



THE KINGDOM OF SAUDI ARABIA

acting through the Ministry of Finance

Global Medium Term Note Programme

Under this Global Medium Term Note Programme (the “**Programme**”), the Kingdom of Saudi Arabia (the “**Issuer**”, the “**Kingdom**” or “**Saudi Arabia**”), acting through the Ministry of Finance, may elect, subject to compliance with all relevant laws, regulations and directives, from time to time to issue notes (the “**Notes**”) denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below).

Notes may be issued in bearer or registered form (respectively, “**Bearer Notes**” and “**Registered Notes**”). The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer(s) appointed under the Programme from time to time by the Issuer (each a “**Dealer**” and together, the “**Dealers**”), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the “**relevant Dealer(s)**” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

AN INVESTMENT IN NOTES ISSUED UNDER THE PROGRAMME INVOLVES CERTAIN RISKS. SEE “RISK FACTORS”.

This Base Prospectus has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”) under Part VI of the Financial Services and Markets Act 2000 (the “**FSMA**”) as a base prospectus issued in compliance with Directive 2003/71/EC, as amended or superseded (the “**Prospectus Directive**”) and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of Notes described in this Base Prospectus for the period of 12 months from the date of approval of this Base Prospectus. This Base Prospectus comprises a base prospectus for the purpose of Article 5.4 of the Prospectus Directive. Applications have been made for such Notes to be admitted during the period of 12 months from the date of approval of this Base Prospectus to listing on the Official List of the FCA (the “**Official List**”) and to trading on the Regulated Market of the London Stock Exchange plc (the “**London Stock Exchange**”). The Regulated Market of the London Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, “**MIFID II**”).

References in this Base Prospectus to Notes being “**listed**” (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Regulated Market of the London Stock Exchange.

The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined herein) of Notes will be set out in the final terms specific to each Tranche (the “**Final Terms**”). Payments of interest on Notes issued under the Programme will be made without deduction for, or on account of, taxes imposed by the Kingdom to the extent described in Condition 13 (*Taxation*) under “*Terms and Conditions of the Notes*”.

The Issuer has been assigned a sovereign credit rating of A+ (stable outlook) by Fitch Ratings Limited (“**Fitch**”) and A1 (stable outlook) by Moody’s Investors Service Limited (“**Moody’s**”). Each of Fitch and Moody’s is established in the European Union (the “**EU**”) and registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). As such, each of Fitch and Moody’s is included in the list of credit rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website in accordance with the CRA Regulation. Certain tranches of Notes (each, a “**Tranche**”) to be issued under the Programme may be rated or unrated and, if rated, the credit rating agency issuing such rating will be specified in the Final Terms. Where a Tranche is rated, such rating will not necessarily be equivalent to the ratings assigned to the Issuer. Whether or not each credit rating applied for in relation to a Tranche will be (a) issued by a credit rating agency established in the European Economic Area (the “**EEA**”) and registered under the CRA Regulation, or (b) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation, or (c) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation will also be disclosed in the Final Terms. A rating is not a recommendation to buy, sell or hold the Notes, does not address the likelihood or timing of repayment and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisations.

Amounts (if any) payable in respect of Floating Rate Notes may be calculated by reference to LIBOR or EURIBOR as specified in the applicable Final Terms. As at the date of this Base Prospectus, the administrator of LIBOR (ICE Benchmark Administration Limited) is included in ESMA’s register of administrators under Article 36 of Regulation (EU) No. 2016/1011 (the “**Benchmarks Regulation**”) and the administrator of EURIBOR (European Money Markets Institute) is not included in such register of administrators. As far as the Kingdom is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that the administrator of EURIBOR (European Money Markets Institute) is not currently required to obtain authorisation/registration.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form may be subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person except in certain transactions permitted by U.S. tax regulations. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States except in certain transactions exempt from the registration requirements of the Securities Act. The Notes may be offered and sold (A) in bearer form or registered form outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”) and (B) in registered form within the United States to persons who are “qualified institutional buyers” (“**QIBs**”) in reliance on Rule 144A under the Securities Act (“**Rule 144A**”). Prospective purchasers who are QIBs are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Notes and distribution of this Base Prospectus, see “*Subscription and Sale*” and “*Transfer Restrictions*” in the Incorporated Base Prospectus (as defined in “*Documents Incorporated by Reference*”).

This Base Prospectus should be read in conjunction with all documents which are deemed to be incorporated in it by reference (see “*Documents Incorporated by Reference*”). This Base Prospectus should be read and construed on the basis that those documents are incorporated and form part of this Base Prospectus, and should also be read and construed together with any amendment or supplement hereto. In relation to a Tranche of Notes, this Base Prospectus should be read and construed together with the Final Terms.

Arrangers and Dealers

Bank of China Citigroup HSBC
J.P. Morgan Mizuho Securities MUFG

Dealers

BNP PARIBAS BofA Merrill Lynch Crédit Agricole CIB
Deutsche Bank Goldman Sachs International ICBC
Morgan Stanley SMBC Nikko
Société Générale Corporate & Investment Banking
Standard Chartered Bank

The date of this Base Prospectus is 1 July 2019

RESPONSIBILITY STATEMENT

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive to the extent that such amendments have been implemented in a relevant member state of the EU (an “**EU Member State**”) and for the purpose of giving information with regard to the Issuer and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The opinions, assumptions, intentions, projections and forecasts expressed in this Base Prospectus with regard to the Issuer are honestly held by the Issuer, not misleading in any material respect, have been reached after considering all relevant circumstances and are based on reasonable assumptions.

Where information has been sourced from a third party (other than a state agency or Government department, in respect of which the Issuer accepts responsibility), the Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of any third party information contained in this Base Prospectus is stated where such information appears in this Base Prospectus.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes*” (the “**Conditions**”), as completed by the Final Terms. This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the Final Terms.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, any Arranger (as defined herein) or any Dealer.

The Arrangers, the Dealers and the Agents (as defined in the Conditions) have not independently verified the information contained herein. Accordingly, neither the Arrangers, the Dealers nor the Agents or any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus and none of the Arrangers, the Dealers or the Agents accepts any responsibility for any acts or omissions of the Kingdom or any other person in connection with this Base Prospectus or the issue and offering of any Notes under the Programme.

Neither this Base Prospectus nor any Final Terms are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arrangers or the Dealers that any recipient of this Base Prospectus or any Final Terms should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and any Final Terms and its purchase of Notes should be based upon such investigation as it deems necessary.

Neither the Arrangers nor the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus and any Final Terms nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers or any of the Dealers.

IMPORTANT NOTICES

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or, if applicable, the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial, economic, political or otherwise), general affairs or prospects of the Issuer since the date hereof or, if applicable, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Dealers, the Arrangers, the Agents and their affiliates do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealers, the Arrangers, the Agents or any of their affiliates which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering materials may be distributed or published in any jurisdiction, except in circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see “*Subscription and Sale*” in the Incorporated Base Prospectus. In particular, the Notes have not been and will not be registered under the Securities Act and may be subject to U.S. tax law requirements.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes is intended to provide the basis of any credit or other evaluation. Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Arrangers, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

None of the Dealers, the Agents or the Arrangers or any of their affiliates or the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time. Each investor should consult with its own advisers as to the legal, tax, business, financial and related aspects of the purchase of any Notes.

Prospective purchasers must comply with all laws that apply to them in any place in which they buy, offer or sell any Notes or possess this Base Prospectus. Any consents or approvals that are needed in order to purchase any Notes must be obtained prior to the deadline specified for any such consent or approval. The Issuer, the Arrangers, the Dealers, the Agents and their affiliates are not responsible for compliance with these legal requirements.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its

particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal and tax advisers to determine whether and to what extent: (i) the Notes are legal investments for it; (ii) the Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

NOTICE TO U.S. INVESTORS

This Base Prospectus may be submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of certain Notes which may be issued under the Programme. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Any Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to or for the account of United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and the Treasury regulations promulgated thereunder.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act in reliance on Rule 144A under the Securities Act or any other applicable exemption from registration under the Securities Act. Any U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be being made in reliance upon the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A.

Each purchaser or holder of Notes represented by a Restricted Global Certificate or any Notes issued in registered form in exchange or substitution therefor (together "**Legended Notes**") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "*Subscription and Sale*" and "*Transfer Restrictions*" in the Incorporated Base Prospectus.

NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making

or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by the Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

IMPORTANT – EEA RETAIL INVESTORS

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the Insurance Mediation Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE/TARGET MARKET

The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)

The Final Terms in respect of any Notes may include a legend entitled "Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"). The Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Final Terms will constitute notice to "relevant persons" for purposes of section 309B(1)(c) of the SFA.

Unless otherwise stated in the applicable Final Terms, all Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTICE TO UNITED KINGDOM RESIDENTS

The distribution in the United Kingdom of this Base Prospectus, any Final Terms and any other marketing materials relating to the Notes if effected by a person who is not an authorised person under the Financial Services and Markets Act 2000 is being addressed to, or directed at, only the following persons: (i) persons who are Investment Professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); (ii) persons falling

within any of the categories of persons described in Article 49(1) of the Financial Promotion Order (all such persons together being referred to as “**relevant persons**”); and (iii) any other person to whom it may otherwise lawfully be promoted. Any person who is not a relevant person should not act or rely on this document or any of its contents. Persons into whose possession this Base Prospectus may come are required by the Issuer, the Arrangers and the Dealers to inform themselves about and to observe such restrictions.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This Base Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the “**Capital Market Authority**”).

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Base Prospectus and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Prospectus. Prospective purchasers of Notes issued under the Programme should conduct their own due diligence on the accuracy of the information relating to the Notes. If a prospective purchaser does not understand the contents of this Base Prospectus, he or she should consult an authorised financial adviser.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

This Base Prospectus does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and any related offering documents have not been and will not be registered as a prospectus with the Central Bank of Bahrain. Accordingly, no securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to ‘accredited investors’, as such term is defined by the Central Bank of Bahrain, for an offer outside the Kingdom of Bahrain.

The Central Bank of Bahrain has not reviewed, approved or registered this Base Prospectus or any related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the Central Bank of Bahrain assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Prospectus. No offer of securities will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

NOTICE TO RESIDENTS OF THE STATE OF QATAR

This Base Prospectus does not and is not intended to constitute an offer, sale or delivery of notes or other debt financing instruments under the laws of the State of Qatar and has not been and will not be reviewed or approved by or registered with the Qatar Financial Markets Authority or the Qatar Central Bank. The Notes are not and will not be traded on the Qatar Exchange.

NOTICE TO RESIDENTS OF MALAYSIA

The Notes may not be offered for subscription or purchase and no invitation to subscribe for or purchase the Notes in Malaysia may be made, directly or indirectly, and this Base Prospectus or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories set out in Schedule 6 or Section 229(1)(b), Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3) of the Capital Market and Services Act 2007 of Malaysia.

The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of the Trustee or the Kingdom and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Base Prospectus.

PRESENTATION OF STATISTICAL AND OTHER INFORMATION

Presentation of Statistical Information

Statistical data appearing in this Base Prospectus has, unless otherwise stated, been obtained from, among others, the General Authority for Statistics (“GASTAT”), the Saudi Arabian Monetary Authority (“SAMA”), the Ministry of Finance, the Ministry of Economy and Planning, Saudi Aramco, the Ministry of Energy, Industry and Mineral Resources, the Capital Market Authority (the “CMA”), the Saudi Commission for Tourism and National Heritage (“SCTH”), the Communications and Information Technology Commission (the “CITC”), the General Railway Organisation, the Saudi Ports Authority, the Ministry of Transportation, the General Authority of Civil Aviation (“GACA”), the Public Pension Agency (the “PPA”), the General Organization for Social Insurance (the “GOSI”) and the Saudi Fund for Development (the “SFD”). Some statistical information has also been derived from information publicly made available by third parties, including the United Nations (the “UN”), the World Bank, the World Trade Organisation (the “WTO”), the Organization of the Petroleum Exporting Countries (“OPEC”), the International Monetary Fund (the “IMF”) and other third parties. Where such third party information has been so sourced the source is stated where it appears in this Base Prospectus. The Issuer confirms that such information has been accurately reproduced. Similar statistics may be obtainable from other sources, but the underlying assumptions, methodology and, consequently, the resulting data may vary from source to source.

Although every effort has been made to include in this Base Prospectus the most reliable and the most consistently presented data, no assurance can be given that such data was compiled or prepared on a basis consistent with international standards.

Annual information presented in this Base Prospectus is based upon 1 January to 31 December periods, unless otherwise indicated. Notwithstanding the foregoing, for the purposes of the Government’s budget (the details of which are set forth in “*Public Finance*”), the Government’s fiscal year commences on 31 December and ends on 30 December in the following year. References in this Base Prospectus to a specific “**fiscal year**” are to the 12-month period commencing on 31 December of the preceding calendar year and ending on 30 December of the specified year.

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Base Prospectus will have the meaning attributed thereto in “*Terms and Conditions of the Notes*” or any other section of this Base Prospectus. In addition, all references in this Base Prospectus to:

- “**Saudi Arabia**” or to the “**Kingdom**” are to the Kingdom of Saudi Arabia;
- the “**Government**” are to the government of Saudi Arabia;
- “**bpd**” are to barrels per day;
- “**c-km**” are to circuit kilometres;
- “**GW**” are to gigawatts;
- “**GWh**” are to gigawatt hours;
- “**kg**” are to kilograms;
- “**km**” are to kilometres;
- “**MW**” are to megawatts;
- “**mtpy**” are to million tonnes per year;
- “**scfd**” are to square cubic feet per day;
- “**TEUs**” are to twenty-foot equivalent units;
- “**tonnes**” are to metric tonnes; and
- “**TWh**” are to terawatt hours.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments; accordingly figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Currencies and Exchange Rates

All references in this Base Prospectus to:

- “**Saudi riyals**”, “**riyals**” and “**SAR**” refer to Saudi riyals, the legal currency of Saudi Arabia for the time being;
- “**U.S. dollars**”, “**dollars**”, “**U.S.\$**” and “**\$**” refer to United States dollars, the legal currency of the United States for the time being;
- “**pounds sterling**”, “**pounds**”, “**GBP**” and “**£**” refer to pounds sterling, the legal currency of the United Kingdom for the time being; and
- “**euro**”, “**EUR**” and “**€**” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

The Saudi riyal has been pegged to the U.S. dollar at a fixed exchange rate of SAR 3.75 = U.S.\$1.00 and, unless otherwise indicated, U.S. dollar amounts in this Base Prospectus have been converted from Saudi riyal at this exchange rate.

Websites and Web Links

The websites and/or web links referred to in this Base Prospectus are included for information purposes only and the content of such websites or web links is not incorporated into, and does not form part of, this Base Prospectus.

Language

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

FORWARD-LOOKING STATEMENTS

Certain statements included in this Base Prospectus may constitute “forward looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the United States Exchange Act of 1934, as amended (the “**Exchange Act**”). However, this Base Prospectus is not entitled to the benefit of the safe harbour created thereby. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “projects”, “expects”, “intends”, “may”, “will”, “seeks” or “should” or, in each case, their negative or other variations or comparable terminology, or in relation to discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements are statements that are not historical facts, including statements about the Issuer’s beliefs and expectations. These statements are based on current plans, estimates and projections and, therefore, undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made. Although the Government believes that beliefs and expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such beliefs and expectations will prove to have been correct. Forward looking statements include, but are not limited to: (i) plans with respect to the implementation of economic policy; (ii) expectations about the behaviour of the economy if certain economic policies are implemented; (iii) the outlook for gross domestic product (“**GDP**”), inflation, exchange rates, interest rates, commodity prices, foreign investment, balance of payments, trade and fiscal balances; and (iv) estimates of external debt repayment and debt service.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those expressed in any forward-looking statement. The information contained in this Base Prospectus identifies important factors that could cause such differences, including, but not limited to:

External factors, such as:

- the impact of changes in the price of oil;
- ongoing political and security concerns in the Middle East;
- global financial conditions;
- present and future exchange rates; and
- economic conditions in the economies of key trading partners of Saudi Arabia;

Domestic factors, such as:

- revenues from crude oil exports;
- the impact of the Government's fiscal consolidation measures;
- the diversification of the Saudi economy;
- the sovereign credit rating assigned to Saudi Arabia;
- changes to estimates of hydrocarbon reserves;
- levels of unemployment;
- foreign currency reserves; and
- the maintenance of the Saudi riyal-U.S. dollar currency peg.

Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a sovereign state and a substantial portion of the assets of the Issuer are therefore located outside the United States and the United Kingdom. As a result, it may not be possible for investors to effect service of process within the United States and/or the United Kingdom upon the Issuer or to enforce against it in the United States courts or courts located in the United Kingdom judgments obtained in United States courts or courts located in the United Kingdom, respectively, including judgments predicated upon the civil liability provisions of the securities laws of the United States or the securities laws of any state or territory within the United States.

A substantial part of the Issuer's assets are located in Saudi Arabia. In the absence of a treaty for the reciprocal enforcement of foreign judgments, the courts of Saudi Arabia are unlikely to enforce a United States or English judgment without re-examining the merits of the claim and may not consequently observe the choice by the parties of English law as the governing law of the Notes. In addition, the courts of Saudi Arabia may decline to enforce a foreign judgment if certain criteria are not met, including, but not limited to, compliance with public policy of Saudi Arabia. Investors may have difficulties in enforcing any United States or English judgments or arbitral awards against the Issuer in the courts of Saudi Arabia.

The Notes are governed by English law and disputes in respect of the Notes may be settled under the Arbitration Rules of the London Court of International Arbitration in London, England. Saudi Arabia is a signatory to the New York Convention on Recognition and Enforcement of Arbitral Awards (1958) and as such, any arbitral award could be enforceable in Saudi Arabia but subject to filing a legal action for recognition and enforcement of foreign arbitral awards with the Enforcement Departments of the General Courts which can take considerable time. Enforcement in Saudi Arabia of a foreign arbitral award is not certain. For example, there are a number of circumstances in which recognition of an arbitral award under the New York Convention may be declined, including where the award is contrary to the public policy of the receiving state. As a consequence, any arbitral award deemed by a court in Saudi Arabia as contrary to the public policy of Saudi Arabia may not be enforceable in Saudi Arabia.

See "*Risk Factors—Risks relating to enforcement in Saudi Arabia—Investors may experience difficulty in enforcing foreign judgments in Saudi Arabia*" and "*Risk Factors—Risks relating to enforcement in Saudi Arabia—Noteholders may only be able to enforce the Notes through arbitration before the London Court of International Arbitration ("LCIA"), and LCIA awards relating to disputes under the Notes and certain of the Transaction Documents may not be enforceable in Saudi Arabia*".

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) in the applicable Final Terms (the “**Stabilisation Manager(s)**”) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the Issue Date and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

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OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the Final Terms that relate thereto.

This overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.

Words and expressions defined in “*Form of the Notes*” in the Incorporated Base Prospectus and “*Terms and Conditions of the Notes*” shall have the same meanings in this overview.

Issuer	The Kingdom of Saudi Arabia acting through the Ministry of Finance.
Legal Entity Identifier (LEI) of the Issuer	635400FMICXSM3SI3H65.
Description	Global Medium Term Note Programme.
Programme Amount	The programme is unlimited in amount.
Risk Factors	<p>There are risks relating to the Notes, which investors should ensure they fully understand. These include the fact that the Notes may not be suitable investments for all investors, and risks relating to the Issuer and the market.</p> <p>See “<i>Risk Factors</i>”.</p>
Arrangers	Bank of China Limited, London Branch, Citigroup Global Markets Limited, HSBC Bank plc, J.P. Morgan Securities plc, Mizuho International plc and MUFG Securities EMEA plc.
Dealers	The Arrangers, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, Goldman Sachs International, ICBC International Securities Limited, Merrill Lynch International, Morgan Stanley & Co. International plc, SMBC Nikko Capital Markets Limited, Société Générale, Standard Chartered Bank and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Fiscal Agent, Regulation S Registrar and Regulation S Transfer Agent	HSBC Bank plc
Rule 144A Paying Agent, Rule 144A Registrar and Rule 144A Transfer Agent	HSBC Bank USA, National Association
Currencies	Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements, as agreed between the Issuer and the relevant Dealer(s).
Final Terms	Notes issued under the Programme may be issued

pursuant to this Base Prospectus and the Final Terms. The terms and conditions applicable to any particular Tranche of Notes will be the terms and conditions set out herein (the “**Conditions**”), as completed by the Final Terms.

Listing and Trading

Application has been made for Notes issued under the Programme to be listed on the London Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer(s) in relation to the relevant Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Clearing Systems

Euroclear Bank SA/NV (“**Euroclear**”), Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”) and/or The Depository Trust Company (“**DTC**”), unless otherwise agreed, and such other clearing system(s) as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s).

Issuance in Series

Notes will be issued in series (each, a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the date of the first payment of interest) to the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may comprise one or more Tranches issued on the same or different issue dates. The specific terms of each Tranche (which will comprise, where necessary, the relevant terms and conditions and, save in respect of the issue date, issue price, date of the first payment of interest and nominal amount of the Tranche), will be identical to the terms of other Tranches of the same Series and will be completed in the Final Terms.

Status of the Notes

The Notes are the direct, unconditional and (subject to Condition 6 (*Negative Pledge*)), unsecured obligations of the Issuer and rank and will rank *pari passu* without preference among themselves, with all other unsecured External Indebtedness (as defined in the Conditions) of the Issuer, from time to time outstanding, *provided, further*, that the Issuer shall have no obligation to effect equal or rateable payment(s) at any time with respect to any such other External Indebtedness and, in particular, shall have no obligation to pay other External Indebtedness at the same time or as a condition of paying sums due under the Notes, and vice versa.

The full faith and credit of the Issuer is pledged for the due and punctual payment of principal of, and interest on, the Notes and for the performance of all other obligations of the Issuer in respect of the Notes and the Deed of Covenant.

Issue Price

Notes may be issued at any price and either on a fully or partly paid basis, as specified in the Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Maturities

The Notes may have any maturity as agreed between the Issuer and the relevant Dealer(s), subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Forms of Notes

Notes may be issued in bearer form or in registered form. Bearer Notes may not be exchanged for Registered Notes and Registered Notes will not be exchangeable for Bearer Notes. No single Series or Tranche may comprise both Bearer Notes and Registered Notes.

Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Bearer Global Note or a Permanent Bearer Global Note, in each case as specified in the Final Terms. Each Global Note will be deposited on or around the relevant issue date with a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Bearer Notes will only be delivered outside the United States and its possessions. Each Temporary Bearer Global Note will be exchangeable for a Permanent Bearer Global Note or, if so specified in the Final Terms, for Definitive Notes upon certification of non-U.S. beneficial ownership as required by United States Treasury regulations (the “**U.S. Treasury Regulations**”). If the TEFRA D Rules (as defined below) are specified in the Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Bearer Global Note or receipt of any payment of interest in respect of a Temporary Bearer Global Note. Each Permanent Bearer Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Registered Notes

Each Tranche of Registered Notes will be represented by either:

- (i) Individual Note Certificates; or
- (ii) one or more Unrestricted Global Certificates in the case of Registered Notes sold outside the United States in reliance on Regulation S and/or one or more Restricted Global Certificates in the case of Registered Notes sold to QIBs in reliance on Rule

144A,

in each case as specified in the Final Terms.

Each Note represented by an Unrestricted Global Certificate will be registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg, registered in the name of Cede & Co., as nominee for DTC, if such Unrestricted Global Certificate will be held for the benefit of Euroclear and/or Clearstream, Luxembourg through DTC and/or any other relevant clearing system and the relevant Unrestricted Global Certificate will be deposited on or about the issue date with the common depository or such other nominee or custodian.

