

5 June 2013  
Frankfurt

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## JAPONICA PARTNERS Announces Further Details of the Greece Government Bonds Unmodified Dutch Auction Tender Offer

The Invitation has not been authorized by, and the Acquirer is not otherwise connected to, the Hellenic Republic.

### I. Summary

Further to its announcement on Monday 3 June 2013, Japonica Partners & Co. ("**Japonica Partners**") today announces the details of the invitation by its indirect wholly-owned subsidiary, Yerusalem Hesed, Ltd. (the "**Acquirer**" or "**Yerusalem Hesed**"), to eligible holders of the bonds issued by the Hellenic Republic detailed in Annex I (the "**Designated Securities**", and each series of Designated Securities referred to in Annex I, a "**Series**") to tender such Designated Securities for purchase by the Acquirer for cash at prices to be determined pursuant to an Unmodified Dutch Auction Procedure (the "**Invitation**"), all as more fully described in the Tender Offer Memorandum (as defined below).

The maximum nominal principal amount of Designated Securities that will be accepted for purchase by the Acquirer under the terms of the Invitation will be €2.9 billion (the "**Aggregate Maximum Amount**"), which represents less than 9.9% of the total €29.6 billion aggregate principal amount outstanding of bonds of the Hellenic Republic (together, the "**Greece Government Bonds**")<sup>(1)</sup>. The purchase of the Bonds by the Acquirer would permit existing holders to monetize their Greece Government Bonds.

The rationale for the use of the Unmodified Dutch Auction Procedure is to apply an effective method to purchase institutional blocks of the Designated Securities in an orderly and price-efficient manner.

The Invitation provides maximum flexibility by enabling the Acquirer to make immediate purchases and by giving investors a right to withdraw prior to acceptance or the Expiration Deadline (as defined below).

The minimum purchase price of the Unmodified Dutch Auction Procedure for each Series of Designated Securities is 45.0% of their principal amount (the "**Minimum Purchase Price**"), which is a 26.5% premium to the Average Price of the Designated Securities in the December 2012 Greece Government Bond buyback and a 15.2% premium to the average closing price on 27 March 2013.

Japonica Partners believes that the market for Greece Government Bonds is volatile, highly illiquid, and at any time not necessarily reflective of their intrinsic value. During a 42 trading day period in the first quarter of 2013, historical price volatility included a 27.8% decline in Average Price. The Minimum Purchase Price is a discount to the most recent Average Price.

As of the date of this Announcement, Greece Government Bonds are rated as follows: Moody's: C. Standard & Poor's: B-. Fitch: B-.

Pursuant to the Unmodified Dutch Auction Procedure, the amount payable by the Acquirer for the Designated Securities accepted for purchase pursuant to the Invitation shall be determined by the purchase price specified by such holder in its Tender Instructions (the "**Purchase Price**"). Consequently, the Purchase Price payable to each such holder will not necessarily be the same. The Acquirer will not make any payment for accrued interest. The Acquirer reserves the right, in its sole discretion, to accept validly tendered Designated Securities at any time

considering, among other matters, size and price. Designated Securities validly tendered and not accepted for payment may be withdrawn at any time prior to acceptance or the Expiration Deadline. The Acquirer may also purchase Designated Securities or other Greece Government Bonds, other than pursuant to the Invitation, in any manner (in the open market, in privately negotiated transactions or otherwise) at any price (which may be higher or lower than Purchase Prices) and at any time from any holder, without notification or announcement.

If the Acquirer purchases Designated Securities other than pursuant to the Invitation, the maximum amount of Designated Securities accepted for purchase pursuant to this Invitation shall be reduced without notification or announcement. The Acquirer may purchase differing amounts among the Series of the Designated Securities and even not buy any from a particular Series.

Designated Securities may only be tendered for purchase in the Invitation in a minimum principal amount of €100,000 and multiple integrals of €1 in excess thereof. The Acquirer does not currently intend, however, to accept for purchase Designated Securities from any holder who has tendered, in aggregate across all Series, a principal amount of less than €1,000,000.

