

# UKRAINE PROVIDES FURTHER DETAILS OF PROCESS FOR ISSUANCE OF CONSIDERATION TO NON-PARTICIPATING HOLDERS, PAYMENT OF UNPAID INTEREST AND CASH PROCEEDS ARRANGEMENT

**Kyiv, 20 April 2016**

Further to the notice published on 22 March 2016, the Ministry of Finance of Ukraine (“Ukraine”) wishes to provide holders of the Designated Securities of the Series set out in the table below who did not deliver a valid Participation Instruction in the Invitation prior to the Expiration Deadline or the Voting Deadline (“Non-Participating Holders”) with further details of the process for the issuance, delivery and (where applicable) sale of the relevant holders’ Consideration, as well as the timing and method of delivery of interest relating to such Consideration for the interest period from 1 September 2015 to 1 March 2016.

Terms used herein and defined in the Exchange Offer Memorandum dated 23 September 2015 (as amended and supplemented, the “Exchange Offer Memorandum”) are used as so defined, unless otherwise defined herein.

Details of each series of notes (the “Designated Securities”) this notice relates to are as follows:

<b>Ukraine Sovereign Bonds:</b>	<b>ISIN</b>	<b>CUSIPS</b>
U.S.\$ 500,000,000 6.875 per cent. due 2015	XS0543783434	603674AB8
U.S.\$ 1,500,000,000 7.75 per cent. due 2020	XS0543783194	603674AA0
U.S.\$ 1,250,000,000 7.5 per cent. due 2023	XS0917605841	903724AG7
U.S.\$ 700,000,000 6.75 per cent. due 2017	XS0330776617	NO CUSIP
U.S.\$ 1,000,000,000 6.58 per cent. due 2016	XS0276053112	903724AB8
U.S.\$ 2,250,000,000 7.8 per cent. due 2022	XS0858358236	903724AF9
U.S.\$ 1,250,000,000 6.25 per cent. due 2016	XS0638552942	903724AC6
U.S.\$ 2,600,000,000 9.25 per cent. due 2017	XS0808758196	903724AD4
U.S.\$ 1,500,000,000 7.95 per cent. due 2021	XS0594390816	126826AH9
€ 600,000,000 4.95 per cent. due 2015	XS0232329879	NO CUSIP

<b>FinInPro Guaranteed Bonds</b>	<b>ISIN</b>	<b>CUSIPS</b>
U.S.\$ 568,000,000 8.375 per cent. due 2017	XS0556327822	31771VAA1
U.S.\$ 690,000,000 7.40 per cent. due 2018	XS0619856460	31771VAB9
U.S.\$ 550,000,000 9.0 per cent. due 2017	XS0862476230	31771VAC7

## **Procedure for delivery of New Notes and GDP-linked Securities to Non-Participating Holders who have provided Delivery Certificates and Cash Proceeds Arrangement**

As described in the notice published on 22 March 2016, New Notes and New GDP-linked Securities (the “New Securities”) will be delivered to all Non-Participating Holders who delivered their Delivery Certificates prior to 5 pm Pacific time on 11 April 2016 (the “Expiry Date”) and are eligible to receive the Consideration (the “Eligible Non-Participating Holders”). Non-Participating Holders who have not delivered a valid and complete Delivery Certificate prior to the Expiry Date or are not eligible to receive the Consideration (the “Ineligible Non-Participating Holders”), will have the New Securities attributable to their holdings of Designated Securities aggregated, issued and delivered to the Settlement and Tabulation Agent’s custody account and subsequently sold. Such holders’ pro rata shares of the Net Cash Proceeds of sale will be paid to them in accordance with the Cash Proceeds Arrangement set out in the Exchange Offer Memorandum.

In addition, those New Notes and GDP-linked Securities currently held by the Settlement and Tabulation Agent in respect of (i) entitlements to Consideration which fell below the minimum denomination of the relevant form of Consideration, or (ii) amounts of Consideration rounded down as described under “*The Invitation – Minimum Denominations*” of the Exchange Offer Memorandum ((i) and (ii) together the “Fractional Entitlements”) shall be sold separately as part of the Cash Proceeds Arrangement following the issue date of the New Securities. The pro rata shares of the Net Cash Proceeds of the sale of such New Notes and GDP-linked Securities will be delivered to the relevant holders in accordance with the Cash Proceeds Arrangement set out in the Exchange Offer Memorandum.

