

Green Bond Fact Sheet

| Nanjing Metro | | Date: 18-May-2018 | |
|--|---|---|--|
| Issue date: 10-Jan-2018 Maturity date: 18-May-2028 Tenor: 10 | | | |
| Issuer Name | Nanjing Metro | Amount Issued | CNY1.2bn(USD188m) |
| Country of risk | China | CBI Database | Included |
| Issuer Type ¹ | ABS | Bond Type | Chinese ABS |
| Green Bond Framework | N/A | Second party opinion | N/A |
| Certification Standard | N/A | Assurance report | Lianhe Equator |
| Certification Verifier | N/A | Green bond rating | N/A |
| Use of Proceeds | | | |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input type="checkbox"/> Hydro <input type="checkbox"/> Tidal | <input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> Waste to energy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid | <input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience |
| <input type="checkbox"/> Buildings | <input type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance | <input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related | <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience |
| <input checked="" type="checkbox"/> Transport | <input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input checked="" type="checkbox"/> Urban rail | <input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance | <input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience |
| <input type="checkbox"/> Water & wastewater | <input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage | <input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance | <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience |
| <input type="checkbox"/> Waste management | <input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control | <input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience |

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|---|--|---|--|
| <input type="checkbox"/> Land use & agriculture | <input type="checkbox"/> Afforestation/parks <input type="checkbox"/> FSC Forestry <input type="checkbox"/> FSC Cellulose & paper | <input type="checkbox"/> Land remediation <input type="checkbox"/> Energy/water efficiency | <input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> Adaptation & resilience |
| <input type="checkbox"/> Other | <input type="checkbox"/> Adaptation & resilience | <input type="checkbox"/> ICT | <input type="checkbox"/> Industry: process |
| Issue details | | | |
| Reporting | | | |
| Company information | Nanjing Metro is the operator of the metro system in Nanjing, the capital of Jiangsu Province. The system has ten lines and 173 stations running on 377km of track. The total track length ranks it fourth in China, after Shanghai, Beijing and Guangzhou. | | |
| Firsts, records and certifications | | | |
| Proceeds description | The deal is made up of 11 tranches, totalling CNY1.2bn. The originator, Nanjing Metro Resources Development Co., is wholly owned by Nanjing Metro and operates as a property developer and manager. The ABS is secured on rents and receivables from commercial properties along the metro lines and from shops and advertisements in stations. All proceeds will be used to finance metro construction in Nanjing City. | | |
| Climate Bonds view | We are happy to see the first metro operator from mainland China using a land value capture model to finance the metro projects. It follows Hong Kong's MTR Rail + Property model where MTR receives exclusive property development rights around stations/lines and is able to finance rail and public finance projects by leasing or selling the land at an enhanced value. | | |
| Underwriters | CIC | | |
| Deal comments | | | |
| Credit Rating | The 10 senior tranches received an AAA rating from Lianhe Ratings | | |
| Pricing summary | Coupon rates range from 4.9% to 5.13%, marking the lowest among the same types of ABS issued in China this year, according to the issuer. | | |
| Investors summary | | | |

¹ Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign