



中国平安  
PING AN  
保险·银行·投资

30<sup>th</sup>  
1988-2018  
中国平安三十年  
三十 更懂你

# 2018 First Quarter Results

April 2018

## Cautionary Statements Regarding Forward-Looking Statements

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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, 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**

Customer Development

Business Review



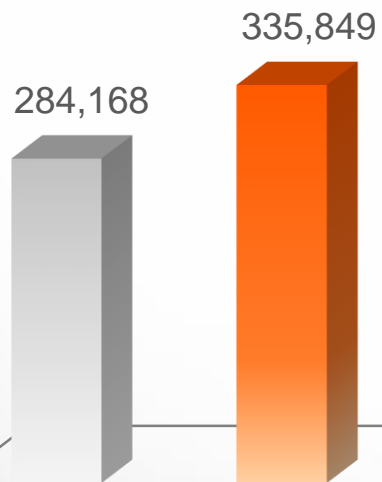
# Overview

# Sustained business growth

## Revenue

(in RMB million)

18.2%

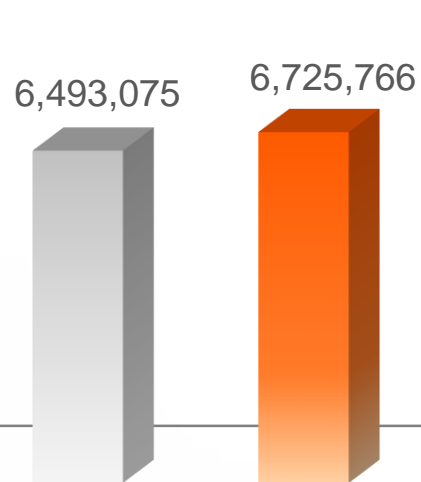


1Q 2017 1Q 2018

## Total assets

(in RMB million)

3.6%

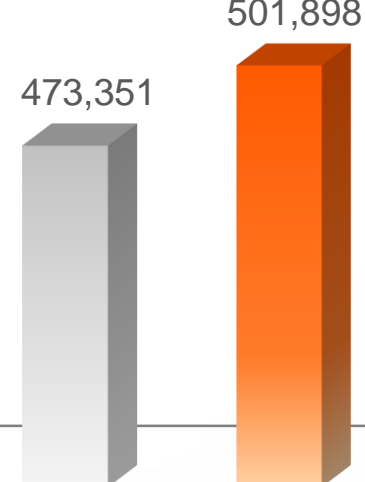


Dec 31, 2017 Mar 31, 2018

## Equity attributable to shareholders of the parent company

(in RMB million)

6.0%

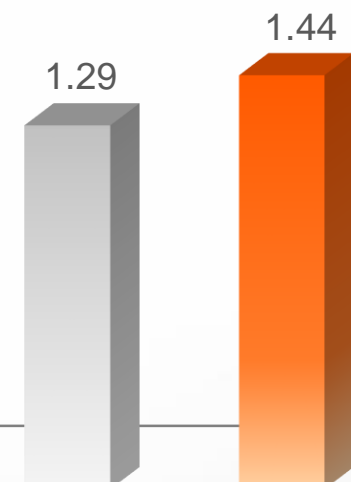


Dec 31, 2017 Mar 31, 2018

## EPS

(in RMB)

11.6%

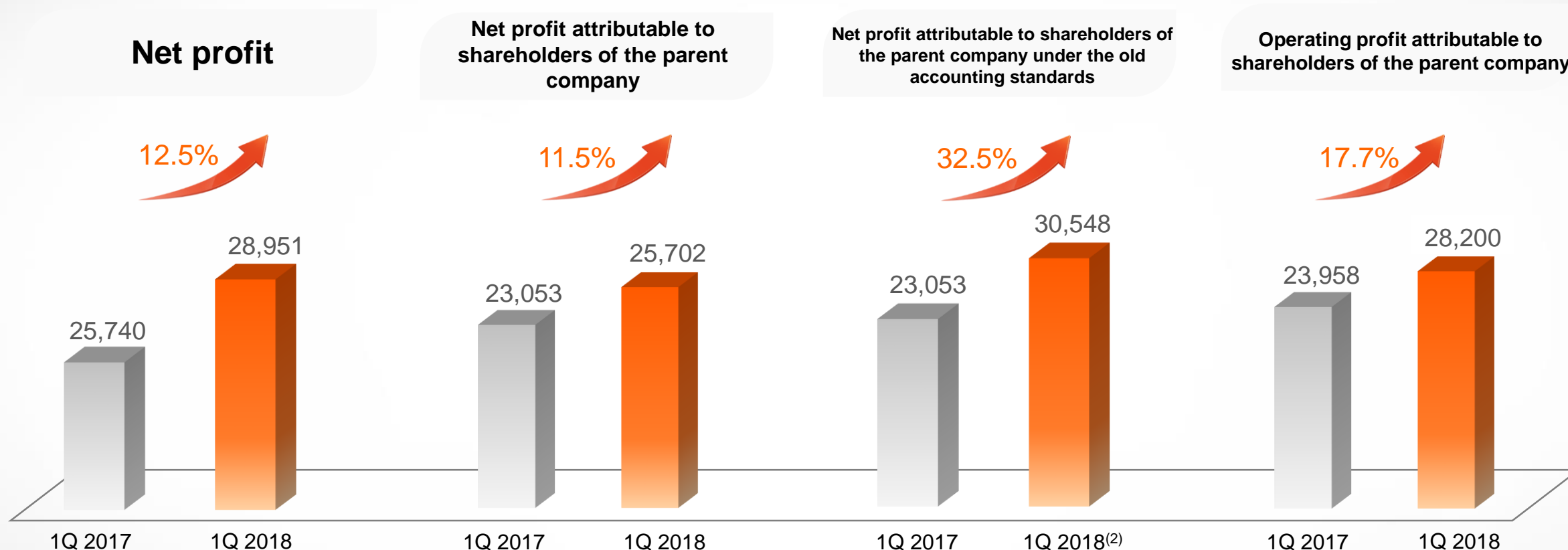


1Q 2017 1Q 2018

Note: Revenues are reported under the International Financial Reporting Standards (IFRS).

