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## **CNinsure Announces Acquisition of Leading Insurance Agency And Expands its Business to Guangxi Province**

GUANGZHOU, China, May 05 /Xinhua-PRNewswire-FirstCall/ -- CNinsure Inc. (Nasdaq: CISG), a leading independent insurance agency and brokerage company operating in China, today announced the signing of definitive agreement to acquire 60% equity interests of Guangxi Xingfu Insurance Agency Co., Ltd. ("Xingfu"), a leading insurance agency based in Guangxi Province. The acquisition also marks CNinsure's footprint in the 13th province.

Under the terms of the agreement, CNinsure will make an initial cash payment within 10 working days after register change with relevant authority and a deferred consideration, to be paid in 2009, is subject to adjustment based on Xingfu's financial performance in the calendar year 2008. The transaction is expected to close in the second quarter of 2008 subject to certain consents, authorizations and other customary closing conditions. Upon completion of the transaction, Xingfu's management team will continue to lead the company.

Headquartered in Liuzhou, Guangxi Province, Xingfu is mainly engaged in property and casualty insurance business. In 1999, it started distributing auto insurance on ancillary basis as an auto service provider. Through nine years' efforts, it has secured a leading position in Guangxi Province, ranked No. 1 in Guangxi in 2006 and 2007 in terms of revenue, according to figures released by the China Insurance Regulatory Commission.

Commenting on this acquisition, CNinsure's Chairman and Chief Executive Officer, Yinan Hu, said, "The highly fragmented nature of China's insurance intermediary market calls for consolidation. We believe that CNinsure, with 10 years of operating history and supported by capital from our IPO, is well positioned to capture the consolidation opportunities in the insurance intermediary market.

### **About CNinsure Inc.**

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

### **Forward-looking Statements**

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. Among other things, the management's quotations contain forward-looking 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, and its ability to compete effectively against its competitors. All information provided in this press release is as of May 5, 2008, 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 registration statement on Form F-1.

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