

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This document does not constitute an invitation to participate in the Offer in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities laws. The distribution of this document in certain jurisdictions [(in particular, Austria, Bahamas, Canada, Belgium, Denmark, France, Germany, Hong Kong, Italy, Luxembourg, Netherlands, Switzerland and the United Kingdom)] may be restricted by law. See "Certain Legal Restrictions" below. Persons into whose possession this document comes are required by each of the Republic of Uruguay and the Dealer Managers to inform themselves about, and to observe, any such restrictions.



República Oriental del Uruguay

Offer to Purchase Bonds for Cash

This offer (the "Offer") to purchase for cash the outstanding Bonds of the Republic of Uruguay ("Uruguay") set forth in the table below (the "Fixed Price Bonds" and the "Fixed Spread Bonds", which are collectively referred to herein as, the "Old Bonds" and each Old Bond, a "series" of Old Bonds) is made on the terms and subject to the conditions set forth in this Offer to Purchase (the "Offer Document"), including the offering (but not the closing) of a new Global Bond of Uruguay due 2050 (the "New Bonds") in an amount, with pricing and on terms and conditions acceptable to Uruguay to be priced on the date hereof (the "New Bonds Offering"). Uruguay will determine in its sole discretion the aggregate principal amount of Old Bonds acquired in the Offer (the "Maximum Purchase Amount"). The New Bonds Offering will be made solely by means of a prospectus relating to that offering, and this Offer Document does not constitute an offer to sell or the solicitation of an order to buy any New Bonds. The Offer is not conditioned upon any minimum participation of any series of Old Bonds or on the closing of the New Bonds Offering, but is conditioned on the pricing of the New Bonds and the underwriting agreement relating to the New Bonds Offering and the Dealer Manager Agreement (as defined herein) relating to this Offer not being terminated prior to or at the time of the settlement of the Offer. The aggregate principal amount of Old Bonds outstanding as of Monday, June 9, 2014 is approximately US\$ 4,453,570,671.50.

The Billing and Delivering Bank (as defined herein) will pay a purchase price per US\$1,000 principal amount of Old Bonds of each series that are accepted pursuant to the Offer equal to (a) in the case of the Fixed Price Bonds, the fixed price indicated in the table below and (b) in the case of the Fixed Spread Bonds, a purchase price to be determined in accordance with the procedures set forth herein using the Fixed Spread specified for the Fixed Spread Bond in the table below (the "Purchase Price"), in each case together with Accrued Interest (as defined herein). **Only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted. Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder.** Tender Orders that are not for Permitted Tender Amounts (as defined herein) will not be accepted.

Fixed Price Bonds	Outstanding Principal Amount as of Monday, June 9, 2014	ISIN	CUSIP	Common Code	Purchase Price (per US\$1,000 Principal Amount)	Purchase Price (%)
7.500% Global Bonds due 2015 ("2015 Bonds")	US\$ 165,388,418.00	US917288AZ56	917288AZ5	016713805	US\$1,055.00	105.50%
9.250% Global Bonds due 2017 ("2017 Bonds")	US\$ 53,190,000.00	US760942AR33	760942AR3	021983462	US\$1,220.00	122.00%
8.000% Global Bonds due 2022 ("2022 Bonds")	US\$ 668,038,172.00	US917288BC52	917288BC5	023617129	US\$1,325.00	132.50%
6.875% Global Bonds due 2025 ("2025 Bonds")	US\$ 238,693,605.00	US760942AX01	760942AX0	045490688	US\$1,245.00	124.50%
7.875% Global Bonds due 2033 ("2033 Bonds")	US\$ 1,066,269,971.50	US917288BA96	917288BA9	016713813	US\$1,385.00	138.50%
7.625% Global Bonds due 2036 ("2036 Bonds")	US\$ 1,407,867,317.00	US760942AS16	760942AS1	024873811	US\$1,375.00	137.50%

Fixed Spread Bonds	Outstanding Principal Amount as of Monday, June 9, 2014	ISIN	CUSIP	Common Code	Reference U.S. Treasury Security ⁽¹⁾	Bloomberg Screen	Fixed Spread (Basis Points)	Hypothetical Purchase Price (per US\$1,000 principal amount) ⁽²⁾
4.125% Global Bonds due 2045 ("2045 Bonds")	US\$ 854,123,188.00	US760942AY83	760942AY8	085705113	3.625% due February 15, 2044	PX1	143	US\$883.75

⁽¹⁾The Dealer Managers will establish the U.S. Treasury Rate using the bid-side price of the UST 3.625% due February 15, 2044 on the Bloomberg Screen (set forth above) at or around the pricing of the New Bonds (the "UST Rate"). The Purchase Price for the 2045 Bonds and the yield for the New Bonds will be calculated by reference to the UST 3.625% due February 15, 2044.

⁽²⁾The Hypothetical Purchase Price for the Fixed Spread Bonds has been calculated using the bid-side price of the UST 3.625% due February 15, 2044 on the Bloomberg Screen at 4:30 p.m., EST, on June 9, 2014.

Valid tenders made in accordance with the terms and conditions of the Offer ("Tender Orders") may be subject to proration. Tender Orders made by holders who have submitted an equivalent-sized Indication of Interest (as defined herein) for the New Bonds prior to the determination of the pricing terms for the New Bonds Offering will be accepted before any other Tender Orders.

Prior to 8:00 a.m., New York time, on Wednesday, June 11, 2014, or as soon as possible thereafter, Uruguay will announce the Purchase Price payable for each U.S.\$1,000 principal amount of 2045 Notes tendered and accepted pursuant to the Offer and expects (i) to instruct the Billing and Delivering Bank to accept, subject to proration and other terms and conditions described herein, valid Preferred Tenders (as defined herein) and valid Non-Preferred Tenders (as defined herein) and (ii) to announce the Maximum Purchase Amount, the aggregate principal amount of Preferred Tenders and Non-Preferred Tenders of each series of Old Bonds that has been accepted, and whether any Preferred Tenders and Non-Preferred Tenders will be prorated.

THE OFFER WILL COMMENCE AT 8:00 A.M., NEW YORK TIME, ON TUESDAY, JUNE 10, 2014 AND, UNLESS EXTENDED OR EARLIER TERMINATED, EXPIRE AT 4:00 P.M., NEW YORK TIME ON TUESDAY, JUNE 10, 2014. SEE "THE OFFER – TENDER OFFER PROCEDURES".

You may place Tender Orders for your Old Bonds through any of the Dealer Managers (as defined herein) only. You will NOT be able to submit tenders through Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), Clearstream Banking, société anonyme, Luxembourg ("Clearstream, Luxembourg"), or the Depository Trust Company ("DTC") systems. HSBC Securities (USA) Inc., as the billing and delivering bank (in such capacity, the "Billing and Delivering Bank"), will consolidate all Tender Orders and accept Old Bonds for purchase pursuant to the Offer in such amounts as Uruguay shall determine. Old Bonds accepted for purchase will be settled on a delivery versus payment

basis solely with the Billing and Delivering Bank on the Settlement Date, in accordance with customary brokerage practices for corporate fixed income securities.

If you hold Old Bonds through DTC, they must be delivered to any of the Dealer Managers for settlement no later than 3:00 p.m., New York time, on the Settlement Date (as defined herein). If you hold Bonds through Euroclear or Clearstream, the latest process you can use to deliver your Bonds to the Billing and Delivery Bank is the overnight process, one day prior to the Settlement Date; you may not use the optional daylight process. Failure to deliver Old Bonds on time may result in the cancellation of your Tender Order. This Offer will not be eligible for the DTC Automated Tender Offer Program.

This Offer Document does not constitute an offer to buy or a solicitation of an offer to sell any securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The Offer is being made only in those jurisdictions where it is legal to do so. See “Jurisdictional Restrictions.”

The Dealer Managers for the Offer are:

HSBC

J.P.Morgan

The Billing and Delivering Bank for the Offer is:

HSBC

The date of this Offer Document is Tuesday, June 10, 2014

IMPORTANT NOTICE

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the Offer Document, whether received by e-mail or otherwise received as a result of electronic communication, and you are therefore advised to read this disclaimer page carefully before reading, accessing or making any other use of the attached document. In accessing the Offer Document, you agree to be bound by the following terms and conditions, including any modifications made to them from time to time, each time you receive any information from us at any time. Capitalized terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the Offer Document.

The Offer Document should not be forwarded or distributed to any other person and should not be reproduced in any manner whatsoever. Failure to comply with these instructions may result in a violation of the applicable laws and regulations of the United States or other jurisdictions.

Confirmation of your representation: By accessing the Offer Document you shall be deemed to have represented to Uruguay, the Dealer Managers, the Billing and Delivering Bank and the Information Agent, that:

- (i) you are a holder or a beneficial owner of Old Bonds;
- (ii) you are not a person to whom it is unlawful to send the attached Offer Document or to make an Offer to under applicable laws and regulations including those outlined in the section entitled “Jurisdictional Restrictions”;
- (iii) you have made all the representations of this Offer Document. See **“Holders’ Representations, Warranties and Undertakings.”**
- (iv) you are not located or resident in the United Kingdom or, if you are located or resident in the United Kingdom, you are a person falling within the definition of investment professional (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”)), or a high net worth company or another person to whom this Offer may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order, or a person to whom this Offer Document may lawfully be communicated in accordance with the Order; and
- (v) you consent to delivery of the Offer Document to you by electronic transmission.

The Offer Document has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Uruguay, the Dealer Managers, the Billing and Delivering Bank, the Information Agent or any person who controls, or is a director, officer, employee or agent, of any of them, or any affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the Offer Document distributed to you in electronic format and the hard copy version available to you on request from the Information Agent at the address specified on the back cover of the attached Offer Document.

You are reminded that the Offer Document has been delivered to you on the basis that you are a person into whose possession the Offer Document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located or resident and you may not, nor are you authorized to, deliver, transmit, forward or otherwise distribute the Offer Document, directly or indirectly, to any other person.

The materials relating to the offering to which the Offer Document relates 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. If a jurisdiction requires that the Offer be made by a licensed broker or dealer and one of the Dealer Managers or any of their affiliates is a licensed broker or dealer in that jurisdiction, the Offer shall be deemed to be made by such Dealer Manager or affiliate in that jurisdiction.

Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell securities in any jurisdiction in which such offer or solicitation would be unlawful. Securities may not be offered or sold in the United States absent registration or an exemption from registration, and any public offering of securities to be made in the United States will be made by means of a prospectus. In particular, the New Bonds Offering will be made solely by means of a prospectus relating to that offering, and this Offer Document does not constitute an offer to sell or the solicitation of an order to buy the New Bonds.

