

ARGENTINA ANNOUNCES RESULTS OF SUCCESSFUL EXCHANGE OFFER

Buenos Aires, Argentina: The Republic of Argentina today announced the final results of its global offer (including its concurrent offer in Japan, the “Offer”) to exchange certain of its outstanding debt securities (the “Eligible Securities”) with an aggregate eligible amount (representing principal and past-due interest as described in Argentina’s offering document) of approximately U.S.\$ 81.8 billion, for a total of eleven series of Par Bonds, Quasi-par Bonds and Discount Bonds (collectively, the “New Bonds”) and five series of GDP-linked Securities. Pursuant to the terms of the Offer, all currency conversions have been performed using currency exchange rates in effect on December 31, 2003, including the “U.S. dollar equivalent” figures below.

Eligible creditors holding approximately 76.15% of the aggregate eligible amount of the Eligible Securities participated in the Offer, which expired on February 25, 2005. Approximately U.S.\$ 62.3 billion equivalent aggregate eligible amount of Eligible Securities (representing approximately U.S.\$ 62.5 billion equivalent in outstanding principal amount) were tendered and accepted for exchange. Settlement of the Offer is scheduled to begin on April 1, 2005 and may last up to seven business days.

Upon settlement of the Offer, Argentina will issue U.S.\$ 35.3 billion equivalent aggregate principal amount of New Bonds. This amount includes:

- U.S.\$ 15 billion equivalent aggregate principal amount of Par Bonds, comprised of:
  - U.S.\$ 6.6 billion in U.S. dollar-denominated Par Bonds (of which, U.S.\$ 5.3 billion will be governed by New York law, and the remainder by Argentine law),
  - €5.1 billion in euro-denominated Par Bonds,
  - Ps. 5.4 billion in peso-denominated Par Bonds, and
  - ¥ 21.0 billion in yen-denominated Par Bonds;
- U.S.\$ 11.9 billion equivalent aggregate principal amount of Discount Bonds, comprised of:
  - U.S.\$ 3.7 billion in U.S. dollar-denominated Discount Bonds (of which, U.S.\$ 3.1 billion will be governed by New York law, and the remainder by Argentine law),
  - €2.3 billion in euro-denominated Discount Bonds,
  - Ps. 15.6 billion in peso-denominated Discount Bonds, and
  - ¥ 5.8 billion in yen-denominated Discount Bonds; and
- Ps. 24.3 billion (approximately U.S.\$ 8.3 billion) aggregate principal amount of Quasi-par Bonds.

Argentina will also issue GDP-linked Securities with an aggregate notional amount of approximately U.S.\$ 62.3 billion equivalent, comprised of:

- U.S.\$ 17.4 billion in U.S. dollar-denominated GDP-linked Securities (of which, U.S.\$ 14.5 billion will be governed by New York law, and the remainder by Argentine law),
- €11.9 billion in euro-denominated GDP-linked Securities,
- Ps. 86.4 billion in peso-denominated GDP-Linked Securities, and
- ¥ 38.4 billion in yen-denominated GDP-linked Securities.

Investor participation in the Offer in excess of 70% of the aggregate eligible amount of Eligible Securities enabled Argentina, in accordance with the terms of the Offer, to issue up to U.S.\$ 15.0 billion equivalent aggregate principal amount of Par Bonds. Total global demand for Par Bonds, however, equaled U.S. \$20.3 billion in aggregate principal amount of Par Bonds, exceeding the maximum principal amount that Argentina could issue by U.S.\$ 5.3 billion. The demand for Par Bonds was broken down as follows:

- Holders who participated in the Offer during the early-tender period, which expired on February 4, 2005, tendered Eligible Securities in an aggregate eligible amount of U.S.\$ 10.8 billion. In accordance with the terms of the Offer, the amount of each such tender not in excess of U.S.\$ 50,000 equivalent in outstanding principal amount received first priority in the allocation of Par Bonds. We refer to the portion of each such early-tender below the U.S.\$ 50,000 equivalent threshold as “Basket A” tenders, and the portion in excess of the U.S.\$ 50,000 equivalent threshold as “Basket C” tenders.
- Holders who participated in the Offer during the late-tender period, which began upon expiration of the early tender period on February 4, 2005, and expired on February 25, 2005, tendered Eligible Securities in an aggregate eligible amount of U.S.\$ 9.5 billion. In accordance with the terms of the Offer, the amount of each such tender not in excess of U.S.\$ 50,000 equivalent in outstanding principal amount received second priority in the allocation of Par Bonds. We refer to the portion of each such late-tender below the U.S.\$ 50,000 equivalent threshold as “Basket B” tenders, and the portion in excess of the U.S.\$ 50,000 equivalent threshold as “Basket D” tenders.

