



Morgan Stanley



IGCP  
Agência de Gestão da Tesouraria  
e da Dívida Pública



**PRESS RELEASE – 23 January 2013**

## **Republic of Portugal (Ba3 (neg) / BB (neg) / BB+ (neg))**

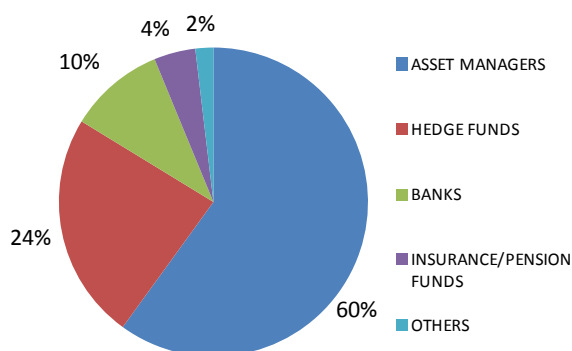
### **EUR 2.5 bn OT Syndicated Tap due 16 October 2017**

- The Republic of Portugal today successfully returned to the EUR long-term international capital markets with a €2.5 billion syndicated tap of its OT 4.35% bonds due 16 October 2017
- This is Portugal's first OT syndication since February 2011 and marks the sovereign's return to the international long-term bond markets following its request for official assistance in April 2011
- Transaction was upsized and priced though initial guidance following a single-day execution, a testament to Portugal's access to the international capital markets at beneficial terms
- Significant and consistent tightening across Portugal's EUR government bond curve, positive investor feedback, a constructive tone in the EUR market, and minimal competing supply gave Portugal an attractive window for issuance
- The mandate was announced at 15:30 Lisbon/London time on Tuesday 22 January 2013. The Republic began taking Indications of Interest at 08:45 Lisbon/London time on Wednesday 23 January 2013, communicating Initial Pricing Thoughts (IPT) of mid swaps +410 basis points area
- Books were formally opened at around 10:00 Lisbon/London time, with price guidance announced at mid swaps +400 basis points area. Indications of Interest (IOIs) at that stage exceeded €8 billion, with a strong presence from both domestic and international accounts. Books closed for European and Asian accounts at 12:45 Lisbon/London time, standing at over €10 billion. Orders exceeded €12 billion by 14:00 Lisbon/London time, when books closed for US investors
- The final order book exceeded €12 billion via approximately 300 accounts, underlining the breadth of support for this important transaction. The deal enjoyed particularly strong take-up from international real money investors, demonstrating widespread support for Portugal in the capital markets
- The quality and size of the order book enabled Portugal to fix the spread of the tap at mid swaps +395 basis points, 15 basis points inside of Initial Pricing Thoughts. This represents approximately a 5 basis point new issue concession versus the corresponding secondary market at the time of announcement

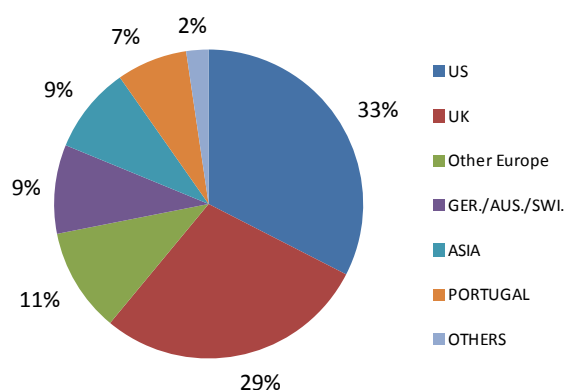
- Transaction priced at approximately 6:15 pm Lisbon/London time, at Mid-Swaps +395 basis points or 436 basis points over the corresponding OBL
- Market making obligations on MTS Portugal, BrokerTec, and eSpeed will apply

## DISTRIBUTION STATISTICS

**Distribution by Investor Type**



**Distribution by Geography**



## FINAL TERMS AND CONDITIONS

Issuer	The Republic of Portugal
Issuer Ratings	Ba3 (neg) / BB (neg) / BB+ (neg)
Issue Amount	EUR 2.5 billion
Trade Date	23 January 2013
Settlement Date	30 January 2013 + 106 Days Accrued Interest
Maturity Date	16 October 2017
Benchmark	OBL 0.50% due October 2017
Spread to Benchmark	+436 bps
Coupon	4.35% annual, ACT/ACT
Next Coupon Date	16 October 2013
Reoffer Spread	Mid Swaps +395 bps
Yield	4.891% annual
Issue Price	97.751%
Joint Lead Managers	Barclays, Banco Espirito Santo, Deutsche Bank, Morgan Stanley

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