Neither the communication of this Offer Document nor any other offer material relating to the Offer is being made, and this Offer Document has not been approved, by an authorized person for the purposes of section 21 of the UK Financial Services and Markets Act 2000. Accordingly, this Offer Document is not being distributed to, and must not be passed on to, the general public in the United Kingdom. Rather, the communication of this Offer Document as a financial promotion is being made to, and is directed only at: (a) persons outside the United Kingdom; (b) those persons falling within the definition of Investment Professionals (contained in Article 19(5) of the Order), or (c) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order; or (d) any person to whom it may otherwise lawfully be made in accordance with the Order (such persons together being “relevant persons”). **This Offer Document is only available to relevant persons and the transactions contemplated herein will be available only to, or engaged in only with relevant persons, and this financial promotion must not be relied or acted upon by persons other than relevant persons.**

You must comply with all laws that apply to you in any place in which you possess this Offer Document. You must also obtain any consents or approvals that you need in order to accept this Offer and tender Old Bonds. None of Uruguay, the Dealer Managers, the Billing and Delivering Bank or the Information Agent is responsible for your compliance with these legal requirements. It is important that you read “Jurisdictional Restrictions” beginning on page 22 of this document.

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CERTAIN OFFER MATTERS

Any questions regarding the Offer may be directed to Bondholder Communications Group, LLC, the information agent (the “Information Agent”), at the telephone numbers provided on the back cover of this Offer Document. Holders may also contact HSBC Securities (USA) Inc. (“HSBC”) or J. P. Morgan Securities LLC (“J.P. Morgan”) (collectively, the “Dealer Managers”) at the telephone numbers provided on the back cover of this Offer Document for information concerning the Offer.

None of Uruguay, the Dealer Managers or the Billing and Delivering Bank will pay any commissions or other remuneration to any broker, dealer, salesman or other person for soliciting tenders of Old Bonds. Tendering holders will not be obligated to pay the fees of the Dealer Managers, the Billing and Delivering Bank and the Information Agent; however, such holders may be required to pay a fee or commission to their broker or intermediary through whom the Old Bonds are tendered.

Uruguay is responsible only for the information provided or incorporated by reference in this document. Uruguay, the Dealer Managers and the Billing and Delivering Bank have not authorized anyone else to provide you with different information.

No dealer, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Offer Document and, if given or made, such information or representations must not be relied upon as having been authorized by Uruguay, the Dealer Managers, the Billing and Delivering Bank or the Information Agent and none of Uruguay, the Dealer Managers, the Billing and Delivering Bank or the Information Agent takes any responsibility for information that others may give to you.

Uruguay is furnishing this Offer Document solely for use by current holders of Old Bonds in the context of the Offer. Uruguay confirms that:

- the information contained in this Offer Document is true and correct in all material respects and is not misleading,
- it has not omitted other facts the omission of which makes this Offer Document as a whole misleading, and
- it accepts responsibility for the information it has provided in this Offer Document.

Before you decide to participate in the Offer, you should read this Offer Document together with the documents incorporated by reference herein.

The information contained in this Offer Document and the information incorporated by reference herein is current only as of its respective date or on other dates which are specified in those documents. Neither the delivery of this Offer Document nor any purchase made hereunder shall, under any circumstances, create any implication that the information in this Offer Document or the information incorporated by reference herein is correct as of any time subsequent to the date hereof or thereof or other dates which are specified herein or therein, or that there has been no change in the affairs of Uruguay since such dates.

Only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted. Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder. Uruguay, however, has agreed to apply a portion of the net proceeds of the New Bonds Offering to purchase any Old Bonds tendered and accepted in the Offer from the Billing and Delivering Bank upon the closing of the New Bonds Offering. Uruguay intends to cancel the Old Bonds it acquires from the Billing and Delivering Bank following the Offer. Accordingly, upon completion of the sale of the Old Bonds to Uruguay, the aggregate principal amount of Old Bonds that otherwise might trade in the market will be reduced, which could adversely affect the liquidity and market value of the remaining Old Bonds that are not purchased in the Offer.

None of Uruguay, the Dealer Managers, the Billing and Delivering Bank or the Information Agent has expressed any opinion as to whether the terms of the Offer are fair. None of Uruguay, the Dealer Managers, the Billing and Delivering Bank or the Information Agent makes any recommendation that you tender your Old Bonds or refrain from doing so pursuant to the Offer, and no one has been authorized by Uruguay, the Dealer Managers, the Billing and Delivering Bank or the Information Agent to make any such recommendation. You must make your own decision as to whether to tender Old Bonds or refrain from doing so, and, if so, the principal amount of Old Bonds to tender.

You must comply with all laws that apply to you in any place in which you possess this Offer Document. You must also obtain any consents or approvals that you need in order to accept this Offer and tender Old Bonds. None of Uruguay, the Dealer Managers, the Billing and Delivering Bank or the Information Agent is responsible for your compliance with these legal requirements. It is important that you read “Jurisdictional Restrictions” beginning on page 22 of this document. The applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the Offer in, from, or otherwise involving, the United Kingdom.

Uruguay has prepared this Offer Document and is solely responsible for its contents. You are responsible for making your own examination of Uruguay and your own assessment of the merits and risks of participating in the Offer. By tendering your Old Bonds, you will be deemed to have acknowledged that:

- you have reviewed this Offer Document;
- you have had an opportunity to request and review any additional information that you may need; and
- the Dealer Managers and the Billing and Delivering Bank are not responsible for, and are not making any representation to you concerning, the accuracy or completeness of this Offer Document.

Uruguay, the Dealer Managers and the Billing and Delivering Bank are not providing you with any legal, business, tax or other advice in this Offer Document. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to accept the Offer and submit tenders of Old Bonds.

As used in this Offer Document, “Business Day” means any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City. References herein to “U.S.\$,” “USD,” “U.S. dollars” or “dollars” are to United States dollars.

Jurisdiction; Enforcement of Judgments

Uruguay is a foreign sovereign state. Consequently, it may be difficult for you or a trustee to obtain or enforce judgments of courts in the United States or elsewhere against Uruguay.

Uruguay reserves the right to plead sovereign immunity under the Foreign Sovereign Immunities Act with respect to actions brought against it under United States federal securities laws or any state securities laws, and Uruguay’s appointment of the process agent has not extended to such actions. Without a waiver of immunity by Uruguay with respect to such actions, it would be impossible to obtain a United States judgment in an action against Uruguay unless a court were to determine that Uruguay is not entitled under the Foreign Sovereign Immunities Act to sovereign immunity with respect to that action. However, even if a United States judgment could be obtained in an action under the Foreign Sovereign Immunities Act, it may not be possible to enforce in Uruguay a judgment based on that United States judgment.

A judgment obtained against Uruguay in a foreign court can be enforced in the courts of Uruguay, if such judgment is ratified by the Uruguayan Supreme Court. Based on existing law, the Uruguayan Supreme Court will ratify such a judgment:

(a) if there exists a treaty with the country where such judgment was issued (no such treaty exists at the present time between Uruguay and the United States); or

(b) if such judgment:

- complies with all formalities required for the enforceability thereof under the laws of the country where it was issued;
- has been translated into Spanish, together with related documents, and satisfies the authentication requirements of Uruguayan law;
- was issued by a competent court after valid service of process upon the parties to the action;
- was issued after an opportunity was given to the defendant to present its defense;
- is not subject to further appeal; and
- is not against Uruguayan public policy.

Forward-Looking Statements

This Offer Document contains forward-looking statements. Forward-looking statements are statements that are not historical facts, including statements about Uruguay's beliefs and expectations. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made. Uruguay undertakes no obligation to update any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. Uruguay cautions you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. The information contained in this prospectus supplement identifies important factors that could cause such differences. Such factors include, but are not limited to:

- adverse external factors, such as changes in international prices, high international interest rates and recession or low economic growth in Uruguay's trading partners. Changes in international prices and high international interest rates could increase Uruguay's current account deficit and budgetary expenditures. Recession or low economic growth in Uruguay's trading partners could decrease exports (including manufactured goods) from Uruguay, reduce tourism to Uruguay, induce a contraction of the Uruguayan economy and, indirectly, reduce tax revenues and other public sector revenues and adversely affect the country's fiscal accounts;
- adverse domestic factors, such as a decline in foreign direct and portfolio investment, increases in domestic inflation, high domestic interest rates and exchange rate volatility and a further deterioration in the health of the domestic banking system. These factors could lead to lower economic growth or a decrease in Uruguay's international reserves; and
- other adverse factors, such as climatic or political events and international hostilities.

Governing Law

This Offer and any tenders shall be governed by and interpreted in accordance with the laws of the State of New York, United States of America.

CERTAIN LEGAL RESTRICTIONS

The distribution of materials relating to this Offer Document, and the transactions contemplated by the Offer, may be restricted by law in certain jurisdictions. The Offer is made only in those jurisdictions where it is legal to do so. The Offer is void in all jurisdictions where it is prohibited. If materials relating to the Offer come into your possession, you are required to inform yourself of and to observe all of these restrictions. The materials relating to the 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. See “—Jurisdictional Restrictions.”

SUMMARY TIME SCHEDULE AND PROCEDURES OF THE OFFER

The following summarizes the anticipated time schedule for the Offer assuming, among other things, that the determination of the pricing terms for the New Bonds Offering occurs on or prior to the time of expiration of the Offer and the time of expiration of the Offer is not extended. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Offer Document. All references are to New York time unless otherwise noted.

8:00 a.m., Tuesday, June 10, 2014.....	The Offer begins. Uruguay simultaneously announces the Offer via a press release to an international news service and distributes the Offer Document.
8:00 a.m. through 4:00 p.m. on Tuesday, June 10, 2014, unless extended or earlier terminated (the “Tender Period”)	You may only place orders to tender Old Bonds with a Dealer Manager. This is the only way you may tender into the Offer. See “The Offer – Tender Procedures.”
On or before 4:00 p.m. on Tuesday, June 10, 2014, subject to change without notice (the “New Bonds Pricing Time”).....	Uruguay announces the pricing terms for the New Bonds Offering.
4:00 p.m. on Tuesday, June 10, 2014, unless extended or earlier terminated (the “Expiration Time”).....	The Offer expires. In the event that the Offer is extended or earlier terminated, the term “Expiration Time” shall mean the time and date on which the Offer, as so extended or earlier terminated, shall expire.
Prior to 8:00 a.m. on Wednesday, June 11, 2014, or as soon as possible thereafter	Uruguay announces the Purchase Price payable for each U.S.\$1,000 principal amount of Fixed Spread Bonds tendered and accepted pursuant to the Offer and expects (i) to instruct the Billing and Delivering Bank to accept, subject to proration and other terms and conditions described herein, valid Preferred Tenders and valid Non-Preferred Tenders and (ii) to announce the Maximum Purchase Amount, the aggregate principal amount of Preferred Tenders and Non-Preferred Tenders of each series of Old Bonds that has been accepted, and whether any Preferred Tenders and Non-Preferred Tenders will be prorated.
During Wednesday, June 11, 2014.....	Holder's whose Tender Orders are accepted for purchase book settlement tickets with the Billing and Delivering Bank or, if such tendering holders do not have an account with the Billing and Delivering Bank, through the Dealer Manager with which such holder placed a Tender Order. See “The Offer – Settlement”.
Tuesday, June 17, 2014, subject to change without notice (the “Settlement Date”).....	Subject to pricing of the New Bonds Offering and the other terms and conditions set forth herein, and subject to any proration applicable to Tender Orders, the Billing and Delivering Bank will settle purchases of Old Bonds that were accepted for purchase.