Each Note represented by a Restricted Global Certificate will be registered in the name of Cede & Co. (or such other entity as is specified in the Final Terms), as nominee for DTC, and the relevant Restricted Global Certificate will be deposited on or about the issue date with the DTC Custodian. Beneficial interests in Notes represented by a Restricted Global Certificate may only be held through DTC at any time.

Redemption

Subject to any purchase and cancellation or early redemption, the Notes will be redeemed at par on such dates and in such manner as may be specified in the Final Terms.

Optional Redemption

Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders of the Notes (the “**Noteholders**”) to the extent (if at all) specified in the Final Terms.

Interest

Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series as specified in the Final Terms.

Denominations

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as specified in the Final Terms (the “**Specified Denomination**”), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The minimum denomination of each Note shall be not less than EUR 100,000 (or, if the Notes are denominated in a currency other than Euros, the equivalent amount in such currency as at the date of the issue of the Notes).

Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of at least £100,000 (or its equivalent in another currency). See “*Subscription and Sale*” in the Incorporated Base

Prospectus.

Negative Pledge

The Notes will have the benefit of a negative pledge, as described in Condition 6 (*Negative Pledge*).

Cross Acceleration

The Notes will have the benefit of a cross-acceleration clause, as described in Condition 14.3 (*Cross-acceleration of the Issuer*).

Meetings of Noteholders

The Conditions contain a “collective action” clause, which permits defined majorities to bind all Noteholders, as described in Condition 18 (*Meeting of Noteholders; Written Resolutions; Electronic Consents*).

If the Issuer issues future debt securities, which contain collective action clauses in substantially the same form as the collective action clause in the Conditions, Notes would be capable of aggregation for voting purposes with any such future debt securities, thereby allowing “cross-series” modifications to the terms and conditions of all affected series of Notes (even, in some circumstances, where majorities in certain Series did not vote in favour of the modifications being voted on).

See “*Risk Factors—Risks relating to the Notes and the Market Generally—The Conditions contain provisions which may permit the amendment or modification of the Notes without the consent of all Noteholders*”.

Taxation

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by Saudi Arabia in accordance with Condition 13 (*Taxation*). In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 13 (*Taxation*), be required to pay additional amounts to cover the amounts so deducted.

Enforcement of Notes in Global Form

In the case of Global Notes and Global Certificates, individual investors’ rights against the Issuer will be governed by a deed of covenant dated on or about 7 September 2018 (the “**Deed of Covenant**”), a copy of which will be available for inspection at the specified office of the Fiscal Agent.

Ratings

The rating of certain Series of Notes to be issued under the Programme may be specified in the Final Terms.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Notes issued under the Programme may be rated or unrated. Where a Tranche is rated, the applicable rating(s) will be specified in the Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (a) issued by a credit rating agency established in the EEA and registered under the CRA

Regulation, or (b) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation or (c) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation will also be disclosed in the relevant Final Terms. The list of credit rating agencies registered and/or certified under the CRA Regulation is available on the ESMA website:

<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk> (last updated 18 March 2019).

Selling Restrictions and Transfer Restrictions

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the EEA, the United Kingdom, the Kingdom of Saudi Arabia, the State of Qatar (including the Qatar Financial Centre), the Kingdom of Bahrain, the United Arab Emirates (excluding the Dubai International Financial Centre), the Dubai International Financial Centre, Japan, Hong Kong, Republic of Korea (“**Korea**”), Singapore, Malaysia, State of Kuwait (“**Kuwait**”), Switzerland, Indonesia, Brunei, Republic of Italy (**Italy**) and such other restrictions as may be required in connection with the offering and sale of the Notes. See “*Subscription and Sale*” in the Incorporated Base Prospectus.

There are restrictions on the transfer of Notes sold pursuant to Regulation S and Rule 144A. See “*Transfer Restrictions*” in the Incorporated Base Prospectus.

In the case of Bearer Notes, the Final Terms will specify whether United States Treasury Regulations §1.163-5(c)(2)(i)(C) or any successor rules in substantially the same form as the rules in such regulations for purposes of Section 4701 of the Internal Revenue Code of 1986, as amended (the “**TEFRA C Rules**”) or United States Treasury Regulations §1.163-5(c)(2)(i)(D) or any successor rules in substantially the same form as the rules in such regulations for purposes of Section 4701 of the Internal Revenue Code of 1986, as amended (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Governing Law

English law.

Waiver of Immunity

Saudi Arabia has waived irrevocably, to the fullest extent permitted by law: (i) any immunity from suit, attachment or execution to which it might otherwise be entitled by virtue of its sovereign status under the State Immunity Act 1978 of the United Kingdom or otherwise in any Dispute which may be instituted pursuant to Condition 23.2 (*Agreement to arbitrate*) in any arbitration having its seat in London, England; and (ii) any immunity from attachment or execution to which it might otherwise

be entitled by virtue of its sovereign status in any other jurisdiction in an action to enforce an arbitral award properly obtained in England and Wales as referred to in paragraph (i) above.

Saudi Arabia's waiver of sovereign immunity constitutes a limited and specific waiver and, notwithstanding anything to the contrary in the Conditions, such waiver of immunity does not constitute a waiver of immunity in respect of (i) present or future "premises of the mission" as defined in the Vienna Convention on Diplomatic Relations signed in 1961; (ii) "consular premises" as defined in the Vienna Convention on Consular Relations signed in 1963; (iii) any other property or assets used solely or mainly for governmental or public purposes in Saudi Arabia or elsewhere; (iv) military property or military assets or property or assets of Saudi Arabia related thereto; (v) rights or immunities or property held by individuals or by entities, agencies, or instrumentalities distinct from Saudi Arabia itself (regardless of their relationship to Saudi Arabia); or (vi) other procedural or substantive rights enjoyed by Saudi Arabia by virtue of its sovereign status besides immunity from suit, attachment, and execution.

RISK FACTORS

The purchase of Notes involves risks and is suitable only for, and should be made only by, investors that are fully familiar with Saudi Arabia in general and that have such other knowledge and experience in financial and business matters as may enable them to evaluate the risks and the merits of an investment in the Notes. Prior to making an investment decision, prospective investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information set forth in this Base Prospectus and the documents incorporated by reference herein and, in particular, the risk factors set forth below. Prospective purchasers of Notes should make such inquiries as they think appropriate regarding the Notes and Saudi Arabia without relying on Saudi Arabia or the Dealers.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which the Issuer believes are material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and the documents incorporated by reference herein and reach their own views prior to making any investment decision.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME

Saudi Arabia's economy has been, and may continue to be, adversely affected by a low oil price environment

The hydrocarbon industry is the single largest contributor to Saudi Arabia's economy and oil revenues account for a majority of the Government's total revenues and export earnings. Based on preliminary figures, the oil sector accounted for 43.0 per cent. and 44.0 per cent. of Saudi Arabia's real GDP and 28.5 per cent. and 24.6 per cent. of Saudi Arabia's nominal GDP in the years ended 31 December 2017 and 2016, respectively. Based on preliminary figures, oil revenues accounted for 63.0 per cent. and 64.3 per cent. of total Government revenues in the fiscal years 2017 and 2016, respectively. Based on preliminary figures, oil exports accounted for 77.0 per cent. and 74.2 per cent. of Saudi Arabia's total exports by value in the years ended 31 December 2017 and 2016, respectively. See "Economy of Saudi Arabia" in the Incorporated Base Prospectus.

As oil is Saudi Arabia's most important export, any change in oil prices affects various macroeconomic and other indicators, including, but not limited to, GDP, Government revenues, balance of payments and foreign trade. International oil prices have fluctuated significantly over the past two decades and may remain volatile in the future. More recently, international oil prices have witnessed a significant decline since mid-2014, with the OPEC Reference Basket price (a weighted average of prices per barrel for petroleum blends produced by the OPEC countries) declining from a monthly average of U.S.\$107.89 per barrel in June 2014 to a monthly average of U.S.\$26.50 per barrel in January 2016, before partially recovering to a monthly average of U.S.\$49.60 per barrel in August 2017. In May 2018, the average price has further recovered to U.S.\$74.11 per barrel. The monthly price per barrel of Arabian Light Crude Oil (which is produced by Saudi Arabia and constitutes part of the OPEC Reference Basket) has also moved in line with these trends.

As a result of the decrease in Government revenues occasioned by the recent decline in oil prices, in the fiscal year 2014, the Government recorded an actual budget deficit equivalent to 2.3 per cent. of Saudi Arabia's nominal GDP for the year ended 31 December 2014, its first deficit since 2009. The Government's actual budget deficit for the fiscal year 2015 increased to 14.9 per cent. of Saudi Arabia's nominal GDP for the year ended 31 December 2015. The Government's actual budget deficit for the

fiscal year 2016 decreased to 12.9 per cent. of Saudi Arabia's nominal GDP for the year ended 31 December 2016, excluding an expenditure amount of SAR 105.0 billion (U.S.\$28.0 billion) during the fiscal year relating to settling due payments from prior years. Based on preliminary figures, the Government's actual budget deficit for the fiscal year 2017 further decreased to 8.9 per cent. of Saudi Arabia's nominal GDP for the year ended 31 December 2017. The Ministry of Finance has estimated that Saudi Arabia's budget deficit for the fiscal year 2018 will be SAR 195.0 billion (U.S.\$51.9 billion). See "*Public Finance*" in the Incorporated Base Prospectus.

In order to finance these budget deficits, the Government has utilised a portion of its reserve assets and incurred additional indebtedness, and may continue to do so in the future, to the extent necessary. Based on preliminary figures, the Government's reserve assets amounted to SAR 1,861.5 billion (U.S.\$496.0 billion) as at 31 December 2017, a decrease of 7.3 per cent. compared to reserve assets of SAR 2,009.2 billion (U.S.\$535.8 billion) as at 31 December 2016, which itself was a decrease of 13.1 per cent. compared to reserve assets of SAR 2,311.6 billion (U.S.\$616.4 billion) as at 31 December 2015. Any further decline in SAMA's foreign exchange reserves and/or any further domestic borrowing by the Government to finance its deficit, which results in foreign exchange outflows, could have a tightening effect on liquidity and credit expansion unless Government spending is adjusted to offset the impact. See "*Monetary and Financial System—Reserve Assets*" in the Incorporated Base Prospectus.

In July 2015, Saudi Arabia resumed issuing SAR denominated bonds to government agencies and local banks in the domestic market for the first time since 2007, issuing SAR 98.0 billion (U.S.\$26.1 billion) of local bonds in the domestic market in the year ended 31 December 2015 and a further SAR 97.0 billion (U.S.\$25.9 billion) of local bonds in the domestic market in the year ended 31 December 2016. In July 2017, Saudi Arabia (acting through the Ministry of Finance) established a Saudi Riyal denominated sukuk programme (the "**Local Sukuk Programme**") to allow Saudi Arabia to issue local sukuk in the domestic market and subsequently issued sukuk in aggregate amounts of SAR 17.0 billion (U.S.\$4.5 billion) in July 2017, SAR 13.0 billion (U.S.\$3.5 billion) in August 2017, SAR 7.0 billion (U.S.\$1.9 billion) in September 2017, SAR 21.5 billion (U.S.\$5.7 billion) in October 2017 (which was re-opened in November 2017 and December 2017), SAR 17.9 billion (U.S.\$4.8 billion) in January 2018 (which was re-opened in February 2018 and March 2018), SAR 12.1 billion (U.S.\$3.2 billion) in April 2018 (which was re-opened in May 2018 and June 2018) and SAR 3.5 billion (U.S.\$0.9 billion) in July 2018.

Saudi Arabia has also raised external indebtedness. In May 2016, Saudi Arabia borrowed U.S.\$10.0 billion under a five-year term loan facility extended by a syndicate of commercial banks which was further increased to U.S.\$16.0 billion in March 2018 and its maturity was extended to 2023. On 10 October 2016, Saudi Arabia (acting through the Ministry of Finance) established this Programme and on 26 October 2016 issued notes in an aggregate amount of U.S.\$17.5 billion. Saudi Arabia conducted further issuances of notes under this Programme in aggregate amounts of U.S.\$12.5 billion and U.S.\$11.0 billion on 27 September 2017 and 17 April 2018, respectively. On 4 April 2017, Saudi Arabia (acting through the Ministry of Finance) established a Trust Certificate Issuance programme (the "**Trust Certificate Issuance Programme**") Programme and on 20 April 2017 issued Trust Certificates in an aggregate amount of U.S.\$9.0 billion.

Based on preliminary figures, Saudi Arabia's current account surplus was SAR 57.1 billion (U.S.\$15.2 billion), representing 2.2 per cent. of nominal GDP, in the year ended 31 December 2017, compared to a current account deficit of SAR 89.4 billion (U.S.\$23.8 billion), representing 3.7 per cent. of nominal GDP, in the year ended 31 December 2016, which also followed a current account deficit of SAR 212.7 billion (U.S.\$56.7 billion), representing 8.7 per cent. of nominal GDP in the year ended 31 December 2015. The current account deficits in the years ended 31 December 2015 and 2016 were each principally attributable to a decline in Saudi Arabia's overall trade balance resulting from a decline in the value of Saudi Arabia's oil exports during these periods. The current account surplus in the year ended 31 December 2017 was principally attributable to the increase in goods and services account surplus which reached SAR 161.1 billion (U.S.\$42.9 billion) as at 31 December 2017, compared to SAR 10.3 billion (U.S.\$2.8 billion) as at 31 December 2016. See "*Balance of Payments and Foreign Trade*" in the Incorporated Base Prospectus.

The low global oil price environment from mid-2014 can be attributed to a number of factors, including, but not limited to, a decline in demand for oil due to a worsening of global economic conditions, the increase in oil production by other producers and competition from alternative energy sources. In general, international prices for crude oil are also affected by the economic and political developments in oil producing regions, particularly the Middle East; prices and availability of new technologies; and the global climate and other relevant conditions. There can be no assurance that these factors, in combination with others, will not result in a prolonged or further decline in oil prices, which may continue to have an adverse effect on Saudi Arabia's GDP growth, Government revenues, balance of payments and foreign trade.

Furthermore, if Saudi Arabia increases its oil production in the future, there can be no assurance that Saudi Arabia's export earnings will also increase, to the extent that such increase in production is offset by any decline in international oil prices due to conditions in the global oil market. Conversely, if Saudi Arabia decreases its oil production in the future, this could result in a decline in Saudi Arabia's export earnings to the extent that such lower production is not offset by any increase in international oil prices due to conditions in the global oil market.

Potential investors should also note that many of Saudi Arabia's other economic sectors are in part dependent on the oil sector, and the above analysis does not take into account the indirect impact that a prolonged or further decline in oil prices may have on Saudi Arabia's economy. Sectors such as education, healthcare and housing, may, indirectly, be adversely affected by lower levels of economic activity that may result from lower Government revenues from the oil sector.

There can be no assurance that the Government's fiscal consolidation measures will be successful or that the fiscal consolidation will not have an adverse economic impact

Following the budget deficits recorded by the Government in the fiscal years 2015 and 2014, respectively, the Government announced various economic, fiscal, and structural reforms in its budget for the fiscal year 2016, with the objective of consolidating and strengthening Saudi Arabia's public finances (see "*Public Finance*"). The measures announced by the Government to rationalise its public expenditure and increase non-oil revenues include, among other things, a reduction in fuel, water and energy subsidies, enhanced approval requirements for certain new projects, the implementation of tax on undeveloped land in urban areas, the privatisation of Government entities and services and a reduction in the growth of current expenditure through additional controls in respect of new hires in the public sector. Based on preliminary figures, the actual budget deficit in the fiscal year 2017 decreased by 23.3 per cent. to SAR 238.4 billion (U.S.\$63.6 billion) from SAR 311.5 billion (U.S.\$83.1 billion) in the fiscal year 2016, excluding an expenditure amount of SAR 105.0 billion (U.S.\$28.0 billion) during the fiscal year relating to settling due payments from prior years. However, there can be no assurance that such fiscal consolidation measures will be successful, that their implementation will be in line with originally envisaged timeframes, or that such measures will be sufficient to offset any unanticipated increases in Government spending beyond the budgeted expenditure. To the extent that the Government is unable to achieve the intended reduction in its overall expenditure, or its expenditure exceeds budgeted amounts, this could increase the demands on the general resources and finances of the Government and, in combination with the reduction in Government revenue from the oil sector, adversely affect Saudi Arabia's public finances and economic condition, including its fiscal consolidation measures.

A number of current and planned major projects in Saudi Arabia rely on contracts awarded by various Government departments, as well as direct capital expenditure by the Government. The Government's public investment in key sectors such as transportation, construction, health, education, housing and tourism has increased significantly in recent years, and investment in these areas supports the Government's development goals and economic diversification efforts. To the extent that fiscal consolidation impacts public sector investment in respect of major projects in key sectors of the economy, this could also have a material adverse effect on Saudi Arabia's GDP growth and economic condition.

There can be no assurance that the Government's efforts to diversify Saudi Arabia's economy will be successful

While the oil sector contributes to a significant portion of Saudi Arabia's economy (see "*—Saudi Arabia's economy may be adversely affected by a low oil price environment*" in the Incorporated Base Prospectus above), in recent years the Government has invested heavily in diversifying Saudi Arabia's economy to reduce its reliance on oil revenues (see "*Economy of Saudi Arabia—Economic Policy—Diversification of the economy*"). The Government has implemented an ongoing series of five-year development plans (the "**Development Plans**") in order to achieve several socio-economic objectives, one of which is the diversification of Saudi Arabia's economic base and sources of national income (see "*Overview of Saudi Arabia—Development plans*" in the Incorporated Base Prospectus). In light of the low oil price environment, the objective of economic diversification in Saudi Arabia has taken on greater significance for the Government, and the Government has in recent years announced various measures aimed at, among other things, achieving increased diversification of Saudi Arabia's economy, including a budgeted SAR 268.4 billion (U.S.\$71.6 billion) expenditure as part of the National Transformation Programme 2020 ("**NTP 2020**") (see "*Overview of Saudi Arabia—Strategy of Saudi Arabia—Vision 2030*" in the Incorporated Base Prospectus).

Based on preliminary figures, Saudi Arabia's non-oil sector contributed 70.6 per cent. to Saudi Arabia's total nominal GDP in the year ended 31 December 2017, compared to 74.3 per cent. and 72.1 per cent. in the years ended 31 December 2016 and 2015, respectively. The contribution of the non-oil sector to Government revenues was 36.9 per cent., 35.8 per cent. and 27.1 per cent. in the fiscal years 2017, 2016 and 2015, respectively. Non-oil exports accounted for 25.8 per cent., 24.9 per cent. and 16.9 per cent. of Saudi Arabia's total exports by value in the years ended 31 December 2016, 2015 and 2014, respectively. While the contribution of the non-oil sector to Saudi Arabia's economy is gradually increasing on the basis of recent trends, oil exports and oil-related revenues still constitute a high proportion of Saudi Arabia's total export earnings and Government revenues, respectively. There can be no assurance that these trends will continue in the future or that they will continue to a sufficient extent to achieve effective and adequate diversification of the economy. In addition, the recent increase in the percentage contribution of the non-oil sector to Government revenues and total exports can also be partially attributed to the decline in global oil prices since mid-2014 and the consequent significant decrease in Government revenues and export earnings attributable to the oil sector. Additionally, recent increases in non-oil revenues have been partially due to structural reforms enacted under the fiscal consolidation measures including adjustments of visa and municipality fees, the implementation of expat levies and the application of excise taxes on certain potentially harmful products including tobacco, tobacco derivatives, soft drinks and energy drinks. Such measures may be subject to change in the future and there can be no assurance that such measures will have the intended effects on Government revenues or Saudi Arabia's economy more generally or that such measures will continue to result in increases to non-oil revenues.

Furthermore, there can be no assurance that the Government will be able to successfully implement Vision 2030 or the NTP 2020 in their current form, or that their implementation will be in line with the timelines originally set out. Any amendment to the scope or timing of the implementation of the objectives of Vision 2030 or the NTP 2020, in whole or in part, may result in the Government being unable to achieve the diversification of the economy and its sources of revenue to the required extent. See "*—Overview of Saudi Arabia—Vision 2030*" in the Incorporated Base Prospectus. Additionally, to the extent that a prolonged or further decline in oil prices has an adverse impact on Government revenues, this may in turn adversely impact the Government's ability to invest in the diversification of Saudi Arabia's economy. A failure to diversify Saudi Arabia's economy may result in its economy remaining susceptible to the risks associated with the oil sector, and any downturn in the oil sector could result in a slowdown of the entire economy, which, in turn, could have a material adverse effect on Saudi Arabia's GDP growth and financial condition.

The Government's efforts to diversify Saudi Arabia's economy and effect structural changes may have undesirable effects

Through Vision 2030, the Government is seeking to implement far-reaching reforms of Saudi Arabia's economy and society. Some of the measures envisaged include the greater participation of Saudi citizens in the private sector, a decrease in certain subsidies historically available to the fuel and energy sectors, as well as the imposition of new taxes and administrative fees. The implementation of these and other similar measures may be a lengthy and complex process, and there can be no assurance that these measures will not have unexpected or undesirable consequences in Saudi Arabia. The implementation of these and other similar measures, in whole or in part, may have a disruptive effect and consequently may have an adverse effect on Saudi Arabia's economic and financial condition.

Saudi Arabia is located in a region that has been subject to ongoing political and security concerns

Saudi Arabia is located in a region that is strategically important and parts of this region have been subject to political and security concerns, especially in recent years. Several countries in the region are currently subject to armed conflicts and/or social and political unrest, including conflicts or disturbances in Yemen, Syria, Libya and Iraq, as well as the multinational conflict with 'Da'esh' (also referred to as the 'Islamic State'). In some instances, the recent and ongoing conflicts are a continuation of the significant political and military upheaval experienced by certain regional countries from 2011 onwards, commonly referred to as the 'Arab Spring', which gave rise to several instances of regime change and increased political uncertainty across the region. In addition, tensions have persisted between Saudi Arabia and Iran, as exemplified in January 2016 by Saudi Arabia recalling its ambassador to Iran. Furthermore, in March 2015, a coalition of countries, led by Saudi Arabia and supported by the international community, commenced military action against the Al-Houthi rebels in Yemen. Although the coalition scaled back its military operations in Yemen in March 2016 and a ceasefire was declared in April 2016, the conflict in Yemen is not yet fully resolved, military operations continue at a reduced scale. Saudi Arabia was targeted on several occasions by ballistic missiles fired by the Al-Houthi rebels in Yemen during 2017 and 2018, all of which have been successfully intercepted by Saudi Arabia's defence systems. There can be no assurance that the conflict in Yemen will not continue or re-escalate.

These geopolitical events may contribute to instability in the Middle East and surrounding regions (that may or may not directly involve Saudi Arabia) and may have a material adverse effect on Saudi Arabia's attractiveness for foreign investment and capital, its ability to engage in international trade and, subsequently, its economy and financial condition. Furthermore, such geopolitical events may also contribute to increased defence spending, which could in turn have an adverse impact on Saudi Arabia's fiscal position or the budget available for other projects.

On 5 June 2017, three GCC countries – Saudi Arabia, the UAE and Bahrain – as well as Egypt and Yemen – severed diplomatic ties with Qatar, cut trade and transport links and imposed sanctions on Qatar. The stated rationale for such actions was Qatar's support of terrorist and extremist organisations and Qatar's interference in the internal affairs of other countries. There can be no assurance as to when diplomatic relations will be restored or air, land and sea connections reopened with Qatar.

