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**PING AN**

Insurance · Banking · Investment

# 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 REGARDING THE IMPLEMENTATION OF THE “REGULATION ON THE ACCOUNTING TREATMENT OF INSURANCE CONTRACTS”**

In order to resolve the difference in the implementation of accounting standards adopted in the financial statements of the listed companies of A Shares and H Shares, the Ministry of Finance of the People's Republic of China (hereafter as the “Ministry of Finance”) promulgated the “Accounting Standards for Business Enterprises Interpretation No. 2” on August 7, 2008, pursuant to which the listed companies of A Shares and H Shares are required to confirm, measure and report the same transaction by adopting the same accounting policies and apply the same accounting estimates in the financial reports of A Shares and H Shares save as the reversal of impairment loss on some long-term assets and related party disclosure. Different accounting treatments in the financial statements of A Shares and H Shares is not allowed. According to the “Notice on the Implementation of “Accounting Standards for Business Enterprises Interpretation No.2” in the Insurance Industry” promulgated by China Insurance Regulatory Commission on January 5, 2009, all insurance companies (whether listed domestically or overseas) are required to implement the new unified accounting policies and make changes to the existing accounting policies (which lead to different accounting treatments in the domestic and overseas accounting statements) in preparing the 2009 annual report. On December 30, 2009, Ping An Insurance (Group) Company of China, Ltd. (hereafter as the “Company”) noted that the Ministry of Finance issued the “Regulation on the Accounting Treatment of Insurance Contracts” (hereafter as the “Regulation”) which mainly regulates three key areas, namely, the separation of the mixed insurance contracts, the major insurance risk testing and the measurement of the reserve for insurance contracts, and requires the insurance companies to follow the same in preparing the 2009 annual report.

The Company will make relevant changes to the accounting policies in accordance with the Regulation. Upon the implementation of the Regulation, the interests of the Company's policyholders will not be affected and the Company's solvency will remain stable. The Company will prepare the 2009 annual report in strict compliance with the Regulation and comply with the relevant information disclosure obligations.

By order of the Board  
**Yao Jun**  
*Company Secretary*

Shenzhen, PRC, December 31, 2009

*As at the date of this announcement, the Executive Directors of the Company are Ma Mingzhe, Sun Jianyi, Cheung Chi Yan Louis, Wang Liping and Jason Bo Yao; the Non-executive Directors are Lin Lijun, Hu Aimin, Chen Hongbo, Wong Tung Shun Peter, Ng Sing Yip, Clive Bannister and Li Zhe; and the Independent Non-executive Directors are Chow Wing Kin Anthony, Zhang Hongyi, Chen Su, Xia Liping, Tang Yunwei, Lee Ka Sze Carmelo and Chung Yu-wo Danny.*