

**中国平安 PINGAN**

保险 · 银行 · 投资

# 2010 3rd Quarter Results

October, 2010

# Cautionary Statements Regarding Forward-Looking Statements

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# Overview

In the third quarter of 2010, China's economy remained steady growth. In accordance with the stated strategic direction and operational targets for the year, the Company made positive responses to the changes in macroeconomic situation and market environment, and achieved healthy and strong results. For the first three quarters of 2010, the Company realized a net profit of RMB13,197 million, representing an increase of 8.4% on a YoY basis. The growth rate has slightly decreased as compared with the last two quarters, mainly due to the decrease in total investment income of equity assets and the increase in insurance reserves as a result of the benchmarking yield curve for the measurement of insurance contract liabilities going down.

Despite such unfavorable investment and interest rates environment, the Company still achieved outstanding performance in the three core businesses over the first three quarters. The first-year written premiums from individual life insurance significantly increased. The property and casualty insurance business improved in terms of both scale and quality. The banking business continued to deliver strong growth, as Ping An Bank recorded huge profit surge and Shenzhen Development Bank contributed remarkable profit to the Company. The investment banking business continued to be among the best in the industry. The transformation of our trust business progressed smoothly. For our investment business, we vigilantly responded to the capital market's volatility and optimized our asset allocation timely.

Looking into the fourth quarter ahead, China's economy is set to rebound after stabilizing. However, the domestic market is still full of uncertainties and instabilities, which will put pressure on our fourth quarter results. In the fourth quarter, we will make full preparation for the coming year while continuously focusing on the healthy and steady development of all businesses, so as to lay a solid foundation for the long term sustainable growth of the Company.

# Operating Highlights of Our Three Core Businesses

## Insurance Business

- n Total written premiums of our life insurance business increased by 22.4% to RMB128,145 million in the first three quarters on a YoY basis. Among which, the individual life insurance new business realized written premiums of RMB33,989 million, up 40.7% as compared with same period last year
- n Our property and casualty insurance business recorded premium income of RMB45,759 million, a strong growth of 57.7%, and its combined ratio improved to 94.3%
- n Our annuity business maintained its market leading position in the industry in terms of annuity payments received, assets entrusted and assets under investment management

