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2018 Third Quarter Results

Embracing the future with a thankful heart

October 2018

Cautionary Statements Regarding Forward-Looking Statements

To the extent any statements made in this report contain information that is not historical, these statements are essentially forward-looking. These forward-looking statements include but are not limited to projections, targets, estimates and business plans that the Company expects or anticipates will or may occur in the future. These forward-looking statements are subject to known and unknown risks and uncertainties that may be general or specific. Certain statements, such as those including the words or phrases “potential”, “estimates”, “expects”, “anticipates”, “objective”, “intends”, “plans”, “believes”, “will”, “may”, “should”, and similar expressions or variations on such expressions may be considered forward-looking statements.

Readers should be cautioned that a variety of factors, many of which are beyond the Company’s control, affect the performance, operations and results of the Company, and could cause actual results to differ materially from the expectations expressed in any of the Company’s forward-looking statements. These factors include, but are not limited to, exchange rate fluctuations, market shares, industry competition, environmental risks, changes in legal, financial and regulatory frameworks, international economic and financial market conditions and other risks and factors beyond our control. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. In addition, the Company undertakes no obligation to publicly update or revise any forward-looking statement that is contained in this report as a result of new information, future events or otherwise. None of the Company, or any of its employees or affiliates is responsible for, or is making, any representations concerning the future performance of the Company.

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Overview

2018 third quarter business highlights

(in RMB)

The Group

Life & Health insurance

Fintech & Healthtech

Customer development

Ping An Bank

- Operating profit attributable to shareholders of the parent company rose by **19.5%** year on year to **RMB85,637 million**.
- Life & Health value of new business grew by **3.2%** YoY in the nine months, and by **10.9%** YoY in Q3 2018 (versus Q1 2018: **-7.5%YoY**, Q2 2018: **+9.9%YoY**).
- Fintech and Healthtech 9M operating profit attributable to shareholders of the parent company rose by **700.4%** YoY to **RMB5,403 million**, accounting for **6.3%** of the Group's (versus **0.9%** contribution in 9M 2017) .
- The Group's internet users surpassed **half a billion**, up by **19.4%** YoY. In the first nine months, **34.8%** of the Group's new customers were sourced from internet users within the Group's five ecosystems.
- The non-performing loan ratio and the percentage of special mention loans dropped by **0.02pps** and **0.63pps**, respectively, from the beginning of 2018.
- The percentage of loans more than 90 days overdue declined by **0.43pps** from the beginning of 2018.
- The deviation of non-performing loans was **119%**, down **24pps** from the beginning of 2018.

