

# 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)

## Clarification Announcement

This announcement is made pursuant to the general disclosure requirements under Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

In light of the recent vigorous fluctuations in the domestic and overseas capital markets, Ping An Insurance (Group) Company of China, Ltd. (the "Company") noted the speculation among certain media and investors over the reasons for the drop in the share price of the Company. With regard to the market speculation, the Company would like to clarify as follows:

1. As at June 30, 2008, the audited net asset value of the Company as disclosed in the 2008 interim report prepared under PRC Accounting Standards and the International Financial Reporting Standards were RMB83.378 billion and RMB90.420 billion respectively, these net assets values have reflected the market-to-market losses of the Company's investments in the shares of Fortis SA/NV and Fortis N.V. (the "Fortis Shares") which amounted to RMB10.524 billion. Depending on the conditions and volatility of international capital markets and price trend of Fortis Shares in future, the Company will decide in a prudent manner whether to take impairment accounting treatment on the investments in Fortis Shares in the 2008 third quarterly report of the Company and to remove the market-to-market losses that had previously been reflected in the equity of the Company and recognised as impairment losses in the income statement.

The Company emphasizes that regardless of whether or not the Company will take for impairment accounting treatment on the investments in Fortis Shares in the 2008 third quarterly report of the Company, the capital position and solvency margin of the Company are solid and sufficient, the Company has a strong foundation and the financial condition is stable. Core business lines such as insurance, banking, trust and securities are experiencing healthy and decent growth. The interests of our customers are adequately protected.

2. After verified, the Company and its subsidiaries have no risk exposures to Lehman Brothers Holdings Inc., AIG, Merrill Lynch & Co., Bear Stearns, Federal National Mortgage Association (Fannie Mac), Federal Home Loan Mortgage Corporation (Freddie Mac) and Washington Mutual Inc..

Shareholders of the Company and investors are urged to exercise caution when dealing in shares of the Company.

By Order of the Board

**Yao Jun**

*Company Secretary*

Shenzhen, PRC, September 26, 2008

*As at 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 Lin Yu Fen, Cheung Lee Wah, Clive Bannister, Fan Gang, Lin Lijun, Hu Aimin, Chen Hongbo, Wong Tung Shun Peter and Ng Sing Yip, the Independent Non-executive Directors are Bao Youde, Kwong Che Keung Gordon, Cheung Wing Yui, Chow Wing Kin Anthony, Zhang Hongyi, Chen Su and Xia Liping.*