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Launch Announcement for Callable Bull/Bear Contracts (“CBBCs”)

to be issued by



(incorporated with limited liability in Switzerland)

acting through its London Branch

Sponsor

UBS SECURITIES ASIA LIMITED

Particulars of CBBCs

We intend to issue the following CBBCs:

CBBCs	Series 1	Series 2	Series 3	Series 4
Stock code	61494	61498	61495	61496
Issue size	200,000,000 CBBCs	200,000,000 CBBCs	300,000,000 CBBCs	200,000,000 CBBCs
Type	European style cash settled category R callable bull contracts	European style cash settled category R callable bear contracts	European style cash settled category R callable bull contracts	European style cash settled category R callable bull contracts
Company	China Communications Construction Company Limited	China Communications Construction Company Limited	China Life Insurance Company Limited	Ping An Insurance (Group) Company of China, Ltd.
Shares	Existing issued ordinary H Shares of RMB1.00 each	Existing issued ordinary H Shares of RMB1.00 each	Existing issued ordinary H Shares of RMB1.00 each	Existing issued ordinary H Shares of RMB1.00 each
Board Lot	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs	5,000 CBBCs
Issue Price	HK\$0.255	HK\$0.350	HK\$0.275	HK\$0.250
Strike Price	HK\$7.880	HK\$13.880	HK\$22.380	HK\$30.880
Call Price	HK\$8.880	HK\$12.880	HK\$23.880	HK\$38.880
Launch Date	6 January 2009	6 January 2009	6 January 2009	6 January 2009
Issue Date	12 January 2009	12 January 2009	12 January 2009	12 January 2009
Expected listing date	13 January 2009	13 January 2009	13 January 2009	13 January 2009
Observation Commencement Date	13 January 2009	13 January 2009	13 January 2009	13 January 2009
Expiry Date	24 August 2009	24 August 2009	24 August 2009	20 July 2009
Valuation Date (for all series)	The Trading Day* immediately before the Expiry Date.			
Entitlement	1 Share	1 Share	1 Share	1 Share
Number of CBBCs per Entitlement	10 CBBCs	10 CBBCs	10 CBBCs	100 CBBCs
Effective Gearing*	4.08x	2.97x	9.13x	1.73x
Gearing*	4.08x	2.97x	9.13x	1.73x
Premium*	0.29%	0.19%	0.12%	29.05%
Funding Cost as of Launch Date[#]	HK\$0.0030	HK\$0.0020	HK\$0.0030	HK\$0.1258

* “Trading Day” means any day on which the Stock Exchange is scheduled to be open for trading for its regular trading session.

*This data may fluctuate during the life of the CBBCs and may not be comparable to similar information provided by other issuers of callable bull/bear contracts. Each issuer may use different pricing models.

[#] The funding cost is calculated in accordance with the following formula:

$$\text{Funding Cost} = \frac{\text{Strike Price} \times \text{funding rate} \times n / 365}{\text{Number of CBBCs per Entitlement}}$$

Where,

- (i) “n” is the number of days remaining to expiration; initially, “n” is the number of days from (and including) the Launch Date to (and including) the trading day immediately preceding the Expiry Date; and
- (ii) the funding rate will fluctuate throughout the term of the CBBCs as further described in the relevant supplemental listing document in respect of the CBBCs. As of the Launch Date, the funding rates were 0.6042% for Series 1, 0.2287% for Series 2, 0.2127% for Series 3 and 76.2538% for Series 4.

How much will you receive upon occurrence of a Mandatory Call Event?

A Mandatory Call Event occurs when the Spot Price of the Shares on any day on which the Stock Exchange is scheduled to be open for trading during the Observation Period is:

- (a) in respect of a series of callable bear contracts, at or above the Call Price; and
- (b) in respect of a series of callable bull contracts, at or below the Call Price.

“**Spot Price**” means:

- (a) in respect of a continuous trading session of the Stock Exchange, the price per Share concluded by means of automatic order matching on the Stock Exchange as reported in the official real-time dissemination mechanism for the Stock Exchange during such continuous trading session in accordance with the Rules and Regulations of the Exchange (“**Trading Rules**”), excluding direct business (as defined in the Trading Rules); and
- (b) in respect of a pre-opening session or a closing auction session of the Stock Exchange (as the case may be), the final Indicative Equilibrium Price (as defined in the Trading Rules) of the Share (if any) calculated at the end of the pre-order matching period of such pre-opening session or closing auction session (as the case may be) in accordance with the Trading Rules, excluding direct business (as defined in the Trading Rules),

subject to such modification and amendment prescribed by the Stock Exchange from time to time.

“**Observation Period**” means the period commencing from and including the Observation Commencement Date and ending on and including the close of the trading day (Hong Kong time) immediately preceding the Expiry Date.

