

SUPPLEMENT DATED 9 January 2019

TO THE BASE PROSPECTUS DATED 7 SEPTEMBER 2018



THE KINGDOM OF SAUDI ARABIA

acting through the Ministry of Finance

Global Medium Term Note Programme

This supplement (the **Supplement**) comprises a supplement for The Kingdom of Saudi Arabia (the **Issuer**, the **Kingdom**, **Saudi Arabia** or the **Government**) to the base prospectus dated 7 September 2018 (the **Base Prospectus**). The Base Prospectus is a base prospectus prepared in connection with the Global Medium Term Note Programme (the **Programme**) established by the Issuer and comprises a base prospectus for the purpose of Article 5.4 of the Prospectus Directive. This Supplement constitutes a supplement for the purpose of the Prospectus Directive. When used in this Supplement, **Prospectus Directive** means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**) as competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This Supplement is being prepared for the purposes of providing an update on recent developments, including certain quarterly 2018 macroeconomic data and developments, and effecting certain other amendments to the Base Prospectus. **Prospective investors should also read the detailed information set out in the Base Prospectus prior to making any investment decision and particularly the “Risk Factors” in the Base Prospectus.**

Recent Developments

The following developments have taken place since 7 September 2018, the date of the Base Prospectus (where applicable, the page(s) on which the primary original disclosure in respect of the relevant item appeared in the Base Prospectus has been indicated in brackets):

Recent Developments to “Overview of Saudi Arabia –Government and Political System –Council of Ministers (majlis al-wuzara)” (The following language is hereby included at the end of the section entitled “*Overview of Saudi Arabia –Government and Political System –Council of Ministers (majlis al-wuzara)*” starting on page 95 of the Base Prospectus)

On 27 December 2018, a Royal Order was issued to reform the Council of Ministers. As a result, the Council of Ministers now includes the following members: the Prime Minister, the Deputy Prime Minister, twenty-one ministers with portfolios and eleven state ministers.

Recent Developments to “Overview of Saudi Arabia –Government and Political System –Council for Political and Security Affairs” (The following language is hereby included at the end of the section entitled “*Overview of Saudi Arabia –Government and Political System –Council for Political and Security Affairs*” starting on page 96 of the Base Prospectus)

On 27 December 2018, a Royal Order was issued to reform the Council for Political and Security Affairs. As a result, the Council for Political and Security Affairs now includes the following members: HRH the Crown Prince (Chairman), the Minister of Interior, the Minister of Media, the Minister of Foreign Affairs, four state ministers, the Head of the Presidency of National Security, the Counsel of the National Security Center and the Chief of General Intelligence.

Recent Developments to “Overview of Saudi Arabia –Government and Political System –Council for Economic and Development Affairs” (The following language is hereby included at the end of the section entitled “*Overview of Saudi Arabia –Government and Political System –Council for Economic and Development Affairs*” starting on page 96 of the Base Prospectus)

On 27 December 2018, a Royal Order was issued to reform the Council for Economic and Development Affairs. As a result, the Council for Economic and Development Affairs now includes the following members: HRH the Crown Prince (Chairman), the Minister of Culture, the Minister of Justice, the Minister of Health, the Minister of Commerce and Investment, the Minister of Municipal and Rural Affairs, the Minister of Environment, Water & Agriculture, the Minister of Energy, Industry and Mineral Resources, the Minister of Housing, the Minister of Civil Service, the Minister of Labour and Social Development, the Minister of Hajj and Umrah, the Minister of Finance, the Minister of Economy and Planning, the Minister of Transportation, the Minister of Foreign Affairs, the Minister of Communication and Information Technology, the Minister of Media, the Minister of Education, the Head of Bureau of Experts, the Chairman of National Content Authority, the Chairman of the Saudi Commission for Tourism and National Heritage, the Secretary of the Finance Committee of the Royal Court and three state ministers.

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 Base Prospectus)

Based on preliminary figures, Saudi Arabia’s real GDP (based on constant 2010 prices) was SAR 653.7 billion (U.S.\$174.3 billion) in the three month period ended 30 September 2018, representing an increase of 2.5 per cent. in real terms as compared to real GDP of SAR 638.0 billion (U.S.\$170.1 billion) in the three month period ended 30 September 2017. Saudi Arabia’s nominal GDP was SAR 736.1 billion (U.S.\$196.3 billion) in the three month period ended 30 September 2018, representing an increase of 14.7 per cent. in nominal terms as compared to nominal GDP of SAR 641.7 billion (U.S.\$171.1 billion) in the three month period ended 30 September 2017. This growth was partly attributable to an increase in crude

oil prices as well as a 44.1 per cent. increase in mining and quarrying and a 35.6 per cent. increase in petroleum refining compared to the previous period.

