República Oriental del Uruguay

Institutional Investor Presentation

August 2023

Ministerio de Economía y Finanzas

Photo credit: Uruguay XXI.

Key Credit Highlights

1 Despite solid real GDP growth q/q in 2023Q1, business cycle indicators suggest decelerating economic activity in 2023, impacted by drought and lower external demand.

2 Steady improvement of public finances 2020, 2021, and 2022, delivering on fiscal targets; moderate widening of fiscal deficit in the first half of 2023, driven by cyclically softer tax revenues and public infrastructure investment.

3 In the context of a significant deceleration of inflation within the target band, Central Bank gradually started reducing short-term policy rate, while holding a contractionary monetary policy stance.

4 Current account deficit is more than financed by FDI, amid real exchange rate appreciation and large international reserve buffers.

5 The government forges ahead with structural and fiscally conservative reforms, including the recent social security reform law passed by Congress.

6 Strengthening in the Government's balance sheet, through a reduction in the sovereign's debt and interest burdens and continued improvements in the currency and debt structure.

7 Uruguay becomes the top performer on ESG fundamentals among EM countries; string of recent rating upgrades and improvements in credit outlook by all five rating agencies, reflecting strong fundamentals and relatively low country risk.

1

The economy continued to expand in 2022; however, leading indicators suggest slower growth in 2023

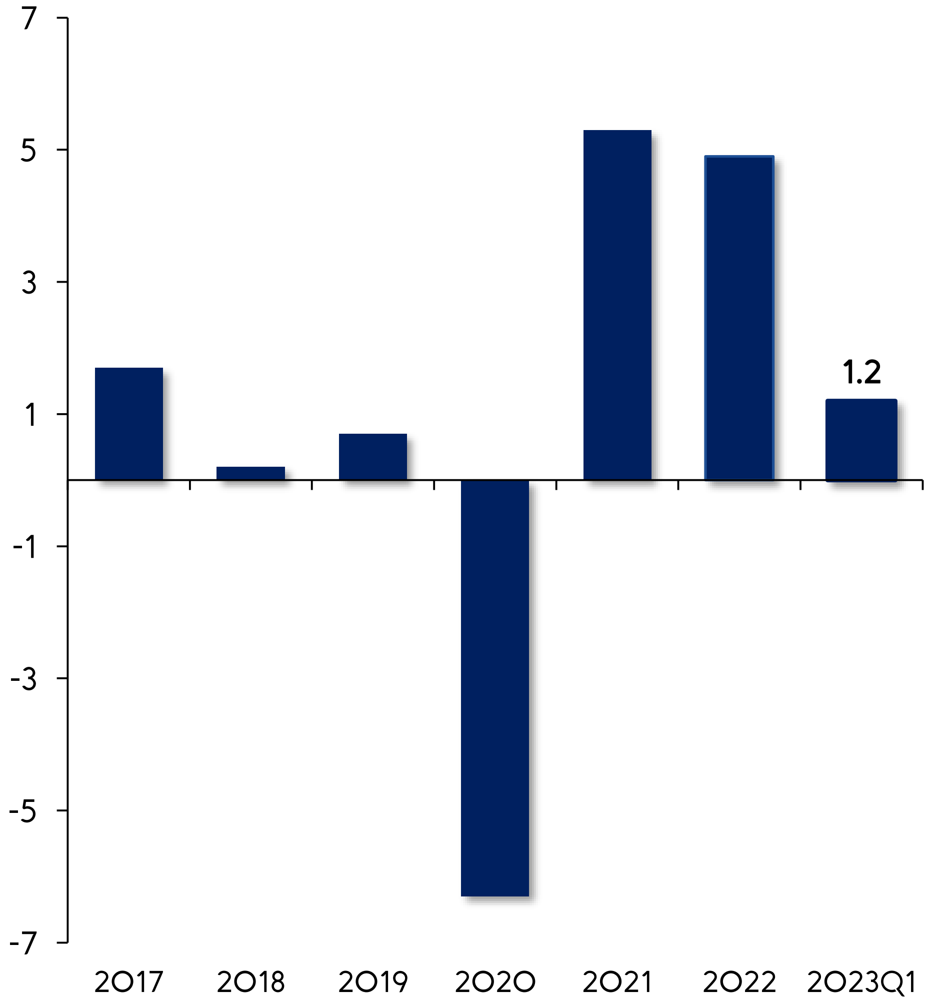
Garza (*Garza Mora Ardea) Photo credit: Leonardo Colistro.*

Economic activity expanded strongly in 2022, although real GDP growth has since decelerated; Uruguay leads GDP per capita in Latin America.

1

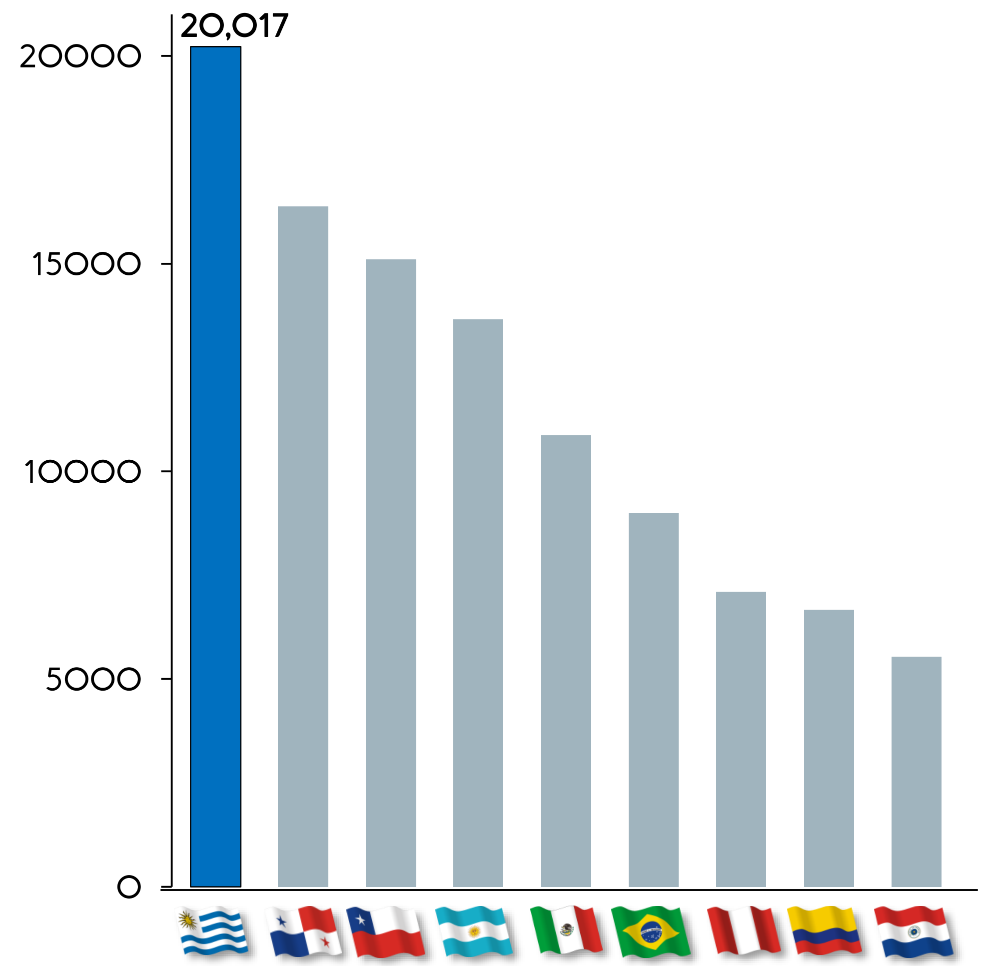
Annual real GDP change [1]

(YoY, In %)



Nominal GDP per capita 2022 [2]

(Current prices, US dollars)



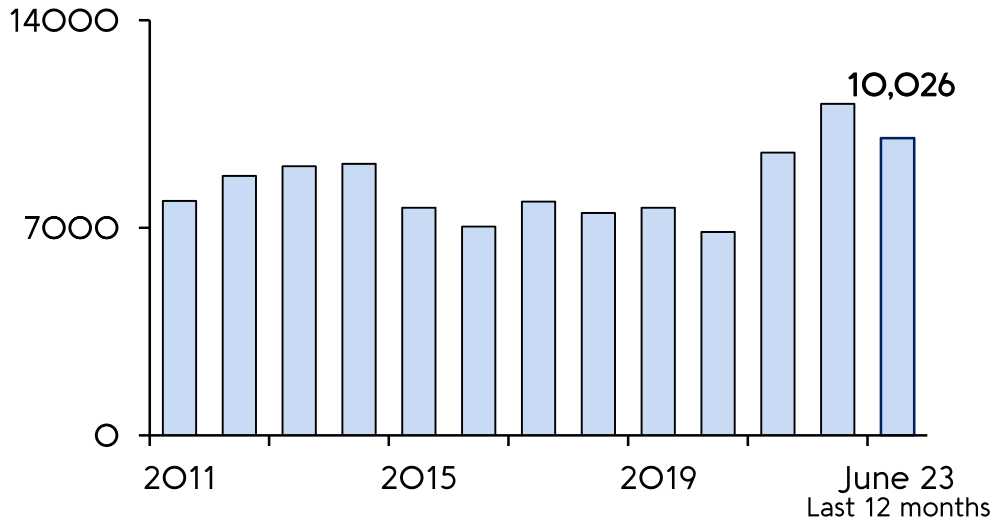
(1) *Source: Central Bank of Uruguay.*

(2) *Source: WEO April 2023 International Monetary Fund estimates on nominal GDP in dollars and population for 2022. Regional and country-specific information is aggregated or reported, as applicable. Each country's information may be calculated differently and aggregated by each source using various methodologies. Accordingly, this comparison is for illustrative purposes only and we do not purport to assert that the above information is actually comparable.*

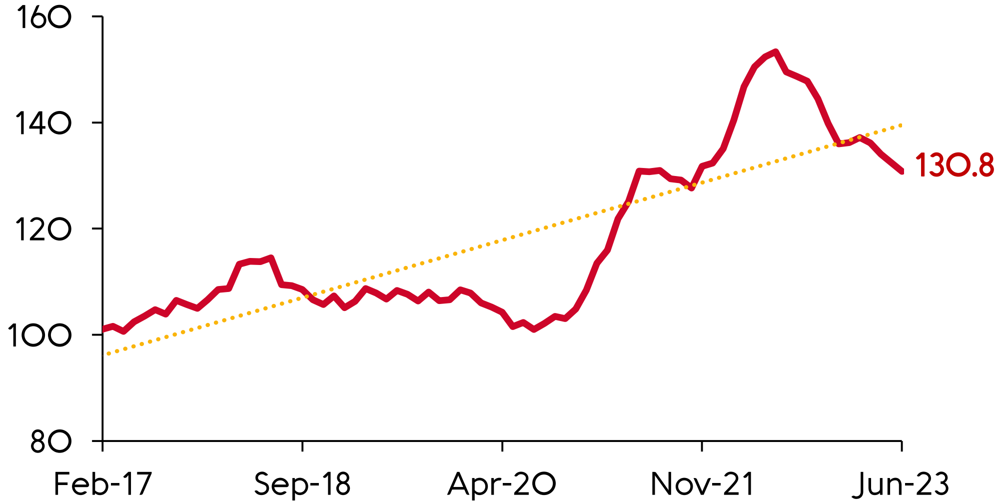
1

Goods exports hit a record high in 2022 on the back of higher commodity prices and strong agricultural production; inbound tourism was higher in 2023Q1 than in 2019Q1, before the global pandemic.

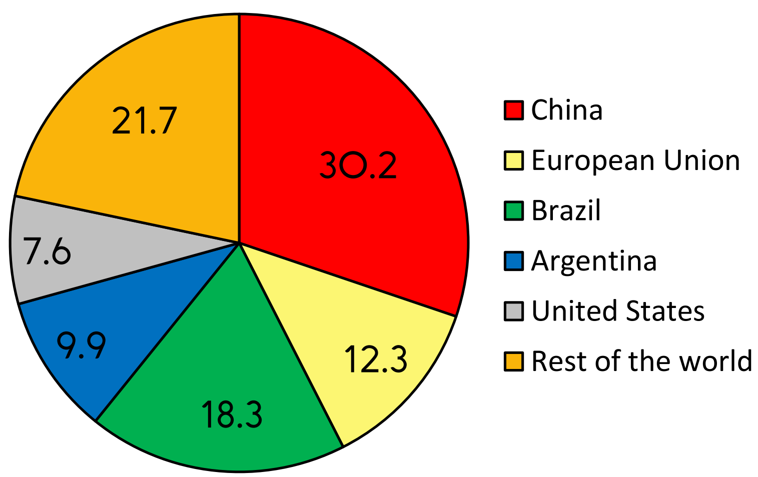
Export of goods [1]
(Annual, in millions of FOB USD)



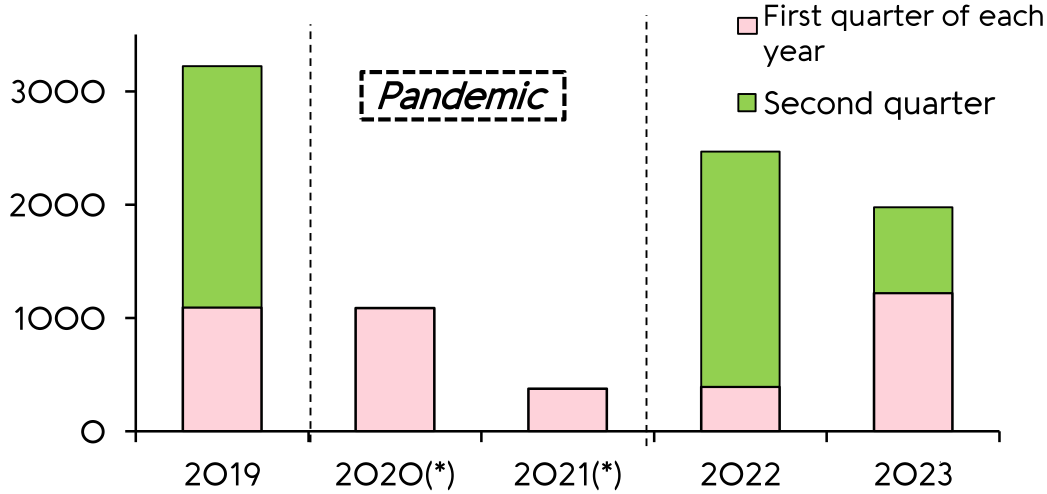
Commodities exports prices [2]
(Index base 100=Jan 2017)



Export of goods by destination [1]
(% in total, 2022)



Inbound tourism[3]
(Number of people visiting Uruguay, in thousands)

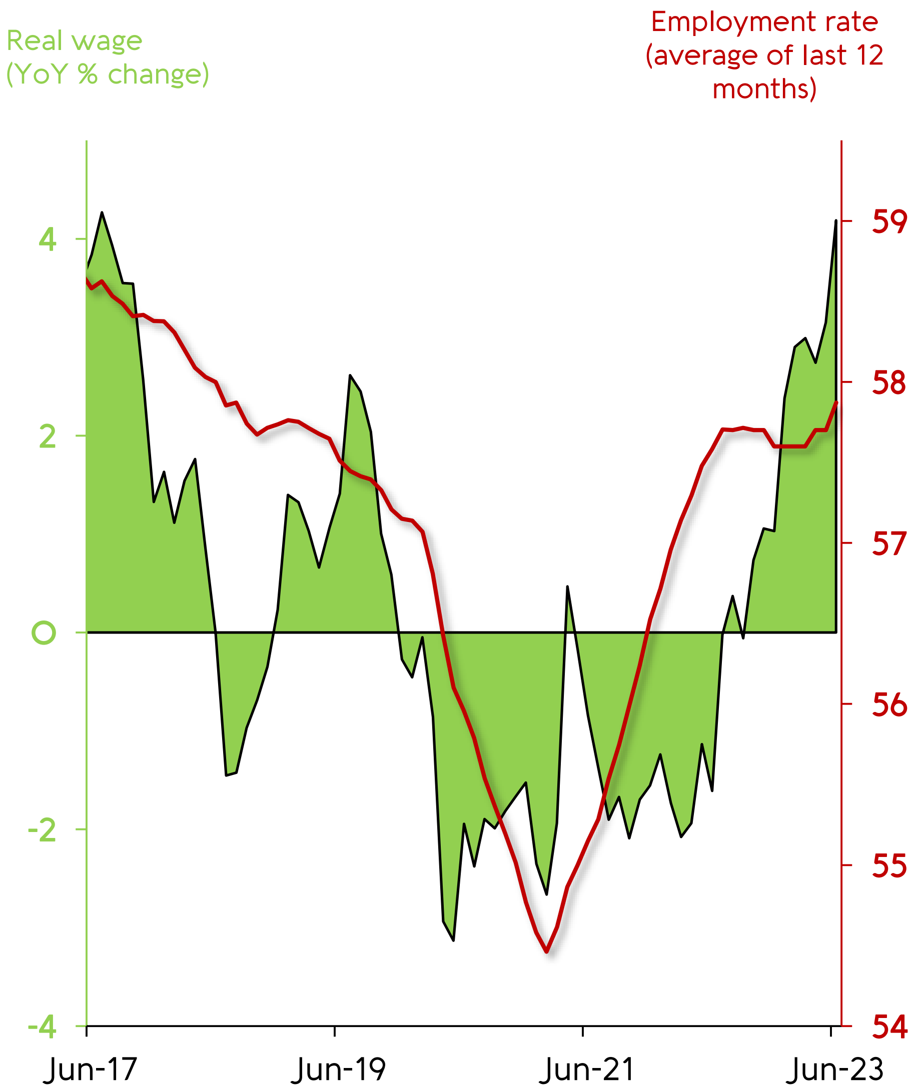


(1) Source: Central Bank of Uruguay.
(2) Source: CPA Ferrere, based on Bloomberg and National Institute of Meat of Uruguay (INAC). Weighted average of soybeans, meat, rice, dairy products, and pulp export prices.
(3) Source: Ministry of Tourism. (*) 2020 and 2021 are estimates based on migration data, made by Ministry of Economy and Finance. Quarterly breakdown is not available for these years. Tourism statistics for 2023 correspond to data collected up until the second quarter,