# Sustained profit growth

(in RMB million)



Notes: (1) The Group follows the new accounting standards for financial instruments from the accounting year beginning 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. The insurance subsidiaries continue to follow the old standards for financial instruments when preparing statutory financial statements because they qualify for a temporary exemption. In accordance with the Group's accounting policies, the insurance subsidiaries separately prepare financial statements and notes under the new standards.

(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.

# Net profit attributable to shareholders of the parent company

<i>(in RMB million)</i>	1Q 2018	Proportion (%)	1Q 2017	YoY change (%)
Life and health insurance (L&H)	13,901	54.1	13,638	1.9
Property and casualty insurance (P&C)	3,252	12.7	3,374	(3.6)
Banking business	3,824	14.9	3,604	6.1
Asset management business <sup>(2)</sup>	4,257	16.6	3,384	25.8
Fintech & healthtech business <sup>(3)</sup>	1,842	7.2	(120)	N/A
Others & elimination	(1,374)	(5.5)	(827)	66.1
<b>The Group</b>	<b>25,702</b>	<b>100.0</b>	<b>23,053</b>	<b>11.5</b>

(1) The Group follows the new accounting standards for financial instruments from the accounting year beginning 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) The asset management business represents results of the trust business, the securities business, and companies that engage in asset management business such as Ping An Asset Management, Ping An Financial Leasing and Ping An Overseas Holdings.

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

# Impacts of new accounting standards for financial instruments on net profit of insurance business

<i>(in RMB million)</i>	Life and health insurance business			Property and casualty insurance business			Total of insurance business		
	1Q 2018	1Q 2017	Change (%)	1Q 2018	1Q 2017	Change (%)	1Q 2018	1Q 2017	Change (%)
Profit in statutory financial statements under the old accounting standards for financial instruments <sup>(1)</sup>	18,788	13,638	37.8	3,211	3,374	(4.8)	21,999	17,012	29.3
Investment income adjustments <sup>(2)</sup>	(4,887)	-	N/A	41	-	N/A	(4,846)	-	N/A
Profit in financial statements under the new accounting standards for financial instruments <sup>(1)</sup>	13,901	13,638	1.9	3,252	3,374	(3.6)	17,153	17,012	0.8

(1) Profits refer to net profit attributable to shareholders of the parent company.

(2) Adjustments mainly arise from changes in classification, measurement, and impairment of financial assets under the new accounting standards for financial instruments.

(3) In accordance with rules for transition to the new accounting standards for financial instruments, the Company does not need to restate comparable figures for 2017.



# Operating profit attributable to shareholders of the parent company

*(in RMB million)*

	1Q 2018	Proportion (%)	1Q 2017	YoY change(%)
Life and health insurance	16,399	58.2	14,543	12.8
Property and casualty insurance	3,252	11.5	3,374	(3.6)
Banking business	3,824	13.6	3,604	6.1
Asset management business	4,257	15.1	3,384	25.8
Fintech & healthtech business	1,842	6.5	(120)	N/A
Others & elimination	(1,374)	(4.9)	(827)	66.1
<b>The Group</b>	<b>28,200</b>	<b>100.0</b>	<b>23,958</b>	<b>17.7</b>

(1) Due to the long-term feature of the majority business of the life and health insurance business, the measure of operating profit has been introduced to more appropriately evaluate business performance. Operating profit after tax is based on net profit from financial statements, excluding items that are of short-term, volatile or one-off nature.

(2) Operating profit = net profit - short-term investment variance - impact of discount rate change - one-off material non-operating items

# Strong capital adequacy position

	Mar 31, 2018	Dec 31, 2017
<b>Ping An Life</b> (regulatory requirement $\geq 100\%$ )	233.8%	234.1%
<b>Ping An P&amp;C</b> (regulatory requirement $\geq 100\%$ )	211.4%	217.5%
<b>Ping An Bank</b> (regulatory requirement $\geq 10.5\%$ )	11.40%	11.20%

On March 26, 2018, CBRC approved PAB's application for a public offering of A-share convertible bonds of no more than RMB 26 billion

Note: For Ping An Life and Ping An P&C, the above data are comprehensive solvency margin ratios.

# | 30th Anniversary Special Dividend

To reward shareholders, the Company proposes to pay a 30th Anniversary Special Dividend