Based on preliminary figures, the non-oil sector grew by 2.1 per cent. in real terms in the three month period ended 30 September 2018 to reach SAR 359.9 billion (U.S.\$96.0 billion) and grew by 4.4 per cent. in nominal terms in the same period to reach SAR 479.4 billion (U.S.\$127.8 billion) compared to the same period in 2017. Within the non-oil sector, the private sector grew by 2.0 per cent. in real terms in the three month period ended 30 September 2018 to reach SAR 261.1 billion (U.S.\$69.6 billion) and grew by 4.3 per cent. in nominal terms in the same period to reach SAR 328.0 billion (U.S.\$87.5 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 three month periods ended 30 September 2018 and 2017, respectively.

	Three months ended 30 September					
	2018 ⁽¹⁾			2017		
	Amount	Contribution (%)	Growth (%)	Amount	Contribution (%)	Growth (%)
	(SAR millions, except percentages)					
Mining and quarrying	265,919	40.7	4.2	255,225	40.0	(4.8)
<i>Oil and gas (excluding oil refining)</i>	263,346	40.3	4.2	252,666	39.6	(4.8)
<i>Other mining and quarrying</i>	2,573	0.4	0.5	2,560	0.4	4.3
Government services.....	79,445	12.2	1.6	78,176	12.3	2.4
Manufacturing	79,914	12.2	1.7	78,607	12.3	2.7
<i>Oil refining</i>	24,466	3.7	(2.1)	25,001	3.9	3.9
<i>Other manufacturing.....</i>	55,448	8.5	3.4	53,606	8.4	2.1
Wholesale and retail trade, restaurants and hotels.....	58,729	9.0	1.0	58,177	9.1	2.4
Finance, insurance, real estate and business services	62,036	9.5	3.9	59,728	9.4	4.1
Transport, storage and communication	37,302	5.7	4.9	35,576	5.6	3.5
Construction.....	28,764	4.4	(3.6)	29,844	4.7	(1.6)
Agriculture, forestry and fishing	15,214	2.3	0.1	15,193	2.4	0.4
Community, social and personal services	12,344	1.9	0.8	12,246	1.9	0.6
Electricity, gas and water	15,218	2.3	4.4	14,575	2.3	2.6
<i>Less imputed banking services.....</i>	(5,089)	0.8	2.2	(4,979)	0.8	1.1
Sub-total (excluding import duties)	649,796	99.4	2.8	632,367	99.1	(0.6)
Import duties.....	3,919	0.6	(29.9)	5,590	0.9	49.8
Total real GDP	653,714	100.0	2.47	637,957	100.0	(0.3)
Real GDP by Oil and Non-Oil Sector						
Oil Sector.....	289,875	44.3	3.7	279,680	43.8	(4.1)
Non-oil sector	359,921	55.1	2.1	352,686	55.3	2.3
<i>Private sector.....</i>	261,112	39.9	2.0	255,988	40.1	2.2
<i>Government sector.....</i>	98,809	15.1	2.2	96,699	15.2	2.7

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 three month periods ended 30 September 2018 and 2017, respectively.

	Three months ended 30 September					
	2018 ⁽¹⁾			2017		
	Amount	Contribution (%)	Growth (%)	Amount	Contribution (%)	Growth (%)
	(SAR millions, except percentages)					
Mining and quarrying	224,322	30.5	44.1	155,705	24.3	8.5
<i>Oil and gas (excluding oil refining)</i>	221,066	30.0	44.9	152,602	23.8	8.6
<i>Other mining and quarrying</i>	3,255	0.4	4.9	3,103	0.5	5.3
Government services.....	128,760	17.5	4.1	123,722	19.3	8.8
Manufacturing	94,917	12.9	14.91	82,601	12.9	6.7
<i>Oil refining</i>	27,749	3.8	35.6	20,466	3.2	23.1
<i>Other manufacturing.....</i>	67,168	9.1	8.1	62,135	9.7	2.2
Wholesale and retail trade, restaurants and hotels.....	70,593	9.6	1.6	69,474	10.8	1.0
Finance, insurance, real estate and business services	86,023	11.7	5.6	81,473	12.7	4.2
Transport, storage and communication	42,105	5.7	7.4	39,197	6.1	4.4
Construction.....	38,591	5.2	(2.8)	39,719	6.2	(1.5)
Agriculture, forestry and fishing....	16,476	2.2	0.2	16,441	2.6	0.6
Community, social and personal services	14,576	2.0	2.1	14,270	2.2	1.7
Electricity, gas and water.....	20,083	2.7	14.5	17,541	2.7	9.4
Less imputed banking services.....	(5,566)	0.8	2.6	(5,427)	0.8	1.5
Sub-total (excluding import duties)	730,880	99.3	15.2	634,715	98.9	5.7
Import duties.....	5,219	0.7	(25.2)	6,974	1.1	50.3
Total nominal GDP	736,099	100.0	14.7	641,689	100.0	6.1
Nominal GDP by Oil and Non-Oil Sector						
Oil Sector.....	251,469	34.2	43.3	175,521	27.4	10.1
Non-oil sector	479,411	65.1	4.4	459,195	71.6	4.1
<i>Private sector.....</i>	327,972	44.6	4.3	314,454	49.0	2.3
<i>Government sector.....</i>	151,439	20.6	4.6	144,740	22.6	8.3