Overview

Customer Development

Financial Review

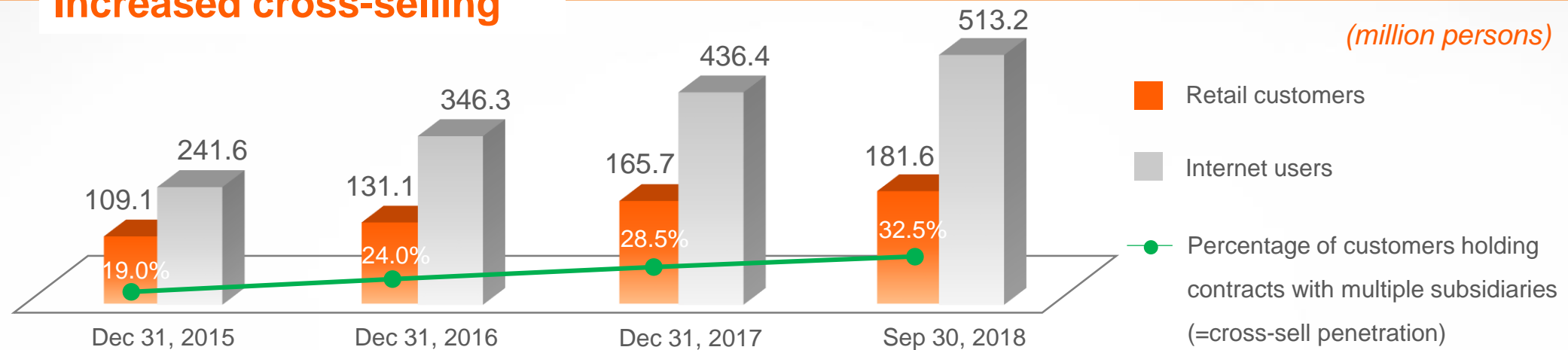
Business Review



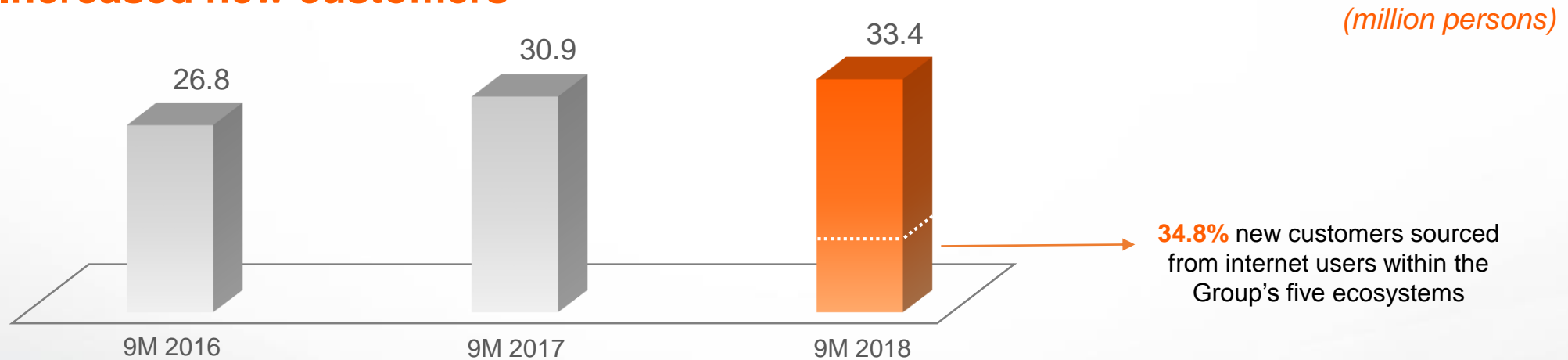
Customer Development

Increased customers, internet users and cross-selling

Increased cross-selling



Increased new customers



Overview

Customer Development

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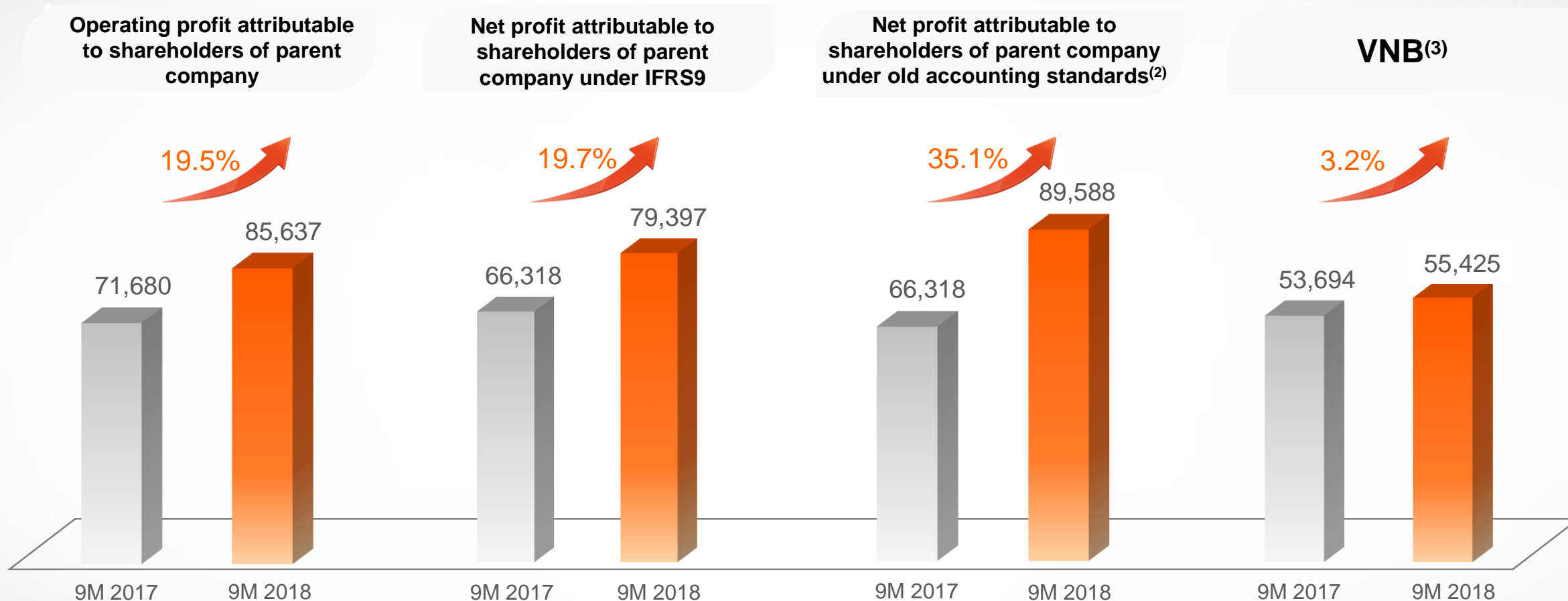
Business Review



Financial Review

Sustained business growth

(in RMB million)



Notes: (1) The Group adopted the new accounting standards for financial instruments on January 1, 2018. In accordance with rules for transition to the new accounting standards for financial instruments, the Group does not need to restate comparable figures for 2017.

(2) Net profit attributable to shareholders of the parent company under the old accounting standards = net profit attributable to shareholders of the parent company - reconciliation of net profit of insurance business attributable to shareholders of the parent company between old and new accounting standards for financial instruments.

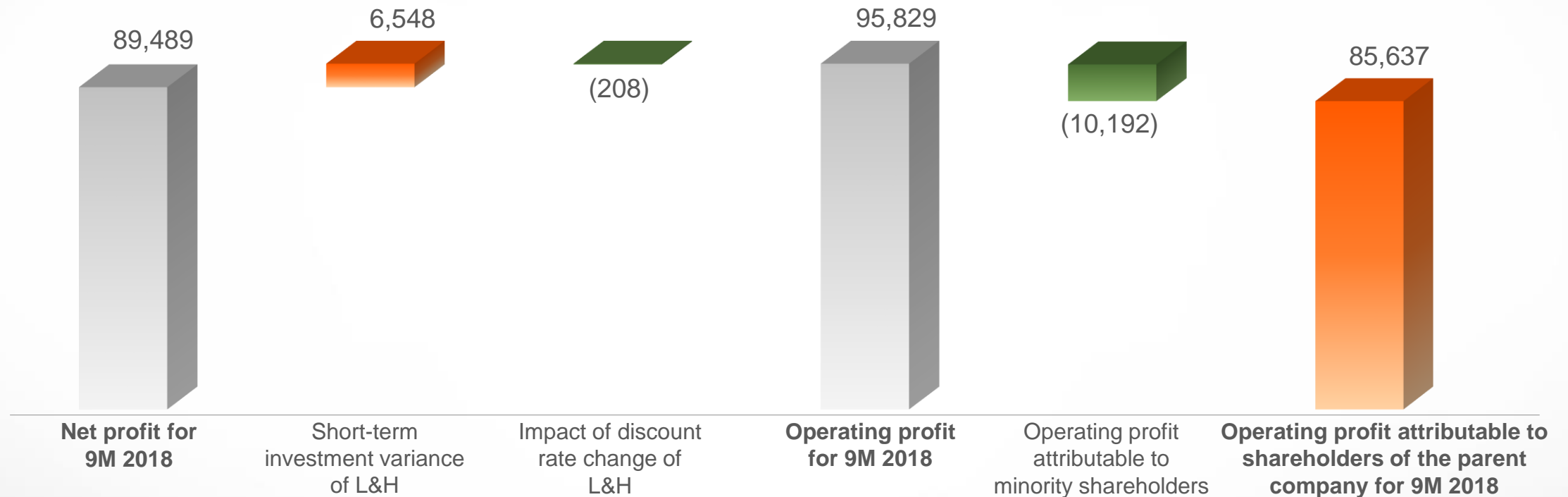
(3) In the chart above, the assumptions and methodology used to calculate the VNB for the first three quarters of 2017 are consistent with those used at the end of 2017. Under the valuation assumptions and methodology previously used for the first three quarters of 2017, the VNB for the first three quarters of 2017 was RMB53,738 million.