RMB **0.20**/share

RMB **3,656** million in total

Overview

**Customer Development**

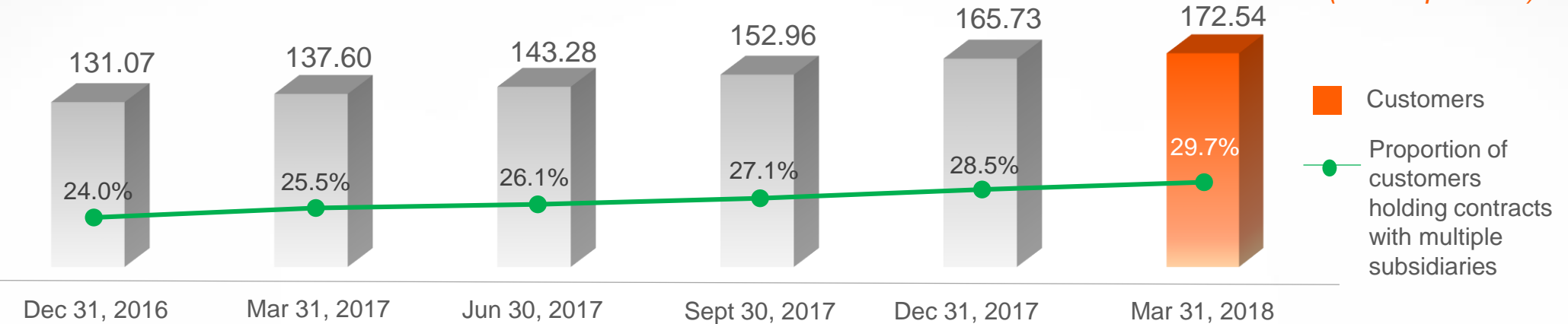
Business Review



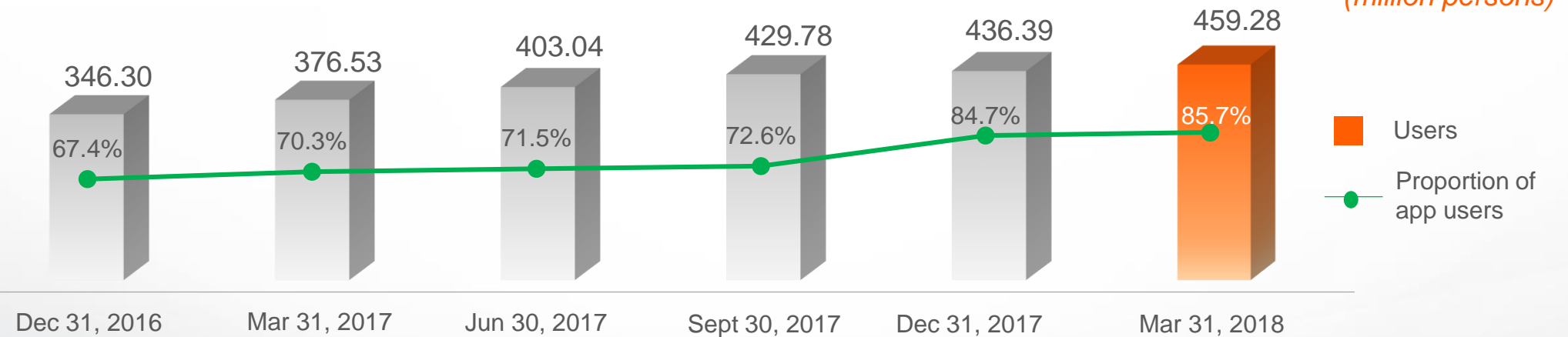
# Customer Development

# Increased customers and cross-selling

## Increased cross-selling



## Increased users



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Customer Development

**Business Review**



# Business Review

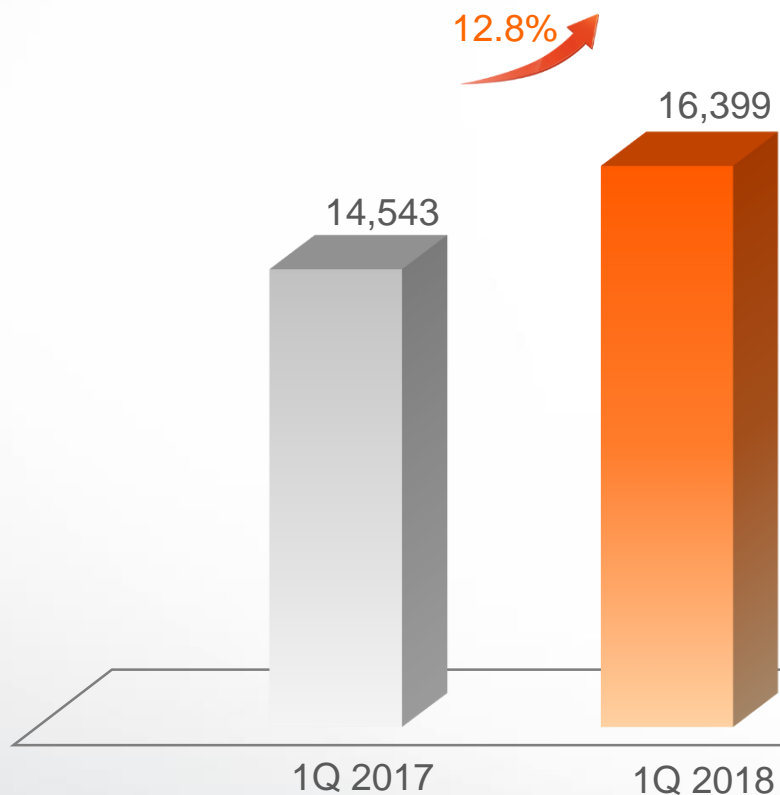


# | Insurance Business

# Steady growth in life and health insurance business

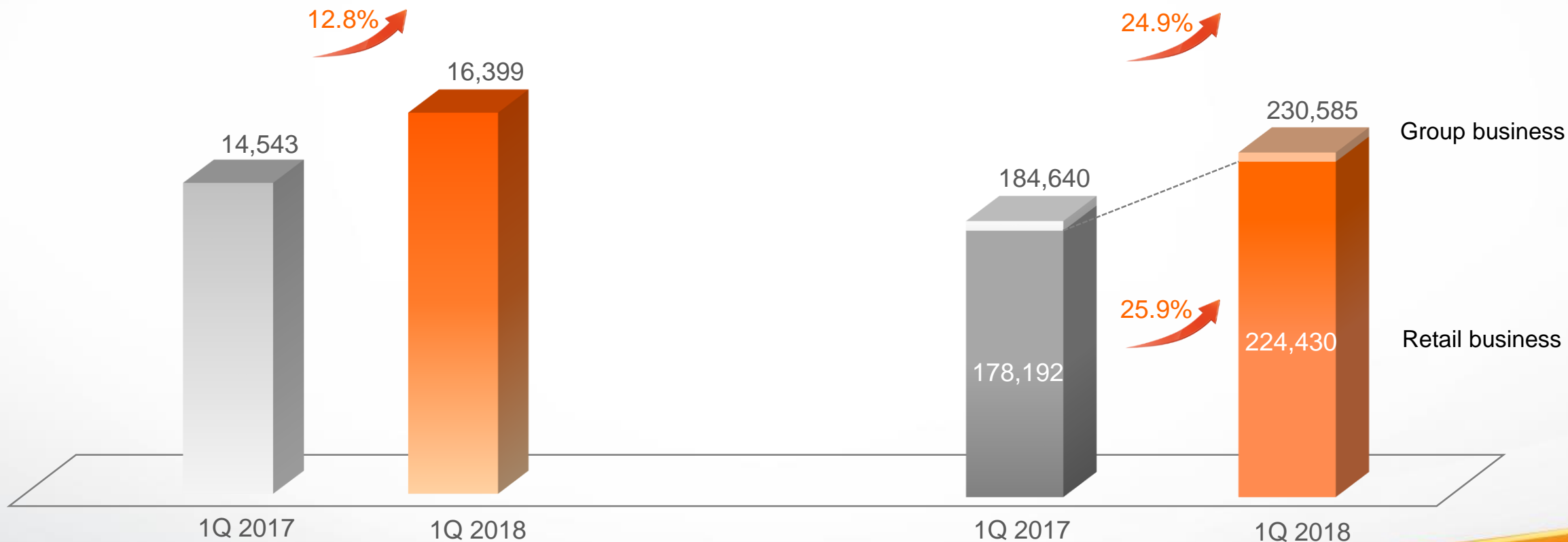
## Operating profit of L&H attributable to shareholders of the parent company

