THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Pacific Insurance (Group) Co., Ltd., you should at once hand this circular and the accompanying proxy form and reply slip to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

中国太平洋保险
China Pacific Insurance

中國太平洋保險(集團)股份有限公司

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02601)

AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. to be held at Ocean Spring Metropark Hotel, Zhuhai, Guangdong, the PRC on Thursday, 25 October 2012 at 1:30 p.m. is set out on pages 6 to 8 of this circular.

Whether or not you are able to attend the Extraordinary General Meeting, you are advised to read the notice of the Extraordinary General Meeting and to complete and return the enclosed proxy form as soon as possible, in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, in person or by post not less than 24 hours before the time stipulated for convening the Extraordinary General Meeting or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending in person and voting at the Extraordinary General Meeting or at any adjourned meeting if you so wish.

If you intend to attend the Extraordinary General Meeting in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before Thursday, 4 October 2012.

9 September 2012

CONTENTS

In this circular, unless the context otherwise requires, the following expressions have the following meanings respectively:

"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company to be held at Ocean Spring Metropark Hotel, Zhuhai, Guangdong, the PRC on Thursday, 25 October 2012 at 1:30 p.m
"Articles of Association"	the articles of association of the Company as amended from time to time
"A Share(s)"	Domestic share(s) of RMB1.00 each in the share capital of the Company which is/are listed on the Shanghai Stock Exchange and traded in RMB
"Board" or "Board of Directors"	the board of Directors of the Company
"CIRC"	China Insurance Regulatory Commission
"the Company" or "Company"	China Pacific Insurance (Group) Co., Ltd., a joint stock company incorporated in the PRC with limited liability
"Director(s)"	director(s) of the Company
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"H Share(s)"	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which is/are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
"Independent Director(s)" or "Independent Non-executive Director(s)"	independent non-executive Director(s) of the Company
"PRC" or "China"	the People's Republic of China, excluding, for the purposes of this circular only, Hong Kong and Macau Special Administrative Regions of the People's Republic of China, and Taiwan region
"RMB"	the lawful currency of the PRC
"Share(s)"	A Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of the Shares
"Supervisor(s)"	supervisor(s) of the Company

Note: If there is any inconsistency between the Chinese and English versions of this circular, the Chinese version shall prevail.

中國太平洋保險(集團)股份有限公司

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02601)

Chairman and Executive Director:
Mr. GAO Guofu

Executive Director:
Mr. HUO Lianhong

Non-executive Directors:
Mr. YANG Xianghai
Mr. WANG Chengran
Ms. FENG Junyuan, Janine
Mr. WU Jumin
Mr. WU Junhao
Mr. YANG Xiangdong
Mr. ZHENG Anguo
Ms. XU Fei

Independent Non-executive Directors:
Mr. XU Shanda
Mr. CHANG Tso Tung, Stephen
Mr. LI Ruoshan
Mr. XIAO Wei
Mr. YUEN Tin Fan

Registered Office:
South Tower
Bank of Communications Financial Building
190 Central Yincheng Road
Pudong New District
Shanghai 200120
The PRC

Place of Business in Hong Kong:
Suite 4301, 43/F., Central Plaza,
18 Harbour Road, Wanchai, Hong Kong

To the Shareholders

Dear Sir or Madam,

**AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

On behalf of the Board of Directors, I invite you to attend the EGM of the Company to be held at Ocean Spring Metropark Hotel, Zhuhai, Guangdong, the PRC on Thursday, 25 October 2012 at 1:30 p.m..

The Board proposed to make amendments to the Articles of Association which is subject to Shareholders' approval at the EGM. The purpose of this circular is to give you further information in relation to the proposed amendments.

The Board hereby submit the Proposed Amendments (as defined below) to the Shareholders at the EGM for review and approval, and for granting an authorization to the Chairman or his attorney to make further amendments which in his opinion may be necessary and desirable in accordance with the requirements of relevant regulatory authorities in the process of the Company's applying for approval.

The amendments to the Articles of Association as referred to in a special resolution are subject to and shall take effect after the approval from CIRC has been obtained.

2. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Pursuant to the Circular on Further Settling the Issues Concerning the Payment of Cash Dividends by Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》), issued by CSRC, the Company made necessary amendments to the existing Articles of Association (the "**Proposed Amendments**") as follows:

The Article 209 will be amended from: "The Company may distribute dividend in the following ways: (1) cash; (2) Shares. In distributing the profits of the Company, the Company shall focus on giving investors a reasonable return on their investment. The profit distribution policy of the Company shall maintain a certain level of continuity and stability. The Company may make an interim distribution of profits." to:

"The Company may distribute dividend in the following ways:

(1) cash;

(2) Shares.

In distributing the profits of the Company, the Company shall focus on giving investors a reasonable return on their investment. The profit distribution policy of the Company shall maintain a certain level of continuity and stability. The Company may make an interim distribution of profits.

The Company shall give priority to profit distribution in cash.

The cumulative profit distribution in cash of the Company in the last three years shall not be less than 30% of the average annual distributable profits of the last three years, except that:

(i) the solvency level of the Company falls below the prescribed level set by CIRC;

(ii) the operation and financial position of the Company are materially affected by force majeure events, such as war and natural disaster;

(iii) the operation and financial position of the Company are materially affected by the changes in the external environment where the Company operates;

(iv) there are material adverse changes in the operation of the Company;

(v) in other circumstances which make dividend distribution inappropriate according to the relevant laws, regulations and regulatory documents.

The Company may adjust its profit distribution policies, which shall be resolved by the Board after thorough consideration and submitted to the Shareholders' general meeting together with the opinions of the Independent Directors for approval by way of special resolution. The Board and Shareholders' general meeting shall properly consider the opinions from the Independent Directors and public investors and communicate with public investors through various channels. The implementation of the profit distribution policies shall be supervised by the Independent Directors and public investors."

The Proposed Amendment is subject to the approval of the Shareholders of the Company by way of special resolution at the EGM.

3. THE EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held at Ocean Spring Metropark Hotel, Zhuhai, Guangdong, the PRC on Thursday, 25 October 2012 at 1:30 p.m. is set out on pages 6 to 8 of this circular.

In order to determine the list of Shareholders who are entitled to attend the EGM, the registers of holders of H Shares of the Company will be closed from Tuesday, 25 September 2012 to Thursday, 25 October 2012, both days inclusive, during which period no transfer of H Shares will be effected. Holders of the Company's H Shares whose names appear on the register of members at close of business on Monday, 24 September 2012 are entitled to attend the meeting. In order to attend and vote at the meeting, holders of H Shares of the Company whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at or before 4:30 p.m. on Monday, 24 September 2012. The address of the transfer office of Computershare Hong Kong Investor Services Limited is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited in person or by post not less than 24 hours before the time stipulated for convening the EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending in person and voting at the EGM or at any adjourned meeting if you so wish.

If you intend to attend the EGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before Thursday, 4 October 2012.

4. VOTING BY POLL

According to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the EGM will demand a vote by poll in relation to all the proposed resolutions at the EGM in accordance with the requirements of Article 91 of the Articles of Association.

5. RECOMMENDATION

The Directors believe that the special resolution in relation to the Proposed Amendments is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders should vote in favour of the relevant resolution to be proposed at the EGM as set out in the notice of EGM.

By Order of the Board
China Pacific Insurance (Group) Co., Ltd.
Gao Guofu
Chairman

Shanghai, the PRC
9 September 2012

中國太平洋保險(集團)股份有限公司

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02601)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of China Pacific Insurance (Group) Co., Ltd. (the "**Company**") will be held at Ocean Spring Metropark Hotel, Zhuhai, Guangdong, the PRC on Thursday, October 25 2012 at 1:30 p.m. (the "**EGM**") for the purposes of considering and, if thought fit, passing the following resolution:

SPECIAL RESOLUTION

To consider and approve the following proposed amendments to the articles of association of the Company (the "**Articles of Association**"), and to authorize the Chairman of the Board of Directors or his attorney to make further amendments to the Articles of Association which in his opinion may be necessary and desirable in accordance with the requirements of relevant regulatory authorities in the process of the Company's applying for approval.

The amendments to the Articles of Association as referred to in this special resolution are subject to and shall take effect after the approval from China Insurance Regulatory Commission (the "**CIRC**") has been obtained.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Article 209 will be amended from: "The Company may distribute dividend in the following ways: (1) cash; (2) Shares. In distributing the profits of the Company, the Company shall focus on giving investors a reasonable return on their investment. The profit distribution policy of the Company shall maintain a certain level of continuity and stability. The Company may make an interim distribution of profits." to:

"The Company may distribute dividend in the following ways:

(1) cash;

(2) Shares.

