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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)

(1) DISCLOSEABLE TRANSACTION

**PROPOSED SUBSCRIPTION OF NEW SHARES IN
SHENZHEN DEVELOPMENT BANK CO., LTD.**

AND

(2) RESUMPTION OF TRADING

PROPOSED SHARE SUBSCRIPTION

On 17 August 2011, the Company entered into the Share Subscription Agreement with SDB pursuant to which the Company conditionally agreed to subscribe for not less than 892,325,997 and not more than 1,189,767,995 Subscription Shares for a cash consideration of not more than RMB 20 billion. The Subscription Price shall be RMB16.81, being the average trading price of the SDB Shares as quoted on SZSE for the 20 consecutive trading days prior to the date of the announcement of the resolutions of the board of directors of SDB approving the Share Subscription. As at the date of this announcement, the Company directly holds 2,159,807,516 SDB Shares and Ping An Life (a subsidiary of the Company) directly holds 523,851,825 SDB Shares. The Group in aggregate holds 2,683,659,341 SDB Shares, representing approximately 52.38% of the existing total issued share capital of SDB.

The Share Subscription involves an acquisition of a further shareholding of not more than 18.85% of the enlarged issued share capital of SDB by the Company which constitutes a discloseable transaction of the Company under the Listing Rules as the highest applicable percentage ratio is more than 5% but less than 25%, the Share Subscription is subject to the reporting and announcement requirements and is exempt from the shareholders' approval requirements under the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the H Shares was suspended with effect from 9:00 a.m. on 17 August 2011 pending the release of this announcement. An application has been made by the Company to the Hong Kong Stock Exchange for the resumption of trading in the H Shares with effect from 9:00 a.m. on 18 August 2011.

(A) SHARE SUBSCRIPTION AGREEMENT

Date: 17 August 2011

Parties:

(a) Issuer:

SDB, a joint stock limited company and the SDB Shares are listed on SZSE. Save for that SDB is a 52.83% non wholly-owned subsidiary of the Company, to the best of the Directors' knowledge, information and belief having made reasonable enquiries, SDB is not a connected person of the Company under the Listing Rules.

(b) Subscriber:

The Company

The Share Subscription

Pursuant to the Share Subscription Agreement, the Company has conditionally agreed to subscribe for not less than 892,325,997 and not more than 1,189,767,995 Subscription Shares for a cash consideration of not more than RMB 20 billion.

The parties agree that under permissible circumstances, they will finalise the number of Subscription Shares as soon as practicable, and the number of Subscription Shares shall be subject to the final outcome as approved by CSRC.

Subscription Price

The Subscription Price shall be RMB 16.81, being the average trading price of the SDB Shares as quoted on SZSE for the 20 consecutive trading days prior to the date of the announcement of the resolutions of the board of directors of SDB approving the Share Subscription. The Subscription Consideration shall be determined by multiplying the number of Subscription Shares and the Subscription Price.

If prior to the Completion Date, there occurs any interest distribution, transfer of capital surplus into share capital or rights issue of SDB Shares, causing it necessary to make ex-right and ex-dividend adjustments to SDB Shares, then the Subscription Price shall be adjusted correspondingly in accordance with the formula for calculating the "ex-right (ex-dividend) reference price" as stipulated by the Trading Rules of SZSE, and the number of Subscription Shares shall also be adjusted correspondingly if necessary. In this case, the parties to the Subscription Agreement shall on the Completion Date, enter into a "confirmation letter" to reflect the adjustment in the Subscription Price for each Subscription Share and the number of Subscription Share, if necessary.

The funds for the Share Subscription are derived from funds of the Company that can be applied without any restrictions.

The Board considers the Subscription Price is fair and reasonable and in the interests of the Company's shareholders as a whole.

Lock Up Period

The Subscription Shares are subject to a lock up period of 36 months after the end of the issue of the Subscription Shares, during which the Company shall not transfer the Subscription Shares, but subject to applicable laws, transfers of Subscription Shares between associated entities of the Company (being any entity which directly or indirectly controls the Company, is directly or indirectly controlled by the Company or is under the same control as the Company) are not restricted by the lock up period.

