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# 交通銀行股份有限公司 Bank of Communications Co., Ltd.

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 03328, 4605 (Preference Share))

## ANNOUNCEMENT ON BOARD MEETING AND DISTRIBUTION OF DIVIDENDS FOR OFFSHORE PREFERENCE SHARES

### I. THE MEETING OF THE BOARD OF DIRECTORS APPROVING THE DIVIDEND DISTRIBUTION PLAN OF OFFSHORE PREFERENCE SHARES

Reference is made to the announcement of Bank of Communications Co., Ltd. (the “**Bank**”) dated 29 July 2015. The Bank issued U.S.\$2,450,000,000 5.00% Non-Cumulative Perpetual Offshore Preference Shares (the “**Offshore Preference Shares**”) on 29 July 2015. According to the terms and conditions of the Offshore Preference Shares, the Bank proposes to distribute dividends for the Offshore Preference Shares on 31 July 2017. The dividend distribution plan of Offshore Preference Shares was considered and approved at the meeting of the board of directors of the Bank held on 28 April 2017.

### II. THE DIVIDEND DISTRIBUTION PLAN OF OFFSHORE PREFERENCE SHARES

1. Dividend period: From and including 29 July 2016 to but excluding 29 July 2017
2. Record date: 28 July 2017
3. Dividend payment date: According to the terms and conditions of the Offshore Preference Shares, the dividend payment date should be 29 July 2017. But as 29 July 2017 is not a payment business day, the dividend payment date falls on 31 July 2017, being the next payment business day.
4. Dividend rate: The terms and conditions of the Offshore Preference Shares provide that the dividend rate per annum is 5% (excluding tax, i.e., 5% is the actual dividend yield received by the holders of the Offshore Preference Shares). Meanwhile, according to

relevant laws and regulations, the Bank shall withhold an income tax at a rate of 10%. According to the terms and conditions of the Offshore Preference Shares, the Bank will pay such income tax.

5. Recipients: The holders of the Offshore Preference Shares who are registered on the register of members of the Bank after the close of trading hours on 28 July 2017.
6. Amount to be paid: The issue size of the Bank's Offshore Preference Shares was U.S. \$2.45 billion. According to the 5% post-tax dividend rate per annum and the 10% withholding tax rate, the total amount of dividends to be distributed will be U.S. \$136,111,111, comprising of U.S.\$122,500,000 which will be paid to the holders of the Offshore Preference Shares, and U.S.\$13,611,111 which will be the withholding tax.

### **III. MEASURES FOR THE IMPLEMENTATION OF THE DIVIDEND DISTRIBUTION PLAN OF OFFSHORE PREFERENCE SHARES**

The Bank will pay dividends for the Offshore Preference Shares to the holders of the Offshore Preference Shares who are registered on the register of members of the Bank on the record date. The Offshore Preference Shares of the Bank are held through the clearing systems of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"). As of the date of this announcement, DB Nominees (Hong Kong) Limited, in its capacity as common depository for Euroclear and Clearstream, Luxembourg, is the only holder of Offshore Preference Shares registered on the register of members of the Bank. The Bank's dividend payment obligations under the terms of the Offshore Preference Shares are fulfilled once it has procured payment of the dividends to the common depository for Euroclear and Clearstream, Luxembourg and the ultimate investors should consult their respective custodians or intermediaries in relation to any queries on the subsequent transmission of the dividends through the clearing systems to the ultimate investor.

By order of the Board of  
**Bank of Communications Co., Ltd.**  
**Du Jianglong**  
*Company Secretary*

Shanghai, the PRC  
28 April 2017

*As at the date of this announcement, the directors of the Bank are Mr. Niu Ximing, Mr. Peng Chun, Mr. Wong Tung Shun, Peter\*, Ms. Yu Yali, Mr. Hou Weidong, Mr. Wang Taiyin\*, Mr. Liu Changshun\*, Ms. Wong Pik Kuen, Helen\*, Mr. Liu Hanxing\*, Mr. Luo Mingde\*, Mr. Liu Haoyang\*, Mr. Peter Hugh Nolan#, Mr. Chen Zhiwu#, Mr. Yu Yongshun#, Ms. Li Jian#, Mr. Liu Li# and Mr. Yeung Chi Wai, Jason#.*

\* *Non-executive directors*

# *Independent non-executive directors*