

**DUAL-TRANCHE EUROBOND TRANSACTION:  
US\$ 500 MILLION 5.15 PERCENT NOTES DUE 2018 AND  
US\$ 225 MILLION 6.10 PERCENT NOTES DUE 2022**

On November 12<sup>th</sup>, 2010, the Lebanese Republic issued a US\$ 725 million dual-tranche offering with international orders accounting for 26 percent of subscriptions on the aggregate amount. The transaction resulted in the lowest market<sup>1</sup>-yields ever issued by the Republic of Lebanon on fixed rate bonds with a weighted coupon average of 5.44 percent and an average time to maturity of 9.21 years. The transaction was more than three times oversubscribed.

The first series consisted of a US\$ 500 million 5.15 percent coupon Eurobond due November 2018 (Series 56) with international accounts subscribing to 30 percent of the issue. The second series was a US\$ 225 million 6.10 percent coupon Eurobond due October 2022 (Series 57) with international orders accounting for 16 percent of subscriptions. The lead managers for the transaction were Bank of Beirut S.A.L, and Credit Suisse.

The proceeds of the issue were utilized for refinancing operations. The transaction is the second market transaction executed by the Lebanese Republic in 2010 to refinance maturing debt following the issuance of a ten-year US\$ 1.2 billion Eurobond at par with a coupon of 6.375 percent as settled on March 9<sup>th</sup>, 2010.

**Terms and Conditions of the Issuance**

Series	56	57
Issue size (in USD)	500,000,000	225,000,000
Issue date	November 12, 2010	November 12, 2010
Maturity	November 12, 2018	October 4, 2022
Coupon rate	5.15%	6.10%
Coupon payment	Semi-annual	Semi-annual
Principal payment	Bullet payment at maturity	Bullet payment at maturity
Issue Price	100.00%	100.00%
Re-offer Yield	5.15%	6.10%
ISIN code	XS0559237952	XS0559237796
Re-offer Spread on 9 November, 2010*	MS + 287.8 bps	MS + 315.0 bps
Benchmark Bond on 9 November, 2010*	Midswap 8 year	Midswap 12 year
Benchmark Yield on 9 November, 2010*	2.272%	2.950%
Lead Managers	Bank of Beirut, Credit Suisse.	

\*Pricing date.

<sup>1</sup> Market Eurobonds exclude Eurobonds issued to the Central Bank or in relation to the Paris II and III conferences.



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