

## Press Release

### The Hong Kong Mortgage Corporation Limited

#### **Application Results of the Retail Bond Issue under the HK\$20 Billion Retail Bond Issuance Programme**

The Hong Kong Mortgage Corporation Limited (HKMC) announced today (Friday) that the launch of its new retail bond issue under the HK\$20 billion Retail Bond Issuance Programme was successfully completed. The Hong Kong dollar 2-year notes and Australian dollar 1-year notes carry coupon of 2.50% p.a. and 7.15% p.a. respectively, payable semi-annually. The HKMC also launched two series of Hong Kong dollar HIBOR-linked notes, interest for which is payable quarterly.

Application for the HKMC notes was closed at 2:00 p.m. today. The issue was well received by the retail investors and the total principal amount under application is around HK\$540 million equivalent, with breakdown as follows:

HKD 2-year notes (HKMC210)	HK\$379.0 million
HKD 1-year HIBOR-linked notes (extendable quarterly to June 2013) (HKMC105E)	HK\$21.0 million
HKD 1-year HIBOR-linked notes (extendable quarterly to June 2015) (HKMC106E)	HK\$22.4 million
AUD 1-year notes (HKMC107)	AUD16.1 million

The HKMC will accept all valid applications. Investors submitted applications through 17 Placing Banks including Bank of China (Hong Kong), Bank of Communications Hong Kong Branch, The Bank of East Asia, China Construction Bank (Asia), Chiyu Bank, Chong Hing Bank, CITIC Ka Wah Bank, Dah Sing Bank, DBS Bank (Hong Kong), Hang Seng Bank, HSBC, ICBC (Asia), Nanyang Commercial Bank, Shanghai Commercial Bank, Standard Chartered Bank (Hong Kong), Wing Hang Bank and Wing Lung Bank.

Mr James H. Lau Jr, Chief Executive Officer of the HKMC said, "We are pleased to see the good subscription result for this retail bond issue. With the HKMC's strong credit ratings, we will continue with our strategic role to promote the development of the local debt market through product

innovation and look for opportunities to provide retail investors with more products to meet their different investment demands.”

The HKMC notes were offered at a price of 100% of the principal amount. Retail investors will be informed shortly of the settlement details by letters from the Placing Bank through which they applied for the notes.

The Placing Banks will act as market makers to facilitate transactions in the secondary market.

The Hong Kong Mortgage Corporation Limited  
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