



Press Release – 6th April 2016
Republic of Portugal
Ba1 / BB+ / BB+ (stable/stable/stable)
EUR 1bn Tap of the outstanding October 2022
EUR 500mn Tap of the outstanding February 2045

Final Bond Terms for the 7-year tranche

Size	EUR 1bn
Pricing Date	April 6 th , 2016
Settlement Date	April 13 th , 2016
Maturity Date	October 17 th , 2022
Re-Offer Price/Yield	97.762%/2.576%
Coupon	2.200%
Re-offer vs. mid-swaps	Mid-Swaps+242bps
Re-offer vs. Benchmark	+286bps
Joint Bookrunners	Barclays, Citi, Crédit Agricole CIB, J.P. Morgan, Nomura, Novo Banco
Listing	MTS, BrokerTec, BGC-Brokers and Euronext Lisbon
Denominations	EUR 0.01
ISIN	PTOTESOE0013

Final Bond Terms for the 30-year tranche

Size	EUR 500mn
Pricing Date	April 6 th , 2016
Settlement Date	April 13 th , 2016
Maturity Date	February 15 th , 2045
Re-Offer Price/Yield	97.765%/4.235%
Coupon	4.100%
Re-offer vs. mid-swaps	Mid-Swaps+324bps
Re-offer vs. Benchmark	+351bps
Joint Bookrunners	Barclays, Citi, Crédit Agricole CIB, J.P. Morgan, Nomura, Novo Banco
Listing	MTS, BrokerTec, BGC-Brokers and Euronext Lisbon
Denominations	EUR 0.01
ISIN	PTOTEBOE0020

Context of the transaction

The Republic of Portugal, rated Ba1 / BB+ / BB+ (stable/stable/stable), issued today a dual tranche syndicated transaction consisting of a tap of its outstanding PGB October 2022 and a tap of its outstanding PGB February 2045, gathering combined investor interest close to EUR 4bn.

The tap of the 7-year priced with a spread of +242bps over mid-swaps, equivalent to +286bps over the DBR 1.50% due September 2022. The tap of the 30-year priced with a spread of +324bps over mid-swaps, equivalent to +351bps over the DBR 2.50% due July 2044. Barclays, Citi, Crédit Agricole CIB, J.P. Morgan, Nomura, Novo Banco acted as Joint Bookrunners.

This represents Portugal's second syndication of the year, and follows on from a new EUR 4bn PGB 10-year benchmark earlier in January.

Launch and execution process

On the back of a supportive underlying market the decision was made to announce the mandate at 15:15pm London time on Tuesday, April 5th 2016 for a dual tranche syndicated transaction consisting of two taps.

Following a conducive market opening the next day, Initial Pricing Thoughts (IPTs) were released at 9:00am London time at mid-swaps+low 240s for the 7-year and at mid-swaps+ low/mid 320s for the 30-year.

With combined Indications of Interest (IOIs) already over EUR 2.25bn (including EUR 530mn of JLM interest), the Joint Lead Managers opened books at 10:50am London time with an official price guidance of mid-swaps+242bps area for the 7-year and at mid-swaps+324bps area for the 30-year, reflecting the strong support and the quality of investors' interest.

Momentum continued into the morning with combined orders exceeding EUR 3bn (including EUR 565mn of JLM interest) within just over 1 hour of the book opening. The continued strong response from investors allowed for the guidance to be set at mid-swaps+242bps for the 7-year and at mid-swaps+324bps for the 30-year.

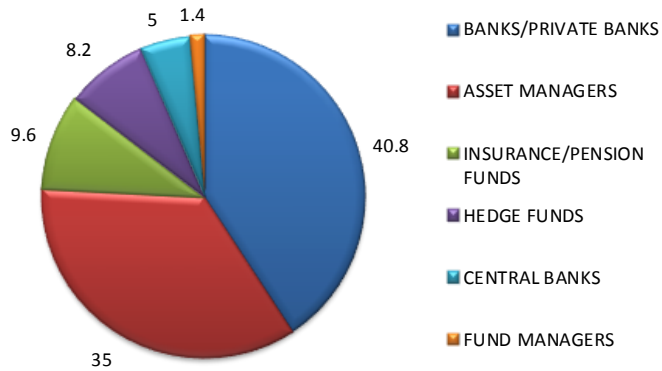
Books closed at 12:30pm London time approaching EUR 4bn allowing the Republic of Portugal to set the size to EUR 1bn in the 7-year tranche and EUR 500mn in the 30-year tranche.

The Republic of Portugal's dual tranche syndicated transaction priced at 16:20pm London time. The tap of the outstanding PGB October 2022 priced with a spread of +242bps over mid-swaps, equivalent to +286bps over the DBR 1.50% due September 2022. The tap of the outstanding October 2045 priced with a spread of +324bps over mid-swaps, equivalent to +351bps over the DBR 2.50% due July 2044.

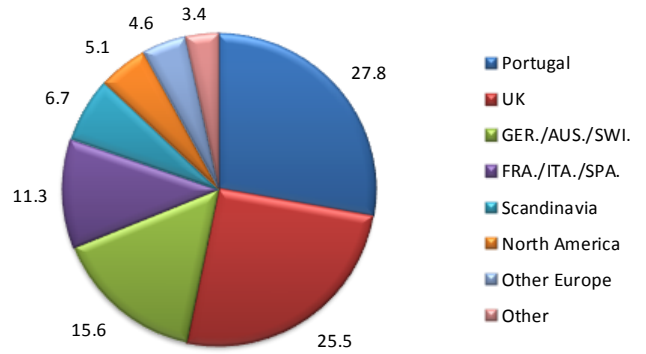
The dual tranche was more than 2.5 times oversubscribed and the orderbook reflects the high quality and diversity of demand for Portuguese Government Bonds. Total books closed approaching EUR 4bn of which over EUR 2.5bn was for the October 2022 and over EUR 1.3bn was for the 30-year tranche with JLM orders of EUR 375mn and EUR 190mn respectively. Over 190 accounts were in the book, of which more than 85 were in the 7-year and more than 105 in the 30-year tranche.

Distribution Statistics for the 7-year tranche

By Investor Type

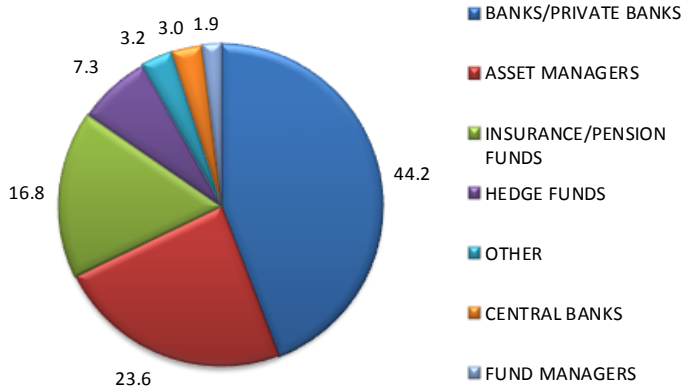


By Investor Geography



Distribution Statistics for the 30-year tranche

By Investor Type



By Investor Geography

