

TRIPLE-TRANCHE EUROBOND TRANSACTION – MARCH 2017:

US\$ 1,250 MILLION 6.850 PERCENT NOTES DUE 2027

US\$ 1,000 MILLION 7.000 PERCENT NOTES DUE 2032

US\$ 750 MILLION 7.250 PERCENT NOTES DUE 2037

On March 23rd, 2017 the Lebanese Republic issued a US\$ 3 Billion triple-tranche Eurobond, under the Republic's Global Medium Term Note Program. The issuance represented the Republic's first tap of international capital markets in 2017 and was its largest ever new cash market issuance. Together, the issued tranches were 593 percent oversubscribed, whereby the total value of orders from local and international investors amounted to US\$ 17.8 billion.

The transaction had a weighted average yield of 7.00 percent and an average time to maturity of 14.17 years on the aggregate issues. The first series consisted of an US\$ 1,250 million 6.85% coupon Eurobond due March 2027 (Series 83) with a yield of 6.85%. The second series was a US\$ 1,000 million 7.00% coupon Eurobond due March 2032 (Series 84) with a yield of 7.00%. The third series was a US\$ 750 million 7.25% coupon Eurobond due March 2037 (Series 85) with a yield of 7.25%. International investors were allocated 20 percent of the total issue size, taking 26 percent of the March 2027 Note, 6 percent of the March 2032 Note, and 28 percent of the March 2037 Note.

Of total proceeds from the issue, US\$ 1.5 billion was used for the repayment of the US\$ 1.50 billion 9.000% coupon Eurobond due March 2017. The remaining amount will be used to pay down principal debt maturities in foreign currencies due in 2017.

The transaction that settled on March 23rd, 2017 was jointly managed by J.P. Morgan, Barclays Bank, Byblos Invest Bank and Société Générale de Banque au Liban (SGBL).

Terms and Conditions

Series (tranche)	83	84	84
Issue size (in USD)	1,250,000,000	1,000,000,000	750,000,000
Issue date	March 23 rd 2017	March 23 rd 2017	March 23 rd 2017
Maturity	March 23 rd 2027	March 23 rd 2032	March 23 rd 2037
Coupon rate	6.850%	7.000%	7.250%
Coupon payment	Semi-annual	Semi-annual	Semi-annual
Principal payment	Bullet payment at maturity	Bullet payment at maturity	Bullet payment at maturity
Issue Price	100.00%	100.00%	100.00%
Re-offer Yield	6.850%	7.000%	7.250%
ISIN code	XS1586230051	XS1586230481	XS1586230309
Benchmark Yield on March 20 th , 2017*	10-year UST 2.477%	10-year UST 2.477%	30-year UST 3.090%
Re-offer Spread vs. Benchmark	+437 bps	+452 bps	+416 bps
Lead Managers	Barclays Bank, Byblos Bank, JP Morgan Securities, Société Général de Banque au Liban		

*Pricing date.

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