Conditions to the Share Subscription Agreement

Completion of the Share Subscription shall be conditional upon the fulfilment of the following conditions (except for item (c) below, the other conditions cannot be waived):

- (a) all the required approvals for the Share Subscription from the relevant competent authorities and approval at the meeting of the board of directors and general meeting of SDB have been properly obtained and remain effective in all aspects on the Completion Date;
- (b) the relevant competent authorities have not issued, published or executed any laws, regulations, rules, directives, orders or notices which forbid the Share Subscription;
- (c) all representations and warranties given by the Company and SDB under the Share Subscription Agreement shall remain true and accurate in all material respects on the date of the Share Subscription Agreement and at all times after the date of the Share Subscription Agreement up to and including the Completion Date (as if they have been repeated on the Completion Date).

In the event that the above conditions cannot be fulfilled or waived as appropriate on or before the Long Stop Date, each party shall have the right to terminate the Share Subscription Agreement with immediate effect. Following the termination of the Share Subscription Agreement, the rights and obligations of each party under the Share Subscription Agreement shall terminate at the same time, but the termination shall not affect the rights and obligations of each party that have already occurred on the date of termination.

Termination of the Share Subscription Agreement

At any time prior to the completion of the Share Subscription, in the event that (i) any one party is in material breach of any provision under the Share Subscription Agreement; and (ii) the defaulting party does not remedy the breach within 30 days from the date the non-defaulting party issues a written notice to the defaulting party requesting it to take action to remedy such breach, the non-defaulting party can issue a notice in writing to the defaulting party and elect either to complete the transaction immediately or terminate the Share Subscription Agreement, and is entitled to request the defaulting party to bear responsibility of compensation for loss.

Completion of the Share Subscription

Completion of the Share Subscription shall take place on the seventh Business Day after fulfillment (or waiver as appropriate) of the last condition or an earlier date as agreed by both parties to the Share Subscription Agreement, but shall not be earlier than the date the last condition is fulfilled or waived as appropriate.

Immediately after completion of the Share Subscription, based on the maximum number of Subscription Shares to be subscribed by the Company, the Company will in aggregate own not more

than approximately 61.36% of the total enlarged issued share capital of SDB and SDB will continue to be a subsidiary of the Group.

(B) REASONS AND BENEFITS FOR THE SHARE SUBSCRIPTION

Upon the completion of the Share Subscription, the Company will increase its shareholding in SDB. The Subscription Consideration will be applied by SDB to replenish its core capital and increase its capital adequacy ratio so as to meet the capital regulatory requirements and enhance the healthy development of SDB, which in turn will enhance the capabilities of its banking segment, significantly enhance its cross-selling capabilities within the Group and contribute to the more balanced development among its three major business segments, namely insurance, banking and investment.

The Directors (including the independent non-executive Directors) consider that the Share Subscription Agreement was entered into on normal commercial terms in the ordinary and usual course of business of the Group and that the terms of the Share Subscription Agreement are fair and reasonable and in the best interests of the Group so far as the interests of the shareholders of the Company are concerned.

(C) INFORMATION RELATING TO THE GROUP AND SDB

The Group

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.

SDB

SDB is a joint stock limited company incorporated and registered in the PRC and the SDB Shares are listed and traded on SZSE. It is the first commercial bank to issue shares to the general public and be listed on the stock exchange in the PRC. It has excellent business networks and channels through over 300 branches in commercial cities including Beijing, Shanghai, Tianjin, Chongqing, Guangzhou, Shenzhen, Hangzhou, Nanjing, Jinan, Dalian, Qingdao, Chengdu, Kunming, Haikou, Zhuhai, Fuoshan, Ningbo, Wenzhou, Yiwu and Wuhan. SDB has established a complete product system and has strong market influence on its main business sectors including corporate banking, retail banking and consumer loans.

According to SDB's published 2010 annual report, the net asset value of SDB amounted to approximately RMB 33,513 million as of 31 December 2010. Its net profit before and after taxation and extraordinary items in 2010 amounted to approximately RMB 7,998 million and RMB 6,284 million, respectively; and net profit before and after taxation and extraordinary items in 2009 amounted to approximately RMB 6,191 million and RMB 5,031 million, respectively. The audited net asset value of SDB as of 30 June 2011 amounted to approximately RMB 38,152 million according to SDB's published 2011 interim report.

