中国平安
专业·价值 PING AN OF CHINA

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

DISCLOSEABLE TRANSACTION
ACQUISITION OF AN INTEREST IN
FORTIS INVESTMENT MANAGEMENT NV/SA

On 2 April, 2008, the Company entered into the Sale and Purchase Agreement to acquire from Fortis at a price of €2.15 billion (approximately HK$26.14 billion), the Interest, being 1,000,000 issued shares in the JV and which at Completion will constitute approximately 50% of the issued and fully diluted share capital of the JV, a company incorporated in Belgium which is the holding company of the global asset management business of Fortis Parent and will, through holding the entire issued share capital of AAAM, merge with AAAM and acquire its asset management business (excluding certain non core assets).

The Acquisition constitutes a discloseable transaction of the Company under the Listing Rules as each of the profits and consideration ratios of the relevant percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) is more than 5% but less than 25%. A circular containing details of the Acquisition will be dispatched to shareholders of the Company as soon as possible after the publication of this announcement for information purpose.

THE ACQUISITION

Reference is made to the announcement issued by the Company on 19 March 2008 relating to the entering of a memorandum of understanding between the Company and Fortis in respect of the proposed acquisition by the Company of the Interest in the JV.

On 2 April, 2008, the Company entered into the Sale and Purchase Agreement with Fortis to acquire at a price of €2.15 billion (approximately HK$26.14 billion) subject to adjustment, the Interest, being 1,000,000 issued shares in the JV and which at Completion will constitute approximately 50% of the issued and fully diluted share capital of the JV, a company incorporated in Belgium which is the holding company of the global asset management business of Fortis Parent and will, through holding the entire issued share capital of AAAM, merge with AAAM and acquire its asset management business (excluding certain non core assets). To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Fortis and its ultimate beneficial owners are Independent Third Parties. The parties agree that the total shareholding of Fortis and Fortis Lux in the JV will be one share more than that of the Company.

THE SALE AND PURCHASE AGREEMENT AND DEED OF INDEMNITY:

(1) The consideration for the Acquisition is €2.15 billion (approximately HK$26.14 billion) (subject to adjustment) which was arrived at after arm's length negotiations based on the parties' intrinsic valuations of the future prospects of the pro-forma business and based on the due diligence carried out by the Company. The adjustments to the consideration include (i) the regulatory capital shortfall; and (ii) adjustment for expenditure for integration which cannot be fully reflected in the set of consolidated financial statements in respect of the period from 1 January 2008 to Completion of the Fortis group and AAAM group ("Completion Date Financial Statements") The consideration for the Acquisition will be paid in cash on Completion and funded by internal resources of the Group. Fortis agreed to pay the Company, within ten business days following the day on which the Completion Date Financial Statements are determined, as a reduction to the consideration, an amount, if any, equal to the percentage of all the issued shares held by the Company of the regulatory capital shortfall. Regulatory capital shortfall equals to any shortfall of the actual regulatory capital as reflected in the completion date financial statements compared to the deliverable regulatory capital. Deliverable regulatory capital means 110% of the minimum regulatory capital and minimum regulatory capital means the minimum level of regulatory capital that is required by the JV group on a consolidated basis under the applicable law as of Completion except where regulatory capital is required on an individual basis.

(2) The Acquisition is conditional upon:

(a) the passing at a duly convened extraordinary general meeting of Fortis of such resolution(s) as may be necessary to approve the put option related to a change of control event as described in the Shareholders' Agreement;

(b) the Dropdown Scheme and the Separation Plan (as defined below) having been duly and validly completed in accordance with the steps outlined therein and all applicable laws and in accordance with clause 5.6 of the Sale and Purchase Agreement;

(c) the Company having obtained approval from CIRC in respect of the transactions referred to in the Sale and Purchase Agreement;

(d) all necessary approvals from or necessary filings with relevant regulatory authorities having been obtained or made, as the case may be;

(e) in respect of the Sale and Purchase Agreement and the transactions referred to in it, all competition and anti-trust related filings or registrations that are necessary (or deemed reasonably necessary by the Company) having been made and either all declarations or approvals that the transactions are not anti-competitive having been obtained or confirmations that the transactions will not be referred for further review having been obtained, and all applicable waiting periods having expired or been terminated (except in the case of jurisdictions where Completion is permitted prior to the applicable waiting periods having expired or been terminated, in relation to which the Company may waive this requirement), and there is no injunction, restraining order or other related order or any other legal or regulatory restraint or prohibition having the force of law having been issued or made by any court of competent jurisdiction or governmental or regulatory authority or any other person which prevents Completion from taking place;