### **Issuance of New Securities**

It is expected that the New Securities will be issued by Ukraine, following the passing of the requisite resolution by the Cabinet of Ministers of Ukraine, on 28 April 2016 (the “Issue Date”).

The terms of the New Notes to be issued on the Issue Date will provide for a first interest payment date of 12 May 2016 (the “First Interest Payment Date”) for the payment of interest due under such New Notes for the period from (and including) 1 September 2015 to (but excluding) 1 March 2016 (with a record date of 1 clearing system business day prior to the First Interest Payment Date). Accordingly such New Notes will be issued under a temporary ISIN or CUSIP (as applicable) and will not be consolidated or form a single series with the corresponding series of outstanding New Notes until the First Interest Payment Date.

The New GDP-linked Securities to be issued on the Issue Date will be consolidated, and form a single series, with the outstanding GDP-linked Securities on the Issue Date.

It is expected that the New Securities will be admitted to trading on the EU-regulated market of the Irish Stock Exchange on the Issue Date.

New Securities due to Eligible Non-Participating Holders will be delivered initially to The Bank of New York Mellon as distribution agent and then delivered as soon as practical through the clearing systems to the accounts of Eligible Non-Participating Holders provided in their Delivery Certificates.

New Securities due to Ineligible Non-Participating Holders will be delivered initially to The Bank of New York Mellon as distribution agent and will then be sold in accordance with the Cash Proceeds Arrangement as set out in the Exchange Offer Memorandum.

### **Cash Proceeds Arrangement**

During the weeks following the Issue Date, the Settlement and Tabulation Agent will sell the Consideration that is subject to the Cash Proceeds Arrangement and the Net Cash Proceeds resulting therefrom will be paid to those entitled to them as soon as practicable following the sale of the total

aggregate amount of (i) the New Securities, in the case of Ineligible Non-Participating Holders, and (ii) the Securities which were issued to cover the Fractional Entitlements, in the case of holders entitled to Fractional Entitlements, subject in each case to the provisions of the Cash Proceeds Arrangement.

The price, terms, timing and manner of such sale will be on the best terms reasonably available at the time using a transparent open market process. Neither the Settlement and Tabulation Agent nor Ukraine will have any liability for any loss or alleged loss arising from such sale or a failure to procure any purchaser for the New Notes and GDP-linked Securities (or any of them).

#### **Treatment of interest for the period 1 September 2015 to 1 March 2016**

##### *Interest due on the New Notes*

Interest on the New Notes issued on the Issue Date for the interest period from and including 1 September 2015 to but excluding 1 March 2016 will be payable on 12 May 2016 to the holders of record of such New Notes one business day prior to such date.

For the avoidance of doubt, New Notes issued on the Issue Date attributable to Ineligible Non-Participating Holders will be sold by the Settlement and Tabulation Agent along with the right to receive interest in respect of the period from and including 1 September 2015 to but excluding 1 March 2016, and the Net Cash Proceeds of such sale shall be paid to the relevant Holders in accordance with the Cash Proceeds Arrangement set out in the Exchange Offer Memorandum.

##### *Interest due in relation to New Notes issued in respect of Fractional Entitlements*

Interest for the period from and including 1 September 2015 to but excluding 1 March 2016 already paid in relation to New Notes currently held by the Settlement and Tabulation Agent in respect of Fractional Entitlements will be paid along with the Net Cash Proceeds of sale thereof to the relevant Holders in accordance with the Cash Proceeds Arrangement set out in the Exchange Offer Memorandum.

This notice is given by:

#### **UKRAINE, REPRESENTED BY THE MINISTER OF FINANCE OF UKRAINE, ACTING ON THE INSTRUCTIONS OF THE CABINET OF MINISTERS OF UKRAINE**

c/o The Ministry of Finance of Ukraine  
12/2 Str. Grushevskogo  
Kyiv, 01008  
Ukraine

**All enquiries should be directed to the Information Agent:**

#### **D.F. King**

##### *In London:*

125 Wood Street  
London EC2V 7AN  
England  
Telephone: +44 20 7920 9700

##### *In Hong Kong:*

Suite 1601, 16/F, Central Tower  
28 Queen's Road Central  
Hong Kong

Telephone: +852 3953 7230

*In New York:*

48 Wall Street, 22nd Floor

New York, New York 10005

United States

Telephone: + 1 212 269 5550

Email: [Ukraine@dfkingltd.com](mailto:Ukraine@dfkingltd.com)

Offer Website: <http://sites.dfkingltd.com/ukraine>

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