

April 2013

Dear Valued Customers,

Notification on Italian Financial Transaction Tax

According to the announcements issued by Prada S.p.A (HKEx Stock Code: 1913) (“Prada”), we are writing to inform you that the new Financial Transactions Tax (the “FTT”) imposed by the Italian government has entered into force on 1 March 2013.

With reference to the relevant FTT requirements, the FTT applies to shares and other participating financial instruments (“Securities”) issued by companies resident in Italy in November 2012 with market capitalization of more than 500 million Euro. The FTT is applicable to Italian companies listed on the Stock Exchange of Hong Kong Limited (“HKEx”) (e.g. Prada). FTT applies to transactions as from 1 March 2013, if traded after 28 February 2013.

For the purpose of compliance with the relevant FTT requirements, we are required to act as withholding agent for the collection of a 0.22% FTT, from the accounts of clients who purchase such securities through China CITIC Bank International Limited (the “Bank”), and pay to Italian government hereafter. As a result, if you have carried or decide to carry out any purchase order of the Securities, namely, shares, participating financial instruments and securities representing equity investment in or issued by the above-mentioned Italian companies trading in HKEx through us after 28 February 2013, you are deemed to have given your consent and authority to us to collect/withhold/deduct from your account such FTT with respect to your order. You are also required to pay us forthwith, on demand, such additional taxes, duties or amounts (including but not limited to those arising from currency exchange) payable or incurred by us under the FTT requirements, whether before or after execution of your order.

The FTT taxable value is determined on the basis of the net balance of the transactions. Illustrative example is stated as follows:

Effective Date	On transactions executed on or after 1 March 2013	On transactions executed on or after 1 July 2013
Application of the FTT	Transactions on shares and other participating financial instruments issued by Italian companies listed on HKEx	Equity derivatives issued or participated by Italian companies
Tax Rate	1 March – 31 December 2013: 0.22% On or after 1 January 2014: 0.2%	Please refer to Appendix 1
Calculation	The number of securities resulting from the algebraic positive sum of the final net balance multiplied by the weighted average price of the purchases made on a particular day Taxable value = Transactions net balances (Positive sum) x Weighted average purchase price x Tax Rate	
Tax Collection	Deduct in client's securities account on settlement day (T+2)	

Example	<p>Client purchased 1,000 shares and 2,000 shares at HK\$80.00 and HK\$81.00 of PRADA S.p.A. (stock code: 1913) respectively, and sold 2,000 shares at HK\$83.00 in the same day.</p> <p>The weighted average purchase price: $(HK\\$80 \times 1,000 + HK\\$81 \times 2,000) / 3,000 = HK\\80.67</p> <p>The weighted average purchase price on the net purchase no. of shares is 1,000 shares.</p> <p>The net balance of transactions = $HK\\$80.67 \times 1,000 \text{ shares} = HK\\$80,670$</p> <p>Tax payment: $HK\\$80,670 \times 0.22\% = HK\\177.474</p> <p>The Bank will deduct the tax payment on settlement day (T+2) in client's account, according to the net balance of the transactions.</p>	
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As the implementation and application of the FTT requirements may be subject to changes, amendments and further clarification (which may have retroactive effect) upon issuance of further possible Official Provisions and will act in accordance therewith. We may, but are not obliged to, provide you with updates (when available) on the implementation of this new tax regime as we may consider necessary.

In case of enquiries, please contact our General Banking Hotline at 2287 6767

Yours faithfully,

China CITIC Bank (International) Limited

This is a computer printout that requires no signature.

This letter is for information purposes only and is not intended to be, nor should it be construed as, any legal, investment or tax advice. We take no responsibility nor make any representation as to the accuracy or completeness of the above contents, examples and expressly disclaim any liability whatsoever for any loss howsoever arising from or in connection with, or in reliance upon, the whole or any part of the above contents. Investors are advised to consult their own independent professional advisors as to the applicable tax consequences of the purchase, ownership and disposal of the Securities of such Italian companies based on their particular circumstances. For details of the FTT requirements, please refer to the announcement in HKEx's website (www.hkex.com.hk).

尊貴的客戶：

有關徵收意大利金融交易稅

就 Prada S.p.A (香港交易所股票代號：1913)(「Prada」)發佈的公告，現通知閣下意大利政府已通過就有關意大利證券的交易徵收金融交易稅(「金融交易稅」)，並於二零一三年三月一日正式生效。

按有關金融交易稅規定，金融交易稅徵收適用於二零一二年十一月於意大利註冊且平均市值高於 5 億歐元的公司所發行的金融工具及證券(「該等證券」)。金融交易稅適用於香港交易及結算有限公司(「香港交易所」)上市(如：Prada)。若交易在 2013 年 2 月 28 日後進行，金融交易稅適用於自 2013 年 3 月 1 日起的交易。