The Invitation is to be made on the terms and subject to the conditions contained in the Tender Offer Memorandum, which is to be made available shortly to eligible holders, and is subject to the restrictions set out below and as more fully described in the Tender Offer Memorandum.

<sup>(1)</sup> Based on aggregate principal amount outstanding of Greek Government Bonds as at 31 December 2012 (source: The Hellenic Republic Public Debt Management Agency press release dated 3 January 2013).

**Holders are advised to carefully read the Tender Offer Memorandum for full details of, and information on the procedures for participating in the Invitation. Capitalized terms used and not otherwise defined in this announcement have the meanings given to them in the Tender Offer Memorandum.**

## II. Select Defined Terms

**Acquirer:** Yerusalem Hesed, Ltd., which is a Cayman Islands (CI) Exempted Company, wholly owned by Jerusalem Fiduciary, Ltd. (“**Jerusalem Fiduciary**”), a CI Exempted Company. Jerusalem Fiduciary is indirectly wholly-owned by Japonica Partners, a company incorporated in Delaware, USA.

**Average Price:** The simple mathematical average price of the Designated Securities. Daily prices are historical closing prices reported by Bloomberg.

**Designated Securities:** Securities listed in Annex I.

**Tender Offer Memorandum:** The tender offer memorandum in respect of the Invitation shortly to be made available to eligible holders.

**Unmodified Dutch Auction Procedure:** Pursuant to the unmodified Dutch auction procedure, the amount payable by the Acquirer for the Designated Securities validly tendered and accepted for purchase pursuant to the Invitation shall be determined by the price specified by such holder in its Tender Instructions. For the avoidance of doubt, references to “*Unmodified Dutch Auction Procedure*” in relation to the Invitation, shall solely be interpreted as defined in the Tender Offer Memorandum and not by reference to any other applicable market interpretation of this procedure.

## III. Details of the Invitation

Each holder is to be invited (subject to invitation and distribution restrictions set out below, and on the terms and subject to the conditions contained in the Tender Offer Memorandum) to tender its Designated Securities for purchase by the Acquirer for cash at the relevant Purchase Price. The Acquirer may purchase differing amounts among the series of the Designated Securities and even not buy any from a particular series.

The Acquirer may, in its sole discretion and without notification or announcement, decide to accept Designated Securities for purchase in circumstances where the aggregate of all Purchase Price payments is lower than the Aggregate Maximum Amount. If the Acquirer purchases Designated Securities other than pursuant to the Invitation,

the maximum amount of Designated Securities accepted for purchase pursuant to this Invitation shall be reduced.

The Acquirer will not accept for purchase more than the Aggregate Maximum Amount of Designated Securities under the Invitation.

The Acquirer may, in its sole discretion, extend, re-open, amend, revoke or terminate the Invitation at any time for any reason (subject to applicable law and as provided in the Tender Offer Memorandum). Details of any such extension, re-opening, amendment, revocation or termination will be announced as provided in the Tender Offer Memorandum as soon as reasonably practicable after the relevant decision is made.

Designated Securities validly tendered and not accepted for payment may be withdrawn at any time prior to the Expiration Deadline (as defined below).

The Invitation is being made by Yerusalem Hesed and Yerusalem Hesed accepts sole responsibility for the Invitation and the payment of the Purchase Prices by it in accordance with the terms and conditions to be set out in the Tender Offer Memorandum. The Invitation is not being made by Japonica Partners and, consequently, Japonica Partners is not responsible for the foregoing.

The Invitation shall be governed by, and construed in accordance with, English law.

#### **IV. Tender Instructions**

In order to participate in, and be eligible to receive payment of the relevant Purchase Price pursuant to, the Invitation, holders must validly tender their Designated Securities by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Information and Tabulation Agent by 5:00 p.m. (Central European Time) on 1 July 2013, unless extended, re-opened, amended, terminated or revised as provided in the Tender Offer Memorandum (the "**Expiration Deadline**").