Saudi Arabia has experienced terrorist attacks and other disturbances in the past

Saudi Arabia has experienced occasional terrorist attacks and other disturbances in recent years, including incidents in Jeddah, Medina and Qatif in July 2016 and oil tanker sabotage and drone strikes on a crude oil pipeline in May 2019. There can be no assurance that extremists or terrorist groups will not attempt to target Saudi Arabia or commit or attempt to commit violent activities in the future. Any occurrences or escalation of terrorist incidents or other disturbances in Saudi Arabia could have an adverse impact on Saudi Arabia's economic and financial condition.

Global financial conditions have had, and similar events in the future may have, an impact on Saudi Arabia's economic and financial condition

Saudi Arabia's economy may be adversely affected by worsening global economic conditions and external shocks, including the continuing impact of the global financial crisis of 2008-9 and those that could be caused by future significant economic difficulties of its major regional trading partners or by more general "contagion" effects, which could have a material adverse effect on Saudi Arabia's economic growth. In a referendum held in June 2016, voters in United Kingdom voted to exit the European Union. The results of the referendum led to a significant depreciation of the pound sterling against other major currencies and created volatility on most major stock exchanges around the world. To the extent that such economic uncertainty continues or the process of the United Kingdom's expected exit from the European Union causes further economic uncertainty and disruption in the global financial markets, this may have adverse consequences for the global economy. No assurance can be given that a further global economic downturn or financial crisis will not occur and, to the extent that further instability in the global financial markets occurs, it is likely that this would have an adverse effect on the Saudi Arabian financial sector and economy.

Saudi Arabia's sovereign credit rating may be downgraded in the future

Saudi Arabia has been assigned the following credit ratings: A1 (stable outlook) by Moody's and A+ (stable outlook) by Fitch. The current credit ratings assigned to Saudi Arabia by Moody's and Fitch are a result of a downgrade by each of these credit ratings agencies from, in the case of Moody's, Aa3 to the current A1 in May 2016, which was affirmed in April 2018, and, in the case of Fitch, from AA- to the current A+ in March 2017, which was affirmed in June 2018. Furthermore, in February 2016, S&P, which rates Saudi Arabia on an unsolicited basis, cut Saudi Arabia's foreign and local currency credit ratings by two levels from A+ (negative) to A- (stable), which was affirmed in April 2018. For each of the downgraded ratings mentioned above, the relevant ratings agency cited a fall in oil prices having led to a material deterioration in Saudi Arabia's credit profile and the expectation of an increased Government budget deficit as among the reasons for the downgrade.

Ratings are an important factor in establishing the financial strength of debt issuers and are intended to measure an issuer's ability to repay its obligations based upon criteria established by the rating agencies. Any further downgrade in Saudi Arabia's sovereign credit rating, or in the credit ratings of instruments issued, insured or guaranteed by related institutions or agencies, could negatively affect the price of the Notes. On 17 May 2016, Moody's downgraded two Government-related issuers in Saudi Arabia, namely Saudi Electricity Company ("SEC") and Saudi Telecom Company ("STC"). To the extent that major Government-related institutions or agencies are subject to further downgrades in the future, this may adversely affect the finances of the Government to the extent that the Government provides explicit or implicit guarantees or credit support for the indebtedness of those entities, or to the extent that such entities contribute to Government revenues.

Any further decline in Saudi Arabia's credit rating could have a material adverse effect on its cost of borrowing and could adversely affect its ability to access debt capital markets or other sources of liquidity.

The credit ratings included or referred to in this Base Prospectus will be treated for the purposes of the CRA Regulation as having been issued by Fitch and Moody's. Each of Fitch and Moody's is established in the European Union and is registered under the CRA Regulation. Each of these agencies is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation.

A credit rating is not a recommendation to buy, sell or hold the Notes. Credit ratings are subject to revisions or withdrawal at any time by the assigning rating agency. Saudi Arabia cannot be certain that a credit rating will remain for any given period of time or that a credit rating will not be downgraded or withdrawn entirely by the relevant rating agency if, in its judgment, circumstances in the future so

warrant. A suspension, downgrade or withdrawal at any time of the credit rating assigned to Saudi Arabia may adversely affect the market price of the Notes.

Saudi Arabia faces certain demographic pressures

The total unemployment rate in Saudi Arabia for Saudi nationals as at 31 December 2017 was 12.8 per cent., comprising an unemployment rate of 7.5 per cent. among Saudi males and 31.0 per cent. among Saudi females, compared to an unemployment rate of 12.3 per cent. as at 31 December 2016, comprising an unemployment rate of 5.9 per cent. among Saudi males and 34.5 per cent. among Saudi females. This represents a high overall unemployment rate for Saudi nationals and demonstrates considerable gender variation. Saudi nationals in the age group from 25 to 39 years constituted 57.2 per cent. of the total Saudi labour force as at 31 December 2017 (see “*Overview of Saudi Arabia—Employment*” in the Incorporated Base Prospectus). In the meantime, the population of Saudi Arabia grew at a rate of 2.4 per cent. in 2017, following a growth rate of 2.4 per cent. and 2.5 per cent. in 2016 and 2015, respectively. According to population estimates published by GASTAT, just over half of the Saudi population are estimated to be under the age of 30 and 24.9 per cent. of the Saudi population are estimated to be under the age of 15 by 31 July 2018 (see “*Overview of Saudi Arabia—Population and Demographics*” in the Incorporated Base Prospectus).

In light of Saudi Arabia’s growing population, one of the key issues that the Government is seeking to address is the accommodation of Saudi nationals in the job market, in particular in the private sector. The Government has, over the past few years, increased expenditure on education and training, and has introduced various initiatives to educate and motivate young Saudi nationals to join the workforce. While this has resulted in an increasing number of Saudi university graduates entering the job market, there can be no assurance that Saudi Arabia’s economy will be able to provide sufficient skilled labour opportunities for Saudi nationals holding higher education degrees. As a result, Saudi Arabia may face increased unemployment rates for Saudi nationals, which could negatively affect Saudi Arabia’s economy.

As a further consequence of its growing population, constraints have arisen in the availability of housing in Saudi Arabia, and the situation has been exacerbated by the high prices of housing in Saudi Arabia’s major cities. There can be no assurance that a sufficient number of housing projects will become available over the next few years, or that the Government’s fiscal consolidation measures will not have a negative impact on the Government’s ability to implement new housing projects (see “*—There can be no assurance that the Government’s fiscal consolidation measures will be successful or that the fiscal consolidation will not have an adverse economic impact*” in the Incorporated Base Prospectus). Failure by the Government to address constraints in the availability of housing at affordable prices could have a material adverse effect on Saudi Arabia’s social, economic and financial condition.

Investing in securities involving emerging markets such as Saudi Arabia generally involves a higher degree of risk

Investing in securities involving emerging markets, such as Saudi Arabia, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. Generally, investments in emerging markets are only suitable for sophisticated investors who fully appreciate, and are familiar with, the significance of the risks involved in investing in emerging markets.

Saudi Arabia’s economy is susceptible to future adverse effects similar to those suffered by other emerging market countries. In addition, as a result of “contagion”, Saudi Arabia could be adversely affected by negative economic or financial developments in other emerging market countries, which could in turn adversely affect the trading price of the Notes. Key factors affecting the environment include the timing and size of increases in interest rates in the United States, further evidence of an economic slowdown in China, geopolitical tensions in the Middle East and in the Korean peninsula and other similar significant global events.

Accordingly, there can be no assurance that the market for securities bearing emerging market risk, such as the Notes, will not be affected negatively by events elsewhere, especially in other emerging markets.

Information on hydrocarbon reserves is based on estimates that have not been reviewed by an independent consultant for the purposes of this offering

The information on oil, gas and other reserves contained in this Base Prospectus is based on figures published by the Ministry of Energy, Industry and Mineral Resources as at 31 December 2017, an annual review of reserves compiled by The Saudi Arabian Oil Company (“**Saudi Aramco**”) as at 31 December 2017, figures published by SAMA and the 2017 and 2018 Annual Statistical Bulletin published by OPEC. Neither the Government nor the Dealers have engaged an independent consultant or any other person to conduct a review of Saudi Arabia’s hydrocarbon reserves in connection with this offering. Potential investors should also note that the methodology used to calculate the reserves figures in each of the sources mentioned above may differ from the methodology used by other hydrocarbon producers and may also differ from the standards of reserves measurement prescribed by the U.S. Securities and Exchange Commission.

Reserves valuation is a subjective process of estimating underground accumulations of crude oil and natural gas that cannot be measured in an exact manner. The accuracy of any reserve estimate depends on the quality and reliability of available data, engineering and geological interpretations and subjective judgment. Additionally, estimates may be revised based on subsequent results of drilling, testing and production. The proportion of reserves that can ultimately be produced, the rate of production and the costs of developing the fields are difficult to estimate and, therefore, the reserve estimates may differ materially from the ultimately recoverable quantities of crude oil and natural gas.

Reliability of statistical information

Statistics contained in this Base Prospectus, including those in relation to GDP, balance of payments, revenues and expenditure, indebtedness of the Government and oil reserves and production figures have been obtained from, among others, GASTAT, SAMA, the Ministry of Finance, the Ministry of Economy and Planning and Saudi Aramco (see “*Presentation of Statistical and other Information*” in the Incorporated Base Prospectus). Such statistics, and the component data on which they are based, may not have been compiled in the same manner as data provided by similar sources in other jurisdictions. Similar statistics may be obtainable from other sources, although the underlying assumptions, methodology and consequently the resulting data may vary from source to source. There may also be material variances between preliminary or estimated statistical data set forth in this Base Prospectus and actual results, and between the statistical data set forth in this Base Prospectus and corresponding data previously published, or published in the future, by or on behalf of Saudi Arabia.

No assurance can be given that any such statistical information, where it differs from that provided by other sources, is more accurate or reliable. Where specified, certain statistical information has been estimated based on information currently available and should not be relied upon as definitive or final. Such information may be subject to future adjustment. In addition, in certain cases, the information is not available for recent periods and, accordingly, has not been updated. The information for past periods should not be viewed as indicative of current circumstances, future periods or periods not presented.

A slowdown in the economies of Saudi Arabia’s key trading partners could adversely affect Saudi Arabia’s economy

Saudi Arabia has strong trading relationships with many countries, particularly major oil-importing economies such as China, the United States, Japan, South Korea, India and a number of states of the European Union (see “*Balance of Payments and Foreign Trade—Foreign Trade*” in the Incorporated Base Prospectus). To the extent that there is a slowdown in the economies of any of these countries, this may have a negative impact on Saudi Arabia’s foreign trade and balance of payments, which could have a material adverse effect on Saudi Arabia’s economic and financial condition.

In particular, China was Saudi Arabia’s biggest trading partner in terms of imports and its second biggest trading partner in terms of exports in the year ended 31 December 2017, accounting for SAR 77.0 billion (U.S.\$20.5 billion), or 15.3 per cent., of Saudi Arabia’s total imports and SAR 97.0 billion (U.S.\$25.9 billion), or 11.7 per cent., of Saudi Arabia’s total exports in that year, while the United States was Saudi

Arabia's second biggest trading partner in terms of imports and its fifth biggest trading partner in terms of exports in the year ended 31 December 2017, accounting for SAR 68.0 billion (U.S.\$18.1 billion), or 13.5 per cent., of Saudi Arabia's total imports and SAR 69.0 billion (U.S.\$18.4 billion), or 8.3 per cent., of Saudi Arabia's total exports in that year. (see "*Overview of Saudi Arabia—Foreign Relations and International Organisations*" in the Incorporated Base Prospectus).

Any sustained market and economic downturn or geopolitical uncertainties in the United States, China or any of Saudi Arabia's other key trading partners may exacerbate the risks relating to Saudi Arabia's trade with those countries. If an economic downturn occurs or continues in the United States, China or any of Saudi Arabia's other key trading partners, this may have a negative impact on Saudi Arabia's foreign trade and balance of payments, which could have a material adverse effect on Saudi Arabia's economic and financial condition.

There can be no assurance that the Government will not reconsider Saudi Arabia's exchange rate policy

The Saudi riyal has been pegged to the U.S. dollar since 1986 and it continues to be the policy of the Government and SAMA to maintain the currency peg at its existing level (see "*Monetary and Financial System*" in the Incorporated Base Prospectus). There can be no assurance that future unanticipated events, including an increase in the rate of decline of the Government's reserve assets, will not lead the Government to reconsider its exchange rate policy.

Any change to the existing exchange rate policy that results in a significant depreciation of the Saudi riyal against the U.S. dollar or other major currencies could lead to an increase in the cost of Saudi Arabia's imports, which could offset any increase in export revenues. Saudi Arabia relies on imports for the majority of its food and other consumer items, and any consequential increase in the price of food, medicine or other household items could contribute to higher inflation and have a material adverse effect on Saudi Arabia's social, economic and financial condition.

Furthermore, any change to the current exchange rate policy could increase the burden of servicing Saudi Arabia's external debt and also result in damage to investor confidence, resulting in outflows of capital and market volatility, each of which could have a material adverse effect on Saudi Arabia's economic and financial condition.

The legal system in Saudi Arabia continues to develop and this, and certain aspects of the laws of Saudi Arabia may create an uncertain environment for investment and business activity

The courts and adjudicatory bodies in Saudi Arabia have a wide discretion as to how laws and regulations are applied to a particular set of circumstances. There is no doctrine of binding precedent in the courts of Saudi Arabia, decisions of the Saudi Arabian courts and adjudicatory bodies are not routinely published and there is no comprehensive up-to-date reporting of judicial decisions. In some circumstances, it may not be possible to obtain the legal remedies provided under the laws and regulations of Saudi Arabia in a timely manner. As a result of these and other factors, the outcome of any legal disputes in Saudi Arabia may be uncertain.

In Saudi Arabia, contractual provisions, including those governed by foreign laws, for the charging and payment of interest (or commission) have been enforced by adjudicatory bodies. However, a court or adjudicatory body in Saudi Arabia applying a strict interpretation of the Shari'ah may not enforce such contractual provisions and the future consistency of Saudi courts or adjudicatory bodies regarding the payment of interest (which may include payments on the Notes) cannot be predicted.

The European Commission proposed a list of countries with strategic deficiencies in their anti-money laundering and counter-terrorism financing frameworks which included Saudi Arabia

In February 2019, the European Commission proposed a list of 23 countries including Saudi Arabia which, in the opinion of the European Commission, had strategic deficiencies in their anti-money laundering and counter-terrorism financing frameworks. In March 2019, the Council of the European

Union unanimously rejected the list proposed by the European Commission. Further, the Financial Action Task Force (“**FATF**”) does not identify Saudi Arabia as a high risk jurisdiction for anti-money laundering and counterterrorism financing purposes. Saudi Arabia remains committed to combating money laundering and the financing of terrorism and the continued development of its regulatory and legislative framework to further achieve this goal and has committed to proactively engage with the international community on this subject. Additionally, in June 2019, the Kingdom was granted full membership of FATF (the first Arab country to obtain this membership). However, there can be no assurance that the European Commission or FATF will not in the future identify Saudi Arabia as a high risk jurisdiction and this may negatively impact the ability of such banks and other covered entities to complete financial transactions involving Saudi individuals or entities in a timely manner.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

Risks related to the structure of a particular issue of Notes

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for investors. Set out below is a description of the most common such features.

Notes subject to optional redemption by the Issuer. If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

Risks related to the Notes generally

The Conditions contain provisions which may permit the amendment or modification of the Notes without the consent of all Noteholders

The Conditions contain provisions regarding amendments, modifications and waivers, commonly referred to as “collective action” clauses. Such clauses permit defined majorities to bind all Noteholders, including Noteholders who did not vote and Noteholders who voted in a manner contrary to the majority. The relevant provisions also permit, in relation to reserved matters, multiple Series of Notes to be aggregated for voting purposes (provided that each such Series also contains the collective action clauses in the terms and conditions of the relevant Notes).

The Issuer expects that all Series of Notes issued under the Programme will include such collective action clauses, thereby giving the Issuer the ability to request modifications or actions in respect of reserved matters across multiple Series of Notes. This means that a defined majority of the holders of such Series of Notes (when taken in the aggregate only, in some circumstances, and/or individually) would be able to bind all Noteholders in all the relevant aggregated Series.

Any modification or actions relating to reserved matters, including in respect of payments and other important terms, may be made to a single Series of Notes by a resolution passed by at least 75 per cent. of the Noteholders present in person or represented by proxy at a meeting of Noteholders or with the written consent of the holders of 75 per cent. of the aggregate nominal amount outstanding of such Notes, and to multiple Series of Notes with the consent of both (i) the holders of 66⅔ per cent. of the aggregate nominal amount outstanding of all Series of Notes being aggregated and (ii) the holders of 50 per cent. in aggregate nominal amount outstanding of each Series of Notes being aggregated. In addition, under certain circumstances, including the satisfaction of the Uniformly Applicable condition in the Conditions, any such modification or action relating to reserved matters may be made to multiple Series of Notes with the consent of 75 per cent. of the aggregate nominal amount outstanding of all Series of Notes being aggregated only, without requiring a particular percentage of the holders in any individual affected Series of Notes to vote in favour of any proposed modification or action. Any modification or action proposed by the Issuer may, at the option of the Issuer, be made in respect of some Series of Notes only and, for the avoidance of doubt, the provisions may be used for different groups of two or more Series of Notes simultaneously. At the time of any proposed modification or action, the Issuer will be obliged, *inter alia*, to specify which method or methods of aggregation will be used by the Issuer.

There is a risk therefore that the terms and conditions of a Series of Notes may be amended, modified or waived in circumstances whereby the Noteholders voting in favour of an amendment, modification or waiver may be Noteholders of a different Series of Notes and as such, less than 75 per cent. of the Noteholders of the relevant Series (such as the Notes) would have voted in favour of such amendment, modification or waiver. In addition, there is a risk that the provisions allowing for aggregation across multiple Series of Notes may make the Notes less attractive to purchasers in the secondary market on the occurrence of an Event of Default or in a distress situation. Further, any such amendment, modification or waiver in relation to any Notes may adversely affect their trading price.

In the future, the Issuer may issue debt securities which contain collective action clauses in the same form as the collective action clauses in the Conditions. If this occurs, then this could mean that any Series of Notes issued under the Programme would be capable of aggregation with any such future debt securities.

The Conditions restrict the ability of an individual holder to declare an event of default, and permit a majority of holders to rescind a declaration of such a default

The Notes contain a provision which, if an Event of Default occurs, permits the holders of at least 25 per cent. in aggregate nominal amount of the outstanding Notes to declare all the Notes to be immediately due and payable by providing notice in writing to the Issuer, whereupon the Notes shall become immediately due and payable, at their nominal amount with accrued interest, without further action or formality.

The Conditions also contain a provision permitting the holders of at least 50 per cent. in aggregate nominal amount of the outstanding Notes to notify the Issuer to the effect that the Event of Default or Events of Default giving rise to any above-mentioned declaration is or are cured following any such declaration and that such holders wish the relevant declaration to be withdrawn. The Issuer shall give notice thereof to the Noteholders, whereupon the relevant declaration shall be withdrawn and shall have no further effect. The value of the Notes could be adversely affected by a change in English law or administrative practice

The Conditions are governed by English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus nor whether any such change could adversely affect the ability of the Issuer to make payments under the Notes.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if Definitive Notes are subsequently issued

The Conditions of the Notes do not permit the sale or transfer of Notes in such circumstances as would result in amounts being held by a holder which are lower than the minimum Specified Denomination (as defined in the Conditions). However, in the event that a holder holds a principal amount of less than the minimum Specified Denomination, such holder would need to purchase an additional amount of Notes such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Notes. Noteholders should be aware that Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

If a Noteholder holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time, such Noteholder may not receive a Definitive Note in respect of such holding (should Definitive Notes be issued) and would need to purchase a principal amount of Notes such that its holding amounts to at least a Specified Denomination in order to be eligible to receive a Definitive Note.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Holders of Notes held through DTC, Euroclear and Clearstream, Luxembourg must rely on procedures of those clearing systems to effect transfers of Notes, receive payments in respect of Notes and vote at meetings of Noteholders

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or may be deposited with a nominee for DTC (each as defined under “*Form of the Notes*”). Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each of DTC, Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Transferability of the Notes may be limited under applicable securities laws

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or any other jurisdiction. Notes issued under the Programme may not be offered, sold or otherwise transferred in the United States other than to persons that are QIBs. Each purchaser of Notes will be deemed, by its acceptance of such Notes, to have made certain representations and agreements intended by the Issuer to restrict transfers of Notes as described under “*Subscription and Sale*” and “*Transfer Restrictions*”. It is the obligation of each purchaser of Notes to ensure that its offers and sales of Notes comply with all applicable securities laws.

In addition, if at any time the Issuer determines that any owner of Notes, or any account on behalf of which an owner of Notes purchased its Notes, is a person that is required to be a QIB, the Issuer may compel that such owner’s Notes be sold or transferred to a person designated by or acceptable to the Issuer.

The Notes may not be suitable as an investment for all investors

Potential investors must determine the suitability of an investment in the Notes in each Series in the light of their own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact that such Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect such investor’s investment and ability to bear the applicable risks.

Future regulation, reform or discontinuance of “benchmarks” may adversely affect the value of Notes which reference such “benchmarks”

On 27 July 2017, and in a subsequent speech by its Chief Executive on 12 July 2018, the FCA, which regulates LIBOR, confirmed that it will no longer persuade, or compel, panel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the “**FCA Announcements**”). The FCA Announcements indicate that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (“**SONIA**”) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Investors should be aware that, if LIBOR or EURIBOR were discontinued or otherwise unavailable, the Rate of Interest on Floating Rate Notes which reference LIBOR or EURIBOR will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the LIBOR or EURIBOR is to be determined under the terms and conditions, this may (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR or EURIBOR, which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in a preceding Periodic Distribution Period when LIBOR or EURIBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference LIBOR or EURIBOR.

In addition to the announcement made in relation to LIBOR, there have been other recent national and international regulatory guidance and proposals for reform of rates and indices which are deemed to be “benchmarks”, including LIBOR and EURIBOR. Some of these reforms are already effective whilst others are still to be implemented. These reforms could include, among other things, reforms to other “benchmarks” similar to those reforms announced in relation to LIBOR, and any such reforms may cause such “benchmarks” to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which are linked to or reference a “benchmark”.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13th September, 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (“€STR”) as the new risk free rate. €STR is expected to be published by the ECB by October 2019 and the European Money Markets Institute has stated that it intends to finish the process of transitioning its panel banks to the hybrid methodology before the end of 2019. In addition, on 21st January, 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system.

The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and applies from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the international or national reforms (including those announced in relation to LIBOR and the application of any similar reforms to other “benchmarks”), or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark”; or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the

potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

Risks related to the market generally

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes

Notes issued under the Programme will (unless they are to be consolidated into a single Series with any Notes previously issued) be new securities which may not be widely distributed and for which there is currently no active trading market. Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for the Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Notes. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors.

Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes

One or more independent credit rating agencies may assign credit ratings to Saudi Arabia. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the relevant rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency being included in such list as there may be delays between certain supervisory measures being taken against a relevant rating agency and publication of an updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Risks relating to enforcement in Saudi Arabia

Investors may experience difficulty in enforcing foreign judgments in Saudi Arabia

The Issuer is a sovereign state and a substantial portion of the assets of the Issuer are therefore

located outside the United States and the United Kingdom. As a result, it may not be possible for investors to effect service of process within the United States and/or the United Kingdom upon the Issuer or to enforce against it in the United States courts or courts located in the United Kingdom judgments obtained in United States courts or courts located in the United Kingdom, respectively, including judgments predicated upon the civil liability provisions of the securities laws of the United States or the securities laws of any state or territory within the United States.

