



Investor relations contact:

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Please refer to the Nam Tai website (www.namtai.com) or the SEC website (www.sec.gov) for Nam Tai press releases and financial statements.

PFIC Announcement

February 13, 2017

Dear Nam Tai Property Inc. Shareholder,

Nam Tai Property Inc. (“Nam Tai” or the “Company”) advises its shareholders who are U.S. Persons that the Company believes that for U.S. Tax purposes, it was a passive foreign investment company (“PFIC”) for 2016. As set forth in the Company’s Form 20-F dated March 14, 2016 (“2015 Form 20-F”) filed with the U.S. Securities and Exchange Commission, the Company also believes it was a PFIC for 2015. A PFIC is defined in Section 1297 of the Internal Revenue Code of 1986, as amended.

A U.S. Person generally includes a U.S. domestic corporation, a U.S. domestic partnership, a U.S. citizen or resident of the U.S. and certain estates and trusts.

Generally, a U.S. Person who is shareholder of a PFIC should be aware of the tax consequences of (1) receiving a dividend from a PFIC, and; (2) the direct or indirect disposition of PFIC stock. A general description of these consequences is set forth in the Company’s 2015 Form 20-F at pages 48 to 52. Please be advised that the Company’s 2015 Form 20-F is not intended in any way to constitute tax advice and all Nam Tai shareholders who are U.S. Persons are strongly encouraged to seek personal income tax advice regarding the income tax implications of investing in PFICs.

A U.S. Person may generally avoid the PFIC regime by making a “qualified electing fund” (“QEF”) election, which generally provides for the U.S. Person to include its share of our earnings in income on a current basis, rather than being subject to the general PFIC rules. Please be advised, however, that the Company does not intend to provide to U.S. Persons the information that would enable them to make a QEF election, and that such election thus will not be available with respect to the Company’s shares.

Sincerely,

/s/ M. K. Koo
M. K. Koo
Executive Chairman