(in RMB million)



## Written premium

(in RMB million)

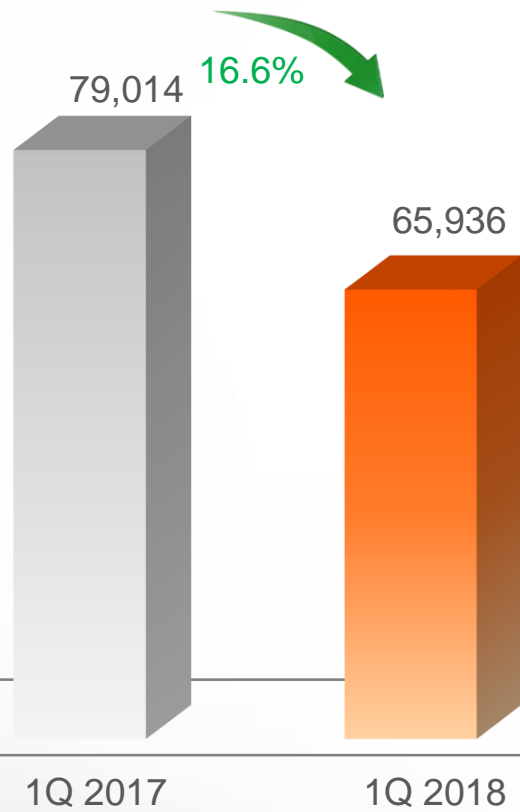




# Adjusted product mix and increased NBEV margin

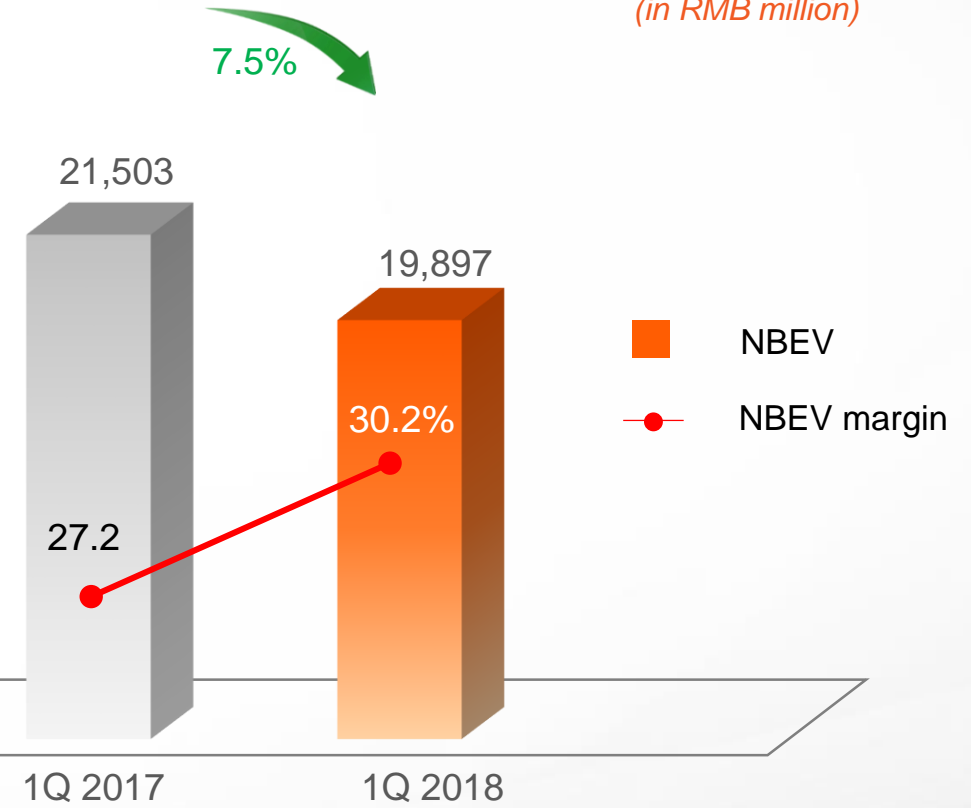
## First-year premium

(in RMB million)



