

REGULATORY NEWS SERVICE (RNS)

SC **Parex** banka **Parex** Notes ISIN XS0253533318, ?200mln 5.625%

389 words
2 March 2009
05:38 AM
Regulatory News Service
RNS
English
(c) 2009

TIDM89ZQ

RNS Number : 11130
SC
Parex banka
02 March 2009

?

Press release
27 February 2009

SC **Parex** banka Notes EUR200,000,000 5.625 per cent, due 2011, ISIN:
XS0253533318: Negotiation process with **Parex** banka's syndicated lenders extended

On February 27, 2009 **Parex** banka and its syndicated lenders reached an agreement to extend the negotiation process between them until 19 March 2009, with a view to restructuring the loans and changes in the repayment terms.

Nils Melngailis, Chairman of **Parex** banka's Management Board, who is leading the negotiation process on behalf of the Bank, commented: "This is a complex process which requires the preparation of legal documentation by the Bank and its syndicated lenders, comprising 60 international financial institutions. In this situation the extension of negotiations reflects the lenders' wish to reach an agreement with **Parex** banka on the proposed changes in repayment terms and conditions."

As previously announced **Parex** banka submitted a proposal to its syndicated lenders with an offer to change the terms of their existing loan agreements on 5 February 2009. The particular terms of the proposal involve a 20% or EUR 155 million cumulative interest payment by the end of March 2009, a EUR 387 million payment in February 2010 and the remaining EUR 232.5 million payment in January 2012.

Parex banka has two outstanding syndicated loan agreements: the EUR 275 million credit agreement dated 21 February 2008 and the EUR 500 million credit agreement dated 29 June 2007.

About **Parex** banka:

Being founded in 1992, **Parex** banka offers universal banking services throughout the Baltic region, the CIS and other European countries such as Germany, Switzerland and Sweden. **Parex** Group companies operate across the banking, finance, leasing, asset management and life insurance sectors. **Parex** banka is the only partner of American Express in **Latvia** and Lithuania, allowed to issue American Express credit cards. Since 05 December 2008 the State owned Mortgage and Land Bank of **Latvia** is the majority shareholder of **Parex** banka.

Additional information:

Indra Zinkevica

Head of Corporate Communications and PR

Parex banka

Phone: +371 6777 8571 or +371 2913 9449

E-mail: pr@**parex**.lv

This information is provided by RNS

The company news service from the London Stock Exchange

END

MSCEAEDAEDLNEFE

[02-03-09 1038GMT]

Document RNS0000020090302e5320009f