Operating profit: excluded non-operating items to reflect clearer and more objective results and trends

Operating Profit =

Net Profit - Short-term Investment Variance⁽¹⁾ - Impact of Discount Rate Change - One-off Material Non-operating Items⁽²⁾

(in RMB million)



Notes: (1) Short-term investment variance of L&H is the variance between the actual investment return and the EV ultimate investment return assumption (5%), net of the associated relevant impact on insurance and investment contract liability.

(2) There was no one-off material non-operating item in the Reporting Period. Historically we have excluded financial gains made from transfer of Puhui to Lufax in 2016 and financial gains made from Good Doctor stake sale in 2017.

Operating profit attributable to shareholders of the parent company contribution by business lines

<i>(in RMB million)</i>	9M 2018	Proportion (%)	9M 2017	YoY change (%)
Life and health insurance	52,136	60.9	42,288	23.3
Property and casualty insurance	8,081	9.4	10,359	(22.0)
Banking business	11,864	13.9	11,109	6.8
Trust business	2,532	3.0	3,333	(24.0)
Securities business	1,270	1.5	1,592	(20.2)
Other asset management business⁽²⁾	8,429	9.8	5,180	62.7
Fintech & healthtech business⁽³⁾	5,403	6.3	675	700.4
Others & elimination	(4,077)	(4.8)	(2,856)	42.8
The Group	85,637	100.0	71,680	19.5

Notes: (1) Figures may not match totals due to rounding.

(2) The other asset management business represents results of subsidiaries that engage in asset management business such as Ping An Asset Management, Ping An Financial Leasing, and Ping An Overseas Holdings.

(3) The fintech and healthtech business represents results of companies that engage in fintech and healthtech business such as Lufax Holding, Ping An Good Doctor, OneConnect, Ping An Healthcare Technology, and Autohome.

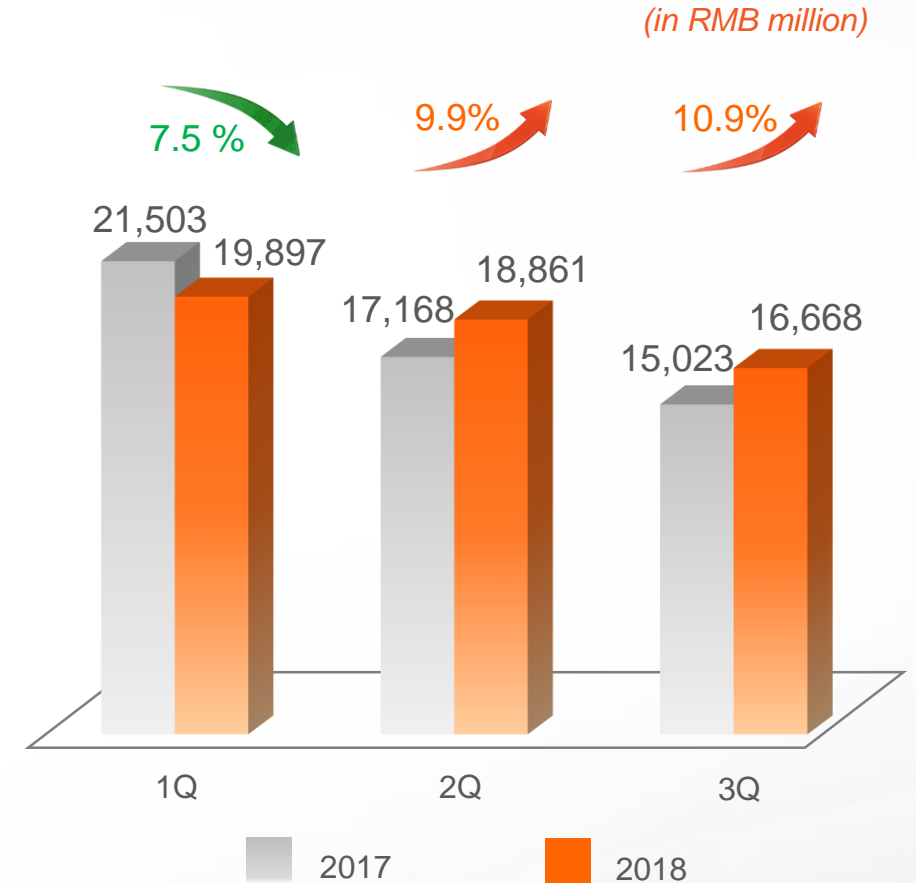
Sustained positive VNB growth while quality of L&H business continued to rise

VNB (margin)

(in RMB million)	9M 2018	9M 2017	YoY change (%)
Total VNB	55,425	53,694	3.2
Total FYP	131,541	142,086	(7.4)
VNB margin	42.1%	37.8%	+4.3pps