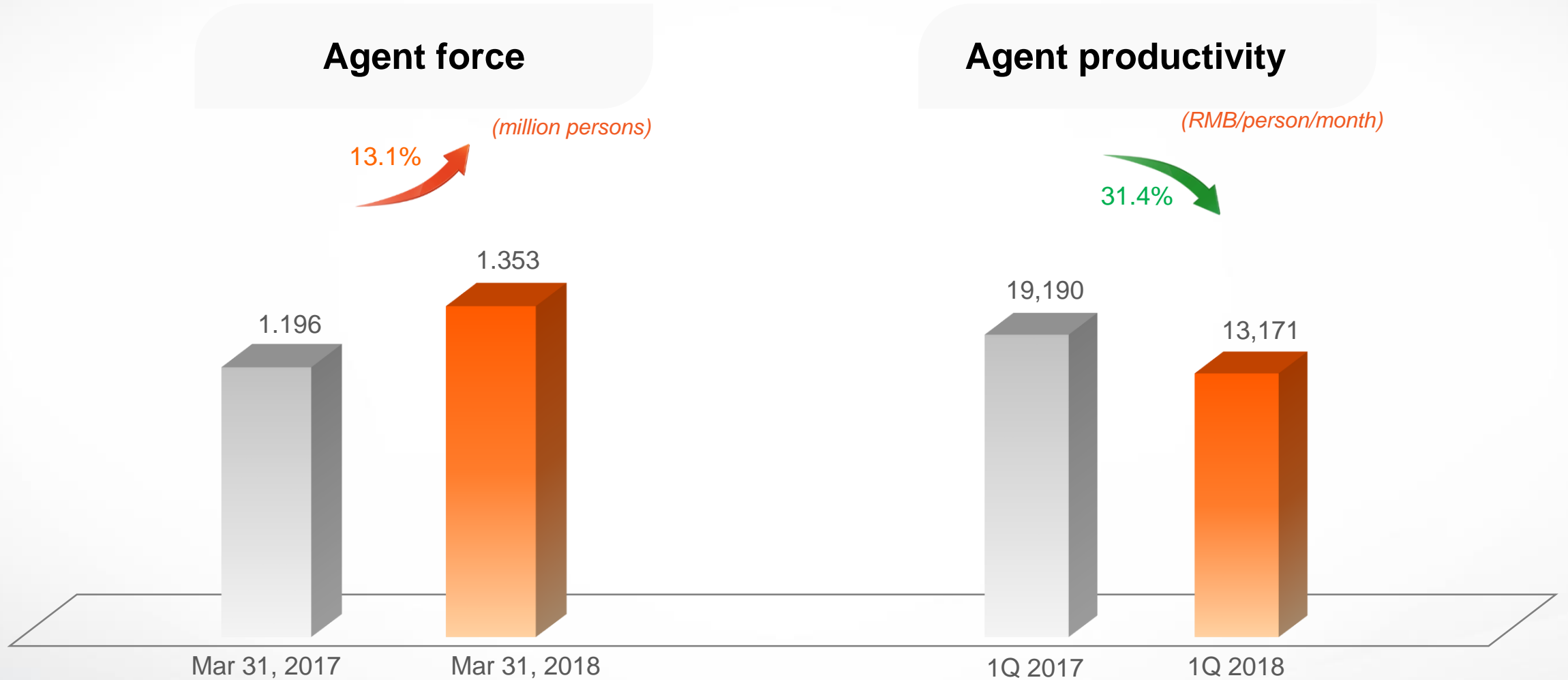
## NBEV

(in RMB million)



Note: First-year premium used to calculate NBEV.

# Life insurance agents and productivity

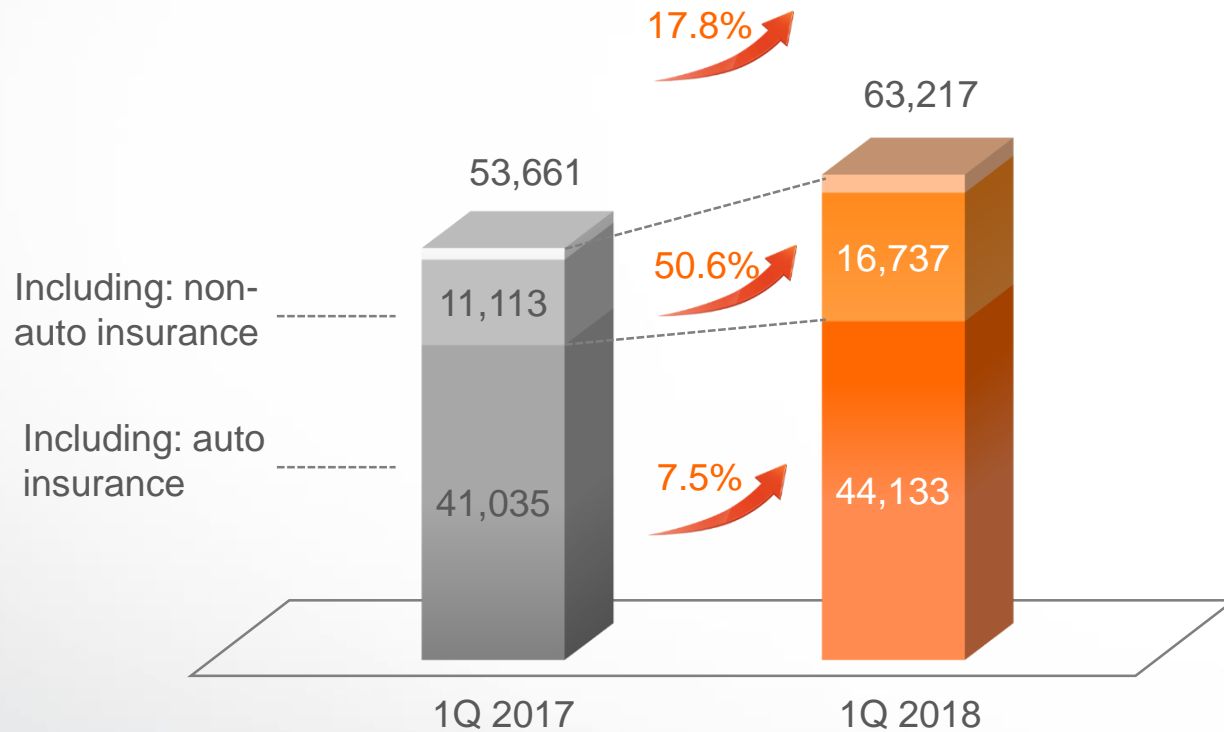


Note: Agent productivity refers to first-year premium per person per month.

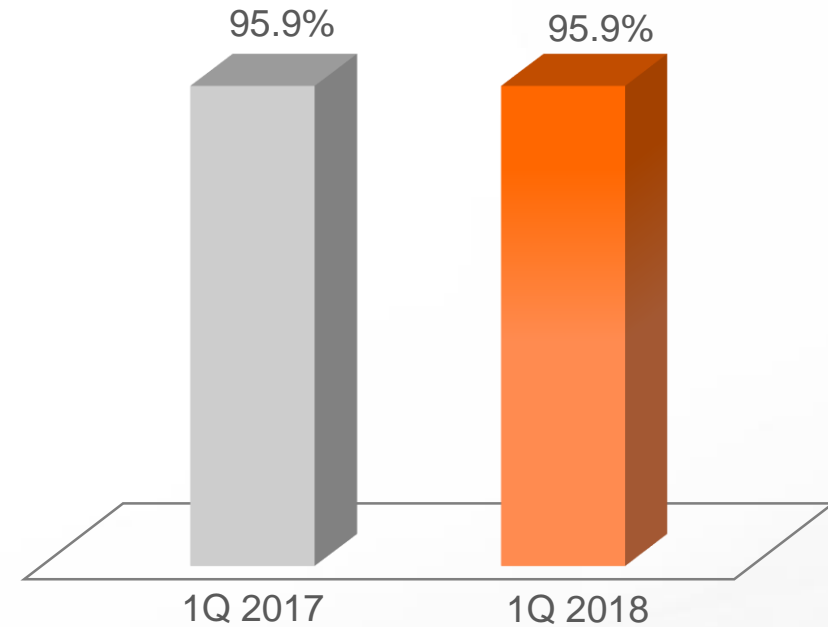
# P&C Insurance: steady premium income growth and excellent business quality

