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The Company has not registered and does not intend to register any of the Bonds under the U.S. Securities Act of 1933, as amended (the “US Securities Act”), or the securities law of any state of the United States or other jurisdiction. The Bonds may not be offered or sold in the United States (as defined in Regulation S under the US Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any applicable state or local securities laws in the United States.



FAR EAST CONSORTIUM INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.fecil.com.hk>

(Stock Code: 35)

PROPOSED ISSUE OF CNY 1 BILLION 5.875 PER CENT. BONDS DUE 2016 BY FAR EAST CONSORTIUM INTERNATIONAL LIMITED

Reference is made to the announcements of the Company dated 5 November 2012 and 12 November 2012 in respect of the proposed Bond Issue.

The Board hereby announces that on 25 February 2013, the Company entered into the Subscription Agreement with the Joint Lead Managers, whereby each of the Joint Lead Managers severally agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the CNY 1 billion 5.875 per cent. Bonds to be issued by the Company at a price equal to 100 per cent. of the aggregate principal amount of the Bonds.

The estimated net proceeds of the Bond Issue, after deduction of commission and administrative expenses, with amount to approximately CNY988 million (approximately HK\$1.24 billion). The net proceeds are intended to be used by the Company for business development and general corporate purposes.

The Company intends to apply for the listing of the Bonds on the Stock Exchange by way of debt issues to professional investors only. There is no guarantee that an approval of listing of the Bonds on the Stock Exchange will be obtained. Approval of the listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Bonds.

The Bonds are expected to be listed on the Stock Exchange on or about 5 March 2013.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. Please refer to the paragraph headed “SUBSCRIPTION AGREEMENT” below for further information.

As the Subscription Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Reference is made to the announcement of the Company dated 5 November 2012 and 12 November 2012 regarding the proposed Bond Issue.

The Board hereby announces that on 25 February 2013, the Company entered into the Subscription Agreement with the Joint Lead Managers, whereby each of the Joint Lead Managers severally agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the CNY 1 billion 5.875 per cent. Bonds to be issued by the Company at a price equal to 100 per cent. of the aggregate principal amount of the Bonds.

SUBSCRIPTION AGREEMENT

Date: 25 February 2013

Parties: The Company
Barclays
CITIC Securities Corporate Finance
CNCBI
Credit Suisse
Deutsche Bank
ICBC Asia

(to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Barclays, CITIC Securities Corporate Finance, CNCBI, Credit Suisse, Deutsche Bank and ICBC Asia are third parties independent of (i) the Company and (ii) connected persons of the Company)

Subject to the fulfilment of certain conditions precedent under the Subscription Agreement, each of the Joint Lead Managers has severally agreed to subscribe or procure subscribers to subscribe for the Bonds with an aggregate principal amount of CNY 1 billion.

The Bonds will be offered and sold to persons whose ordinary business involves buying, selling or investing in securities outside the United States in reliance upon Regulation S of the US Securities Act. None of the Bonds will be offered to the public in Hong Kong or elsewhere, and none of the Bonds will be placed with any connected persons of the Company.

Undertaking

The Company has, among other things, undertaken with the Joint Lead Managers that neither it nor any member of the Group (save for Dorsett and its subsidiaries) nor any person acting on its behalf will issue, sell, offer or agree to sell, grant any option for the sale of, or otherwise dispose of, any other debt securities of the Company or securities of the Company that are convertible into, or exchangeable for, the Bonds or such other debt securities, in any such case without the prior written consent of the Joint Lead Managers between the date of the Subscription Agreement and the date which is 30 days after the Closing Date (both dates inclusive).

Termination

The Joint Lead Managers may, by notice to the Company given at any time prior to payment of the net subscription monies for the Bonds to the Company, terminate the Subscription Agreement in the circumstances as specified in the Subscription Agreement.

Subject to the foregoing, the Subscription Agreement is expected to be completed and the Bonds to be issued on or about 4 March 2013.

PRINCIPAL TERMS OF THE BONDS

The principal terms of the Bonds, which will be constituted by a trust deed to be entered into between the Company and the Trustee are summarised as follows:

Issuer

Far East Consortium International Limited, a company incorporated with limited liability in the Cayman Islands, the shares of which are listed on the Stock Exchange.

Principal Amount

The aggregate principal amount of the Bonds will be CNY 1 billion.

Issue Price

100% of the aggregate principal amount of the Bonds.

Interest

The Bonds bear interest at the rate of 5.875% per annum payable semi-annually in arrear on the interest payment date falling on or nearest to, 4 March and 4 September in each year.

Transfer

Other than during the Closed Period and subject to the terms of the paying agency agreement in respect of the Bonds, the Bonds are transferable without restrictions.

Maturity

Unless previously redeemed or purchased and cancelled, the Company will redeem each Bond at 100% at its principal amount together with unpaid accrued interest on the Maturity Date.

Redemption for Taxation Reasons

At any time the Company may, having given not less than 30 nor more than 60 days' notice to the Bondholders in accordance with the terms and conditions of the Bonds (which notice shall be irrevocable) redeem all, and not some only, of the Bonds at their principal amount together with interest accrued to the date fixed for redemption on the redemption date as a result of any change in, or amendment to, the applicable tax laws or regulations of the Cayman Islands or Hong Kong.

Redemption for Change of Control

When a Change of Control occurs with respect to the Company, the holder of each Bond will have the right at such holder's option, to require the Company to redeem all or some only of that holder's Bonds at 101% of their principal amount together with interest accrued to the date fixed for redemption.

