

29th April 2009

PRESS RELEASE



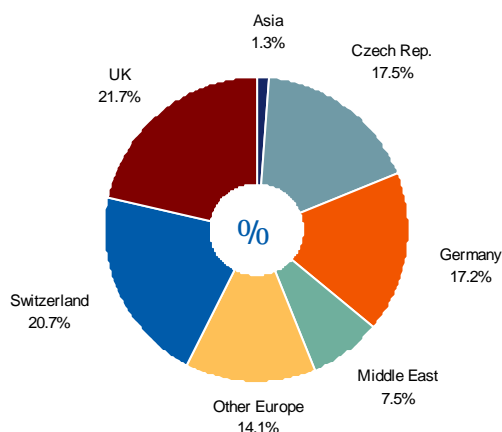
City of Warsaw (A2)

EUR 200 million benchmark 6.875% issue due 6th May 2014

- The City of Warsaw, rated A2 by Moody's, has successfully priced its inaugural EUR 200 million benchmark issue due 06 May 2014 through BNP PARIBAS and DEUTSCHE BANK. The issue pays an annual coupon of 6.875% and has a reoffer price of 99.487
- The City of Warsaw is the capital of Poland and the country's main centre of social, economic, scientific and cultural life. With over 1.7 million inhabitants, Warsaw is the largest city in Poland and eighth-largest city in the European Union
- This transaction represents the City's inaugural Euro benchmark using the newly created MTN programme, from which Warsaw is expected to access the capital markets with on a regular basis
- Market conditions have been relatively stable over the past few weeks and following on from positive investor feedback and indications of interest from a number of accounts, the joint-lead managers decided to open books officially on Monday, 27th April at 9.00 London time
- Initial price guidance had been in the 7% coupon area and those investors who had expressed earlier interest were quick to firm up their orders with additional momentum coming out of Swiss, UK and German accounts which allowed orderbooks to quickly reach EUR 190 million by early afternoon of day one
- We kept orderbooks open overnight to allow a handful of accounts who needed time to apply for lines to finish the necessary credit work, and by the time books closed the following morning, we were well oversubscribed with around EUR 250 million worth of interest for a EUR 200 million sized deal
- The transaction was finally priced at 11.30 London time on Tuesday, 28th April with a coupon of 6.875% - tighter than the initial price guidance and reflecting the granular nature and high quality of the orders
- The successful outcome of the trade and the strong oversubscribed orderbook that was built within the space of just 24 hours, demonstrates the solid credit fundamentals of Warsaw and its ability to access the capital markets
- Over 65 different accounts took part in the deal and it was pleasing to see not only the strong support from Poland's immediate neighbours such as the Czech Republic (17.5%) and Germany (17.2%), but also Swiss private banking interest (20.7%)

Allocation breakdown...

...by region



... by investor type

