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**HKEx INTERNATIONAL LIMITED**

(Incorporated in Hong Kong with limited liability)

**US\$500,000,000 0.50 per cent. Guaranteed Convertible Bonds due 2017**

(Stock Code: 4575)

**unconditionally and irrevocably guaranteed by**



**Hong Kong Exchanges and Clearing Limited**  
**香港交易及結算所有限公司**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 388)

**NOTICE OF SUBSTITUTION OF ISSUER**

Pursuant to Condition 14.3 (*Substitution*) of the Bonds and Clause 15.2 (*Substitution*) of the Trust Deed, with effect from 17 December 2012, HKEx has substituted in its place HKEx International as the issuer and principal obligor under the Bonds and the Bonds will be unconditionally and irrevocably guaranteed by HKEx.

The Substitution is being effected to better manage funding across the HKEx group from a structuring and currency matching perspective.

Reference is made to the US\$500,000,000 0.50 per cent. convertible bonds due 2017 (the "**Bonds**") issued by Hong Kong Exchanges and Clearing Limited ("**HKEx**") on 23 October 2012. The Bonds were listed on The Stock Exchange of Hong Kong Limited on 24 October 2012.

**NOTICE IS HEREBY GIVEN THAT**, pursuant to Condition 14.3 (*Substitution*) of the terms and conditions of the Bonds (the "**Conditions**") and Clause 15.2 (*Substitution*) of the trust deed (the "**Trust Deed**") dated 23 October 2012 in relation to the Bonds, with effect from 17 December 2012 (the "**Effective Date**"), HKEx has substituted in its place HKEx International Limited ("**HKEx International**"), a wholly-owned subsidiary of HKEx, as the issuer and principal obligor under the Bonds and the Bonds will be unconditionally and irrevocably guaranteed by HKEx (the "**Substitution**"). There are no restrictions under the Conditions for HKEx International to remain a wholly-owned subsidiary of HKEx. HKEx International is a limited liability company incorporated in Hong Kong on 5 June 2012. HKEx International is the immediate holding company of HKEx Investment (UK) Limited ("**HKEx Investment**"), a company incorporated in the United Kingdom, which acts as the special purpose vehicle/offeror for the acquisition of The London Metal Exchange Limited (the "**LME**").

The LME acquisition was completed on 6 December 2012 and HKEx International became the investment holding company within the HKEx group which ultimately holds all LME related group companies. The Substitution matches the proceeds of the Bonds to the primary purpose for which they were issued, namely the financing of the acquisition of the LME.

Following the Substitution, the share conversion option element of the Bonds will be reclassified from derivative liability (as disclosed in HKEx's 2012 third quarter results) to equity from the Effective Date and will not be revalued thereafter.

SFC has confirmed that listing status of the Bonds will not be affected as a result of the Substitution and that no conditions will be imposed as a result of the Substitution. The stock code and the stock short name of the Bonds will remain as 4575 and HKEX B1710, respectively.

In connection with the Substitution, the following documents (the "**Documents**") were executed on 14 December 2012:

- (a) a supplemental trust deed (the "**Supplemental Trust Deed**") to the Trust Deed;  
and
- (b) an accession and amendment agreement to the paying, conversion and transfer agency agreement dated 23 October 2012 in relation to the Bonds.

Details of the terms of the Substitution, the amended and restated trust deed and the amended and restated terms and conditions are set out in the Supplemental Trust Deed.

Copies of the Documents are available for inspection at the specified office of HKEx at 12/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong during normal business hours or at the principal office of The Hongkong and Shanghai Banking Corporation Limited as the Trustee at Level 30, HSBC Main Building, 1 Queen's Road Central, Hong Kong during normal business hours, so long as any of the Bonds are outstanding.

This notice is given by HKEx and HKEx International to holders of the Bonds (the "**Bondholders**") pursuant to Condition 14.3 (*Substitution*) and Clauses 15.2.2 (*Release of Issuer and Substitute Obligor*) and 15.2.3 (*Completion of Substitution*) of the Trust Deed.

For further information regarding the matters set out in this notice, Bondholders should contact HKEx at 12/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong.

**This notice does not constitute or form part of an offer to sell or the solicitation of an offer to subscribe for or otherwise acquire any securities.**

By order of the Board  
**HKEx International Limited**  
Joseph Mau  
Company Secretary

By order of the Board  
**Hong Kong Exchanges and Clearing Limited**  
Joseph Mau  
Company Secretary

**17 December 2012**

As at the date of this announcement, the board of directors of HKEx International comprises 3 directors, namely, Mr LI Xiaojia, Charles, Mr Gerald Dale GREINER and Mr Romnesh LAMBA.

As at the date of this announcement, the board of directors of HKEx comprises 12 Independent Non-executive Directors, namely, Mr CHOW Chung Kong (Chairman), Mr Ronald Joseph ARCULLI, Mr CHAN Tze Ching, Ignatius, Mr Timothy George FRESHWATER, Mr John Barrie HARRISON, Mr HUI Chiu Chung, Stephen, Dr KWOK Chi Piu, Bill, Mr LEE Kwan Ho, Vincent Marshall, Mr LEE Tze Hau, Michael, Mr John Estmond STRICKLAND, Mr John Mackay McCulloch WILLIAMSON and Mr WONG Sai Hung, Oscar, and one Executive Director, Mr LI Xiaojia, Charles, who is also HKEx's Chief Executive.