Old Bonds accepted for purchase will be settled on a delivery versus payment basis in such amounts as previously announced by Uruguay. **If you hold Old Bonds through DTC, they must be delivered to any of the Dealer Managers for settlement no later than 3:00 p.m., New York time, on the Settlement Date. If you hold Bonds through Euroclear or Clearstream, the latest process you can use to deliver your Bonds to the Billing and Delivering Bank is the overnight process, one day prior to the Settlement Date; you may not use the optional daylight process. The Billing and Delivering Bank shall not be liable for payments to any holder of Old Bonds validly tendered and accepted for purchase if such holder fails to deliver such Old Bonds on or prior to the settlement of the Offer as described herein. Failure to deliver Old Bonds on time may result in (i) the cancellation of your tender and in you becoming liable for any damages resulting from that failure and (ii) in the case of Preferred Tenders, cancellation of any allocation of New Bonds in the New Bonds Offering in respect of your related Indication of Interest.**

Uruguay will make (or cause to be made) all announcements regarding the Offer to an international news service in accordance with applicable law. See “The Offer—Communications.” Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder.

SUMMARY

This summary highlights information contained elsewhere in this Offer Document. It is not complete and may not contain all the information that you should consider before tendering Old Bonds for cash. You should read the entire Offer Document.

The Offer

General This Offer to purchase Old Bonds for cash is for an aggregate principal amount of Old Bonds that will not result in the aggregate Purchase Price for all Old Bonds accepted for purchase (the “Aggregate Purchase Price”) exceeding the Maximum Purchase Amount. The Maximum Purchase Amount will be determined by Uruguay in its sole discretion and will be announced at or around 8:00 a.m. on Wednesday, June 11, 2014, New York time. The Offer is made subject to the terms and conditions set forth in this Offer Document, including the New Bonds Offering in an amount, with pricing and on terms and conditions acceptable to Uruguay, and the underwriting agreement for the New Bonds Offering and the Dealer Manager Agreement relating to this Offer not having been terminated prior to or at the time of the settlement of the Offer. The Offer is not conditioned upon any minimum participation of any series of Old Bonds or on the closing of the New Bonds Offering. For a more detailed discussion, see “The Offer.”

Resale of Tendered Bonds to Uruguay Uruguay has agreed to apply a portion of the net proceeds of the New Bonds Offering to purchase the Old Bonds from the Billing and Delivering Bank at the Purchase Price plus Accrued Interest after completion of the Offer.

The New Bonds Offering will be made solely by means of a prospectus relating to that offering, and this Offer Document does not constitute an offer to sell or the solicitation of an order to buy the New Bonds.

Purchase Price of Fixed Price Bonds The Purchase Price to be paid by the Billing and Delivery Bank per US\$1,000 principal amount of Fixed Price Bonds of each series that are accepted pursuant to the Offer will be the fixed price indicated in the table on the cover of this Offer Document.

Purchase Price of Fixed Spread Bonds The Purchase Price to be paid by the Billing and Delivery Bank per U.S.\$1,000 principal amount of Fixed Spread Bonds that are accepted pursuant to the Offer will be calculated by the Dealer Managers in accordance with the procedures set forth in this Offer Document. This is intended to result in a yield as of the Settlement Date (the “Tender Offer Yield”) to the average life of the Fixed Spread Bonds equal to the sum of: (i) the UST Rate plus (ii) the Fixed Spread.

Specifically, the Dealer Managers will calculate a Purchase Price for the Fixed Spread Bonds equal to the value of the Fixed Spread Bonds, assuming those Fixed Spread Bonds will be repaid in accordance with their amortization schedule, all remaining payments of principal

thereof and interest thereon to be made through maturity, discounted to the Settlement Date at a rate equal to the Tender Offer Yield, minus Accrued Interest.

Fixed Spread The Fixed Spread for the Fixed Spread Bonds is set forth in the table on the cover page of this Offer Document.

Reference U.S. Treasury Rate The Dealer Managers will use the actual U.S. Treasury Rate used to calculate the yield for the New Bond, as set forth in the table on the cover of the Offer Document.

Accrued Interest In addition to the Purchase Price, holders whose Old Bonds are accepted for purchase by Uruguay will also receive accrued and unpaid interest with respect to their tendered Old Bonds from, and including, the last interest payment date for such Old Bonds to, but not including, the Settlement Date (“Accrued Interest”). Accrued Interest will be payable on the Settlement Date. Accrued Interest taken together with the Purchase Price for the corresponding Old Bonds, will be rounded to the nearest cent (US\$0.01).

Tender Period The Offer will commence at 8:00 a.m., New York time, Tuesday, June 10, 2014, and expire at 4:00 p.m. on Tuesday, June 10, 2014 unless extended or earlier terminated by Uruguay in its sole discretion.

Submitting Tenders and Tender Orders..... Tender Orders must be submitted to a Dealer Manager. Tender Orders by a holder of each series of Old Bonds must be in principal amounts of at least US\$100,000 and integral multiples of US\$1.00 or US\$1,000 in excess thereof, as the case may be depending on the Minimum Denominations of each series of Old Bonds (“Permitted Tender Amounts”).

If you have an account with a Dealer Manager and desire to tender your Old Bonds, you should call your regular contact at the Dealer Manager at any time during the Tender Period (which will commence at 8:00 a.m., New York time, on Tuesday, June 10, 2014, and expire at 4:00 p.m. on Tuesday, June 10, 2014 unless extended or earlier terminated by Uruguay in its sole discretion). You will not be required to pay any fees or commission to a Dealer Manager in connection with a tender of Old Bonds.

If you do not have an account with a Dealer Manager, and desire to tender your Old Bonds, you may do so through any broker, dealer, commercial bank, trust company, other financial institution or other custodian, that you customarily use. Your broker must contact one of the Dealer Managers at its phone number set forth on the inside back cover of this Offer Document, at any time during the Tender Period (which shall commence at 8:00 a.m., New York time, on Tuesday, June 10, 2014, and expire at 4:00 p.m. on Tuesday, June 10, 2014 unless extended or earlier terminated by Uruguay in its sole discretion). You may be required to pay a fee or commission to your broker or intermediary through whom Old Bonds are tendered. The

Permitted Tender Amounts must be in the applicable Minimum Denominations of the Old Bonds.

You must submit Tender Orders to one Dealer Manager only. Do not tender any Old Bonds more than once.

There is no letter of transmittal for the Offer.

You will NOT be able to submit tenders through the Euroclear, Clearstream, Luxembourg or DTC systems.

Do not send Old Bonds to Uruguay.

Withdrawals Holders of the Old Bonds will not have withdrawal rights with respect to the Offer.

Price Determination Time..... The pricing terms for of the New Bonds will be determined by Uruguay at the New Bonds Pricing Time, unless extended by Uruguay.

Announcement of Accepted Preferred Tenders & Pricing of New Bonds Uruguay will announce the aggregate principal amount of Preferred Tenders and, if any, Non-Preferred Tenders of each series of Old Bonds that has been accepted and whether any proration of such Preferred Tenders or Non-Preferred Tenders has occurred prior to 8:00 a.m., New York time, on Wednesday, June 11, 2014 to an international news service.

Acceptance of Tenders Uruguay will instruct the Billing and Delivering Bank to accept valid tenders of Old Bonds for purchase in such amounts as Uruguay shall determine (subject to the terms and conditions of the Offer, including potential proration). Old Bonds will be accepted for purchase at such time as the Billing and Delivering Bank and a tendering holder (or, if such tendering holder does not have an account with the Billing and Delivering Bank, through a Dealer Manager) execute a transaction for the sale of Old Bonds in accordance with customary brokerage practices for corporate fixed income securities (i.e., a “desk to desk” or “broker to broker” trade). **Tender Orders that are accepted will be settled solely by the Billing and Delivering Bank on the Settlement Date, subject to the terms and conditions of the Offer.** Each of Uruguay and the Billing and Delivering Bank reserves the right, in the sole discretion of each of them, not to accept any tenders for any reason.

All Old Bonds that are tendered pursuant to Tender Orders placed through a Dealer Manager and are accepted by Uruguay will be purchased by the Billing and Delivering Bank directly or, if the tendering holder does not have an account with the Billing and Delivering Bank, through a Dealer Manager, in such amounts as Uruguay shall determine. **Only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted. Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered**

in the Offer by any holder. The Billing and Delivery Bank shall not be liable for payments to any holder of Old Bonds validly tendered and accepted for purchase if such holder fails to deliver such Old Bonds on or prior to the settlement of the Offer as described herein.

Old Bonds Minimum Denominations

Minimum Denominations

Old Bonds	Minimum Denominations
2015 Bonds	US\$1.00 and integral multiples of US\$1.00 in excess thereof
2017 Bonds	US\$100,000 and integral multiples of US\$1,000 in excess thereof.
2022 Bonds	US\$100,000 and integral multiples of US\$1,000 in excess thereof
2025 Bonds	US\$1.00 and integral multiples of US\$1.00 in excess thereof.
2033 Bonds	US\$1.00 and integral multiples of US\$1.00 in excess thereof.
2036 Bonds	US\$1.00 and integral multiples of US\$1.00 in excess thereof.
2045 Bonds	US\$1.00 and integral multiples of US\$1.00 in excess thereof.

To avoid acceptance and purchases of Old Bonds in principal amounts other than Minimum Denominations and to ensure that Old Bonds subject to proration are returned in Minimum Denominations, if necessary, appropriate adjustments will be made downward to the nearest Minimum Denominations, with respect to each Tender Order accepted for purchase. Holders who tender less than all of their Old Bonds, must continue to hold Old Bonds in Minimum Denominations.

Proration

Tender Orders may be subject to proration. Tender Orders made by holders who have submitted an Indication of Interest (as defined below) for the New Bonds (each, a “New Requestor”) prior to the New Bonds Pricing Time will be accepted up to each New Requestor’s Tender Preference Amount (as defined below), before any Tender Orders are accepted from holders who are not New Requestors.

“Indication of Interest” means the submission to the underwriters of the New Bonds Offering, during the bookbuilding process for the New Bonds Offering, of a firm bid for a principal amount certain of New Bonds at an indicated price.

