

PRESS RELEASE

Financing Programme for the Republic of Portugal for 2H 2013

1. Financing strategy

The Financing Strategy for 2013 will continue to combine funding under the Financial Assistance Programme with market sources.

Opportunities to perform bond exchange transactions, such as the recently executed Sept13/Oct15 transaction, will be further explored.

With the current Treasury Bill Issuance plan the financing needs for 2013 are fully covered and IGCP has started, in the second quarter, to pre-fund for 2014 borrowing needs.

As such, and only if market conditions are conducive, it is IGCP intention to further consolidate the normalization of secondary market functioning by reintroducing regular issuance of Portuguese bonds, providing liquidity across the yield curve.

In the Financing Strategy for 2013 IGCP also expects a positive contribution from an increased offer of Retail Products.

2. Issuance of Treasury bills (BT)

In 2013, the net financing resulting from the issuance of BT should be **positive EUR 2,2 billion**. The strategy of issuing along the full curve will be maintained combining a short-term Bill – 3 or 6 month – with a longer tenor – 9, 12 or 18 month.

Except for December, IGCP will maintain the profile of holding a monthly auction on the 3rd Wednesday of each month but, if demand justifies, may decide also to use the 1st Wednesday.

Indicative amounts will continue to be announced within a range. In the case of two BT lines auctioned simultaneously, allocation between the two lines will be decided by IGCP depending on the bid's amount and price.

The indicative calendar and amounts of the BT auctions to be held in the second half of 2013 are as follows:

Instrument	Type	Indicative date	Indicative amount EUR million
BT20DEC2013	Reopening (5 months)	17-Jul-13	1250-1500
BT18JUL2014	Reopening (12 months)		
BT22NOV2013	Reopening (3 months)	21-Aug-13	750-1000
BT22AUG2014	Launch (12 months)		
BT20DEC2013	Reopening (3 months)	18-Sep-13	1250-1500
BT20MAR2015	Launch (18 months)		
BT17JAN2014	Reopening (3 months)	16-Oct-13	1250-1500
BT18JUL2014	Reopening (9 months)		
BT21FEB2014	Reopening (3 months)	20-Nov-13	1000-1250
BT21NOV2014	Launch (12 months)		
BT21MAR2014	Reopening (3 months)	04-Dec-13	1000-1250
BT19JUN2015	Launch (18 months)		

As usual, IGCP will retain flexibility to introduce adjustments to this programme as required by market developments and by the Republic's financing needs throughout the year.

IGCP, 12 July 2013