

PRICING TERM SHEET

THE REPUBLIC OF ALBANIA, ACTING THROUGH THE MINISTER OF FINANCE AND ECONOMY

€500,000,000 3.500 per cent. Notes due 9 October 2025

02 October 2018

Issuer:	The Republic of Albania, acting through The Minister of Finance and Economy
Expected Rating of the Notes:	B1 by Moody's Investors Service Limited B+ by Standard and Poor's Credit Market Services Europe Limited A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency
Market:	Rule 144A and Regulation S
Currency:	Euro
Issue Size:	€500,000,000
Denominations:	€100,000 and integral multiples of €1,000 in excess thereof
Tenor:	7 years
Pricing Date:	02 October 2018
Settlement/Issue Date:	09 October 2018 ("T+5")
Interest Commencement Date:	09 October 2018
Interest Payment Dates:	On 09 October of each year commencing on 09 October 2019 up to and including the Maturity Date
First Interest Payment Date:	09 October 2019
Maturity Date:	09 October 2025
Swap Rate (7-year):	0.643%
Re-offer Yield:	3.550%

Re-offer Spread:	290.7 bps
Re-offer Price:	99.695%
Coupon:	3.500% annually in arrear
Day Count Fraction:	Actual/Actual (ICMA)
Governing Law:	English
Joint Lead Managers:	Banca IMI S.p.A., Citigroup Global Markets Limited and Société Générale
Stabilisation Manager:	Citigroup Global Markets Limited
U.S. Selling Restrictions:	Reg. S Category 1/Rule 144A
Rule 144A ISIN/Common Code:	XS1877938669 / 187793866
Regulation S ISIN/Common Code:	XS1877938404 / 187793840
Clearing:	Euroclear and Clearstream, Luxembourg
Form of the Notes:	Registered Global Certificates
Listing / Trading:	Application has been made for listing on the regulated market of Euronext Dublin. There are no assurances that the Notes will be admitted to trading on Euronext Dublin

Before you invest, you should read the Preliminary Prospectus dated 24 September 2018 (the **Prospectus**) for more complete information about the Issuer and this offering. Any Joint Lead Manager participating in the offering will arrange to send you the Prospectus if you request it.

This pricing term sheet is qualified in its entirety by reference to the Prospectus. The information in this pricing term sheet supplements the Prospectus and supersedes the information therein to the extent that there are any inconsistencies. Before you invest in the Notes, you should read the Prospectus for more information concerning the Issuer and the Notes. Terms not otherwise defined herein shall have the meanings ascribed to them in the Prospectus. Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

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*The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the **Securities Act**) or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, any U.S. persons (as such terms are defined in Regulation S under the Securities Act (**Regulation S**)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes are being offered, sold or delivered: (a) to qualified institutional buyers (**QIBs**) (as defined in*

Rule 144A (Rule 144A) under the Securities Act) in reliance on, and in compliance with, Rule 144A; and (b) to Persons (other than U.S. persons) outside the United States (each as defined in Regulation S) in reliance on Regulation S. Each purchaser is hereby notified that the offer and sale of Notes to it is being made in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

For a description of these and certain further restrictions on offers, sales and transfers of the Notes and the distribution of the Prospectus and this pricing term sheet, see the section headed "Subscription and Sale" in the Prospectus.

The distribution of this pricing term sheet and the offering in certain jurisdictions may be restricted by law and therefore persons into whose possession this pricing term sheet comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction.

*This pricing term sheet is an advertisement and is not a prospectus for the purposes of Directive 2003/71/EC as amended (including by Directive 2010/73/EU), and including any relevant implementing measure in a relevant Member State of the European Economic Area (the **Prospectus Directive**). The prospectus prepared pursuant to the Prospectus Directive can be obtained in accordance with the Prospectus Directive. Investors should not subscribe for any Notes except on the basis of information contained in the Prospectus.*

MiFID II product governance / Professional investors and ECPs only target market – *Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

Stabilisation:

FCA.

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