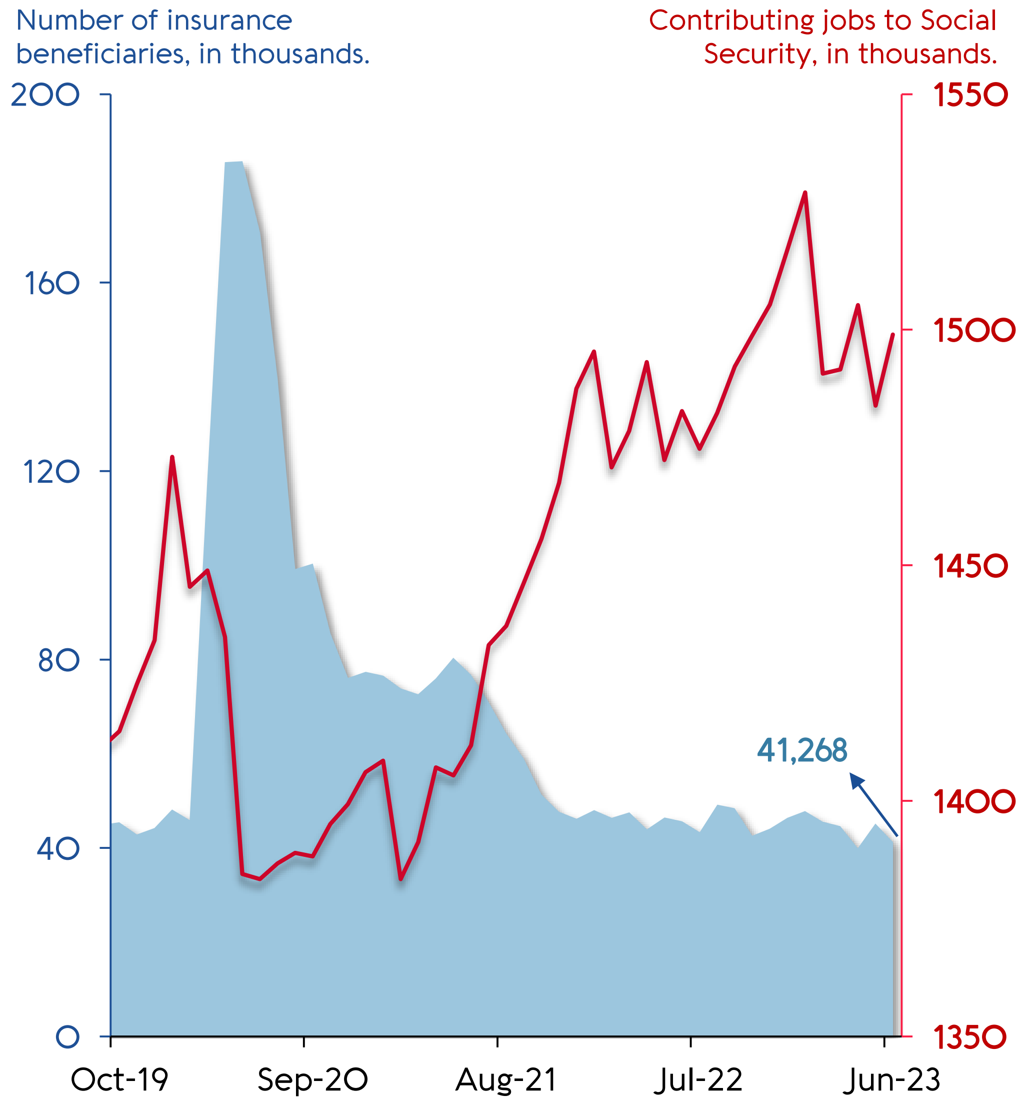
1

Strong labor market indicators reflected in an upturn in real wage growth, higher formal employment creation and more people looking for jobs.

Employment and real wages (1)



Unemployment Insurance and formal job creation (2)



(1) Source: National Institute of Statistics.
(2) Source: Social Protection Bank (Banco de Prevision Social).

Market-friendly business regulations, broad tax incentives and public road infrastructure projects underpin investment dynamics.

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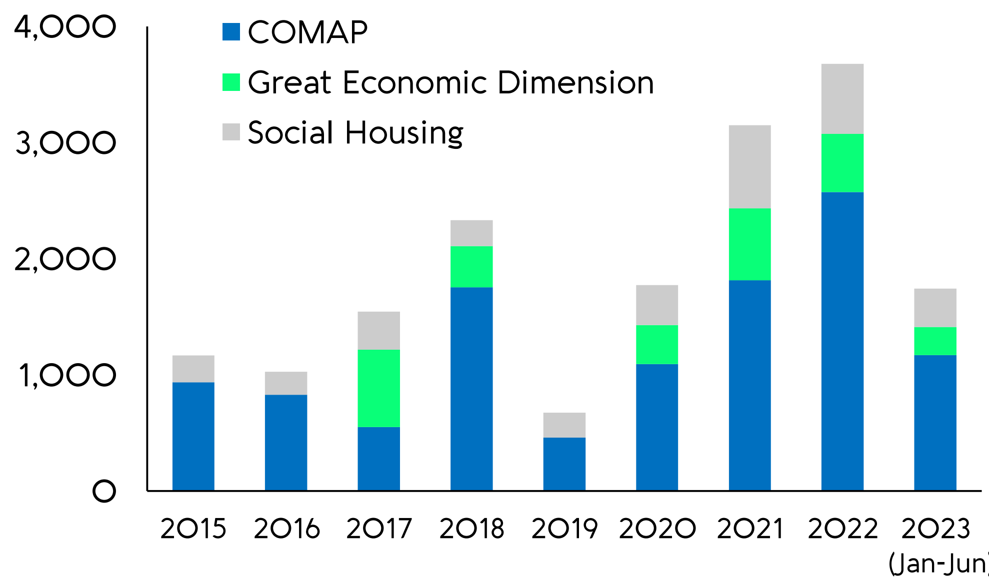
Uruguay ranked #1 as "the safest country in Latin America to invest in" by Euromoney in 2022.

- Uruguay offers a favourable environment and financial freedom for doing business. Foreign investors are granted the same incentives as local investors: there is no tax discrimination or restrictions for transferring profits abroad.
- Investor-friendly policies and regulations, respect for rule of law and trade openness.
- Uruguay grants several incentives to different types of activities, from industrial to commercial and services performed in the country.
- Focus on attracting FDI to develop sustainable sources of energy to export to the rest of the world.

Tax breaks for big-ticket construction projects and social housing

✓Recent changes to the **General Investment Promotion Regime (COMAP)** providing more tax incentives encouraging employment creation (housing, offices and urbanization construction) and clean energy technologies.

Investment projects submitted under promotion regimes (1)
(USD million)



(1) *Source: Ministry of Economy and Finance of Uruguay. The COMAP (by its acronym in Spanish) is the agency overseeing the investment promotion regime.*

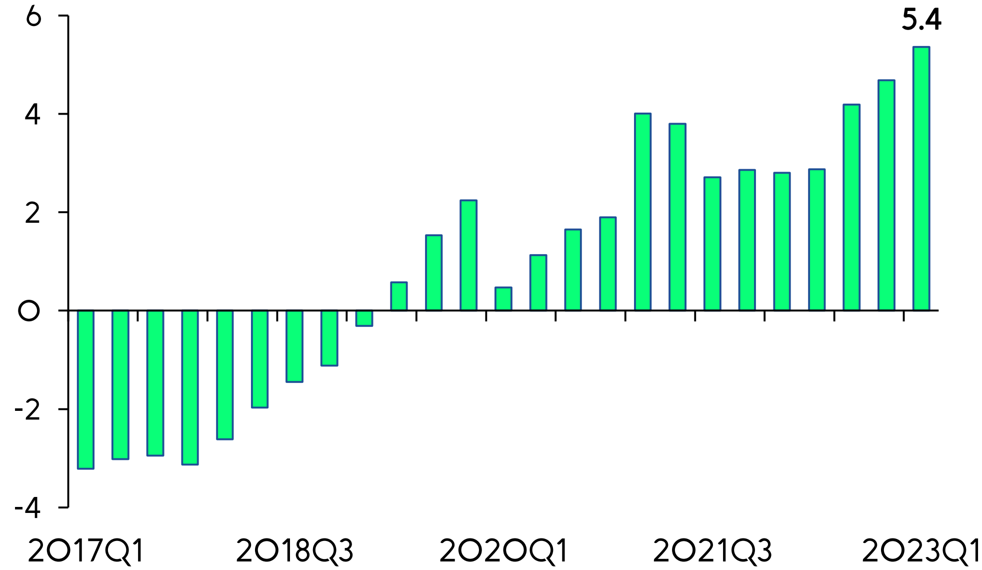
UPM completed the construction of the second pulp mill, on schedule, and started its production operations; announcement of a large FDI project for producing e-fuels to start in late 2024.

UPM's pulp mill and Central Railway project [1]

- The construction of the new UPM plant was completed in December 2022 and the plant began operating in April 2023.
- UPM invested a total of approximately **US$ 3.5 billion (4.8% of GDP)** to build a 2.1 million-ton greenfield eucalyptus pulp mill in Durazno and a port terminal in Montevideo.
- **The construction of the Central Railway is still ongoing.** It will be running from Paso de los Toros city to the port of Montevideo (273 km long).

FDI net capital inflows [2]

(Rolling 4-quarters, in % of GDP)



- On June 8, 2023, ANCAP announced a **US$4 billion investment in infrastructure and facilities designed to produce e-fuels using green hydrogen and captured biogenic carbon dioxide**, through a joint venture with HIF Global.
- Pursuant to ANCAP`s announcement, the project is expected to produce 180,000 metric tons of e-gasolines per year using 710,000 tons of captured carbon dioxide produced by ANCAP's biofuel subsidiary and 100,000 tons of green hydrogen derived from electricity generation produced from expanded wind and solar sources.
- The construction is planned to start in **late 2024.**

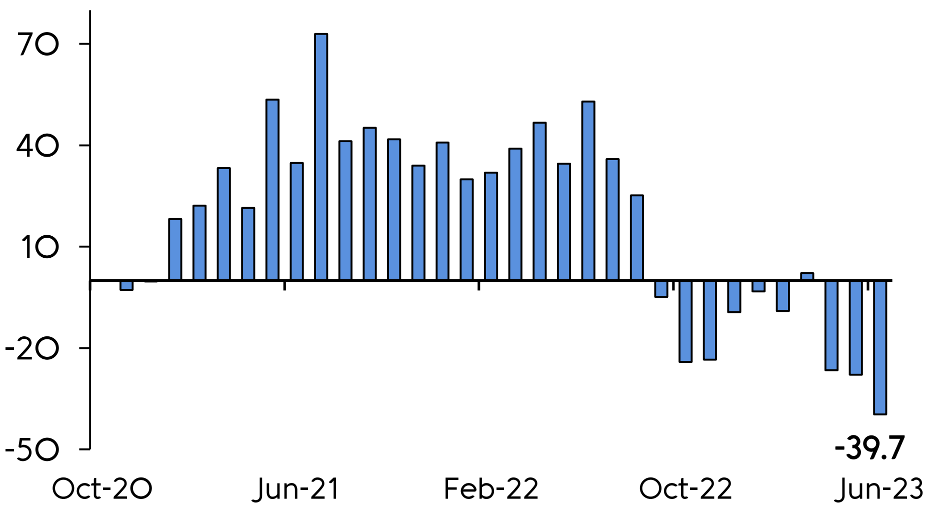
(1) Source: Ministry of Economy and Finance of Uruguay and UPM.
(2) Source: Central Bank of Uruguay

1

Despite solid q/q real GDP growth in 2023Q1, leading indicators anticipate slower economic growth in 2023, weighed down by a severe drought and lower regional and global demand.

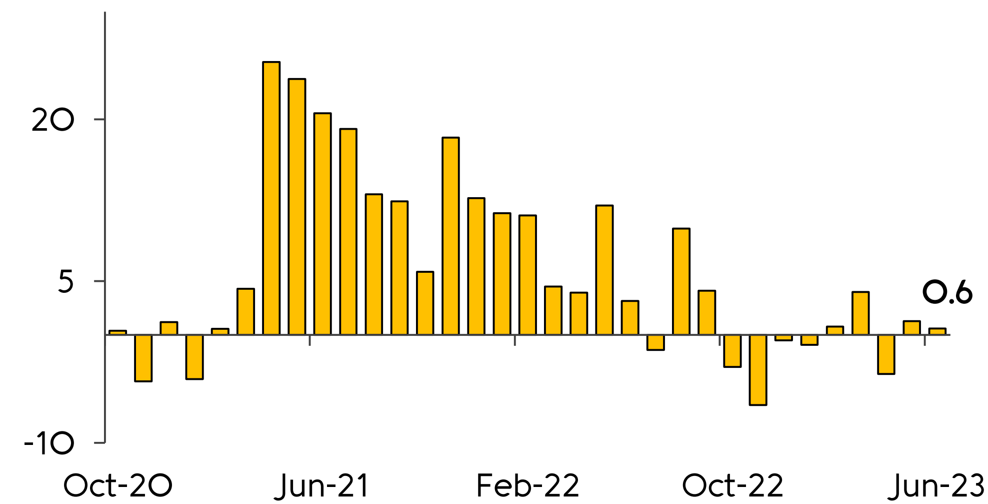
Exports of goods (1)

(YoY change in dollar amount, in %)



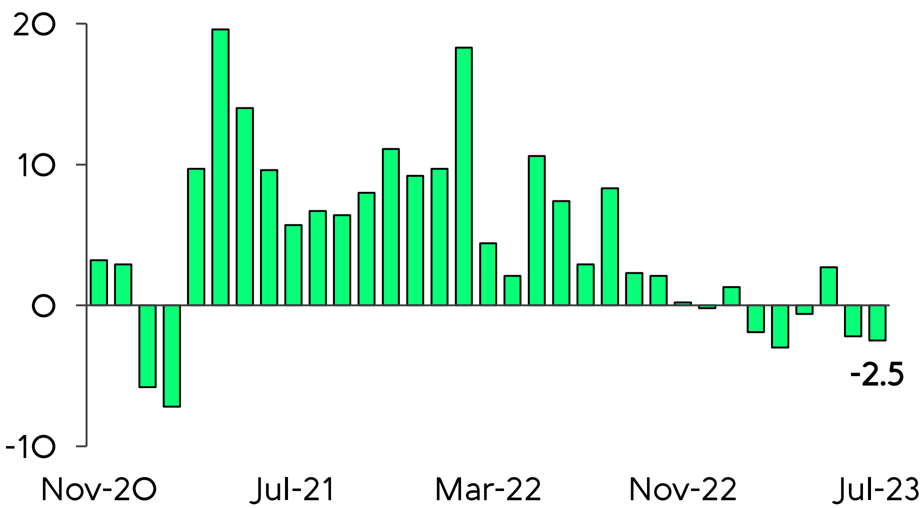
Industrial Production (2)

(YoY real change, in %)



