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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Communications Department

30, Janadhipathi Mawatha, Colombo 01, Sri Lanka.

Tel: 2477424, 2477423, 2477311

Fax: 2346257, 2477739

E-mail: dcommunications@cbsl.lk, communications@cbsl.lk

Web: www.cbsl.gov.lk

Press Release

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Public Debt Department

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Issue of Sri Lanka Development Bonds (SLDBs)

The Central Bank of Sri Lanka, on behalf of the Government of Sri Lanka, offered to issue Sri Lanka Development Bonds (SLDBs) of US Dollars 150 million in 3-year tenor to eligible investors for subscription at a rate of US Dollar 6 month LIBOR plus a margin to be determined through competitive bidding.

The offer was opened from 18 – 25 June 2012 for bidding with the settlement on 02 July 2012. Both foreign and local commercial banks subscribed bids at the auction. The offer was oversubscribed by 1.5 times with total bid received amounting to USD 229.02 million. In view of the high demand by the investors, the Government decided to accept US Dollars 229.02 million in 3 year maturity at the market determined rates of US Dollar 6 month LIBOR + 410 bps (weighted average margin). Today, the US Dollar 6 month LIBOR rate is 0.73 per cent.

The SLDB issue was executed in terms of Section 2 (a) and 2 (c) of the Foreign Loans Act No. 29 of 1957 as amended.

The SLDBs are transferable by endorsement, delivery and registration with the Superintendent of Public Debt of the Central Bank of Sri Lanka. Eligible investors may purchase SLDBs in the secondary market through Designated Agents appointed by the Central Bank of Sri Lanka.