為符合有關金融交易稅規定，由二零一三年三月一日起，所有客戶通過中信銀行(國際)有限公司(「銀行」)購入該等證券，我們需以預扣代理身份向客戶收取淨買入倉位的 0.22% 作金融交易稅，並向意大利政府支付。若閣下在 2013 年 2 月 28 日後通過或決定通過我們購入在香港聯合交易所有限公司交易的意大利公司所發行的該等證券，例如股份、參與的金融工具及相當於股本投資的證券，閣下則也將被視為已授權和同意我們自閣下的賬戶收取/預扣/扣減閣下買賣指示應繳的金融交易稅。閣下亦須按我們要求即時支付我們該等在有關金融交易稅規定下應付或引致的額外稅款、關稅或金額(包括但不限於那些由貨幣兌換而引致的金額)。

有關金融交易稅須繳納金額，乃按照每日受規管交易的結餘淨額為基準釐定，例子如下：

徵收日期	2013 年 3 月 1 日起	2013 年 7 月 1 日起
徵收稅項範圍	買賣於香港上市的意大利公司股份及/或其參與的金融工具	買賣意大利公司發行或其參與的金融衍生工具
稅率	2013 年 3 月 1 日-12 月 31 日:0.22% 2014 年 1 月 1 日或以後：0.2%	請參閱附表 1
應課稅計算方法	按當日交易的買入總額 減去 當日交易的出售總額 = 交易結餘淨額(淨買入倉位) 繳納稅項 應課稅 = 交易結餘淨額(正數) x 交易日的加權平均購買價 x 應課稅率	
收取辦法	於交易結算日(T+2)於客戶賬戶內扣除	
例子	<p>客戶當日分別以 HK\$80.00 及 HK\$81.00 買入 1,000 股及 2,000 股 PRADA S.p.A. (股份代號: 1913)並以 HK\$83.00 沽出 2,000 股。</p> <p>當日的加權平均購買價為: $(HK\\$80 \times 1,000 + HK\\$81 \times 2,000) / 3,000 = HK\\80.67</p> <p>當日的淨買入倉位為 1,000 股。</p> <p>應課稅代價為 $HK\\$80.67 \times 1,000 \text{ 股} = HK\\$80,670$。</p> <p>金融交易稅稅項為 $HK\\$80,670 \times 0.22\% = HK\\177.474。</p> <p>銀行將會在交易結算日(T+2)結單上按客戶賬戶的結餘淨額(淨買入倉位)徵收稅項</p>	

由於有關金融交易稅規定的實施和應用或會因進一步的規定頒布出現變動、修改和進一步說明(或具有追溯效力)，我們將會採取相應行動。我們可能但並無責任，向閣下提供我們或認為必須告知閣下有關於此新稅制實施的最新情況(如有)。

如有任何查詢，請致電本行電話理財專線 2287 6767。

中信銀行(國際)有限公司 謹啟

2013年4月

本函為毋須簽署之電腦編印文件

本信函謹供參考用途，並不構成任何法律、投資或稅務意見。我們概不對以上內容的準確性或完整性負責及作出任何陳述，亦明確表示不對由於或根據以上全部或任何部份內容所產生或有關，或因倚賴該等內容而引發的任何損失負上任何責任。關於購買、擁有和處置該等意大利公司的該等證券的稅務後果，我們建議投資者按照其個別情況尋求獨立專業意見。就有關金融交易稅詳情，請參閱刊登於香港交易所網站(<http://www.hkex.com.hk>)的相關公告。

Appendix 1

Financial instrument	Notional value of the contract (In Euro thousand dollars)							
	0-2.5	2.5-5	5-10	10-50	50-100	100-500	500-1000	Over 1000
Futures, certificates, covered warrants and options on yields, measures or indexes related to shares	0.01875	0.0375	0.075	0.375	0.75	3.75	7.5	15
Futures, warrants, certificates, covered warrants and options on shares	0.125	0.25	0.5	2.5	5	25	50	100
Others <ul style="list-style-type: none"> • Share swap contracts and related yields, measures, indices • Share forwards contracts and related yields, measures, indices • Any other cash settled securities linked to shares and related yields, measures, indices • Combinations of the above contracts and securities 	0.25	0.5	1	5	10	50	100	200

附表 1

金融產品	該合同的名義價值 (千歐元)							
	0-2.5	2.5-5	5-10	10-50	50-100	100-500	500-1000	1000 以上
與股票及其收益、指數有關的期貨、票據、備兌權證及期權	0.01875	0.0375	0.075	0.375	0.75	3.75	7.5	15
股票的期貨、票據、權證、備兌權證及期權	0.125	0.25	0.5	2.5	5	25	50	100
其他衍生產品 <ul style="list-style-type: none"> • 與股票及其收益、指數有關的掉期 • 與股票及其收益、指數有關的遠期合約 • 股票及其收益、指數的價差合約 • 為與股票及其收益、指數的現金交收而提供的證券 • 以上合約及證券的組合 	0.25	0.5	1	5	10	50	100	200