***Holders are advised to check with any bank, securities broker or other intermediary through which they hold Designated Securities when such intermediary would need to receive instructions from a holder in order for that holder to be able to participate in, or revoke their instruction to participate in, the Invitation by the deadlines specified in the Tender Offer Memorandum. The deadlines set by any such intermediary or Clearing System for the submission and withdrawal of Tender Instructions may be earlier than the relevant deadlines specified in the Tender Offer Memorandum.***

Each Tender Instruction must specify the principal amount of the Designated Securities subject of the relevant instruction and the price (that is greater or equal to the Minimum Purchase Price) at which they are tendered in the Invitation, in addition to any information required by the relevant Clearing Systems. The price must be specified by each relevant holder of Designated Securities (each, a "**holder**") as a percentage to two decimal places (i.e. 0.01%) of the principal amount of the relevant Designated Securities tendered for purchase.

#### **V. Expected Timetable of Events**

The Invitation commences on the date the Tender Offer Memorandum is made available, and will expire at the Expiration Deadline, unless extended, re-opened, amended, revoked and/or terminated as provided in the Tender Offer Memorandum. The Acquirer expects to announce the results of the Invitation on 2 July 2013. The expected Settlement Date, for Designated Securities accepted and not already purchased or withdrawn prior to the deadline, is on 4 July 2013.

The above times and dates are subject to the right of the Acquirer to extend, re-open, amend, revoke and/or terminate the Invitation (subject to applicable law and as provided in the Tender Offer Memorandum). Holders are advised to check with any bank, securities broker or other intermediary through which they hold Designated Securities when such intermediary would need to receive instructions from a holder in order for that holder to be able to participate in, or revoke their instruction to participate in, the Invitation before the deadlines specified in the Tender Offer Memorandum. **The deadlines set by any such intermediary and each Clearing System for the submission of Tender Instructions will be also earlier than the relevant deadlines specified above.**

Unless stated otherwise, announcements will be made and notices will be distributed by the issue of a press release or via Clearing System(s) for communication to Direct Participants or as the Acquirer, in its discretion,

otherwise sees fit. Copies of all announcements, or notices can also be obtained from the Information and Tabulation Agent. Significant delays may be experienced in the dissemination of announcements or notices to holders and holders are therefore urged to contact the Information and Tabulation Agent for the relevant announcements or notices.

It is expected that the obligation of the Acquirer to pay the Purchase Price will be discharged by payment to the Clearing Systems. Each holder must look to the relevant Clearing System and/or any intermediate custodian, as the case may be, for its share of the payment, if any, so made by the Acquirer.

**Holders are advised to carefully read the Tender Offer Memorandum for full details of, and information on, the procedures for participating in the Invitation.**

## **VI. Information and Contacts**

Yerusalem Hesed, Ltd. and Jerusalem Fiduciary, Ltd. addresses are Clifton House 75 Fort Street, Grand Cayman, KY-1104 Cayman Islands. Email: [greece@jerusalemfiduciarycayman.com](mailto:greece@jerusalemfiduciarycayman.com). Attention: Finance Department.

Japonica Partners is an entrepreneurial investment firm that makes concentrated investments in underperforming global special situations. Founded in 1988, Japonica Partners has developed and builds “perfectly aligned” relationships that both cultivate entrepreneurial returns and are the foundation of low risk. Japonica invests to significantly raise the bar for the best investments globally with our high value creation core competencies. Japonica Partners is not a fund, nor does it provide investment advice.