A substantial part of the Issuer's assets are located in Saudi Arabia. In the absence of a treaty for the reciprocal enforcement of foreign judgments, a court or adjudicatory body in Saudi Arabia is unlikely to enforce a United States or English judgment without re-examining the merits of the claim. Investors may have difficulties in enforcing any United States or English judgments against the Issuer in the courts of Saudi Arabia. In addition, the courts of Saudi Arabia may decline to enforce a foreign judgment if certain criteria are not met, including, but not limited to, compliance with the public policy of Saudi Arabia. Furthermore, a court or adjudicatory body in Saudi Arabia may not observe the choice by the parties of English law as the governing law of the Notes and may elect to apply the laws of Saudi Arabia instead.

Noteholders may only be able to enforce the Notes through arbitration before the LCIA, and LCIA awards relating to disputes under the Notes and certain of the Transaction Documents may not be enforceable in Saudi Arabia

The payments under the Notes are dependent upon the Issuer making payments to investors in the manner contemplated under the Notes. If the Issuer fails to do so, it may be necessary to bring an action against the Issuer to enforce its obligations and/or to claim damages, as appropriate, which may be costly and time consuming.

The Notes, the Agency Agreement, the Deed of Covenant (each as defined in “*Terms and Conditions of the Notes*”) and the Dealer Agreement (as defined in “*Subscription and Sale and Transfer and Selling Restrictions*” in the Incorporated Base Prospectus) are governed by English law and the parties to such documents have agreed to refer any unresolved dispute in relation to such documents to arbitration under the Arbitration Rules of the LCIA. Noteholders will therefore only have recourse to LCIA arbitration in order to enforce their contractual rights under the Notes, and will not have the right to bring proceedings relating to the Notes before the English courts.

Saudi Arabia is a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the “**New York Convention**”). Any foreign arbitral award, including an LCIA award, should therefore be enforceable in Saudi Arabia in accordance with the terms of the New York Convention, subject to filing a legal action for recognition and enforcement of foreign arbitral awards with the Enforcement Departments of the General Courts. Under the New York Convention, Saudi Arabia has an obligation to recognise and enforce foreign arbitral awards unless the party opposing enforcement can prove one of the grounds under Article V of the New York Convention to refuse enforcement, or the Saudi courts find that the subject matter of the dispute is not capable of settlement by arbitration or enforcement would be contrary to the public policy of Saudi Arabia. There can therefore be no assurance that the Saudi courts will enforce a foreign arbitral award in accordance with the terms of the New York Convention (or any other multilateral or bilateral enforcement convention).

There can be no assurance as to whether the waiver of immunity provided by Saudi Arabia will be valid and binding under the laws of Saudi Arabia

The Issuer has waived its rights in relation to sovereign immunity in respect of Notes issued under the Programme. However, there can be no assurance as to whether such waivers of immunity from execution or attachment or other legal process by it under the Notes, the Agency Agreement, the Deed of Covenant and the Dealer Agreement are valid and binding under the laws of Saudi Arabia.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (or information set out at the pages specified therein) which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the FCA shall be incorporated in, and form part of, this Base Prospectus:

- (a) the information set out at the following pages of the Base Prospectus dated 7 September 2018 (the “**September 2018 Base Prospectus**”) prepared by the Government in connection with the Programme, which has been approved by the Central Bank of Ireland (the “**CBI**”) and an electronic copy of which is available at https://www.ise.ie/debt_documents/Base%20Prospectus_3dce68a3-fc3e-463e-a2cd-b3411dfd0592.PDF:

	Pages (inclusive)
Form of the Notes	85 to 91
Use of Proceeds.....	92
Overview of Saudi Arabia.....	93 to 113
Economy of Saudi Arabia.....	114 to 162
Balance of Payments and Foreign Trade	163 to 171
Monetary and Financial System.....	172 to 193
Public Finance.....	194 to 206
Indebtedness.....	207 to 212
Taxation	213 to 225
Subscription and Sale.....	226 to 235
Transfer Restrictions	236 to 238
Clearing and Settlement.....	239 to 242

- (b) the Supplement dated 9 January 2019 to the September 2018 Base Prospectus prepared by the Government in connection with the Programme (the “**January 2019 Supplement**” and the September 2018 Base Prospectus as supplemented by the January 2019 Supplement, the “**Incorporated Base Prospectus**”), which has been approved by the CBI and an electronic copy of which is available at https://www.ise.ie/debt_documents/Supplements_87e08e87-62d2-49a0-ae96-e596d988076c.PDF ;
- (c) the Terms and Conditions of the Notes contained in the September 2018 Base Prospectus (the “**2018 Terms and Conditions**”), pages 35 to 73 (inclusive), prepared by the Government in connection with the Programme;
- (d) the Terms and Conditions of the Notes contained in the Base Prospectus dated 22 September 2017 (the “**2017 Terms and Conditions**”), pages 22 to 58 (inclusive), prepared by the Government in connection with the Programme; and
- (e) the Terms and Conditions of the Notes contained in the Base Prospectus dated 10 October 2016 (the “**2016 Terms and Conditions**”), pages 20 to 56 (inclusive) prepared by the Government in connection with the Programme.

Copies of the documents incorporated by reference in this Base Prospectus can be obtained from the specified office of the Paying Agents for the time being in London and will be available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the FCA in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which, as completed by the Final Terms and save for the text in italics, will be incorporated by reference into each Global Note and Global Certificate and endorsed upon each Definitive Note or Individual Note Certificate issued pursuant to the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “Forms of the Notes” above.

1. Introduction

1.1 Programme

The Kingdom of Saudi Arabia, acting through The Ministry of Finance (the “**Issuer**”) has established a Global Medium Term Note Programme (the “**Programme**”) for the issuance of notes (the “**Notes**”).

1.2 Final Terms

Notes issued under the Programme are issued in series (each a “**Series**”), the Notes of each Series being interchangeable with all other Notes of that Series. Each Series may comprise one or more tranches (each a “**Tranche**”) of Notes issued on the same or different issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest). Each Tranche is the subject of final terms (which final terms in respect of any individual Tranche of Notes shall be referred to herein as, “**Final Terms**”). The terms and conditions applicable to a particular Tranche of Notes are these terms and conditions together with the applicable Final Terms (together, the “**Conditions**”). In the event of any inconsistency between these terms and conditions and the Final Terms, the Final Terms shall prevail. The Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”), as specified in the applicable Final Terms.

1.3 Agency Agreement

The Notes are the subject of an amended and restated issue and paying agency agreement dated 7 September 2018, as supplemented by the supplemental issue and paying agency agreement to be dated on or around 3 July 2019, and as further amended or supplemented from time to time (the “**Agency Agreement**”) between the Issuer, HSBC Bank plc as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor Fiscal Agent appointed from time to time in connection with the Notes), as Regulation S transfer agent (the “**Regulation S Transfer Agent**”, which expression includes any successor Regulation S transfer agent appointed from time to time in connection with the Notes) and as Regulation S registrar (the “**Regulation S Registrar**”, which expression includes any successor Regulation S registrar appointed from time to time in connection with the Notes), HSBC Bank USA, National Association as Rule 144A paying agent (the “**Rule 144A Paying Agent**”, which expression includes any successor Rule 144A paying agent appointed from time to time in connection with the Notes), as Rule 144A transfer agent (the “**Rule 144A Transfer Agent**”, which expression includes any successor Rule 144A transfer agent appointed from time to time in connection with the Notes, and together with the Regulation S Transfer Agent, the “**Transfer Agents**”) and as Rule 144A registrar (the “**Rule 144A Registrar**”, which expression includes any successor Rule 144A registrar appointed from time to time in connection with the Notes, and together with the Regulation S Registrar, the “**Registrars**”) and the paying agents named therein (together with the Fiscal Agent and the Rule 144A Paying Agent, the “**Paying Agents**”, which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes). References herein to the “**Agents**” are to the Registrars, the Fiscal Agent, the Transfer Agents and the Paying Agents, and any reference to an “**Agent**” is to each one of them.

1.4 Deed of Covenant

The Notes are subject to, and the Registered Notes are constituted by, a deed of covenant dated 7 September 2018 (as amended and/or supplemented from time to time, the “**Deed of Covenant**”) entered into by the Issuer for the benefit of the Noteholders and, if applicable, the Couponholders. The original of the Deed of Covenant is held by the Fiscal Agent.

1.5 The Notes

All subsequent references in these Conditions to “**Notes**” are to the Notes, which are the subject of the Final Terms. Copies of the Final Terms are available for inspection during normal business hours at the specified office of the Fiscal Agent, the initial specified office of which is set out in the Agency Agreement.

1.6 Overviews

Certain provisions of these Conditions are overviews of the Agency Agreement or the Deed of Covenant and are subject to their detailed provisions. The holders of the Notes (the “**Noteholders**”, which expression shall, where appropriate, be deemed to include holders of Bearer Notes or Registered Notes, and the holders of related interest coupons, if any (the “**Couponholders**” and the “**Coupons**” respectively), are bound by, and are deemed to have notice of all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Noteholders during normal business hours at the Specified Offices of the Paying Agents, or, if applicable, the Registrars, the initial Specified Offices of which are set out in the Agency Agreement.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In these Conditions, the following expressions have the following meanings:

“**Accrual Yield**” has the meaning given in the Final Terms;

“**Additional Business Centre(s)**” means the city or cities specified in the Final Terms;

“**Additional Financial Centre(s)**” means the city or cities specified in the Final Terms;

“**Business Day**” means:

- (a) in relation to any sum payable in euros, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than euros, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

“**Business Day Convention**” in relation to any particular date, has the meaning given in the Final Terms and, if so specified in the Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;

- (b) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided* that:
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day;
 - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Calculation Agent**” means the Fiscal Agent or such other Person specified in the Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s);

“**Calculation Amount**” has the meaning given in the Final Terms;

“**Clearstream, Luxembourg**” means Clearstream Banking S.A.;

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended;

“**control**” means the power, directly or indirectly, through the ownership of voting securities or other ownership interests or through contractual control or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or other entity;

“**Coupon Sheet**” means, in respect of a Note, a coupon sheet relating to the Note;

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the Final Terms and:

- (a) if “**Actual/Actual (ICMA)**” is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of:

- (A) the actual number of days in such Regular Period; and (B) the number of Regular Periods in any year; and
- (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) if “**Actual/365**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]]}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30;

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (f) if “30E/360” or “Eurobond Basis” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

- (g) if “30E/360 (ISDA)” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30,

provided, that in each such case, the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

“**DTC**” means The Depository Trust Company;

“**Early Redemption Amount**” has the meaning given to it in Condition 10.6 (*Early redemption amounts*);

“**Euroclear**” means Euroclear Bank SA/NV;

“**External Indebtedness**” means all obligations, and Guarantees in respect of obligations, for money borrowed or raised, including *Shari’ah* compliant financing, which is denominated or payable, or which at the option of the relevant creditor or holder thereof may be payable, in a currency other than the lawful currency of the Issuer;

“**Final Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in the Final Terms;

“**First Interest Payment Date**” has the meaning given in the Final Terms;

“**Fixed Coupon Amount**” has the meaning given in the Final Terms;

“**Guarantee**” means, in relation to any indebtedness of any Person, any obligation of another Person to pay such indebtedness including (without limitation): (a) any obligation to purchase such indebtedness; (b) any obligation to lend money, to purchase or subscribe for shares or other securities or to purchase assets or services in order to provide funds for the payment of such indebtedness; (c) any indemnity against the consequences of a default in the payment of such indebtedness; and (d) any other agreement to be responsible for such indebtedness or other like obligation;

“**Interest Amount**” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period, as determined by the Calculation Agent;

“**Interest Commencement Date**” means the Issue Date of the Notes or such other date as may be specified as the interest commencement date in the Final Terms;

“**Interest Determination Date**” has the meaning given in the Final Terms;

“**Interest Payment Date**” means the First Interest Payment Date and any date or dates specified as such in, or determined in accordance with the provisions of, the Final Terms and, if a Business Day Convention is specified in the Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention;
or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the First Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**ISDA Definitions**” means the 2006 ISDA Definitions or such other ISDA Definitions as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the Final Terms) as published by the International Swaps and Derivatives Association, Inc.;

“**Issue Date**” has the meaning given in the Final Terms;

“**Margin**” has the meaning given in the Final Terms;

“**Maturity Date**” has the meaning given in the Final Terms;

“**Maximum Redemption Amount**” has the meaning given in the Final Terms;

“**Minimum Redemption Amount**” has the meaning given in the Final Terms;

“**minimum Specified Denomination**” means the minimum denomination of each Note, which shall not be less than EUR 100,000 (or, if the Notes are denominated in a currency other than Euros, the equivalent amount in such currency as at the date of the issue of the Notes);

“**Optional Redemption Amount (Call)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the Final Terms;

“**Optional Redemption Amount (Put)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the Final Terms;

“**Optional Redemption Date (Call)**” has the meaning given in the Final Terms;

“**Optional Redemption Date (Put)**” has the meaning given in the Final Terms;

“**Payment Business Day**” means:

- (a) if the currency of payment is euros, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euros, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

“**Permitted Security Interest**” means:

- (a) any Security Interest upon property or assets incurred for the purpose of financing the acquisition or construction, improvement or repair of such property or asset or any renewal or extension of any such Security Interest, which is limited to the original property or asset covered thereby and which secures any renewal or extension of the original secured financing;
- (b) any Security Interest existing on any property or asset at the time of its acquisition and any renewal or extension of any such Security Interest which is limited to the original property or asset covered thereby and which secures any renewal or extension of the original secured financing;

- (c) any Security Interest in existence on the date on which agreement is reached to issue the first Tranche of the Notes;
- (d) any Security Interest arising in the ordinary course of banking transactions and securing the Public External Indebtedness of the Issuer maturing not more than one year after the date on which it is originally incurred;
- (e) any Security Interest arising by operation of law or which arose pursuant to any order of attachment, distraint or similar legal process arising in connection with court proceedings so long as the execution or other enforcement thereof is effectively stayed and the claims secured thereby are being contested in good faith by appropriate proceedings;
- (f) any Security Interest incurred for the purpose of financing all or part of the costs of the acquisition, construction, development, improvement, repair or expansion of any project (including costs such as escalation, interest during construction and financing and refinancing costs); *provided*, that the property over which such Security Interest is granted consists solely of the property, assets or revenues of such project (including, without limitation, royalties and other similar payments accruing to the Kingdom of Saudi Arabia generated by the relevant project); and
- (g) any Security Interest arising in connection with the incurrence of Public External Indebtedness as part of a Securitisation or any renewal or extension thereof.

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, unincorporated organisation, trust or any other juridical entity, including, without limitation, a public sector instrumentality, whether or not having separate legal personality;

“**Principal Financial Centre**” means, in relation to any currency, the principal financial centre for that currency *provided*, that:

- (a) in relation to euros, it means the principal financial centre of such member state of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected by the Issuer;

“**Public External Indebtedness**” means External Indebtedness that is in the form of, or represented by, any bond, debenture, note or other similar instrument and as of the date of its issue is, or is capable of being, quoted, listed or ordinarily purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market;

“**public sector instrumentality**” means any department, ministry or agency of a state or any corporation, trust, financial institution or other entity controlled by such state;

“**Put Option Notice**” means a notice in the form available from the Specified Office of the Paying Agents, or in the case of Registered Notes, the Registrars, which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder, and as set out at Schedule 10 (*Form of Put Option Notice*) of the Agency Agreement;

“**Put Option Receipt**” means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder, substantially in the form set out at Schedule 11 (*Form of Put Option Receipt*) of the Agency Agreement;

“**QIBs**” means “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the Final Terms;

“**Record Date**” means the fifteenth Relevant Banking Day before the due date for payment;

“**Redemption Amount**” means, as appropriate, the Final Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Redemption Amount or such other amount in the nature of a redemption amount as may be specified in the Final Terms;

“**Reference Banks**” means the four major banks selected by the Issuer (in consultation with the Calculation Agent) in the market that is most closely connected with the Reference Rate;

“**Reference Price**” has the meaning given in the Final Terms;

“**Reference Rate**” has the meaning given in the Final Terms;

“**Regular Period**” means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the First Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Relevant Banking Day**” means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in the place of presentation of the relevant Note or, as the case may be, Coupon or, in connection with the transfer of Registered Notes only, the place of the Specified Office of the relevant Registrar;

“**Relevant Date**” means, in relation to any payment, whichever is the later of: (a) the date on which the payment in question first becomes due; and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders in accordance with Condition 21 (*Notices*);

“**Relevant Financial Centre**” has the meaning given in the Final Terms;

“**Relevant Screen Page**” means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person

providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” has the meaning given in the Final Terms;

“**Securities Act**” means the U.S. Securities Act of 1933, as amended;

“**Securitisation**” means any securitisation (*Shari’ah* compliant or otherwise) of existing or future assets and/or revenues, *provided* that (a) any Security Interest given by the Issuer in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation; (b) each Person participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised as the principal source of repayment for the money advanced or payment of any other liability; and (c) there is no other recourse to the Issuer in respect of any default by any Person under the securitisation.

“**Security Interest**” means any lien, pledge, mortgage, security interest, deed of trust, charge or other encumbrance securing any obligation of any Person or any other type of arrangement having a similar effect over any assets or revenues of any Person;

“**Specified Currency**” has the meaning given in the Final Terms;

“**Specified Denomination(s)**” has the meaning given in the Final Terms;

“**Specified Office**” has the meaning given in the Agency Agreement;

“**Specified Period**” has the meaning given in the Final Terms;

“**Talon**” means a talon for further Coupons;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euros; and

“**Zero Coupon Note**” means a Note specified as such in the Final Terms.

2.2 Interpretation

In these Conditions:

- (a) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (b) if Talons are specified in the Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (c) if Talons are not specified in the Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (d) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 13 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (e) any reference to interest shall be deemed to include any additional amounts in respect of interest, which may be payable under Condition 13 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

- (f) references to Notes being “**outstanding**” shall be construed in accordance with the Agency Agreement;
- (g) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given in the Final Terms, but the Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes; and
- (h) any reference to the Agency Agreement or the Deed of Covenant shall be construed as a reference to the Agency Agreement or the Deed of Covenant, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes.

3. FORM, DENOMINATION AND TITLE

3.1 Notes in Bearer Form

Bearer Notes are issued in the Specified Currency and the Specified Denomination(s) with Coupons (and, if specified in the Final Terms, Talons) attached at the time of issue and may be held in holdings equal to the Specified Denomination, which shall not be less than the minimum Specified Denomination. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa. Except as set out below, title to Bearer Notes and Coupons will pass by delivery. The holder of any Bearer Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof), and no Person shall be liable for so treating such holder. All Definitive Notes (as defined in the Agency Agreement) will be serially numbered, with Coupons, if any, attached.

3.2 Notes in Registered Form

Registered Notes are issued in the Specified Currency and the Specified Denomination and may be held in holdings equal to the Specified Denomination, which shall not be less than the minimum Specified Denomination. The holder of each Registered Note shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Registered Note relating thereto (other than the endorsed form of transfer) or any previous loss or theft of such Registered Note), and no Person shall be liable for so treating such holder. Title to Registered Notes will pass registration of transfers in the register, which the Issuer shall procure to be kept by the Registrars, in accordance with the provisions of the Agency Agreement. All Individual Note Certificates (as defined in the Agency Agreement) will be numbered serially with an identity number which will be recorded in the register.

4. TRANSFERS OF REGISTERED NOTES

4.1 Transfers of Registered Notes

A Registered Note may, upon the terms and subject to the conditions set forth in the Agency Agreement, be transferred in whole or in part only (*provided*, that such part and the remainder not transferred is not less than the Specified Denomination) upon the surrender of the Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the Specified Office of the relevant Registrar. In the case of a transfer of part only of a Registered Note, a new Registered Note will be issued to the transferee and a new Registered Note in respect of the balance not transferred will be issued to the transferor.

4.2 **Issue of new Registered Notes**

Each new Registered Note to be issued upon the transfer of a Registered Note will, within ten Relevant Banking Days of the day on which such Note was presented for transfer, be available for collection by each relevant holder at the Specified Office of the relevant Registrar or, at the option of the holder requesting such transfer, be mailed (by uninsured post at the risk of the holder(s) entitled thereto) to such address(es), as may be specified by such holder. For these purposes, a form of transfer received by the relevant Registrar or the Fiscal Agent after the Record Date in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the relevant Registrar or the Fiscal Agent until the day following the due date for such payment.

4.3 **Charges for transfer or exchange**

The issue of new Registered Notes on transfer will be effected without charge by or on behalf of the Issuer, the Fiscal Agent or the relevant Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity and/or security, as the Issuer, the Fiscal Agent or the relevant Registrar may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.

4.4 **Closed Periods**

Holders of Registered Notes may not require transfers of a Note to be registered during the period of 15 days ending on the due date for any redemption of or payment of principal or interest in respect of the Registered Notes.

4.5 **Forced Transfer**

If at any time the Issuer determines that any beneficial owner of Notes, or any account for which such owner purchased Notes, who is required to be a QIB as defined in Rule 144A is not a QIB, the Issuer may (a) compel such beneficial owner to sell its Notes to a person who is (i) a U.S. Person who is a QIB and that is, in each case, otherwise qualified to purchase such Notes in a transaction exempt from registration under the Securities Act or (ii) a person who is outside the United States, its territories and possessions or (b) compel the beneficial owner to sell such Notes to the Issuer or an affiliate thereof at a price equal to the lesser of (x) the purchase price paid by the beneficial owner for such Notes, (y) 100 per cent. of the principal amount thereof and (z) the fair market value thereof. The Issuer has the right to refuse to honour the transfer of interests in a Restricted Global Certificate or any Restricted Notes (each as defined in the Agency Agreement) to a person who is not a QIB.

5. **STATUS**

- (a) The Notes are the direct, unconditional and (subject to Condition 6 (*Negative Pledge*)), unsecured obligations of the Issuer, and rank and will rank *pari passu*, without preference among themselves, with all other unsecured External Indebtedness of the Issuer, from time to time outstanding; *provided*, further, that the Issuer shall have no obligation to effect equal or rateable payment(s) at any time with respect to any such other External Indebtedness and, in particular, shall have no obligation to pay other External Indebtedness at the same time or as a condition of paying sums due on the Notes, and vice versa.
- (b) The full faith and credit of the Issuer is pledged for the due and punctual payment of principal of, and interest on, the Notes and for the performance of all other obligations of the Issuer in respect of the Notes and the Deed of Covenant.

6. NEGATIVE PLEDGE

So long as any Note remains outstanding (as defined in the Agency Agreement), the Issuer will not create, incur, assume or permit to arise or subsist any Security Interest, other than a Permitted Security Interest, upon the whole or any part of its present or future assets or revenues to secure any Public External Indebtedness of the Issuer or any Guarantee by the Issuer of Public External Indebtedness of any other Person unless, at the same time or prior thereto, the obligations of the Issuer under the Notes and the Deed of Covenant are secured equally and rateably therewith or have the benefit of such other arrangements as may be approved by an Extraordinary Resolution of the Noteholders.

For the avoidance of doubt, any right or obligation granted directly or indirectly to holders of sukuk representing the credit of the Kingdom of Saudi Arabia or in respect of any other *Shari'ah* compliant financing, offering of certificates or other similar instruments (including, but not limited to, a *Shari'ah* compliant sale and Ijara (lease) financing) or by any other mechanism provided for and implemented in accordance with the applicable laws and regulations having an analogous effect (and howsoever documented) shall not of itself comprise a Security Interest or guarantee or indemnity for the purposes of this Condition 6 (*Negative Pledge*).