With respect to each series of Old Bonds, the “Tender Preference Amount” for each New Requestor means the Individual Gross Proceeds (as defined herein) of the New Bonds specified in an

Indication of Interest of such New Requestor, as allocated among each series of Old Bonds *pro rata* based upon the relative total Purchase Price of the Old Bonds of each series that are tendered by such New Requestor. Accrued interest is paid in cash.

Each New Requestor tendering Old Bonds of any series shall be deemed to represent to Uruguay, the Dealer Managers and the Billing and Delivering Bank that such New Requestor held, from the time of the Tender Order through the Expiration Time, at least the amount of Old Bonds of each such series as are being tendered.

“Individual Gross Proceeds” means the issue price of the New Bonds multiplied by the principal amount thereof for each New Requestor.

With respect to each series of Old Bonds, “Preferred Tenders” means the Tender Orders of each New Requestor that are submitted prior to the New Bonds Pricing Time, up to an amount of Tender Orders having an aggregate Purchase Price equal to such New Requestor’s Tender Preference Amount with respect to such series.

With respect to each series of Old Bonds, “Non-Preferred Tenders” means the Tender Orders which are not Preferred Tenders, including any Tender Orders submitted by holders who are not New Requestors or any Tender Orders submitted after the New Bonds Pricing Time and before the Expiration Time (to the extent the New Bonds Pricing Time is prior to the Expiration Time).

If the aggregate principal amount of all Tender Orders exceeds the Maximum Purchase Amount, the Tender Orders shall be subject to proration on the following basis:

1. If the aggregate Purchase Price of all Preferred Tenders exceeds the Maximum Purchase Amount, then each New Requestor shall have its Preferred Tenders for each series of Old Bonds prorated down, proportionate to the relative size of such New Requestor’s Preferred Tenders of that series of Old Bonds to all Preferred Tenders, so that the aggregate Purchase Price of all Preferred Tenders equals the Maximum Purchase Amount. In such a case, no Non-Preferred Tenders will be accepted.
2. If the aggregate Purchase Price of all Preferred Tenders is less than or equal to the Maximum Purchase Amount then (i) all Preferred Tenders shall be accepted and (ii) each tendering holder shall have its Non-Preferred Tenders for each series of Old Bonds prorated down, proportionate to the relative size of each such holder’s Non-Preferred Tenders of that series of Old Bonds to all Non-Preferred Tenders.

Subject to the foregoing, Uruguay may, at its sole discretion, instruct the Billing and Delivering Bank to adjust the foregoing so as to prorate differentially to each respective series of Old Bonds

(prioritizing one or more such series).

To the extent proration occurs in the Offer, the Billing and Delivering Bank will accept Old Bonds with appropriate adjustments to avoid purchase of the Old Bonds in principal amounts other than Permitted Tender Amounts.

All Old Bonds not accepted as a result of proration will be rejected and returned to holders.

Settlement..... Subject to the pricing of the New Bonds Offering and the other conditions set forth herein, the Billing and Delivering Bank will purchase directly or, if the tendering holder does not have an account with the Billing and Delivering Bank, through the respective Dealer Manager, validly tendered and accepted Old Bonds in such amounts as previously announced by Uruguay on a delivery versus payment method on Tuesday, June 17, 2014, subject to change without notice (the "Settlement Date"). **Only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted. Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder.**

If you hold Old Bonds through DTC, they must be delivered to any of the Dealer Managers for settlement no later than 3:00 p.m., New York time, on the Settlement Date. If you hold Bonds through Euroclear or Clearstream, the latest process you can use to deliver your Bonds to the Billing and Delivery Bank is the overnight process, one day prior to the Settlement Date; you may not use the optional daylight process.

Failure to deliver Old Bonds on time may result (i) in the cancellation of your Tender Order and in you becoming liable for any damages resulting from that failure, and (ii) in the case of Preferred Tenders, cancellation of any allocation of New Bonds in the New Bonds Offering in respect of your related Indication of Interest.

Conditions to the Offer..... Uruguay reserves the right, in its sole discretion, to instruct the Billing and Delivering Bank not to accept any Tender Orders, or to accept Tender Orders as to one or more series of Old Bonds but not other series, for any reason. In addition, notwithstanding any other provisions of the Offer, the Offer is conditioned upon there not having been threatened, instituted or pending any action or proceeding before any court or governmental, regulatory or administrative body that: (1) makes or seeks to make illegal the purchase of Old Bonds pursuant to the Offer; (2) would or might result in a delay in, or restrict, the ability of Uruguay to purchase the Old Bonds from the Billing and Delivering Bank or issue the New Bonds; or (3) imposes or seeks to impose limitations on the ability of Uruguay to issue and/or price the New Bonds in an amount, with pricing and on terms and conditions acceptable to Uruguay. The

Offer is also conditioned upon the pricing of the New Bonds Offering, including in an amount, with pricing and on terms and conditions acceptable to Uruguay, and upon the underwriting agreement for the New Bonds Offering and the Dealer Manager Agreement relating to this Offer not having been terminated prior to or at the time of the settlement of the Offer. Each of the foregoing conditions is for the sole benefit of Uruguay and may only be waived by Uruguay, in whole or in part, at any time and from time to time, in its discretion except that Uruguay can only waive the condition relating to the termination of the underwriting agreement for the New Bonds Offering and the termination of the Dealer Manager Agreement relating to this Offer with the prior consent of the Billing and Delivering Bank. Any determination by Uruguay concerning the conditions set forth above (including whether or not any such condition has been satisfied or waived, except as in the case of the termination of the underwriting agreement for the New Bonds Offering and the Dealer Manager Agreement relating to this Offer) will be final and binding upon the Billing and Delivering Bank and all other parties. The Billing and Delivering Bank will not be liable for the payment of the Old Bonds if the Dealer Manager Agreement or the Underwriting Agreement shall have been terminated prior to the settlement of the Offer.

Certain Deemed Representations,

Warranties and Undertakings.....

If you tender pursuant to the terms of the Offer, you will be deemed to have made certain acknowledgments, representations, warranties and undertakings to Uruguay, the Dealer Managers, the Billing and Delivering Bank and the Information Agent. See “Holders’ Representations, Warranties and Undertakings.”

Taxation.....

Please see “Taxation” for important information regarding the possible tax consequences to holders who offer to tender Old Bonds. You are also urged to consult your own professional advisors regarding the possible tax consequences under the laws of jurisdictions that apply to you or to the sale of your Old Bonds.

Jurisdictions

The Offer is made only in those jurisdictions where it is legal to do so. See “Jurisdictional Restrictions.”

Risk Factors

The Offer involves material risks. Please see “Risk Factors” for more information.

Announcements.....

Uruguay will make (or cause to be made) all announcements regarding the Offer to PRNewswire (or another appropriate international news service).

See “The Offer—Communications.”

RISK FACTORS

In deciding whether to participate in the Offer, each holder should consider carefully, in addition to the other information contained in this document, the following:

Limited Trading Market; Increased Volatility. To the extent that Old Bonds are purchased by Uruguay from the Billing and Delivering Bank after completion of the Offer and closing of the New Bonds Offering, the trading markets for the Old Bonds that remain outstanding will become more limited. A debt security with a smaller outstanding principal amount available for trading (a smaller float) may command a lower price than would a comparable debt security with a greater float. Therefore, the market price for Old Bonds not purchased may be affected adversely to the extent the amount of Old Bonds purchased by Uruguay reduces the float of the Old Bonds. On the other hand, if Uruguay's purchase of the Old Bonds is viewed by the market as significant positive news due to its potential beneficial impact on Uruguay's external liabilities, the price of the Old Bonds could rise following completion of the Offer to a level greater than the applicable Purchase Price. The reduced float may also make the trading price of the Old Bonds more volatile. The extent of the public market for the Old Bonds following consummation of the Offer will depend upon the number of holders that remain at such time, the interest in maintaining markets in the Old Bonds on the part of securities firms and other factors. There can be no assurance that any trading market will exist for the Old Bonds following the Offer.

Other Purchases or Redemption of Old Bonds. Whether or not the Offer is consummated, Uruguay may acquire, from time to time following completion or cancellation of the Offer, Old Bonds other than pursuant to the Offer, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise (and may redeem or defease the Old Bonds in accordance with the Old Bonds and the indentures under which they were issued), upon such terms and at such prices as they may determine, which may be more or less than the prices to be paid pursuant to the Offer and could be for cash or other consideration.

Enforcement of Civil Liabilities; Waiver of Sovereign Immunity. Uruguay is a foreign sovereign state. Consequently, it may be difficult for or a trustee you to obtain or enforce judgments of courts in the United States or elsewhere against Uruguay.

You must take certain actions with respect to settlement of tenders made pursuant to the Offer. If all or any amounts of your Old Bonds are accepted for purchase pursuant to the Offer, you will need to satisfy the following conditions:

- Ensure that your Old Bonds are delivered to the Billing and Delivering Bank.
- If you hold Old Bonds through DTC, they must be delivered to any of the Dealer Managers no later than 3:00 p.m., New York time, on the Settlement Date.
- If you hold Bonds through Euroclear or Clearstream, the latest process you can use to deliver your Bonds to the Billing and Delivering Bank is the overnight process, one day prior to the Settlement Date; you may not use the optional daylight process.

If you hold Old Bonds through a broker, it is your responsibility to ensure that your broker is aware of the foregoing restrictions. You will not be able to submit tenders through Euroclear, Clearstream, Luxembourg or DTC systems. Failure to adhere to the foregoing conditions may result in the cancellation of your tender and in you becoming liable for any damages resulting from that failure.

The Republic shall not be liable for any payments under the Offer. Only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted. Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder. The Billing and Delivering Bank shall not be liable for payments to any holder of Old Bonds validly tendered and accepted for purchase if such holder fails to deliver such Old Bonds on or prior to the settlement of the Offer as described herein. The Billing and Delivering Bank shall

only have the obligation to sell to the Republic the Old Bonds validly tendered and accepted for purchase that the Billing and Delivering Bank has actually received pursuant to the Offer to Purchase on the Settlement Date. The Billing and Delivery Bank will not be liable for the payment of the Old Bonds if the Dealer Manager Agreement or the underwriting agreement shall have been terminated prior to the settlement of the Offer.

Tender Orders, or Portions Thereof may be Rejected due to Proration. Tender Orders may be subject to proration, on the basis described under “The Offer – Tender Procedures – Proration.” If there is proration, Preferred Tenders will be accepted before any Non-Preferred Tenders are accepted. Tender Orders may be rejected in whole or in part as a result of proration.

Reinvestment Risk. If you tender Old Bonds in the Offer and submit an Indication of Interest to the underwriters of the New Bonds Offering expecting to receive New Bonds, in the event that the New Bonds Offering is terminated for any reason after your Old Bonds have been purchased by the Billing and Delivering Bank on the Settlement Date, you will not receive New Bonds because the settlement of the New Bonds Offering (expected to be one business day after the Settlement Date) is not a condition of the Offer. If you have received cash for your Old Bonds purchased in the Offer and the New Bonds Offering is subsequently terminated, you may not be able to reinvest such cash at a comparable return for a similar level of risk.