**The Information and Tabulation Agent is the agent of the Acquirer and neither the Information and Tabulation Agent nor Japonica Partners owes any duty to any holder. None of the Acquirer, Japonica Partners, the Information and Tabulation Agent or any of their respective directors, employees or affiliates makes any recommendation whatsoever regarding this announcement, the Tender Offer Memorandum or the Invitation, in particular as to whether or not holders should participate in the Invitation or refrain from taking any action in connection with the Invitation, and none of them has authorized any person to make any such recommendation.**

***Requests for information in relation to the procedures for tendering Designated Securities and participating in the Invitation, and the submission of a Tender Instruction should be directed to the Information and Tabulation Agent:***

### **INFORMATION AND TABULATION AGENT**

Bondholder Communications Group LLC  
28 Throgmorton Street  
London EC2N 2AN  
For information:  
Attention: Jenna Perry  
Telephone: + 44 207 382 4580  
Email: [jperry\[@\]bondcom.com](mailto:jperry[@]bondcom.com)

### **MEDIA COMMUNICATIONS CONTACTS**

#### **International**

#### **CNC – Communications & Network Consulting AG**

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## Greece

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For information:

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Email: iyennimata[@]foresight.gr

### Stratcom

9 Miltiadou Str  
152 32 Chalandri  
Greece

For information:

Attention: Vasilis Kavvalos  
Telephone: +30 210 67 53 585  
Email: info[@]stratcom.gr

Disclaimer: This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Invitation. If any holder is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Designated Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Designated Securities pursuant to the Invitation.

## VII. Invitation and Distribution Restrictions

The distribution of this announcement and/or the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and/or the Tender Offer Memorandum come are required by each of the Acquirer and the Information and Tabulation Agent to inform themselves about, and to observe, any such restrictions.

Neither this announcement nor the Tender Offer Memorandum constitute an offer to buy or the solicitation of an offer to sell Designated Securities (and tenders of Designated Securities for purchase pursuant to the Invitation will not be accepted from holders) in any circumstances in which such offer or solicitation is unlawful.

### United States

The Invitation is not being made, and will not be made, directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Designated Securities may not be tendered in the Invitation by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States or to U.S. persons as defined in Regulation S under the U.S. Securities Act of 1933, as amended (each a "**U.S. Person**"). Accordingly, copies of this announcement and the Tender Offer Memorandum and any other documents or materials relating to the Invitation are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any U.S. Person or any persons located or resident in the United States. Any purported tender of Designated Securities in the Invitation resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Designated Securities made by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Designated Securities participating in the Invitation will represent that it is not a U.S. Person, it is not located in the United States and it is not participating in the Invitation from the United States or it is acting on a nondiscretionary basis for a principal that is not a U.S. Person, that is located outside the United States and that is not giving an order to participate in the Invitation from the United States. For the purposes of this and the above paragraph, "United States" means United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

### Italy

None of the Invitation, this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Invitation have been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa (CONSOB).

The Invitation is being carried out in Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 3 of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "**Issuers' Regulation**").

Accordingly, the Invitation is not available to investors located in Italy that do not qualify as qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of the Financial Services Act and Article 34-ter, paragraph 1, letter b) of the Issuer's Regulation ("**Not Eligible Investors**"). Not Eligible Investors may not tender the Designated Securities in the Invitation and neither this announcement, the Tender Offer Memorandum nor any other documents or materials relating to the Invitation may be distributed or made available to Not Eligible Investors as part of the Invitation.

Holders or beneficial owners of the Designated Securities that qualify as qualified investors (*investitori qualificati*) can tender the Designated Securities through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Designated Securities or this Invitation.

### **United Kingdom**

This announcement, the Tender Offer Memorandum and any other documents or materials relating to the Invitation (together, the "**Relevant Materials**") must not be distributed or communicated to the general public in the United Kingdom. The Relevant Materials may only be distributed or communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply. Accordingly, the Relevant Materials are only for circulation to persons inside the United Kingdom who fall within Article 49(2)(a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or falling within the definition of investment professionals (as defined in Article 19(5)) of the Order.