7. FIXED RATE NOTE PROVISIONS

7.1 Application

This Condition 7 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note provisions are specified in the Final Terms as being applicable.

7.2 Accrual of interest

The Notes bear interest on their outstanding principal amount from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date in each year, subject as provided in Condition 11 (*Payments—Bearer Notes*) and Condition 12 (*Payments—Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7.2 (after as well as before judgment) until whichever is the earlier of: (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and (b) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

7.3 Fixed Coupon Amount

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

7.4 Calculation of interest amount

If interest is required to be calculated for a period ending other than on an Interest Payment Date, such interest shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose, a “**sub-unit**” means, in the case of any currency other than U.S. Dollars, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of U.S. Dollars, means one cent.

8. FLOATING RATE NOTE PROVISIONS

8.1 Application

This Condition 8 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note provisions are specified in the Final Terms as being applicable.

8.2 Accrual of interest

The Notes bear interest on their outstanding principal amount from, and including, the Interest Commencement Date at the Rate of Interest, which shall be determined in the manner specified in the Final Terms, payable in arrear on each Interest Payment Date in each year, subject as provided in Condition 11 (*Payments—Bearer Notes*) and Condition 12 (*Payments—Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 8.2 (after as well as before judgment) until whichever is the earlier of: (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and (b) the day which is seven (7) days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

8.3 Screen Rate Determination

If Screen Rate Determination is specified in the Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (a) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (b) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (ii) determine the arithmetic mean of such quotations; and
- (d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, and the Rate of Interest for such Interest Period shall be the sum of the Margin and

the rate or (as the case may be) the arithmetic mean so determined; *provided* that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

8.4 **ISDA Determination**

If ISDA Determination is specified in the Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the Final Terms;
- (b) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the Final Terms; and
- (c) the relevant Reset Date (as defined in the ISDA Definitions) is either: (i) if the relevant Floating Rate Option is based on the London inter-bank offered rate (“**LIBOR**”) or on the Euro-zone inter-bank offered rate (“**EURIBOR**”) for a currency, the first day of that Interest Period; or (ii) in any other case, as specified in the Final Terms.

8.5 **Maximum or Minimum Rate of Interest**

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

8.6 **Calculation of Interest Amount**

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, determine the Rate of Interest for such Interest Period and calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a “sub-unit” means, in the case of any currency other than U.S. Dollars, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of U.S. Dollars, means one cent.

8.7 **Calculation of other amounts**

If the Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the Final Terms.

8.8 **Publication**

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 21 (*Notices*). The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

8.9 **Binding Determinations**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8.9 (*Binding Determinations*) by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders, and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

9. **ZERO COUPON NOTE PROVISIONS**

9.1 **Application**

This Condition 9 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note provisions are specified in the Final Terms as being applicable.

9.2 **Late payment on Zero Coupon Notes**

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (a) the Reference Price; and
- (b) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of: (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

10. **REDEMPTION AND PURCHASE**

10.1 **Scheduled redemption**

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 11 (*Payments—Bearer Notes*) and Condition 12 (*Payments—Registered Notes*).

10.2 Redemption at the option of the Issuer

If the Call Option is specified in the Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

10.3 Partial redemption

If the Notes are to be redeemed in part only on any date in accordance with Condition 10.2 (*Redemption at the option of the Issuer*):

- (a) in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 10.2 (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes to be redeemed.

If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified; and

- (b) in the case of Registered Notes, the Notes shall be redeemed (so far as may be practicable) *pro rata* to their principal amounts, subject always to compliance with all applicable laws and the requirements of any listing authority, stock exchange or quotation system on which the relevant Notes may be listed, traded or quoted.

In the case of the redemption of part only of a Registered Note, a new Registered Note in respect of the unredeemed balance shall be issued in accordance with Condition 4 (*Transfers of Registered Notes*) which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note were in respect of the untransferred balance.

10.4 Redemption at the option of Noteholders

If the Put Option is specified in the Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 10.4, the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit at the Specified Offices of any Paying Agent (in the case of Bearer Notes) or the relevant Registrar (in the case of Registered Notes) such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent or Registrar specifying the aggregate outstanding principal amount in respect of which such option is exercised. The Paying Agent or Registrar with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing holder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10.4, may be withdrawn; *provided* that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent or Registrar, as the case may be, shall mail notification thereof to the depositing holder at such address as may have been given by such holder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing holder against

surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent or

Registrar, as the case may be, in accordance with this Condition 10.4, the depositor of such Note, and not such Paying Agent, shall be deemed to be the holder of such Note for all purposes.

The Issuer shall redeem the Notes in respect of which Put Option Receipts have been issued on the Optional Redemption Date (Put), unless previously redeemed. Payment in respect of any Note so delivered will be made:

- (a) if the Note is in definitive form and held outside Euroclear, Clearstream, Luxembourg and DTC and if the holder duly specified a bank account in the Put Option Notice to which payment is to be made, on the Optional Redemption Date (Put) by transfer to that bank account and in every other case on or after the Optional Redemption Date (Put), in each case against presentation and surrender or (as the case may be) endorsement of such Put Option Receipt and, where appropriate, entry in the Register, at the Specified Office of any Paying Agent; or
- (b) if the Note is represented by a Global Note or Global Certificate (each as defined in the Agency Agreement) or is in definitive form and held through Euroclear or Clearstream, Luxembourg or DTC, in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg or DTC, as applicable.

The holder of a Note may not exercise such Put Option in respect of any Note which is the subject of an exercise by the Issuer of its Call Option.

In the case of the redemption of part only of a Registered Note, a new Registered Note in respect of the unredeemed balance shall be issued in accordance with Condition 4 (*Transfers of Registered Notes*) which shall apply in the case of a transfer of Registered Notes as if such new Registered Note were in respect of the untransferred balance.

As long as Bearer Notes issued in accordance with TEFRA D are represented by a Temporary Bearer Global Note, the option under this Condition 10.4 shall not be available unless the certification required under TEFRA D with respect to non-U.S. beneficial ownership has been received by the Issuer or any Paying Agent.

10.5 **No other redemption**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10.1 (*Scheduled redemption*) to 10.4 (*Redemption at the option of Noteholders*) above.

10.6 **Early redemption amounts**

For the purpose of Condition 14 (*Events of Default*), each Note will be redeemed at an amount (the “**Early Redemption Amount**”), calculated as follows:

- (a) in the case of a Note (other than a Zero Coupon Note), at the amount specified as the Early Redemption Amount in the applicable Final Terms or, if no such amount is so specified in the applicable Final Terms, at the Final Redemption Amount thereof; or
- (b) in the case of a Zero Coupon Note, at an amount equal to the sum of:
 - (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition or, if none is so specified, a Day Count Fraction of 30E/360.

10.7 **Purchase**

The Issuer and any public sector instrumentality of the Kingdom of Saudi Arabia may at any time purchase Notes (*provided* that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise and at any price. Such Notes may be held, resold (*provided* that such resale is outside the United States (as defined in Regulation S under the Securities Act) or, in the case of any Notes resold pursuant to Rule 144 under the Securities Act, is only made to a Person reasonably believed to be a QIB) or, at the discretion of the holder thereof, surrendered for cancellation and, upon surrender thereof, all such Notes will be cancelled forthwith. Any Notes so purchased, while held by, or on behalf of, any Person (including but not limited to the Issuer) for the benefit of the Issuer or any public sector instrumentality of the Kingdom of Saudi Arabia, in each case as beneficial owner, shall not entitle the holder to vote at any meeting of Noteholders and shall not be deemed to be outstanding for the purposes of meetings of Noteholders or for the purposes of any Written Resolution or for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 18 (*Meetings of Noteholders; Written Resolutions; Electronic Consents*).

10.8 **Cancellation**

All Notes surrendered for cancellation in accordance with Condition 10.7 (*Purchase*) above will be cancelled and may not be reissued or resold, and the obligations of the Issuer in respect of any such Notes shall be discharged. For so long as the Notes are listed on any stock exchange, and the rules of such exchange so require, the Issuer shall promptly inform such exchange of the cancellation of any Notes under this Condition 10.8.

11. **PAYMENTS—BEARER NOTES**

This Condition 11 (*Payments—Bearer Notes*) applies in relation to Bearer Notes only.

11.1 **Principal**

Payments of principal shall be made only against presentation and (*provided* that payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by transfer to an account denominated in that currency (or, if that currency is euros, any other account to which euros may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

11.2 **Interest**

Payments of interest shall, subject to Condition 11.8 (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided* that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 11.1 (*Principal*).

11.3 **Payments in New York City**

If payments of principal or interest will be made in U.S. dollars, then such payment may be made at the Specified Office of a Paying Agent in New York City only if: (a) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the principal and interest on the Bearer Notes in U.S. Dollars;

(b) payment of the full amount of such principal and interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and (c) payment is permitted by applicable United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

11.4 **Payments subject to fiscal laws**

All payments of principal and interest in respect the Bearer Notes are subject in all cases to: (a) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*); and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

11.5 **Deductions for unmatured Coupons**

If the Final Terms specifies that the Fixed Rate Note provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

- (a) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided* that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
- (b) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (i) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; *provided* that where this sub-paragraph (i) would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (ii) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided* that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 11.1 (*Principal*) above against presentation and (*provided* that payment is made in full) surrender of the relevant missing Coupons.

11.6 **Unmatured Coupons void**

If the Final Terms specifies that this Condition 11.6 is applicable or that the Floating Rate Note provisions are applicable, on the due date for final redemption of any Bearer Note or early

redemption in whole of such Bearer Note pursuant to Condition 10.2 (*Redemption at the option of the Issuer*), Condition 10.4 (*Redemption at the option of Noteholders*) or Condition 14 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

11.7 **Payments on business days**

If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

11.8 **Payments other than in respect of matured Coupons**

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 11.3 (Payments in New York City) above).

11.9 **Partial payments**

If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

11.10 **Exchange of Talons**

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 15 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Bearer Note shall become void and no Coupon will be delivered in respect of such Talon.

12. **PAYMENTS—REGISTERED NOTES**

This Condition 12 (*Payments—Registered Notes*) applies in relation to Registered Notes only.

12.1 **Redemption Amount**

Payments of the Redemption Amount (together with accrued interest) due in respect of Registered Notes shall be made in the currency in which such amount is due against presentation, and save in the case of partial payment of the Redemption Amount, surrender of the relevant Registered Notes at the Specified Office of the relevant Registrar. If the due date for payment of the Redemption Amount of any Registered Note is not a business day (as defined below), then the Noteholder will not be entitled to payment until the next business day, and from such day and thereafter will be entitled to payment by transfer to a designated account on any day which is a Relevant Banking Day, business day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in these Conditions.

12.2 **Principal and interest**

Payments of principal and interest shall be made to a designated account denominated in the relevant currency on the relevant due date for payment by transfer to such account. If the due date for any such payment is not a business day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located, then the Noteholder will not be entitled to payment thereof until the first day thereafter which is a business day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in these Conditions.

12.3 **Payments subject to fiscal laws**

All payments of principal and interest in respect of the Registered Notes are subject in all cases to: (a) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*); and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Registered Noteholders in respect of such payments.

In this Condition 12 (*Payments—Registered Notes*), “**business day**” means:

- (a) any day which is in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) in the case of surrender of a Registered Note, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the place in which the Registered Note is surrendered.

13. **TAXATION**

All payments of principal and interest in respect of the Notes and the Coupons by, or on behalf of, the Issuer shall be made free and clear of, and without withholding or deduction for, or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Saudi Arabia or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

- (a) by or on behalf of a holder, that would not have been payable or due but for the holder being liable for such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Kingdom of Saudi Arabia, or any political subdivision or any authority thereof or therein having power to tax, other than the mere acquisition or holding of any Note or Coupon or the enforcement or receipt of payment under or in respect of any Note or Coupon;

- (b) more than 30 days after the Relevant Date, except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days;
- (c) where such withholding or deduction is required pursuant to Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto; or
- (d) any combination of items (a) through (c) above.

14. EVENTS OF DEFAULT

If any one or more of the following events (each an “**Event of Default**”) occurs and is continuing with respect to a Series of Notes:

14.1 Non-payment

the Issuer fails to pay any amount of principal, premium, if any, or interest in respect of any of the Notes of such Series when due and payable and such failure continues for a period of 30 days; or

14.2 Breach of other obligations

the Issuer defaults in the performance or observance of, or compliance with any of its other obligations or undertakings in respect of the Notes of such Series, and either such default is not capable of remedy or such default (if capable of remedy) continues unremedied for 60 days after written notice to remedy such default, addressed to the Issuer by any Noteholder or Couponholder of such Series, has been delivered to the Issuer and to the Specified Office of the Fiscal Agent; or

14.3 Cross-acceleration of the Issuer

- (a) any other Public External Indebtedness of the Issuer becomes due and payable prior to its stated maturity by reason of default;
- (b) any such Public External Indebtedness is not paid at maturity thereof; or
- (c) any Guarantee given by the Issuer of Public External Indebtedness of any other Person is not honoured when due and called upon,

and, in the case of either sub-paragraph (b) or (c) above, such failure continues beyond any applicable grace period, *provided* that the amount of Public External Indebtedness referred to in sub-paragraph (a) above and/or (b) and/or the amount payable under any Guarantee referred to in sub-paragraph (c) above, as applicable, either alone or when aggregated with all other Public External Indebtedness in respect of which such an event shall have occurred and be continuing shall be more than U.S.\$150,000,000 (or its equivalent in any other currency or currencies); or

14.4 Moratorium

the Issuer shall have declared a general moratorium on the payment of principal of, or interest on, all or any part of its Public External Indebtedness; or

14.5 Unlawfulness

for any reason whatsoever, the obligations under the Notes of such Series or the Agency Agreement become unlawful or are declared by a court of competent jurisdiction to be no longer binding on, or no longer enforceable against, the Issuer; or

14.6 **Validity**

the Issuer or any of its political sub-divisions on behalf of the Issuer contest the validity of such Series of the Notes, then the holders of at least 25 per cent. in aggregate principal amount of the outstanding Notes of such Series may, by notice in writing to the Issuer (with a copy to the Fiscal Agent), declare all the Notes of such Series to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Redemption Amount, together (if applicable) with accrued interest to the date of payment without further action or formality. Notice of any such declaration shall promptly be given to all other Noteholders by the Issuer.

If the Issuer receives notice in writing from holders of at least 50 per cent. in aggregate principal amount of the relevant Series of outstanding Notes to the effect that the Event of Default or Events of Default giving rise to any above-mentioned declaration of acceleration is or are cured following any such declaration and that such Noteholders wish the relevant declaration to be withdrawn, the Issuer shall give notice thereof to the Noteholders (with a copy to the Fiscal Agent), whereupon the relevant declaration shall be withdrawn and shall have no further effect but without prejudice to any rights or obligations that may have arisen before the Issuer gives such notice (whether pursuant to these Conditions or otherwise). No such withdrawal shall affect any other or any subsequent Event of Default or any right of any Noteholder in relation thereto.

15. **PRESCRIPTION**

Claims against the Issuer for principal in respect of Notes shall be prescribed and become void unless made within ten years of the appropriate Relevant Date. Claims against the Issuer for interest or Coupons in respect of Notes shall become void unless made within five years of the appropriate Relevant Date.

Any money paid by the Issuer to the Fiscal Agent for payment due under any Note that remains unclaimed at the end of two years after the due date for payment of such Note will be repaid to the Issuer, and the holder of such Note shall thereafter look only to the Issuer for payment.

16. **REPLACEMENT OF NOTES AND COUPONS**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system) (in the case of Bearer Notes or Coupons) or the relevant Registrar (in the case of Registered Notes), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

17. **AGENTS**

17.1 **Obligations of Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents, the Calculation Agent, the Transfer Agents and the Registrars act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders, and each of them shall only be responsible for

the performance of the duties and obligations expressly imposed upon it in the Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

17.2 **Maintenance of Agents**

The initial Fiscal Agent, Transfer Agents and Registrars and their initial Specified Offices are listed in the Agency Agreement. The initial Calculation Agent (if any) is specified in the Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent), the Registrars, the Transfer Agents or the Calculation Agent and to appoint any successor Fiscal Agent, Paying Agent, Registrar, Transfer Agent or Calculation Agent; *provided that*:

- (a) the Issuer shall at all times maintain a Fiscal Agent;
- (b) the Issuer shall at all times maintain, in the case of Registered Notes, a Registrar;
- (c) if a Calculation Agent is specified in the Final Terms, the Issuer shall at all times maintain a Calculation Agent;
- (d) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent (which may be the Fiscal Agent) and a Registrar (for Registered Notes) each with a Specified Office in the place required by such competent authority, stock exchange and/or quotation system; and
- (e) in the circumstances described in Condition 11.3 (*Payments in New York City*), a Paying Agent with a Specified Office in New York City.

Notice of any change in the Paying Agents, the Registrars, the Transfer Agents, the Calculation Agent or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 21 (*Notices*).

18. **MEETINGS OF NOTEHOLDERS; WRITTEN RESOLUTIONS; ELECTRONIC CONSENTS**

18.1 **Convening Meetings of Noteholders; Conduct of Meetings of Noteholders; Written Resolutions**

- (a) The Issuer may convene a meeting of the Noteholders at any time in respect of the Notes in accordance with the provisions of the Agency Agreement. The Issuer will determine the time and place of the meeting and will notify the Noteholders of the time, place and purpose of the meeting not less than 21 and not more than 45 calendar days before the meeting.
- (b) The Issuer will convene a meeting of Noteholders if the holders of at least 10 per cent. in principal amount of the outstanding Notes (as defined in the Agency Agreement and described in Condition 18.9 (*Notes controlled by the Issuer*)) have delivered a written request to the Issuer (with a copy to the Fiscal Agent) setting out the purpose of the meeting. The Issuer will notify the Noteholders (with a copy to the Fiscal Agent) within 10 days of receipt of such written request of the time and place of the meeting, which shall take place not less than 21 and not more than 45 calendar days after the date on which such notification is given.
- (c) The Issuer will set the procedures governing the conduct of any meeting in accordance with the Agency Agreement. If the Agency Agreement does not include such procedures, or additional procedures are required, the Issuer will prescribe such procedures as are customary in the market and in such a manner as to facilitate any

multiple series aggregation, if in relation to a Reserved Matter the Issuer proposes any modification to the terms and conditions of, or action with respect to, two or more series of debt securities issued by it.

- (d) The notice convening any meeting shall be in the English language and will specify, *inter alia*:
- (i) the date, time and location of the meeting;
 - (ii) the agenda and the text of any Extraordinary Resolution to be proposed for adoption at the meeting;
 - (iii) the record date for the meeting, which shall be no more than five business days before the date of the meeting;
 - (iv) the documentation required to be produced by a Noteholder in order to be entitled to participate at the meeting or to appoint a proxy to act on the Noteholder's behalf at the meeting;
 - (v) any time deadline and procedures required by any relevant international and/or domestic clearing systems or similar through which the Notes are traded and/or held by Noteholders;
 - (vi) whether Condition 18.2 (*Modification of this Series of Notes only*), Condition 18.3 (*Multiple Series Aggregation—Single limb voting*), or Condition 18.4 (*Multiple Series Aggregation—Two limb voting*) shall apply and, if relevant, in relation to which other series of debt securities it applies;
 - (vii) if the proposed modification or action relates to two or more series of debt securities issued by it and contemplates such series of debt securities being aggregated in more than one group of debt securities, a description of the proposed treatment of each such group of debt securities;
 - (viii) such information as is required to be provided by the Issuer in accordance with Condition 18.6 (*Information*);
 - (ix) the identity of the Aggregation Agent (as described in Condition 19 (*Aggregation Agent; Aggregation Procedures*)) and the Calculation Agent, if any, for any proposed modification or action to be voted on at the meeting, and the details of any applicable methodology referred to in Condition 18.7 (*Claims Valuation*); and
 - (x) any additional procedures which may be necessary and, if applicable, the conditions under which a multiple series aggregation will be deemed to have been satisfied if it is approved as to some but not all of the affected series of debt securities.
- (e) In addition, the Agency Agreement contains provisions relating to Written Resolutions and Electronic Consents. All information to be provided pursuant to this Condition 18.1 shall also be provided, *mutatis mutandis*, in respect of Written Resolutions and Electronic Consents.
- (f) A “**record date**” in relation to any proposed modification or action means the date fixed by the Issuer for determining the Noteholders and, in the case of a multiple series aggregation, the holders of debt securities of each other affected series that are entitled to vote on a Multiple Series Single Limb Extraordinary Resolution or a Multiple Series Two Limb Extraordinary Resolution, or to sign a Multiple Series Single Limb Written Resolution or a Multiple Series Two Limb Written Resolution.

- (g) An “**Extraordinary Resolution**” means any of a Single Series Extraordinary Resolution, a Multiple Series Single Limb Extraordinary Resolution and/or a Multiple Series Two Limb Extraordinary Resolution, as the case may be.
- (h) A “**Written Resolution**” means any of a Single Series Written Resolution, a Multiple Series Single Limb Written Resolution and/or a Multiple Series Two Limb Written Resolution, as the case may be.
- (i) Any reference to “**debt securities**” means any notes (including the Notes), bonds, debentures or other debt securities (which for these purposes shall be deemed to include any sukuk representing the credit of the Kingdom of Saudi Arabia or any other similar instruments) issued directly or indirectly by the Issuer in one or more series with an original stated maturity of more than one year.
- (j) “**Debt Securities Capable of Aggregation**” means those debt securities which include or incorporate by reference this Condition 18 and Condition 19 (*Aggregation Agent; Aggregation Procedures*) or provisions substantially in these terms which provide for the debt securities which include such provisions to be capable of being aggregated for voting purposes with other series of debt securities.

18.2 **Modification of this Series of Notes only**

- (a) Any modification of any provision of, or any action in respect of, these Conditions, the Agency Agreement and/or the Deed of Covenant in respect of the Notes may be made or taken if approved by a Single Series Extraordinary Resolution or a Single Series Written Resolution as set out below.
- (b) A “**Single Series Extraordinary Resolution**” means a resolution passed at a meeting of Noteholders duly convened and held in accordance with the procedures prescribed by the Issuer pursuant to Condition 18.1 (*Convening Meetings of Noteholders; Conduct of Meetings of Noteholders; Written Resolutions*) by a majority of:
 - (i) in the case of a Reserved Matter, at least 75 per cent. of the Noteholders present in person or represented by proxy; or
 - (ii) in the case of a matter other than a Reserved Matter, more than 50 per cent. of the Noteholders present in person or represented by proxy.
- (c) A “**Single Series Written Resolution**” means a resolution in writing signed or confirmed in writing by or on behalf of the holders of:
 - (i) in the case of a Reserved Matter, at least 75 per cent. of the aggregate principal amount of the outstanding Notes; or
 - (ii) in the case of a matter other than a Reserved Matter, more than 50 per cent. of the aggregate principal amount of the outstanding Notes.

Any Single Series Written Resolution may be contained in one document or several documents in the same form, each signed or confirmed in writing by or on behalf of one or more Noteholders.

- (d) Any Single Series Extraordinary Resolution duly passed or Single Series Written Resolution approved shall be binding on all Noteholders, whether or not they attended any meeting, whether or not they voted in favour thereof and whether or not they signed or confirmed in writing any such Single Series Written Resolution, as the case may be, and on all Couponholders.

