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CAPINFO COMPANY LIMITED*

首都信息發展股份有限公司

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

(Stock Code: 8157)

**DIVIDEND DISTRIBUTION
AND
EGM NOTICE**

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of Capinfo Company Limited (the “Company”) will be held at Conference Room, 12th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, the People’s Republic of China on Thursday, 30 September 2010 at 9:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To consider and approve the payment of the interim dividend for the six months ended 30 June 2010;
2. To consider and approve any motion (if any) proposed by the shareholders of the Company who hold 3% or above shares of the Company with voting rights at the above meeting.

DIVIDEND DISTRIBUTION

The Board of the Company recommended the payment of an interim dividend of RMB2.05 cents per share in cash for the six months ended 30 June 2010 to all the shareholders whose names appear on the register of members of the Company on Monday, 30 August 2010. The Dividend Distribution is conditional upon the approval at the EGM to be held on Thursday, 30 September 2010. The dividend will be paid on or before Monday, 8 November 2010.

The register of shareholders of the Company will be closed from Tuesday, 31 August 2010 to Wednesday, 29 September 2010 (both dates inclusive), during which period no transfer of shares will be registered. In order to qualify for the proposed dividend, transfer documents together with the relevant share

certificates must be delivered to the Hong Kong H share registrar and transfer office of the Company, Hong Kong Registrars Limited at Rooms 1712-1716, 17/F Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the Company at 12th Floor, Quantum Silver Plaza, No. 23 Zhi Chun Road, Haidian District, Beijing, the PRC (for holders of Domestic Shares) on or before Monday, 30 August 2010.

The Company would like to make the following explanatory statements in respect of the payment of the interim dividend:

1. According to the Enterprise Income Tax Law of the People's Republic of China and the Implementation Regulations for the Enterprise Income Tax Law of the People's Republic of China (the "PRC") which took effect on 1 January 2008, enterprise income tax is payable by non-resident enterprises in respect of income derived from the PRC at an applicable tax rate of 10% and the Company will withhold such enterprise income tax on behalf of the non-resident enterprise shareholders (including Hong Kong Securities Clearing Company Nominees Limited). Natural person holders of H Shares are not subject to the relevant regulations and no deduction of enterprise income tax at a tax rate of 10% is required and the cash dividend payable to such natural person holders of H Shares shall be HK\$2.05 cents (equivalent to RMB2.35 cents) per share.
2. Interim dividend payable to holders of H shares are calculated in RMB and paid in Hong Kong dollars based on the following formula:

$$\begin{array}{l} \text{Interim dividend payable to natural} \\ \text{person shareholders} \\ \text{in Hong Kong dollars} \end{array} = \frac{\text{The RMB value of the interim dividend}}{\text{The average closing exchange rate of Hong Kong dollars to RMB} \\ \text{as quoted by the People's Bank of China for the calendar} \\ \text{week preceding the date on which the dividend was declared}}$$

$$\begin{array}{l} \text{Interim dividend payable to} \\ \text{non-resident enterprise} \\ \text{shareholders in Hong} \\ \text{Kong dollars} \end{array} = \frac{\text{The RMB value of the interim dividend}}{\text{The average closing exchange rate of} \\ \text{Hong Kong dollars to RMB as quoted} \\ \text{by the People's Bank of China for the} \\ \text{calendar week preceding the date on} \\ \text{which the dividend was declared}} \times 90\% \text{ (Enterprise} \\ \text{income tax} \\ \text{at a 10\% rate} \\ \text{withheld)}$$

In respect of the Company's 2010 interim dividend to be paid to holders of H Shares, the average exchange rate of Hong Kong dollars to RMB as quoted by the People's Bank of China for the calendar week preceding the date on which the dividend was declared (i.e. 12 August 2010) was HK\$1.00 to RMB0.8726.

3. The Company has appointed Bank of China (Hong Kong) Trustees Limited as the receiving agent (“Receiving Agent”) of the holders of H Shares in Hong Kong to receive on behalf of the holders of H Shares in Hong Kong dividend declared in respect of the H Shares and to hold the same pending payment in trust for the holders of H Shares. Dividend payable to holders of H shares will be paid by the Receiving Agent and despatched by Hong Kong Registrars Limited on or before 8 November 2010 (Monday). Dividends distributed to the holders of H Shares by post shall be made at the risk of the recipients.

By Order of the Board
CAPINFO COMPANY LIMITED*
Dr. Li Minji
Chairman

Beijing, the People’s Republic of China
13 August 2010

As at the date hereof, the executive directors of the Company is Dr. Wang Xu; the non-executive directors of the Company are Dr. Li Minji, Ms. Sun Jing, Ms. Li Zhi, Mr. Pan Jiaren, Mr. Cao Jun, Mr. Qi Qigong, Ms. Lu Xiaobing and the independent non-executive directors of the Company are Mr. Chen Jing, Dr. Wang Huacheng and Mr. Gong Zhiqiang.

Notes:

1. The register of members of the Company will be closed from Tuesday, 31 August 2010 to Wednesday, 29 September 2010 (both days inclusive), during which no transfer of the Company’s H Shares will be effected. The shareholders whose name appears on the register of members of the Company on Monday, 30 August 2010 will be entitled to attend and vote at the EGM.
2. Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint in written form one or more proxies to attend and vote at the EGM on his/her behalf. A proxy need not be a shareholder of the Company.
3. A voting proxy form for the EGM is enclosed. In order to be valid, the instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing or, if the appointor is a legal person, it shall be under seal or under the hand of a Director or attorney duly authorized.
4. The instrument appointing a proxy shall be deposited to the Company’s H share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for holders of H Shares) or the Company at 12th Floor, Quantum Silver Plaza, 23 Zhichun Road, Haidian District, Beijing, The People’s Republic of China (for holders of Domestic Shares) not less than 24 hours before the time scheduled for the EGM or any adjournment thereof.
5. Shareholders of the Company who intend to attend the EGM should complete the enclosed reply slip for the EGM and return it to the Company’s H share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for holders of H Shares) or the Company (for holders of Domestic Shares) at the address set out as above, on or before Friday, 10 September 2010. The reply slip may be delivered by hand or by post.

6. The EGM is not expected to last for more than half a day. Shareholders or their proxies shall be responsible for their own traveling and accommodation expenses.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least 7 days from the day of posting.

** For identification purpose only*