

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached “Announcement of Ping An Insurance (Group) Company of China, Ltd. in respect of the Connected Transaction with New Horse” published by Ping An Insurance (Group) Company of China, Ltd. on the website of the Shanghai Stock Exchange and in the designated newspapers in the People’s Republic of China.

By order of the Board

Yao Jun

Company Secretary

Shenzhen, PRC, November 19, 2010

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 Yao Jason Bo; the Non-executive Directors are Lin Lijun, Chen Hongbo, Wong Tung Shun Peter, Ng Sing Yip, Li Zhe, Guo Limin and David Fried; 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.

**PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.
ANNOUNCEMENT ON THE CONNECTED TRANSACTION WITH NEW HORSE**

Special Notice:

The board of directors and all the directors of Ping An Insurance (Group) Company of China, Ltd. (hereinafter referred to as the “Company”) confirm that there are no false representations and misleading statements contained in, or material omissions from this announcement, and severally and jointly accept the responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

I. Overview of the connected transaction

Ping An Trust Co., Ltd. (hereinafter referred to as “Ping An Trust”), a subsidiary of the Company, and Linzhi New Horse Investment Development Co., Ltd. (formally known as Shenzhen New Horse Investment Development Co., Ltd. (hereinafter referred to as “New Horse”) have entered into the Agreement in respect of the Transfer of Equity Interests in Ping An Securities Company, Ltd. (hereinafter referred to as the “Equity Transfer Agreement”), pursuant to which Ping An Trust proposes to acquire the 9.90% equity interests held by New Horse in Ping An Securities Company, Ltd. (hereinafter referred to as “Ping An Securities”) for a consideration of RMB1,218,368,586.60 (hereinafter referred to as the “Equity Transfer Connected Transaction”).

1. Identification of connected persons and the connected transaction

New Horse, being a shareholder who held more than 5% of the shares of the Company over the past twelve months, is deemed to be a connected person of the Company under Rules 10.1.3 and 10.1.6 of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (hereinafter referred to as the “SSE Listing Rules”). Accordingly, the transaction between Ping An Trust, being a subsidiary of the Company, and New Horse constitutes a connected transaction under the SSE Listing Rules.

2. Subject of the connected transaction

As at the date of this announcement, the registered capital of Ping An Securities amounts to RMB3 billion, among which, the capital contribution by New Horse is RMB297 million, representing 9.90% of the registered capital of Ping An Securities. Ping An Trust proposes to acquire the 9.90% equity interests in Ping An Securities held by New Horse for a consideration of RMB1,218,368,586.60.

3. The Board’s review of the connected transaction

As the transaction amount accounts for more than 0.5% but less than 5% of the absolute value of the latest audited net assets of the Company, the Equity Transfer Connected Transaction is subject to the review of the Board and timely disclosure in this respect shall be made.

The “Resolution relating to the Review of the Connected Transaction with New Horse” was considered and passed at the 12th meeting of the Eighth Session of the Board of the Company with 13 affirmative votes, 0 objected vote and 0 abstained vote. All the independent non-executive directors have issued an independent opinion consenting to this resolution. As the holders of the Employee Investment Pool of the Company, Mr. Ma Mingzhe, Mr. Sun Jianyi, Mr. Cheung Chi Yan Louis, Ms. Wang Liping and Mr. Yao Jason Bo (each being an executive director of the Company) and Ms. Lin Lijun (being a non-executive director of the Company) are all interested in the Equity Transfer Connected Transaction. As such, all the aforesaid directors had abstained from voting on this resolution.

4. Further approvals for the Equity Transfer Connected Transaction

The Equity Transfer Connected Transaction is subject to further approvals of relevant competent decision-making organs (such as the board of Ping An Trust, the board and the shareholders’ general meeting of Ping An Securities), as well as the approval from China Securities Regulatory Commission (hereinafter referred to as “CSRC”). The Board of the Company agrees that, if Ping An Trust, being the transferee of the Equity Transfer Connected Transaction, fails to obtain the aforesaid approvals, then the Equity Transfer Agreement will be entered into by another qualified subsidiary of the Company, as new transferee, with New Horse, where the terms of the Equity Transfer Agreement, except parties thereto, shall remain unchanged.