This announcement and the Tender Offer Memorandum are only available in the United Kingdom to such persons and the transactions contemplated herein will be available only to, and may be engaged in only with, such persons, and such financial promotion must not be relied or acted upon by persons in the United Kingdom unless they fall under the above categories.

### **Belgium**

Neither this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Invitation have been submitted to or will be submitted for approval or recognition to the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers/Autoriteit voor financiële diensten en markten*) and, accordingly, the Invitation may not be made in Belgium by way of a public offering, as defined in Article 3 of the Belgian Law of 1 April 2007 on public takeover bids or as defined in Article 3 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, each as amended or replaced from time to time. Accordingly, the Invitation may not be advertised and the Invitation will not be extended, and none of this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Invitation (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than "qualified investors" in the sense of Article 10 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets (as amended from time to time), acting on their own account. Insofar as Belgium is concerned, this announcement and the Tender Offer Memorandum have been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Invitation.

Accordingly, the information contained in this announcement and the Tender Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

## **France**

The Invitation is not being made, directly or indirectly, to the public in the Republic of France ("France"). Neither this announcement, the Tender Offer Memorandum nor any other document or material relating to the Invitation has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 to D.411-3, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code *monétaire et financier*, are eligible to participate in the Invitation. This announcement and the Tender Offer Memorandum have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

## **Germany**

None of the Invitation, this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Invitation have been or will be submitted to the clearance procedure of the German Financial Supervisory Authority (*BAFIN*).

The Invitation is not directed to investors located in Germany that do not qualify as professional investors (*professionelle Anleger*).

## **Hellenic Republic**

The Invitation is not being made, directly or indirectly, to the public in the Hellenic Republic ("**Greece**") and no person who is a Greek national of or resident or otherwise located in Greece may participate in the Invitation, unless such person is a "qualified investor" (*eidikos ependytis*), as defined in article 2 of Greek Law 3401/2005 (which implemented the E.U. Directive 2003/71/EC, each as amended) acting on his/her/its own account or on the account of his/her/its clients who are themselves qualified investors.

None of this announcement, the Invitation, the Tender Offer Memorandum nor any other documents or materials relating to the Invitation constitutes a "public offer" (*dimossia prosfora*), within the meaning of Greek Law 3401/2005, or "a solicitation to the public", within the meaning of article 10 of Greek Law 876/1979, for the purchase, sale, exchange of or investment in securities in the Greek territory, and no information contained herein or therein can be considered as an investment advice or a solicitation of investment in securities in the Greek territory under Greek Law 3606/2007. Accordingly, none of this announcement, the Invitation, the Tender Offer Memorandum nor any other documents or materials relating to the Invitation have been or will be submitted to the Hellenic Capital Market Commission for approval pursuant to such laws, or otherwise distributed, forwarded or delivered in the Greek territory to any person other than to "qualified investors" (as described above) acting on their own account or on the account of their clients who are themselves qualified investors.

**Annex I  
Designated Securities**

<b>Series</b>	<b>ISIN Code</b>	<b>Maturity</b>	<b>Amount Outstanding (as at 31 December 2012)<sup>1</sup></b>
1	GR0128010676	24-Feb-23	€1,792,455,804
2	GR0128011682	24-Feb-24	€1,771,485,250
3	GR0128012698	24-Feb-25	€1,744,316,584
4	GR0128013704	24-Feb-26	€1,498,761,837
5	GR0128014710	24-Feb-27	€1,469,952,921
6	GR0133006198	24-Feb-28	€1,525,434,084
7	GR0133007204	24-Feb-29	€1,503,860,548
8	GR0133008210	24-Feb-30	€1,435,418,134
9	GR0133009226	24-Feb-31	€1,368,045,729
10	GR0133010232	24-Feb-32	€1,373,758,196
11	GR0138005716	24-Feb-33	€1,452,639,895

Note 1: Amount Outstanding as stated in the Hellenic Republic Public Debt Management Agency press release dated 3 January 2013.