

HERBERT SMITH FREEHILLS ADVISES CHINA'S STATE GRID ON US\$2.1 BILLION ISSUE OF DUAL CURRENCY SENIOR NOTES

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News

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Beijing/Hong Kong: Herbert Smith Freehills has advised State Grid Corporation of China on a dual-currency four-tranche issue of senior notes, raising US\$2.1 billion for the world's largest utility.

The firm advised State Grid Corporation of China as guarantor and its wholly owned subsidiary State Grid Overseas Investment (2016) Limited as issuer on the issuance of:

- US\$500 million 2.125% Senior Guaranteed Notes due 2021
- US\$500 million 2.375% Senior Guaranteed Notes due 2026
- €500 million 1.25% Senior Guaranteed Notes due 2022
- €500 million 1.75% Senior Guaranteed Notes due 2025.

HSBC, Goldman Sachs (Asia) L.L.C., Morgan Stanley, BOC International and ICBC International acted as joint global coordinators. J.P. Morgan, CCB International, Santander, Citigroup, Mizuho Securities and UBS acted as joint lead managers and joint bookrunners.

The notes are listed on the Hong Kong Stock Exchange and the Euro notes are also listed on the Irish Stock Exchange.

Partners Tom Chau and Zhong Wang in Beijing and Kevin Roy in Hong Kong led the team advising the State Grid entities, assisted by senior associates Isaac Chen and Jin Kong, associate George Wu, and trainee Manwa Yip.

"We are delighted to have advised State Grid on this latest issue," said Tom Chau. "This is the third multi-billion dollar issuance on which Herbert Smith Freehills has advised the company since 2013, and I look forward to working with them on future mandates."

"The four-tranche dual-currency structure added a level of legal complexity but was essential for the successful marketing of the issue," said Kevin Roy. "It was an exciting challenge for our team and demonstrates our skills in complex capital markets transactions across borders and exchanges."

"The success of the notes in uncertain markets is a testament to the company's strong global reputation," said Zhong Wang, the firm's newest partner in Greater China. "There was strong investor demand, indicating that there is plenty of liquidity in the market for quality issuances."

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