(f) no change in control in Fortis and/or Fortis Lux having taken place and the particulars with respect to the JV set out in the Sale and Purchase Agreement being true, correct and accurate;

(g) no change in control in the Company having taken place;

(h) no material adverse change occurring between the date of the Sale and Purchase Agreement and Completion; provided that no deterioration resulting from any one or more of the following shall constitute a material adverse change:

(A) changes in the economy generally;

(B) any matter affecting any group company which affects businesses in the same industry, sector or market as any group company in a similar manner and to a similar extent, including market impact;

(C) any matter reflected in the transaction documents, the financial statements or any matter or circumstance of which the Company has actual, imputed or constructive knowledge at the date of the Sale and Purchase Agreement;

(D) any matter required to be done pursuant to any of the transaction documents or expressly consented to by the Company after the date of the Sale and Purchase Agreement;

(E) the fact that the Company is the purchaser of the Interest; or

(F) any act of the Company or any member of the Group, whether before, on or after the date of the Sale and Purchase Agreement which is not required by any applicable law;

(i) receipt by the Company of the audited 2007 financial statements for the JV and its subsidiaries and the AAAM and its subsidiaries and relevant AAAM statutory entities, together with a reconciliation of these audited financial statements to the consolidated balance sheet, consolidated profit and loss account, equity requirement credit risk calculation (by asset class) and other relevant schedules as at 31 December 2007 (the "Pro Forma Financial Statements"), not materially deviating from the Pro Forma Financial Statements, it being understood that, for the purposes of the clause, "material" shall mean a deviation of more than 10% in the net profits or net revenues; and

(j) the unconditional and irrevocable release of all security granted over the shares in and assets of AAAM and its subsidiaries and affiliated entities pursuant to the EUR 1.5 billion facility granted by ABN AMRO Bank N.V. to AAAM.

Pursuant to the terms of the Sale and Purchase Agreement, the Company may waive conditions(a), (f), (h), (i) and (j) above (either in whole or in part) at any time by giving notice to Fortis and Fortis may waive condition (g) above (either in whole or in part) at any time by giving notice to the Company. If all the conditions are not satisfied, or waived on or before 31 October 2008, the Sale and Purchase Agreement shall lapse and cease to have effect except in relation to any accrued rights or liabilities of either party.

(3) The parties agree to enter into good faith discussions prior to Completion for the conclusion of a technical assistance agreement between the JV and the Company, to take effect on and from Completion.

As of the date of this Announcement, Fortis Parent, through its wholly-owned subsidiaries Fortis and Fortis Lux, indirectly holds a 100% equity interest in the JV. Following Completion, the JV will be owned as to 1,000,000 shares, representing approximately 50% of the issued share capital of the JV, by the Company and as to 1,000,001 shares by, Fortis Parent (through its wholly-owned subsidiaries Fortis and Fortis Lux), which will own one share in the JV more than that of the Company.

Fortis and the Company also entered into a deed of indemnity on the same date as the Sale and Purchase Agreement and effective upon Completion. Pursuant to the deed of indemnity, Fortis agreed to indemnify the Company for tax matters; pension liabilities; identified litigation; identified regulatory risks; past disposals liabilities; matters relating to "clean balance sheet" including seed capital commitments, all CDOs (collateralized debt obligation) which are subprime related and regulatory capital on or before Completion. As at 31 December, 2007, the JV had approximately €23 million (net of provision) in CDO (collateralized debt obligation) and CLO (collateralized loan obligation) exposure and Fortis has agreed to fully indemnify the Company against any impairment in their value.

THE SHAREHOLDERS' AGREEMENT

Pursuant to the Shareholders' Agreement entered into between the Company, Fortis, Fortis Lux and the JV on the same date as the Sale and Purchase Agreement effective upon Completion, the Shareholders agree:

(1) The business of the JV shall be the carrying on of a global asset management business and the JV will be used as the parties' primary entity outside PRC to manufacture global asset management business products for customers. The JV will hold all the assets relating to the asset management business of the Fortis Parent globally (including for the avoidance of doubt the asset management business of AAAM, other than the non core assets) and certain asset management business activities of the Company in Hong Kong.

(2) The Company shall appoint the JV as a preferred provider to it for its global asset management business needs and requirements and the JV shall provide the requisite services on preferred terms.

(3) The JV will be renamed as "平安富通投資管理集團控股公司" in Chinese and "Fortis – Ping An Investment Management Group Holdings Limited" in English.