## Banking Business

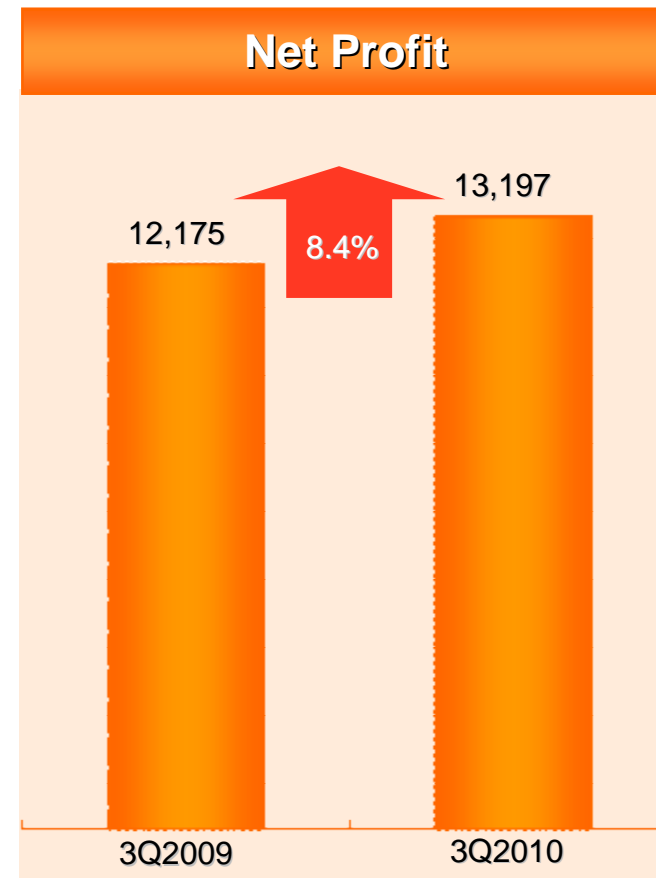
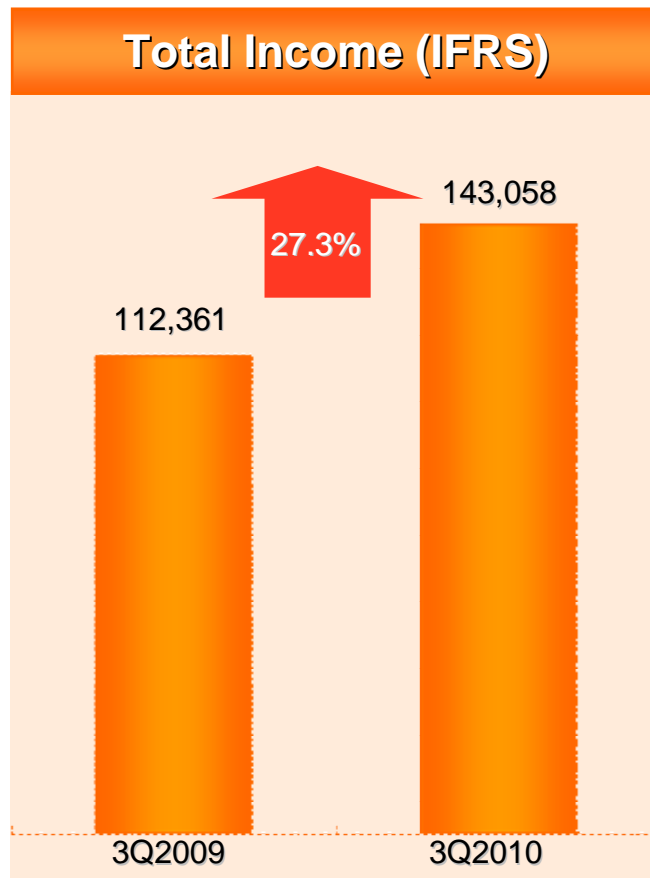
- n Ping An Bank realized a net profit of RMB1,373 million, representing an increase of 73.1% on a YoY basis, with total assets reaching RMB239.13 billion. The number of credit cards issued was over 5.5 million and total transaction amount continuously increased. Non-performing loan ratio was controlled at an industry leading level of 0.41%
- n Shenzhen Development Bank, as a 29.99% associate company of Ping An, contributed a total profit of RMB635 million for the first three quarters

## Investment Business

- n Ping An Securities realized a net profit of RMB1,176 million for the first three quarters, representing an increase of 111.5% on a YoY basis. The investment banking business sponsored 30 IPOs and 7 refinancing projects as a lead underwriter and ranked top in the league table by number of deals and volume of underwriting fees received
- n Ping An Trust strived to build an asset management platform serving high worth individuals while expanding its business scale. The scale of high margin products increased steadily