THE OFFER

Introduction

This Offer to purchase Old Bonds for cash is for an aggregate principal amount of Old Bonds that will not result in an Aggregate Purchase Price that exceeds the Maximum Purchase Amount. The Maximum Purchase Amount will be determined by Uruguay in its sole discretion and will be announced on or about 8:00 a.m. on Wednesday, June 11, 2014, New York time. The Offer is made subject to the terms and conditions set forth in this Offer Document, including the New Bonds Offering in an amount, with pricing and on terms and conditions acceptable to Uruguay and, the underwriting agreement for the New Bonds Offering and the Dealer Manager Agreement relating to this Offer not having been terminated prior to or at the time of the settlement of the Offer. The Offer is not conditioned upon any minimum participation of any series of Old Bonds or the closing of the New Bonds Offering. The aggregate principal amount of Old Bonds outstanding as of Monday, June 9, 2014 is approximately US\$4,453,570,671.50.

Purpose

The Offer is part of a broader program of Uruguay to manage its external liabilities.

Resale of Tendered Bonds to Uruguay

Uruguay has agreed to apply a portion of the net proceeds of the New Bonds Offering to purchase the Old Bonds from the Billing and Delivering Bank at the Purchase Price plus Accrued Interest after completion of the Offer. Accordingly, the Offer is conditioned upon the pricing of the New Bonds Offering, including in an amount, with pricing and on terms and conditions acceptable to Uruguay, upon the underwriting agreement for the New Bonds Offering and the Dealer Manager Agreement relating to this Offer not having been terminated prior to or at the time of the settlement of the Offer. The Offer is not contingent upon the closing of the New Bonds Offering.

The New Bonds Offering will be made solely by means of a prospectus relating to that offering, and this Offer Document does not constitute an offer to sell or the solicitation of an order to buy the New Bonds.

Purchase Price of Fixed Price Bonds

The Billing and Delivering Bank will pay a Purchase Price per US\$1,000 principal amount of Fixed Price Bonds of each series that are accepted pursuant to the Offer equal to the fixed price indicated in the table on the cover of this Offer Document.

Purchase Price of Fixed Spread Bonds

The Purchase Price to be paid by the Billing and Delivery Bank per U.S.\$1,000 principal amount of Fixed Spread Bonds that are accepted pursuant to the Offer will be calculated by the Dealer Managers in accordance with the procedures set forth in this Offer Document. This is intended to result in a Tender Offer Yield to the average life of the Fixed Spread Bonds equal to the sum of: (i) the UST Rate plus (ii) the Fixed Spread.

Specifically, the Dealer Managers will calculate a Purchase Price for the Fixed Spread Bonds equal to the value of the Fixed Spread Bonds, assuming those Fixed Spread Bonds will be repaid in full in accordance with their amortization schedule, all remaining payments of principal thereof and interest thereon to be made through maturity, discounted to the Settlement Date at a rate equal to the Tender Offer Yield, minus Accrued Interest.

Fixed Spread

The Fixed Spread for the Fixed Spread Bonds is set forth in the table on the cover page of this Offer Document.

UST Rate

The yield for the New Bonds will be calculated by reference to the UST Rate at or around the pricing of the New Bonds. The Dealer Managers will establish the UST Rate using the bid-side price of the UST 3.625% due February 15, 2044 on the Bloomberg Screen (set forth on the cover page of this Offer Document) at or around the pricing of the New Bonds.

Accrued Interest

In addition to the Purchase Price, holders whose Old Bonds are accepted for purchase by Uruguay will also receive Accrued Interest with respect to their tendered Old Bonds from, and including, the last interest payment date for such Old Bonds to, but not including, the Settlement Date, in each case rounded to the nearest cent (US\$0.01). Accrued Interest will be payable on the Settlement Date. Accrued Interest taken together with the Purchase Price for such Old Bonds, will be rounded to the nearest cent (US\$0.01).

In the event of any dispute or controversy regarding any amount of Accrued Interest for each Old Bond accepted pursuant to the Offer, the determination of Uruguay will be conclusive and binding, absent manifest error.

Price Determination Time

The pricing of the New Bonds will be determined by Uruguay in accordance with standard market practice, at the New Bonds Pricing Time, unless extended by Uruguay. Uruguay will announce the pricing terms for the New Bonds at or around 4:00 p.m., New York time, on Tuesday, June 10, 2014.

Announcement of Accepted Preferred Tenders & Pricing of New Bonds

Uruguay will announce the aggregate principal amount of Preferred Tenders or Non-Preferred Tenders of each series of Old Bonds that has been accepted and whether any Preferred Tenders and Non-Preferred Tenders will be prorated prior to 8:00 a.m., New York time, or as soon as possible thereafter, on Wednesday, June 11, 2014 to an international news service.

No Recommendation

NONE OF URUGUAY, THE DEALER MANAGERS, THE BILLING AND DELIVERING BANK OR THE INFORMATION AGENT MAKES ANY RECOMMENDATION THAT ANY HOLDER TENDER OR REFRAIN FROM TENDERING ALL OR ANY PORTION OF THE PRINCIPAL AMOUNT OF SUCH HOLDER'S BONDS, AND NO ONE HAS BEEN AUTHORIZED BY ANY OF THEM TO MAKE SUCH A RECOMMENDATION. HOLDERS MUST MAKE THEIR OWN DECISIONS WHETHER TO TENDER BONDS, AND, IF SO, THE PRINCIPAL AMOUNT OF BONDS TO TENDER.

Duration of the Offer

The Offer will commence at 8:00 a.m., New York time, on Tuesday, June 10, 2014, and expire at 4:00 p.m. on Tuesday, June 10, 2014 (Expiration Time) unless extended or earlier terminated by Uruguay in its sole discretion.

In the event that the Offer is extended or earlier terminated, the term "Expiration Time" shall mean the time and date on which the Offer, as so extended or earlier terminated, shall expire.

Subject to applicable law, Uruguay expressly reserves the right, for any reason and in its sole discretion, to:

- extend the period of time during which the Offer shall remain open at any time and from time to time by giving oral or written notice of such extension to the Dealer Managers, the Billing and Delivering Bank and the Information Agent,
- prospectively terminate or withdraw the Offer at any time, or

- at any time until the first time a tender occurs, amend the terms of such Offer in any respect, and, at any time after the first time a tender occurs, amend the terms of such Offer in a manner Uruguay deems, in its sole discretion, to be advantageous or neutral to all holders of the Old Bonds, whether or not such holders have previously tendered their Old Bonds.

There can be no assurance that Uruguay will exercise its right to extend, terminate or amend the Offer. Please note that the terms of any extension or an amendment of the terms or conditions of the Offer may vary from the terms of the original Offer depending on such factors as prevailing interest rates and the principal amount of Old Bonds previously tendered or otherwise purchased.

Any extension, termination or amendment of the Offer will be followed as promptly as practicable by public announcement thereof. Uruguay shall communicate such public announcement by issuing a press release in accordance with applicable law. See “The Offer—Communications.”

Tender Procedures

Procedures for Submitting Tenders Orders

Tender Orders must be submitted to a Dealer Manager. Tender Orders of each series of Old Bonds by a holder must be in principal amounts that are Permitted Tender Amounts (US\$100,000 and integral multiples of US\$1.00 or US\$1,000 in excess thereof, as the case may be depending on the Minimum Denominations of each series of Old Bonds).

If you have an account with a Dealer Manager and desire to tender your Old Bonds, you should call your regular contact at the Dealer Manager at any time during the Tender Period (which will commence at 8:00 a.m., New York time, on Tuesday, June 10, 2014, and expire at 4:00 p.m., New York time, on Tuesday, June 10, 2014 unless extended or earlier terminated by Uruguay in its sole discretion). You will not be required to pay any fees or commission to a Dealer Manager in connection with a tender of Old Bonds.

If you do not have an account with a Dealer Manager and desire to tender your Old Bonds, you may do so through any broker, dealer, commercial bank, trust company, other financial institution or other custodian, that you customarily use. Your broker must contact one of the Dealer Managers at its phone number set forth on the inside back cover of this Offer Document, at any time during the Tender Period (which shall commence at 8:00 a.m., New York time, on Tuesday, June 10, 2014, and expire at 4:00 p.m., New York time, on Tuesday, June 10, 2014 unless extended or earlier terminated by Uruguay in its sole discretion). You may be required to pay a fee or commission to your broker or intermediary through whom Old Bonds are tendered.

By tendering Bonds, you will be deemed to have made certain acknowledgments, representations, warranties and undertakings to Uruguay, the Dealer Managers and the Information Agent. See “Holders’ Representations, Warranties and Undertakings. The Permitted Tender Amounts must be in the applicable Minimum Denominations of the Old Bonds.

You must submit tenders to one Dealer Manager only.

Do not tender any Old Bonds more than once.

There is no letter of transmittal for the Offer.

You will NOT be able to submit tenders through the Euroclear, Clearstream, Luxembourg or DTC systems.

You should not send Old Bonds to Uruguay.

Acceptance of Tenders

Uruguay will instruct the Billing and Delivering Bank to accept valid tenders of Old Bonds for purchase in such amounts as Uruguay shall determine (subject to the terms and conditions of the Offer, including potential proration). Old Bonds will be accepted for purchase at such time as the Billing and Delivering Bank and a tendering holder (or, if such tendering holder does not have an account with the Billing and Delivering Bank, through a Dealer Manager) execute a transaction for the sale of Old Bonds in accordance with customary brokerage practices for corporate fixed income securities (i.e., a “desk to desk” or “broker to broker” trade). **Tender Orders that are accepted will be settled solely by the Billing and Delivering Bank on the Settlement Date, subject to the terms and conditions of the Offer.** Each of Uruguay and the Billing and Delivering Bank reserves the right, in the sole discretion of each of them, not to accept any tenders for any reason.

All Old Bonds that are tendered pursuant to Tender Orders placed through a Dealer Manager and are accepted by Uruguay will be purchased by the Billing and Delivering Bank directly or, if the tendering holder does not have an account with the Billing and Delivering Bank, through a Dealer Manager, in such amounts as Uruguay shall determine. **Only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted. Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder.** The Billing and Delivery Bank shall not be liable for payments to any holder of Old Bonds validly tendered and accepted for purchase if such holder fails to deliver such Old Bonds on or prior to the settlement of the Offer as described herein.

To avoid acceptance and purchases of Old Bonds in principal amounts other than Minimum Denominations and to ensure that Old Bonds, subject to proration are returned in Minimum Denominations, if necessary, appropriate adjustments will be made downward to the nearest Minimum Denominations, with respect to each Tender Order accepted for purchase. Holders who tender less than all of their Old Bonds, must continue to hold Old Bonds in Minimum Denominations.