## Premium income

(in RMB million)



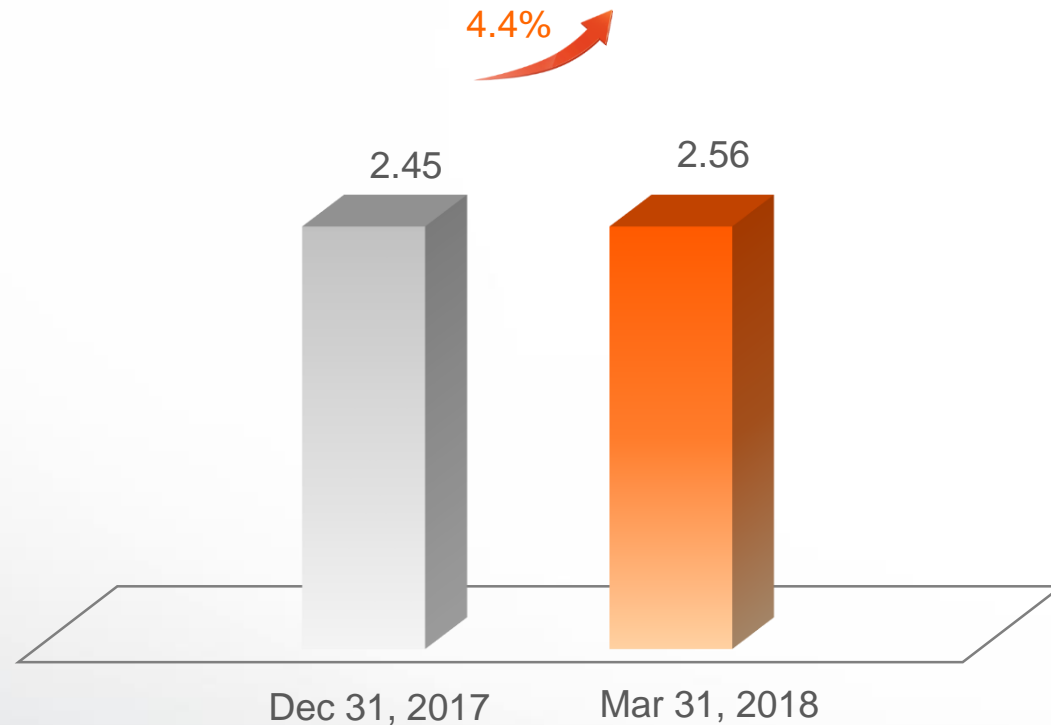
## Combined ratio



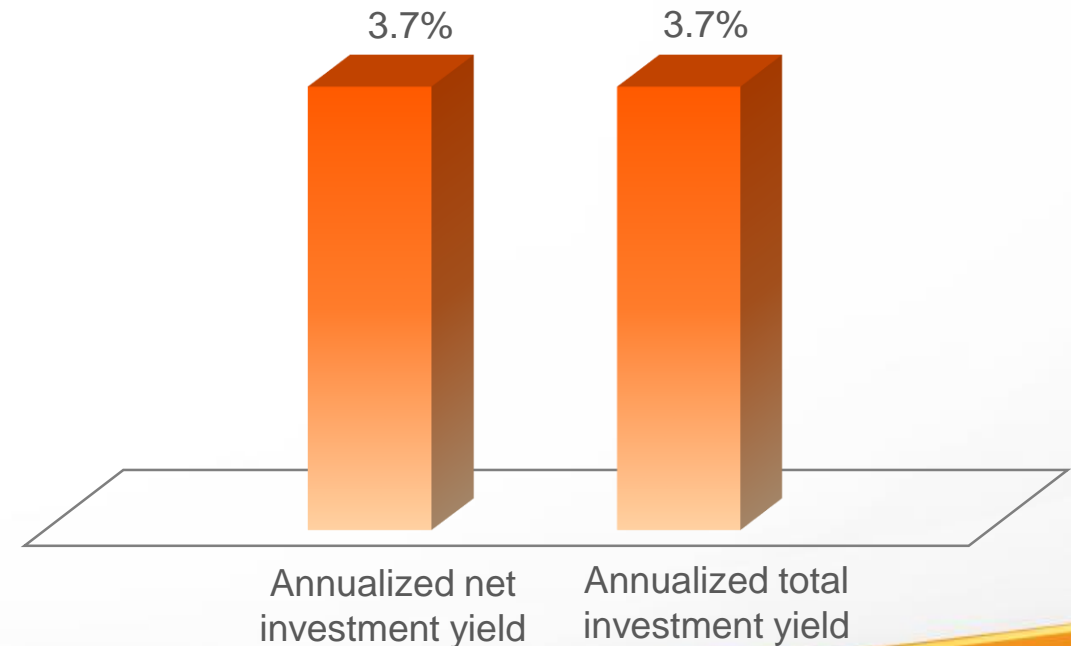
# Investment portfolio of insurance funds: AUM and yields

## AUM of the investment portfolio of insurance funds

(in RMB trillion)



## Investment yields for 1Q 2018



Note: Investment yields are calculated under the new accounting standards for financial instruments.