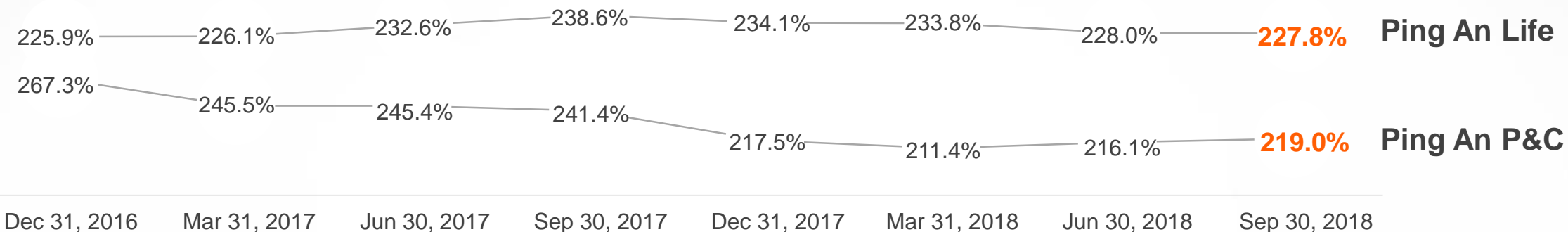
Notes: (1) In the chart above, the assumptions and methodology used to calculate the VNB for the first three quarters of 2017 are consistent with those used at the end of 2017. Under the valuation assumptions and methodology previously used for the first three quarters of 2017, the VNB for the first three quarters of 2017 was RMB53,738 million.
 (2) Figures may not match totals due to rounding.

VNB by quarter

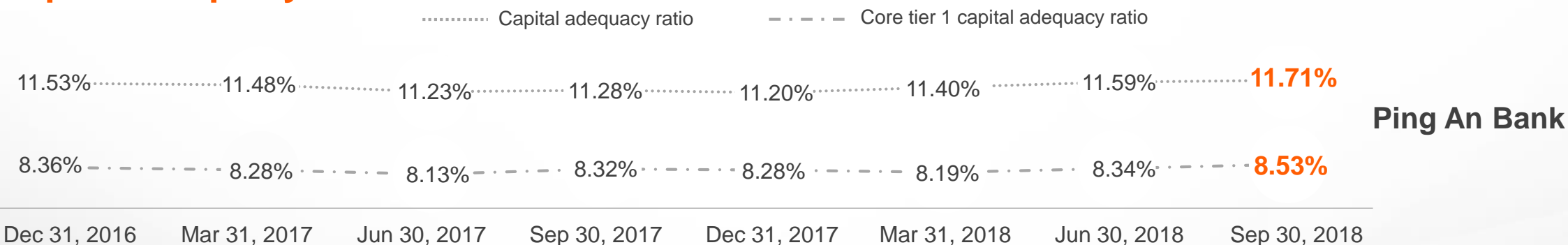


Strong solvency ratio

Comprehensive solvency margin ratio



Capital adequacy ratio



Note: Insurance comprehensive solvency margin ratio $\geq 100\%$; bank capital adequacy ratio $\geq 10.5\%$; bank core tier 1 capital adequacy ratio $\geq 7.5\%$ (regulatory requirements)

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Business Review

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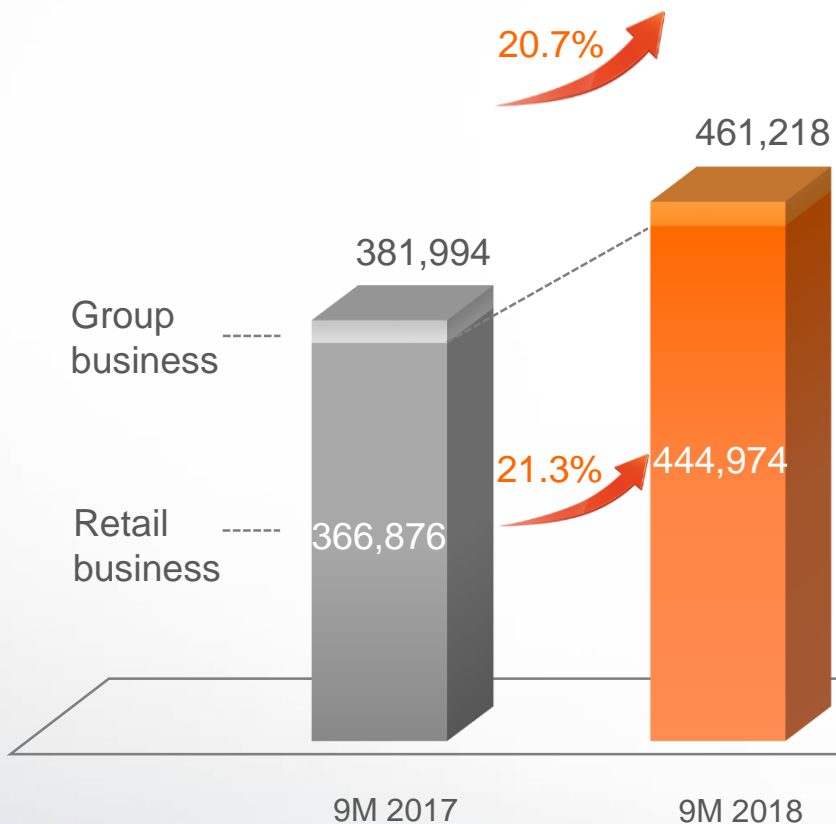


| Insurance Business

L&H Insurance: fast-growing written premium and steadily growing agent force up 3.2% YTD