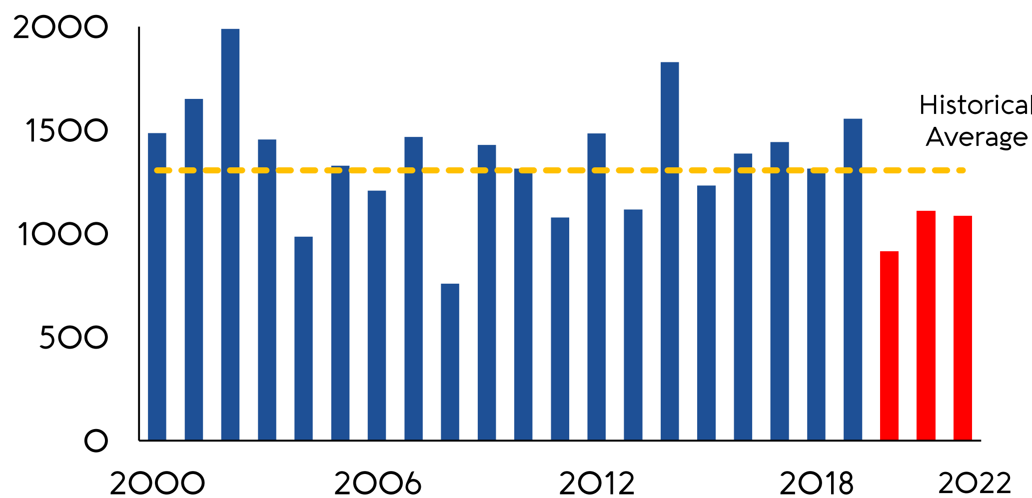
Tax revenue collection (3)

(YoY real change, in %)



Uruguay´s Average Annual Rainfall(4)

(Annual country average accumulated rainfall in mm)



(1) Source: Ministry of Economy and Finance calculations based on data from the BCU.
(2) Source: Ministry of Economy and Finance calculations based on data from the National Institute of Statistics. Data does not include production from the state-owned refinery.
(3) Source: Tax Collection Office, Ministry of Economy and Finance.
(4) Source: Inumet

Fiscal discipline aligned with fiscal rule

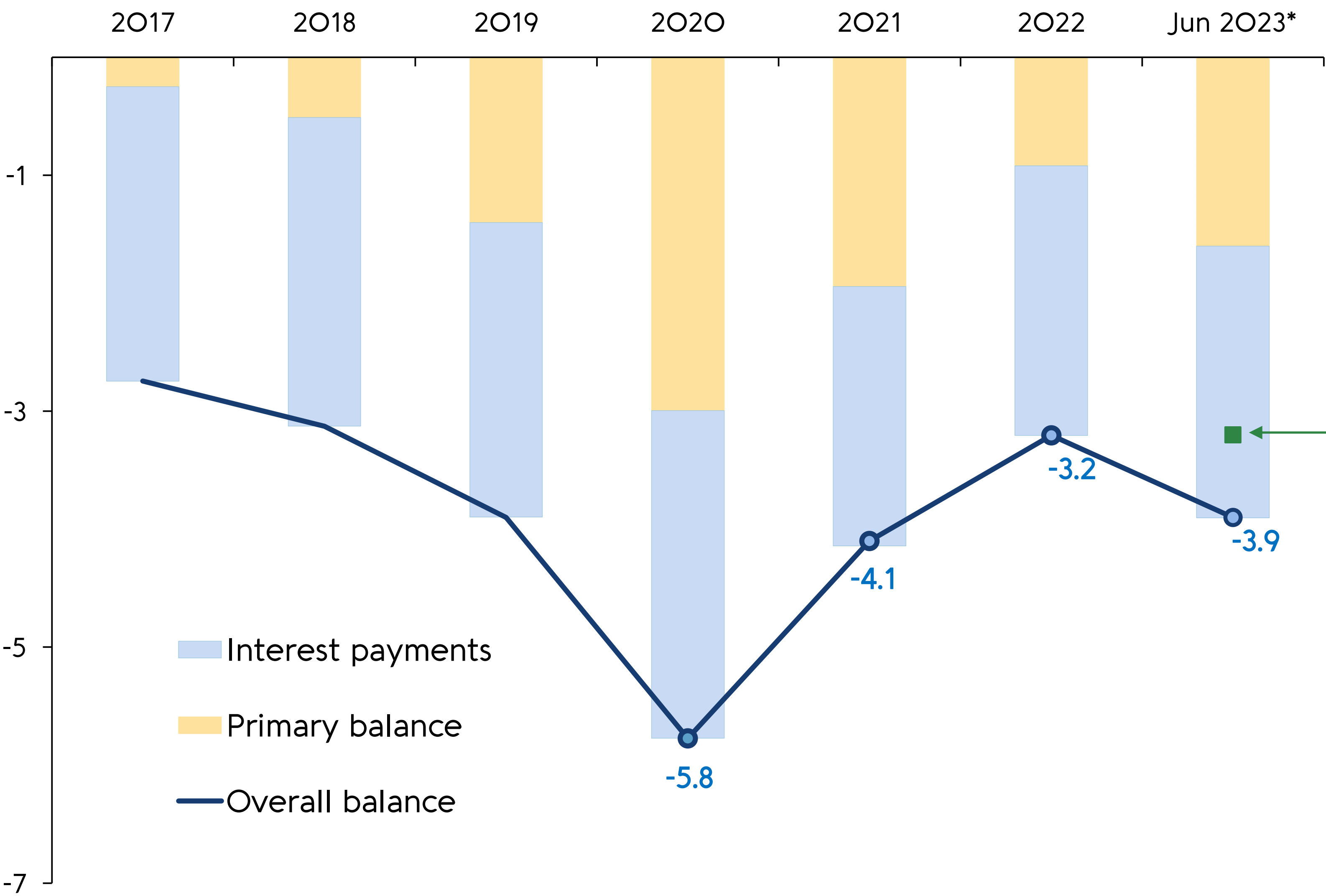
Cisnes en lago. *Photo credit: Leonardo Colistro.*

2

Improvement in public finances since 2020 based on a strong commitment to fiscal discipline; the primary fiscal deficit has widened moderately in 2023 — mostly explained by an increase in public infrastructure investment and cyclically softer tax revenues.

Central Government`s fiscal balance

(In % of GDP)



Central Government overall deficit is budgeted at 3.2% of GDP in 2023, given projected real GDP growth of **1.3%.**

Source: Ministry of Economy and Finance of Uruguay and Central Bank of Uruguay, based on the Rendición de Cuentas 2022, submitted to Congress by end-June, 2023. Does not Include extraordinary inflows to the Social Security Trust Fund.

(*) Last 12 months. Based on nominal GDP projection for the 12-month period ended June 2023.

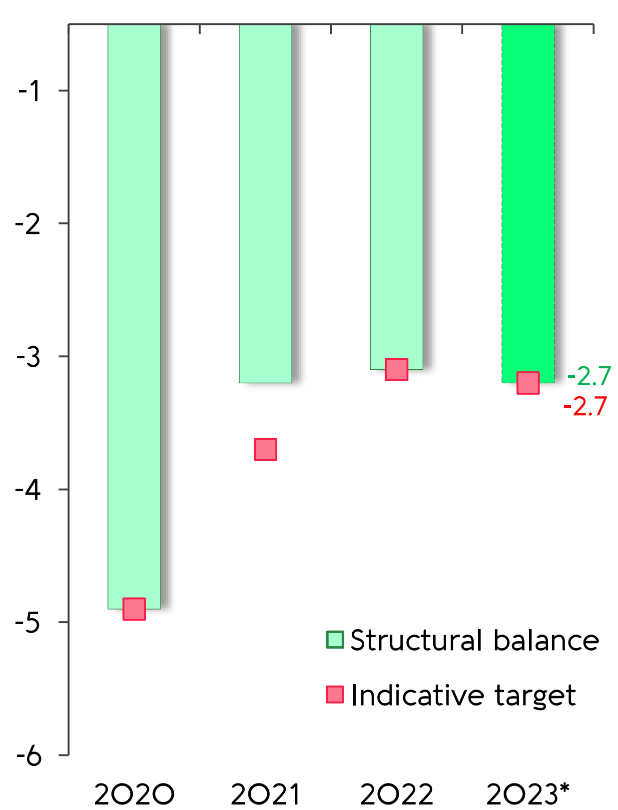
The government has met the three pillars of the fiscal rule for three years in a row, underpinning fiscal credibility; targets for 2023 were set in the Annual Accountability Budget bill sent to Congress in June.

Indicative target on structural fiscal balance, to account for business cycle fluctuations and one-off/temporary spending and revenue items.

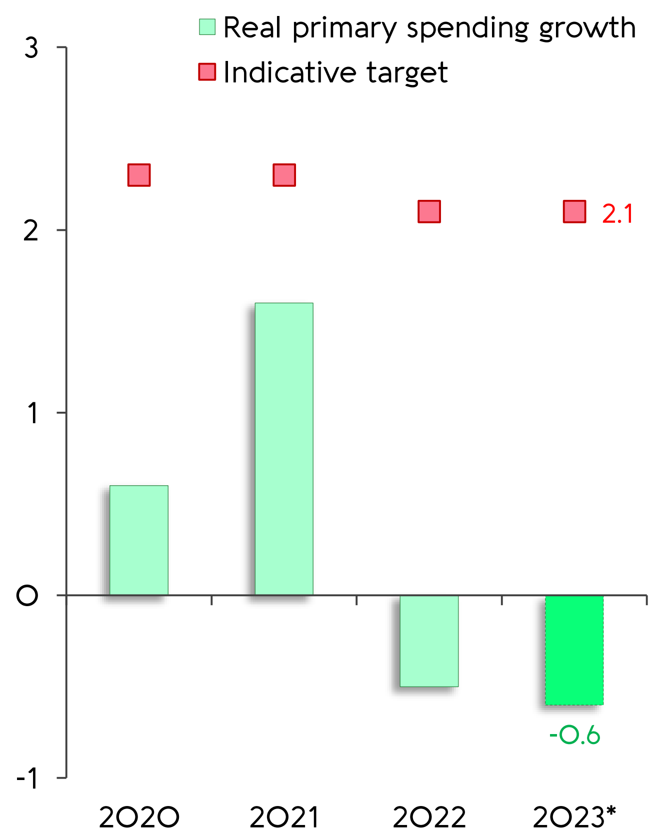
Indicative target cap on real growth in primary expenditure in line with estimated potential real GDP growth

Legally binding maximum level of annual net indebtedness in dollar amount.

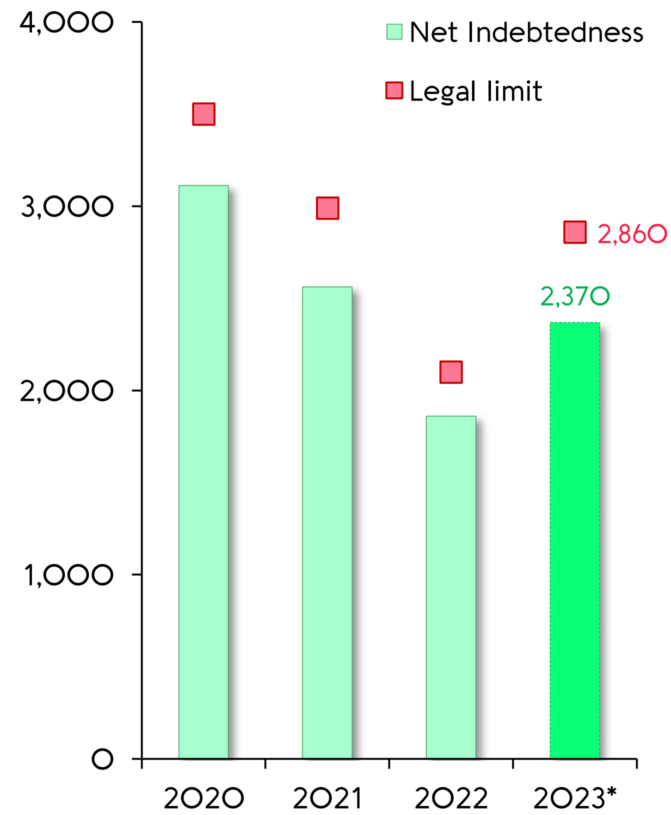
Structural balance(1)
(In % of GDP)



Primary spending (2)
(Annual real change, in %)



Net indebtedness (3)
(USD mm)



Source: Ministry of Economy and Finance of Uruguay, based on the "Proyecto de Ley de Rendición de Cuentas 2022", submitted to Congress by end-June, 2023.

(1) *Structural balance refers to the fiscal outcome adjusted for fiscal items impacted by economic cycle fluctuations and one-off/temporary spending and/or revenues.*
(2) *Potential real GDP growth rate for 2023 estimated at 2,1% (i.e. the indicative target for real primary spending growth is 2.1%). For subsequent years, potential real GDP growth estimated at 2,8%.*
(3) *For 2023, the legal net indebtedness cap was increased from USD 2,200 million to USD 2,860 million due to the water deficit emergency, invoking the use of the legal escape clause in the fiscal rule. Government Net Indebtedness is defined as gross indebtedness (bond market issuance and disbursed loans) net of amortizations of market debt and loans, and the accumulation of Central Government's financial assets, during the fiscal year.*
(*) *Projections for 2023.*

Foundations of the New Fiscal Framework

Establishment of the Fiscal Advisory Council.	On September 29, 2021, **the Fiscal Advisory Council (FAC)** was established. The FAC is a technical, honorary and independent body composed of three members. It is tasked with assessing the overall implementation of the fiscal rule.
Creation of the Expert Committee.	**The Expert Committee (EC) was created** on December 29, 2021. The EC has eleven members representing Universities, consulting firms and think tanks. Will provide technical parameters to the Ministry of Economy and Finance used for the calculations and projections of the structural fiscal balance.
Debt sensitivity analysis.	On June 2022, a **debt sensitivity analysis was conducted to quantify the uncertainty associated with the baseline debt projections**. Key variables that drive debt dynamics are exposed to random shocks. These shocks are based on the historical behavior of each variable. A range of debt-to-GDP trajectories are obtained, which allows for an evaluation of the risk distribution around specific projection in the baseline scenario.
Validation of Structural Balance calculations.	On July 7, 2022, the FAC concluded that the **calculation of the structural fiscal balance presented in the 2021 Budget Review was in accordance with the official methodology.** On February 22, 2023, the FAC published the report with the review of the calculation of the Structural Fiscal Result 2022. The Central Government`s structural fiscal deficit stood at 2.5% of GDP in 2022, 0.7 percentage points lower than the headline balance.
Potential GDP.	On June 2023, the EC evaluated data such as capital stock, amount of employment, and total factor productivity. With these variables in play, the estimated **GDP growth projection was 2.8% for the next 10 years**, higher than the 2.1% observed in February 2022.

Implementation of the new fiscal institutional framework marks the first time that the Ministry of Economy and Finance has clear, well-defined metrics and indicative targets to assess its fiscal policy and promote accountability. Furthermore, estimates for unobservable values (structural fiscal balance) have the methodological validation of the independent Fiscal Advisory Council.

Source: Ministry of Economy and Finance.

(*) FSS= Social Security Trust Fund.

Central Government´s funding needs and financing sources for 2023.

Flow of funds

(Annual, in USD million)

	2023 (*)	2024 (*)
FINANCING NEEDS	**5,287**	**4,454**
Primary Deficit[1/]	590	243
Interest Payments[2/]	1,935	2,048
Amortizations of Bonds and Loans[3/]	2,685	2,140
Change in Financial Assets	78	23
FUNDING SOURCES	**5,287**	**4,454**
Disbursements from Multilaterals and Fin. Instit.	450	350
Total Issuance of Market Debt[4/]	4,682	3,995
Others (net)[5/]	155	110
Memo Item : Government Net Indebtedness (GNI)	2,370	2,182

(*) Preliminary. The sum of the components may differ from the totals due to rounding.
(1) Excludes extraordinary transfers to the public Social Security Trust Fund (SSTF).
(2) Includes interest payments to the SSTF on its holdings of Central Government debt, but does not net out market price valuation gains on above-par bond issuances.
(3) For 2023, includes the obligations coming due on a contractual basis and bonds repurchased and early redeemed through August 2023.
(4) Includes bonds issued domestically and in international markets.
(5) Captures other financial sources of cash inflows for the Treasury, as well as financing operations that do not impact gross debt statistics.
Source: Ministry of Economy and Finance of Uruguay.

Enhancing the monetary policy framework and bringing down inflation

Cardenal Copete Rojo (*Paroaria Coronata*)
Photo credit: Leonardo Colistro.

