



Ministerio de Economía y Producción

Prensa y Difusión

COMUNICADO DE PRENSA

A los fines de cumplir con requisitos de orden legal en los mercados internacionales, se ha emitido en el día de hoy el siguiente comunicado informativo, que fija el "Settlement Day" el día 2 de junio del corriente año.

Se transcribe el comunicado:

" FOR IMMEDIATE RELEASE

June 10, 2005

ARGENTINA ANNOUNCES SETTLEMENT OF ITS SUCCESSFUL EXCHANGE OFFER

BUENOS AIRES: The Republic of Argentina today announced that it has successfully concluded its global exchange offer (the "Offer"). The Offer, as previously announced, was made on the terms and subject to the conditions set forth in the Prospects Supplement dated January 10, 2005 (the "Prospectus Supplement") and the Prospectus dated December 27, 2004 attached thereto. Capitalized terms not defined herein are used herein as defined in the Prospectus Supplement.

In accordance with the terms of the new securities issued in the Offer, during the period of 180 days following June 2, 2005, the first day of the settlement process, the GDP-linked Securities issued pursuant to the Offer will remain attached to and trade as a single unit with the underlying Par, Discount and Quasi-par Bonds issued pursuant to the Offer under a shared securities code. Upon expiration of this 180-day period, the GDP-linked Securities and the underlying Par, Discount or Quasi-par Bonds will automatically detach and will no longer constitute a single unit. This 180-day period will expire on November 29, 2005. After November 29, 2005, the GDP-linked securities will trade independently from the underlying Par, Discount or Quasi par Bonds under distinct security codes. As described in the Prospectus Supplement, no action on the part of holders of the new securities is required for purposes of effecting this detachment. Also, in accordance with the terms of the Offer, Quasi-par Bonds will not be transferable until June 2, 2006.

Bondholders who tendered Par Brady Bonds and Discount Brady Bonds pursuant to the Offer have been funded the cash proceeds resulting from the redemption of the collateral securing the principal repayment of their tendered bonds, in accordance with the terms of the Offer.

The aggregate redemption price for the zero-coupon U.S. Treasury bonds securing the principal repayment of the U.S. dollar-denominated Par Brady Bonds and Discount Brady Bonds was U.S. \$45.367596, as determined by the U.S. Treasury based on the average market bid yields on the U.S. Treasury's principal STRIPS maturing on



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August 15, 2022 and November 15, 2022, as of the close of business on June 2, June 3 and June 6, 2005.

The aggregate redemption price for the zero-coupon KfW bonds securing the principal repayment of the euro-denominated Par Brady Bonds and Discount Brady Bonds was €50.171160, as determined by KfW based on rate quotes received from three financial institutions as of 11:00 a.m. Frankfurt time on May 31, 2005, since the Reuters screens described in the Prospectus Supplement were not available at the prescribed time.

Bondholders who tendered Par Brady Bonds and Discount Brady Bonds pursuant to the Offer have received Discount Bonds in exchange for their tendered bonds in accordance with the following ratios:

<u>Eligible Security</u>	<u>Eligible Amount Per 100 Principal Units of Relevant Currency</u>
U.S. dollar-denominated Discount Brady Bonds	46.890737415150
U.S. dollar-denominated Par Brady Bonds	49.132404081817
Euro-denominated Discount Brady Bonds	44.260955333062
Euro-denominated Par Brady Bonds	44.447955071654

Each series of Par, Quasi-par and Discount Bonds, and GDP-linked Securities have been accepted for listing on the Buenos Aires Stock Exchange and the *Mercado Abierto Electrónico*, and application has been made to list each series of Par Bonds, Discount Bonds and GDP-linked Securities on the Luxembourg Stock Exchange.

THIS PRESS RELEASE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES REFERENCED HEREIN, NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION, QUALIFICATION, FILING, SUBMISSION OR PRESENTATION UNDER AND IN ACCORDANCE WITH THE SECURITIES LAWS OF ANY SUCH STATE OR OTHER JURISDICTION.

NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY ARGENTINA TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ARGENTINA."

Buenos Aires, 10 de junio de 2005