

TAXATION OF SECURITY HOLDERS

The following is a summary of certain PRC and Hong Kong tax consequences of the ownership of H Shares by an investor that purchases such H Shares in connection with the Global Offering and holds the H Shares as capital assets. This summary does not purport to address all material tax consequences of the ownership of H Shares, and does not take into account the specific circumstances of any particular investors, some of which may be subject to special rules. This summary is based on the tax laws of the PRC and Hong Kong as in effect on the date hereof, all of which are subject to change (or changes in interpretation), possibly with retroactive effect.

This section of this prospectus does not address any aspects of Hong Kong or PRC taxation other than income tax, capital tax, stamp duty and estate duty. Prospective investors are urged to consult their tax advisors regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.

TAXATION IN THE PRC**Taxation of Dividends***Individual Investors*

According to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) (the "Individual Income Tax Law") promulgated on September 10, 1980, as amended on October 31, 1993, August 30, 1999, October 27, 2005, June 29, 2007, December 29, 2007 and June 30, 2011, and the Rules for Implementation of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》) (the "Implementation Rules of Individual Income Tax Law") promulgated on January 28, 1994, as amended on December 19, 2005, February 18, 2008 and July 19, 2011, the receipt of dividends by individuals is subject to an individual income tax of 20%.

Pursuant to the Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 45 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) promulgated by the SAT on June 28, 2011, overseas resident individual shareholders of a domestic non-foreign-invested enterprise whose shares are listed in Hong Kong may be entitled to preferential tax treatments in accordance with applicable tax treaties between the countries in which they are tax resident and China as well as the tax arrangements between Mainland China and Hong Kong (Macau). Domestic non-foreign-invested enterprises whose shares are listed in Hong Kong generally may withhold individual income tax at the rate of 10% when distributing dividends with respect to such listed shares without prior application to the PRC tax authorities. Where the stipulated tax rates pursuant to applicable tax treaties and arrangements are lower than 10%, individual shareholders receiving dividends may be entitled to apply to the PRC tax authorities to obtain a refund of the excess of the amount withheld over the required payment upon approval from the competent tax authorities. Under PRC law, dividend income of individual shareholders who

are residents of countries that have entered into tax treaties with the PRC stipulating tax rates of higher than 10% but lower than 20% is subject to tax at the applicable treaty rate, while dividend income of individual shareholders who are residents of countries that have not entered into taxation agreements with the PRC is subject to income tax at the rate of 20%. The company that pays dividends is required to withhold at the applicable tax rate (which may be higher than 10% if the company knows the identity of the relevant shareholders).

Enterprise

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) (the "EIT Law") and the Rules for Implementation of Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) (the "Implementation Rules of EIT Law"), both of which became effective on January 1, 2008, non-resident enterprises which have not established organizations or premises in the PRC, or if established, the income derived is not actually associated with such organizations or premises, are subject to tax at a rate of 10% for dividend income originated from the PRC. The tax liability may be reduced pursuant to an applicable treaty for the avoidance of double taxation.

According to the Notice Regarding Matters on Withholding Enterprise Income tax on the Dividends Paid by PRC Resident Enterprises to Non-resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) promulgated by the SAT, which became effective on November 6, 2008, PRC resident enterprises shall withhold enterprise income tax at a rate of 10% from dividends distributed to overseas non-resident enterprise shareholders for the year of 2008 and thereafter. The non-resident enterprise shareholders entitled to a reduced tax rate under tax treaties or arrangements may apply to the competent taxation authorities for refund of the excess amount withheld.

According to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006, the PRC Government may impose tax on dividends payable by a PRC company to a Hong Kong resident, but such tax shall not exceed 10% of the gross amount of dividends payable, and in the case where a Hong Kong resident holds 25% equity interest or more in such PRC company, such tax generally shall not exceed 5% of the gross amount of dividends payable by the PRC company.

Tax Treaties

Investors who are not residents of the PRC and reside in countries that have entered into treaties for the avoidance of double taxation with the PRC or reside in Hong Kong Special Administrative Region or Macau Special Administrative Region may be entitled to a reduction of tax on the dividends paid by PRC companies. The PRC has entered into arrangement for the avoidance of double taxation with Hong Kong Special Administrative Region and Macau

Special Administrative Region, and has signed treaties for the avoidance of double taxation with a number of other countries, which include but are not limited to Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' approval.

Taxation of Capital Gains

Individual Investors

According to the Individual Income Tax Law and Implementation Rules of Individual Income Tax Law, gains derived by individuals from the transfer of PRC property, such as gains from sales of shares in a PRC enterprise, are subject to individual income tax at a rate of 20%. Pursuant to the Notice concerning the Extension of Temporary Exemption on Individual Income Tax on the Income Derived from Transfers of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) jointly promulgated by MOF and SAT on March 30, 1998, the temporary exemption on individual income tax on the gains derived from the transfer of shares of public companies was extended since January 1, 1997. Although it is not certain whether such exemption is applied to H Shares, to our knowledge in practice the PRC tax authorities had not sought to collect tax on such gains from non-PRC individuals. The tax may be reduced or eliminated pursuant to an applicable tax treaty.

According to the Circular on Related Issues on Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (Cai Shui [2009]No. 167), which became effective on January 1, 2010, the income received by individuals from transfer of listed shares subject to sales limitation shall be subject to an income tax rate of 20% according to the regulations on income derived from property transfer.

Enterprise

According to the EIT Law and the Implementation Rules of EIT Law, non-resident enterprises which have not established organizations or premises in the PRC, or if established, the income derived is not actually associated with such organizations or premises, are subject to enterprise income tax of 10% on gain originated from the PRC, such as gains from sales of shares in a PRC enterprise. The tax may be reduced or eliminated pursuant to an applicable tax treaty.