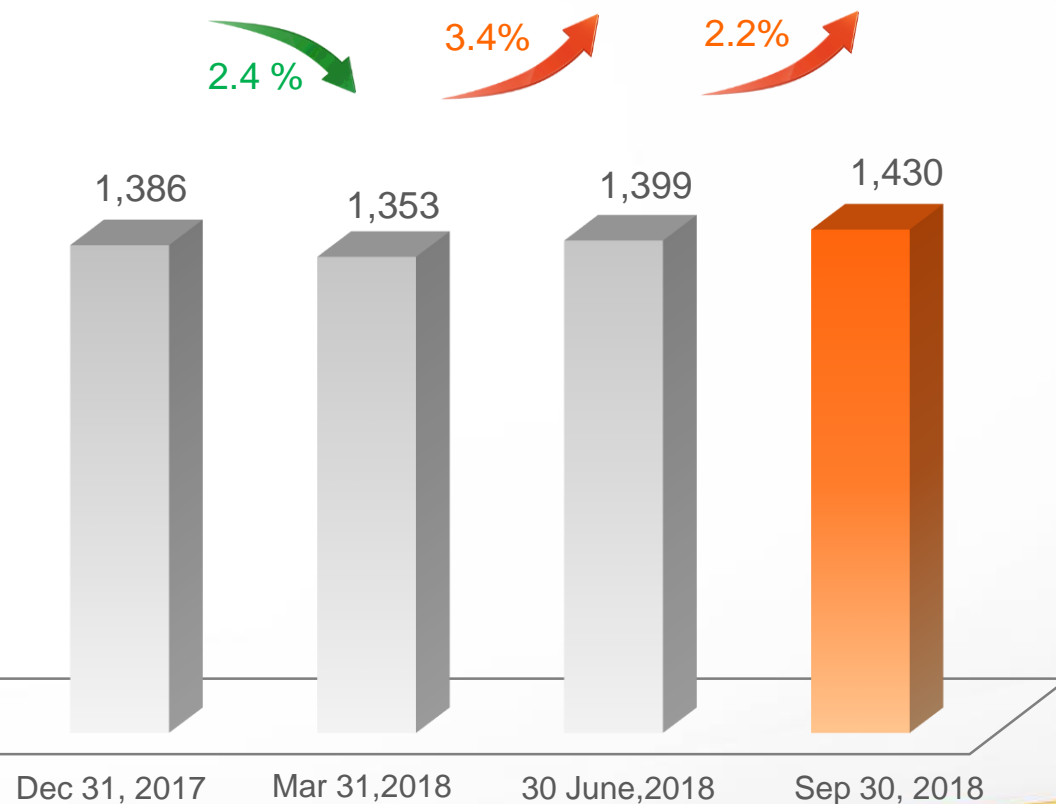
Written premium

(in RMB million)



Agent force

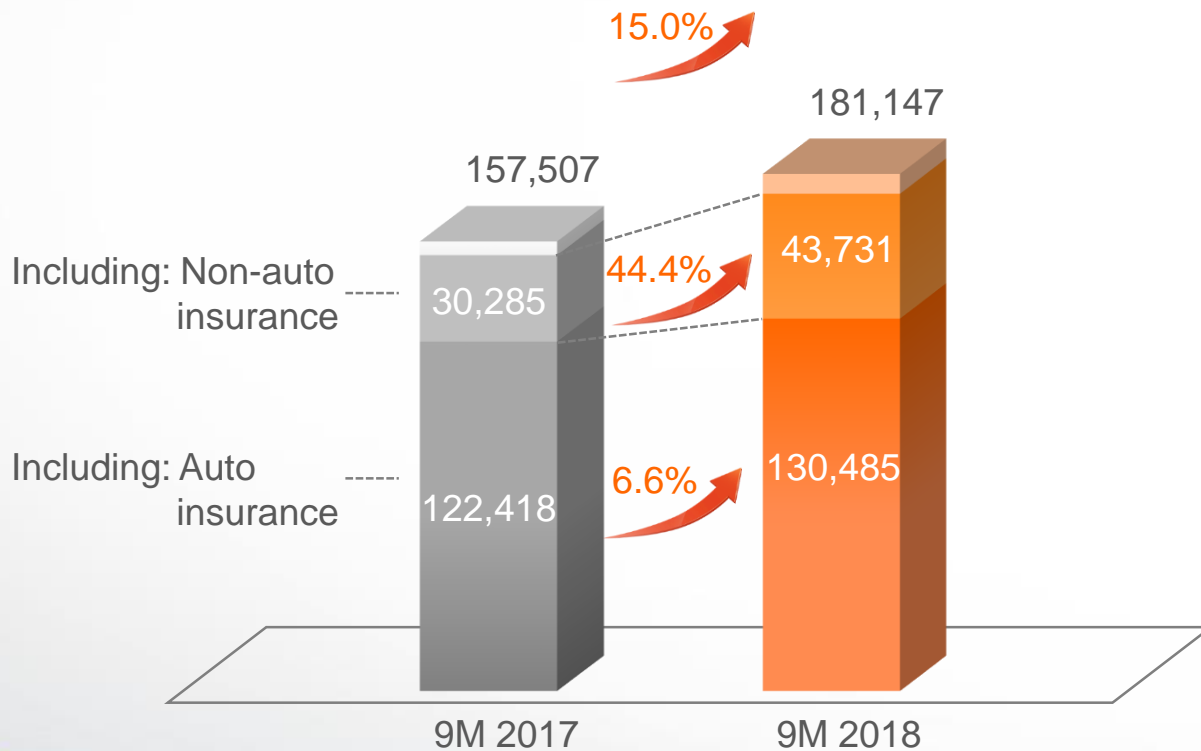
(thousand persons)



