

Ping An Bank Corporate Page

(SZSE Stock Code: 000001)

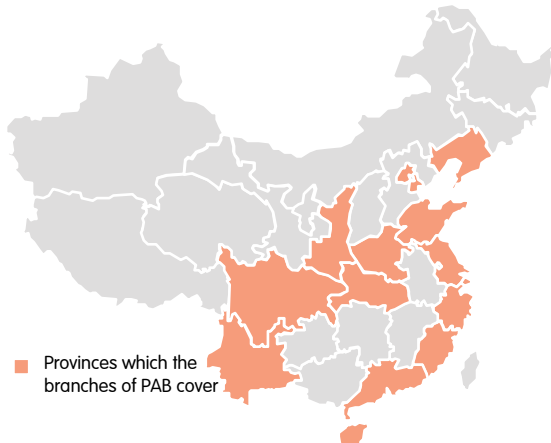
Our Strategy: In 3-5 years of time, we will build up a strong infrastructure to support the rapid growth of retail business while taking corporate business as the core. In 5-8 years of time, retail business will be of equal importance with corporate business. After 8 years, retail business will be the main engine to drive future business and profit growth for the Bank.

Updated as at Dec 31, 2013

Introduction

Headquartered in Shenzhen, Ping An Bank ("PAB") was founded in Shenzhen in 1987 and listed on Shenzhen Stock Exchange in 1991 (Stock code: 000001). Closing stock price was 12.25 Yuan as of 31st Dec 2013. As of 31st Dec 2013, total assets was RMB 1,892 bn, and net profit was RMB 15,231 mn. As of 31st Dec 2013, PAB had 528 outlets in 38 major cities across China, providing a broad range of services to commercial, retail, and government customers. Total employees were 34,724 by the end of Dec 2013. Up to now, PAG and its related parties hold 59.00% of PAB shares, becoming PAB's controlling shareholder.

Company Network



Key Figures

(RMB 100 mn)	2013	YoY
Operating Income	521.89	31%
Net Interest Income	406.88	23%
Net Non-interest Income	115.01	71%
Including: Net Fee Income	104.56	83%
Expenses	253.44	33%
Operating Fees	212.79	36%
Less: Asset Impairment Loss	68.90	120%
Net Profit	152.31	13%
Net Profit Attributable to Parent Company	152.31	14%
Basic / Diluted EPS (in RMB)	1.86	13%

Rapid Growth in Deposits

As of 31st Dec 2013, total deposits amounted to RMB 1,217.0 bn, i.e. 19.18% YTD.

The annual average deposits balance was RMB 1,141.8 bn, an increase of RMB 229.8 bn or 25.20% YoY.

Remarkable Optimization of Business Structure

Ineffective IB assets had been cut to ensure an orderly development of the IB business.

The loan structure had been optimized to focus on high yield operations. The Bank has been devoted to developing the deposits business.

The Bank leveraged on its integrated financial advantages and put great efforts on developing investment banking business.

Annual fee-based business income of RMB 11.5 bn, i.e. 71.3% YoY.

Continuous Improvement of Interest Spread

The Bank's deposit cost remained stable while achieving swift growth in deposits.

The DL Spread, NIS and NIM maintained a steady QoQ growth.

Business Innovation Highlights

Ping An Dual Debit-credit Card, Investment Banking, Treasury & Inter-bank Business, and Internet Finance business achieved a remarkable growth.

Smooth Progress in Institutional Reform

The number of cost centers had been cut from 79 to 38.

15 BUs had been set up. In the half year since the establishment of the real estate and energy BUs, the total deposits have already reached RMB 29.4 bn. The loan scale was RMB 39.3 bn. The fee-based business income was RMB 629 mn.

Solidifying Development Foundation

The Bank enhanced the strategic investment and incentive efforts in outlet establishment to accelerate outlet expansion.

The Bank successfully completed the non-public offering of shares. And actively implemented the issuance of tier two capital bonds.

Clear Strategy

In 3-5 years of time, we will build up a strong infrastructure to support the rapid growth of retail business while taking corporate business as the core. In 5-8 years of time, retail business will be of equal importance with corporate business. After 8 years, retail business will be the main engine to drive future business and profit growth for the Bank.

Integrated Financial Platform

Customers: Over 80 million retail customers with wealth levels far exceeding Chinese urban market averages;

Channels: agents cross-sell multiple financial products to customers, increasing customer loyalty;

Technology: Integrated Operating Centre, IT platforms, with innovations;

Risk Management: The Group has more stringent controls on integrated financial services risk than the market or regulatory bodies.

