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CHINA ORIENTAL ISSUES US\$300 MILLION 7% SENIOR NOTES

China Oriental Group Company Limited (“China Oriental” or the “Company”, together with its subsidiaries, the “Group”, stock code: 581), an integrated iron and steel conglomerate in the PRC, will issue 7% senior notes (the “Notes”) due on 17 November 2017 in the aggregate principal amount of US\$300 million. The issue of the Notes enables the Company to diversify its funding channels, while the proceeds from it will be used to refinance the Company’s outstanding short-term debts.

On 10 November 2010 (New York time), the Company entered into the Purchase Agreement with Deutsche Bank AG Singapore Branch (“Deutsche Bank”) and ING Bank N.V. London Branch (“ING”) in connection with the issue of the 7% Notes in the aggregate principal amount of US\$300 million, which will mature on 17 November 2017. The Notes will bear interest at a rate of 7% per annum, payable semi-annually in arrears. Deutsche Bank is the sole book runner and Deutsche Bank and ING are the joint lead managers in respect of the offer and sale of the Notes.

The Notes were offered by Deutsche Bank & ING to qualified institutional buyers in the United States, Europe and Asia.

Mr Han Jingyuan, Chairman and Chief Executive Officer of China Oriental, said: “The net proceeds raised from the issue of the Notes will be used to refinance the Company’s short-term debts, thereby increasing the Company’s flexibility in deploying its capital for further development of the Group. Moreover, the issue of the Notes will enable the Company to diversify its funding channels and increase the proportion of long-term debts to lengthen the maturity profile of the Company.”

Approval in-principle has been received for the listing of the Notes on the Singapore Exchange Securities Trading Limited. The Notes have received a rating of Ba1 by Moody’s Investors Service and BB+ by Fitch Ratings.

About China Oriental

Listed on the main board of the Hong Kong Stock Exchange on 2 March 2004, the Company is one of the PRC’s most efficient iron and steel producers. ArcelorMittal, the world’s largest steel conglomerate, became the strategic partner and substantial shareholder of the Company in 2007. The Group’s products are mainly sold domestically, with its major customers based in Northern China. Customers of the Group are downstream steel manufacturers who further process billets and strips into downstream steel products, which are used mainly in the construction industry and for the manufacture of machinery. In addition, China Oriental also produces downstream products including H-section steel, which has a leading position in the industry, and other downstream products such as cold rolled sheets and galvanised sheets. China Oriental is an integrated iron and steel conglomerate.

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