The Central Bank of Egypt Reaches Terms for USD 3.8 billion Financing from International Banks

The Central Bank of Egypt agreed to enter into a new repurchase transaction on October 10th, 2018 with a consortium of international banks namely, Citigroup Global Markets Limited, Credit Suisse AG, London Branch, Deutsche Bank AG, London Branch, First Abu Dhabi Bank PJSC, HSBC Bank plc, HSBC Bank Middle East Limited, ICBC Standard Bank plc**,** J.P. Morgan Securities plc, Natixis, and Nomura International plc for a total amount of USD 3.8 billion and a final maturity of 4 years and six months and an average life of 3 years.

The Repurchase Transaction will settle on November 19th, 2018, following the CBE repayment of the total sum of USD 3.1 billion, on November 15th, 2018, honoring the terms of the previous Repurchase Transaction transacted in November 2017, with a consortium of international banks.

The transaction aims to achieve CBE's objective of enhancing its liability management by extending the duration of its debt structure.

Moreover, the transaction reflects the continued strong affirmation and vote of confidence by the international market in the success of the homegrown economic reform program during the past years as well as the ongoing commitment demonstrated by Egyptian authorities in bolstering domestic economic and financial conditions which have contributed to Egypt's improving economic profile, despite increasing risk factors in the global environment and tightening global conditions.

This financing transaction is provided by the banks against the entire amount of the Arab Republic of Egypt dollar-denominated sovereign bonds with maturities November 2024 and November 2028 in addition to newly to be issued Egypt dollar-denominated sovereign bonds maturing in 2026 and 2030, all of which will be held by the CBE, and listed on the Irish Stock Exchange and whose issuance complies with international standards. The repo will bear a loan to value at inception of 75%.