Based on this demand, and in accordance with the terms of the Offer, Argentina has allocated the new Par Bonds as follows:

- Par Bonds in an aggregate principal amount of U.S.\$ 5.4 billion have been allocated to Basket A tenders;
- Par Bonds in an aggregate principal amount of U.S.\$ 2.5 billion have been allocated to Basket B tenders;
- Par Bonds in an aggregate principal amount of U.S.\$ 5.4 billion have been allocated to Basket C tenders; and
- Par Bonds in an aggregate principal amount of U.S.\$ 1.7 billion have been allocated to Basket D tenders.

Holders that elected to receive Pars, and whose tender was accepted by Argentina, will receive the Par Bonds they requested in full in respect of their tenders under Basket A, Basket B and Basket C. With respect to Basket D tenders, they will receive Par Bonds in an aggregate principal amount equal to the eligible amount they tendered under Basket D, multiplied by 24.55% (the proration ratio). Holders that elected to receive Par Bonds will receive, in lieu of any Par Bonds they are unable to receive, Discounts Bonds in an aggregate principal amount of U.S.\$ 1.8 billion equivalent.

Demand for Quasi-par Bonds also exceeded the Ps. 24.3 billion (approximately U.S.\$ 8.3 billion) maximum aggregate principal amount of such securities that Argentina could issue pursuant to the terms of the Offer. Total demand for Quasi-par Bonds equaled Ps. 30.6 billion (approximately U.S.\$ 10.5 billion) in aggregate principal amount in Quasi-par Bonds. In accordance with the terms of the Offer, Argentina has allocated the new Quasi-par Bonds on a daily first-come, first served basis. The maximum issuable threshold for Quasi-par Bonds was reached and surpassed on January 14, 2005. On that date, holders submitted tenders for Quasi-par Bonds in an aggregate eligible amount of Ps. 30.2 billion. Each of these holders will receive Quasi-par Bonds in an aggregate principal amount equal to the eligible amount of Eligible Securities they tendered for Quasi-par Bonds, multiplied by 80.44% (the proration ratio). Holders that elected to receive Quasi-par Bonds will receive, in lieu of any Quasi-par Bonds they are unable to receive, Discounts Bonds in an aggregate principal amount of U.S.\$ 1.0 billion equivalent.

Application has been made to list each series of the Par Bonds, Discount Bonds and GDP-linked Securities on the Luxembourg Stock Exchange, and application will be made to list each series of New Bonds and GDP-linked Securities on the Buenos Aires Stock Exchange and the *Mercado Abierto Electrónico*.

Euroclear Bank S.A./N.V., as operator of the Euroclear System, Clearstream Banking, *société anonyme*, and *Caja de Valores S.A.* have accepted all of the New Bonds and GDP-linked Securities for clearance through their clearance

systems. New Bonds and GDP-linked Securities denominated in U.S. dollars (other than U.S. dollar-denominated New Bonds and GDP-linked Securities governed by Argentine law) have also been accepted for clearance through the Depository Trust Company's book-entry settlement system.

*The international dealer managers for the global offer (excluding Japan and Argentina) are:*

**Barclays Capital**  
200 Park Avenue  
New York, New York 10166  
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Inside the U.S.: Toll free (866) 307 8991  
Outside the U.S.: Call Collect +1 (212)  
412 4072, or London  
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**Merrill Lynch & Co.**  
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New York, New York 10080  
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*New York Office:*  
Toll free in the U.S.: (866) 449 5904  
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*In London:*  
1 Finsbury Avenue  
London EC2M 2PP  
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*The dealer managers for the Offer in Argentina are:*

**Banco de Galicia y Buenos Aires S.A.**  
T.G. Juan D. Perón 407  
1038, Buenos Aires, Argentina

**Banco de la Nación Argentina**  
Bartolomé Mitre 326  
1036, Buenos Aires, Argentina

**BBVA Banco Francés S.A.**  
Reconquista 199  
1033, Buenos Aires, Argentina

*The exchange agent for the global offer is:*

**The Bank of New York**  
101 Barclay Street, Floor 21 West  
New York, New York 10286

*The information agent for the global offer is:*

**Georgeson Shareholder Communications Inc.**  
*In New York:*  
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*In London:*  
68 Upper Thames Street, 2<sup>nd</sup> Floor London,  
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**NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY ARGENTINA TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ARGENTINA.**

Attachment:

Table A: The Principal Amount of Each Series of New Bonds Issued Pursuant to the Offer.