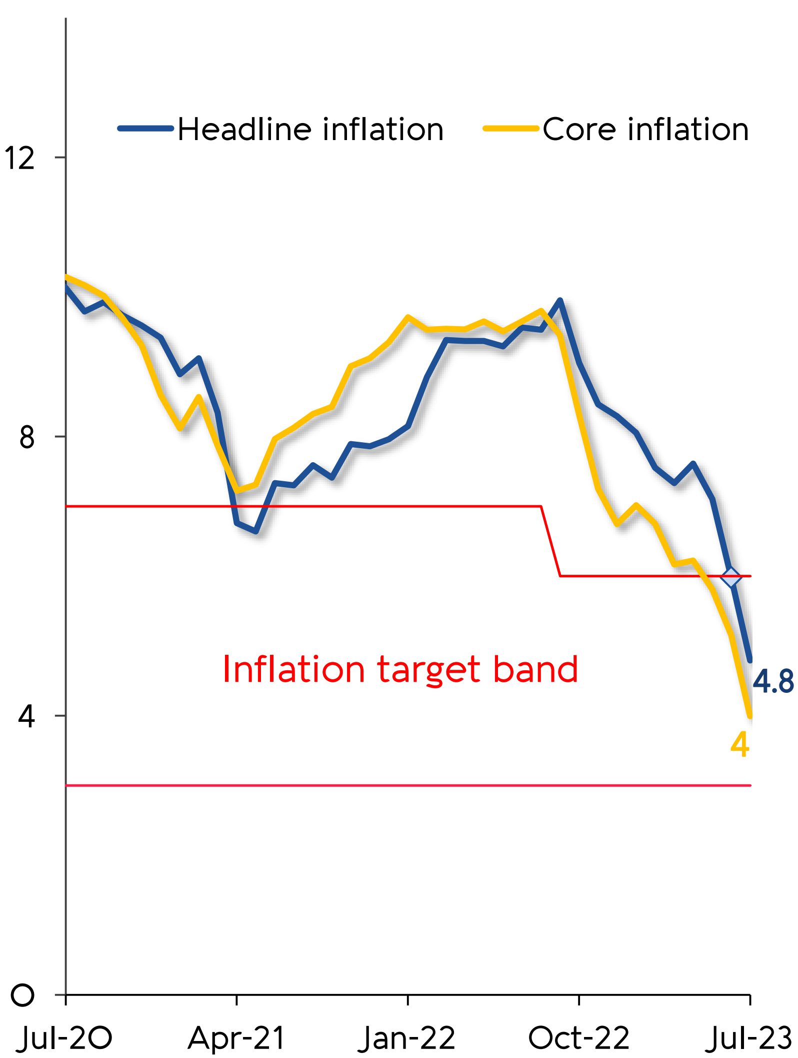
Monetary policies focused on reducing inflation and anchoring inflation expectations within target band

1	Commitment to lower inflation	▪ Key focus is to lower inflation and anchor inflation expectations within the target band, in a lasting way.
2	Short-term Interest rate as policy instrument	▪ New monetary policy instrument under inflation targeting regime. ▪ Designed to improve market signals and allows for fine-tuning of monetary policy at higher frequency.
3	Enhanced transparency in communication	▪ Higher frequency in Monetary Policy Committee (MPC) meetings, published minutes of MPC, relaunched inflation survey, among others. ▪ Publication of Central Bank´s inflation projections and survey of firms´ inflation expectations.
4	Contractionary monetary policy stance	▪ As the pandemic eased and inflationary pressures build up, the Central Bank shifted towards a more contractionary monetary policy stance, increasing the reference rate by a cumulative 700 bps since September 2020, to **11.50%**. In the April 2023 meeting, it reduced the reference rate by 25bps (to 11.25%), which was subsequently maintained in the May 2023 COPOM meeting. In the July 2023 meeting, the decision was a reduction of 50bps (to 10.75%), while in the August meeting the reduction was 75bps (to the current **10%**).
5	Financial De-Dollarization	▪ Rebuilding markets in local currency to mitigate financial dollarization and developing FX derivatives markets ▪ More differentiation on taxes on interest gains on financial instruments, favouring local currency deposits and securities vis a vis dollar instruments. ▪ Encouraging public enterprises to be active in FX derivatives markets.

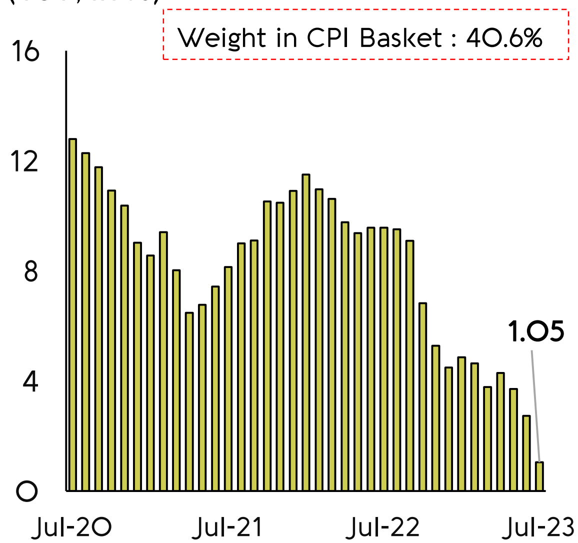
Source: Central Bank of Uruguay.

Headline inflation has fallen sharply (to lowest level in 18 years), on the back of decelerating tradeable and non-tradable inflation, unwinding of supply effects from the drought and a restrictive monetary policy.

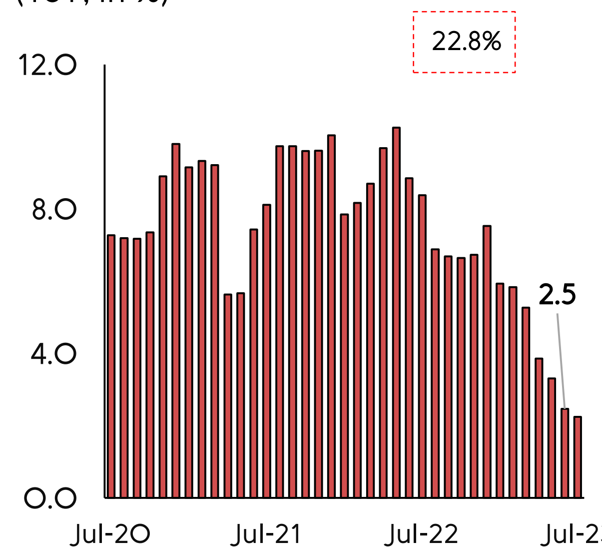
Headline inflation (1)
(YoY, in %)



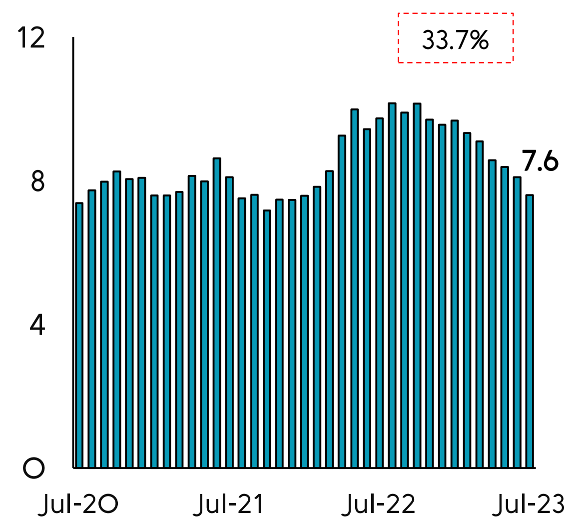
Tradable inflation (2)
(YoY, in %)



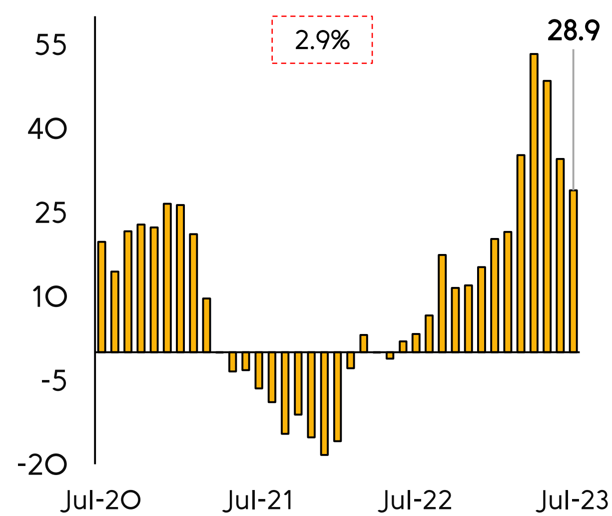
Administered prices inflation (2)
(YoY, in %)



Non-tradable inflation (2)
(YoY, in %)



Fruits and vegetables inflation (2)
(YoY, in %)

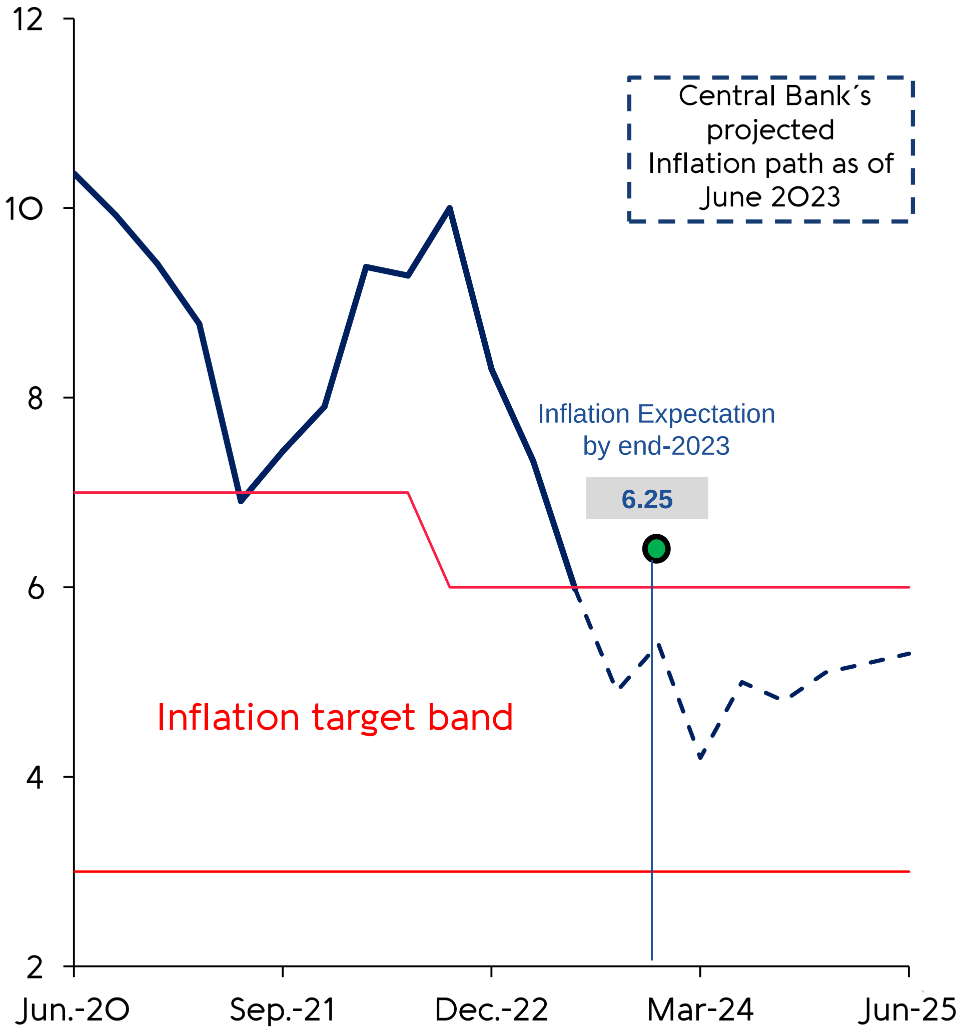


(1) Source: National Institute of Statistics and Central Bank of Uruguay.
(2) Source: Central Bank of Uruguay.
***Core inflation** excludes fruit and vegetables as well as administered prices.*

Inflation data is in line with the scenario projected by the Central Bank; July 2023 had the largest downward surprise inflation (-0.76) since 2012.

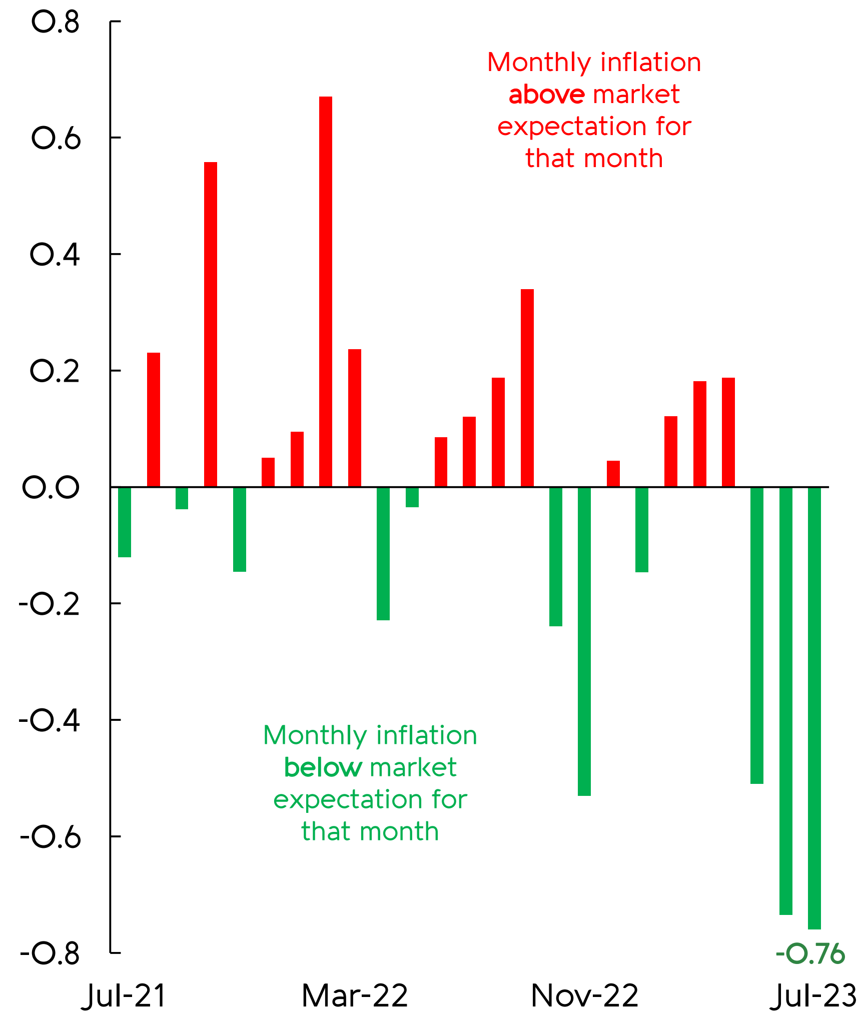
Central Bank´s projected inflation path and inflation expectations (2)

(YoY, in %)



Estimated Surprise inflation component (2)

(Difference between MoM headline inflation and MoM median inflation expectation for corresponding month, in %)



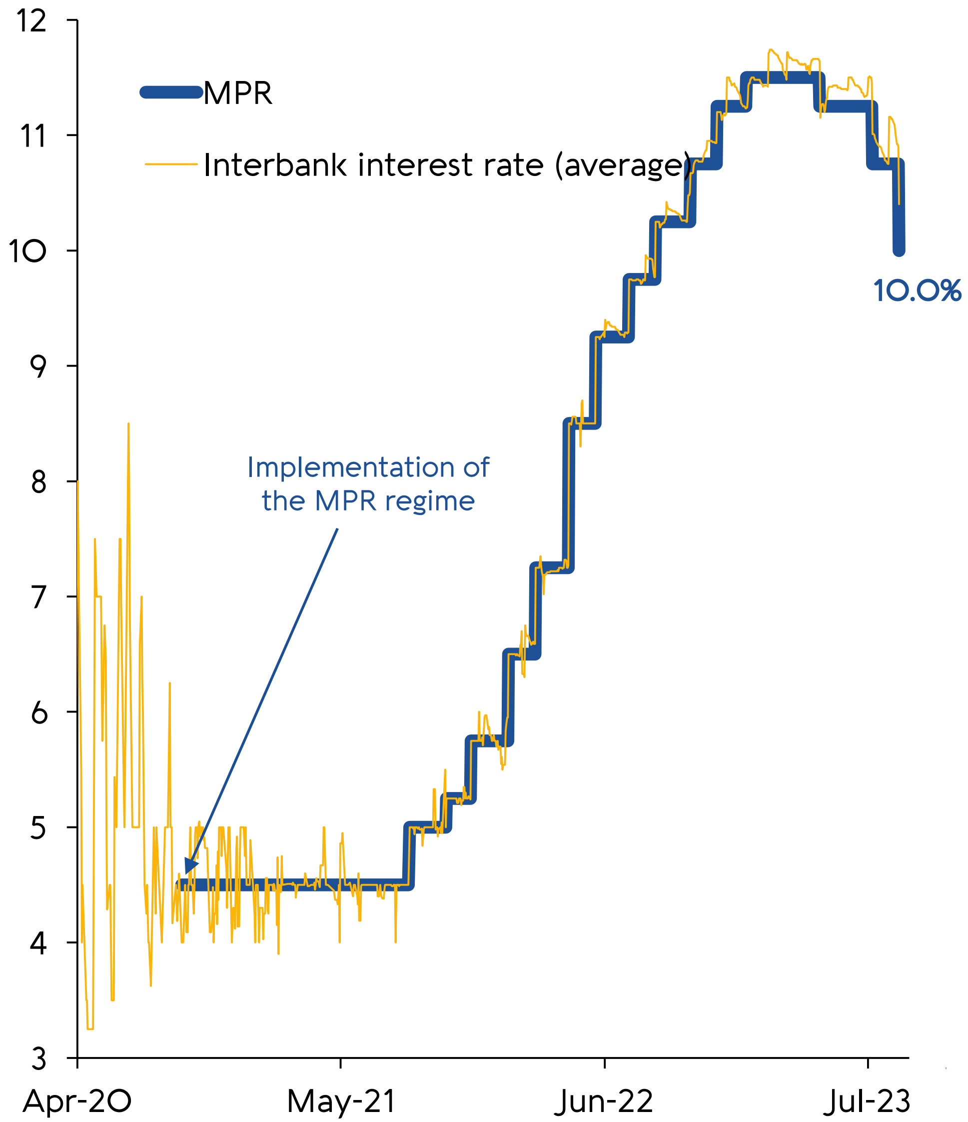
(1) *Source: Source: Central Bank of Uruguay. Quarterly forecasts of the baseline scenario as of June 2023. Median inflation expectations based on Central Bank´s market survey as of July 2023.*