18.3 Multiple Series Aggregation—Single limb voting

- (a) In relation to a proposal that includes a Reserved Matter, any modification to the terms and conditions of, or any action with respect to, two or more series of Debt Securities Capable of Aggregation may be made or taken if approved by a Multiple Series Single Limb Extraordinary Resolution or by a Multiple Series Single Limb Written Resolution as set out below, *provided* that the Uniformly Applicable condition is satisfied.
- (b) A “**Multiple Series Single Limb Extraordinary Resolution**” means a resolution considered at separate meetings of the holders of each affected series of Debt Securities Capable of Aggregation, duly convened and held in accordance with the procedures prescribed by the Issuer pursuant to Condition 18.1 (*Convening Meetings of Noteholders; Conduct of Meetings of Noteholders; Written Resolutions*), as supplemented if necessary, which is passed by a majority of at least 75 per cent. of the aggregate principal amount of the outstanding debt securities of all affected series of Debt Securities Capable of Aggregation (taken in aggregate).
- (c) A “**Multiple Series Single Limb Written Resolution**” means each resolution in writing (with a separate resolution in writing or multiple separate resolutions in writing distributed to the holders of each affected series of Debt Securities Capable of Aggregation, in accordance with the applicable bond documentation) which, when taken together, has been signed or confirmed in writing by or on behalf of the holders of at least 75 per cent. of the aggregate principal amount of the outstanding debt securities of all affected series of Debt Securities Capable of Aggregation (taken in aggregate). Any Multiple Series Single Limb Written Resolution may be contained in one document or several documents in substantially the same form, each signed or confirmed in writing by or on behalf of one or more Noteholders or one or more holders of each affected series of debt securities.
- (d) Any Multiple Series Single Limb Extraordinary Resolution duly passed or Multiple Series Single Limb Written Resolution approved shall be binding on all Noteholders and holders of each other affected series of Debt Securities Capable of Aggregation, whether or not they attended any meeting, whether or not they voted in favour thereof, whether or not any other holder or holders of the same series voted in favour thereof and whether or not they signed or confirmed in writing any such Multiple Series Single Limb Written Resolution, as the case may be, and on all Couponholders and couponholders of each other affected series of Debt Securities Capable of Aggregation.
- (e) The “**Uniformly Applicable**” condition will be satisfied if:
- (i) the holders of all affected series of Debt Securities Capable of Aggregation are invited to exchange, convert, or substitute their debt securities, on the same terms, for (A) the same new instrument or other consideration or (B) a new instrument, new instruments or other consideration from an identical menu of instruments or other consideration; or
- (ii) the amendments proposed to the terms and conditions of each affected series of Debt Securities Capable of Aggregation would, following implementation of such amendments, result in the amended instruments having identical provisions (other than provisions which are necessarily different, having regard to the different currency of issuance).
- (f) It is understood that a proposal under paragraph (a) above will not be considered to satisfy the Uniformly Applicable condition if each exchanging, converting, substituting or amending holder of each affected series of Debt Securities Capable of Aggregation is not offered the same amount of consideration per amount of principal, the

same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting, substituting or amending holder of each affected series of Debt Securities Capable of Aggregation (or, where a menu of instruments or other consideration is offered, each exchanging, converting, substituting or amending holder of each affected series of Debt Securities Capable of Aggregation is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting, substituting or amending holder of each affected series of Debt Securities Capable of Aggregation electing the same option from such menu of instruments).

- (g) Any modification or action proposed under paragraph (a) above may be made in respect of some series only of the Debt Securities Capable of Aggregation and, for the avoidance of doubt, the provisions described in this Condition 18.3 may be used for different groups of two or more series of Debt Securities Capable of Aggregation simultaneously.

18.4 Multiple Series Aggregation—Two limb voting

- (a) In relation to a proposal that includes a Reserved Matter, any modification to the terms and conditions of, or any action with respect to, two or more series of Debt Securities Capable of Aggregation may be made or taken if approved by a Multiple Series Two Limb Extraordinary Resolution or by a Multiple Series Two Limb Written Resolution as set out below.
- (b) A “**Multiple Series Two Limb Extraordinary Resolution**” means a resolution considered at separate meetings of the holders of each affected series of Debt Securities Capable of Aggregation, duly convened and held in accordance with the procedures prescribed by the Issuer pursuant to Condition 18.1 (*Convening Meetings of Noteholders; Conduct of Meetings of Noteholders; Written Resolutions*), as supplemented if necessary, which is passed by a majority of:
 - (i) at least 66⅔ per cent. of the aggregate principal amount of the outstanding debt securities of affected series of Debt Securities Capable of Aggregation (taken in aggregate); and
 - (ii) more than 50 per cent. of the aggregate principal amount of the outstanding debt securities in each affected series of Debt Securities Capable of Aggregation (taken individually).
- (c) A “**Multiple Series Two Limb Written Resolution**” means each resolution in writing (with a separate resolution in writing or multiple separate resolutions in writing distributed to the holders of each affected series of Debt Securities Capable of Aggregation, in accordance with the applicable bond documentation) which, when taken together, has been signed or confirmed in writing by or on behalf of the holders of:
 - (i) at least 66⅔ per cent. of the aggregate principal amount of the outstanding debt securities of all the affected series of Debt Securities Capable of Aggregation (taken in aggregate); and
 - (ii) more than 50 per cent. of the aggregate principal amount of the outstanding debt securities in each affected series of Debt Securities Capable of Aggregation (taken individually).

- (d) Any Multiple Series Two Limb Written Resolution may be contained in one document or several documents in substantially the same form, each signed or confirmed in writing by or on behalf of one or more Noteholders or one or more holders of each affected series of Debt Securities Capable of Aggregation.
- (e) Any Multiple Series Two Limb Extraordinary Resolution duly passed or Multiple Series Two Limb Written Resolution approved shall be binding on all Noteholders and holders of each other affected series of Debt Securities Capable of Aggregation, whether or not they attended any meeting, whether or not they voted in favour thereof, whether or not any other holder or holders of the same series voted in favour thereof and whether or not they signed or confirmed in writing any such Multiple Series Two Limb Written Resolution, as the case may be, and on all Couponholders and couponholders of each other affected series of Debt Securities Capable of Aggregation.
- (f) Any modification or action proposed under paragraph (a) above may be made in respect of some series only of the Debt Securities Capable of Aggregation and, for the avoidance of doubt, the provisions described in this Condition 18.4 may be used for different groups of two or more series of Debt Securities Capable of Aggregation simultaneously.

18.5 Reserved Matters

In these Conditions, “**Reserved Matter**” means any proposal:

- (a) to change the date, or the method of determining the date, for payment of principal, interest or any other amount in respect of the Notes, to reduce or cancel the amount of principal, interest or any other amount payable on any date in respect of the Notes or to change the method of calculating the amount of principal, interest or any other amount payable in respect of the Notes on any date;
- (b) to change the currency in which any amount due in respect of the Notes is payable or the place in which any payment is to be made;
- (c) to change the majority required to pass an Extraordinary Resolution, a Written Resolution, an Electronic Consent or any other resolution of Noteholders or the number or percentage of votes required to be cast, or the number or percentage of Notes required to be held, in connection with the taking of any decision or action by or on behalf of the Noteholders or any of them;
- (d) to change this definition, or the definition of “Extraordinary Resolution”, “Single Series Extraordinary Resolution”, “Multiple Series Single Limb Extraordinary Resolution”, “Multiple Series Two Limb Extraordinary Resolution”, “Written Resolution”, “Single Series Written Resolution”, “Multiple Series Single Limb Written Resolution” or “Multiple Series Two Limb Written Resolution”;
- (e) to change the definition of “debt securities” or “Debt Securities Capable of Aggregation”;
- (f) to change the definition of “Uniformly Applicable”;
- (g) to change the definition of “outstanding” or to modify the provisions of Condition 18.9 (*Notes controlled by the Issuer*);
- (h) to change the legal ranking of the Notes;
- (i) to change any provision of the Notes describing circumstances in which Notes may be declared due and payable prior to their scheduled maturity date, set out in Condition 14 (*Events of Default*);

- (j) to change the law governing the Notes, the courts to the jurisdiction of which the Issuer has submitted in the Notes, any of the arrangements specified in the Notes to enable proceedings to be taken or the Issuer's waiver of immunity, in respect of actions or proceedings brought by any Noteholder, set out in Condition 23 (*Governing Law and Jurisdiction*);
- (k) to impose any condition on or otherwise change the Issuer's obligation to make payments of principal, interest or any other amount in respect of the Notes, including by way of the addition of a call option;
- (l) to modify the provisions of this Condition 18.5;
- (m) except as permitted by any related guarantee or security agreement, to release any agreement guaranteeing or securing payments under the Notes or to change the terms of any such guarantee or security;
- (n) to exchange or substitute all the Notes for, or convert all the Notes into, other obligations or securities of the Issuer or any other person, or to modify any provision of these Conditions in connection with any exchange or substitution of the Notes for, or the conversion of the Notes into, any other obligations or securities of the Issuer or any other person, which would result in the Conditions as so modified being less favourable to the Noteholders which are subject to the Conditions as so modified than:
 - (i) the provisions of the other obligations or debt securities of the Issuer or any other person resulting from the relevant exchange or substitution or conversion; or
 - (ii) if more than one series of other obligations or debt securities results from the relevant exchange or substitution or conversion, the provisions of the resulting series of debt securities having the largest aggregate principal amount; or
- (o) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes and the Deed of Covenant.

18.6 Information

Prior to or on the date that the Issuer proposes any Extraordinary Resolution, Written Resolution or Electronic Consent pursuant to Condition 18.2 (*Modification of this Series of Notes only*), Condition 18.3 (*Multiple Series Aggregation—Single limb voting*), or Condition 18.4 (*Multiple Series Aggregation—Two limb voting*), the Issuer shall publish in accordance with Condition 19.8 (*Manner of Publication*) (with a copy to the Fiscal Agent) the following information:

- (a) a description of the Issuer's economic and financial circumstances which are, in the Issuer's opinion, relevant to the request for any potential modification or action and a description of the Issuer's existing debts;
- (b) if the Issuer shall at the time have entered into an arrangement for financial assistance with multilateral and/or other major creditors or creditor groups and/or an agreement with any such creditors regarding debt relief, a description of any such arrangement or agreement and where permitted under the information disclosure policies of the multilateral or such other creditors, as applicable, copies of the arrangement or agreement shall be provided;
- (c) a description of the Issuer's proposed treatment of external debt securities that fall outside the scope of any multiple series aggregation and its intentions with respect to any other debt securities and its other major creditor groups; and

- (d) if any proposed modification or action contemplates debt securities being aggregated in more than one group of debt securities, a description of the proposed treatment of each such group, as required for a notice convening a meeting of the Noteholders in paragraph (d)(vii) of Condition 18.1 (*Convening Meetings of Noteholders; Conduct of Meetings of Noteholders; Written Resolutions*).

18.7 **Claims Valuation**

For the purpose of calculating the par value of the Notes and any affected series of debt securities which are to be aggregated with the Notes in accordance with Condition 18.3 (*Multiple Series Aggregation—Single limb voting*) and Condition 18.4 (*Multiple Series Aggregation—Two limb voting*), the Issuer may appoint a Calculation Agent. The Issuer shall, with the approval of the Aggregation Agent and any appointed Calculation Agent, promulgate the methodology in accordance with which the par value of the Notes and such affected series of debt securities will be calculated. In any such case where a Calculation Agent is appointed, the same person will be appointed as the Calculation Agent for the Notes and each other affected series of debt securities for these purposes, and the same methodology will be promulgated for each affected series of debt securities.

18.8 **Manifest error, etc.**

The Notes, these Conditions and the provisions of the Agency Agreement may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature or it is not materially prejudicial to the interests of the Noteholders.

18.9 **Notes controlled by the Issuer**

For the purposes of: (i) determining the right to attend and vote at any meeting of Noteholders, or the right to sign or confirm in writing, or authorise the signature of, any Written Resolution; (ii) Condition 18 (*Meetings of Noteholders; Written Resolutions; Electronic Consents*); and (iii) Condition 14 (*Events of Default*), any Notes which are for the time being held by, or on behalf of, any Person (including but not limited to the Issuer) for the benefit of the Issuer or any public sector instrumentality of the Kingdom of Saudi Arabia, in each case as beneficial owner, shall be disregarded and be deemed not to remain outstanding.

A Note will also be deemed to be not outstanding if the Note has previously been cancelled or delivered for cancellation or held for reissuance but not reissued, or, where relevant, the Note has previously been called for redemption in accordance with its terms or previously become due and payable at maturity or otherwise and the Issuer has previously satisfied its obligations to make all payments due in respect of the Note in accordance with its terms.

In advance of any meeting of Noteholders, or in connection with any Written Resolution or Electronic Consent, the Issuer shall provide to the Fiscal Agent a copy of the certificate prepared pursuant to Condition 19.5 (*Certificate*), which includes information on the total number of Notes which are for the time being held by, or on behalf of, any Person (including but not limited to the Issuer) for the benefit of the Issuer or any public sector instrumentality of the Kingdom of Saudi Arabia, in each case as beneficial owner, and, as such, such Notes shall be disregarded and deemed not to remain outstanding for the purposes of ascertaining the right to attend and vote at any meeting of Noteholders or the right to sign, or authorise the signature of, any Written Resolution or vote in respect of any Electronic Consent. The Fiscal Agent shall make any such certificate available for inspection during normal business hours at its Specified Office and, upon reasonable request, will allow copies of such certificate to be taken.

18.10 Publication

The Issuer shall publish all Extraordinary Resolutions, Written Resolutions and Electronic Consents which have been determined by the Aggregation Agent to have been duly passed in accordance with Condition 19.8 (*Manner of Publication*).

18.11 Exchange and Conversion

Any Extraordinary Resolutions, Written Resolutions or Electronic Consents which have been duly passed and which modify any provision of, or action in respect of, the Conditions may be implemented at the Issuer's option by way of a mandatory exchange or conversion of the Notes and each other affected series of debt securities, as the case may be, into new debt securities containing the modified terms and conditions if the proposed mandatory exchange or conversion of the Notes is notified to Noteholders at the time notification is given to the Noteholders as to the proposed modification or action. Any such exchange or conversion shall be binding on all Noteholders and Couponholders.

18.12 Written Resolutions and Electronic Consents

A Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as any Notes are in the form of a Global Note or Global Certificate held on behalf of one or more of Euroclear, Clearstream, Luxembourg, DTC or any other clearing system (the "**relevant clearing system(s)**"), then the approval of a resolution proposed by the Issuer given by way of electronic consent communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures:

- (a) by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders; or
- (b) (where such holders have been given at least 21 days' notice of such resolution) by or on behalf of:
 - (i) in respect of a proposal pursuant to Condition 18.2 (*Modification of this Series of Notes only*), the persons holding at least 75 per cent. of the aggregate principal amount of the outstanding Notes in the case of a Reserved Matter or more than 50 per cent. of the aggregate principal amount of the outstanding Notes, in the case of a matter other than a Reserved Matter;
 - (ii) in respect of a proposal Condition 18.3 (*Multiple Series Aggregation—Single limb voting*), the persons holding at least 75 per cent. of the aggregate principal amount of the outstanding debt securities of all affected series of Debt Securities Capable of Aggregation (taken in aggregate); or
 - (iii) in respect of a proposal pursuant to Condition 18.4 (*Multiple Series Aggregation—Two limb voting*), (x) the persons holding at least 66 $\frac{2}{3}$ per cent. of the aggregate principal amount of the outstanding debt securities of all affected series of Debt Securities Capable of Aggregation (taken in aggregate); and (y) the persons holding more than 50 per cent. of the aggregate principal amount of the outstanding debt securities in each affected series of Debt Securities Capable of Aggregation (taken individually),

(in the case of (i), (ii) and (iii), each an "**Electronic Consent**") shall, for all purposes (including Reserved Matters) take effect as (A) a Single Series Extraordinary Resolution (in the case of (i) above), (B) a Multiple Series Single Limb Extraordinary

Resolution (in the case of (ii) above) or (C) a Multiple Series Two Limb Extraordinary Resolution (in the case of (iii) above), as applicable.

The notice given to Noteholders shall specify, in sufficient detail to enable Noteholders (in the case of a proposal pursuant to Condition 18.2 (*Modification of this Series of Notes only*) or holders of each affected Series of Debt Securities capable of Aggregation (in the case of a proposal pursuant to Condition 18.3 (*Multiple Series Aggregation—Single Limb Voting*) or Condition 18.4 (*Multiple Series Aggregation—Two Limb Voting*) to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Consent Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

If, on the Relevant Consent Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the required proportion for approval, the resolution shall, if the party proposing such resolution (the “**Proposer**”) so determines, be deemed to be defeated. Alternatively, the Proposer may give a further notice to Noteholders (in the case of a proposal pursuant to Condition 18.2 (*Modification of this Series of Notes only*) or holders of each affected Series of Debt Securities capable of Aggregation (in the case of a proposal pursuant to Condition 18.3 (*Multiple Series Aggregation—Single Limb Voting*) or Condition 18.4 (*Multiple Series Aggregation—Two Limb Voting*) that the resolution will be proposed again on such date and for such period as shall be agreed with the Issuer (unless the Issuer is the Proposer). Such notice must inform Noteholders (in the case of a proposal pursuant to Condition 18.2 (*Modification of this Series of Notes only*) or holders of each affected Series of Debt Securities capable of Aggregation (in the case of a proposal pursuant to Condition 18.3 (*Multiple Series Aggregation—Single Limb Voting*) or Condition 18.4 (*Multiple Series Aggregation—Two Limb Voting*) that insufficient consents were received in relation to the original resolution and the information specified in the previous paragraph. For the purpose of such further notice, references to Relevant Consent Date shall be construed accordingly.

An Electronic Consent may only be used in relation to a resolution proposed by the Issuer which is not then the subject of a meeting that has been validly convened above, unless that meeting is or shall be cancelled or dissolved.

Where Electronic Consent has not been sought, for the purposes of determining whether a Written Resolution has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the relevant clearing system(s) with entitlements to any Global Note or Global Certificate and/or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the relevant clearing system(s) and, in the case of (b) above, the relevant clearing system(s) and the accountholder identified by the relevant clearing system(s). Any such certificate or other document (i) shall be conclusive and binding for all purposes and (ii) may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

All information to be provided pursuant to paragraph (d) of Condition 18.1 (*Convening Meetings of Noteholders; Conduct of Meetings of Noteholders; Written Resolutions*) shall also be provided, *mutatis mutandis*, in respect of Written Resolutions and Electronic Consents.

A Written Resolution and/or Electronic Consent (i) shall take effect as an Extraordinary Resolution and (ii) will be binding on all Noteholders and Couponholders, whether or not they participated in such Written Resolution and/or Electronic Consent, even if the relevant consent or instruction proves to be defective.

19. AGGREGATION AGENT; AGGREGATION PROCEDURES

19.1 Appointment

The Issuer will appoint an Aggregation Agent to calculate whether a proposed modification or action has been approved by the required principal amount outstanding of Notes and, in the case of a multiple series aggregation, by the required principal amount of outstanding debt securities of each affected series of debt securities. In the case of a multiple series aggregation, the same person will be appointed as the Aggregation Agent for the proposed modification of any provision of, or any action in respect of, these Conditions or the Agency Agreement in respect of the Notes and in respect of the terms and conditions or bond documentation in respect of each other affected series of debt securities. The Aggregation Agent shall be independent of the Issuer.

19.2 Extraordinary Resolutions

If an Extraordinary Resolution has been proposed at a duly convened meeting of Noteholders to modify any provision of, or action in respect of, these Conditions and other affected series of debt securities, as the case may be, the Aggregation Agent will, as soon as practicable after the time the vote is cast, calculate whether holders of a sufficient portion of the aggregate principal amount of the outstanding Notes and, where relevant, each other affected series of debt securities, have voted in favour of the Extraordinary Resolution such that the Extraordinary Resolution is passed. If so, the Aggregation Agent will determine that the Extraordinary Resolution has been duly passed.

19.3 Written Resolutions

If a Written Resolution has been proposed under the Conditions to modify any provision of, or action in respect of, these Conditions and the terms and conditions of other affected series of debt securities, as the case may be, the Aggregation Agent will, as soon as reasonably practicable after the relevant Written Resolution has been signed or confirmed in writing, calculate whether holders of a sufficient portion of the aggregate principal amount of the outstanding Notes and, where relevant, each other affected series of debt securities, have signed or confirmed in writing in favour of the Written Resolution such that the Written Resolution is passed. If so, the Aggregation Agent will determine that the Written Resolution has been duly passed.

19.4 Electronic Consents

If approval of a resolution proposed under the terms of these Conditions to modify any provision of, or action in respect of, these Conditions and the terms and conditions of other affected series of debt securities, as the case may be, is proposed to be given by way of Electronic Consent, the Aggregation Agent will, as soon as reasonably practicable after the relevant Electronic Consent has been given, calculate whether holders of a sufficient portion of the aggregate principal amount of the outstanding Notes and, where relevant, each other affected series of debt securities, have consented to the resolution by way of Electronic Consent such that the resolution is approved. If so, the Aggregation Agent will determine that the resolution has been duly approved.

19.5 **Certificate**

For the purposes of Condition 19.2 (*Extraordinary Resolutions*) and Condition 19.3 (*Written Resolutions*) and Condition 19.4 (*Electronic Consents*), the Issuer will provide a certificate to the Aggregation Agent up to three days prior to, and in any case no later than, with respect to an Extraordinary Resolution, the date of the meeting referred to in Condition 18.2 (*Modification of this Series of Notes only*), Condition 18.3 (*Multiple Series Aggregation—Single limb voting*), or Condition 18.4 (*Multiple Series Aggregation—Two limb voting*), as applicable, and, with respect to a Written Resolution, the date arranged for the signing of the Written Resolution and, with respect to an Electronic Consent, the date arranged for voting on the Electronic Consent.

The certificate shall:

- (a) list the total principal amount of Notes and, in the case of a multiple series aggregation, the total principal amount of each other affected series of debt securities outstanding on the record date; and
- (b) clearly indicate the Notes and, in the case of a multiple series aggregation, debt securities of each other affected series of debt securities which shall be disregarded and deemed not to remain outstanding as a consequence of Condition 18.9 (*Notes controlled by the Issuer*) on the record date identifying the Noteholders and, in the case of a multiple series aggregation, debt securities of each other affected series of debt securities.

The Aggregation Agent may rely upon the terms of any certificate, notice, communication or other document believed by it to be genuine.

19.6 **Notification**

The Aggregation Agent will cause each determination made by it for the purposes of this Condition 19 to be notified to the Fiscal Agent and the Issuer as soon as practicable after such determination. Notice thereof shall also promptly be given to the Noteholders.

19.7 **Binding nature of determinations; no liability**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 19 by the Aggregation Agent and any appointed Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Fiscal Agent and the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such person will attach to the Aggregation Agent or the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

19.8 **Manner of publication**

The Issuer will publish all notices and other matters required to be published pursuant to the Agency Agreement including any matters required to be published pursuant to Condition 14 (*Events of Default*), Condition 17 (*Agents*), Condition 18 (*Meeting of Noteholders; Written Resolutions; Electronic Consents*) and this Condition 19:

- (a) through Euroclear, Clearstream, Luxembourg, DTC and/or any other clearing system in which the Notes are held;
- (b) in such other places and in such other manner as may be required by applicable law or regulation; and
- (c) in such other places and in such other manner as may be customary.

20. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the amount and the first payment of interest) so as to form a single Series with the Notes, *provided* that, unless the further notes are fungible with the Notes for U.S. federal income tax purposes, such further notes will be issued with a separate CUSIP and ISIN. The Agency Agreement contains provisions for convening a single meeting of the Noteholders of a particular Series and the holders of Notes of other Series. Notwithstanding the foregoing, in the case of Bearer Notes that are issued under the TEFRA D Rules and are initially represented by interests in a Temporary Bearer Global Note exchangeable for Permanent Bearer Global Note or Definitive Notes, consolidation of further notes to form a single Series with the Notes will occur only upon certification of non-U.S. beneficial ownership and exchange of interests in the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, and such further notes shall have a separate CUSIP and/or ISIN, as applicable while they are in Temporary Bearer Global Note form.

