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中國民生銀行股份有限公司
CHINA MINSHENG BANKING CORP., LTD.

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

(Stock Code: 01988)

(USD Preference Shares Stock Code: 04609)

**PROPOSED ADJUSTMENT TO THE PROFIT DISTRIBUTION PLAN
FOR THE SECOND HALF OF 2017
PROPOSED PLAN OF CAPITAL RESERVE
CAPITALISATION FOR 2017**

Reference is made to the results announcement for the year ended 31 December 2017 of China Minsheng Banking Corp., Ltd. (the “**Company**”) dated 29 March 2018 in relation to the profit distribution plan for the second half of 2017 disclosed in the “Profit Distribution Plan” section (the “**Original Profit Distribution Plan**”). The eighth extraordinary meeting (the “**Meeting**”) of the seventh session of the board of directors (the “**Board**”) of the Company was convened on 11 April 2018, at which the following matters were considered and passed:

**PROPOSED ADJUSTMENT TO THE PROFIT DISTRIBUTION PLAN
FOR THE SECOND HALF OF 2017**

The Meeting approved to adjust the Original Profit Distribution Plan to a cash dividend of RMB0.90 (tax inclusive) for every 10 shares being held. Based on the number of shares of the Company in issue, being 36,485 million shares, as at 31 December 2017, the total cash dividend is RMB3,284 million.

The cash dividend will be denominated and declared in RMB, and will be paid in RMB to the holders of A shares of the Company and in Hong Kong dollar to holders of H shares of the Company. The actual amount of dividend to be paid in Hong Kong dollars shall be calculated based on the benchmark exchange rate of RMB against Hong Kong dollars on the day of the shareholders' general meeting of the Company as announced by the People's Bank of China.

The above profit distribution plan for the second half of 2017 is subject to the approval at the annual general meeting for 2017 of the Company (the “**AGM**”).

PROPOSED PLAN OF CAPITAL RESERVE CAPITALISATION FOR 2017

The Meeting approved the plan of capital reserve capitalisation for 2017: according to the financial statements of the Company for 2017, the capital reserve of the Company was RMB64,447 million at the end of 2017. The Company intends to capitalise the capital reserve from the issue of shares at premium by issuing shares to holders of A shares and holders of H shares whose names appear on the registers as at the record dates in a proportion of 2 shares for every 10 shares being held (the “**Capitalisation Issue**”). Based on the number of shares of the Company in issue, being 36,485 million shares, as at the end of 2017, the total number of shares to be issued by capitalisation of the capital reserve will be 7,297 million shares. The actual number of shares to be issued by way of capitalisation of the capital reserve shall be calculated based on the total number of shares registered as at the record dates.

The independent non-executive directors of the Company have expressed their view that the profit distribution plan for the second half of 2017 of the Company and the plan of capital reserve capitalisation for 2017 of the Company fully considered the needs of the minority investors, protected the interests of the minority investors, balanced the interests between the Company and its shareholders, and have complied with relevant laws, regulations and the articles of association of the Company (the “**Articles of Association**”), which are beneficial to the sustainable, stable and healthy development of the Company.

The cash dividend and the new H shares to be allotted and issued under the Capitalisation Issue (the “**Capitalisation H Share(s)**”) are expected to be paid to holders of H shares on 27 July 2018.

The Capitalisation Issue is subject to approval at the AGM, and the approval by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the listing of, and permission to deal in, the Capitalisation H Shares.

ENTITLEMENTS OF THE CAPITALISATION SHARES AND TREATMENT OF FRACTION OF CAPITALISATION SHARES

The Capitalisation H Shares and the new A shares to be allotted and issued under the Capitalisation Issue (the “**Capitalisation A Share(s)**”, together with Capitalisation H Shares, collectively referred to as “**Capitalisation Share(s)**”) will rank pari passu in all respects with the respective H shares and A shares then in issue on the record dates. Holders of the Capitalisation Shares will be entitled to receive all future dividends and distributions (if any) which are declared, made or paid after the date on which the Capitalisation Shares are allotted and issued, but will not be entitled to the cash dividends of the Company for the year ended 31 December 2017 which are subject to the approval by the shareholders at the AGM.

The Capitalisation H Shares will be issued on a pro rata basis and any fractional shares (if any) will be rounded down to the nearest whole number. The fractional shares to be issued under the Capitalisation Issue will not be allotted to the shareholders of the Company, but will be aggregated and sold for the benefits of the Company.

OVERSEAS SHAREHOLDERS

If there are overseas shareholders on the Company's H share register as at the record date, the Company will make enquiry regarding the legal restrictions (if any) under the laws of the relevant places and the requirements of the relevant regulatory bodies or stock exchanges for the relevant overseas H shareholders to be eligible to take part in the Capitalisation Issue. Further details on the rights of overseas shareholders will be presented in the circular dispatched to the H shareholders of the Company.

ELIGIBILITY TO CAPITALISATION SHARES FOR SHAREHOLDERS TRADING THROUGH SOUTHBOUND TRADING AND NORTHBOUND TRADING

As at the date of this announcement, the H shares of the Company are eligible for Southbound Trading and the A shares of the Company are eligible for Northbound Trading. Subject to compliance with the relevant laws or regulations in the PRC, the Capitalisation Shares will be offered to the H shareholders in the PRC who are holding the H shares of the Company through Southbound Trading and the Capitalisation Shares will also be offered to the A shareholders in Hong Kong who are holding the A shares of the Company through Northbound Trading.

APPLICATION FOR LISTING

Application will be made by the Company to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Capitalisation H Shares.

GENERAL

Upon the approval at the AGM, the Board shall be authorised to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure of the Company upon completion of the Capitalisation Issue.

A circular containing, inter alia, detailed arrangements regarding the proposed payment of cash dividends and the proposed Capitalisation Issue (including, but not limited to, time arrangement and withholding and payment of income tax for shareholders of the Company), together with the notice of the AGM, will be dispatched to the H shareholders of the Company in due course.

By Order of the Board
CHINA MINSHENG BANKING CORP., LTD.
Hong Qi
Chairman

Beijing, PRC
11 April 2018

As at the date of this announcement, the executive directors of the Company are Mr. Hong Qi, Mr. Liang Yutang and Mr. Zheng Wanchun; the non-executive directors are Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Shi Yuzhu, Mr. Wu Di, Mr. Yao Dafeng, Mr. Song Chunfeng, Mr. Tian Zhiping and Mr. Weng Zhenjie; and the independent non-executive directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Cheng Hoi-chuen, Mr. Peng Xuefeng and Mr. Liu Ningyu.