with the Hong Kong Financial Reporting Standards. Given the fact that all of the AFS Equities are listed equities and are measured on a marked-to-market basis, and the unrealized losses of the un-impaired AFS Equities are already accounted for in the equity reserves, the Board and the Audit Committee believe that the methodologies and procedures for taking care of this matter for the Interim Report were reasonable and in the best interests of the shareholders.

The Board confirmed that KPMG has not commenced any audit work on the accounts of the Company for the financial year ending 31 December 2008. The Board believes that the change of auditor will not have any significant impact on the annual audit for the financial year ending 31 December 2008.

By Order of the Board
CHAN Man Ko
Company Secretary

Hong Kong, 21 November 2008

As at the date of this announcement, the Board is comprised of 10 directors, of which Mr. LIN Fan, Mr. SONG Shuguang, Mr. XIE Yiqun, Mr. NG Yu Lam Kenneth, Mr. SHEN Koping Michael and Mr. LAU Siu Mun Sammy, are executive directors of the Company, Mr. ZHENG Changyong is a non-executive director of the Company, and Dr. WU Jiesi, Mr. CHE Shujian and Mr. LAU Wai Kit are independent non-executive directors of the Company.

This announcement is posted on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and on the website of the Company at www.ciih.com.