(4) The board of directors of the JV will comprise of two executive directors, six non-executive directors and four independent directors. Fortis will be entitled to nominate all the executive directors of the JV. The executive directors shall be the CEO and the next most senior member of the executive committee apart from the CEO. Fortis and the Company will each nominate three non-executive directors and propose two independent directors. The chairperson of board of directors of the JV will be a director nominated by Fortis. The chairperson of the board of directors is entitled to a casting vote in the event of tied votes on the board. The Company will also nominate a member to each of the remuneration and promotion committee and the audit committee of the JV and have a representative attend meetings of the Asian management committee of the JV as an observer, as well as second investment professionals to the JV's offices in Asia where it matches the requirements of the JV.

(5) Upon Completion, the issued shares of the JV will be owned as to 1,000,000 shares by the Company and as to 1,000,001 shares by Fortis Parent (through its wholly-owned subsidiaries Fortis and Fortis Lux).

TRADE MARK LICENCE AGREEMENTS

Each of the Company and Fortis Parent have granted a worldwide, royalty-free and non-transferable licence to the JV for the use of their respective trademarks and brand names in carrying out the business of the JV, including the use of such names in the corporate and product names. ABN AMRO Bank N.V. has also granted a worldwide, non-transferable and royalty-free licence to the JV for the use of its trademarks and brand names in carrying out the business of the JV. These three licence agreements are entered into on the same date as the Sale and Purchase Agreement and will be effective upon Completion.

REASONS AND BENEFITS FOR THE ACQUISITION

The Company and Fortis intend to use the JV as their primary entity outside the PRC to carry out global asset management business. The JV will carry on a global asset management business and hold all the assets relating to asset management business of Fortis Parent globally (including the asset management business of AAAM but excluding certain non core assets) and certain asset management business activities of the Group in Hong Kong. Pursuant to the Sale and Purchase Agreement, the JV will manage certain assets that may be currently managed by a subsidiary of the Group in Hong Kong. This will be conducted as per a typical client/fund manager (sub advisory) relationship. As a result of the Acquisition, the Company will be able to further improve its integrated platform of financial services, significantly increase its global asset management capability, expedite its globalisation process and push forward the development of its asset management operations as its third core business. In addition, the Company is also expected to become even stronger in respect of its investment operations in both domestic and global markets and will therefore strengthen its capability to develop new QDII products and services for its domestic clients.

LISTING RULES IMPLICATIONS

The Acquisition constitutes a discloseable transaction of the Company under the Listing Rules as each of the profits and consideration ratios of the relevant percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) is more than 5% but less than 25%. A circular containing details of the Acquisition will be dispatched to the shareholders of the Company as soon as possible after the publication of this announcement for information purpose.

INFORMATION RELATING TO THE GROUP, FORTIS AND THE JV

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.

Fortis holds the banking business of Fortis Parent including retail banking, commercial and merchant banking and private banking.

Fortis Parent is an international financial service provider engaged in banking and insurance business. Shares in Fortis Parent are dually listed on Euronext Brussels and Euronext Amsterdam, and are secondarily listed on the Luxembourg Stock Exchange and Fortis Parent has a sponsored over-the-counter ADR programme in the United States. As at 31 December 2007, the total asset value and shareholders' equity of Fortis Parent were approximately €871.2 billion and €33.0 billion respectively. As at 29 February 2008, Fortis Parent had a market capitalisation of approximately €32.3 billion. As of 22 January 2008, Ping An Life, a subsidiary of the Company, is the single largest shareholder of Fortis Parent and held approximately 110 million shares of Fortis Parent, representing approximately 4.99% of Fortis Parent's issued share capital.

JV is a company incorporated in Belgium and is a subsidiary of Fortis with an aggregate issued share capital of 2,000,001 shares. JV is the holding company of Fortis Parent's global asset management business currently operating out of 19 countries (before taking into account AAAM's asset management business). JV has a globally integrated structure, with implementation coordinated through hubs in Paris, London, Brussels, Boston and Hong Kong. On or prior to the signing of the sale and purchase agreement, Fortis has entered into an agreement to acquire the entire issued share capital of AAAM and subsequently contribute such shares to JV (excluding certain non core assets) ("**Dropdown Scheme and Separation Plan**"). These excluded non-core assets and business of AAAM includes smaller stand-alone, "boutique" asset management companies, that, upon the merger of AAAM and JV, were deemed not to fit in with the strategic profile of the pro-forma business. Fortis Bank has elected to manage these companies separately from the JV. The acquisition of AAAM by the JV was initiated on 2 April 2008. AAAM was the global asset management unit of ABN AMRO Bank NV with over 1,600 employees and is locally represented in 27 countries worldwide. From its headquarters in Amsterdam, AAAM coordinates global asset management through the key regional centres of Amsterdam, London, Hong Kong, Sao Paolo and Chicago. Each centre is responsible for account management, management sales, marketing, client servicing and local product development in its region. After the acquisition of AAAM's asset management business, the JV has a presence in over 30 countries.

