

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



新華文軒出版傳媒股份有限公司

XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*

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

(Stock Code: 811)

FURTHER INFORMATION ON THE PAYMENT OF FINAL DIVIDENDS

Reference is made to the announcement of 新華文軒出版傳媒股份有限公司 (Xinhua Winshare Publishing and Media Co., Ltd.)*(the “**Company**”) dated 25 May 2011 in respect of the payment of final dividends for the year ended 31 December 2010 (the “**Announcement**”). The board of directors of the Company (the “**Board**”) wishes to announce further information in relation to the payment of the final dividends as follows.

Due to the recent change of PRC tax regulations, the “Circular on the Questions Concerning Tax on the Profits Earned by Enterprises with Foreign Investment, Foreign Enterprises and Individual Foreigners from the Transfer of Stocks (Stock Rights) and on Dividend Income” (Guo Shui Fa [1993] No. 45) (《關於外商投資企業、外國企業和外籍個人取得股票(股權)轉讓收益和股息所得稅收問題的通知》(國稅發[1993] 45號)) (the “**Circular**”) issued by the State Administration of Taxation, where individual foreigners who were the holders of H shares were temporarily exempted from PRC individual income tax for the dividends (bonus) paid by domestic enterprises which issued such H shares, was repealed under the “Announcement on the List of Fully and Partially Invalid and Repealed Tax Regulatory Documents” (《關於公佈全文失效廢止、部份條款失效廢止的稅收規範性文件目錄的公告》) dated 4 January 2011. Therefore, the Circular can no longer be the basis for the individual shareholders who hold the Company’s H shares and whose names appear on the register of members of H shares of the Company (the “**Individual H Shareholders**”) to be exempted from the PRC individual income tax when the Company distributes the final dividends for the year ended 31 December 2010.

Pursuant to the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》), the Implementation Regulations of the Individual Income Tax Law (《中華人民共和國個人所得稅法實施條例》), the Tentative Measures on Withholding and Payment of Individual Income Tax (《個人所得稅代扣代繳暫行辦法》) and other relevant laws and regulations (collectively, “**Relevant Laws and Regulations**”), in view of opinions from relevant PRC tax authorities, the Individual H Shareholders shall pay individual income tax at a tax rate of 20% upon their receipt of distribution of dividends (bonus) from the Company, which shall be withheld and paid by the Company on behalf of the Individual H Shareholders. The Individual H Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements of applicable tax agreements (arrangements) subject to further confirmation from relevant PRC tax authorities based on the information provided by such individual shareholders.

Having considered the time required for collecting information from the Individual H Shareholders and obtaining relevant PRC tax authorities' confirmation, the Board hereby announces that, in order to ensure the Company's compliance with Relevant Laws and Regulations while following the previously announced timetable for payment of dividends by the Company, the Company will temporarily withhold 20% of the final dividends to be distributed to the Individual H Shareholders with an aggregate amount of HKD2,296,911, when the Company distributes the final dividends for the year ended 31 December 2010 to the Individual H Shareholders. The Company will closely follow up with competent tax authorities to seek confirmation of the tax treatment and will publish an update announcement if there is any progress. After the competent tax authorities have confirmed such individual income tax withheld by the Company based on information to be provided by the Individual H Shareholders, the Company would, if applicable, refund the corresponding amount of tax temporarily withheld to the relevant individual shareholders who are qualified for such refund on a timely basis.

Shareholders are recommended to consult their taxation advisors regarding the owning and disposing of H shares of the Company in the PRC and in Hong Kong and other tax effects.

Other information in respect of the payment of the final dividends as disclosed in the Announcement remains unchanged.

By Order of the Board
XINHUA WINSHARE PUBLISHING AND MEDIA CO., LTD.*
Gong Cimin
Chairman

Sichuan, the PRC, 24 June 2011

As at the date of this announcement, the Board of the Company comprises (a) Mr. Gong Cimin and Mr. Zhang Bangkai as executive directors; (b) Ms. Wang Jianping, Mr. Yu Changjiu, Mr. Zhang Chengxing, Mr. Li Jiawei, Mr. Luo Jun, Mr. Zhao Junhuai, Mr. Wu Qiang and Mr. Zhao Miao as non-executive directors; and (c) Mr. Chan Yuk Tong, Mr. Han Xiaoming and Mr. Cheng Sanguo as independent non-executive directors.

** For identification purposes only*