Each of Uruguay and the Billing and Delivering Bank reserves the right, in the sole discretion of each of them, not to accept any tenders for any reason. Old Bonds may be tendered only in Permitted Tender Amounts (US\$100,000 and integral multiples of US\$1.00 or US\$1,000 in excess thereof, as the case may be depending on the Minimum Denominations of each series of Old Bonds).

Proration

Tender Orders may be subject to proration. Tender Orders made by New Requestors (i.e., holders who have submitted an Indication of Interest for the New Bonds) will be accepted up to each New Requestor’s Tender Preference Amount before any Tender Orders are accepted from holders who are not New Requestors.

Each New Requestor tendering Old Bonds of any series shall be deemed to represent to Uruguay, the Dealer Managers and the Billing and Delivering Bank that such New Requestor held, from the time of the Tender Order through the Expiration Time, at least the amount of Old Bonds of each such series as are being tendered.

If the aggregate principal amount of all Tender Orders exceeds the Maximum Purchase Amount, the Tender Orders shall be subject to proration on the following basis:

1. If the aggregate Purchase Price of all Preferred Tenders exceeds the Maximum Purchase Amount, then each New Requestor shall have its Preferred Tenders for each series of Old Bonds prorated down, proportionate to the relative size of such New Requestor’s Preferred Tenders of that series of Old Bonds to all Preferred Tenders, so that the aggregate Purchase Price of all Preferred Tenders equals the Maximum Purchase Amount. In such a case, no Non-Preferred Tenders will be accepted.
2. If the aggregate Purchase Price of all Preferred Tenders is less than or equal to the Maximum Purchase Amount then (i) all Preferred Tenders shall be accepted and (ii) each tendering holder shall have its Non-Preferred Tenders for each series of Old Bonds prorated down, proportionate to the relative size of each such holder’s Non-Preferred Tenders of that series of Old Bonds to all Non-Preferred Tenders.

Uruguay may, at its sole discretion, adjust the foregoing so as to apply prorationing differentially to each respective series of Old Bonds (prioritizing one or more such series).

To the extent proration occurs in the Offer, the Billing and Delivering Bank will accept Old Bonds with appropriate adjustments to avoid purchase of the Old Bonds in principal amounts other than Permitted Tender Amounts.

All Old Bonds not accepted as a result of such proration will be rejected and returned to holders.

Withdrawal Rights

Holders of Old Bonds will not have withdrawal rights with respect to the Offer.

Settlement; Rounding

Subject to the pricing of the New Bonds and the other conditions set forth herein, the Billing and Delivering Bank will purchase directly, or if the tendering holder does not have an account with the Billing and Delivering Bank, through the respective Dealer Manager, validly tendered and accepted Old Bonds in such amounts as previously announced by Uruguay on a delivery versus payment method on the Settlement Date, which is expected to be Tuesday, June 17, 2014, subject to change without notice. **Only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted. Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder.**

If you hold Old Bonds through DTC, they must be delivered to any of the Dealer Managers for settlement no later than 3:00 p.m., New York time, on the Settlement Date. If you hold Bonds through Euroclear or Clearstream, the latest process you can use to deliver your Bonds to the Billing and Delivery Bank is the overnight process, one day prior to the Settlement Date; you may not use the optional daylight process.

Failure to deliver Old Bonds on time may result in (i) the cancellation of your tender and in you becoming liable for any damages resulting from that failure, and (ii) in the case of Preferred Tenders, cancellation of any allocation of New Bonds in the New Bonds Offering in respect of your related Indication of Interest.

Payments for Old Bonds purchased pursuant to the Offer will be made in same day funds. The amount of cash you receive will be rounded to the nearest cent (US\$0.01). The determination by the Dealer Managers of any calculation or quotation made with respect to the Offer shall be conclusive and binding on you, absent manifest error.

Conditions to the Offer

Uruguay reserves the right, in its sole discretion, to instruct the Billing and Delivering Bank not to accept any Tender Orders, or to accept Tender Orders as to one or more series of Old Bonds but not other series, for any reason. In addition, notwithstanding any other provisions of the Offer, the Offer is conditioned upon there not having been threatened, instituted or pending any action or proceeding before any court or governmental, regulatory or administrative body that: (1) makes or seeks to make illegal the purchase of Old Bonds pursuant to the Offer; (2) would or might result in a delay in, or restrict, the ability of Uruguay to purchase the Old Bonds from the Billing and Delivering Bank or issue the New Bonds; or (3) imposes or seeks to impose limitations on the ability of Uruguay to issue and/or price the New Bonds in an amount, with pricing and on terms and conditions acceptable to Uruguay. The Offer is also conditioned upon the pricing of the New Bonds Offering, including in an amount, with pricing and on terms and conditions acceptable to Uruguay, upon the underwriting agreement for the New Bonds Offering and the Dealer Manager Agreement relating to this Offer not having been terminated prior to or at the time of the settlement of the Offer. Each of the foregoing conditions is for the sole benefit of Uruguay and may only be waived by Uruguay, in whole or in part, at any time and from time to time, in its discretion except that Uruguay can only

waive the condition relating to the termination of the underwriting agreement for the New Bonds Offering and the termination of the Dealer Manager Agreement relating to this Offer with the prior consent of the Billing and Delivering Bank. Any determination by Uruguay concerning the conditions set forth above (including whether or not any such condition has been satisfied or waived, except as in the case of the termination of the underwriting agreement for the New Bonds Offering and the Dealer Manager Agreement relating to this Offer) will be final and binding upon the Billing and Delivering Bank and all other parties.

Market for the Old Bonds

Uruguay intends to cancel the Old Bonds it acquires from the Billing and Delivering Bank following completion of the Offer. Accordingly, this transaction will reduce the aggregate principal amount of Old Bonds that otherwise might trade in the market, which could adversely affect the liquidity and market value of the remaining Old Bonds that Uruguay does not acquire.

Communications

Information about the Offer will be published, to the extent provided in this Offer Document, by means of press releases to an international news service in accordance with applicable law.

Without limiting the manner in which such public announcement may be made, Uruguay shall not have any obligation to publish, advertise or otherwise communicate such public announcement other than to PRNewswire (or another appropriate international news service).

Holders may obtain information about the Offer by contacting the Dealer Managers or the Information Agent at the addresses and telephone numbers listed on the inside back cover of this Offer Document.

Certain Other Matters

Each proper acceptance of the Old Bonds will constitute your binding agreement to settle the trade on the Settlement Date. The acceptance of the Offer by you with respect to any Old Bonds will constitute the agreement by you to deliver good and marketable title to such Old Bonds on the Settlement Date free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind. All tenders of Old Bonds will settle in accordance with customary brokerage practices for Uruguay's fixed income securities on the Settlement Date, subject to the conditions of the Offer. If you hold Old Bonds through DTC, they must be delivered to any of the Dealer Managers for settlement to the Billing and Delivering Bank no later than 3:00 p.m., New York time, on the Settlement Date. If you hold Bonds through Euroclear or Clearstream, the latest process you can use to deliver your Bonds to the Billing and Delivery Bank is the overnight process, one day prior to the Settlement Date; you may not use the optional daylight process. Failure to deliver Old Bonds on time may result (i) in the cancellation of your tender and in you becoming liable for any damages resulting from that failure, and (ii) in the case of Preferred Tenders, cancellation of any allocation of New Bonds in the New Bonds Offering in respect of your related Indication of Interest.

All questions as to the validity, form and eligibility (including time of receipt), any acceptance of the Offer and any sale pursuant thereto will be determined by Uruguay, in its sole discretion, which determination shall be final and binding. Uruguay reserves the absolute right, in its sole discretion, to reject any and all acceptances and sales not in proper form or for which the corresponding agreement to purchase, in its opinion, would be unlawful. Uruguay also reserves the right to waive any defects, irregularities or conditions in acceptances and settlement with regard to any particular Old Bonds.

None of Uruguay, the Dealer Managers, the Billing and Delivering Bank, the Information Agent or any other person will be under any duty to give notice to accepting or selling holders of Old Bonds of any defects or irregularities in acceptances or sales, nor shall any of them incur any liability for failure to give such notice.

Uruguay's Purchase Price determination and any other calculation or quotation made with respect to the Offer shall be conclusive and binding on all holders, absent manifest error.

TAXATION

General

A tender of Old Bonds pursuant to this Offer Document may be a taxable transaction under the laws applicable to a holder of Old Bonds. You should consult your own tax advisors to determine the particular tax consequences that apply to you in respect of the sale of Old Bonds.

Uruguayan Income Tax Consequences Associated with the Old Bonds

The following discussion summarizes certain aspects of Uruguayan income taxation that may be relevant to you if you are a Non-Resident Holder of the Old Bonds. For the purposes of this summary, you are a Non-Resident Holder if you are a holder of Old Bonds who is an individual that is a non-resident of Uruguay or a legal entity that is neither organized in, nor maintains a permanent establishment in Uruguay. This summary may also be relevant to you if you are a Non-Resident Holder of Old Bonds in connection with the holding and disposition of such Old Bonds. The summary is based on Uruguayan laws, rules and regulations now in effect, all of which may change. This summary is not intended to constitute a complete analysis of the income tax consequences under Uruguayan law of the receipt, ownership or disposition of the Old Bonds, in each case if you are a non-resident of Uruguay, nor to describe any of the tax consequences that may be applicable to you if you are a resident of Uruguay.

Under Uruguayan law, as currently in effect, if you are a Non-Resident Holder of Old Bonds, interest and principal payments on the Old Bonds will not be subject to Uruguayan income or withholding tax. If you are a Non-Resident Holder and you obtain capital gains resulting from any trades of Old Bonds effected between or in respect of accounts maintained by or on behalf of you, you will not be subject to Uruguayan income or other Uruguayan taxes where you have no connection with Uruguay other than as a holder of an interest in Old Bonds. If you are a Non-Resident Holder, payments of interest and principal on Old Bonds to you, and any gain realized upon the disposition of bonds by you, will not be subject to Uruguayan taxes.

U.S. Federal Income Taxation

The following is a summary of certain U.S. federal income tax consequences of the Offer that may be relevant to you if you are a beneficial owner of Old Bonds that is a citizen or resident of the United States or a domestic corporation or otherwise subject to U.S. federal income tax on a net income basis in respect of the Old Bonds (a "U.S. Holder"). This summary is based on the Code, Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, as of the date hereof, all of which are subject to change, possibly on a retroactive basis. The discussion does not deal with special classes of holders, such as dealers in securities or currencies, banks, financial institutions, insurance companies, tax-exempt organizations, entities classified as partnerships and the partners therein, persons holding Old Bonds as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction or persons that have a functional currency other than the U.S. dollar. This discussion assumes that you hold the Old Bonds as "capital assets" within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code").