Rapid Transition of Business

the Bank upheld the "customer-oriented" basic concept and promoted a number of reforms. We focused on the retail and investment banking businesses and put more efforts into the innovation. We have established business divisions, and conducted cross selling, strengthened portfolio management, improved the management of assets and liabilities and perfected the management system.

Business Highlights

Investment Value

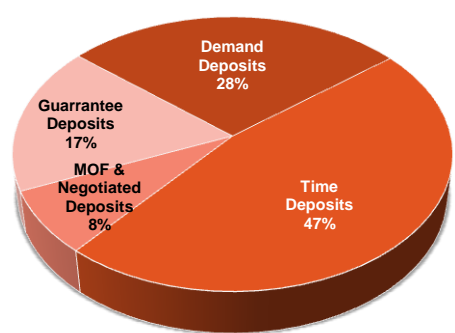
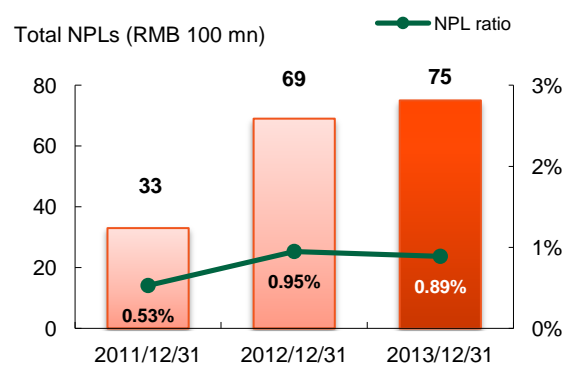
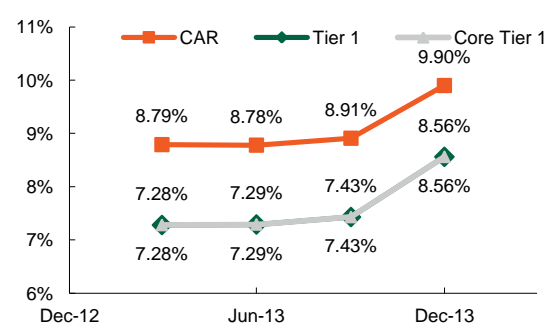
Balance Sheet

(RMB 100 mn)	2013/12/31	2012/12/31	Change YTD
Total Assets	18,917	16,065	18%
Total Loans	8,473	7,208	18%
- Corporate Loans	5,216	4,949	5%
- General Loans	5,093	4,845	5%
- Bills	123	104	19%
- Retail Loans	2,388	1,761	36%
- CC Receivable	868	497	75%
Total Liabilities	17,797	15,217	17%
Total Deposits	12,170	10,211	19%
- Corporate Deposits	10,053	8,399	20%
- Retail Deposits	2,117	1,812	17%
Shareholders' Equity	1,121	848	32%
BVPS (Yuan)	11.77	10.35	14%

Income Statement

(RMB 100 mn)	2013	2012	Change YoY
Operating Income	521.89	397.49	31%
- Net Interest Income	406.88	330.35	23%
- Net Fee Revenue	104.56	57.21	83%
- Other Non Interest Income	10.45	9.92	5%
Expenses (excl. Biz Tax)	212.79	156.64	36%
Business Tax	40.65	34.12	19%
Profit before Provision	268.45	206.72	30%
Provisions	68.90	31.31	120%
Before Tax Profit	200.40	175.51	14%
Net Profit	152.31	135.11	13%
Basic EPS (Yuan)	1.86	1.64	13%
Cost Income Ratio (excl. Biz Tax)	40.77%	39.41%	136bp
Income Tax Rate	24.00%	23.02%	98bp
Annualized ROAA	0.87%	0.94%	-7bp
Annualized ROAE	16.57%	16.78%	-21bp

Main Indexes



100% = 11,418 (RMB 100 mn)
 Note: MOF & Negotiated Deposits are not included in Demand Deposits
 As of 31st Dec 2013.

Market Facts

Total Shares Outstanding 9,521 mn
 SZSE Stock Code: 000001
 Market Cap: RMB 116.6 bn (31st Dec 2013)
 52 Week Range
 Low – RMB 8.99 (8th Jul 2013)
 High – RMB 15.02 (6th Mar 2013)