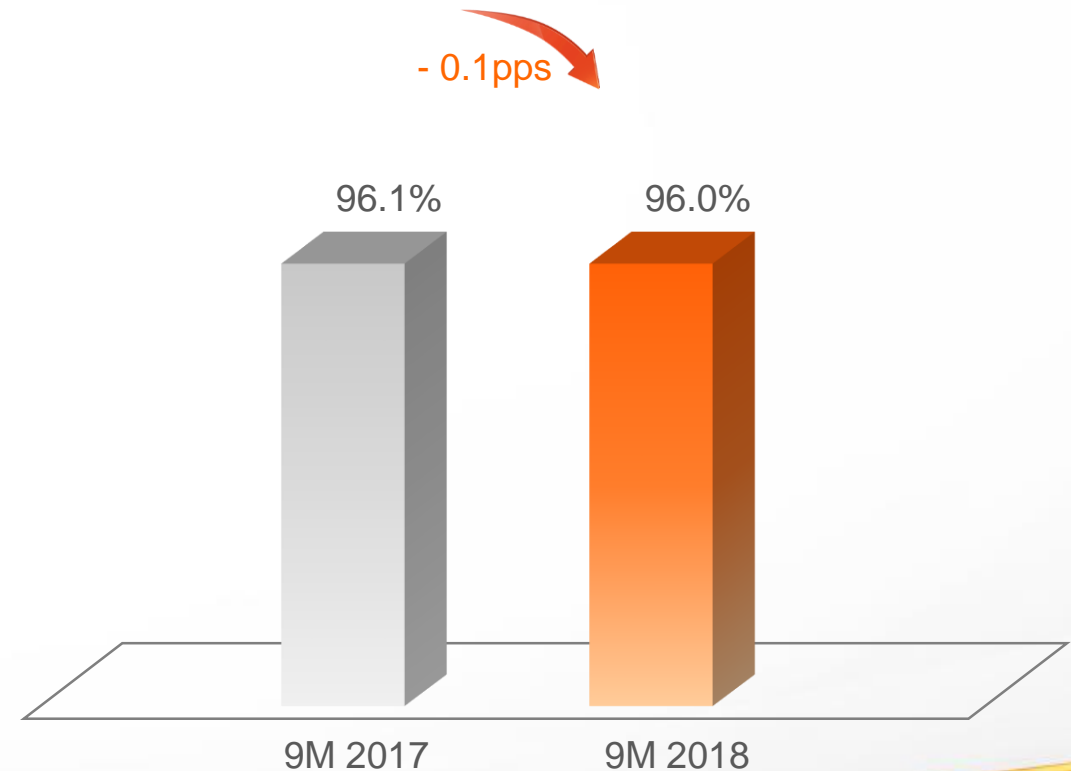
P&C Insurance: steadily growing premium income and excellent combined ratio

Premium income

(in RMB million)



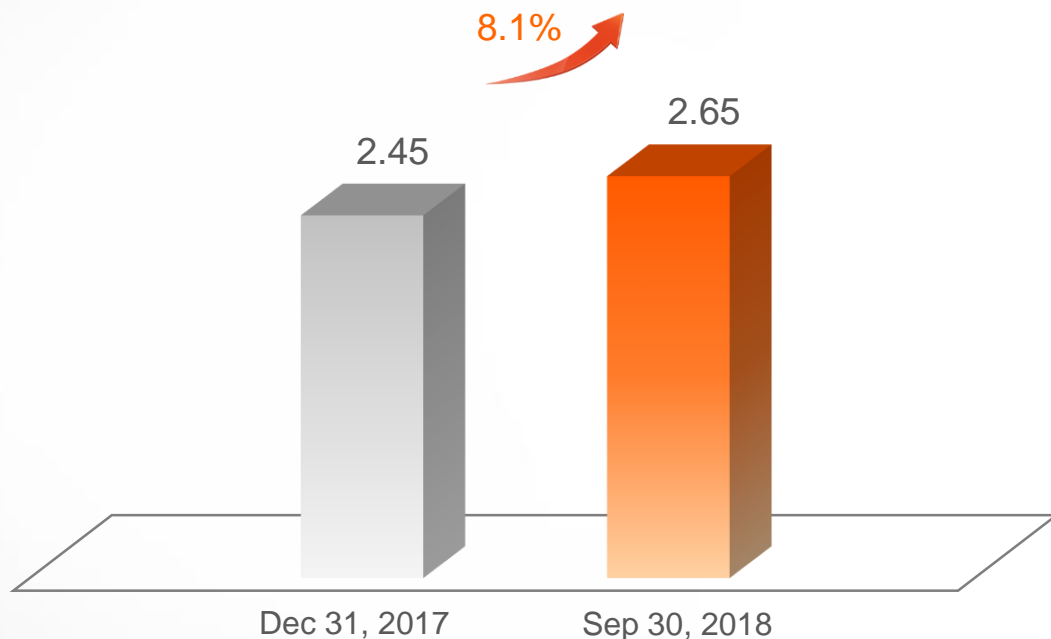
Combined ratio



Investment portfolio of insurance funds: AUM and yield

AUM of portfolio of insurance funds

(in RMB trillion)



Investment yield

	9M 2018	9M 2017	YoY change
Annualized net investment yield	4.7%	5.5%	-0.8pps
Annualized total investment yield under IFRS9	4.0%	5.4%	-1.4pps
Annualized total investment yield under old accounting standards	4.9%	5.4%	-0.5pps

Notes: (1) Figures may not match the calculation due to rounding.

(2) The Group adopted the new accounting standards for financial instruments on January 1, 2018. In accordance with rules for transition to the new accounting standards for financial instruments, the Group does not need to restate comparable figures for 2017.

(3) Net exchange gains or losses on investment assets denominated in foreign currencies are excluded from computing of investment yields. In computing annualized investment yields, only interest revenue from deposits and bonds, and rents from investment properties were annualized, while interest revenue from securities purchased under agreements to resell, interest payment for securities sold for repo, dividend income and capital gains from investments were not annualized.

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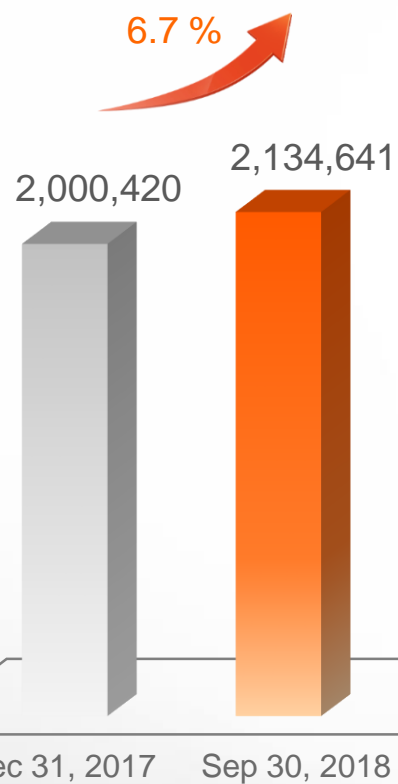