(2) *Source: Central Bank of Uruguay.*

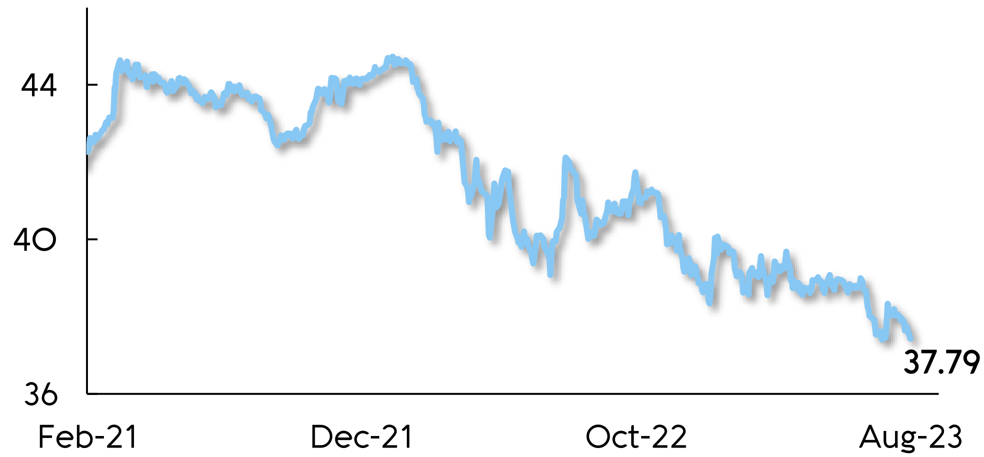
In the context of receding inflationary pressures, Central Bank is gradually reducing the short-term policy rate, while holding a contractionary monetary policy stance; the nominal exchange rate showed relatively low volatility over the last three years.

3

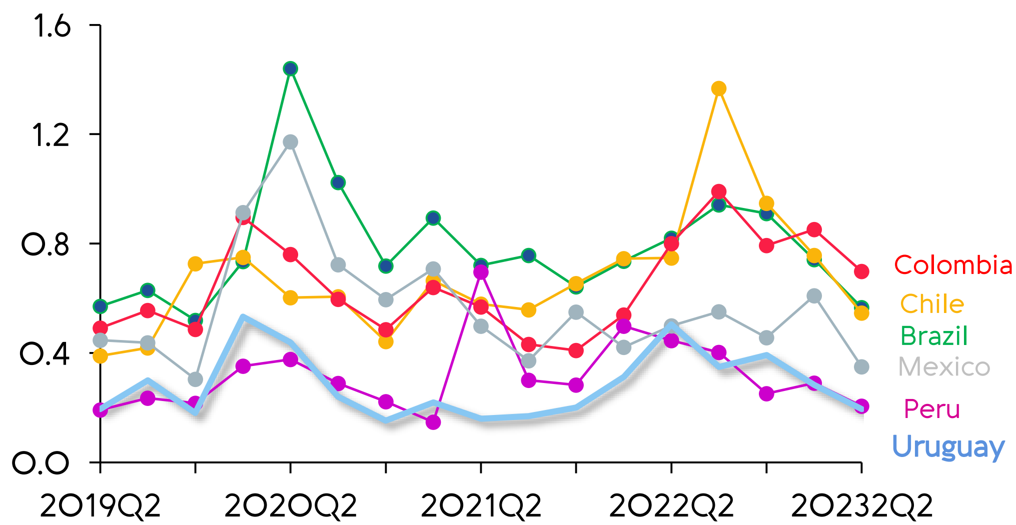
Monetary Policy Rate (MPR) and interbank interest rate (1)
(In %)



Nominal exchange rate (2)
(Uruguayan pesos per dollar, daily)



Nominal exchange volatility in LatAm (3)
(Quarterly average of the absolute value of daily percent changes)



(1) *Source: Central Bank of Uruguay. Before September 2020, the monetary policy instrument was growth in M1 monetary aggregate.*
(2) *Source: Central Bank of Uruguay.*
(3) *Source: own calculations based on Bloomberg. Regional and country specific information is as aggregated or reported, as applicable. Each such country information may be calculated differently and aggregated by each respective source using various methodologies. Accordingly, this comparison is for illustrative purposes only and we do not purport assert that the above information is actually comparable.*

4

Stable current account; banking sector with low exposure to the region

Photo credit: Uruguay XXI.

Current account deficit fully financed by FDI, on the back of a resilient balance of goods and services…

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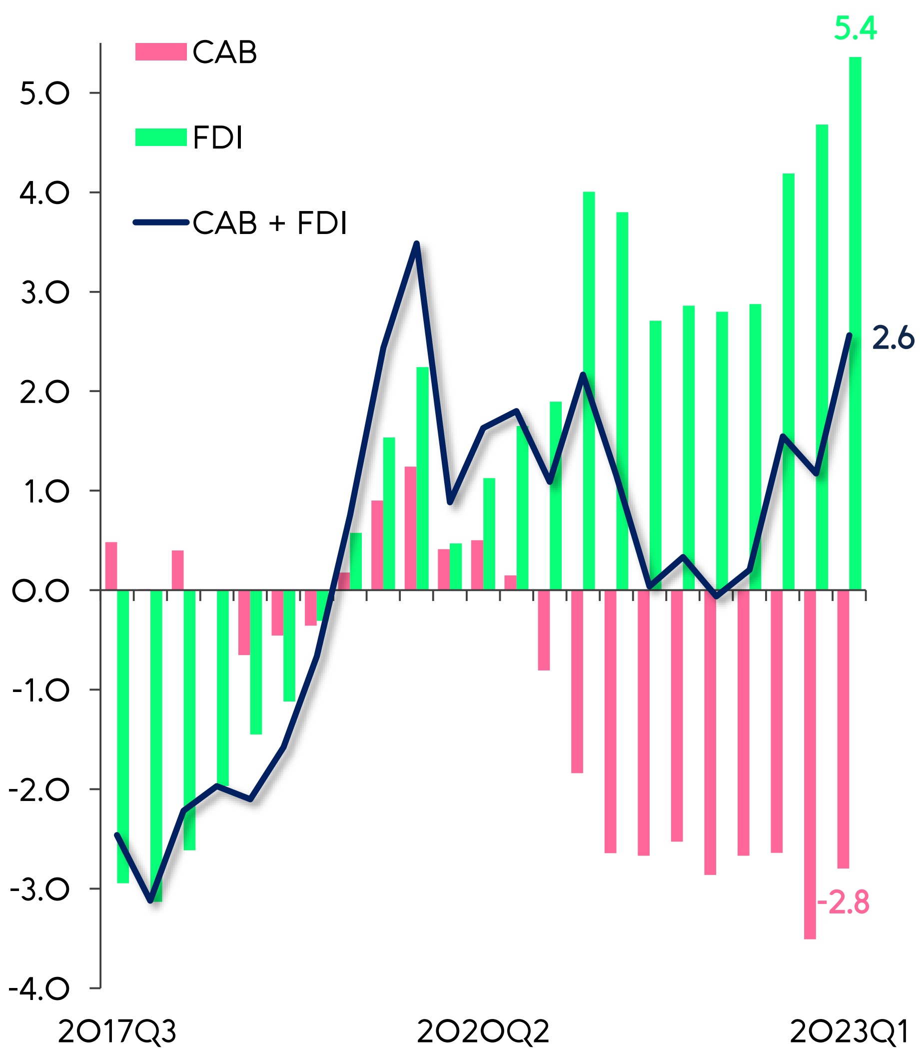
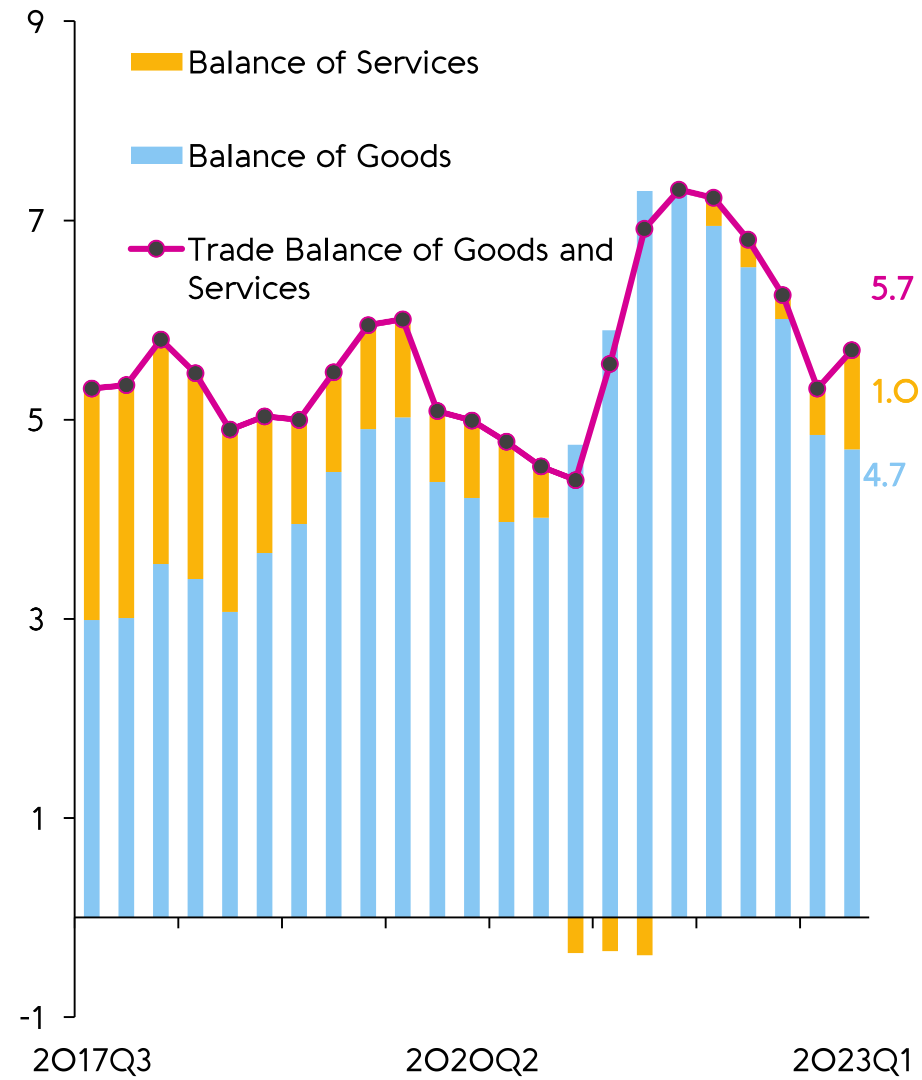
Current account balance and FDI

(Rolling 4-quarters, in % of GDP)



Goods and services balances

(Rolling 4-quarters, in % of GDP)



Source: Central Bank of Uruguay.

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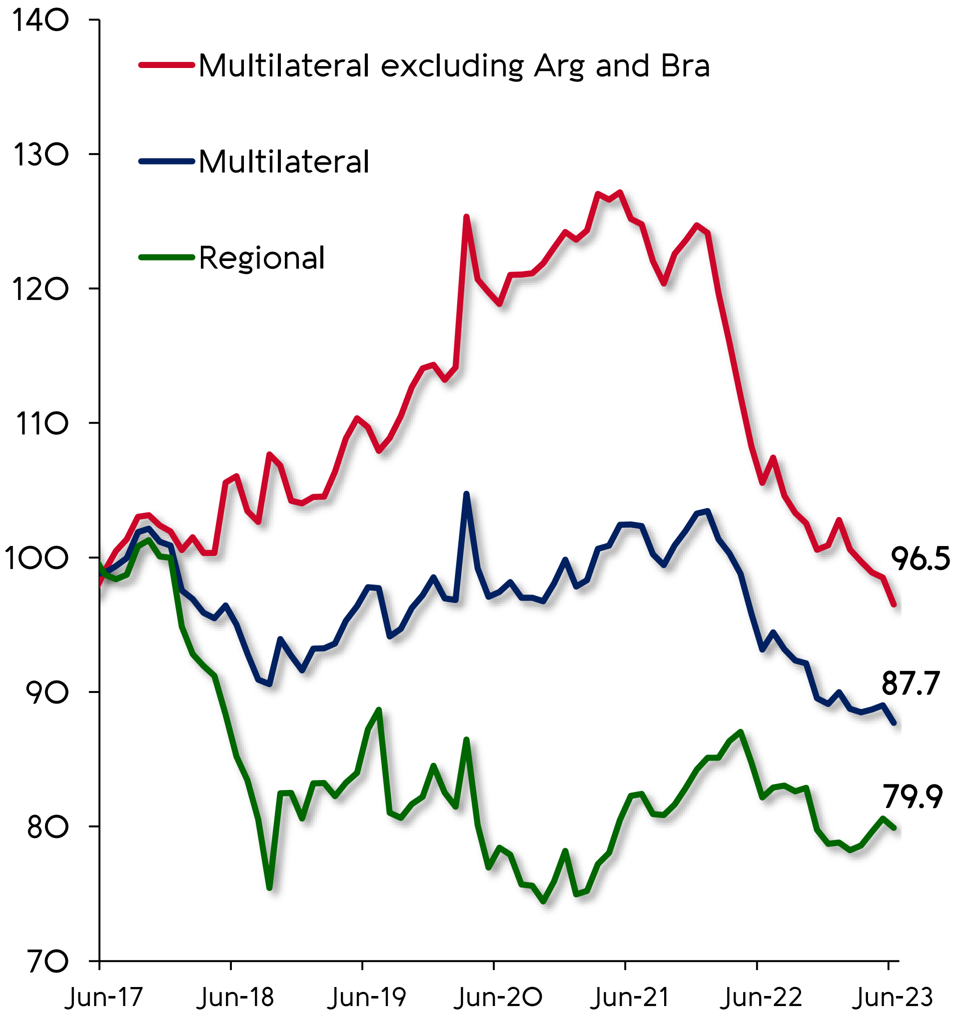
… despite real exchange rate appreciation; large international reserve buffers are a significant external backstop.

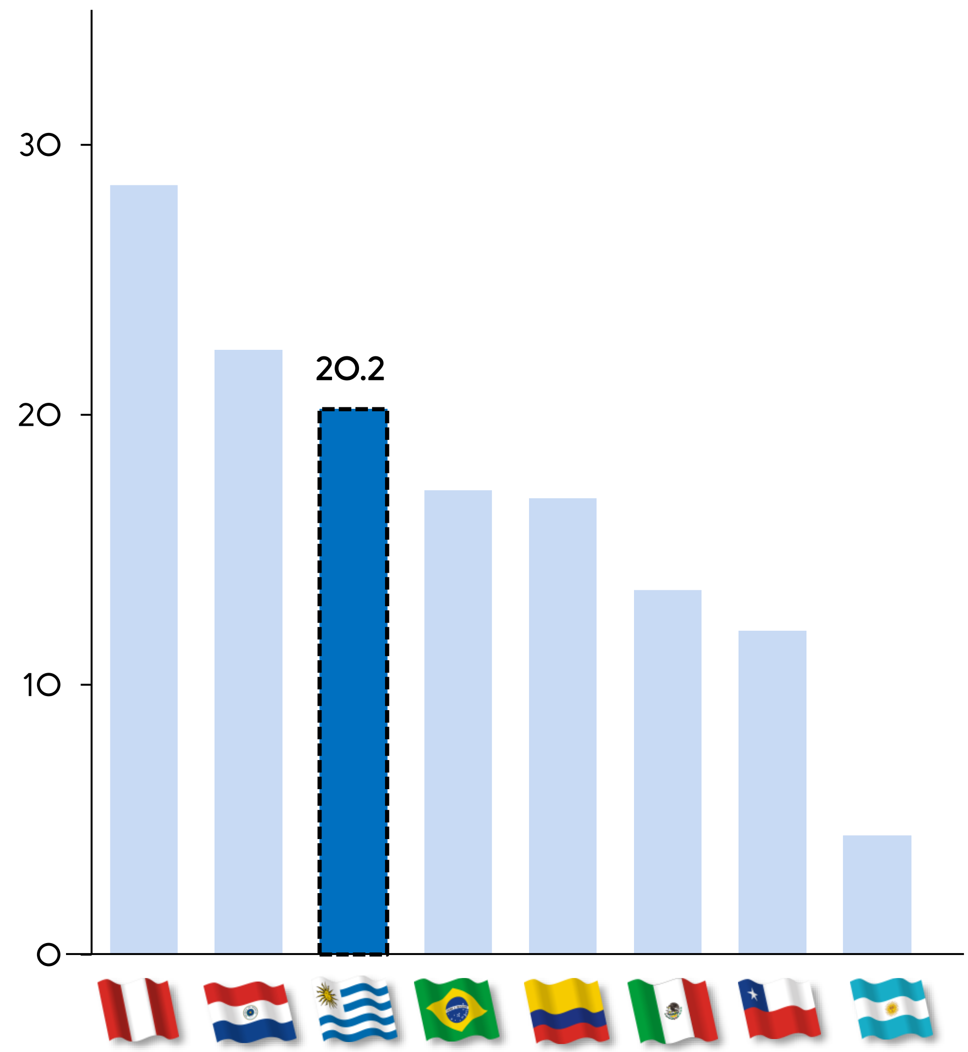
Real Effective Exchange Rate of Uruguay [1]

(Index base 100 = average 2017)



International reserves in Latam [2]

(As of end 2023Q2, in % of GDP)*

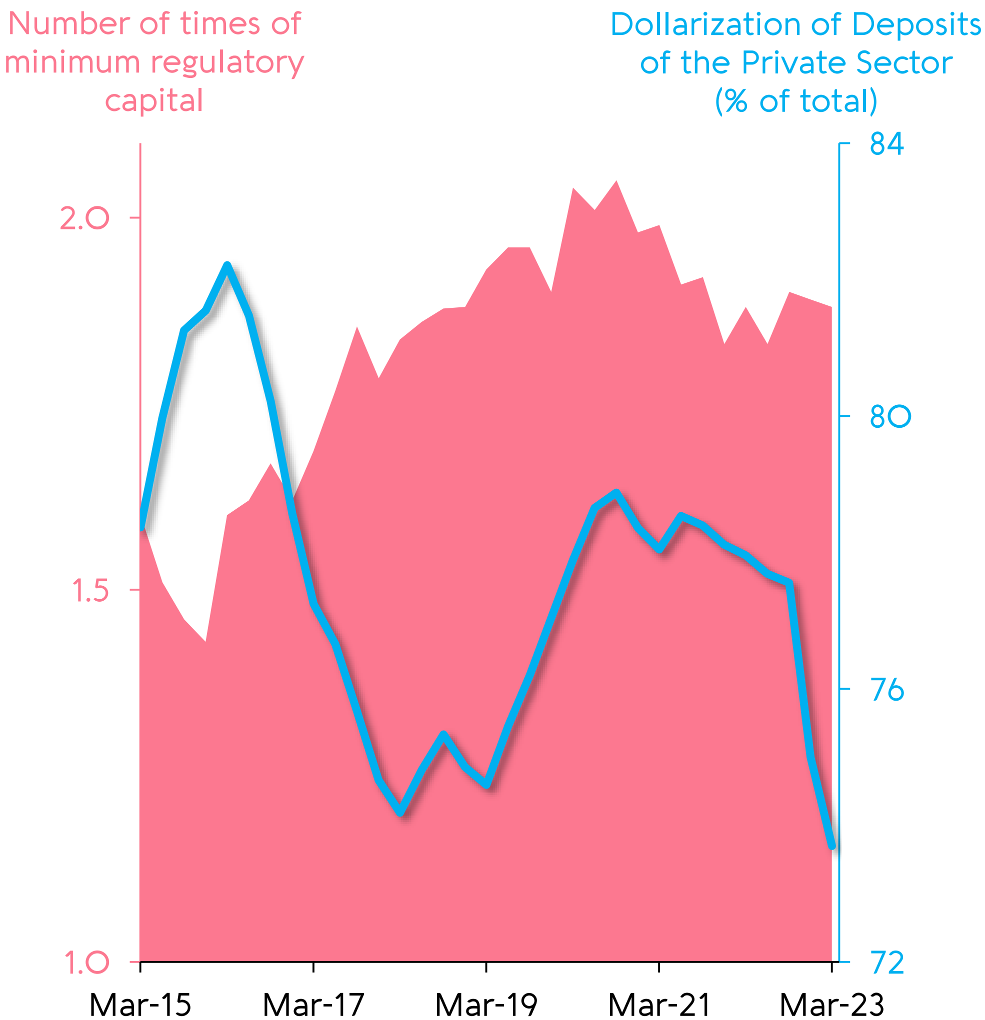


(1) Source: Central Bank of Uruguay.

(2) Source: International Monetary Fund. Reserves of Brazil and Mexico correspond to May 2023. Reserves of Peru correspond to July 2023. The GDP used is an average of the nominal GDP 2022 and 2023 from WEO April 2023.

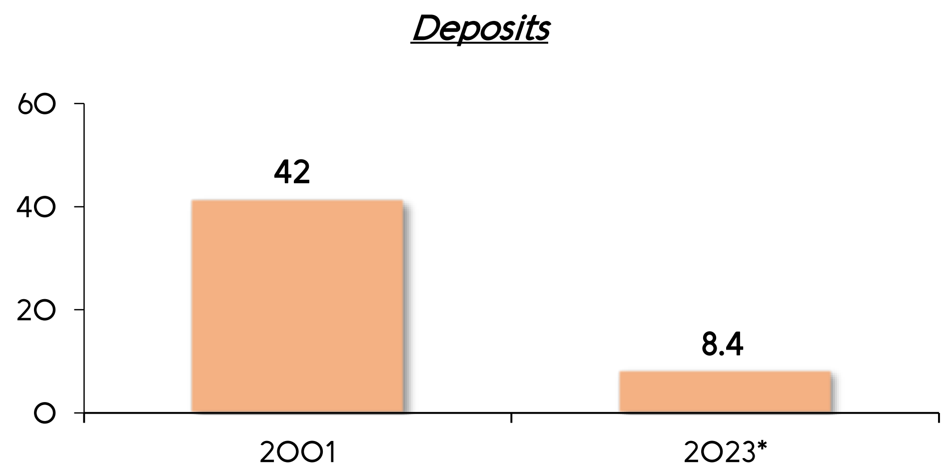
Banking sector remains well-capitalized, with high liquidity levels and low exposure to the region, yet with still-high deposit dollarization.

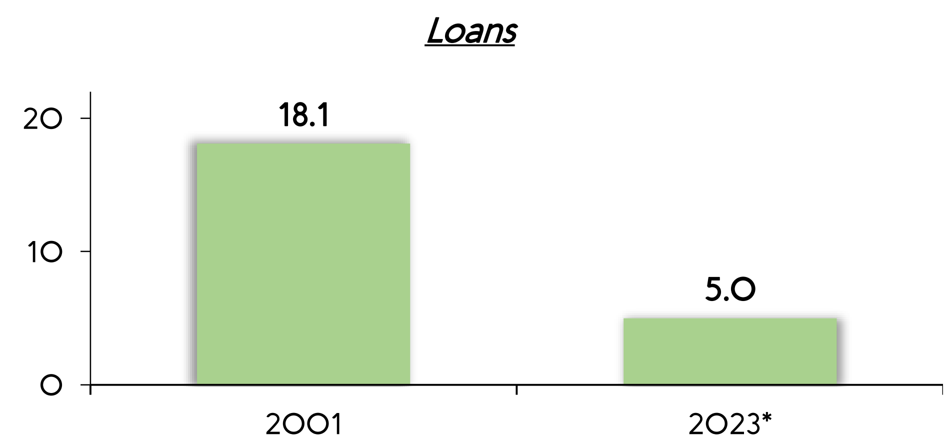
Solvency and dollarization of the banking system



Banking system´s exposure to non-residents

(To the non-financial sector, % of total)(1)





(1) End-period; data for deposits includes only private non-financial sector.

(*) As of May 2023.

Source: Central Bank of Uruguay.

5

Government-led structural reforms

Photo credit: Uruguay XXI

Government forges ahead with structural and fiscally-conservative reforms: "keeping the high-beam headlights on"

Urgent Consideration (*UC*) Law(1)	2020-2024 Budget Law	2021 Budget Review	Social Security Reform
Approved on July 9th, 2020	Approved on December 18th, 2020	Approved on November 3rd, 2022	Approved on April 27th, 2023
▪ Changes in the tax code for small businesses. ▪ Changes in the regulatory framework for energy markets. ▪ Commission of experts of the Pension Reform submitted the diagnosis on March 23rd 2021 and has 90 days onwards to present a comprehensive reform to Congress. ▪ Draft of new fiscal framework.	▪ New governance for public enterprises: performance targets and accountability. ▪ Environmental and ESG-focused policies (Helsinski Principles). ▪ Implementation of new fiscal institutionality.	▪ Fullfillment of the three pillars of the Fiscal Rule in 2021 ▪ Proposes additional expenses for three specific areas: education, I+D and citizen security. ▪ Provides for further public policies to foster the long-term growth of the	▪ Parametric changes to all schemes. ▪ Established a common system for all the schemes that exist in the country. ▪ Creation of an independent regulatory agency that oversees the entire regime. ▪ Mechanisms to encourage voluntary savings.

(1) On March 27th, 2022, a public referendum was held on whether to repeal, or uphold, 135 articles of the Urgent Consideration Law voted in 2020. The majority of the population (51,3%) voted in favour of upholding them.

Source: Ministry of Economy and Finance of Uruguay.

Social Security reform: focusing on long-term fiscal sustainability and improving equity of the pension system

Social Security Reform

- The reform plans to consolidate all retirement regimes, converging into a single system. Ten years after the approval (2033) the convergence will start, with the old pension system rules weighing 50% and the new one 50%.
- The new system will gradually replace the old one, and the influence of the systems will be modified by 5% each year. So, the new system will fully take effect by 2043.
- The approved reform gradually increases the retirement age to 65 years
- The minimum amount of worked years to retire stands at 30, although contributing for 35 or 38 years will result in early retirement at 64 or 63, respectively.
- The calculation for pensions will include the best 20 years of income.
- Allows current retirees to participate in the labor market and contribute to the pension system, alleviating fiscal pressures and expanding labor supply.
- Increases benefits for vulnerable groups improving the equity of the system

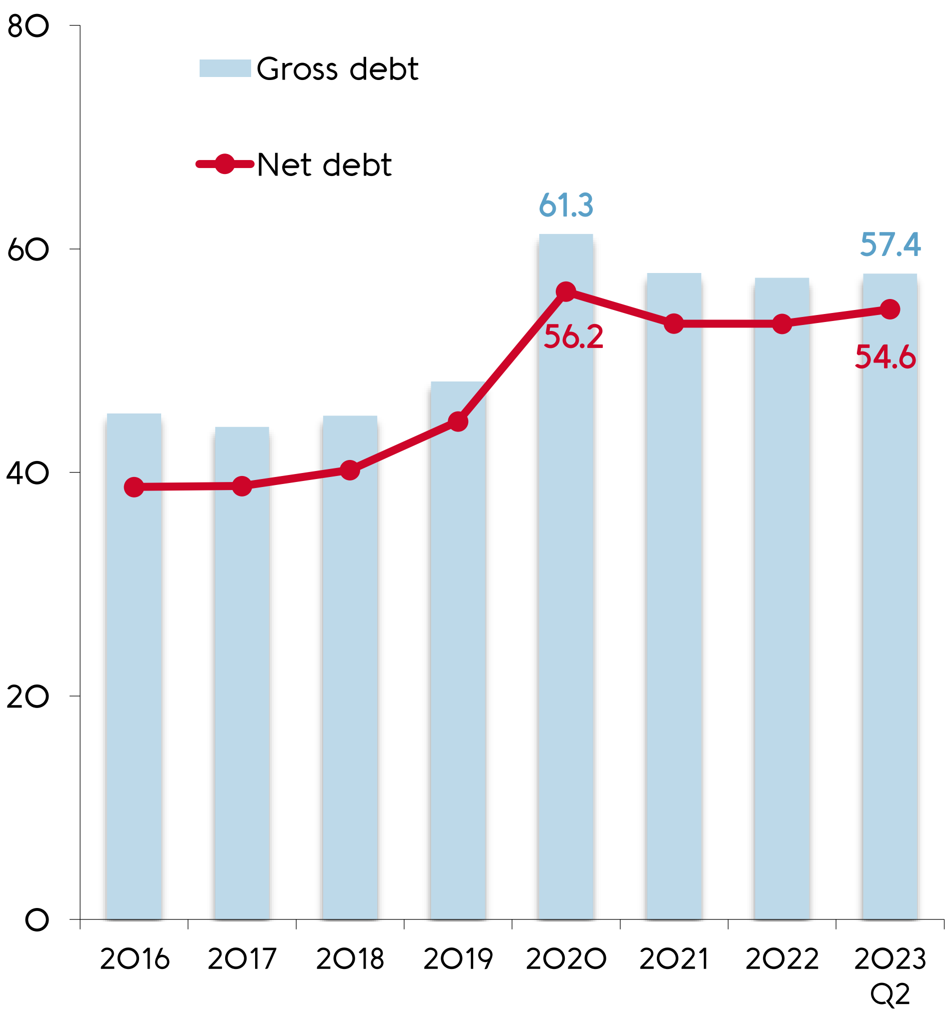
Resilient debt structure and sustainable financing strategies

Photo credit: Uruguay XXI.

The government debt-to-GDP ratio has decreased since the onset of the pandemic shock, while debt management strategies and relative price effects have significantly reduced the dollarization of debt

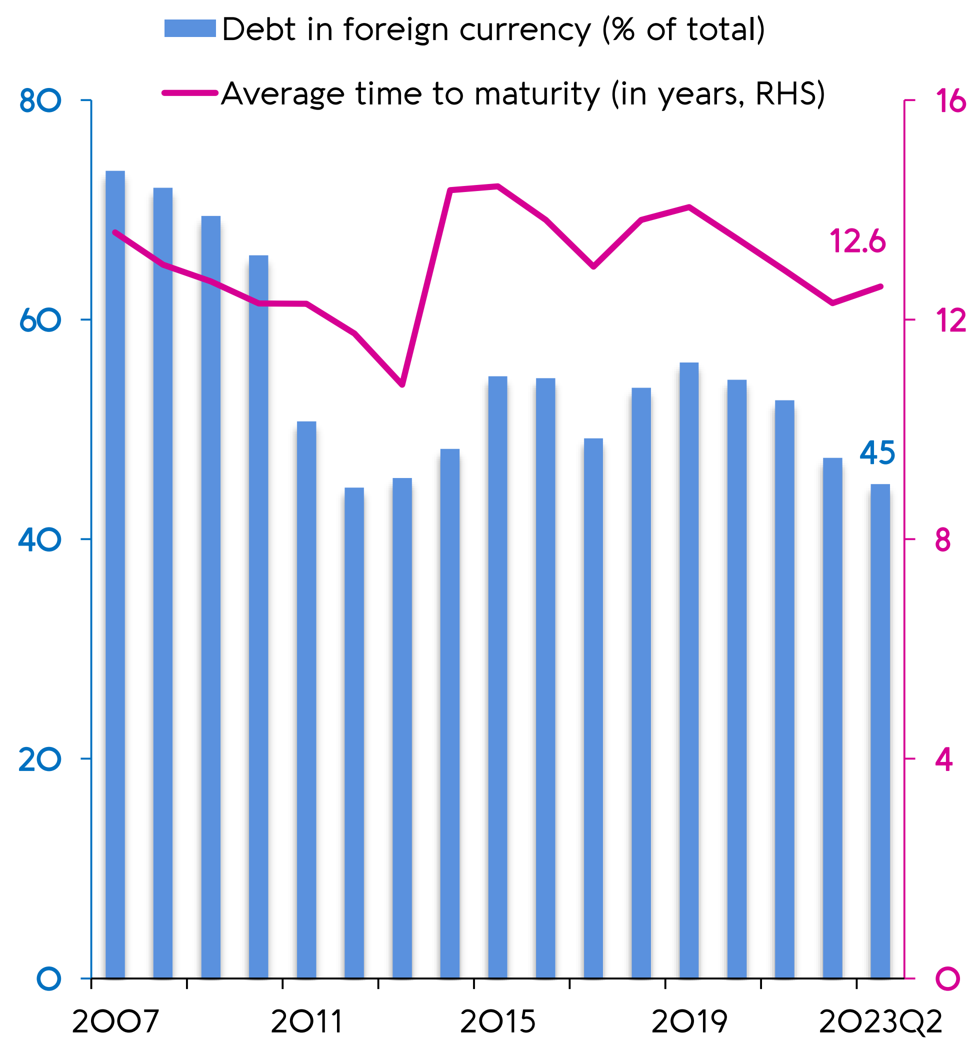
Gross and net debt stock of the Central Government