II. Information on the connected person

1. New Horse was incorporated with the Industry and Commerce Administration of Shenzhen Municipality on December 30, 1992, with a fully paid registered capital of RMB205 million. New Horse is held as to 95% by the Labour Union Working Committee of Ping An Insurance (Group) Company of China, Ltd. and as to 5% by Linzhi Jingao Industrial Development Co., Ltd. (formerly known as “Shenzhen Jingao Industrial Development Co., Ltd.”, hereinafter referred to as “Jingao Industrial”). The legal representative is Lin Lijun and the registered address is at Suite 305, Biotechnology Industrial Park Building, Linzhi Zone. The Business License Registration Number of the corporate legal person is 5426002000288, and the Tax Registration Number is 542600686825778. Its business scope covers industrial investment (separate application for approval is required for specific projects), management of entrusted assets, investment consultancy, agency services, entrusted investment, domestic trade (excluding items which shall be approved prior to registration pursuant to laws, administrative regulations and decisions made by the State Council) and corporate image planning (excluding employment agency services, securities and restricted items).

The Company has established an employee beneficial ownership plan for its participating employees to subscribe for, and receive unit interests in, an Employee Investment Pool, which in turn makes indirect investments in the Company through New Horse and Jingao Industrial. The equity holders of the Employee Investment Pool beneficially own 100% equity interests in both New Horse and Jingao Industrial in the names of the Labour Union Working Committee of Ping An Insurance (Group) Company of China, Ltd., the Labour Union Working Committee of Ping An Securities Company, Ltd. and the Labour Union Working Committee of Ping An Trust Co., Ltd.

- As at December 31, 2009, New Horse had total assets of RMB473 million, total liabilities of RMB24 million and total owners' equity interest of RMB449 million. The net profit of New Horse for 2009 amounted to RMB67 million. All the above-mentioned figures have been audited.

III. General information on the subject matter of the Equity Transfer Connected Transaction

- The predecessor of Ping An Securities was the Securities Department of Ping An Insurance Company established in August 1991. With the approval of Yin Fu [1995] No.368 document of the People's Bank of China, Ping An Securities was formally established on July 18, 1996. As at the date of this announcement, the registered capital of Ping An Securities amounts to RMB3 billion, with its registered address at 8/F, Great China International Trading Plaza, Jintian Rd., Futian District, Shenzhen, Guangdong Province. Its legal representative is Yang Yuxiang. The registration number of its business license of corporate legal person is 100000000023458. The business scope covers securities brokerage, financial advisory on securities trading and securities investment, securities underwriting and sponsoring, securities proprietary trading, securities assets management, distribution of securities investment funds, intermediary services for futures companies (valid through December 8, 2012).
- As of the date of this announcement, the name of shareholders of, number of shares held and percentage of shareholding in Ping An Securities are set out as follows:

Number	Name of shareholder	Number of shares held	Percentage of shareholding
1	Ping An Trust Co., Ltd.	2,603,000,000	86.7666%
2	Linzhi New Horse Investment Development Co., Ltd.	297,000,000	9.9000%
3	Jiangsu Baixue Electrical Appliance Co., Ltd.	50,000,000	1.6667%
4	Shanghai Sugar Cigarette and Wine (Group) Company, Ltd	50,000,000	1.6667%
	Total	<u>3,000,000,000</u>	<u>100.0000%</u>

IV. Main content and pricing policy of the Equity Transfer Connected Transaction

1. *The main content of the Equity Transfer Connected Transaction*

Transferor: New Horse

Transferee: Ping An Trust

Subject of the transaction: 297,000,000 shares of Ping An Securities held by New Horse, representing 9.90% of the issued share capital of Ping An Securities

Consideration of the transaction: RMB1,218,368,586.60

2. Pricing policy of the Equity Transfer Connected Transaction

China United Assets Appraisal Co., Ltd, an independent professional valuer with qualification to evaluate securities and futures related businesses, was jointly engaged by the Company, Ping An Trust and New Horse and issued on November 15, 2010 an asset valuation report (Zhong Lian Ping Bao Zi (2010) No.958) on the value of the equity interests attributable to shareholders of Ping An Securities. Both present earning value method and market comparison method were used to perform an overall valuation on Ping An Securities, and the value obtained by present earning value method was adopted as the final valuation results. Based on the above valuation report, the total equity interests attributable to shareholders of Ping An Securities as at September 30, 2010 (the valuation reference date) was valued at RMB12,306,753,400.

As of the date of this announcement, New Horse held 297,000,000 shares of Ping An Securities, representing 9.90% of the total share capital of 3,000,000,000 shares of Ping An Securities. Based on the valuation of the total shareholders' equity, the value of such shares was RMB1,218,368,586.60. Ping An Trust intended to acquire the 9.90% equity interests held by New Horse in Ping An Securities based on the valuation price for a consideration of RMB1,218,368,586.60.

V. Purpose of the Equity Transfer Connected Transaction and its impact on the Company

1. Purpose of the Equity Transfer Connected Transaction

The Equity Transfer Connected Transaction allows Ping An Trust to increase its shareholding in Ping An Securities. Upon completion of the Equity Transfer Connected Transaction, the shareholding in Ping An Securities held by Ping An Trust will be increased from approximately 86.77% to approximately 96.67%.