Internal Revenue Service ("IRS") Circular 230 Notice: To ensure compliance with IRS Circular 230, holders are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Offer Document or any document referred to herein is not intended or written to be used, and cannot be used, by holders for the purpose of avoiding penalties that may be imposed on them under the Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) each holder should seek advice based on their particular circumstances from an independent tax advisor.

Sales of Old Bonds

Sales of Old Bonds pursuant to the Offer generally will be taxable transactions for U.S. federal income tax purposes. Subject to the discussion of the market discount rules set forth below, you will recognize capital gain or loss in an amount equal to the difference between the amount of cash you receive (other than amounts received attributable to accrued interest, which will be taxed as such) and your adjusted tax basis in the Old Bonds sold at the

time of sale. Your adjusted tax basis in an Old Bond generally will equal the amount you paid for the Old Bond, reduced by any premium you have previously amortized and increased by the amount of any market discount that you have elected to include in income currently as it accrues (as described below). Any such gain or loss will be long-term capital gain or loss if you have held the Old Bonds for more than one year on the date of the sale. Special issues may apply to the sale of 2045 Bonds pursuant to the Offer in the case of a New Requestor that purchases New Bonds pursuant to the New Bonds Offering, as described below.

In general, market discount is the excess, if any, of the principal amount of an Old Bond over your tax basis therein at the time of the acquisition, unless the amount of the excess is less than a specified de minimis amount, in which case market discount is considered to be zero. If you acquired the Old Bonds with market discount, any gain you realize pursuant to the sale of Old Bonds will be treated as ordinary income to the extent of the portion of the market discount that has accrued while you held the Old Bonds, unless you have elected to include market discount in income currently as it accrues.

Gain or loss recognized pursuant to the Offer generally will be treated as U.S.-source income or loss for U.S. foreign tax credit purposes. Accrued interest income with respect to the Old Bonds that is treated as paid as a result of the Offer will constitute income from sources outside the United States, and for U.S. foreign tax credit purposes such income should generally constitute “passive category income.” The rules governing the U.S. foreign tax credit are complex, and each U.S. Holder is urged to consult its own tax advisor regarding the application of the rules to its particular circumstances.

There is a possibility that the sale of the Old Bonds pursuant to the Offer and the subsequent purchase of New Bonds pursuant to the New Bonds Offering by a New Requestor could be characterized as an exchange for U.S. federal income tax purposes. Except with respect to the 2045 Bonds, this characterization would not be expected to change the U.S. federal income tax treatment of the transaction from the treatment described above.

In the case of sales of 2045 Bonds pursuant to the Offer by a New Requestor that purchases New Bonds pursuant to the New Bonds Offering, a New Requestor may not recognize all or a portion of any loss on the sale of 2045 Bonds, either because the 2045 Bonds and the New Bonds are “substantially identical” for purposes of the rules governing “wash sales” or because the sale of 2045 Bonds and subsequent purchase of New Bonds is characterized as a debt-for-debt exchange involving bonds that do not differ materially in kind or extent. If a loss is not recognized in either such situation, a U.S. Holder would have a basis in the New Bonds purchased in the New Bonds Offering determined in whole or in part (depending on the applicability of the wash sale rules and whether the taxpayer acquires a lesser amount of New Bonds than the amount of 2045 Bonds sold pursuant to the Offer) by reference to the U.S. Holder’s basis in the 2045 Bonds sold pursuant to the Offer. If a loss is not recognized under these rules, a U.S. Holder may recognize a greater loss or reduce its gain on a subsequent sale or other taxable disposition of New Bonds than would otherwise be the case. A U.S. Holder that sells 2045 Bonds pursuant to the Offer and purchases New Bonds pursuant to the New Bonds Offering should consult its tax advisor regarding the potential disallowance of any loss on 2045 Bonds sold pursuant to the Offer and to determine its tax basis in the New Bonds acquired in the New Bonds Offering. In addition, a U.S. Holder that has a basis in the New Bonds in excess of the New Bonds’ stated redemption price at maturity as a result of the application of the rules described in this paragraph should consult its tax advisor regarding the availability of a deduction for bond premium on the New Bonds.

Information Reporting and Backup Withholding

You may be subject to information reporting and backup withholding unless (i) you are a corporation or come within certain other exempt categories and demonstrate this fact or (ii) you provide a correct taxpayer identification number, certify as to no loss of exemption from backup withholding and otherwise comply with applicable requirements of the backup withholding rules. The amount of any backup withholding from the Offer will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided that the required information is furnished to the IRS in a timely manner.

Non-U.S. Holders

If you are a beneficial owner of Old Bonds that is not a U.S. Holder (a “Non-U.S. Holder”), you will not be subject to U.S. federal income or withholding tax on the proceeds from the Offer, including amounts treated as accrued interest, provided that, if required, you have provided a properly completed IRS Form W-8BEN, IRS Form W-8BEN-E or other IRS Form W-8, signed under penalties of perjury, establishing your status as a Non-U.S. Holder (or you satisfy certain documentary evidence requirements for establishing that you are a Non-U.S. Holder), unless you are an individual Non-U.S. Holder that realizes gain on the sale of Old Bonds and you are present in the United States for 183 days or more in the taxable year of the Offer and certain other conditions are met.

JURISDICTIONAL RESTRICTIONS

The distribution of this Offer Document and related materials is restricted by law in certain jurisdictions. Persons into whose possession this Offer Document come are required by Uruguay, the Dealer Managers and the Billing and Delivering Bank to inform themselves of and to observe any of these restrictions. Each person accepting the Offer shall be deemed to have represented, warranted and agreed (in respect of itself and any person for whom it is acting) that it is not a person to whom it is unlawful to make an Offer pursuant to this Offer Document (including under the applicable securities laws referenced below), it has not distributed or forwarded this Offer Document or any other documents or materials relating to the Offer to any such person, and it has (before offering the Old Bonds for exchange) complied with all laws and regulations applicable to it for the purposes of its participation in the Offer.

This Offer Document does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or solicitation. None of Uruguay, the Dealer Managers and the Billing and Delivering Bank accepts any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.

In any jurisdiction in which the Offer is required to be made by a licensed broker or dealer and in which any Dealer Manager or any of its affiliates is so licensed, it shall be deemed to be made by the Dealer Managers or such affiliates.

Austria

Any materials relating to the Offer do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the Offer be made by a licensed broker or dealer and the Dealer Managers or its respective affiliates is such a licensed broker or dealer in that jurisdiction, the Offer shall be deemed to be made by the Dealer Managers or affiliate in such jurisdiction.

The distribution of the Offer in certain jurisdictions may be restricted by law. Persons into whose possession the Offer Document comes are required by Uruguay, the Dealer Managers, the Information Agent and the Billing and Delivering Bank to inform themselves about, and to observe, any such restrictions as set out in the “Jurisdictional Restrictions” section of the Offer.

Bahamas

This prospectus in connection with the Offer to Purchase has not been filed with the Securities Commission of The Bahamas. No purchase of any securities in connection with this Offer to Purchase can be made in The Bahamas unless the purchase is made by or through a firm registered with the Securities Commission of The Bahamas to carry on securities business and in compliance with the Bahamian Exchange Control Regulations.

Belgium

The Offer does not constitute a public offering within the meaning of Articles 3, §1, 1° and 6 of the Belgian Law of April 1, 2007 on takeover bids (the “Takeover Law”). The Offer is exclusively conducted under applicable private placement exemptions and has therefore not been, and will not be, notified to, and any other offer material relating to the Offer has not been, and will not be, approved by, the Belgian Financial Services and Markets Authority (Autorité des services et marchés financiers/Autoriteit voor Financiële Diensten en Markten).

Accordingly, the Offer Document may only be advertised, offered or distributed in any way, directly or indirectly, to any persons located and/or resident in Belgium who qualify as “Qualified Investors” as referred to in Article 6, §3, 1° of the Takeover Law, and who are acting for their own account, or in other circumstances which do not constitute a public offering in Belgium pursuant to the Takeover Law.

Denmark

The Offer does not constitute an offering of securities in Denmark within the meaning of the Danish Securities Trading Act or any Executive Orders issued pursuant thereto and has not been filed with or approved by the Danish Financial Supervisory Authority.

France

The Offer is not being made, directly or indirectly, to the public in France. Neither this Offer Document nor any other documents or materials relating to the Offer have been distributed or caused to be distributed and will not be distributed or caused to be distributed to the public in France and only (i) qualified investors (investisseurs qualifiés), other than individuals, acting for their own account, all as defined in, and in accordance with, Articles L.411-2 and D.411-1 of the French Code monétaire et financier and/or (iii) the other legal entities referred to in Articles L.341-2 1° and D.341-1 of the French Code monétaire et financier are eligible to participate in the Offer. The Offer has not been and will not be submitted to the clearance procedures (visa) of nor approved by the Autorité des marchés financiers.

Hong Kong

With respect to persons in Hong Kong, the Offer is only made to, and is only capable of acceptance by, professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder (“professional investors”). No person or entity may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Old Bonds or the Offer, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong, including in circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong) other than with respect to Old Bonds which are or are intended to be tendered only by persons outside Hong Kong or only by “professional investors” as defined in the SFO and any rules made under the SFO.

Italy

The Offer Document has not been registered with the Commissione Nazionale per le Società e la Borsa (“CONSOB”) pursuant to Italian securities legislation and, accordingly, the Offer may not be promoted, and copies of this Offer Document may not be delivered, to Holders resident or located in Italy, other than (i) to qualified investors (investitori qualificati) (as defined in Article 26, paragraph 1, letter d) of CONSOB Regulation No. 16190 of October 29, 2007, as amended (the “Intermediaries Regulation”), pursuant to Article 35-bis, paragraph 3 of CONSOB Regulation No. 11971 of May 14, 1999, as amended, or (ii) in any other circumstances where an express exemption from compliance with the restrictions on public offers to purchase applies.

Holders or beneficial owners of the Old Bonds may tender their Old Bonds through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Italian Legislative Decree No. 58 of February 24, 1998, as amended, the Intermediaries Regulation and Italian Legislative Decree No. 385 of September 1, 1993, each as amended) and in compliance with any other applicable laws and regulations or with any requirements imposed by CONSOB or any other Italian authority.

The Offer Document and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this document may rely on it or its contents.

Switzerland

The Offer is made in Switzerland on the basis of a private offer, not as a public offering. Neither this document nor any other offering or marketing material relating to the Offer constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations, and neither this document nor any other offering or marketing material relating to the Offer may be publicly distributed or otherwise made publicly available in Switzerland.

United Kingdom

Neither the communication of this Offer Document nor any other offer material relating to the Offer has been approved, by an authorised person for the purposes of section 21 of the UK Financial Services and Markets Act 2000. This Offer Document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (as so amended, the “Order”) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Articles 49(2)(a) to (d) of the Order (all such other persons together being referred to as “relevant persons”). Any investment or investment activity to which this Offer Document relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this Offer Document or any of its contents.

