UNITED KINGDOM TAXATION

*The following statements are intended to apply only as a general guide to current United Kingdom tax law and to the current published practice of HM Revenue and Customs (**HMRC**). They relate only to certain limited aspects of the United Kingdom taxation treatment of holders of Shares and (except to the extent stated otherwise) are intended to apply only to shareholders who are resident or ordinarily resident in the United Kingdom for United Kingdom tax purposes, who hold the Shares as investments and who are the beneficial owners of the Shares. The statements may not apply to certain classes of shareholders such as dealers in securities.*

Prospective Shareholders who are in any doubt as to their tax position regarding the acquisition, ownership and disposition of the Shares or who are subject to tax in a jurisdiction other than the United Kingdom should consult their own tax advisers.

Dividends

The Company will not be required to withhold tax at source from dividend payments it makes.

Individuals

An individual shareholder who is resident in the United Kingdom for tax purposes and who receives a dividend from the Company will be entitled to a tax credit which may be set off against his total income tax liability on the dividend. Such an individual shareholder's liability to income tax is calculated on the aggregate of the dividend and the tax credit (the "gross dividend") which will be regarded as the top slice of the individual's income. The tax credit will be equal to 10 per cent. of the "gross dividend" (i.e. the tax credit will be one-ninth of the amount of the dividend).

A United Kingdom resident individual shareholder who is not liable to income tax in respect of the gross dividend will not be entitled to reclaim any part of the tax credit.

For an individual United Kingdom resident shareholder who is liable to United Kingdom income tax on the dividend at the dividend ordinary rate (currently 10 per cent.), the ten per cent. tax credit should mean that they have no further income tax to pay in relation to the dividend.

For an individual United Kingdom resident shareholder who is liable to United Kingdom income tax on the dividend at the dividend upper rate United Kingdom tax will be chargeable on the gross dividend, but the shareholder will be able to set the tax credit off against part of this liability. The dividend upper rate is currently 32.5 per cent. which, after taking the 10 per cent. United Kingdom tax credit into account, produces an effective tax rate of 25 per cent. on the net cash dividend.

For an individual United Kingdom resident shareholder who is liable to United Kingdom income tax on the dividend at the dividend additional rate, United Kingdom tax will be charged on the gross dividend, but the shareholder will be able to set the tax credit off against part of this liability. The dividend additional rate is 42.5 per cent., which, after taking the 10 per cent. tax into account, produces an effective tax rate of approximately 36.1 per cent. on the net cash dividend.

Companies

Shareholders within the charge to United Kingdom corporation tax which are "small companies" (for the purposes of United Kingdom taxation of dividends) will not generally be subject to United Kingdom tax on any dividend received from the Company.

Other shareholders within the charge to United Kingdom corporation tax will not be subject to United Kingdom tax on dividends (including dividends from the Company) so long as the dividends fall within an exempt class and certain conditions are met. For example, dividends paid on shares that are "ordinary shares" and are not "redeemable" (both for United Kingdom tax purposes) and dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital) should generally fall within an exempt class.

No payment of tax credit

A shareholder (whether an individual, a company, a pension fund or a charity) who is not liable to tax on dividends will not be entitled to reclaim the tax credit attaching to any dividend paid by the Company.

Non-United Kingdom residents

Subject to certain exceptions for individuals who are Commonwealth citizens, residents of the Isle of Man or the Channel Islands, nationals of states which are part of the European Economic Area and certain others, the right of a shareholder who is not resident in the United Kingdom (for tax purposes) to a tax credit on dividends will depend upon the existence and terms of any double tax treaty between the United Kingdom and the country in which that person is resident. Such shareholders should note, however, that in practice most shareholders will not be able to claim repayment in respect of tax credits or will be entitled to only a minimal repayment.

Persons who are not resident in the United Kingdom (or who are resident in both the United Kingdom and another country) should consult their own tax advisers concerning their tax liabilities (in both the United Kingdom and any other relevant country) on dividends received, whether they are entitled to claim any part of the tax credit and, if so, the procedure for doing so, and whether any double taxation relief is due in any country in which they are subject to tax.

Capital Gains

A disposal of Shares by a shareholder who is either resident or ordinarily resident in the United Kingdom for tax purposes, or is not United Kingdom resident but carries on a trade, profession or vocation in the United Kingdom through a permanent establishment, branch or agency and has used, held or acquired the Shares for the purposes of such trade, profession or vocation or such permanent establishment, branch or agency, may, depending on the shareholder's circumstances and subject to any available exemptions and reliefs, give rise to a chargeable gain or an allowable loss for the purposes of the taxation of capital gains.

Individuals

A disposal by a shareholder within the charge to United Kingdom capital gains tax, such as an individual, trustee or personal representative, will, subject to the availability to the shareholder of any exemptions, reliefs and/or allowable losses, be subject to tax at the rate of 18 per cent. (for basic rate taxpayers) or 28 per cent. (for higher and additional rate taxpayers), with no taper relief or indexation allowance.

Individuals who are temporarily non-United Kingdom resident may, in certain circumstances, be subject to tax in respect of gains realised whilst they are not resident in the United Kingdom.

Companies

A disposal by a shareholder within the charge to United Kingdom corporation tax may give rise to a chargeable gain (or allowable loss) for the purposes of United Kingdom corporation tax, depending on the circumstances and subject to any available exemptions or reliefs. Corporation tax is charged on chargeable gains at the rate applicable to that company.

Shareholders within the charge to United Kingdom corporation tax will, for the purposes of computing gains but not losses, be allowed to claim an indexation allowance in respect of the monies paid for their Shares.

