

[For Immediate Release]



## **Country Garden Takes out Syndicated Loan Worth US\$800 Million in International Banking Market Following its Club Loan Taken Out in 2014**

### **Its First Chinese Banks-Led Syndicated Loan to Broaden Financing Channels and Further Reducing Financing Costs**

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(31 July 2015 – Hong Kong) Country Garden Holdings Company Limited ("Country Garden", the "Company" or the "Group", SEHK stock code: 2007), the largest urbanization specialist developer in China, announces that the Group has taken out a four-year HK\$/US\$ dual tranche syndicated loan of an amount equivalent to US\$800 million with annual interest rate of HIBOR/LIBOR +3.10%, and integrated financing cost of HIBOR/LIBOR +3.80% from 12 Chinese, Hong Kong and European banks.

The syndicated loan is granted by 12 banks, of which Bank of China (Hong Kong) Limited and Shanghai Pudong Development Bank Co. Ltd. Hong Kong Branch are appointed as the joint lead underwriters. The other banks include Ping An Bank, Wing Lung Bank, CCB Asia, Bank of East Asia, BNP Paribas, China Merchants Bank Hong Kong Branch, Chong Hing Bank, Industrial Bank Hong Kong Branch, Tai Fung Bank and Guangdong Development Bank Macau Branch. The syndicated loan is taken out by Country Garden in the Hong Kong banking market following the HK\$4.5 billion club loan the Company took out in December 2014. The syndicated loan, originally planned to be US\$400 million, has met with enthusiastic market response upon its debut and is 2.1 times subscribed as investors have spent US\$857 million to subscribe for the loan. Upon the requests of the banks, Country Garden has increased the size of the syndicated loan to US\$800 million. It is the biggest bank loan ever taken out by Country Garden with the lowest interest rate among the loans of the same tenure and with the largest number of banks underwriting it. It was also the largest syndicated loan taken out by a non-state owned Chinese residential property developer in the international syndicated loan market with the largest number of banks underwriting it in 2015 to date. Country Garden will use the loan for repayment and/or prepayment of any of its financial indebtedness and for its general corporate purposes.

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The Group has been diversifying its financing channels proactively in order to optimize its financial structure and reduce financing costs. The Group has achieved satisfactory progress in diversifying its financial structure to include syndicated loan. In December 2014, the Group raised HK\$4.5 billion by taking out a HK\$/US\$ dual tranche loan, which was the largest debut overseas syndicated loan taken out by a property developer from mainland China. Following that success, the Group now succeeds in taking out its first syndicated loan led by Chinese banks, which not only demonstrates the Group's strong financial position and the capital market's recognition of its efforts in achieving investment grade rating, but also reflects its effective communication with various offshore financial institutions and its capabilities of building mutual trust in each other and of integrating resources. It is believed that this syndicated loan will be able to further reduce financing costs and marks a step forward in achieving investment grade credit rating.

In recent years, the Group's prudent financial strategy has been recognized by international credit rating agencies continuously. Moody's raised the Company's corporate credit rating from "Ba2" to "Ba1", which is one step closer to investment grade rating. This was a major breakthrough in the Group's aspiration to become a blue chip company following Fitch Rating's move to upgrade the Company's outlook to "BB+" (positive) at the beginning of the year. With its credit rating raised by Moody's, Country Garden has become a non-state owned Chinese residential property developer with the highest international credit rating. In addition, the syndicated loan has further strengthened the Group's credit worthiness, thus giving it more leeway to plan for its future.

In the future, the Group will continue to implement stringent financial management, carry out prudent cash-flow management, while exploring new financing channels and maintaining its prudent operation and healthy gearing ratio. The Group believes that it will be able to obtain more competitive financing arrangements consistently by leveraging its good corporate governance, sustainable operating results, prudent financial management and excellent credit ratings under the guidance of strategic management.

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### **About Country Garden**

Country Garden is one of China's leading integrated property developers. It has standardized operations with business comprising property development construction, installation, fitting, property management, property investment, as well as hotel development and management. In addition, "Country Garden" has been named by the PRC State Administration for Industry and Commerce as "China's Well-Known Trademarks" in the property sector in 2006. The Group became a constituent stock of MSCI Global Standard Indices on 1 September 2007. It also became a constituent stock of Hang Seng Composite Index 200 and Hang Seng Mainland Composite Index on 10 September 2007.

### **Forward-looking Information**

This press release contains forward-looking statements. These forward-looking statements are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the business and financial condition of the Company and its subsidiaries, changes in the condition of the PRC economy and property market, and changes in the capital markets in general.

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