



May 20, 2010

## **CNinsure Announces Cathay Investment Fund's Distribution of CNinsure's Shares as Dividends to the Fund's Stockholders**

GUANGZHOU, May 20, 2010/ PRNewswire-Asia-FirstCall/ --CNinsure Inc., (Nasdaq: CISG) ("CNinsure"), a leading independent insurance intermediary company operating in China, today announced that one of its substantial shareholders, The Cathay Investment Fund, Limited ("CIF" or the "Fund"), has notified CNinsure that the board of directors of CIF had approved the distribution of 6,477,579 American Depositary Shares, representing 129,551,580 ordinary shares of CNinsure, to CIF's stockholders as dividends. These shares represent CIF's entire holdings in CNinsure, or approximately 14.2% of CNinsure's issued share capital as of April 15, 2010. According to CIF, this dividend was deemed distributed effective May 13, 2010.

Paul Wolansky, Chairman of New China Investment Management, Inc., CIF's investment manager, said, "CNinsure continues to be one of the best managed Chinese companies that the Fund has ever invested in and one of the best investments the Fund has ever completed. We remain extremely confident in CISG's long-term growth prospects and in management's ability consistently to increase shareholder value. CIF is the oldest of our three private equity funds. Since the Fund has reached the stage in its investment cycle where it is in the process of winding down, the Board chose not to sell down the Fund's CISG position for cash but instead to distribute CISG stock to the Fund's shareholders, to provide shareholders the option to remain long-term holders of CISG beyond the lifetime of The Cathay Investment Fund. The investment manager has also received its profit allocation in CISG stock and intends to remain a long-term shareholder of CISG."

### **About CNinsure Inc.**

CNinsure is a leading independent intermediary company operating in China. CNinsure's distribution network reaches many of China's most economically developed regions and affluent cities. CNinsure distributes a wide variety of property and casualty and life insurance products underwritten by domestic and foreign insurance companies operating in China, and provides insurance claims adjusting as well as other insurance-related services.

### **Safe Harbor Statement**

This press release contains statements of a forward-looking nature. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by terminology such as "will," "expects," "believes," "anticipates," "intends," "estimates" and similar statements. These forward-looking statements involve known and unknown risks and uncertainties and are based on current expectations, assumptions, estimates and projections about CNinsure and the industry. Potential risks and uncertainties include, but are not limited to, those relating to CNinsure's limited operating history, especially its limited experience in selling life insurance products, its ability to attract and retain productive agents, especially entrepreneurial agents, its ability to maintain existing and develop new business relationships with insurance companies, its ability to execute its growth strategy, its ability to adapt to the evolving regulatory environment in the Chinese insurance industry, its ability to compete effectively against its competitors, quarterly variations in its operating results caused by factors beyond its control and macroeconomic conditions in China and their potential impact on the sales of insurance products. All information provided in this press release is as of May 20, 2010, and CNinsure undertakes no obligation to update any forward-looking statements to reflect subsequent occurring events or circumstances, or to changes in its expectations, except as may be required by law. Although CNinsure believes that the expectations expressed in these forward-looking statements are reasonable, it cannot assure you that its expectations will turn out to be correct, and investors are cautioned that actual results may differ materially from the anticipated results. Further information regarding risks and uncertainties faced by CNinsure is included in CNinsure's filings with the U.S. Securities and Exchange Commission, including its annual report on Form 20-F.

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