Stamp duty and stamp duty reserve tax (SDRT)

The following statements on United Kingdom stamp duty and SDRT apply regardless of whether or not a shareholder is resident or ordinarily resident in the United Kingdom for United Kingdom tax purposes.

Shares registered on the England Principal Share Register

Subject to a stamp duty exemption for certain low value transactions and to the special rules relating to clearance services and depositary receipts referred to below, dealings in Shares which are not registered on the Hong Kong Share Register will generally be subject to United Kingdom stamp duty or SDRT. The transfer on sale of Shares should generally be liable to ad valorem stamp duty at the rate of 0.5 per cent. of the consideration paid (rounded up to the nearest multiple of £5). An unconditional agreement to transfer such shares should generally be liable to SDRT at the rate of 0.5 per cent. of the consideration payable but such liability will be cancelled, or a right to a repayment of the SDRT paid will arise, if the agreement is completed by a duly stamped transfer within six years of the agreement having become unconditional. Stamp duty is normally paid by the purchaser and SDRT is the liability of the purchaser.

Shares registered on the Hong Kong Share Register

Transfers of, or agreements to transfer, Shares which are registered on the Hong Kong Share Register outside of CCASS should not give rise to any United Kingdom stamp duty or SDRT provided that no instrument of transfer is executed in the United Kingdom in respect of them, and in the case of both stamp duty and SDRT, subject to the special rules relating to clearance services and depositary receipts referred to below.

No United Kingdom stamp duty or SDRT should be payable when Shares that are registered on the England Principal Share Register are re-registered on the Hong Kong Share Register or where Shares which are registered on the Hong Kong Share Register are removed from the Hong Kong Share Register to the England Principal Share Register, provided that there is no change in the ownership of those Shares.

Clearance services and depositary receipt providers

The issue or transfer of Shares to, (a) a person whose business is or includes the provision of clearance services (or their nominee or agent) or (b) a person whose business is or includes issuing depositary receipts (or their nominee or agent), may give rise to United Kingdom stamp duty or SDRT at the higher rate of 1.5 per cent. of the issue price, the consideration payable or, in certain circumstances, the value of the Shares as the case may be. This would apply regardless of whether the Shares are registered on the England Principal Share Register or on the Hong Kong Share Register, although see below for the position in relation to Shares registered on the Hong Kong Share Register that are issued or transferred into, or subsequently settled or cleared in, CCASS. Subsequent transfers of, or agreements to transfer, Shares within such a clearance service should not generally give rise to any United Kingdom stamp duty or SDRT provided no instrument is used to complete the transfer.

On 1 October 2009, the European Court of Justice ruled that such a charge, when levied in respect of an issue of shares by a limited liability company incorporated under English law into a clearance service, was prohibited by Article 11(a) of Council Directive 69/335/EEC. On the same day, HMRC announced that, with immediate effect, the 1.5 per cent. charge to SDRT on the issue of shares into a clearance service within the EU would no longer be applied. ON 9 December 2009, HMRC extended this to the issue of shares into a depositary system within the European Union. There may be further implications of this decision, in particular for the issue of shares into systems outside the EU. The law in this area may be particularly susceptible to change. Section 54 of the Finance Act 2010 has removed certain exemptions which applied to transfers from clearance systems or issuers of depositary receipts.

Shares registered on the Hong Kong Share Register held in CCASS

HMRC have confirmed that no United Kingdom stamp duty or SDRT should be payable on the entry into, or subsequent settlement or clearance in, CCASS of Shares registered on the Hong Kong Share Register provided that no instrument of transfer is executed in the United Kingdom in respect of them.

HONG KONG TAXATION

Dividends

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

Capital Gains and Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of the shares. Trading gains from the sale of shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are arising in or derived from Hong Kong, will be chargeable to Hong Kong profits tax. Currently, profits tax is imposed on corporations at the rate of 16.5 per cent. and on unincorporated businesses at a maximum rate of 15 per cent. for the tax year of 2008/2009 and onwards. Certain categories of taxpayers are likely to be regarded as deriving trading gains rather than capital gains (for example, financial institutions, insurance companies and securities dealers) unless these taxpayers can prove that the investment securities are held for long-term investment.

Gains from sales of the shares effected on the Hong Kong Stock Exchange will be considered to be sourced in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of shares effected on the Hong Kong Stock Exchange realised by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp Duty

Hong Kong stamp duty will be payable by the purchaser on every purchase, and by the seller on every sale, of shares registered on the Hong Kong share register. The duty is charged at the *ad valorem* rate of 0.1 per cent. of the consideration for, or (if greater) the value of, the shares transferred on each of the seller and purchaser. In other words, a total of 0.2 per cent. is currently payable on a typical sale and purchase transaction of shares. In addition, any instrument of transfer (if required) will be subject to a flat rate of stamp duty of HK$5.00. Where a sale or purchase of shares registered on the Hong Kong share register is effected by a person who is not resident in Hong Kong and any stamp duty payable on the contract note 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. If stamp duty is not paid on or before the due date, a penalty of up to 10 times the duty payable may be imposed.

No stamp duty will generally be levied on the transfer of shares that are registered on a share register outside Hong Kong.

Estate Duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on 11 February 2006 in Hong Kong, pursuant to which estate duty ceased to be chargeable in Hong Kong in respect of the estates of persons dying on or after that date. No Hong Kong estate duty is payable by holders of Shares in relation to the Shares owned by them upon death on or after 11 February 2006.