**TABLE A**

The following are the securities that Argentina expects to issue upon settlement of the Offer:

<b>New Bond</b>	<b>ISIN</b>	<b>Aggregate Principal Amount of New Security to be Issued</b>	<b>Aggregate Notional Amount of GDP-linked Securities</b>
U.S. dollar-denominated Par and GDP-linked Security single unit (governed by New York law)	US040114GN48	US\$5,313,142,873	US\$5,313,142,873
U.S. dollar-denominated Par and GDP-linked Security single unit (governed by Argentine law)	ARARGE03E162	US\$1,246,001,727	US\$1,246,001,727
Euro-denominated Par and GDP-linked Security single unit	XS0205540536	€5,077,633,050	€5,077,633,050
Peso-denominated Par and GDP-linked Security single unit	ARARGE03E170	Ps.5,408,965,229	Ps.5,408,965,229
Yen-denominated Par and GDP-linked Security single unit	ARARGE03E634	¥21,037,843,000	¥21,037,843,000
U.S. dollar-denominated Discount and GDP-linked Security single unit (governed by New York law)	US040114GP95	US\$3,088,012,636	US\$9,163,238,927
U.S. dollar-denominated Discount and GDP-linked Security single unit (governed by Argentine law)	ARARGE03E188	US\$565,767,132	US\$1,678,833,085
Euro-denominated Discount and GDP-linked Security single unit	XS0205550170	€2,287,157,085	€6,786,812,183
Peso-denominated Discount and GDP-linked Security single unit	ARARGE03E196	Ps.15,594,000,655	Ps.46,272,995,592
Yen-denominated Discount and GDP-linked Security single unit	ARARGE03E642	¥5,840,497,000	¥17,330,799,000
Quasi-Par and GDP-linked Security single unit	ARARGE03E204	Ps.24,299,999,944	Ps.34,763,948,374

Upon expiration of the 180-day period following the first date of the settlement period, the Par Bonds, Discount Bonds and Quasi-par Bonds and their corresponding GDP-linked Securities underlying each unit listed above will detach and trade separately under the following ISIN numbers:

<b>New Bond</b>	<b>ISIN</b>	<b>Aggregate Principal Amount to be Issued</b>
U.S. dollar-denominated Pars (governed by New York law)	US040114GK09	US\$5,313,142,873
U.S. dollar-denominated Pars (governed by Argentine law)	ARARGE03E097	US\$1,246,001,727
Euro-denominated Pars	XS0205537581	€5,077,633,050
Peso-denominated Pars	ARARGE03E105	Ps.5,408,965,229
Yen-denominated Pars	ARARGE03E659	¥21,037,843,000
U.S. dollar-denominated Discounts (governed by New York law)	US040114GL81	US\$3,088,012,636
U.S. dollar-denominated Discounts (governed by Argentine law)	ARARGE03E113	US\$565,767,132
Euro-denominated Discounts	XS0205545840	€2,287,157,085
Peso-denominated Discounts	ARARGE03E121	Ps.15,594,000,655
Yen-denominated Discounts	ARARGE03E667	¥5,840,497,000
Quasi-Pars	ARARGE03E139	Ps.24,299,999,944
US dollar-denominated GDP-linked Securities (governed by New York law)	US040114GM64	US\$14,476,381,800
US dollar-denominated GDP-linked Securities (governed by Argentine law)	ARARGE03E154	US\$2,924,834,812
Euro-denominated GDP-linked Securities	XS0209139244	€1,864,445,233
Peso-denominated GDP-linked Securities	ARARGE03E147	Ps.86,445,909,195
Yen-denominated GDP-linked Securities	ARARGE03E675	¥38,368,642,000