
Shanxi Taigang SS to float CNY 2 billion finance bill

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According to China Government Securities Depository Trust & Clearing Co Limited, Shanxi Taiyuan Stainless Steel Co Limited will issue 1 year financing bond worth CNY 2 billion of 365 day finance bills on April 2nd 2009.

Following are details of the issue:

1. Issuer: Shanxi Taigang Stainless Steel Co Limited
2. Guarantee unsecured registered amount: CNY 4 billion
3. Issued amount: CNY 2 billion
4. Term: 365 days
5. Par Value: CNY 100
6. Issue Price: CNY 100
7. Issuing rate: To be decided by results of bookkeeping
8. Issuing date: April 2nd 2009
9. Payment date April 3rd 2009
10. Value date: April 3rd 2009
11. Circulation date: NA
12. Maturity date April 3rd 2010
13. Issuer rating: AA+ Interest accrue mode
14. Single interest rating: A-1 Rating Agency Dagong Global Credit Rating Co Limited

As learned, about 60% of the money is raised to provide liquidity for routine operations and the rest 40% will be used to pay some legacy loans. After evaluated by Dagong Global Credit Rating Co Limited, Taiyuan Stainless Steel is rated as AA+, while the bond as A-1.

In 2008, the mill realized profit of CNY 2.85 billion in the first 9 months, down by 36.93% YoY due to the risen prices of raw materials and the jumped steel prices during the second half.

The historical record shows that Taiyuan Stainless Steel issued 1 year bond for 3 times, respectively on June 18th 2007, July 18th 2007 and December 18th 2008. And the first two both had been cashed on time.

(Sourced from www.xinhua.net)

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