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Québec Floats a US\$1.5-Billion Bond Issue

Québec City, November 10, 2006 – Last Tuesday, the ministère des Finances issued bonds for an amount of US\$1.5 billion, equivalent to almost C\$1.7 billion, with a 10-year maturity. The rate of return paid on these bonds, when converted to Canadian dollars, is 4.50%.

“The issue’s success reflects the confidence of investors in Québec’s economic situation and in our government’s management of public finances. The rise in Québec’s credit rating last June also contributed to the issue’s success since it broadened the pool of investors likely to buy bonds issued by Québec”, stated the Minister.

More than 75 institutional investors (fund managers, pension plans, insurance companies and central banks) participated in the transaction.

In addition, the issue enjoyed excellent geographical distribution: almost half of the securities were sold in North America, roughly one third in Europe and close to 20% in Asia.

The issue was distributed by a financial syndicate led by Merrill Lynch, CIBC, Deutsche Bank and Citibank.

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