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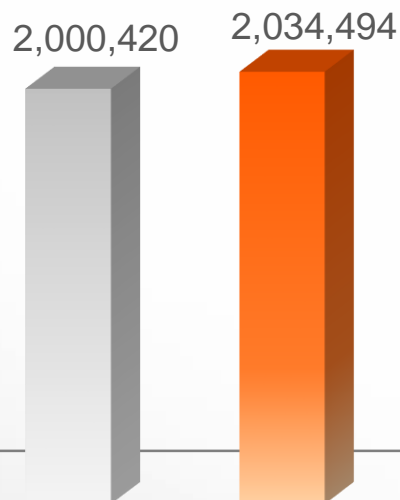
# Banking Business

# Stable business scale and efficiency

(in RMB million)

## Deposits

1.7%

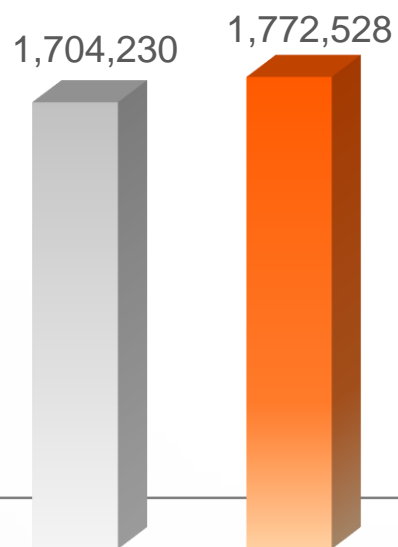


Dec 31, 2017

Mar 31, 2018

## Loans and advances

4.0%

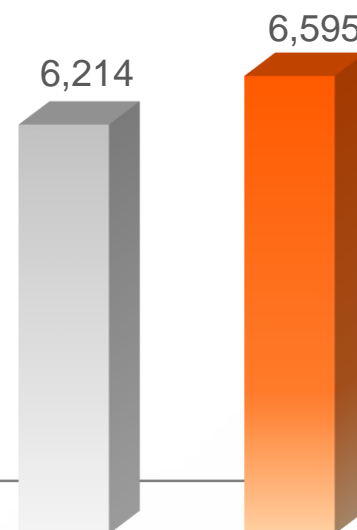


Dec 31, 2017

Mar 31, 2018

## Net profit

6.1%

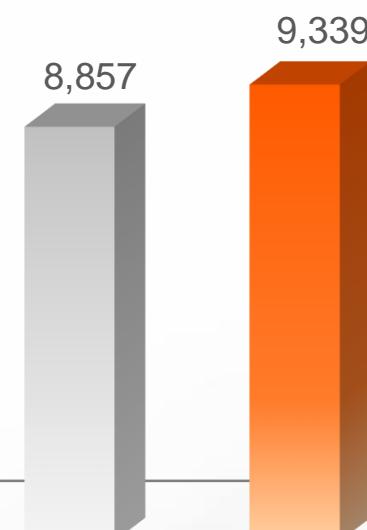


1Q 2017

1Q 2018

## Net non-interest revenue

5.4%



1Q 2017

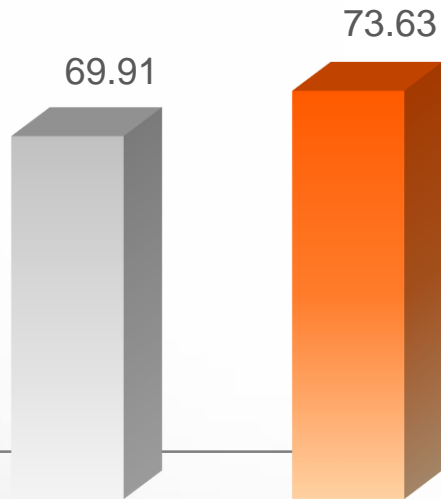
1Q 2018

# Ongoing transformation towards retail banking

## Retail customers

(million persons)

5.3%



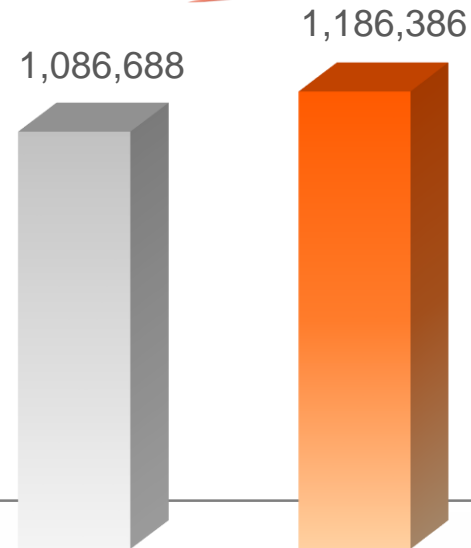
Dec 31, 2017

Mar 31, 2018

## Retail AUM

(in RMB million)

9.2%



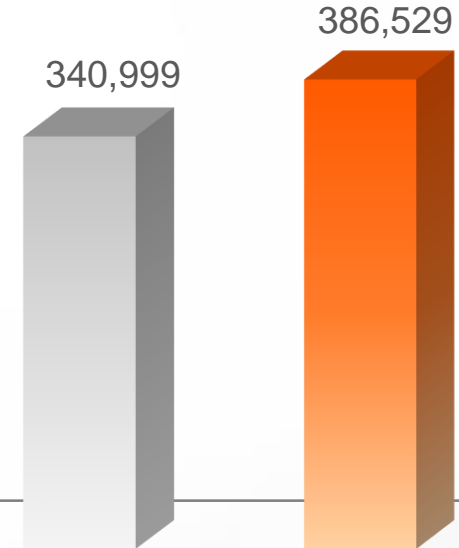
Dec 31, 2017

Mar 31, 2018

## Retail deposits

(in RMB million)

13.4%



Dec 31, 2017

Mar 31, 2018

# | Stable asset quality

	Mar 31, 2018	Dec 31, 2017	Change
Non-performing loan ratio	1.68%	1.70%	-0.02pps
Proportion of special mention loans	3.50%	3.70%	-0.20pps
Provision coverage ratio	172.65%	151.08%	+21.57pps
Provision coverage ratio of loans overdue $\geq$ 90 days	129.75%	105.67%	+24.08pps