Banking Business

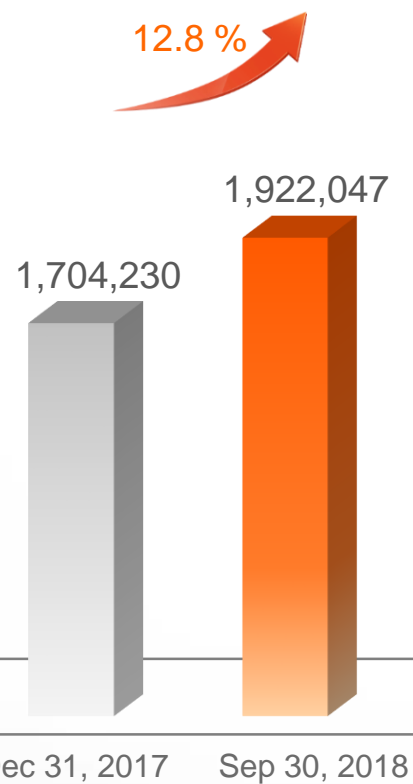
Stable business growth

(in RMB million)

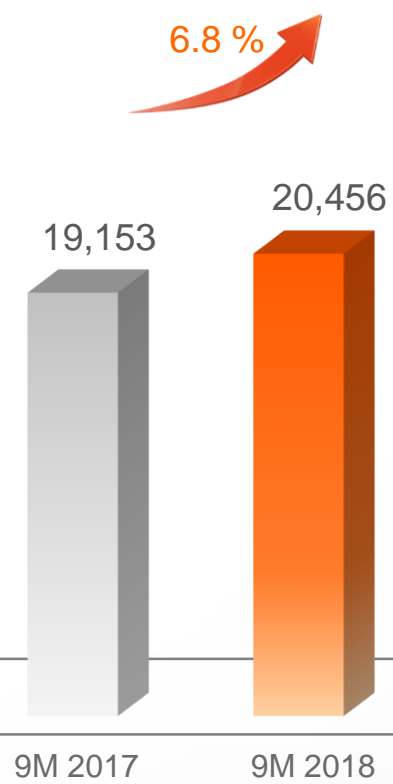
Deposits



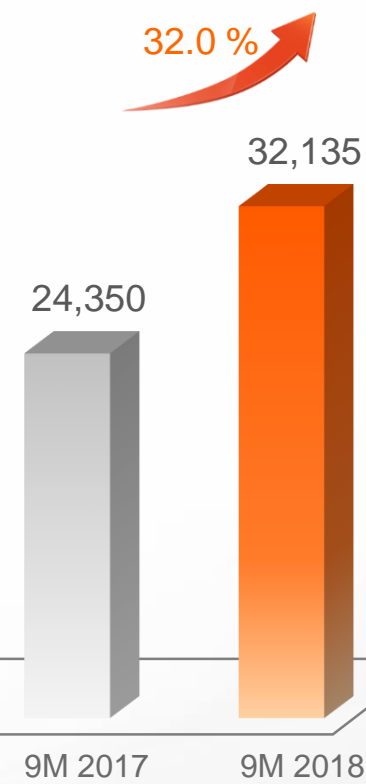
Loans and advances



Net profit



Net non-interest revenue

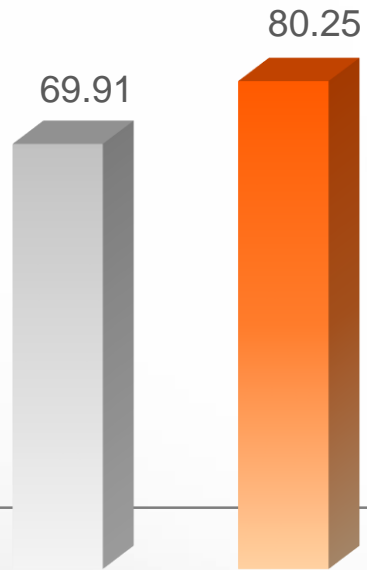


Ongoing contribution from retail

Retail customers

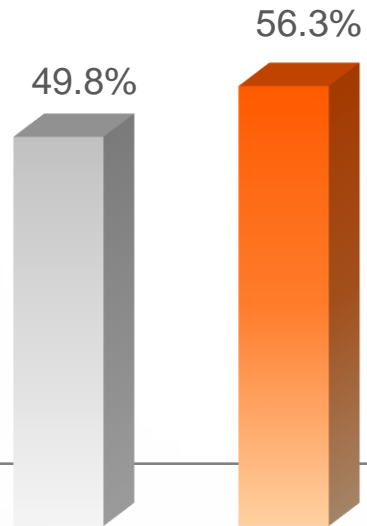
(million persons)

14.8%



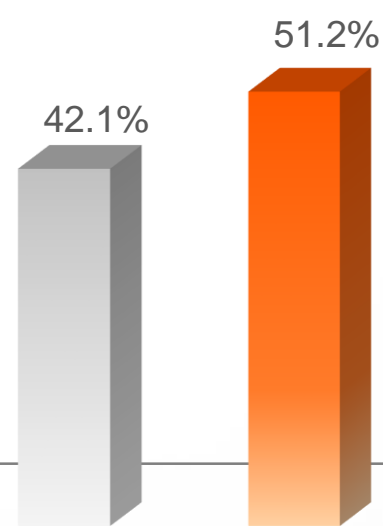
% of loans from retail

6.5pps



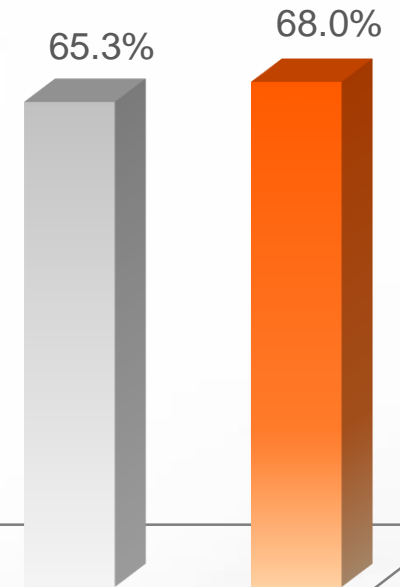
% of revenue from retail

9.1pps



% of net profit from retail

2.7pps



Improving asset quality

	Sep 30, 2018	Dec 31, 2017	Dec 31, 2016
Percentage of special mention loans	3.07%	3.70%	4.11%
Percentage of loans more than 90 days overdue	2.00%	2.43%	2.75%
Non-performing loan ratio	1.68%	1.70%	1.74%
Deviation of non-performing loans ⁽¹⁾	119%	143%	158%
Provision coverage ratio for loans more than 90 days overdue	141.76%	105.67%	98.51%
Provision coverage ratio	169.14%	151.08%	155.37%

Note: (1) Deviation of non-performing loans=loans more than 90 days overdue/non-performing loans.

