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中国平安保险(集团)股份有限公司

PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2318)

ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

SUBSCRIPTION OF SHARES IN SHANGHAI PUDONG DEVELOPMENT BANK

On November 20, 2006, the Company, Ping An Life and Ping An Property and Casualty successfully subscribed for 137,706,757 new SPDB A Shares to be listed on the Shanghai Stock Exchange. Further, pursuant to the relevant PRC regulations, the Company, Ping An Life and Ping An Property and Casualty, as existing shareholders of SPDB, were issued an additional of 7,057,079 new SPDB A shares to be listed on the Shanghai Stock Exchange in accordance with a ratio of 10 to 1 times the original number of shares held.

The Subscription constitutes a discloseable transaction of the Company under the Listing Rules as the assets ratio of the relevant percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) is more than 5% but less than 25%. A circular containing details of the Subscription will be dispatched to the Shareholders as soon as possible after the publication of this announcement for information purpose.

THE SUBSCRIPTION

On November 20, 2006, the Company, Ping An Life and Ping An Property and Casualty, both subsidiaries of the Company, successfully subscribed for 137,706,757 new SPDB A Shares to be listed on the Shanghai Stock Exchange. Further, pursuant to the relevant PRC regulations, the Company, Ping An Life and Ping An Property and Casualty, as existing shareholders of SPDB, were issued an additional 7,057,079 new SPDB A shares to be listed on the Shanghai Stock Exchange in accordance with a ratio of 10 to 1 times the original number of shares held.

The Subscription was effected at a price per SPDB A Share equivalent to the final RMB price per SPDB A Share (exclusive of brokerage and levies) at which the SPDB A Shares were issued ("SPDB A Share Placing Price") pursuant to the SPDB Placing. The 137,706,757 new SPDB A shares subscribed for and the additional 7,057,079 shares represents approximately 3.16% and 0.162% respectively of the total SPDB A Shares on issue subsequent to the SPDB Placing, being 4,355 million shares. Based on the final SPDB A Share Placing Price of RMB13.64 per SPDB A Share, the total subscription price for the 137,706,757 SPDB A Shares subscribed by the Company, Ping An Life and Ping An Property and Casualty and for the additional 7,057,079 shares were approximately RMB1,878.32 million and 96.26 million respectively.

The Subscription is conditional upon the successful listing of the SPDB A Shares on the Shanghai Stock Exchange. The 13,706,757 SPDB A Shares subscribed by the Company, Ping An Life and Ping An Property and Casualty will be subject to a 12-months' lock up period, effective from the date of listing of the SPDB A Shares on the Shanghai Stock Exchange. The additional 7,057,079 SPDB A Shares issued to the Company, Ping An Life and Ping An Property and Casualty in their capacity as existing shareholders are not subject to any lock up period and there is no restriction against trading of the 7,057,079 SPDB A Shares on the market. The Subscription monies were satisfied by internal resources of the Group.

The Group currently owns 70.57 million SPDB A Shares, representing approximately 1.8% of the entire issued share capital of SPDB, being 3,915 million shares. Following completion of the Subscription, the Group will own 215.33 million SPDB A Shares, representing approximately 4.94% of the enlarged issued share capital of SPDB, being 4,355 million shares.

REASONS AND BENEFITS FOR THE TRANSACTION

The Subscription complies with the relevant PRC laws, rules and regulations applicable to the use of insurance funds. The Subscription is part of the Company's continued efforts to expand the investment channel and maximize the return from the use of the insurance funds.

LISTING RULES IMPLICATIONS

The Subscription constitutes a discloseable transaction of the Company under the Listing Rules as the assets ratio of the relevant percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) is more than 5% but less than 25%. A circular containing details of the Subscription will be dispatched to the Shareholders as soon as possible after the publication of this announcement for information purpose.

INFORMATION RELATING TO THE GROUP AND SPDB

The Company together with its subsidiaries is an insurance and financial services group in the PRC with the ability to provide multiple insurance and financial services and products to corporate and retail customers.

SPDB, headquartered in Shanghai, is a joint-stock commercial bank approved by the People's Bank of China and engaged in the provision of a broad range of financial products and services to corporate and retail customers. SPDB's issued A shares (stock code 600000) are listed on the Shanghai Stock Exchange. To the best of the directors' knowledge, information and belief having made all reasonable enquiry, SPDB is a third party independent of the Company and the connected persons of the Company.

Based on the published audited accounts of SPDB for the year ended 31 December 2004 and 31 December 2005, it had a revenue of approximately RMB18,302 million and RMB23,340 million respectively. For the years ended 31 December 2004 and December 2005, SPDB reported audited net profits of approximately RMB3,103 million and RMB4,339 million before taxation and extraordinary items respectively and net profits of approximately RMB1,966 million and RMB2,558 million after taxation and extraordinary items respectively. Based on the published audited accounts of SPDB for the year ended 31 December 2005 and published interim accounts of SPDB for the 6 months' ended 30 June 2006, it had a total asset value of RMB573,067 million and RMB630,232 million respectively. Based on the above total asset value, the 137,706,757 and 7,057,079 SPDB A Shares shall have a total book value of approximately RMB20,949 million.

The Subscription was entered into by the Company on normal commercial terms. The directors of the Company (including the independent non-executive directors) are of the view that the terms of the Subscription are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

DEFINITIONS

“Board”	the board of Directors
“Company”	Ping An Insurance (Group) Company of China, Ltd., a joint stock limited company established in the PRC, the H shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Ping An Life”	Ping An Life Insurance Company of China, Ltd., a 99% owned subsidiary of the Company
“Ping An Property and Casualty”	Ping An Property and Casualty Insurance Company of China Ltd., a 99% owned subsidiary of the Company
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Stock Exchange”	The Shanghai Stock Exchange
“SPDB”	Shanghai Pudong Development Bank a joint-stock company which A shares are listed on the Shanghai Stock Exchange
“SPDB A Shares”	ordinary shares of RMB1.00 each issued or to be issued by SPDB and listed or to be listed on the Shanghai Stock Exchange
“SPDB Placing”	the placing of approximately a further 440 million new SPDB A Shares to professional institutions and existing shareholders of SPDB in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription by the Company, Ping An Life and Ping An Property and Casualty of 137,706,757 new SPDB A Shares pursuant to the SPDB Placing. Further, pursuant to the relevant PRC regulations, the Company, Ping An Life and Ping An Property and Casualty, as existing shareholders of SPDB, were issued an additional 7,057,079 new SPDB A shares in accordance with a ratio of 10 to 1 times the original number of shares held

By order of the Board
Ma Mingzhe
Chairman and Chief Executive Officer

Shenzhen, PRC, November 20, 2006

As of the date of this announcement, the Executive Directors of the Company are Ma Mingzhe, Sun Jianyi and Cheung Chi Yan Louis, the Non-executive Directors are Huang Jianping, Lin Yu Fen, Cheung Lee Wah, Anthony Philip HOPE, Dou Wenwei, Fan Gang, Lin Lijun, Shi Yuxin, Hu Aimin, Chen Hongbo, Wong Tung Shun Peter and Ng Sing Yip, and the Independent Non-executive Directors are Bao Youde, Kwong Che Keung Gordon, Cheung Wing Yui and Chow Wing Kin Anthony.

“Please also refer to the published version of this announcement in South China Morning Post”