

FOR IMMEDIATE RELEASE

June 12, 2017

MONTEVIDEO, URUGUAY —

Exchange Offer

The Republic of Uruguay (“Uruguay”) announced today the commencement of an offer to holders of any Uruguayan law governed bonds of the series listed in the table below (the “Old Local Bonds”) to exchange (the “Exchange Offer”) such Old Local Bonds (together with any accrued and unpaid interest thereon) for a new series of denominated bonds of Uruguay (the “New Bonds”). Uruguay reserves the right to determine in its sole discretion the maximum aggregate principal amount of each series of Old Local Bonds it will accept in the Exchange Offer. Accepted Old Local Bonds may be subject to proration at the discretion of Uruguay. The terms and conditions of the Exchange Offer are set forth in a Spanish Language information memorandum dated June 12, 2017 (the “Information Memorandum”) relating solely to the Exchange Offer.

The Exchange Offer is not conditioned upon any minimum participation of Old Local Bonds but is conditioned, among other things, on the pricing and closing of an offering for cash of new Peso-denominated bonds of Uruguay (that will be fungible and constitute a same series with the “New Exchange Bonds”) in an amount, with pricing and on terms and conditions acceptable to Uruguay in its sole discretion expected to be priced on the date hereof (the “New Bonds Offering”).

The exchange offer period (the “Tender Period”) will commence at 9:00 a.m., Montevideo time, on Monday, June 12, 2017 and expire at 5:00 p.m., Montevideo time, on the same day unless extended or earlier terminated. The settlement of the Exchange Offer is scheduled to occur on Tuesday, June 20, 2017 (the “Exchange Offer Settlement Date”). Following the settlement of the New Exchange Bonds Offering, Uruguay will exchange the Old Local Bonds accepted by Uruguay pursuant to the Exchange Offer, subject to proration, for New Exchange Bonds in accordance with the ratios set forth in the Information Memorandum.

Old Local Bonds denominated in UIs (NUI);

ISIN	Series	Outstanding (in M of UIs)	Maturity	Interest Rate (%)
UYNA00018UI6	Serie 18	3.479	08/23/2017	2.25
UYNA00022UI8	Serie 22	1.668	06/09/2018	4.85
UYNA00016UI0	Serie 16	5.095	01/27/2019	3.25
UYNA00012UI9	Serie 12	1.291	03/07/2020	4.25

Old Local Bonds denominated in Pesos (NUY);

ISIN	Series	Outstanding (in M of Pesos)	Maturity	Interest Rate (%)
UYNA00007UY6	Serie 7	13.012	04/08/2018	13.25

Holders of Old Local Bonds willing to tender such Old Local Bonds into the Exchange Offer that are not entitled to approach directly the Central Bank of Uruguay in its capacity as administrator of the Exchange Offer should arrange for their local broker to take such steps as needed to enable participation in the Exchange Offer.

The Central Bank of Uruguay will consolidate all exchange orders and, upon instruction of Uruguay, accept Old Local Bonds for exchange pursuant to the Exchange Offer, subject to proration as described in the Information Memorandum on or about 9:00 a.m., Montevideo time, on Tuesday, June 13, 2017 or as soon as possible thereafter. Uruguay reserves the right, in its sole discretion, not to accept any Exchange Orders for any reason.

All Old Local Bonds that are tendered pursuant to Exchange Tender Orders accepted by Uruguay will be exchanged by the Central Bank in such amounts as Uruguay shall determine and subject to the terms and conditions of the Information Memorandum.

The Exchange Offer is subject to Uruguay's right, at its sole discretion and subject to applicable law, to extend, terminate, withdraw, or amend the Exchange Offer at any time. Uruguay reserves the right, in the sole discretion of each of them, not to accept tenders for any reason.

The Information Memorandum may be obtained from the Uruguay Debt Management Unit of the Ministry of Economy and Finance (Unidad de Gestión de Deuda, Ministerio de Economía y Finanzas).

Important Notice

The New Bonds Offering will be made solely by means of an offering memorandum relating to that offering, and neither this press release nor the Information Memorandum constitute an offer to sell or the solicitation of an order to buy any New Bonds in the New Bonds Offering. You may not participate in the New Bonds Offering unless you have received and reviewed the offering memorandum related to that offering, and not in reliance on, or on the basis of, the Information Memorandum. The New Bonds will be offered only to qualified institutional buyers in accordance with Rule 144A and to non-U.S. persons outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and will not be registered under the Securities Act or the securities laws of any other jurisdiction.

The New Exchange Bonds will be offered only to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act, and will not be registered under the Securities Act or the securities laws of any other jurisdiction.

This announcement is not an offer to purchase or a solicitation of an offer to sell the Old Local Bonds. The Exchange Offer will be made only by and pursuant to the terms of the Information Memorandum, as may be amended or supplemented from time to time.

The distribution of materials relating to the Exchange Offer, and the transactions contemplated by the Information Memorandum, may be restricted by law in certain jurisdictions. The Exchange Offer is made only in those jurisdictions where it is legal to do so. The Exchange Offer is void in all jurisdictions where it is prohibited. You are required to inform yourself of and to observe all of these restrictions. The materials relating to the Exchange Offer do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

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