(As of end-period, in % of GDP)



Currency and maturity composition of debt

(As of end-period)

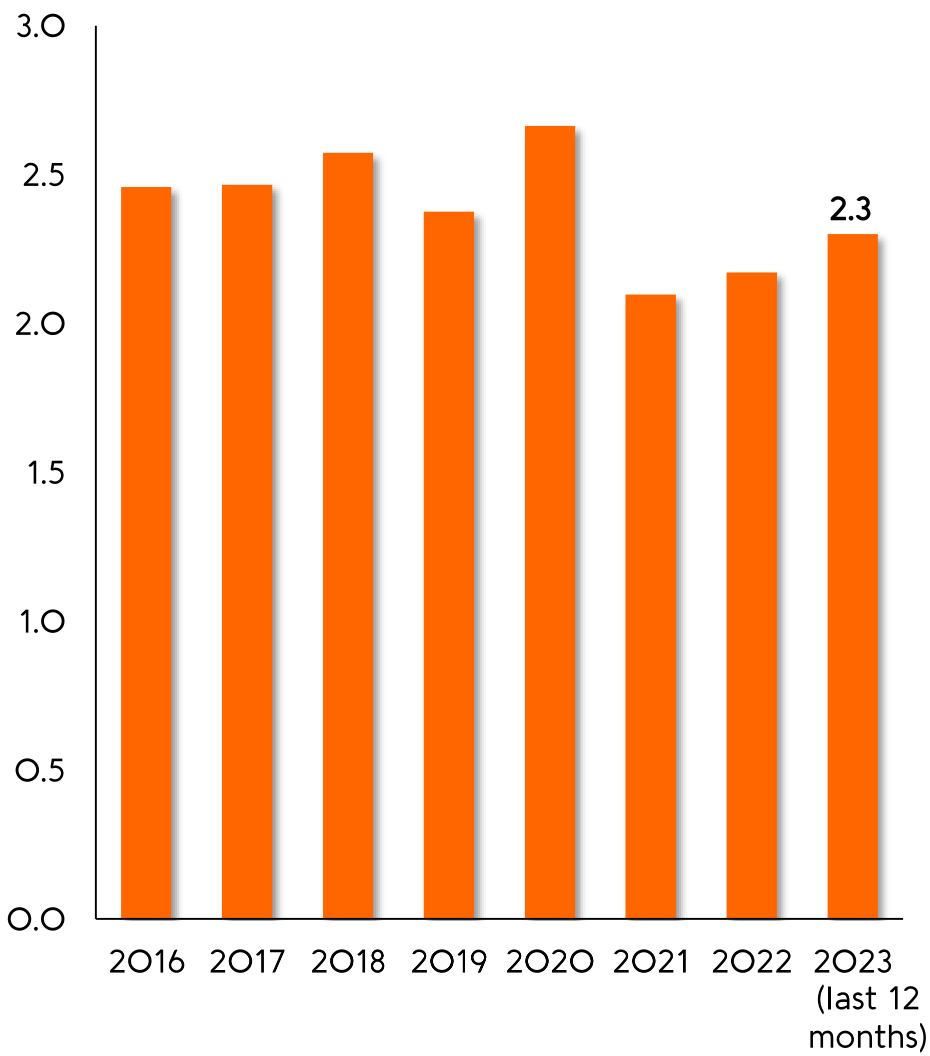


Source: Debt Management Unit, Ministry of Economy and Finance of Uruguay

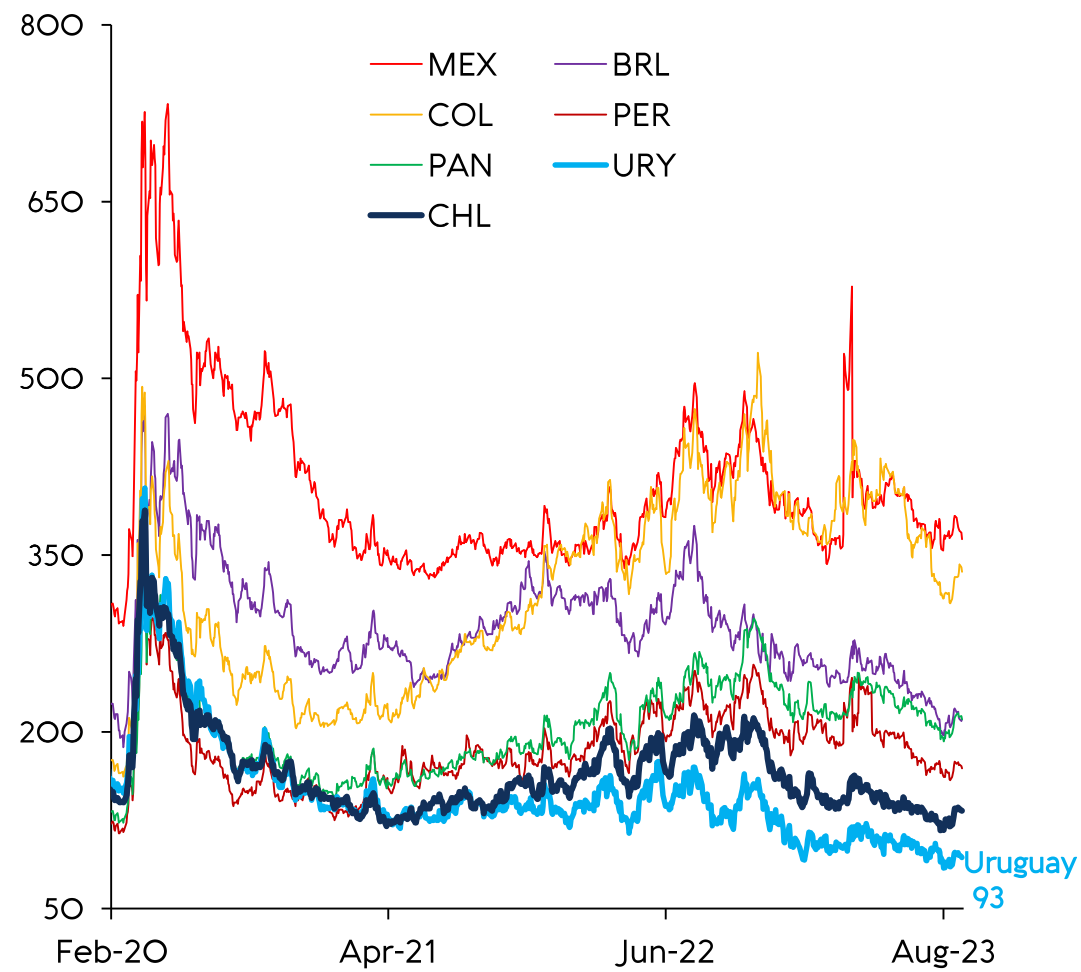
6

Uruguay has the lowest sovereign risk premia in Latin America, keeping contained interest payments as a share of GDP.

Interest payments (1)
(in % of GDP)



Sovereign risk premia in LATAM (2)
(EMBI spread, in bps; as of August 29th, 2023)



1) Source: Ministry of Economy and Finance of Uruguay.
2) Source: Bloomberg.
Regional and country-specific information is aggregated or reported, as applicable. Each country's information may be calculated differently and aggregated by each source using various methodologies. Accordingly, this comparison is for illustrative purposes only and we do not purport to assert that the above information is actually comparable.

6

Cornerstones of debt management strategy and sustainable financing goals for 2023.

- Increase local currency funding in domestic and international markets, while developing secondary markets (liquidity, points in the curve, price formation and more market-makers).

- Keep refinancing risk contained through LM operations, precautionary liquidity buffers and contingent credit lines.

- Diversify sources of funding and continue broadening the investor base, particularly ESG-focused accounts.

- Align sovereign funding strategies (in bond market issuance and multilateral loans) with achieving ambitious environmental targets to address climate change and nature conservation.

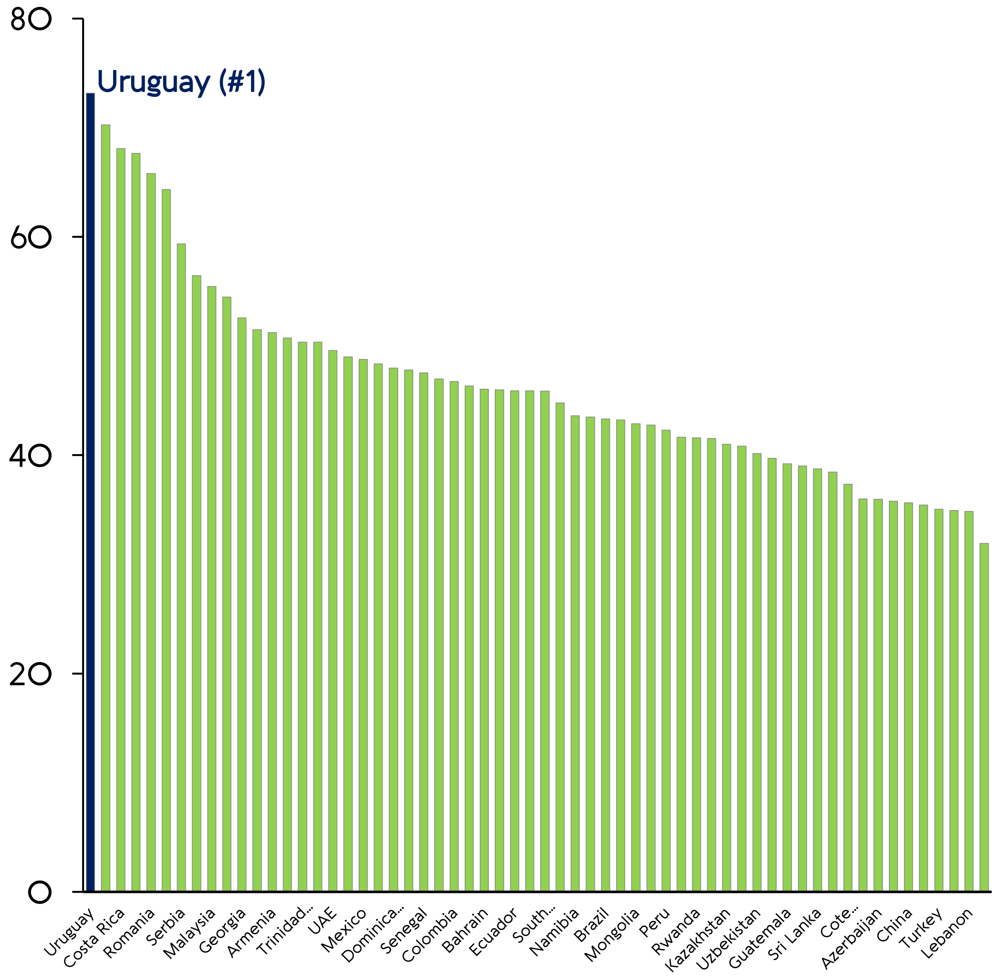
Strong ESG foundations

Photo credit: Uruguay XXI

Uruguay is the top global performer on ESG fundamentals in emerging markets.

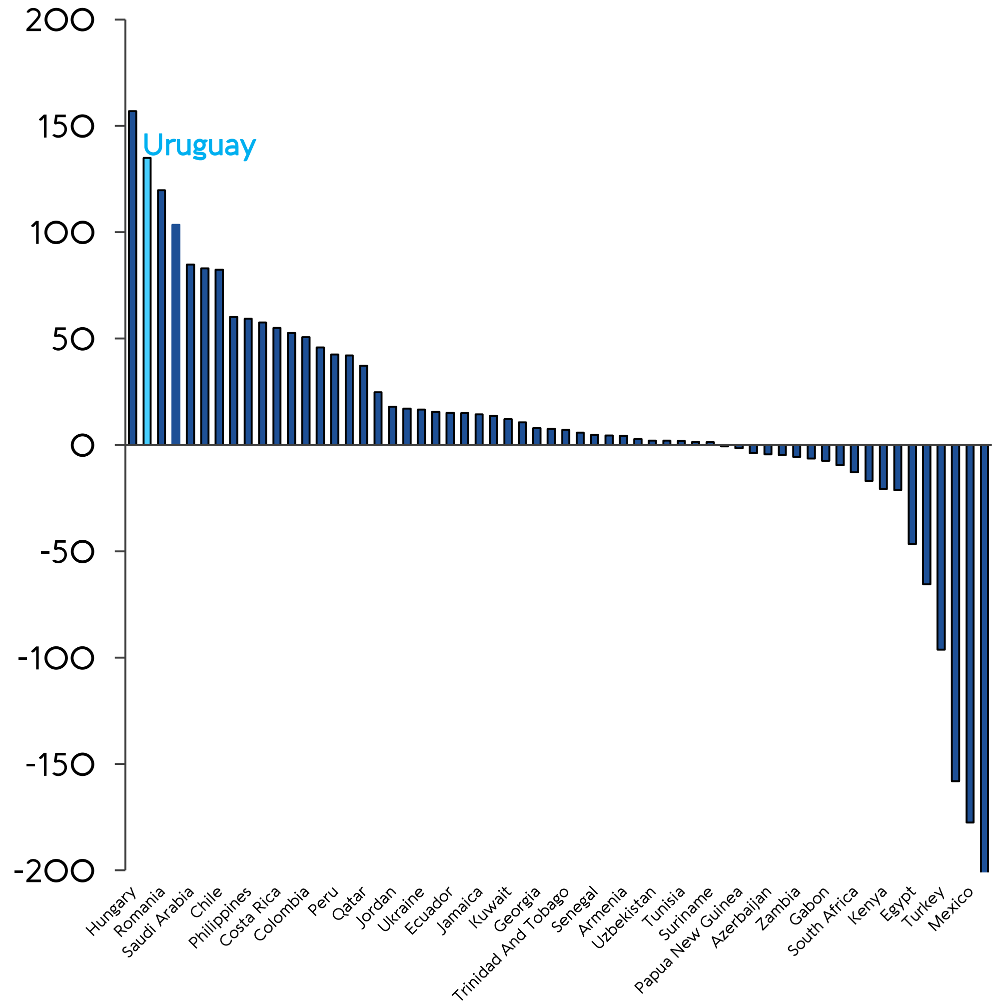
Emerging Markets' ESG Score

(Index, 100 = best performance; as of end-July, 2023)



Change in index weight when moving from Conventional EMBI to ESG-Adjusted EMBI

(In basis points; as of July 31th, 2023)



60 countries

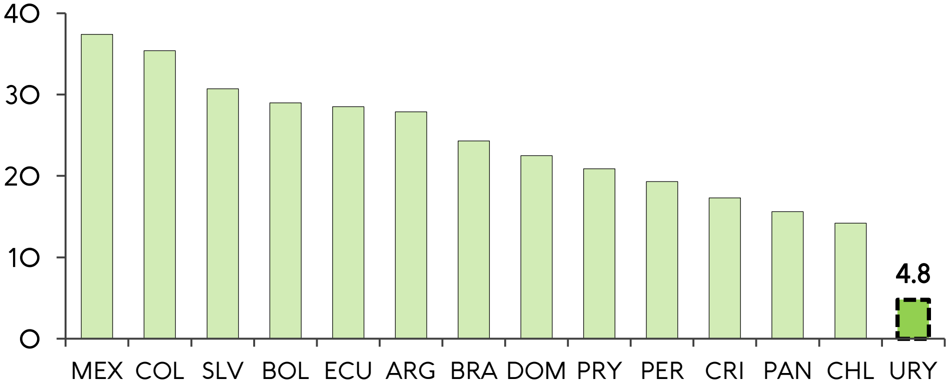
(1) Source: J.P. Morgan Chase & Co. Disclaimer: "Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission.
The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2021, J.P. Morgan Chase & Co. All rights reserved." Regional and country-specific information is aggregated or reported, as applicable. Each country's information may be calculated differently and aggregated by each source using various methodologies. Accordingly, this comparison is for illustrative purposes only and we do not purport to assert that the above information is actually comparable.

Uruguay has a relatively low poverty rate and gender inequality, and the highest share of middle-class people in LatAm.

