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MANILA

## **PRESS RELEASE FOR REPUBLIC OF THE PHILIPPINES GLOBAL BOND ISSUE**

The Republic of the Philippines (the “Republic”) returned to the international capital markets with a US\$ 1.5 billion dual-tranche reopening of the 6.50% Global Bonds due January 2020 and 6.375% Global Bonds due October 2034.

The issuance comprised a US\$ 650 million re-opening of the 2020 bonds, to bring the total size of that issue to US\$ 1.4 billion; and a US\$ 850 million re-opening of the 2034 bonds, to bring the total size of that issue to US\$ 1.85 billion.

The newly issued bonds were priced at 106.25% and 96.5% respectively. The 2020 bonds yielded 5.674% or an equivalent of 183.7bps over benchmark US Treasuries, while the 2034 bonds yielded 6.664% or an equivalent of 195.7bps over benchmark US Treasuries.

By geographical allocation, for the 2020s, 23% came from the Philippines, 25% from the rest of Asia, 35% from the U.S. and 17% from Europe, while for the 2034s 19% came from the Philippines, 21% from the rest of Asia, 40% from the U.S. and 20% from Europe.

This marks the first international global bond transaction out of Asia in 2010.

Finance Secretary Margarito Teves commented, “We are pleased with the strong interest shown by investors in this bond issue as this reflects continued confidence in Philippine debt papers. The proceeds of the bond issue will be helpful in funding our urgent requirements for infrastructure and the reconstructive efforts”. Treasurer of the Philippines Roberto Tan added that, “The transaction was heavily oversubscribed highlighting the continued global investor support and allowing us to raise a full US\$ 1.5 billion across both tranches further deepening the liquidity of the existing bonds and extending the duration of the Republic’s borrowings”.

Barclays Capital, Deutsche Bank Securities Inc. and HSBC acted as joint lead managers and joint bookrunners for the transaction.

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