



# The Hong Kong Mortgage Corporation Limited

wholly-owned by the Hong Kong SAR Government

Our corporate HKD long-term credit ratings are AA - (S & P) and Aa3 (Moody's)

## Retail Bond Issue



**OPEN FOR SUBSCRIPTION NOW**

Subscription period: 25 May 2004 to 3 June 2004

Minimum denomination: HK\$50,000

Prospectuses are available from the following Placing Banks or on our website: [www.hkmc.com.hk](http://www.hkmc.com.hk)

Bank of America  
美國銀行 (香港)

☎ 2805 2383

中國銀行(香港)  
BANK OF CHINA (HONG KONG)

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BANK OF COMMUNICATIONS HONG KONG BRANCH

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☎ 2211 1311

集友銀行  
Fai Yee Banking Corporation Ltd.

☎ 2232 3633

citibank

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CITIC KA WAH BANK

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大新銀行  
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HSBC 滙豐

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☎ 2566 8181

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LIU CHONG HING BANK

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南洋商業銀行  
NANYANG COMMERCIAL BANK

☎ 2622 2633

上海商業銀行  
SHANGHAI COMMERCIAL BANK

☎ 2818 0282

Standard Chartered  
渣打銀行

☎ 2886 8868

永亨銀行

☎ 3199 9188

永隆銀行  
WING LUNG BANK

☎ 2526 5555

This leaflet is an extract from our issue prospectus dated 24 May 2004. Our directors have authorised its issue and are responsible for it. You must read our issue prospectus and our programme prospectus both dated 24 May 2004 before deciding whether to buy any of our Notes: our prospectus contain important information about us and our Notes which we have not attempted to summarise here. Ask any of the Placing Banks selling our Notes for a copy of our prospectuses. This is not a prospectus nor an offer or invitation. Applications for Notes will only be taken on the basis of our prospectuses.

## WE ARE OFFERING THREE SERIES OF NOTES

Series	Series A	Series B	Series C
Issue number	HKMC 205	HKMC 310	HKMC 401
	2.50% Notes due 2006	3.15% Notes due 2007	3.55% Notes due 2008
Offer period	9 a.m. on 25 May 2004 to 2 p.m. on 3 June 2004		
Interest rate (coupon)	2.50% per annum	3.15% per annum	3.55% per annum
	This is the percentage rate per annum we pay on the Notes as interest.		
Issue date	9 June 2004	9 June 2004	9 June 2004
	We may decide to close the offer early, or allow more time, without prior notice. We reserve the right to cancel the offer at any time on or before the scheduled issue date.		
Application Price	102%	102%	102%
	When you place your order you pay 102% of the principal amount of Notes you order plus a handling fee. If the subscription price is less than this, your bank will refund the difference to you without interest within 5 business days from the issue date. If the subscription price is more than this, you will have to pay the difference to your bank.		
Subscription Price	To be fixed by us (after the offer closes) on 7 June 2004.		
	The subscription price is the price you pay us for your Notes. It represents the actual amount of your investment in the Notes. We will fix the subscription price at an amount which means the annualised yield to maturity on your investment will be equal to the yield on an Exchange Fund Note (EFN) of similar maturity plus a specified margin. The EFN yield will be as quoted by the Hong Kong Monetary Authority on Reuters page 0#HKEFBN = MIDF at about 11.30am on 7 June 2004.		
Handling fee	0.15%	0.15%	0.15%
	This is the fee you pay the bank which handles your order, calculated as a percentage of the subscription price of Notes you buy. It is in addition to the application price and the subscription price you pay to us.		
Total issue amount	We will decide the total principal amount of Notes of each series to be issued in light of investor demand and our funding requirements. The minimum issue amount is HK\$50 million per series.		
Maturity	9 June 2006	11 June 2007	9 June 2008
	This is the date we will repay 100% of the principal of your Notes. We will not repay principal before these dates. If any of the dates on which we should pay interest or principal is not a business day in Hong Kong, we will make the payment on the next day which is a business day.		
Interest payment dates	9 December 2004 and 9 June and 9 December in each year until the maturity date of the Notes		
	We pay interest at the end of every six months.		
Minimum purchase amount	HK\$50,000	HK\$50,000	HK\$50,000
	The Notes are sold in individual units (denominations) of HK\$50,000. You can buy Notes only in multiples of HK\$50,000.		
Annualised yield	EFN 2605 fixing yield plus a margin of 0.12%	EFN 5706 fixing yield plus a margin of 0.15%	EFN 5803 fixing yield plus a margin of 0.30%
	The annualised yield is a measure of the actual return on your investment in the Notes (before handling, account and other fees).		