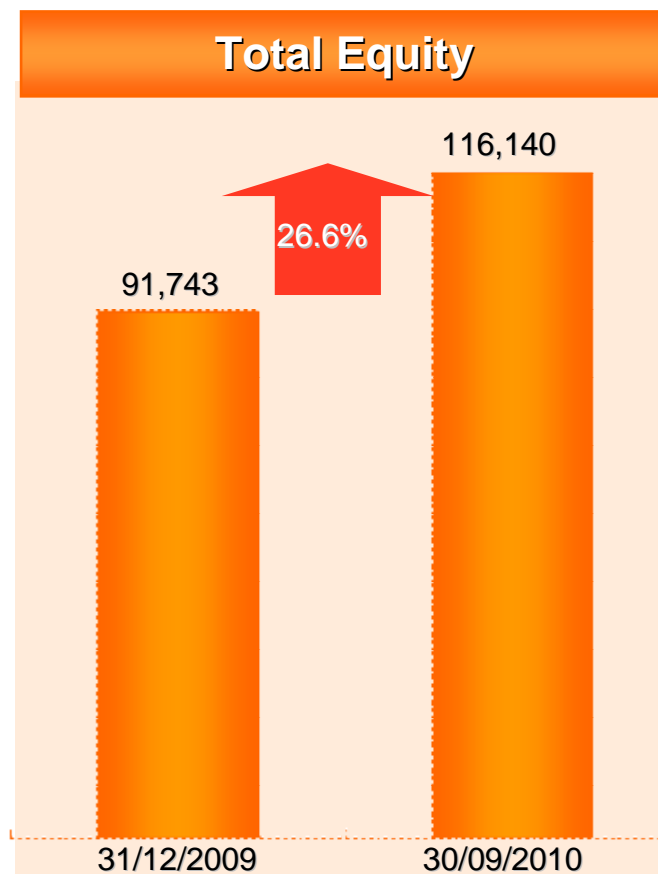
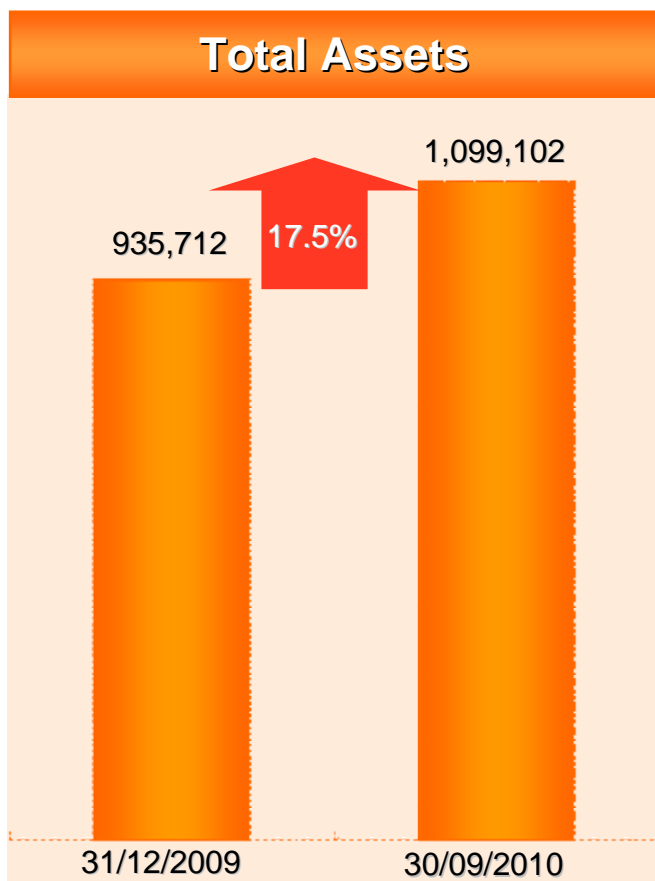
# Total Income Increased Steadily and Net Profit Increased Moderately

(In RMB million)



# Total Assets and Total Equity Increased Steadily

(In RMB million)



# Income Statement Highlights

(In RMB Million, IFRS Basis)