Subject to limited circumstances set out in the terms and conditions of the CBBCs in which a Mandatory Call Event may be reversed, upon the occurrence of a Mandatory Call Event, we must terminate the CBBCs and you may receive a Residual Value per Board Lot in Hong Kong dollars calculated as follows (if positive):

In respect of a series of callable bear contracts:

$$\text{Residual Value per Board Lot} = \frac{\text{Entitlement} \times (\text{Strike Price} - \text{Maximum Trade Price}) \times \text{one Board Lot}}{\text{Number of CBBCs per Entitlement}}$$

If the Residual Value is at or below zero, you will lose all your investment in the CBBCs.

Where “**Maximum Trade Price**” means the highest Spot Price of the Shares during the MCE Valuation Period (being the period immediately following the Mandatory Call Event and up to the end of the following trading session on the Stock Exchange subject to any potential extension).

In respect of a series of callable bull contracts:

$$\text{Residual Value per Board Lot} = \frac{\text{Entitlement} \times (\text{Minimum Trade Price} - \text{Strike Price}) \times \text{one Board Lot}}{\text{Number of CBBCs per Entitlement}}$$

If the Residual Value is at or below zero, you will lose all your investment in the CBBCs.

Where “**Minimum Trade Price**” means the lowest Spot Price of the Shares during the MCE Valuation Period (being the period immediately following the Mandatory Call Event and up to the end of the following trading session on the Stock Exchange subject to any potential extension).

How much will you receive at expiry?

If no Mandatory Call Event occurs during the Observation Period, the CBBCs will be automatically exercised on the relevant Expiry Date if the Cash Settlement Amount is greater than zero. You will receive a Cash Settlement Amount per Board Lot in Hong Kong dollars calculated as follows (if positive):

In respect of a series of callable bear contracts:

$$\text{Cash Settlement Amount per Board Lot} = \frac{\text{Entitlement} \times (\text{Strike Price} - \text{Closing Price}) \times \text{one Board Lot}}{\text{Number of CBBCs per Entitlement}}$$

In respect of a series of callable bull contracts:

$$\text{Cash Settlement Amount per Board Lot} = \frac{\text{Entitlement} \times (\text{Closing Price} - \text{Strike Price}) \times \text{one Board Lot}}{\text{Number of CBBCs per Entitlement}}$$

“**Closing Price**” means the official closing price of the Shares (as derived from the Daily Quotation Sheet of the Stock Exchange) on the Valuation Date, subject to any adjustment (as determined by the Issuer in accordance with the terms and conditions of the CBBCs).

Listing of the CBBCs

We will make an application to the Stock Exchange for listing of and permission to deal in the CBBCs on the Stock Exchange.

Where do you obtain quotes?

You may request to obtain a quote for your CBBCs by calling the following telephone number:

CBBCs	Series 1	Series 2	Series 3	Series 4
<i>Liquidity Provider:</i>	UBS Securities Hong Kong Limited			
<i>Address:</i>	52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong			
<i>Broker ID Number:</i>	9619	9619	9655	9619
<i>Telephone number:</i>	+ 852 2971 6628			

We do not have any special arrangements in place with any brokers with respect to our CBBCs.

Where can you inspect the relevant documents?

The following documents (“**Listing Documents**”), each in separate English and Chinese versions, are available for inspection until the Expiry Date at 52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong :

- 1 our base listing document dated 18 April 2008, as supplemented by an addendum to the base listing document dated 28 November 2008; and
- 2 the relevant supplemental listing document for each series of the CBBCs to be dated on or about 12 January 2009.

IMPORTANT INFORMATION

Unsecured nature of the CBBCs

The CBBCs constitute our general unsecured contractual obligations and of no other person. You are relying upon our creditworthiness and have no rights under the CBBCs against any Company.

Issuer

Our long term debt ratings are:

<i>Rating agency</i>	<i>Rating as of the Launch Date</i>
Moody's Investors Service, Inc., New York	Aa2
Standard and Poor's Ratings Services, a division of the McGraw-Hill Companies Inc	A+
Fitch Ratings Ltd., London	A+

We are a licensed bank regulated by the Hong Kong Monetary Authority. We are also regulated by, among others, the Swiss Federal Banking Commission and the Financial Services Authority of United Kingdom.

Selling restriction

The CBBCs have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act).

Investment risk

The price of the CBBCs may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. If the Cash Settlement Amount is less than or equal to zero, all CBBCs will expire worthless on the Expiry Date.

We or the Liquidity Provider may be the only market participant for the CBBCs. The secondary market for the CBBCs may be limited.

You must:

- carefully study the risk factors set out in the relevant Listing Documents;
- fully understand the potential risks and rewards and independently determine whether the CBBCs are appropriate for you given your objectives, experience, financial and operational resources, and other relevant circumstances; and
- consult with such advisers as you deem necessary to assist yourself in making these determinations.

Hong Kong, 6 January 2009