(D) LISTING RULES IMPLICATIONS

The Share Subscription involves an acquisition of a further shareholding of not more than 18.85% of the enlarged issued share capital of SDB by the Company which constitutes a discloseable transaction of the Company under the Listing Rules as the highest applicable percentage ratio is more than 5% but less than 25%, the Share Subscription is subject to the reporting and announcement requirements and is exempt from the shareholders' approval requirements under the Listing Rules.

(E) RESUMPTION OF TRADING

At the request of the Company, trading in the H Shares was suspended with effect from 9:00 a.m. on 17 August 2011 pending release of this announcement. An application has been made to the Hong Kong Stock Exchange for the resumption of trading in the H Shares with effect from 9:00 a.m. on 18 August 2011.

(F) DEFINITIONS

“A Shares”	A Share(s) of RMB1.00 each in the capital of the Company which is/are listed and traded on SSE
“Board”	the board of Directors
“Business Days”	means any day (excluding a Saturday, Sunday and other public holidays) on which banks in the PRC are generally open for business throughout their normal business hours
“Company”	Ping An Insurance (Group) Company of China, Ltd., a joint stock limited company duly incorporated in the PRC with limited liability, the A Shares of which are listed on SSE and the H Shares of which are listed on Hong Kong Stock Exchange
“Completion Date”	the seventh Business Day after fulfillment (or waiver as appropriate) of the last condition under the Share Subscription Agreement or an earlier date as agreed by both parties (but shall not be earlier than the date the last condition under the Share Subscription Agreement is fulfilled or waived as appropriate)
“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“H Shares”	H Shares of RMB1.00 each in the capital of the Company which is/are listed and traded on Hong Kong Stock Exchange
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Long Stop Date”	except for other date that is agreed in writing by the parties to the Share Subscription Agreement, the date when either party provides the other with acceptable evidence proving that the relevant authorities do not approve the Share Subscription or other date from which the Share Subscription Agreement shall terminate with immediate effect
“Ping An Life”	Ping An Life Insurance Company of China, Ltd., a 99.33%

	owned subsidiary of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SDB”	Shenzhen Development Bank Co., Ltd., a joint stock limited liability company established in the PRC, whose shares are listed and traded on SZSE, and a 52.38% non wholly-owned subsidiary of the Company as at the date of this announcement
“SDB Share(s)”	A share(s) of RMB1.00 each in the share capital of SDB which is/are listed and traded on SZSE
“SSE”	The Shanghai Stock Exchange
“Share Subscription”	the subscription of the Subscription Shares by the Company pursuant to the Share Subscription Agreement
“Share Subscription Agreement”	the agreement dated 17 August 2011 entered into between the Company and SDB in relation to the Share Subscription
“Share(s)”	share of RMB1.00 each in the capital of the Company
"Subscription Consideration"	the total consideration for the Subscription which shall be of not more than RMB 20 billion
“Subscription Price”	RMB16.81 per each Subscription Share, being the average trading price of the SDB Shares as quoted on SZSE for the 20 consecutive trading days prior to the date of the announcement of the resolutions of the board of directors of SDB approving the Share Subscription
“Subscription Shares”	new SDB Shares to be issued by SDB to the Company pursuant to the Share Subscription Agreement
“SZSE”	The Shenzhen Stock Exchange
“%”	per cent.

By order of the Board
Ping An Insurance (Group) Company of China, Ltd.
Yao Jun
Company Secretary

Shenzhen, PRC, 17 August 2011

As at the date of this announcement, the Executive Directors of the Company are Ma Mingzhe, Sun Jianyi, 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, David Fried and Cheung Chi Yan Louis; the Independent Non-executive Directors are Zhang Hongyi, Chen Su, Xia Liping, Tang Yunwei, Lee Ka Sze Carmelo, Chung Yu-Wo Danny and Woo Ka Bui Jackson.