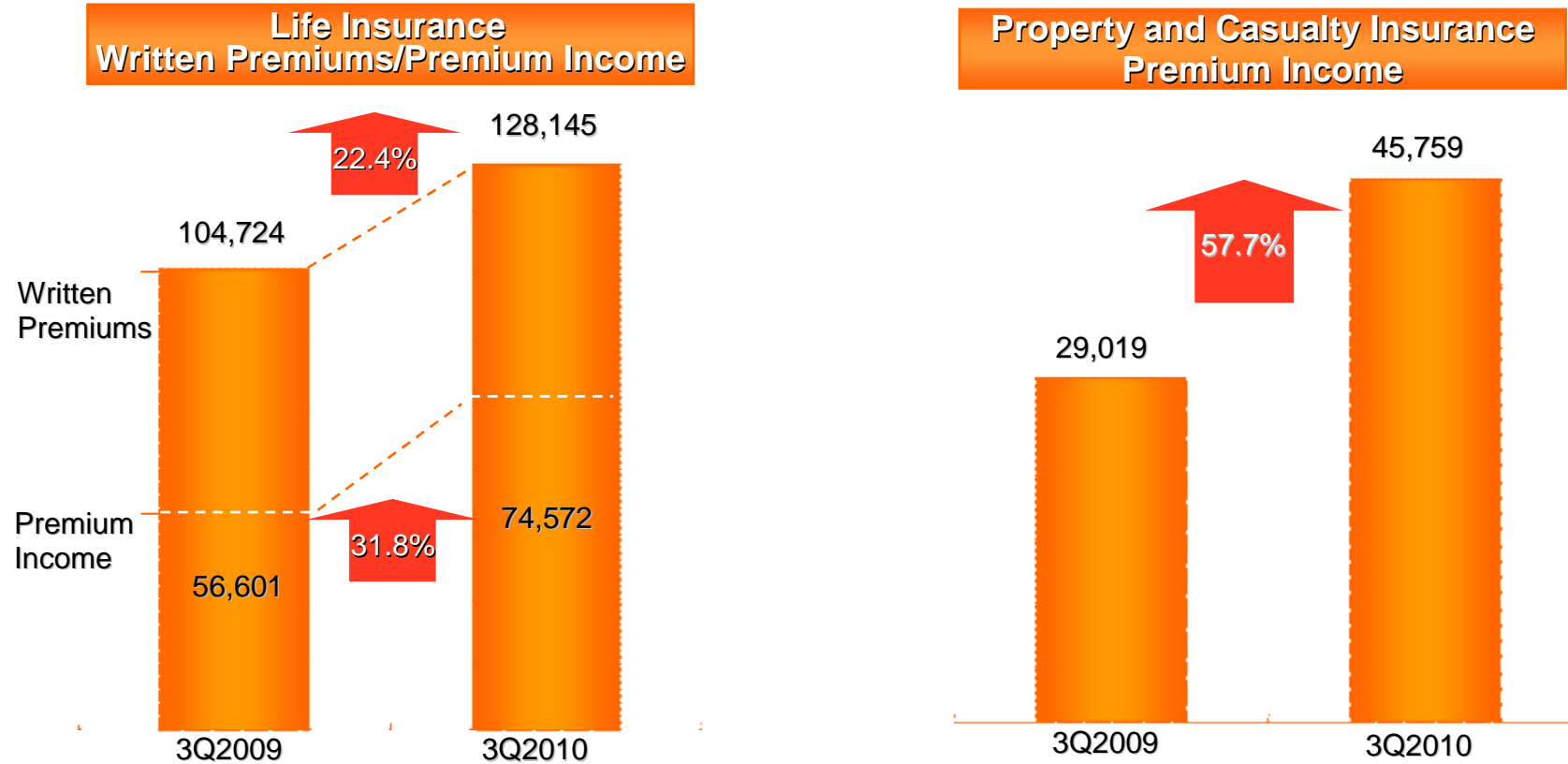
	3Q2009	3Q2010	Growth
Gross written premiums and policy fees	85,620	120,331	↑ 40.5%
Interest income of banking operations	4,788	6,788	↑ 41.8%
Fees and commission income of non-insurance operations	1,962	3,720	↑ 89.6%
Investment income	23,682	20,217	↓ 14.6%
<b>Total income<sup>(1)</sup></b>	<b>112,361</b>	<b>143,058</b>	<b>↑ 27.3%</b>
Claims and policyholders' benefits	(61,589)	(84,567)	↑ 37.3%
Fees and commission expenses <sup>(2)</sup>	(9,027)	(10,792)	↑ 19.6%
Interest expenses of banking operations	(1,771)	(2,471)	↑ 39.5%
General and administrative expenses	(17,621)	(23,762)	↑ 34.9%
<b>Net profit<sup>(1)</sup></b>	<b>12,175</b>	<b>13,197</b>	<b>↑ 8.4%</b>

Notes: (1) These figures just include some core accounting subjects, so Income & Net profit results can not be directly calculated

(2) Includes commission expenses of insurance operations, fees and commission expenses of non-insurance operations

# Strong Growth of Insurance Business

(In RMB million)



- Notes: (1) Written premiums mean all premiums received from the policies underwritten by the Company, which is prior to the significant insurance risk testing and unbundling of hybrid risks contracts  
(2) Premium income means premiums after the significant insurance risk testing and unbundling of hybrid risks contracts  
(3) Life insurance includes our life insurance business conducted through Ping An Life, Ping An Annuity and Ping An Health

**Thank You**

