



## **China Vanke Co., Ltd.**

### **Announcement Regarding the Implementation of the Proposal on Dividend Distribution for the Year 2013**

The proposal on dividend distribution of China Vanke Co., Ltd. ("Vanke" or "the Company") for the year 2013 was approved at the 2013 Annual General Meeting ("AGM") held on 28 March 2014. Matters related to the implementation of the proposal are announced as follows:

#### **I. Proposal on dividend distribution**

The proposal on dividend distribution for the year 2013: Based on the share capital as on the record date for dividend entitlement, a cash dividend of RMB4.1 (including tax) will be paid to all the shareholders on the basis of every 10 existing shares held.

In accordance with the requirements of the Company's Articles of Association, the cash dividends on B shares will be paid in Hong Kong dollars converted at HK\$1.00 = RMB0.7931, being the middle rate of the exchange rates announced by the People's Bank of China on 31 March 2014, which was the first business day immediately after the relevant resolutions were passed at the Company's 2013 AGM.

#### **II. Matters related to dividend income tax**

After deducting a withholding income tax at a 5% rate (for the time being), a cash dividend of RMB3.895 will be paid for every 10 existing shares beneficially held by individual shareholders of A shares, investment funds of A shares and individual shareholders of B shares. When a shareholder transfers his/her shares, China Securities Depository and Clearing Corporation Limited will, according to the Notice from the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission Regarding Policies of Implementation of Differential Individual Income Tax on Bonus Shares and Dividends of Listed Companies (Cai Shui [2012] No. 85), withhold the outstanding amount of tax that has not been withheld and paid in accordance with the actual tax amount to be paid

based on the holding period of the shares by the shareholder, and such outstanding balance will be paid by the Company on behalf of the shareholder. The holding period refers to the period during which the stock is held in a shareholder's share account. According to the first-in, first-out principle, in the event of share disposal, for shares held within one month (one full month), an additional tax amount of RMB0.615 shall be paid for every 10 shares held; for shares held for more than a month up to one year (one full year), an additional tax amount of RMB0.205 shall be paid for every 10 shares held; for shares held for more than a year, there is no need to pay extra tax amount. In the future, any extra tax amount required to be withheld and paid on behalf of the individual shareholders of B shares will be calculated based on the aforesaid exchange rate of HK\$1.00 = RMB0.7931.

After deducting a withholding income tax at a 10% rate, a cash dividend of **RMB3.69** will be paid for every 10 existing shares beneficially held by non-resident enterprise shareholders of A and B shares (including qualified foreign institutional investors of A shares).

For policies regarding income tax on dividends and bonuses, please refer to Individual Income Tax Law of the People's Republic of China, Corporate Income Tax Law of the People's Republic of China, the Notice from the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission Regarding Policies of Implementation of Differential Individual Income Tax on Bonus Shares and Dividends of Listed Companies (Cai Shui [2012] No. 85), Notice of the State Administration of Taxation on the Interim Measures for the Administration of Source-based Withholding of Corporate Income Tax on Non-resident Enterprises (Guo Shui Fa [2009] No. 3), Official Reply of the State Administration of Taxation on Collection of Corporate Income Tax on Dividends from B Share and Other Shares Distributed to Non-resident Enterprises (Letter No.394 [2009] of the State Administration of Taxation) and Announcement on Publicizing the Catalogue of Tax-related Normative Documents Repealed in Whole or in Part (Announcement of the State Administration of Taxation [2011] No. 2).

After completion of online authentication process, shareholders can inquire detailed information such as holding period and change of shares relating to their bonus income tax, via China Securities Depository and Clearing Corporation Limited's website ([www.chinaclear.com.cn](http://www.chinaclear.com.cn)). Shareholders can also dial China Securities Depository and Clearing Corporation Limited hotline (4008-058-058) to inquire questions regarding bonus tax policies.

### **III. Record date and ex-dividend date**

1. The record date for holders of A shares will be 7 May 2014 (T day), and the ex-dividend date will be 8 May 2014 (T+1 day);
2. The last trading day and the ex-dividend date of B shares will be 7 May 2014 (T day) and 8 May 2014 (T+1 day) respectively; the record date for holders of B shares will be 12 May 2014 (T+3 day).

### **IV. Eligibility for dividend distribution**

1. Holders of the Company's A shares whose names appear on the register of members of the Company maintained by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited after market close of the Shenzhen Stock Exchange on 7 May 2014 (T day);
2. Holders of the Company's B shares whose names appear on the register of members of the Company maintained by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited after market close of the Shenzhen Stock Exchange on 12 May 2014 (T+3 day) (the last trading day being 7 May 2014).

### **V. Method of dividend distribution**

1. Dividends on Company's A shares held by China Resources Co., Limited will be directly distributed by the Company;
2. Dividends on other A shares will be deposited directly into the capital account of the shareholders through their authorized securities dealers on 8 May 2014 (T+1 day);
3. Dividends on B shares will be deposited directly into the capital account of the shareholders through their authorized securities dealers or trustee banks on 12 May 2014 (T+3 day). If the holders of B shares change their custodians of "Vanke B shares" on 12 May 2014 (T+3 day), the dividends conferred on them will have to be collected from their previous authorized securities dealers or trustee banks.

### **VI. Changes in shareholdings**

Nil

## **VII. Procedures for obtaining documents including tax payment certificate by non-resident enterprises**

Should non-resident enterprise shareholders of A shares and B shares need to obtain tax payment certificates, they should fill in the form set out in the appendix and return it by fax to the given number, and send the original documents, signed and stamped, to the office of the Company's Board of Directors no later than 31 July 2014 (including 31 July 2014).

If the relevant holders of A shares and B shares submit to the Company the tax registration certificate issued by the PRC tax authority confirming their status as tax resident enterprises or present to the Company certified documents (the original or photocopy with company stamp of these certified documents) of preferential policies such as treatment under tax agreements or other tax exemptions approved by the PRC tax authority, the Company will, in accordance with the supplied tax documents and relevant approved documents, recalculate the distributable amount of dividends and assist in the application to the tax authority for tax refund of the difference between the amount of tax paid and tax payable and return the relevant amount accordingly. The Company sincerely apologizes for the inconvenience that may cause the shareholders and appreciate their understanding.

## **VIII. Contact: The office of the Company's Board of Directors**

Tel No: 0755-25606666 – Transfer to the office of the Company's Board of Directors

Fax No: 0755-25531696

Address: Vanke Centre, No 33 Huanmei Road, Dameisha, Yantian District, Shenzhen

Postal code: 518083

Board of Directors

**China Vanke Co., Ltd.**

Shenzhen, 28 April 2014

Appendix:

<b>Shareholder Information</b>	<b>Chinese (if any)</b>	<b>English</b>
Name in country (region) of residence		
Name in China (if any)		
Address in country (region) of residence		
Country (region)		
<b>Information on Dividend Income Tax Payable</b>		
Share account number		
Number of shares held on the record date for dividend entitlement		
Income tax payable (RMB)		
<b>Contact Information</b>		
Name		
Telephone number		
Fax number		
Address		

Signature & stamp: \_\_\_\_\_

Date: \_\_\_\_\_