7

Poverty compared to LatAm [1]

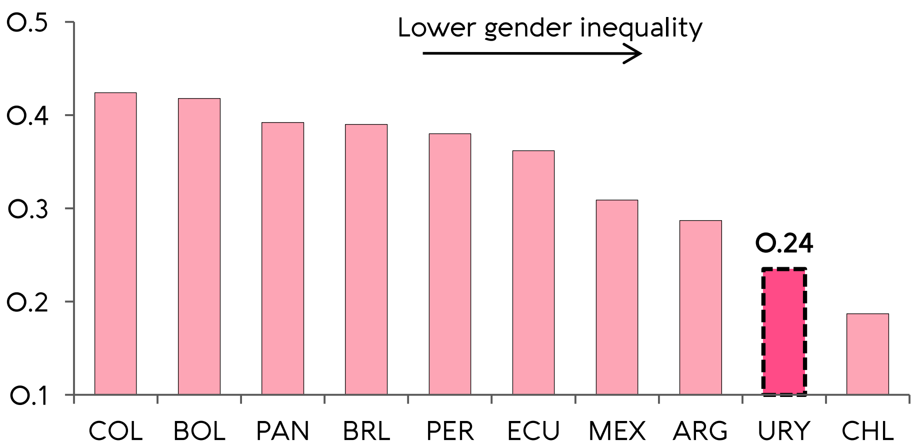
(In % of total population, year 2021)*



(*) Except for Mexico (2020), El Salvador (2020) and Chile (2020). Poverty rate for Argentina is not including because only considers urban areas

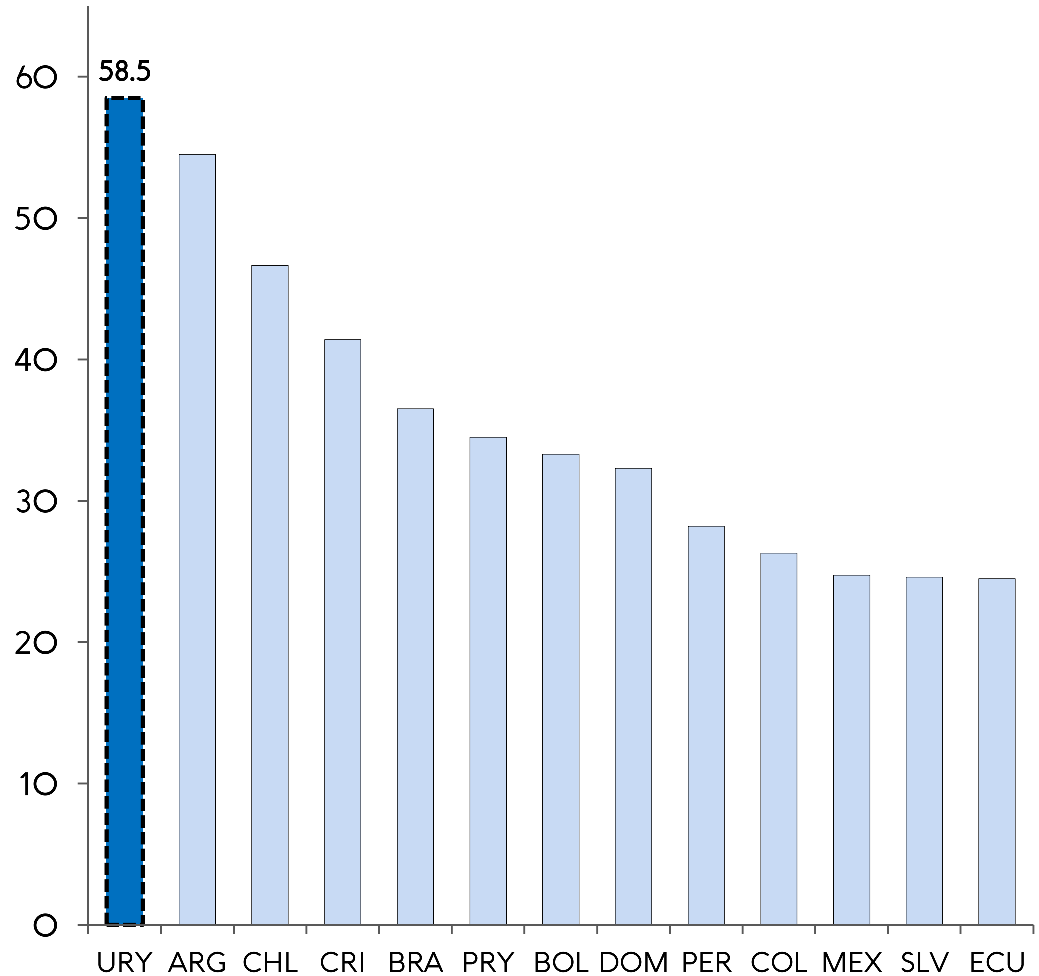
Gender inequality compared to LatAm [2]

(Inequality Index, 2021)



Share of middle class people compared to LatAm [3]

(Year 2021, in % of total population)*

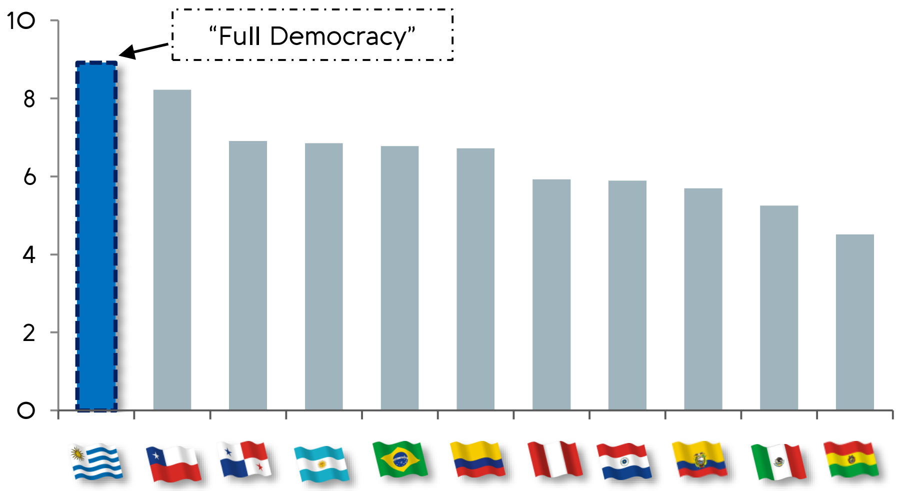


1) *Source: ECLAC*
2) *Source: United Nations Development Program (UNDP), Human Development Reports 2021; Gender Inequality Index is a composite measure reflecting inequality in achievement between women and men in three dimensions: reproductive health, empowerment and the labour market.*
3) *Source: Inter-American Development Bank; Middle class defined as percentage of population that lives in households with per capita income between USD 12,4 and USD 62 a day.*

Uruguay is a bastion of institutional, political, and social stability in LatAm, ranking alongside most developed nations

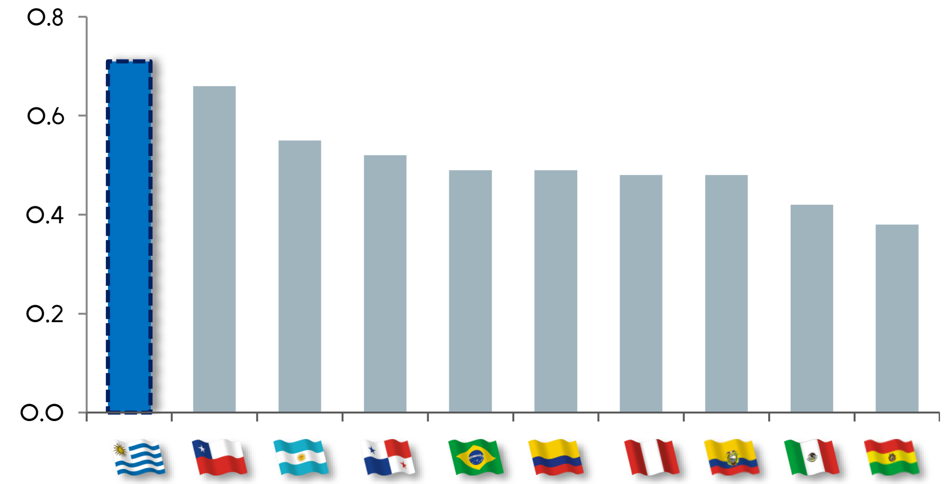
Democracy index [1]

(Score from 1 to 10, year 2022)



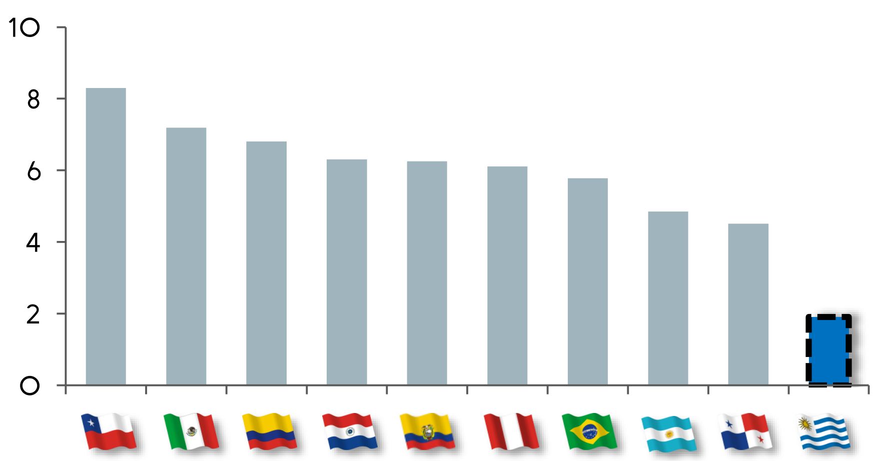
Adherence to the Rule of Law [2]

(Numerical score out of 1, year 2022)



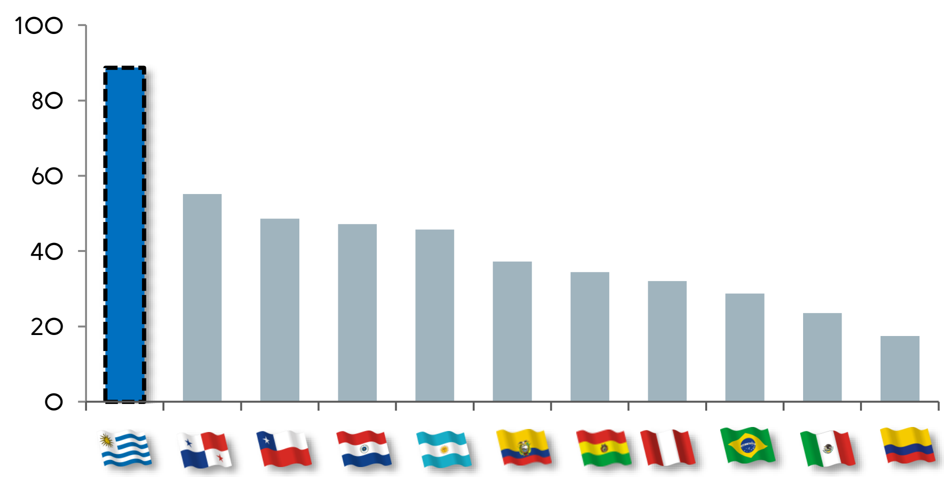
Civil Unrest [3]

(Index out of 10, first quarter of 2020)



Political Stability and Absence of Violence/Terrorism [4]

(Percentile rank, 2021)

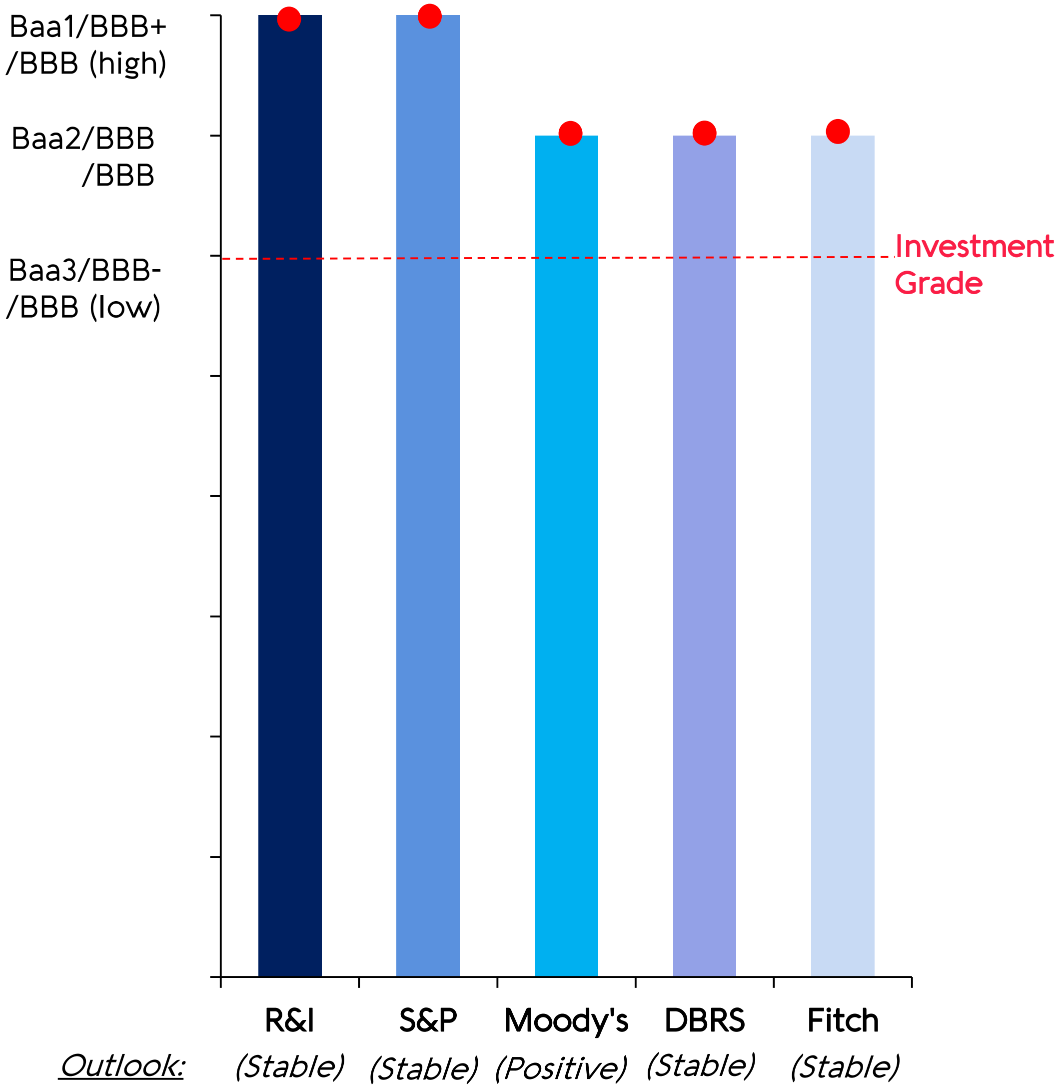


Sources: (1) The Economist Intelligence Unit (2023); (2) World Justice Project (2022); (3) Verisk Maplecroft (2020); (4) Worldwide Governance Indicators, World Bank (2021).
Regional and country specific information is as aggregated or reported, as applicable. Each such country information may be calculated differently and aggregated by each respective source using various methodologies. Accordingly, this comparison is for illustrative purposes only and we do not purport assert that the above information is actually comparable.

In June 2023, Fitch raised Uruguay's credit rating to "BBB"; all five rating agencies now place Uruguay at least one notch above the investment grade threshold, for the first time on record.

Uruguay's sovereign credit ratings [1]

(As of July 31th, 2023)



Latest credit rating actions

FitchRatings

On June 7, 2023, Fitch raised the long-term foreign and local currency sovereign credit ratings on Uruguay to 'BBB' from 'BBB-'. The outlook is **stable**.

Moody's

On May 17, 2023, Moody´s Investor Service affirmed Uruguay´s long-term foreign and local currency sovereign credit ratings at Baa2 and upgraded the outlook from stable to positive.

Standard & Poor's Ratings Services McGraw Hill Financial

On April 26, 2023, S&P Global Ratings raised the long-term foreign and local currency sovereign credit ratings on Uruguay to 'BBB+' from 'BBB'. The outlook is **stable**.

DBRS

On November22, 2022, DBRS-Morningstar upgraded Uruguay's Long-Term Foreign and Local Currency-Issuer Ratings to BBB. The outlook is **stable**.

R&I

On October 21, 2022, R&I upgraded the Foreign Currency Issuer Rating to BBB+. The outlook is **stable**.

Source: Moody's, S&P, R&I, DBRS-Morningstar and Fitch. Agency ratings are not a recommendation to buy, sell or hold any security, and they may be revised or withdrawn at any time by the issuing organization. Each agency's rating should be evaluated independently of any other agency's rating, as each agency has different evaluation criteria.

República Oriental del Uruguay

THANK YOU