

June 28, 2018



The Ministry of Finance finalizes successful placement of bonds in pesos for CLP\$ 1,050,000 million (approximately US\$1.6 billion), with participation of local and international investors

- *The placement was made on peso bonds maturing in 2023 and 2030. CLP\$ 440,000 million (approximately US\$681 million) were allocated for the 2023 Bond and CLP\$ 610,000 million (approximately US\$944 million) for the 2030 Bond.*
- *The yield rate was 4.12% for the bond maturing in 2023, and 4.85% for the bond maturing in 2030.*
- *Foreign investors were able to participate directly and simultaneously with local investors. Foreign investors made up 10% of the total bonds placed.*

Today, the government finalized a successful placement of two bonds in pesos, due in 2023 and 2030, with concurrent offers from both local and international markets. Foreign investors were allocated 10% of the bonds placed.

The instruments placed were the peso bonds maturing in 2023 (BTP-2023) and in 2030 (BTP-2030), for CLP\$ 440,000 million (approximately US\$681 million) and CLP\$ 610,000 million (approximately US\$944 million), respectively. The yield rate was 4.12% for the BTP-2023 and 4.85% for the BTP-2030. Both rates were 10 basis points above the interpolated rate based on the benchmark curve and the secondary market transactions of the previous day. The allocation to foreign investors for the BTP-2023 and the BTP-2030 bonds were 8% and 11% of the total bonds placed, respectively.

This operation complements the debt issuance plan announced for 2018 through the Open Market Operations System of the Central Bank (SOMA).

Allocation to International Institutional Investors.

The bond placements were carried out through a book-building, which is similar to the process used in January and June of 2017, with a book of orders in which both local and international investors participate. This process is in accordance with rules 144A ("Rule 144A") and regulation S ("Regulation S"), which were issued under the securities market act of 1933 of the United States of America.

The bonds allocated to foreign investors will initially be held in the account of Euroclear Bank S.A./N.V. in the Central Securities Depository, and may be traded on said platform.

The banks in charge of coordinating this operation were HSBC Securities (USA) Inc.; Itau BBA Securities Inc., and Scotia Capital (USA) Inc.