

RAFFLES EDUCATION CORPORATION LIMITED PRICES S\$80,000,000 5.8% FIXED RATE NOTES DUE 2016 TO BE ISSUED PURSUANT TO THE S\$300,000,000 MEDIUM TERM NOTE PROGRAMME

Raffles Education Corporation Limited (the "**Company**"), wishes to announce that it intends to issue S\$80,000,000 5.8% Fixed Rate Notes due 2016 (the "**Notes**"). The Notes will be issued under the S\$300,000,000 Medium Term Note Programme established by the Company on 22 February 2012 (the "**Programme**"). The Hongkong and Shanghai Banking Corporation Limited and United Overseas Bank Limited have been appointed as the joint lead managers and bookrunners for the Notes.

The Company is pleased to announce that it has priced the offering of the Notes and the principal terms of the Notes are as follows:

Issue Size:	S\$80,000,000
Issue Price:	100% of the principal amount of the Notes
Interest:	5.8% per annum payable semi-annually in arrear
Maturity Date:	Three years from the date of issue

The issue date of the Notes is currently expected to be on or about 22 February 2013.

The net proceeds arising from the issue of the Notes (after deducting issue expenses) will be used for the financing of general corporate funding requirements or investments of the Company (including refinancing of existing borrowings), working capital, capital expenditure and other general funding requirements.

Application will be made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Notes on the SGX-ST. Such permission will be granted when the Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Programme or such Notes.

In compliance with Rule 704(31) of the listing manual of the SGX-ST, the Company wishes to announce that under the terms and conditions of the Notes, if, for any reason, a Change of Shareholding Event (as defined below) occurs, the holder of any Note shall have the option, but not the obligation, to require the Company to redeem such Note at its redemption amount together with interest accrued to the date fixed for redemption.

A "**Change of Shareholding Event**" occurs when Mr Chew Hua Seng (NRIC No. S0192107Z) ceases to be the single largest holder of the issued share capital of the Company for the time being. For the purposes of determining whether a Change of Shareholding Event has occurred, the shareholding of Mr Chew Hua Seng shall include the shares of the Company in which he has a deemed interest pursuant to Section 7 of the Companies Act (Chapter 50 of Singapore).

Assuming (i) a Change of Shareholding Event occurs, (ii) all holders of the Notes require the Company to redeem their Notes and (iii) such change of shareholding and redemption of the Notes were to cause a default under other borrowings of the Company, the aggregate level of facilities that may be affected is estimated to be approximately S\$80 million.

BY ORDER OF THE BOARD

Chew Hua Seng
Chairman

19 February 2013