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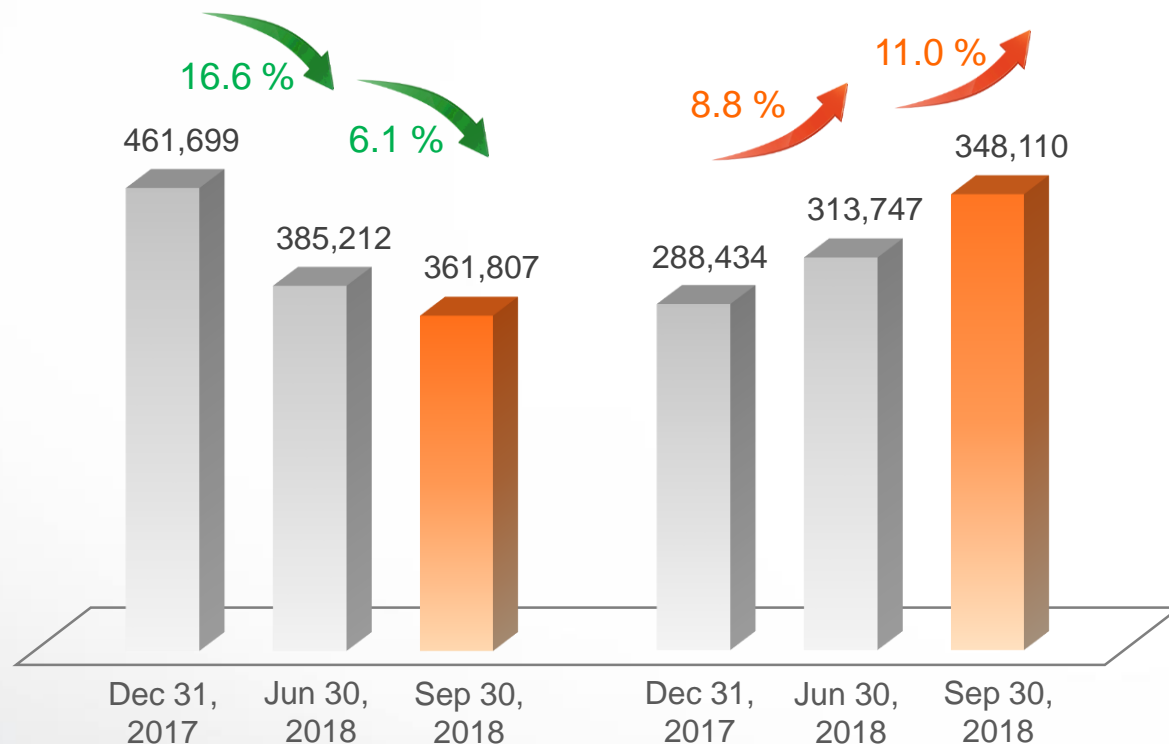
Fintech & Healthtech Business

Stable business growth of Lufax Holding

(in RMB million)

Assets under management

Loans under management



In the first three quarters of 2018, Lufax Holding's revenue and profit rose steadily.

■ Wealth management

Lufax Holding proactively adjusted its product mix to comply with regulations

■ Retail lending

Credit performance of assets was stable

■ Government financial services

Lufax Holding explored application of fintech to fiscal management, pursuing smart fiscal management projects.

Fintech & Healthtech Business



Ping An Good Doctor

Building the world's largest health care ecosystem, and using technology to make people healthier

Listed on HKEX
on May 4, 2018 (01833.HK)



Ping An Healthcare Technology

Committed to becoming China's leading tech-powered managed care service platform

Provides social health insurance services to **over 200** cities
Developed **nearly 20** mature, reliable risk management models



OneConnect

Committed to building a world-leading, strategically-empowering fintech service cloud platform

483 banks
42 insurers
Nearly **2,500** non-bank financial institutions



Autohome

A leading internet-based auto service platform in China

Forged a smart auto ecosystem
Strengthened and developed core competitive advantages: **contents, data and teams**

Technology-powered business transformation

Ping An furthered research and application of biometrics recognition

- World-leading biometrics including face recognition and voiceprint recognition.
- Have been applied to scenarios including financial services, security, education, and public administration.

Ping An Blockchain offers a secure, efficient, retraceable way of recording transactions

- Ping An launched a blockchain-based trade finance platform in cooperation with **Hong Kong Monetary Authority**.
- Won the **2018 Real Results Awards** from International Data Corporation.

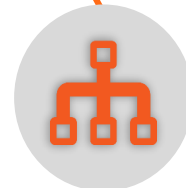
Intelligent cognition



AI



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Blockchain



Cloud computing

Ping An applied AI to major scenarios

- Achieving significant results in areas including medical imaging, disease prediction, image-based loss assessment, and smart claim investigation.
- In life and health insurance business, Ping An applied AI to scenarios including agent recruitment and training.

Ping An Cloud hosts the trillion-yuan core business of Ping An

- Offers efficient, stable, secure cloud services to external users in extensive areas including government, insurance, banking, and healthcare.

Technology patent applications reached **8,534** (including **2,147** under the Patent Cooperation Treaty) at Sep 30, 2018, from **3,030** at the beginning of 2018.

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Thank you!