Form of the Bonds and Denomination

The Bonds will be in registered form and in denominations of CNY1,000,000 each and higher integral multiples of CNY10,000 in excess thereof.

Ranking of the Bonds

The Bonds (when issued) will constitute direct, unsubordinated, unconditional and (subject to the terms and conditions of the Bonds) unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves.

Listing

The Company intends to seek a listing of the Bonds on the Stock Exchange. An application will be made for the listing of the Bonds on the Stock Exchange by way of debt issues to professional investors only. There is no guarantee that an approval of listing of the Bonds on the Stock Exchange will be obtained. Approval of the listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Bonds.

The Bonds are expected to be listed on the Stock Exchange on or about 5 March 2013.

THE GROUP AND USE OF PROCEEDS

The principal business of the Group comprises property development and investment, hotel investment and operations and car park operations.

The estimated net proceeds of the Bond Issue, after deduction of commission and administrative expenses, with amount to approximately CNY988 million (approximately HK\$1.24 billion). The net proceeds are intended to be used by the Company for business development and general corporate purposes.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances.

As the Subscription Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

TERMS USED IN THIS ANNOUNCEMENT

“Barclays”	Barclays Bank PLC
“Board”	the board of directors of the Company
“Bond Issue”	the subscription and issue of the Bonds with an aggregate principal amount of CNY 1 billion under the Subscription Agreement
“Bondholder(s)”	holder(s) of the Bonds from time to time
“Bonds”	the 5.875 per cent. bonds due 2016 of an aggregate principal amount of CNY 1 billion proposed to be issued by the Company
“Change of Control”	occurs when, <ul style="list-style-type: none">(i) any Person or Persons (as defined in the terms and conditions of the Bonds) acting together acquires Control of the Company if such Person or Persons (as defined in the terms and conditions of the Bonds) does not or do not have, and would not be deemed to have, Control of the Company on the Closing Date, other than Deacon Te Ken Chiu and/or David Chiu, companies directly or indirectly controlled by either or both of them, or trusts of which either or both of them or their family members or relatives are beneficiaries, acting individually or together;(ii) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company’s assets to any other Person (as defined in the terms and conditions of the Bonds), unless the consolidation, merger, sale or transfer will not result in the other Person or Persons (as defined in the terms and conditions of the Bonds) acquiring Control over the Company or the successor entity; or

(iii) one or more Persons (as defined in the terms and conditions of the Bonds) (other than any Person (as defined in the terms and conditions of the Bonds) referred to in sub-paragraph (i) above) acquires the legal or beneficial ownership of all or substantially all of the Company's issued share capital

“CITIC Securities
Corporate Finance”

CITIC Securities Corporate Finance (HK) Limited

“Closed Period”

each of the following period:

- (i) the seven days ending on (and including) the due date for redemption of the Bonds;
- (ii) after, a Change of Control Redemption Notice (as defined in the terms and conditions of the Bonds) has been deposited and not withdrawn with the consent of the Company in respect of such Bond; or
- (iii) the seven days ending on (and including) any interest record date (as defined in the terms and conditions of the Bonds)

“Closing Date”

the date (expected to be on or about 4 March 2013 or such other date as the Company and the Joint Lead Managers may agree) on which the Bonds are issued

“CNCBI”

China CITIC Bank International Limited

“CNY”

Chinese Yuan, Renminbi, the lawful currency of the PRC

“Company”

Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange

“connected persons”

has the meaning ascribed to it under the Listing Rules

“Control”

the acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of the Company or the right to appoint and/or remove all or the majority of the members of the Company's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise

“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch
“Director(s)”	director(s) of the Company
“Dorsett”	Dorsett Hospitality International Limited (formerly known as Kosmopolito Hotels International Limited), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange with stock code 2266
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICBC Asia”	Industrial and Commercial Bank of China (Asia) Limited
“Joint Lead Managers”	Barclays, CITIC Securities Corporate Finance, CNCBI, Credit Suisse, Deutsche Bank and ICBC Asia (in alphabetical order)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	the interest payment date falling on, or nearest to, 4 March 2016
“PRC”	the People’s Republic of China (excluding Hong Kong, Macau and Taiwan)
“Share(s)”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Agreement”	a conditional subscription agreement entered into between, the Company and the Joint Lead Managers on 25 February 2013 in connection with the issue by the Company of the Bonds with an aggregate principal amount of CNY 1 billion
“Trustee”	DB Trustees (Hong Kong) Limited
“United States or US”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“US Securities Act”	United States Securities Act of 1933, as amended from time to time

Note: Unless otherwise specified and for illustration purpose only, the conversion of CNY into HK\$ adopted in this announcement is based on the exchange rate CNY1.00 = HK\$1.25. Such conversion should not be construed as a representation that the CNY amounts could actually be converted to HK\$ at that rate or at all.

By order of the Board of
Far East Consortium International Limited
Boswell Wai Hung CHEUNG
Chief Financial Officer and Company Secretary

Hong Kong, 25 February 2013

As at the date of this announcement, the Board comprises five executive Directors, namely Tan Sri Dato’ David CHIU, Mr. Cheong Thard HOONG, Mr. Chi Hing CHAN, Mr. Dennis CHIU and Mr. Craig Grenfell WILLIAMS; one non-executive Director, namely Mr. Daniel Tat Jung CHIU; and three independent non-executive Directors, namely Mr. Kwok Wai CHAN, Mr. Peter Man Kong WONG and Mr. Kwong Siu LAM.