

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



上海復旦微電子集團股份有限公司
Shanghai Fudan Microelectronics Group Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 1385)

ANNOUNCEMENT IN RELATION TO PROPOSED FINAL DIVIDEND FOR THE YEAR ENDED 31 DECEMBER 2013

Reference is made to the preliminary results announcement for the year ended 31 December 2013 (the “Current Year”) of Shanghai Fudan Microelectronics Group Company Limited (the “Company”) dated 28 March 2014 and the proposed final dividend for the Current Year (the “Final Dividend”).

Withholding of Corporate Income Tax for Non-Resident Corporate Shareholders

According to the Law on Corporation Income Tax of the People’s Republic of China (the “PRC”) and the relevant implementing rules, the Company is required to withhold corporate income tax at the rate of 10% before distributing the Final Dividend to non-resident enterprise shareholders as appearing on the H share register of members of the Company (the “H Share Register”) on 9 June 2014 (the “Record Date”). Any H shares registered in the name of non-individual shareholders, including HKSCC Nominees limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise shareholders and therefore, the Company will pay the Final Dividend after deducting the 10% withholding corporate income tax.

The 10% corporate income tax will not be withheld by the Company from the Final Dividend payable to any natural person shareholders whose names appear on the H Share Register on the Record Date.

When the Company distributes Final Dividend to resident enterprise shareholders of H shares listed on the H Share Register on the Record Date, if legal opinion is provided by the resident enterprise shareholders within the specified time and confirmed by the Company, no enterprise income tax will be withheld. If any resident enterprise (as defined in the Enterprise Income Tax Law) listed on the H Share Register which is duly incorporated in the PRC or under the laws of a foreign country (or a region) but with a PRC-based de facto management body, does not wish to have any enterprise income tax as aforesaid to be withheld by the Company, it should submit a legal opinion issued by a PRC qualified lawyer (inscribed with the seal of the applicable law firm) that establishes its resident enterprise status to the H Share Registrar no later than 4:00 p.m. on 5 June 2014.

Any natural person investor whose H shares are registered under the name of any such non-individual shareholders and who does not wish to have any corporate income tax to be withheld by the Company may consider transferring the legal title of the relevant H shares into his or her name and lodge all transfer documents with the relevant H share certificates with the H Share Registrar for registration no later than 4:00 p.m. on 5 June 2014.

Calculation of Dividend for H Shares

The Final Dividend to be distributed to the holders of the Company's H shares is calculated in Renminbi ("RMB") and will be paid in Hong Kong dollars. Upon approved by shareholders on the forthcoming annual general meeting of the Company to be held on 30 May 2014 (the "AGM"), dividend of H shares will be based on the average closing exchange rate of RMB against Hong Kong dollars as quoted by the People's Bank of China for the one calendar week preceding the date of AGM, and exchange rate so adopted and dividend in Hong Kong dollars equivalent will be further announced.

Shareholders of the Company and investors should read this announcement carefully.

By Order of the Board
Shanghai Fudan Microelectronics Group Company Limited*
Jiang Guoxing
Chairman

Shanghai, the PRC, 28 March 2014

As at the date of this announcement, the Company's executive directors are Mr. Jiang Guoxing, Mr. Shi Lei, Mr. Yu Jun, Ms. Cheng Junxia and Mr. Wang Su; non-executive directors are Ms. Zhang Qianling, Mr. He Lixing and Mr. Shen Xiaozu and independent non-executive directors are Mr. Cheung Wing Keung, Mr. Guo Li, Mr. Chen Baoying and Mr. Lin Fujiang.

** For identification purposes only*