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招商銀行股份有限公司

CHINA MERCHANTS BANK CO., LTD.

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

(Stock code: 03968)

ARRANGEMENTS FOR PAYMENT OF 2014 FINAL DIVIDEND

Reference is made to the Notices regarding the 2014 Annual General Meeting and the First Class Meeting of the Shareholders of H Shares for 2015 dated 30 April 2015 of China Merchants Bank Co., Ltd. (the “**Company**”) in relation to, amongst other things, the profit appropriation plan of the Company for 2014 (including the declaration of 2014 final dividend) and the closure of register of members for H Shares (the “**Register**”) for payment of the final dividend of the Company for 2014 (“**2014 Final Dividend**”).

The profit appropriation plan of the Company for 2014 (including the declaration of 2014 Final Dividend) is subject to consideration and approval at the 2014 Annual General Meeting. The Company will make further announcement to disclose, amongst other things, the average benchmark exchange rate of Renminbi to Hong Kong Dollars and other information after the aforesaid profit appropriation plan (including the declaration of 2014 Final Dividend) is considered and approved at the 2014 Annual General Meeting.

Taxation on Receipt of the Proposed 2014 Final Dividend

Non-resident Individual Shareholders and Non-resident Enterprise Shareholders

Pursuant to the Notice on Matters Concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) issued by the State Administration of Taxation on 28 June 2011, the dividend received by the overseas resident individual shareholders from the stocks issued in Hong Kong by domestic non-foreign investment enterprises are subject to individual income tax, which shall be withheld by the withholding agents according to the relevant laws. However, overseas resident individual shareholders holding stocks issued in Hong Kong by domestic non-foreign investment enterprises are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements between the countries in which they are residents and China, or the tax arrangements between Mainland China and Hong Kong (Macau).

Pursuant to the aforesaid tax regulations, assuming that the profit appropriation plan of the Company for 2014 (including the declaration of 2014 Final Dividend) is considered and approved at its 2014 Annual General Meeting, and that the 2014 Final Dividend for the H shares is to be distributed to the holders of H shares of the Company whose names appeared on the Register on 2 July 2015, the Company will withhold 10% of the dividend to be distributed to the individual H-share holders as individual income tax unless otherwise specified by the relevant tax regulations and tax agreements, in which case the Company will conduct specific procedures according to the relevant regulatory requirements of tax authorities.

For non-resident enterprise holders of H shares, the Company will withhold 10% of the dividend as enterprise income tax according to the relevant tax regulations in line with its previous practice.

Profit Appropriation for Investors of Northbound Trading

For investors of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (including enterprises and individuals) investing in the A Shares of the Company listed on the Shanghai Stock Exchange (the “**Northbound Trading**”), their dividends will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for such withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

The record date and the date of appropriation of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the holders of A Shares of the Company.

Profit Appropriation for Investors of Southbound Trading

For investors of the Shanghai Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on Hong Kong Stock Exchange (the “**Southbound Trading**”), the Company has entered into the Agreement on Appropriation of Cash Dividends of H Shares for Southbound Trading (港股通H股股票現金紅利派發協議) with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system.

The cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知) (Caishui [2014] No. 81), for dividends received by domestic investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

The record date and the date of appropriation of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares of the Company.

General Information

Should the H-share holders of the Company have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in Mainland China, Hong Kong and other countries (regions) on holding and disposal of the A Shares and/or H Shares of the Company.

Investors should notice that the Company has no obligation and will not be responsible for confirming the identities of any shareholders. The Company will withhold the relevant income tax according to the relevant regulatory requirements of tax authorities, based on the information contained in the Register on the record date.

Assuming that the profit appropriation plan of the Company for 2014 (including the declaration of 2014 Final Dividend) is considered and approved at its 2014 Annual General Meeting, the Company's H-share dividend payment agent, Wing Lung Bank (Trustee) Limited, is expected to pay the 2014 Final Dividend (net of the relevant income tax) to holders of H Shares of the Company not later than 31 July 2015, and will at the same time send the relevant cheques of the 2014 Final Dividend (net of the relevant income tax) by ordinary post to the entitled H Shareholders at their own risk.

By order of the Board of Directors of
China Merchants Bank Co., Ltd.
Li Jianhong
Chairman

15 June 2015

As at the date of this announcement, the executive directors of the Company are Tian Huiyu, Zhang Guanghua and Li Hao; the non-executive directors of the Company are Li Jianhong, Ma Zehua, Li Xiaopeng, Li Yinquan, Fu Gangfeng, Sun Yueying, Su Min, Fu Junyuan and Hong Xiaoyuan; and the independent non-executive directors of the Company are Leung Kam Chung, Antony, Wong Kwai Lam, Pan Chengwei, Pan Yingli, Guo Xuemeng and Zhao Jun.