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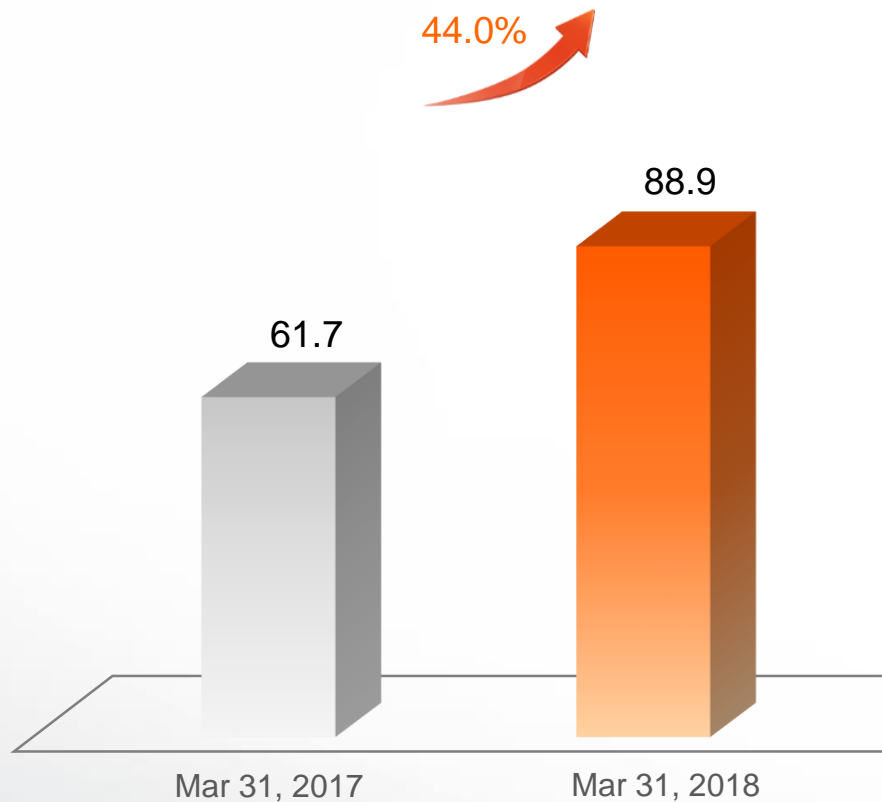


# Asset Management Business

# Trust and securities: transformation and customer growth

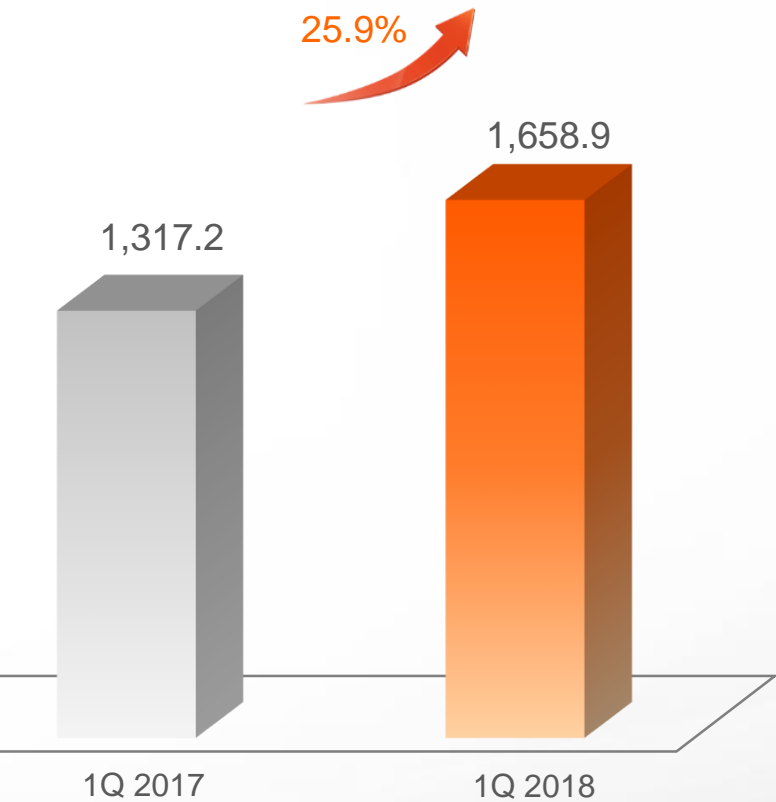
## Active wealth management customers of Ping An Trust

(thousand persons)



## Daily active users of Ping An Securities

(thousand persons)



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# Fintech & Healthtech Business

# | Fintech Business



## Lufax Holding

Lufax Holding is China's leading online wealth management and personal lending technology platform, which serves the growing middle class and is a leader in providing financial institutions and local governments with financial solutions.

**AUM: RMB 442,943million**

**Loans under management: RMB 303,826 million**

**Institutional trading volume: RMB 1,149,961 million**



## OneConnect

OneConnect is committed to building a world-leading, strategically-empowering fintech platform.

**Credit inquiries initiated by FIs in 1Q: 180 million**

**Partner non-bank FIs: 1,970+**

**Partner banks: 478**

# Healthtech Business



## Ping An Good Doctor

Ping An Good Doctor is committed to building the world's largest health care ecosystem, and providing online family doctor services via its in-house medical team and AI Assistant.

**As at December 31, 2017**

**Registered users: nearly 193 million**  
**888 in-house medical staff members**  
**2,100 contracted external doctors**  
(associate chief physicians or highlevel medical professionals at 3A hospitals)



## Ping An Healthcare Technology

Ping An Healthcare Technology is committed to building China's best tech-powered managed care service platform.

**Services such as smart cost control**  
**in over 200 cities across China**  
**38 cities covered by "City OneConnect" app**  
**Connection with over 2,200 hospitals**

# Technology-powered business transformation

- Ping An has proactively developed world-leading face recognition and voiceprint recognition technologies for applications.

AI-based cognition

- Ping An has built a 24/7 actively perceiving security system which combines comprehensive attack and defense functionalities.

Security

- Ping An Blockchain provides secure, efficient and retraceable means of transaction recording.
- Application scenarios include asset trading, financing, health care and commodity trading

Blockchain

AI

- Ping An has established comprehensive scenarios of AI applications.
- Ping An has achieved outstanding results in medical imaging, disease prediction, image-based loss assessment, and AI-based investigation.

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- Ping An Cloud hosts the trillion-yuan core business of Ping An.
- Ping An Cloud provides efficient, secure cloud services in ecosystems such as financial services, health care, auto services, real estate services, and smart city services.

Cloud Computing

Ping An's patent applications increased to **4,418**, up by **1,388** from the beginning of the year.

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Thank you!