



**REPUBLIC OF TURKEY
PRIME MINISTRY
UNDERSECRETARIAT OF TREASURY**

No: 2005/ ...

February 08, 2005

PRESS RELEASE

As part of the 2005 external borrowing programme, the second bond of the year was issued today.

The bond has 12 years to maturity, has a coupon rate of 5,5%, a yield to investor of 5,695% and a size of € 1 billion.

The bond will be redeemed on February 16, 2017.

- The bond has the longest maturity among Turkish Euro denominated bonds.
- The Euro yield curve has been extended to 12 years with attractive borrowing costs. The coupon rate of the bond constitutes the lowest one among the bonds issued so far in Dollars and Euro markets.
- The demand from 30 different countries reached to € 5,5 bn.
- 35% of the bond has been sold to Europe, 30% to Turkey, 26% to United Kingdom and the remaining 9% to Asia and Middle East.
- The order-book constituted of 300 investors. The issuance of this bond, which is the very first € denominated transaction after the Presidency Conclusions of the Brussels European Council Meeting on December 17, 2004, attracted a great amount of interest from the European investors who had not purchased our previously issued bonds.

Eurobond Issuance in 2005

Date of Issue	Currency	Amount (million)	Maturity	Coupon Rate (%)	Price (%)	Yield to Investor (%)	Yield to Investor (Spread)
24.01.2005	\$	2,000	05.02.2025	7,375	98,507	7,520	UST +282,5 bp
16.02.2005	€	1,000	16.02.2017	5,500	98,337	5,695	Bund + 224 bp