2. The impact of the Equity Transfer Connected Transaction on the Company

As at the date of this announcement, the Company indirectly held approximately 86.66% equity interests in Ping An Securities through Ping An Trust. The acquisition of 9.90% equity interests in Ping An Securities by Ping An Trust or other qualified subsidiaries of the Company will allow the Company to further increase its shareholding in Ping An Securities and fully bring out business synergies among its subsidiaries. As such, it will enable the Company to realize its goal of becoming an integrated financial institution and is also in line with the Company's long-term development strategy.

VI. Opinions of the Independent Non-executive Directors

Pursuant to the Guidance Opinions Regarding the Establishment of Systems of Independent Directors by Listed Companies (《關於在上市公司建立獨立董事制度的指導意見》) issued by CSRC and the requirements of the SSE Listing Rules, our Independent Non-executive Directors have expressed their independent opinions on the approval of the Equity Transfer Connected Transaction and are of the view that it is in compliance with proper procedures under laws and regulations, and that the consideration for the Equity Transfer Connected Transaction has been determined based on the valuation price and the terms of the transaction are fair, just and reasonable and in the interests of the Company and the shareholders as a whole.

VII. Historical connected transactions

1. *The connected transaction regarding the transfer of the shares held by New Horse in Ping An Life Insurance Company of China Ltd. (hereinafter referred to as “Ping An Life”) to the Company*

Hubei Wanxin Certified Public Valuer Co., Ltd., an independent professional valuer with the qualification to evaluate securities and futures related businesses, was engaged by New Horse and issued on August 30, 2010 an asset valuation report (E Wan Xin Ping Bao Zi (2010) No. 074) on the value of the equity interests involving the 42,160,000 shares of Ping An Life (representing approximately 0.1771% of the total share capital of 2,380,000,000 shares of Ping An Life on June 30, 2010) held by New Horse, which are intended to be transferred by New Horse. The valuation was conducted mainly with the market approach and the valuation reference date was June 30, 2010. Based on the above valuation report, the fair market value of the 0.1771% equity interests held by New Horse in Ping An Life was valued at RMB83,097,200.

The Company has agreed to take up those shares for a consideration of RMB83,097,200 according to the valuation price. The above transaction regarding the transfer of shares in Ping An Life has been completed and reported to China Insurance Regulatory Commission. New Horse no longer has any shares in Ping An Life after such transfer.

2. *The connected transaction regarding the transfer to the Company of the shares held by New Horse in Ping An Property & Casualty Insurance Company of China, Ltd. (hereinafter referred to as the “Ping An Property & Casualty”)*

Hubei Wanxin Certified Public Valuer Co., Ltd., an independent professional valuer with the qualification to evaluate securities and futures related businesses, was engaged by New Horse and issued on September 20, 2010 an asset valuation report (E Wan Xin Ping Bao Zi (2010) No. 075) on the value of the equity interests involving the 38,418,444 shares held by New Horse in Ping An Property & Casualty (representing approximately 0.3203% of the total share capital of 12 billion shares of Ping An Property & Casualty on 31 August 2010), which are intended to be transferred by New Horse. The valuation was conducted mainly by the market approach and the valuation reference date was August 31, 2010. Based on the above valuation report, the fair market value of the 0.3203% equity interests held by New Horse in Ping An Property & Casualty was valued at RMB109,777,900.

The Company agreed to take up those shares for a consideration of RMB104,015,133.40, which represented the valuation price of RMB109,777,900 less the dividend of RMB5,762,766.60 payable to those shares resolved at the 2010 second extraordinary general meeting of Ping An Property & Casualty. The above transaction regarding the transfer of shares in Ping An Property & Casualty has been completed and reported to China Insurance Regulatory Commission. New Horse no longer held any shares in Ping An Property & Casualty after such transfer.

VIII. List of documents for inspection

1. The resolutions passed at the 12th meeting of the Eighth Session of the Board of the Company
2. The independent opinions obtained from the Independent Non-executive Directors
3. The asset valuation report of (Zhong Lian Ping Bao Zi (2010) No.958) issued by China United Assets Appraisal Co., Ltd.
4. The “Agreement in respect of the Transfer of Equity Interests of Ping An Trust Co., Ltd.” (draft version)

The Board of Directors
Ping An Insurance (Group) Company of China, Ltd.

November 19, 2010

Note: Pursuant to the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” (the “Listing Rules”), New Horse is not a connected person of the Company and the connected transaction contemplated under the above Equity Transfer Agreement is not subject to the reporting, disclosure and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.