For the year ended 31 December 2007, reported unaudited net profits of the JV (before merger with AAAM) amounted to approximately €169 million before taxation and extraordinary items and net profits of approximately €124 million after taxation and extraordinary items. For the year ended 31 December 2007, AAAM unaudited net profits amounted to approximately €290 million before taxation and extraordinary items and net profits of approximately €186 million after taxation and extraordinary items. For the year ended 31 December 2007, the unaudited net asset value of the JV (before merger with AAAM) and of AAAM amounted to approximately €472 million and €527 million respectively.

For the year ended 31 December 2006, the unaudited net profits of the JV (before merger with AAAM) amounted to approximately €137 million before taxation and extraordinary items and net profits of approximately €98 million after taxation and extraordinary items.

2006 financial data of AAAM is not available and is considered not relevant for key investment decision making, due to numerous corporate restructuring and dynamic change in market situation of 2006 versus 2007, the scope of business and asset under management of AAAM had undergone significant changes, making the 2006 data not individually relevant for key investment decision making. As such, due diligence exercise is more focused on 2007 data and not 2006 data. The Company is of the view that 2006 comparatives figures may create incorrect trend expectation about the growth of the businesses in future and thus is not representative for forward looking purpose.

Unaudited asset under management of JV (before merger with AAAM) and AAAM as at 31 December 2007 are approximately €133 billion and €199 billion respectively. Unaudited asset under management of the JV(before merger with AAAM) and AAAM as at 31 December 2006 are approximately €121 billion and €200 billion respectively. It is currently expected that, subject to the actual outcome of the combination and restructuring of the JV and AAAM, the unaudited asset under management and the unaudited profits after tax and extraordinary items of the non-core businesses of AAAM to be excluded as at 31 December 2007 amount to approximately €87 billion and approximately €101 million respectively.

For the avoidance of doubt, all financial figures are unaudited and subject to change. Combination and restructuring of the JV and AAAM is still undergoing, the above financial information should be used with care.

Upon Completion, the JV will be taken into account in the Company's books based on equity accounting treatment.

The Acquisition was entered into by the Company on normal commercial terms. The directors of the Company (including the independent non-executive directors) are of the view that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

DEFINITIONS

"AAAM"	ABN AMRO Asset Management Holding N.V., the holding company of the asset management business (to be transferred by) ABN AMRO Bank NV
"Acquisition"	the acquisition of the Interest by the Company according to the terms of the Sale and Purchase Agreement
"Board"	the board of Directors
"CIRC"	China Insurance Regulatory Commission
"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 the Shanghai Stock Exchange and the H Shares of which are listed on The Stock Exchange of Hong Kong Limited
"Completion"	completion of the Acquisition under the Sale and Purchase Agreement
"Directors"	the directors of the Company
"Fortis"	Fortis Bank NV/SA, a company incorporated in Belgium, which is a wholly owned subsidiary of Fortis Parent
"Fortis Lux"	Fortis Banque Luxembourg S.A., a company incorporated in Luxembourg, which is a wholly owned subsidiary of Fortis Parent
"Fortis Parent"	Fortis SA/NV, a company incorporated in Belgium, and Fortis N.V., a company incorporated in the Netherlands, which jointly and indirectly hold a 100% interest in Fortis
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
"Independent Third Party"	an independent third party which is independent from the Company and its connected persons (as defined under the Listing Rules)

“Interest”	1,000,000 shares in the JV, which at Completion will constitute approximately 50% of the issued and fully diluted share capital of JV
“JV”	Fortis Investment Management NV/SA, a company incorporated in Belgium, which is indirectly wholly owned by Fortis Parent and the holding company of the global asset management business of Fortis Parent
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Ping An Life”	Ping An Life Insurance Company of China, Ltd., a 99% owned subsidiary of the Company
“PRC”	The People’s Republic of China
“QDII”	Qualified Domestic Institutional Investors who have been approved by the China Securities Regulatory Commission to invest in foreign securities markets via certain fund management institutions, insurance companies, securities companies and other asset management institutions
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	The sale and purchase agreement dated 2 April 2008 entered into between the Company and Fortis in relation to the Acquisition
“Shanghai Stock Exchange”	The Shanghai Stock Exchange
“Shareholders”	The Company, Fortis and Fortis Lux
“Shareholders’ Agreement”	The shareholders agreement dated 2 April 2008 entered into between the Company, Fortis, Fortis Lux and the JV
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

* Based on exchange rate of HK$12.1593 for €1, as at 1 April 2008.

By order of the Board
Yao Jun
Joint Company Secretary

Shenzhen, PRC, 2 April 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, Anthony Philip Hope, 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.