HOLDERS' REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

By tendering Old Bonds, each holder of Old Bonds shall be deemed to agree with, and acknowledge, represent, warrant and undertake (on behalf of itself and of any person for whom it is acting) to Uruguay, the Billing and Delivering Bank, the Dealer Managers and the Information Agent that, on each of the Expiration Time and Settlement Date, as set forth below. If any holder of such Old Bonds or the direct participant is unable to give these acknowledgements, agreements, representations, warranties and undertakings, such holder or direct participant is not permitted to participate in the Offer and, if it has taken any steps to do so, should contact the Information Agent immediately.

- (1) It has received, reviewed this Offer Document and understood and accepted the terms and conditions of the Offer and distribution restrictions, all as described in this Offer Document (and has access to, and has reviewed and understood, the documents incorporated by reference in this Offer Document).
- (2) It understands that the tender of Old Bonds pursuant to any of the procedures set forth in this document will constitute its acceptance of the terms and conditions of the Offer, that only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted subject to the terms and conditions of the Offer, and that Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder.
- (3) It is assuming all the risks inherent in participating in the Offer, and has undertaken all the appropriate analysis of the implications of the Offer, without reliance on Uruguay, the Dealer Managers, the Billing and Delivering Bank, the Information Agent or any of their respective directors or employees.
- (4) Upon the terms and subject to the conditions of the Offer, it has submitted one or more Tender Orders with respect to the principal amount of Old Bonds to a Dealer Manager, subject to and effective on the acceptance for purchase by Uruguay in respect of such Old Bonds pursuant to the Offer, it renounces all right, title and interest in and to all such Old Bonds accepted for purchase pursuant to the Offer and waives and releases any rights or claims it may have against Uruguay with respect to any such Old Bonds or the Offer.
- (5) It has full power and authority to transfer and assign to the Billing and Delivering Bank the Old Bonds which it has tendered pursuant to the Offer and, if such Old Bonds are accepted for purchase pursuant to the Offer, good and marketable title to such Old Bonds will be transferred to, or for the account of, the Billing and Delivering Bank free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by Uruguay or the Billing and Delivering Bank to be necessary or desirable to complete the sale, assignment, transfer and/or cancellation of such Old Bonds or to evidence such power and authority.
- (6) It irrevocably appoints the Billing and Delivering Bank as its true and lawful agent and attorney-in-fact (with full knowledge that the Billing and Delivering Bank also acts as agent of Uruguay) with respect to the tendered Old Bonds, with full powers of substitution (such power of attorney being deemed to be an irrevocable power of attorney coupled with an interest) to (a) present such Old Bonds and all evidences of transfer and authenticity to, or transfer ownership of, such Old Bonds on the accounts maintained by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, to, or to the order of the Billing and Delivering Bank, (b) it will, upon request, execute and deliver additional documents and/or do such other things deemed by the Billing and Delivering Bank, the Dealer Managers, the Information Agent or Uruguay to be necessary or desirable to complete the sale, assignment and transfer of the Bonds tendered or to evidence such power and authority
- (7) All authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties, undertakings and directions, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity.

- (8) It understands that acceptance for purchase of Old Bonds validly tendered by it pursuant to the Offer will constitute a binding agreement between it and the Billing and Delivering Bank, in accordance with and subject to the terms and conditions of the Offer, that only the Billing and Delivering Bank will be liable for the payment of the Purchase Price and Accrued Interest for Old Bonds validly tendered and accepted and that Uruguay will not be liable under any circumstances for the payment of the Purchase Price and Accrued Interest for any Old Bonds tendered in the Offer by any holder.
- (9) It understands that Uruguay may, at its sole discretion, instruct the Billing and Delivering Bank to extend, re-open, amend or waive any condition of or terminate the Offer at any time, and that in the event of a termination of the Offer, the relevant Old Bonds will be returned to the holder.
- (10) None of Uruguay, the Dealer Managers, the Billing and Delivering Bank, the trustee, the Information Agent or any of their respective directors or employees, has given it any information with respect to the Offer save as expressly set out in this Offer Document nor has any of them made any recommendation to it as to whether it should offer Old Bonds for exchange in the Offer, and it has made its own decision with regard to offering Old Bonds for exchange in the Offer based on any legal, tax or financial advice it has deemed necessary to seek.
- (11) No information has been provided to it by Uruguay, the Dealer Managers, the Billing and Delivering Bank, the Information Agent or any of their respective directors or employees, with regard to the tax consequences for holders of Old Bonds arising from any Old Bonds purchased pursuant to the Offer and the receipt of the New Bonds and any cash payment, and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Offer or in relation to the New Bonds and agrees that it does not and will not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against Uruguay, the Dealer Managers, the Billing and Delivering Bank, the Information Agent, any of their respective directors or employees or any other person in respect of such taxes and payments.
- (12) It understands that validly tendered Old Bonds (or defectively offered Old Bonds with respect to which Uruguay has waived, or has caused to be waived, such defect) will be deemed to have been accepted by the Billing and Delivering Bank if, as and when Uruguay gives oral or written notice thereof to the Information Agent.
- (13) It is not a person to whom it is unlawful to make an Offer pursuant to this Offer Document (including under the applicable securities laws contained under the heading “Jurisdictional Restrictions” in this Offer Document), it has not distributed or forwarded this Offer Document or any other documents or materials relating to the Offer to any such person, and it has (before offering the Old Bonds for exchange) complied with all laws and regulations applicable to it for the purposes of its participation in the Offer.
- (14) It shall indemnify Uruguay, the Dealer Managers, the Billing and Delivering Bank and the Information Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the representations, warranties and/or undertakings given pursuant to, the Offer (including any acceptance thereof) by any such holder.
- (15) It agrees that accrued but unpaid interest to be paid on the Settlement Date pursuant to the Offer shall be paid on such Settlement Date and in accordance with the terms set forth in this document notwithstanding any other provision of the New Bonds.
- (14) It is either located outside of Belgium, or if it is located in Belgium, it (a) qualifies as a qualified investor as defined in Article 6, §3, 1° of the Takeover Law; or it has not been solicited by Uruguay or any financial intermediary in connection with the Offer.
- (15) It is located outside of France, or if it is located or resident in France, it is (i) a qualified investor (*investisseur qualifié*) as defined in Articles L. 411-2, D. 411-1, D. 734-1, D.744-1, D. 754-1 and D. 764-1 of the French *Code Monétaire et Financier* or (ii) one of the legal entities referred to in Articles L.341-2 1° and D.341-1 of the French *Code monétaire et financier*.”

- (16) It is located outside of Italy, or if it is located or resident in Italy, it, and any beneficial owner of Old Bonds (or any other person) on whose behalf it is directly or indirectly acting: (i) is not located or resident in Italy or (ii) is a qualified investor (*investitore qualificato*) within the meaning of Article 35-bis, paragraph 3 of CONSOB Regulation No. 11971 of May 14, 1999, as amended.
- (17) It is either (i) a person not located or resident in the United Kingdom; (ii) an investment professional falling within Article 19(5) of the Order or (iii) a high net worth entity or other person, in each case falling within Articles 49(2)(a) to (d) of the Order, or (iv) a person to whom this Offer Document may lawfully be communicated in accordance with the Order.

DEALER MANAGERS, BILLING AND DELIVERING BANK AND INFORMATION AGENT

Uruguay has entered into a dealer manager agreement with HSBC and J.P. Morgan to act as Dealer Managers for the Offer, and HSBC to act as Billing and Delivering Bank for the Offer. Pursuant to the dealer managers agreement, Uruguay has:

- retained the Dealer Managers to act, directly or through affiliates, as the dealer managers in connection with the Offer,
- retained the Billing and Delivering Bank to act as the billing and delivering bank in connection with the Offer,
- agreed to reimburse the Dealer Managers for certain expenses in connection with the Offer, and
- agreed to indemnify the Dealer Managers and the Billing and Delivering Bank against certain liabilities and expenses in connection with the Offer, including liabilities under the U.S. Securities Act of 1933, as amended.

The dealer managers agreement contains various other representations, warranties, covenants and conditions customary for agreements of this sort. Bondholder Communications Group, LLC will act as Information Agent in connection with the Offer. Bondholder Communications Group, LLC's New York address is 30 Broad Street, 46th Floor New York, NY 10004 and it's London address is 28 Throgmorton, London EC2N 2AN. The Information Agent will be paid customary fees for its services in connection with the Offer.

Each of the Dealer Managers is participating as an underwriter in connection with the New Bonds Offering and each of the Dealer Managers has provided and may continue to provide certain investment banking services to Uruguay for which they have received and may receive compensation that is customary for services of such nature. The Dealer Managers may trade, or hold a long or short position in, the Old Bonds, the New Bonds or other debt securities or related derivatives of Uruguay for their own accounts or for the accounts of their customers at any given time, and the Dealer Managers may participate in the Offer by submitting offers on their own behalf or by submitting offers on behalf of clients. The Billing and Delivering Bank has agreed to sell the Old Bonds purchased pursuant to the Offer to Uruguay on the first business day following the settlement of the Offer and the Republic has agreed to purchase such Old Bonds at the Purchase Price paid by the Billing and Delivering Bank pursuant to the Offer plus accrued and unpaid interest therein from and including the last interest payment date for such Bonds to but not including the date of such transfer, provided that Uruguay will not have any obligation to purchase Old Bonds if the New Bonds Offering has not settled on or prior to such date.

Some of the Dealer Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with Uruguay. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealer Managers and their affiliates may make or hold a broad array of investments and actively trade debt securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Uruguay. If any of the Dealer Managers or their affiliates have a lending relationship with Uruguay, certain of those Dealer Managers or their affiliates routinely hedge, and certain others of those Dealer Managers may hedge, their credit exposure to Uruguay consistent with their customary risk management policies. Typically, such Dealer Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in Uruguay's securities, including potentially the New Bonds. Any such short positions could adversely affect future trading prices of the New Bonds. The Dealer Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In connection with the Offer, Uruguay may solicit, or cause to be solicited, tenders by use of postal services, personally or by telephone, electronic mail, facsimile, telegram or other similar methods.

The Dealer Managers have agreed to pay for certain expenses in connection with the Offer.

None of the Dealer Managers, the Billing and Delivering Bank, the Information Agent, the clearing systems or any of their respective directors, employees or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Offer or Uruguay contained or incorporated by reference herein or for any failure by Uruguay to disclose events that may have occurred and may affect the significance or accuracy of such information.

ISSUER OF OLD BONDS

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11100 Montevideo
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J.P. Morgan Securities LLC
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Attn: Latin America Debt Capital Markets
Collect: (212) 834-2874
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