Stamp Duty

Pursuant to the Provisional Regulations on Stamp Duty of the People's Republic of China (《中華人民共和國印花稅暫行條例》), which became effective on October 1, 1988 and was amended on January 8, 2011, a stamp duty shall not be applicable to the acquisition and disposal of H Shares by non-PRC investors outside of the PRC.

Estate Duty

No estate duty is imposed by the PRC Government.

Income Tax

According to the EIT Law, enterprises and other organizations (excluding sole proprietorships and partnership enterprises) which generate income within the PRC shall pay enterprise income tax at the rate of 25%.

Business Tax

Pursuant to the Provisional Regulations on Business Tax of the People's Republic of China (《中華人民共和國營業稅暫行條例》) effective from January 1, 1994 and amended on February 19, 1997, November 10, 2002 and November 10, 2008, respectively, business tax is imposed on units or individuals that provide labor services, transfer intangible assets or sell real estate in the PRC as specified in such regulation. Companies in financial and insurance industries shall be subject to business tax at a rate of 5%.

Pursuant to the Pilot Scheme for the Conversion of Business Tax to VAT (《營業稅改徵增值稅試點方案》 Cai Shui [2011] No.110) promulgated by the MOF and the SAT on November 16, 2011, since January 1, 2012 the State started to introduce taxation reform in certain service industries (namely transportation and certain modern service industries) which are subject to business tax in a gradual manner, whereby the collection of VAT in lieu of business tax items was implemented on a trial basis in certain regions including Shanghai and Beijing. The MOF and the SAT further notified that the aforesaid pilot scheme for the conversion of business tax to VAT will be implemented nationwide since August 1, 2013.

Foreign Exchange Control

The lawful currency of the PRC is Renminbi, which is subject to foreign exchange controls and is not freely convertible into foreign exchange. SAFE, under the authority of PBOC, is responsible for the administration of all matters relating to foreign exchange, including the enforcement of foreign exchange control regulations.

According to the Regulation of Foreign Exchange of the People's Republic of China (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996, as amended on January 14, 1997 and August 5, 2008, international payments and transfers are classified into current account items and capital account items. Current international payments and transfers are not subject to the approval from the SAFE while capital account items are.

The Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by PBOC which took effect on July 1, 1996 abolished the remaining restrictions on foreign exchange in respect of current account items while retaining the restrictions on foreign exchange transactions in respect of capital account items.

On July 21, 2005, PBOC announced that from the same date, the PRC would implement a managed floating exchange rate system based on market supply and demand with reference to a basket of currencies. Therefore, the RMB exchange rate was no longer pegged to the U.S. dollar only and the exchange rate system for Renminbi became more flexible. The PBOC will publish the closing price of foreign currencies such as the U.S. dollar against Renminbi in the interbank foreign exchange market after the closing of the market on each working day. This closing price will be used as the middle price for the trading of Renminbi on the following working day. Since January 4, 2006, PBOC has authorized China Foreign Exchange Trading Center to publish the middle price for the exchange of Renminbi to the U.S. dollar, Euro, Japanese yen and Hong Kong dollar at 9:15 am on each business day, which will be used as the middle prices of exchange rates for transactions in interbank spot foreign exchange market (including OTC and automatic price-matching transactions) and bank counter transactions.

On January 28, 2013, SAFE issued the Notice on Relevant Issues of Foreign Exchange Management of Overseas Listing (《關於境外上市外匯管理有關問題的通知》, “SAFE Circular 5”), which came into effect on the day of issuance. According to SAFE Circular 5, a domestic issuer shall, within 15 working days after its overseas IPO, register with SAFE’s local branch at the place of its incorporation. For domestic companies which shares are listed overseas, when the domestic shareholders increase or decrease their overseas shareholdings pursuant to the relevant regulations, these companies should complete the register of overseas shareholdings with the respective local foreign exchange authorities. The SAFE branch shall issue a certificate of overseas listing, based on which the domestic issuer can open a special account with a local bank to deposit proceeds from its overseas IPO. The proceeds from an overseas listing may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of the prospectus and other disclosure documents. The conversion of proceeds remitted to domestic accounts into RMB shall be approved by the local SAFE branch.

TAXATION IN HONG KONG

1. Taxation on Dividends

Under the current practice of the Hong Kong Inland Revenue Department, no tax is payable in Hong Kong in respect of dividends paid by us.

2. Taxation on Capital Gains and Profits

No tax is imposed in Hong Kong in respect of capital gains from the sale of the H shares. Trading gains from the sale of H shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business, will be chargeable to Hong Kong profits tax. Currently, profits tax is imposed on corporations at the rate of 16.5% and on unincorporated businesses at a maximum rate of 15.0%. Gains from sales of the H shares effected on the Hong Kong Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of H shares effected on the Hong Kong Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

3. Stamp Duty

Hong Kong stamp duty will be payable by the purchaser on every purchase, and by the seller on every sale, of the H shares. The duty is charged at the ad valorem rate of 0.1% of the consideration for, or (if greater) the value of, the H shares transferred on each of the seller and purchaser. In other words, a total of 0.2% is currently payable on a typical sale and purchase transaction of H shares. In addition, a fixed duty of HK\$5 is charged on each instrument of transfer (if required). Where a sale or purchase of H shares is effected by a person who is not a resident of Hong Kong and any stamp duty payable on the instrument of transfer is not paid, the relevant instrument of transfer (if any) shall be chargeable with such duty, together with the duty otherwise chargeable thereon, and the transferee shall be liable to pay such duty.

4. Estate Duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on February 11, 2006 in Hong Kong. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for an application for a grant of representation in respect of holders of H shares whose deaths occur on or after February 11, 2006.