

### **Press Statement on Euro Area Stabilization Measures**

**October 27, 2011** — The following statement was issued by Mr. Charles Dallara, Managing Director of the Institute of International Finance:

We welcome the announcement by the leaders of the Euro Area of a comprehensive package of measures to stabilize Europe, to strengthen the European banking system and to support Greece's reform effort. On behalf of the private investor community, the IIF agrees to work with Greece, Euro Area authorities and the IMF to develop a concrete voluntary agreement on the firm basis of a nominal discount of 50% on notional Greek debt held by private investors with the support of a 30 billion Euro official PSI package. This should set the basis for the decline of the Greek debt to GDP ratio with an objective of reaching 120% by 2020.

The specific terms and conditions of the voluntary PSI will be agreed by all relevant parties in the coming period and implemented with immediacy and force. The structure of the new Greek claims will need to be based on terms and conditions that ensure an NPV loss for investors fully consistent with a voluntary agreement.

### **Statements by Dr. Ackermann and Mr. Dallara on behalf of the IIF on the new Greek agreement**

**Brussels, Belgium, October 27, 2011** — Dr. Josef Ackermann, Chairman of the Board of Directors of the Institute of International Finance and Chairman of the Management Board and the Group Executive Committee of Deutsche Bank AG, today confirmed his full support for the voluntary agreement reached last night between Euro Area leaders and the IIF on a new Greek debt deal.

Dr. Ackermann stated: "We are very pleased with the agreement reached. It was appropriate for all parties to move on the July 21 decisions in light of the changed circumstances. The Greek economy has weakened considerably since that time and the different parties are taking additional difficult measures to lay the basis for stabilization and renewed growth. European leaders are also doing more, and as all parties have recognized that not only the future of Greece but the future of Europe was at stake. The outcome is a good one for Greece, Europe and the investors, and we look forward to its early implementation."

Mr. Charles Dallara, IIF Managing Director, said, "This voluntary substantial reduction in Greek debt by the private sector, along with additional official support, provides an historical opportunity for Greece to revitalize its economy and reap the benefits of the difficult measures the Greek people have undertaken. We look forward to work with the Greek and European authorities to translate this framework into a concrete agreement that can deliver an early reduction in Greece's debt and place it squarely on a path toward debt sustainability. Throughout the process we have enjoyed strong support from the IIF's Board of Directors and from many leaders of other financial institutions."