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361 Degrees International Limited

361度國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1361)

**CLOSING OF ISSUE OF
RMB1,500,000,000 7.5% SENIOR UNSECURED NOTES DUE 2017
(BOND STOCK CODE: 85992)**

Reference is made to the announcements of 361 Degrees International Limited (the “Company”) dated 1 September 2014 and 4 September 2014 (the “**Announcements**”) regarding the issue of RMB1,500,000,000 7.5% senior unsecured notes due 2017 (the “**Notes**”) and the formal notice dated 12 September 2014. Capitalised terms used in herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

The Board is pleased to announce the closing of the issue of the Notes on 12 September 2014. Listing of the Notes on The Stock Exchange of Hong Kong Limited is expected to be effective on 15 September 2014.

PRINCIPAL TERMS OF THE NOTES

Issuer : the Company

Guarantors : Sanliuyidu Holdings Company Limited, 361 Enterprise Company Limited, 361 Investment Company Limited, 361 Degrees (Hong Kong) Investment Limited, Yue Lei International Limited, 361 Degrees Kids Wear Holdings Limited, 361 Degrees Kids Wear Limited and 361 Degrees Kids Wear Investment Limited

Aggregate principal amount	:	RMB1,500,000,000
Offering price	:	99.472% of the aggregate principal amount of the Notes
Issue date	:	12 September 2014
Interest rate	:	The Notes will bear interest from, and including 12 September 2014 at the rate of 7.5% per annum payable on a semi-annual basis in arrears on or nearest to 12 March and 12 September of each year, commencing on 12 March 2015
Maturity date	:	12 September 2017

The Company estimates that the net proceeds from the offering of the Notes, after deduction of commission and expenses, will amount to approximately RMB1,466.6 million. The net proceeds are intended to be used by the Company to refinance certain of its indebtedness (including the redemption of the Convertible Bonds by the Company in the event of any exercise of put right by holders of the Convertible Bonds) and for general working capital purposes.

By Order of the Board
361 Degrees International Limited
Ding Huihuang
Chairman

Hong Kong, 12 September 2014

As at the date of this announcement, the board of directors of the Company comprises four executive directors, namely Mr. Ding Wuhao, Mr. Ding Huihuang, Mr. Ding Huirong and Mr. Wang Jiabi, and three independent non-executive directors, namely, Mr. Yan Man Sing Frankie, Mr. Tsui Yung Kwok and Dr. Liao Jianwen.