

(Stock Code: 2328)

ANNOUNCEMENT IN RELATION TO PREMIUMS INCOME

Reference is made to the announcement of PICC Property and Casualty Company Limited (the “Company”) dated 27 August 2004. The premiums income of the Company for the period from 1 January 2007 to 30 April 2007 was RMB32,401.55 million, such information is released on the official website of China Insurance Regulatory Commission (www.circ.gov.cn). The above information on premiums income is prepared pursuant to the PRC Accounting Standards for Business Enterprises and is unaudited and has not been reviewed by the audit committee of the Company. Investors should exercise caution not to unduly rely on such information.

By Order of the Board

Liu Zhenghuan

Secretary of the Board

Beijing, the PRC, 18 May 2007

On the date of this announcement, the Chairman of the Board is Mr. Wu Yan (executive director), the Vice Chairman is Mr. Wang Yi (executive director), Mr. Wang Yincheng and Md. Liu Zhenghuan are the executive directors, the non-executive directors are Mr. Tse Sze-Wing, Edmund, Mr. Wu Gaolian, Mr. Zhou Shurui and Mr. Li Tao, the independent non-executive directors are Mr. Cheng Wai Chee, Christopher, Mr. Lu Zhengfei, Mr. Luk Kin Yu, Peter and Mr. Ding Ningning.