21. NOTICES

21.1 Notices to Noteholders while Notes are held in Global Form

So long as any Notes are evidenced by a Global Note or Global Certificate and such Global Note or Global Certificate is held by or on behalf of DTC, Euroclear or Clearstream, Luxembourg, notices to Holders may be given by delivery of such notice to the relevant clearing systems for communication by them to entitled account holders; *provided* that, so long as the Notes are listed on any stock exchange, notice will also be published or otherwise given in accordance with the rules of such stock exchange.

21.2 Notices to Holders of Individual Note Certificates

Notices to Holders of Individual Note Certificates will be deemed to be validly given if sent by first class mail (or the equivalent) or (if posted to an overseas address) by airmail to the Noteholders of those Notes at their respective addresses as recorded in the Register for those Notes, and will be deemed to have been validly given on the fourth day after the date of mailing as provided above or, if posted from a country other than that of the addressee, on the fifth day after the date of such mailing.

21.3 Notices to Holders of Definitive Notes

Notices to Holders of Definitive Notes shall be given by publication in a leading English-language daily newspaper published in London, *provided* that, so long as the Notes are listed on any stock exchange, notice will also be published or otherwise given in accordance with the rules of such stock exchange. Holders of Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Definitive Notes in bearer form in accordance with this Condition 21.

22. ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions): (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.); (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up); (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount; and (d) all amounts denominated in any other currency used in or resulting from such calculations

will be rounded to the nearest two decimal places in such currency (with 0.005 being rounded upwards).

23. GOVERNING LAW AND JURISDICTION

23.1 Governing law

The Agency Agreement, the Deed of Covenant, the Notes and the Coupons and any non-contractual obligations arising out of, or in connection with, the Agency Agreement, the Deed of Covenant, the Notes (including the remaining provisions of this Condition 23) and the Coupons, are and shall be governed by, and construed in accordance with, English law.

23.2 Agreement to arbitrate

Any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Notes and/or the Coupons (including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with them) (a “**Dispute**”) shall be referred to and finally resolved by arbitration under the Arbitration Rules of the London Court of International Arbitration (the “**LCIA**”) (the “**Rules**”), which Rules (as amended from time to time) are incorporated by reference into this Condition 23. In relation to any such arbitration:

- (a) the arbitral tribunal shall consist of three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions;
- (b) the claimant(s) and the respondent(s) shall each nominate one arbitrator within 15 days from receipt by the Registrar of the LCIA of the Response to the Request for arbitration as defined in the Rules, and the chairman of the arbitral tribunal shall be nominated by the two party-nominated arbitrators within 15 days of the last of their appointments. If the chairman of the arbitral tribunal is not so nominated, he shall be chosen by the LCIA;
- (c) the seat of arbitration shall be London, England;
- (d) the language of the arbitration shall be English;
- (e) the claimant(s) and the respondent(s) undertake to waive any right of application to determine a preliminary point of law under section 45 of the Arbitration Act 1996 of the United Kingdom; and
- (f) without prejudice to the powers of the arbitrators provided under the Rules, statute or otherwise, the arbitrators shall have the power at any time, following the written request (with reasons) of any party at any time, and after due consideration of any written and/or oral response(s) to such request made within such time periods as the arbitral tribunal shall determine, to make an award in favour of the claimant(s) (or the respondent(s) if a counterclaim) in respect of any claims (or counterclaims), if it appears to the arbitral tribunal that there is no reasonably arguable defence to those claims (or counterclaims), either at all or except as to the amount of any damages or other sum to be awarded.

23.3 Waiver of immunity

The Kingdom of Saudi Arabia hereby waives irrevocably, to the fullest extent permitted by law:

- (a) any immunity from suit, attachment or execution to which it might otherwise be entitled by virtue of its sovereign status under the State Immunity Act 1978 of the

United Kingdom or otherwise in any Dispute which may be instituted pursuant to Condition 23.2 (*Agreement to arbitrate*) in any arbitration having its seat in London, England; and

- (b) any immunity from attachment or execution to which it might otherwise be entitled by virtue of its sovereign status in any other jurisdiction in an action to enforce an arbitral award properly obtained in England and Wales as referred to in paragraph (a) above.

Notwithstanding anything to the contrary in the Conditions, such waiver of immunity shall not be deemed or interpreted to include any waiver of immunity in respect of (i) present or future “premises of the mission” as defined in the Vienna Convention on Diplomatic Relations signed in 1961; (ii) “consular premises” as defined in the Vienna Convention on Consular Relations signed in 1963; (iii) any other property or assets used solely or mainly for governmental or public purposes in the Kingdom of Saudi Arabia or elsewhere; (iv) military property or military assets or property or assets of the Kingdom of Saudi Arabia related thereto; (v) rights or immunities or property held by individuals or by entities, agencies, or instrumentalities distinct from the Kingdom of Saudi Arabia itself (regardless of their relationship to the Kingdom of Saudi Arabia); or (vi) other procedural or substantive rights enjoyed by the Kingdom of Saudi Arabia by virtue of its sovereign status besides immunity from suit, attachment, and execution. Without prejudice to the generality of the above, none of the provisions of this Condition 23.3 (*Waiver of Immunity*) shall apply to actions brought under the United States federal securities law or any securities laws of any state thereof.

24. RIGHTS OF THIRD PARTIES

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any remedy or right of any person which exists or is available apart from that Act.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme. The text referring to the Prospectus Directive only relates to the Notes in respect of which a prospectus is required to be prepared under the Prospectus Directive and should otherwise be disregarded.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the Insurance Mediation Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]¹

EITHER

[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)/MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

OR

[MIFID II PRODUCT GOVERNANCE/RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)/MiFID II]; **EITHER** [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR** [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate – investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target

¹ Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].].

[Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the SFA) – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the CMP Regulations 2018), the Issuer has determined the classification of the Notes to be capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in the Singapore Monetary Authority (the MAS) Notice SFA 04-N12: Notice on the Sale of Investment Products and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]²

Final Terms dated [●]

THE KINGDOM OF SAUDI ARABIA

Legal Entity Identifier (LEI): 635400FMICXSM3SI3H65

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the
Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 1 July 2019[and the supplement[s] to the Base Prospectus dated [insert date of supplements]] [which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of Directive 2003/71/EC, as amended or superseded (the “**Prospectus Directive**”).]

[This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented].]

[Terms used herein shall be deemed to be defined as such for the purposes of the [2016 Terms and Conditions]/[2017 Terms and Conditions]/[2018 Terms and Conditions], which are incorporated by reference in the Base Prospectus dated 1 July 2019 (and as defined therein).]

[This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 1 July 2019 [and the supplements] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the “**Base Prospectus**”), including the [2016 Terms and Conditions]/[2017 Terms and Conditions]/[2018 Terms and Conditions], which are incorporated by reference in the Base Prospectus (and as defined therein). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus.]

² Legend to be included on front of the Final Terms if the Notes (i) are being sold into Singapore; (ii) do not constitute prescribed capital markets products as defined under the CMP Regulations 2018.

The Base Prospectus [as so supplemented] is available for viewing [in accordance with Article 14 of the Prospectus Directive] on the website of the on the website of the London Stock Exchange through a regulatory information service and during normal business hours at the office of the Fiscal Agent at 8 Canada Square, London E14 5HQ, United Kingdom.

1. (i) Series Number: [●]]
- (ii) Tranche Number: [●]]
- (iii) Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated and form a single series with the existing tranche(s) of the Series on [the Issue Date]/[Insert date].]

2. Specified Currency or Currencies: [●]]

3. Aggregate Nominal Amount:
- (i) Series: [●]]
- (ii) Tranche: [●]]

4. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
- (i) Specified Denominations: [●]
- (ii) Calculation Amount: [●]

5. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [●]/[Issue Date]/[Not Applicable]

6. Maturity Date: [●]

7. Interest Basis: [[●] per cent. Fixed Rate]
- [[●] +/- [●] per cent. Floating Rate]
- [Zero Coupon]

8. Redemption/Payment Basis: [[*For Fixed Rate Notes and Floating Rate Notes*]
- Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.]/[[*For Zero Coupon Notes*] [●]]

9. Change of Interest or Redemption/ Payment Basis: [Applicable]/[Not Applicable]

10. Put/Call Options: [Investor Put]
- [Issuer Call]
- [Not Applicable]

11. [Date approval for issuance of Notes [●]]
obtained:

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

12. **Fixed Rate Note Provisions** [Applicable]/[Not Applicable]
- (i) Rate[(s)] of Interest: [●] per cent. *per annum* [payable [annually]/[semi-annually]/[quarterly]/[monthly] in arrear]
- (ii) Interest Payment Date(s): [●][[, [●], [●]] and [●] in each year]
- (iii) [First Interest Payment Date: [Issue Date]/[●]]
- (iv) Fixed Amount[(s)] for Notes in definitive form (and in relation to Notes in global form see Conditions): [●] per Calculation Amount
- (v) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[●] per Calculation Amount, payable on the Interest Payment Date falling [in]/[on] [●]/[Not Applicable]
- (vi) Day Count Fraction: [360/360]/[Actual/Actual (ICMA)]
- (vii) [Determination Dates [●] in each year]/[Not Applicable]
13. **Floating Rate Note Provisions** [Applicable]/[Not Applicable]
- (i) Interest Period(s): [●]
- (ii) Specified Period: [●]
- (iii) Specified Interest Payment Dates: [●]
- (iv) [First Interest Payment Date: [Issue Date]/[●]]
- (v) Business Day Convention: [Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment]
- (vi) Additional Business Centre(s): [●]/[Not Applicable]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination]/[ISDA Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Fiscal Agent): [[●] shall be the Calculation Agent]

- (ix) Screen Rate Determination:
 - Reference Rate: [LIBOR]/[EURIBOR]
 - Interest Determination Date(s): [●]
 - Relevant Screen Page: [●]
 - Relevant Time: [●]
 - Relevant Financial Centre: [●]
- (x) ISDA Determination:
 - Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
- (xi) Margin(s): [+/-] [●] per cent. per annum
- (xii) Minimum Rate of Interest: [●] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ISDA)]
 [Actual/365 (Fixed)]
 [Actual/365]
 [Actual/360]
 [30/360] [30E/360]
 [30E/360 (ISDA)]
- 14. **Zero Coupon Note Provisions** [Applicable]/[Not Applicable]
 - (i) Accrual Yield: [●] per cent. per annum
 - (ii) Reference Price: [●]
 - (iii) Day Count Fraction in relation to Early Redemption Amount: [Actual/365]
 [Actual/360]
 [30/360] [30E/360]

PROVISIONS RELATING TO REDEMPTION

- 15. **Call Option** [Applicable]/[Not Applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

(this paragraph and sub-paragraphs may be repeated for issues with more than one call option)

(i) Optional Redemption Date(s): [●]/[Any date from and including [●] to but excluding [●]]

(ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount

(iii) If redeemable in part: [Applicable]/[Not Applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

(a) Minimum Redemption Amount: [●] per Calculation Amount

(b) Maximum Redemption Amount: [●] per Calculation Amount

16. Put Option

[Applicable]/[Not Applicable]

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount

17. Final Redemption Amount of each Note

[100 per cent. of their nominal amount]/[●] per Calculation Amount

18. Early Redemption Amount of each Note payable on an event of default

[100 per cent. of their nominal amount]/[●] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

19. Form of Notes:

[Bearer Notes:]

[Temporary Bearer Global Note exchangeable for a

Permanent Bearer Global Note which is exchangeable for Definitive Notes [on [●] days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Bearer Global Note]]

[Temporary Bearer Global Note exchangeable

for Definitive Notes on [●] days' notice]

[Permanent Bearer Global Note exchangeable for Definitive Notes [on [●] days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Bearer Global Note]]

[Registered Notes:] [Individual Note Certificates]

[Unrestricted Global Certificate exchangeable for unrestricted Individual Note Certificates [on [●] days' notice]/[at any time]/[in the limited circumstances described in the Unrestricted Global Certificate]]

[Restricted Global Certificate exchangeable for Restricted Individual Note Certificates [on [●] days' notice]/[at any time]/[in the limited circumstances described in the Restricted Global Certificate]]

[Unrestricted Global Certificate registered in the name of a nominee for [DTC]/[a common depository for Euroclear and Clearstream, Luxembourg]

[Restricted Global Certificate registered in the name of a nominee for [DTC]]

20. Additional Financial Centre(s): [●]/[Not Applicable]

21. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes]/[No]

Signed on behalf of

THE KINGDOM OF SAUDI ARABIA
acting through THE MINISTRY OF FINANCE

By:
Duly Authorised

PART B—OTHER INFORMATION

1. LISTING

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Regulated Market of the London Stock Exchange and to be listed on the Official List of the FCA] with effect from [●].]/[Not applicable.]
- (ii) Estimate of total expenses related to admission to trading: [●]

2. [RATINGS]

Ratings:

The Notes to be issued have been rated:

[Moody's: [●]]

[Fitch: [●]]

[[Other]: [●]]

Option 1 – CRA established in the EEA and registered under the CRA Regulation

[●] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”). [●] appears on the latest update of the list of registered credit rating agencies (as of [insert date of most recent list]) on the ESMA website:

<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>

Option 2 – CRA not established in the EEA but relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation

[●] is not established in the EEA but the rating it has given to the Notes is endorsed by [●], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”). [Insert legal name of particular credit rating agency entity providing rating] appears on the latest update of the list of registered credit rating agencies (as of [insert date of most recent list]) on the ESMA website:

<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>

Option 3 – CRA is not established in the EEA and relevant rating is not endorsed under the CRA Regulation but CRA is certified under the CRA Regulation

[●] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”).

Option 4 – CRA neither established in the EEA nor certified under the CRA Regulation and relevant rating is not endorsed under the CRA Regulation

[●] is not established in the EEA and is not certified under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation.

In general, European regulated investors are restricted from using a rating for regulator purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

Option 5 – Not Applicable

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no Person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business for which they may receive fees.]

4. [YIELD]

Indication of yield: [●][Not Applicable]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

(N.B. Fixed Rate Notes only)

5. U.S. SELLING RESTRICTIONS

[TEFRA C]/[TEFRA D]/[TEFRA rules not applicable]

6. OPERATIONAL INFORMATION

CUSIP: [●] [Not Applicable]

ISIN: [●]

Common Code: [●]

CFI: [●] [Not Applicable]

FISN: [●] [Not Applicable]

(If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable")

Any clearing system(s) other than DTC, Euroclear and Clearstream, Luxembourg and the relevant addresses and identification numbers): [Not Applicable/give name(s), address(es) and number(s)]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [●]

Name and address of Calculation Agent (if any), if different from Fiscal Agent: [●]

7. DISTRIBUTION

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated, names of Managers: [Not Applicable/●]

(iii) Date of Subscription Agreement: [●]

(iv) Stabilisation Manager(s) (if any): [Not Applicable/●]

(v) If non-syndicated, name of relevant Dealer: [Not Applicable/●]

(vi) U.S. Selling Restrictions: [Reg. S Compliance Category 2]; [Rule

144A]; [TEFRA C/TEFRA D/TEFRA not applicable]

- (vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

8. THIRD PARTY INFORMATION

[[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading]/[Not Applicable]

9. RELEVANT BENCHMARK

[[●] is provided by [●]. As at the date hereof, [●] [[appears]/[does not appear]] in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Regulation (EU) No. 2016/1011 (the “**Benchmarks Regulation**”).] [[As far as the Issuer is aware, as at the date hereof, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that [●] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence)] OR [[●] does not fall within the scope of the Benchmarks Regulation]]/[Not Applicable]

RECENT DEVELOPMENTS

The following developments have taken place since 9 January 2019, the date of the January 2019 Supplement (*where applicable, the page(s) on which the primary original disclosure in respect of the relevant item appeared in the Incorporated Base Prospectus has been indicated in brackets*):

Recent Developments to “Overview of Saudi Arabia–Legal and Judicial System” (The following language hereby replaces the last paragraph of the section entitled “*Overview of Saudi Arabia–Legal and Judicial System*” starting on page 97 of the Incorporated Base Prospectus)

On 4 November 2017, the Supreme Anti-Corruption Committee was formed by Royal Order No. (A/38) to investigate certain corruption allegations. On 9 November 2017, the Attorney General, as a member of the Supreme Anti-Corruption Committee, announced that 208 individuals had been called in for questioning and that the Committee suspected that an estimated U.S.\$100 billion had been misused through systematic corruption and embezzlement over several decades. On 30 January 2019, the Supreme Anti-Corruption Committee announced that it had concluded its tasks and indicated that 381 individuals had been summoned in connection with the investigation, some of whom were summoned only to testify. A comprehensive review of each detainee’s case was conducted under the supervision of the public prosecutor. After the due processing of each case, the detainees that were not indicted on charges related to corruption were released. Settlements were reached with 87 individuals after their confession to the charges against them and their subsequent agreement to settlements. The public prosecutor refused to settle the cases of 56 individuals due to existing criminal charges against them. Finally, eight individuals refused to settle despite the existence of evidence against them and they were referred to the public prosecutor for further due process in accordance with relevant laws. As a result of the aforementioned measures, it is estimated that more than SAR 400 billion (U.S.\$106.7 billion) was retrieved for the state treasury in the form of real estate, commercial entities, cash and other assets.

Recent Developments to “Overview of Saudi Arabia–Strategy of Saudi Arabia—Implementation of Vision 2030” (The following language is hereby included at the end of the section entitled “*Overview of Saudi Arabia–Strategy of Saudi Arabia—Implementation of Vision 2030*” starting on page 110 of the Incorporated Base Prospectus)

The delivery plan for the National Industrial Development and Logistics Programme (the “**NIDL**P”) was approved on 15 July 2017 and the programme was officially launched on 28 January 2019. During the inauguration ceremony, 37 agreements and memorandums of understanding were signed with an estimated value of SAR 205.0 billion (U.S.\$54.7 billion), in addition to 29 other agreements being announced. These were in addition to 25 agreements signed in October 2018, with an estimated value of SAR 210.0 billion (U.S.\$56.0 billion), of which agreements with an estimated value of SAR165.0 billion (U.S.\$44.0 billion) are under the NIDL P. The NIDL P’s objective is to develop the industry, mining, energy and logistics sectors in Saudi Arabia, which in turn is expected to support job generation, increase non-oil exports, reduce imports, raise the contribution of these sectors to the Kingdom’s gross domestic product and attract foreign investments.

Recent Developments to “Economy of Saudi Arabia - Gross Domestic Product” (The following language is hereby included at the end of the section entitled “*Economy of Saudi Arabia - Gross Domestic Product*” starting on pages 123 of the Incorporated Base Prospectus)

Based on preliminary figures, Saudi Arabia’s real GDP (based on constant 2010 prices) was SAR 2,625.5 billion (U.S.\$700.1 billion) in the year ended 31 December 2018, representing an increase of 2.2 per cent. in real terms as compared to real GDP of SAR 2,568.6 billion (U.S.\$685.0 billion) in the year ended 31 December 2017. Saudi Arabia’s nominal GDP was SAR 2,934.3 billion (U.S.\$782.5 billion) in the year ended 31 December 2018, representing an increase of 13.6 per cent. in nominal terms as compared to nominal GDP of SAR 2,582.2 billion

(U.S.\$688.6 billion) in the year ended 31 December 2017. This growth was attributable to an increase in crude oil prices which contributed to the 34.7 per cent. increase in mining and quarrying compared to the previous period.

Based on preliminary figures, the non-oil sector grew by 2.1 per cent. in real terms in the year ended 31 December 2018 to reach SAR 1,476.4 billion (U.S.\$393.7 billion) and grew by 5.8 per cent. in nominal terms in the same period to reach SAR 1,928.9 billion (U.S.\$514.4 billion) compared to the same period in 2017. Within the non-oil sector, the private sector grew by 1.7 per cent. in real terms in the year ended 31 December 2018 to reach SAR 1,032.9 billion (U.S.\$275.4 billion) and grew by 3.8 per cent. in nominal terms in the same period to reach SAR 1,294.7 billion (U.S.\$345.3 billion) compared to the same period in 2017. Growth in the non-oil sector was driven by growth in both the private and the government sectors.

The following table sets forth the contribution by economic activity to Saudi Arabia's real GDP, at constant 2010 prices, for each of the years ended 31 December 2018 and 2017, respectively.

	Year ended 31 December					
	2018 ⁽¹⁾			2017		
	Amount	Contribution (%)	Growth (%)	Amount	Contribution (%)	Growth (%)
	(SAR millions, except percentages)					
Mining and quarrying.....	1,042,758	39.7	3.2	1,010,104	39.3	(3.5)
<i>Oil and gas (excluding oil refining)</i>	1,032,549	39.3	3.2	1,000,160	38.9	(3.6)
<i>Other mining and quarrying.....</i>	10,209	0.4	2.7	9,944	0.4	4.4
Government services.....	366,135	14.0	3.0	355,600	13.8	0.3
Manufacturing.....	319,550	12.2	2.4	311,982	12.2	1.3
<i>Oil refining.....</i>	95,539	3.6	(1.0)	96,533	3.8	2.0
<i>Other manufacturing.....</i>	224,011	8.5	4.0	215,449	8.4	1.0
Wholesale and retail trade, restaurants and hotels.....	231,170	8.8	0.8	229,378	8.9	0.6
Finance, insurance, real estate and business services.....	257,182	9.8	3.0	249,794	9.7	5.3
Transport, storage and communication	154,349	5.9	1.7	151,789	5.9	2.2
Construction.....	113,667	4.3	(3.1)	117,259	4.6	(3.3)
Agriculture, forestry and fishing.....	60,713	2.3	0.5	60,422	2.4	0.5
Community, social and personal services	52,057	2.0	3.4	50,323	2.0	1.4
Electricity, gas and water.....	34,611	1.3	1.4	34,132	1.3	1.3
Less imputed banking services.....	(21,217)	(0.8)	1.2	(20,963)	(0.8)	1.2
Sub-total (excluding import duties)	2,610,975	99.5	2.4	2,549,820	99.3	(0.7)
Import duties.....	14,487	0.6	(22.7)	18,749	0.7	(10.0)
Total real GDP.....	2,625,462	100.0	2.2	2,568,569	100.0	(0.7)

Real GDP by Oil and Non-Oil Sector

Oil Sector.....	1,134,604	43.2	2.9	1,103,168	43.0	(3.1)
Non-oil sector.....	1,476,371	56.2	2.1	1,446,653	56.3	1.3
<i>Private sector.....</i>	1,032,875	39.3	1.7	1,015,210	39.5	1.5
<i>Government sector.....</i>	443,496	16.9	2.8	431,442	16.8	0.7

Source: GASTAT

Notes:

(1) Preliminary figures.

The following table sets forth the contribution by economic activity to Saudi Arabia's nominal GDP for each of the years ended 31 December 2018 and 2017, respectively.

