



Press Release

For Immediate Release

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## **Belize Seeks National Assembly Approval for Exchange Offer**

Belmopan, Belize: The Government of Belize today announced that it will seek the approval of the Belizean National Assembly for the financial terms of an offer to exchange its U.S. Dollar Step-up Bonds due 2029 (the “2029 Bonds”) for new U.S. Dollar Bonds (the “New Bonds”). If approved by the National Assembly, the exchange offer will be formally launched later this month and is expected to close in late March.

The New Bonds for which the Government is seeking National Assembly approval will mature in 2038, with equal semi-annual principal payments commencing in August 2019. The New Bonds will bear interest from 20 March 2013 through 19 August 2017 at a fixed per annum rate of 5.000%. Thereafter, the rate will increase to 6.767%.

The terms of the exchange offer are expected to provide that on the closing date of the offer creditors will receive, in exchange for their 2029 Bonds, New Bonds with a face value equal to the sum of (i) 90% of their holdings of the 2029 Bonds and (ii) past due and accrued but unpaid interest through 19 March 2013. Capitalized interest through 19 March 2013 will be calculated at an annual interest rate of 8.5%. Total capitalized interest will amount to 7.083% of the principal amount of the 2029 Bonds.

It is expected that an aggregate sum of US\$1.7 million will be deducted by the Trustee from the first coupon payment in order to cover certain out-of-pocket expenses incurred by the Creditor Committee that negotiated the terms of the exchange offer and to fund an account covering contingent Trustee expenses.

The exchange offer will be made pursuant to an Offering Memorandum to be prepared by Belize, which will more fully set forth the terms and conditions of the exchange offer.

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This communication is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act of 1933, as amended. No public offering of securities in the United States is contemplated by the Government of Belize at this time.