

## **Spring REIT's US\$480m New Secured Term Loan Heavily Oversubscribed by 3.06 Times**

**(18 February 2015 – Hong Kong)** Spring Asset Management Limited (the “**Manager**”), as manager of Spring Real Estate Investment Trust (“**Spring REIT**”, Stock Code: 1426 HK), is pleased to announce that RCA01 (a special purpose vehicle wholly-owned by Spring REIT) has successfully signed today the 5-year US\$480 million secured term loan facility and US\$20 million uncommitted revolving credit facility agreement (together, the “**New Loan Facilities**”) with 16 international and local banks. The US\$480m secured term loan received an overwhelming response from the banking community resulting in an oversubscription totaling US\$1.47 billion, approximately 3.06 times of the issue size.

Australia and New Zealand Banking Group Limited; Deutsche Bank AG, London Branch; and Credit Suisse AG, Singapore Branch are the mandated lead arrangers, underwriters and bookrunners for the New Loan Facilities. The New Loan Facilities will carry an interest rate of 3-month LIBOR plus 2.75% per annum. The proceeds of the New Loan Facilities will mainly be used for the early repayment of the existing term loan and general working capital requirements. The closing of the New Loan Facilities is a testament to the financial market's recognition of Spring REIT. It will not only optimize the capital structure of Spring REIT with a longer-term financing, but also reduce the interest margin from 3.5% per annum to 2.75% per annum, marking another important milestone for Spring REIT.

Mr. Toshihiro Toyoshima, Chairman of Spring Asset Management Limited, said, “We are very pleased to have received overwhelming support from 16 international and local banks from China, Hong Kong, Taiwan, Europe, Australia, Singapore and Japan. The New Loan Facilities, one of the largest syndicated loans closed in Hong Kong so far this year, were significantly oversubscribed with a total commitment of US\$1.47 billion from participating banks. Its success reflects the banking community's positive view and confidence in Spring REIT's strong fundamentals and future prospects. The New Loan Facilities will provide significant benefits to Spring REIT and will support Spring REIT's future growth through reduced financing costs, more flexible loan covenants and extended maturity. Looking forward, we remain committed to providing stable distribution to our unitholders, while continuing to evaluate possible growth opportunities in Asia as they emerge.

Mr. Chris Raciti, Head of North & North-East Asia, Loan Syndications, Australia and New Zealand Banking Group Limited, said “We are very pleased to bring this deal to fruition.

## Press release

This syndication has attracted strong interest from a diversified group of international and local banks. We believe that this New Loan Facilities will provide Spring REIT with greater financial flexibility for its future expansion.”

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### **About Spring Real Estate Investment Trust**

Spring Real Estate Investment Trust ("Spring REIT", stock code: 1426 HK) is a real estate investment trust which owns and invests in high quality income-producing real estate in Mainland China. Spring REIT is the first Hong Kong REIT to offer direct exposure to two Premium Grade office buildings strategically located in the Central Business District (CBD) of Beijing. Spring REIT is managed by Spring Asset Management Limited (the "Manager"), a company incorporated in Hong Kong and wholly owned by AD Capital Co., Ltd. ("AD Capital"), a private equity investment management company based in Japan, with extensive experience in private equity and real estate investments. Spring REIT seeks to offer to Unitholders stable distributions and the potential for sustainable long-term growth.

### **Media enquiry:**

Deborah Tsui

Crystal Yip

Telephone +852 3103 0123

Telephone +852 3103 0106

[deborah.tsui@citigate.com.hk](mailto:deborah.tsui@citigate.com.hk)

[crystal.yip@citigate.com.hk](mailto:crystal.yip@citigate.com.hk)