	Year ended 31 December					
	2018 ⁽¹⁾			2017		
	Amount	Contribution (%)	Growth (%)	Amount	Contribution (%)	Growth (%)
	(SAR millions, except percentages)					
Mining and quarrying.....	883,467	30.1	34.7	655,761	25.4	22.9
<i>Oil and gas (excluding oil refining)</i>	870,944	29.7	35.2	643,994	25.0	23.3
<i>Other mining and quarrying.....</i>	12,523	0.4	6.4	11,767	0.5	5.7
Government services.....	544,960	18.6	11.0	491,077	19.0	0.7
Manufacturing.....	375,870	12.8	12.9	332,901	12.9	6.6
<i>Oil refining.....</i>	107,295	3.7	28.5	83,482	3.2	27.8
<i>Other manufacturing.....</i>	268,575	9.2	7.7	249,420	9.7	1.1

	Year ended 31 December					
	2018 ⁽¹⁾			2017		
	Amount	Contribution (%)	Growth (%)	Amount	Contribution (%)	Growth (%)
	(SAR millions, except percentages)					
Wholesale and retail trade, restaurants and hotels	278,984	9.5	1.5	274,970	10.7	(0.4)
Finance, insurance, real estate and business services.....	357,736	12.2	4.4	342,668	13.3	5.5
Transport, storage and communication	171,284	5.8	3.7	165,173	6.4	2.9
Construction	150,944	5.1	(2.4)	154,592	6.0	(3.1)
Agriculture, forestry and fishing.....	65,448	2.2	0.2	65,290	2.5	0.5
Community, social and personal services	61,464	2.1	4.9	58,593	2.3	2.1
Electricity, gas and water	48,696	1.7	19.9	40,621	1.6	5.8
Less imputed banking services	(23,219)	(0.8)	1.7	(22,826)	(0.9)	1.5
Sub-total (excluding import duties)	2,915,634	99.4	13.9	2,558,820	99.1	7.0
Import duties	18,679	0.6	(20.1)	23,378	0.9	(9.6)
Total nominal GDP	2,934,313	100.0	13.6	2,582,198	100.0	6.8
Nominal GDP by Oil and Non-Oil Sector						
Oil Sector	986,711	33.6	34.2	735,302	28.5	23.5
Non-oil sector.....	1,928,923	65.7	5.8	1,823,518	70.6	1.5
<i>Private sector</i>	<i>1,294,671</i>	<i>44.1</i>	<i>3.8</i>	<i>1,247,459</i>	<i>48.3</i>	<i>1.6</i>
<i>Government sector.....</i>	<i>634,252</i>	<i>21.6</i>	<i>10.1</i>	<i>576,059</i>	<i>22.3</i>	<i>1.1</i>

Source: GASTAT

Notes:

(1) Preliminary figures.

Recent Developments to “Economy of Saudi Arabia Oil and Gas” (The following language is hereby included at the end of the section entitled “Economy – Oil and Gas” starting on page 131 of the Incorporated Base Prospectus)

According to the Ministry of Energy, Industry and Mineral Resources, and based on preliminary figures for 2018, Saudi Arabia’s proven crude oil and condensate reserves stood at 267.0 billion barrels and Saudi Arabia’s proven gas reserves stood at 320.5 trillion scf as at 31 December 2018.

Based on preliminary figures for 2018, Saudi Arabia’s total crude oil production was 3,765 million barrels in the year ended 31 December 2018, compared to 3,632 million barrels in the year ended 31 December 2017, and its daily average of crude oil production was 10.3 million bpd, compared to 10.1 million bpd in the year ended 31 December 2017, with Saudi Aramco accounting for 100 per cent. of Saudi Arabia’s total crude oil production during the period. The increase in Saudi Arabia’s total crude production during the period was largely as a result of the increase in Saudi Arabia’s crude oil supplies mid-2018 to reassure crude oil importers and to avoid a sharp rise in oil prices following the announcement by the United States of its withdrawal from the nuclear agreement with Iran, the Joint Comprehensive Plan of Action.

Based on preliminary figures for 2018, Saudi Arabia processed 12.9 billion scfd of raw natural gas and produced 8.9 billion scfd of sales gas and 993 million scfd of ethane gas in the year ended 31 December 2018, compared to 12.4 billion scfd, 8.7 billion scfd and 936.0 million scfd, respectively, in the year ended 31 December 2017.

Based on preliminary figures for 2018, Saudi Arabia’s total production of refined products decreased by 2 per cent. to 1,028 million barrels in the year ended 31 December 2018 (representing daily production of 2.8 million bpd), compared to 1,048.8 million barrels in the year ended 31 December 2017 (representing daily production of 2.9 million bpd).

Based on preliminary figures for 2018, Saudi Arabia’s crude oil exports by volume increased by 4 per cent. to 2,691 million barrels in the year ended 31 December 2018, compared to 2,591.3 million barrels in the year ended 31 December 2017, and its exports of refined products by volume increased

by 20 per cent. to 719.5 million barrels, compared to 598.9 million barrels in the year ended 31 December 2017. The majority of Saudi Arabia's exports of crude oil and refined products in the year ended 31 December 2018 were to countries in Asia and the Far East, which accounted for 68 per cent. of crude oil exports and 18 per cent. of refined products exports by volume. In the year ended 31 December 2018, countries in North America accounted for 14 per cent. of crude oil exports and 2 per cent. of refined products exports; countries in Europe accounted for 12 per cent. of crude oil exports and 21 per cent. of refined products exports; countries in the Middle East accounted for 4 per cent. of crude oil exports and 47 per cent. of refined products exports; and African countries accounted for 2 per cent. of crude oil exports and 12 per cent. of refined products exports.

During the year ended 31 December 2018, Saudi Aramco produced 13.6 million barrels per day of oil equivalent, according to Saudi Aramco data. These included 10.3 million barrels per day of crude oil (including blended condensate), 0.2 million barrels per day of unblended condensate, 1.1 million barrels per day of natural gas liquids ("NGLs"), 8.9 billion standard cubic feet per day of natural gas and 1.0 billion standard cubic feet per day of ethane.

As at 31 December 2018, according to Saudi Aramco data, the Kingdom's reserves in the fields that Saudi Aramco operates consisted of 336.2 billion barrels of oil equivalent, including 261.5 billion barrels of crude oil and condensate, 36.1 billion barrels of NGLs and 233.8 trillion standard cubic feet of natural gas.

Recent Developments to "Balance of Payments and Foreign Trade" (The following language is hereby included at the end of the section entitled "Balance of Payments and Foreign Trade" starting on page 163 of the Incorporated Base Prospectus)

The following table sets forth Saudi Arabia's balance of payments as at 31 December 2018, 2017, 2016, 2015 and 2014, respectively.

	As at 31 December				
	2018 ⁽¹⁾	2017	2016	2015	2014
	(SAR millions)				
1. Current account					
(A+B+C+D).....	271,262	39,241	(89,410)	(212,714)	276,593
A. Goods	639,388	369,229	209,115	165,995	689,981
B. Services	(256,473)	(226,663)	(198,803)	(275,858)	(330,107)
—Transport.....	(43,824)	(43,115)	(44,889)	(64,665)	(63,902)
—Travel.....	(16,163)	(20,610)	(20,858)	(34,560)	(59,548)
—Construction.....	(24,048)	(21,020)	(20,797)	(18,570)	(16,047)
—Insurance and pensions services.....	(5,816)	(5,479)	(5,079)	(6,869)	(7,061)
—Financial services	(7,475)	(3,165)	(1,245)	(2,061)	(3,735)
—Telecommunications.....	(6,740)	(9,507)	(9,287)	(9,950)	(10,392)
—Other business services	(38,793)	(35,322)	(23,498)	(20,385)	(29,521)
—Government goods and services.....	(113,635)	(88,445)	(73,151)	(118,798)	(139,901)
C. Primary income.....	28,209	40,117	58,975	64,800	61,972
—Compensation of employees.....	(2,163)	(1,838)	(2,014)	(2,560)	(2,446)
—Investment income.....	30,372	41,955	60,989	67,360	64,418
—Direct investment	(2,029)	1,260	4,111	(3,792)	(18,835)
—Portfolio investment	22,751	35,330	51,620	69,151	81,911
—Other investment	9,650	5,365	5,258	2,000	1,343
D. Secondary income	(139,862)	(143,442)	(158,698)	(167,651)	(145,252)
2. Capital account.....	(5,508)	(6,931)	(3,365)	(3,983)	(1,233)
3. Financial account					
(A+B+C+D).....	247,527	27,985	(342,584)	(274,058)	239,947
A. Direct investment.....	67,539	21,978	5,564	(10,317)	(9,809)

	As at 31 December				
	2018 ⁽¹⁾	2017	2016 (SAR millions)	2015	2014
B. Portfolio investments	24,793	(9,521)	(42,798)	40,386	100,426
C. Other investments	154,575	163,180	(3,021)	130,630	124,474
D. Reserve assets	621	(147,652)	(302,328)	(434,758)	24,857
—Monetary gold	0	0	0	0	0
—Special drawing rights	1,021	1,712	(6,166)	(278)	(2,127)
—Reserve position in the IMF	414	(1,501)	(3,953)	(3,473)	(4,651)
—Currency and deposits	40,535	(28,546)	(150,138)	61,610	(14,318)
—Securities	(41,348)	(119,317)	(142,071)	(492,616)	45,953
Net errors and omissions	(18,227)	(4,324)	(249,808)	(57,361)	(35,413)

Source: SAMA

Notes:

(1) Estimated figures.

Estimated figures for Saudi Arabia's balance of payments as at 31 December 2018 indicate that Saudi Arabia's current account recorded a surplus of SAR 271.3 billion (U.S.\$72.3 billion), compared to a surplus of SAR 39.2 billion (U.S.\$10.5 billion) as at 31 December 2017. This change was driven largely by the growth in earnings from oil exports, which was primarily attributable to the increase of oil prices in the international markets.

Based on estimated figures, Saudi Arabia's capital account recorded an outflow of SAR 5.5 billion (U.S.\$1.4 billion) as at 31 December 2018, compared to an outflow of SAR 6.9 billion (U.S.\$1.8 billion) as at 31 December 2017, which declined primarily as a result of a decrease in capital transfers.

Based on estimated figures, Saudi Arabia's financial account increased by SAR 247.5 billion (U.S.\$66.0 billion) as at 31 December 2018, compared to an increase of SAR 28.0 billion (U.S.\$7.5 billion) as at 31 December 2017, which was primarily attributable to increased inflows of reserve assets.

Recent Developments to “Monetary and Financial System” (The following language is hereby included at the end of the section entitled “*Monetary and Financial System*” starting on page 172 of the Incorporated Base Prospectus)

The following table sets forth SAMA’s balance sheet data as at 31 March 2019 and as at 31 December 2018, 2017, 2016 and 2015, respectively.

	As at 31 March	As at 31 December			
	2019 ⁽¹⁾	2018 ⁽¹⁾	2017	2016	2015
	(SAR millions)				
Assets:					
Foreign currencies and gold.....	237,778	243,450	229,189	234,506	237,213
Cash in vault.....	23,217	32,583	25,831	34,516	39,300
Deposits with banks abroad.....	392,621	405,572	377,966	401,144	552,360
Investments in foreign securities.....	1,233,863	1,204,035	1,244,669	1,365,189	1,505,023
Other assets.....	5,351	14,224	26,009	41,517	39,487
Total assets	1,892,829	1,899,864	1,903,663	2,076,871	2,373,382
Liabilities:					
Currency issued.....	237,777	243,449	229,188	234,505	237,212
Deposits and reserves of the central Government	583,230	562,367	641,377	730,580	1,023,304
Deposits of Government institutions.....	119,940	116,852	88,346	154,514	142,074
Regulatory deposits for financial institutions.....	100,444	99,943	97,534	97,839	98,117
Foreign institutions’ deposits in local currency.....	15,520	17,190	18,469	18,490	11,213
SAMA bills and repurchase agreements ⁽²⁾	79,312	116,326	138,786	164,755	182,947
Other liabilities.....	756,606	743,738	689,962	676,187	678,515
Total liabilities	1,892,829	1,899,864	1,903,663	2,076,871	2,373,382

Source: SAMA

Notes:

- (1) Preliminary Figures.
- (2) Representing monetary policy instruments.

Based on preliminary figures, the Kingdom’s commercial banks’ total assets, excluding overseas branches, reached SAR 2,364.2 billion (U.S.\$630.5 billion) as at 31 March 2019, compared to SAR 2,363.4 billion (U.S.\$630.2 billion) as at 31 December 2018 and SAR 2,305.8 billion (U.S.\$614.9 billion) as at 31 December 2017.

Inflation

The following table sets forth the consumer price index and the percentage change of consumer prices in Saudi Arabia for each of the periods indicated.

	Year ended 31 December				
	2018 ⁽²⁾	2017 ⁽²⁾	2016	2015	2014
CPI Index ⁽¹⁾	107.3	104.7	105.6	103.5	102.2
CPI Index Inflation (%).....	2.5	(0.8)	2.0	1.3	2.2

Source: GASTAT

Note:

- (1) CPI index based on 2013=100
- (2) Preliminary figures

The main contribution to the change in CPI Index December 2018 compared to its counterpart from the previous year was a 7.1 per cent. increase in prices for the food and beverages group (which accounts for 18.9 per cent. of the total CPI Index weight), as well as a 12.0 per cent. increase in prices for the transport group (which accounts for 10.0 per cent. of the total CPI Index weight), which was partially offset by a 5.1 per cent. decrease in prices for the housing, water, electricity, gas and other fuels group (which accounts for 25.4 per cent. of the total CPI Index weight).

Interest Rates

The following table sets forth the monthly average SAIBOR, repo rate and reverse repo rate as at 31 March 2019 and as at 31 December 2018, 2017, 2016 and 2015, respectively.

	As at 31 March		As at 31 December		
	2019	2018	2017	2016	2015
SAIBOR (three-month average)	2.9343	2.4510	1.8117	2.0662	0.8797
Repo rate	3.0000	3.0000	2.0000	2.0000	2.0000
Reverse repo rate	2.5000	2.5000	1.5000	0.7500	0.5000

Source: SAMA

Money Supply

The following table sets forth an analysis of Saudi Arabia's money supply as at 31 March 2019 and as at 31 December 2018, 2017, 2016 and 2015, respectively.

	As at 31 March		As at 31 December		
	2019	2018	2017	2016	2015
			(SAR millions)		
Currency outside banks.....	184,735	180,154	172,072	170,341	168,529
Demand deposits.....	1,033,380	1,037,790	1,000,105	974,094	976,231
M1 ⁽¹⁾	1,218,114	1,217,944	1,172,177	1,144,435	1,144,760
Time and savings deposits	425,532	439,023	447,827	491,595	434,501
M2 ⁽²⁾	1,643,646	1,656,967	1,620,004	1,636,030	1,579,261
Other quasi-monetary deposits.....	169,752	184,271	171,130	151,321	194,036
M3 ⁽³⁾	1,813,398	1,841,238	1,791,134	1,787,352	1,773,296

Source: SAMA

Notes:

- (1) Currency outside banks plus demand deposits.
- (2) M1 plus time and savings deposits.
- (3) M2 plus other quasi-monetary deposits.

In the year ended 31 December 2018, M1, M2 and M3 recorded growth. M3, the broadest measure for domestic liquidity in Saudi Arabia (which comprises currency outside banks and aggregate bank deposits), grew by 2.8 per cent. reaching SAR 1,841.2 billion (U.S.\$491.0 billion) as at 31 December 2018, compared to SAR 1,791.1 billion (U.S.\$477.6 billion) as at 31 December 2017. This increase was mainly attributable to an increase of 7.7 per cent. in other quasi-monetary deposits which reached SAR 184.3 billion (U.S.\$49.1 billion) as at 31 December 2018. In the three months ended 31 March 2019, M1 remained stable, while M2 and M3 declined by 0.8 per cent. and 1.5 per cent., respectively. This decrease was mainly attributable to a decline of 3.1 per cent. in time and savings deposits and a 7.9 per cent. decline in other quasi-monetary deposits.

Recent Developments to “Public Finance” (The following language is hereby included at the end of the section entitled “Public Finance” starting on page 194 of the Incorporated Base Prospectus)

First Quarter 2019 Budget Performance

The following table sets forth the actual revenues, expenditure and overall surplus/deficit of the Government for the three month periods ended 31 March 2019 and 2018.

	Three months ended 31 March	
	2019	2018
	Actual	Actual
	(SAR millions)	
Revenue:		
Oil revenues	169,087	113,947
Non-oil revenues	76,319	52,316
Total Revenues	245,406	166,263
Expenditure:		
Capital expenditures	29,167	25,959
Current expenditures	188,403	174,633
Total expenditures	217,570	200,592
Surplus/(deficit)	27,836	(34,329)

Source: Ministry of Finance

Recent Developments to “Indebtedness” (The following language is hereby included at the end of the section entitled “Indebtedness” starting on page 207 of the Incorporated Base Prospectus)

As at 31 March 2019, Saudi Arabia’s total outstanding direct indebtedness amounted to SAR 610.7 billion (U.S.\$162.8 billion), comprising SAR 328.0 billion (U.S.\$87.3 billion) of domestic indebtedness and SAR 283.1 billion (U.S.\$75.5 billion) of external indebtedness, compared to total outstanding direct indebtedness of SAR 560.0 billion (U.S.\$ 149.3 billion) as at 31 December 2018, comprising SAR 305.0 billion (U.S.\$81.3 billion) of domestic indebtedness and SAR 255.0 billion (U.S.\$68.0 billion) of external indebtedness.

The following table sets forth Saudi Arabia’s total outstanding direct indebtedness (external and domestic) as at, and for the three months ending 31 March 2019 and as at, and for the years ending 31 December 2018, 2017, 2016, 2015 and 2014, respectively.

	As at, and for the three months ended 31 March	As at, and for the year ended 31 December				
	2019	2018	2017	2016	2015	2014
	(SAR billions, except percentages)					
Borrowed during period	50.7	120.0	139.1	200.1	98.0	—
Repaid during period	0.0	3.3	12.4	25.8	—	15.9
Indebtedness outstanding at end of period	610.7	560.0	443.3	316.6	142.2	44.3
Change (%)	9.1	26.3	40.0	122.5	221.4	(26.4)
GDP at current prices	2,934.3 ⁽¹⁾	2,934.3	2,582.2	2,418.5	2,453.5	2,836.3
Ratio of public debt to nominal GDP (%)	20.8 ⁽¹⁾	19.1	17.2	13.1	5.8	1.6

Source: Ministry of Finance, GASTAT

Notes:

(1) Represents nominal GDP for the year ended 31 December 2018.

The following table sets forth Saudi Arabia's scheduled principal and interest/profit payments for the nine month period ending 31 December 2019 and each of the years ending 31 December 2020, 2021, 2022 and 2023, based on Saudi Arabia's outstanding direct indebtedness as at 31 December 2018.

	Nine months ended 31 December				
	Year ended 31 December				
	2019	2020	2021	2022	2023
	(SAR billions)				
External indebtedness:					
Scheduled principal repayments ⁽¹⁾	0	0	20.6	16.9	71.3
Scheduled interest/profit payments ⁽²⁾	10.0	10.8	10.8	10.1	8.5
Total external scheduled payments.....	10.0	10.8	31.4	27.0	79.8
Domestic indebtedness:					
Scheduled principal repayments ⁽³⁾	2.1	44.4	5.3	57.4	35.8
Scheduled interest/profit payments ⁽⁴⁾	10.0	10.3	9.4	9.2	7.5
Total domestic scheduled payments.....	12.1	54.7	14.7	66.6	43.3
Total scheduled payments.....	22.1	65.5	46.1	93.6	123.1

Source: Ministry of Finance

Notes:

- (1) External principal repayments due in 2022 comprise SAR 16.875 billion (U.S.\$4.500 billion) in respect of trust certificates issued under the Trust Certificate Issuance Programme.
- (2) The Government's external indebtedness comprises a U.S.\$16.0 billion five-year term loan facility carrying a floating interest rate, SAR 181.9 billion (U.S.\$48.5 billion) in respect of twelve series of notes issued under this Programme, in each case carrying fixed interest rates and SAR 41.25 billion (U.S.\$11.0 billion) in respect of three series of trust certificates issued under the Trust Certificate Issuance Programme, in each case carrying fixed profit rates. The projections in respect of the floating rate are estimates and actual payments may differ from the amounts shown.
- (3) The domestic bonds issued by the Government during 2015, 2016, 2017, 2018 and 2019 comprise instruments with varying tenors of five years, seven years, ten years, twelve years and fifteen years. The instruments issued in 2015, 2016, 2017, 2018 and 2019 with a five-year tenor are scheduled to mature in 2020, 2021, 2022, 2023 and 2024 respectively.
- (4) The Government's domestic indebtedness comprises both fixed rate and floating rate instruments. The projections in respect of the floating rate portion are estimates and actual payments may differ from the amounts shown.

GENERAL INFORMATION

Authorisation

The establishment of the Programme by the Issuer was authorised by a resolution of the Council of Ministers of the Kingdom of Saudi Arabia on 2 May 2016.

Listing

Application has been made to the London Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to trading on the Regulated Market of the London Stock Exchange. The admission of Notes issued under the Programme to trading on the Regulated Market of the London Stock Exchange is expected to be granted on or around 4 July 2019 for a period of 12 months from the date of approval of this Base Prospectus. Any Series of Notes intended to be admitted to trading on the Regulated Market of the London Stock Exchange will be so admitted to trading upon submission to the London Stock Exchange of the relevant Final Terms and any other information required by the London Stock Exchange. Prior to admission to trading, dealings in the Notes of the relevant Series will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day after the day of the transaction. Unlisted Notes may be issued pursuant to the Programme. The application for listing of Notes of any Series issued under the Programme relates to all Notes of that Series issued or proposed to be issued.

Litigation

The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the 12 months preceding the date of this Base Prospectus which may have or have had in the recent past a significant effect on the Issuer's financial position or which are material in the context of the issue of the Notes.

Significant Change

Save as disclosed in "*Recent Developments*" at pages 87 to 95 in this Base Prospectus and in the January 2019 Supplement, since 30 December 2018, there has been no significant adverse change in the information set out under the following headings in the Incorporated Base Prospectus: "*The Economy of Saudi Arabia*", "*Monetary and Financial System*", "*Public Finance*" and "*Balance of Payments and Foreign Trade*".

Documents on Display

Copies of the following documents in electronic form may be inspected during normal business hours at the specified offices of the Fiscal Agent for a period of 12 months from the date of this Base Prospectus:

- (a) the press release relating to the budget for the current fiscal year;
- (b) the Agency Agreement;
- (c) the Deed of Covenant; and
- (d) the Base Prospectus, the Incorporated Base Prospectus, the January 2019 Supplement and any future supplements and any Final Terms to this Base Prospectus (save that Final Terms relating to an unlisted Note will only be available for inspection by a Holder of such Note and such Holder must produce evidence satisfactory to the Fiscal Agent as to the identity of such Holder).

Clearing Systems

It is expected that the Notes will be accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records) and/or DTC. The appropriate common code and ISIN and, if applicable, the FISN and/or CFI for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the Final Terms. In addition, the Issuer

may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP number for each Tranche of such Registered Notes, together with the relevant ISIN and (if applicable) common code, will be specified in the Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer in the ordinary course of business for which they may receive fees. They have received, or may in the future receive, customary fees and commission for these transactions. Certain of the Dealers or their respective affiliates are also lenders under the U.S.\$16.0 billion term loan facility entered into by the Issuer in March 2018. The Issuer may also apply all or part of the proceeds of any of Notes issued under the Programme in repayment of all or part of any credit facilities that may have been, or may in the future be, extended to the Issuer by the Dealers or their affiliates.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity 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 the Issuer or its agencies. Certain of the Dealers or their affiliates have a lending relationship with the Issuer and/or its agencies, and of those that do, they may hedge their credit exposure to the Issuer and/or its agencies consistent with their customary risk management policies. Typically, such Dealers 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 securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers 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. For the purposes of this paragraph, the term "affiliates" shall also include parent companies.

Tax legend for Bearer Notes

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Bearer Notes in global form, the Bearer Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended.”

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