In distributing the profits of the Company, the Company shall focus on giving investors a reasonable return on their investment. The profit distribution policy of the Company shall maintain a certain level of continuity and stability. The Company may make an interim distribution of profits.

The Company shall give priority to profit distribution in cash.

The cumulative profit distribution in cash of the Company in the last three years shall not be less than 30% of the average annual distributable profits of the last three years, except that:

(i) the solvency level of the Company falls below the prescribed level set by CIRC;

(ii) the operation and financial position of the Company are materially affected by force majeure events, such as war and natural disaster;

(iii) the operation and financial position of the Company are materially affected by the changes in the external environment where the Company operates;

(iv) there are material adverse changes in the operation of the Company;

(v) in other circumstances which make dividend distribution inappropriate according to the relevant laws, regulations and regulatory documents.

The Company may adjust its profit distribution policies, which shall be resolved by the Board after thorough consideration and submitted to the Shareholders' general meeting together with the opinions of the Independent Directors for approval by way of special resolution. The Board and Shareholders' general meeting shall properly consider the opinions from the Independent Directors and public investors and communicate with public investors through various channels. The implementation of the profit distribution policies shall be supervised by the Independent Directors and public investors."

Notes:

1. **Eligibility for attending the EGM and closure of register of members for H Shares**

   In order to determine the list of shareholders who are entitled to attend the EGM, the registers of holders of H Shares of the Company will be closed from Tuesday, 25 September 2012 to Thursday, 25 October 2012, both days inclusive, during which period no transfer of H Shares will be effected. Holders of the Company's H Shares whose names appear on the register of members at close of business on Monday, 24 September 2012 are entitled to attend the EGM. In order to attend and vote at the EGM, holders of H Shares of the Company whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at or before 4:30 p.m. on Monday, 24 September 2012. The address of the transfer office of Computershare Hong Kong Investor Services Limited is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

2. **Proxy**

   (1) Each shareholder entitled to attend and vote at the EGM may appoint one or more proxies in writing to attend and vote on his behalf. A proxy need not be a shareholder of the Company.

   (2) The instrument appointing a proxy must be in writing signed by the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorized attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign or other document of authorization must be notarized.

   To be valid, for holders of H Shares, the form of proxy and notarized power of attorney or other document of authorization must be delivered to Computershare Hong Kong Investor Services Limited, not less than 24 hours before the time appointed for the EGM (form of proxy for use at the EGM is attached herewith).

   (3) If a shareholder appoints more than one proxy, such proxies shall only exercise the right to vote by poll.

3. Registration procedures for attending the EGM

(1) A shareholder or his proxy should produce proof of identity when attending the EGM. If a shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing body of such shareholder may attend the EGM by producing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

(2) Shareholders of the Company intending to attend the EGM in person or by their proxies should complete and return the reply slip for attending the EGM to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before Thursday, 4 October 2012.

4. Voting by poll

According to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the EGM will demand a poll in relation to all the proposed resolutions at the EGM in accordance with Article 91 of the Articles of Association.

5. Miscellaneous

(1) The EGM is expected to be held for no more than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.

(2) The address of Computershare Hong Kong Investor Services Limited is:

17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(3) The registered office of the Company is at: South Tower, Bank of Communications Financial Building, 190 Central Yincheng Road, Pudong New District, Shanghai 200120 The People's Republic of China

Contact office: Office of the Board
Contact Persons: HE Ye
Telephone No.: 86 (21) 3396 0000
Facsimile No.: 86 (21) 6887 0791

As of the date of this notice, the executive Directors of the Company are Mr. GAO Guofu and Mr. HUO Lianhong; the non-executive Directors of the Company are Mr. YANG Xianghai, Mr. YANG Xiangdong, Ms. FENG Junyuan, Mr. WANG Chengran, Mr. WU Jumin, Mr. WU Junhao, Mr. ZHENG Anguo and Ms. XU Fei; and the independent non-executive Directors of the Company are Mr. XU Shanda, Mr. CHANG Tso Tung Stephen, Mr. LI Ruoshan, Mr. YUEN Tin Fan and Mr. XIAO Wei.