



May 11, 2020

Buenos Aires, Argentina: The Fernández administration has pledged to address Argentina's public debt sustainability challenges while promoting an economic growth model for the country that is inclusive, fair and long-lasting.

In just five months and in an international environment marked by an unprecedented global crisis resulting from the COVID-19 pandemic, the government proactively managed local currency debt through 17 public tenders. To date, we have refinanced a total of 315bn pesos substantially reducing interest rates and lengthening the maturity profile.

The recent reprofiling of the Lecaps, Bogato and Boncer 2020, and the Bono Dual AF20 (including in last week's USD denominated LETES transactions) also represent important steps in our efforts to reach a debt profile that is aligned with Argentina's debt service capacity.

With respect to our external bond debt, on April 21, 2020, Argentina invited holders of those bonds to participate in an exchange that pursues the same goals that we have promoted with our other debt constituents: creating breathing room for our economy to recover, stretching out payments so that we can mitigate the refinancing risk and its negative implications, and reducing the overall financing cost to levels that are more adequately tailored to Argentina's medium and long-term foreign exchange generation capacity. The proposal is founded on the support expressed by a broad spectrum of Argentina's society (governors, congress people and more than 1,400 mayors, business men and women and union leaders, including opposition representatives) to financial obligations that the country can in good faith commit to honor. Argentina's invitation also received the [unprecedented] backing of more than 130 internationally renowned economists from different lines of thought and of more than 170 Argentine economists.

While many of our bondholders supported Argentina's invitation, other significant groups of creditors did not. Among those that rejected Argentina's offer, several have indicated that there are better alternatives that can be reconciled with the objectives that this administration has set for itself and for the Argentine people.

We remain open to discussing all contributions designed to help Argentina achieve its goals and at the same time enhance creditor recoveries. We will consider in good faith any debt-restructuring proposal that meets the sustainability objectives we need to secure, including combinations of interest rates, capital reduction, grace periods and extension of maturities different from those we have proposed.

With the cooperation of private sector creditors and the official sector, Argentina can weather this period of turmoil avoiding the social, political and economic distress that sadly afflicted

the Republic at the beginning of this Century. Argentina firmly believes that through engagement with its creditor community remedial measures can be identified at a time when such measures will still be adequate to stabilize the situation and return the country's economy to long term growth and its debt to a sustainable footing.

Recognizing that all parties have more to gain if creditors are given further opportunities to contribute to a successful debt restructuring, Argentina has extended the deadline for the invitation relating to its external debt to May 22, 2020.