Source: GASTAT

Notes:

(1) Preliminary figures.

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 Base Prospectus)

Saudi Arabia's balance of payments reflects the importance of its oil exports to its current account balance. Based on preliminary figures, oil exports accounted for 79.1 per cent. of Saudi Arabia's earnings from the export of goods in the nine month period ended 30 September 2018. The value of Saudi Arabia's oil exports can be volatile as they depend on prevailing oil prices. As a result of the recovery in global oil prices, the value of Saudi Arabia's oil exports increased by 40.9 per cent. in the nine month period ended 30 September 2018 compared to the same period in 2017.

The following table sets forth Saudi Arabia's balance of payments as at 30 September 2018 and as at 31 December 2017, 2016, 2015 and 2014, respectively.

	As at 30 September	As at 31 December			
	2018 ⁽¹⁾	2017	2016	2015	2014
	<i>(SAR millions)</i>				
1. Current account (A+B+C+D)	217,102	39,241	(89,410)	(212,714)	276,593
A. Goods.....	472,423	369,229	209,115	165,995	689,981
B. Services.....	(175,118)	(226,663)	(198,803)	(275,858)	(330,107)
—Transport.....	(31,716)	(43,115)	(44,889)	(64,665)	(63,902)
—Travel.....	(8,936)	(20,610)	(20,858)	(34,560)	(59,548)
—Construction.....	(15,655)	(21,020)	(20,797)	(18,570)	(16,047)
—Insurance and pensions services.....	(4,049)	(5,479)	(5,079)	(6,869)	(7,061)
—Financial services.....	(4,079)	(3,165)	(1,245)	(2,061)	(3,735)
—Telecommunications.....	(4,877)	(9,507)	(9,287)	(9,950)	(10,392)
—Other business services.....	(22,514)	(35,322)	(23,498)	(20,385)	(29,521)
—Government goods and services.....	(83,291)	(88,445)	(73,151)	(118,798)	(139,901)
C. Primary income.....	26,590	40,117	58,976	64,800	61,972
—Compensation of employees....	(1,285)	(1,838)	(2,014)	(2,560)	(2,446)
—Investment income.....	27,875	41,955	60,989	67,360	64,418
—Direct investment.....	2,505	1,260	4,111	(3,792)	(18,835)
—Portfolio investment....	18,975	35,330	51,620	69,151	81,911
—Other investment.....	6,395	5,365	5,258	2,000	1,343
D. Secondary income.....	(106,793)	(143,442)	(158,698)	(167,651)	(145,252)
2. Capital account	(3,261)	(6,931)	(3,365)	(3,983)	(1,233)
3. Financial account (A+B+C+D).....	206,120	27,985	(342,584)	(274,058)	239,947
A. Direct investment.....	53,477	21,978	5,564	(10,317)	(9,809)
B. Portfolio investments.....	(31,953)	(9,521)	(42,798)	40,386	100,426
C. Other investments.....	144,154	163,180	(3,021)	130,630	124,474
D. Reserve assets.....	40,443	(147,652)	(302,328)	(434,758)	24,857
—Monetary gold.....	0	0	0	0	0
—Special drawing rights.....	764	1,712	(6,166)	(278)	(2,127)
—Reserve position in the IMF.....	177	(1,501)	(3,953)	(3,473)	(4,651)
—Currency and deposits.....	74,391	(28,546)	(150,138)	61,610	(14,318)
—Securities.....	(34,889)	(119,317)	(142,071)	(492,616)	45,953
Net errors and omissions	(7,721)	(4,324)	(249,808)	(57,361)	(35,413)

Source: SAMA

Notes:

(1) Preliminary figures.

Preliminary figures for Saudi Arabia's balance of payments as at 30 September 2018 indicate that Saudi Arabia's current account recorded a surplus of SAR 217.1 billion (U.S.\$57.9 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 preliminary figures, Saudi Arabia's capital account recorded an outflow of SAR 3.3 billion (U.S.\$0.9 billion) as at 30 September 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 preliminary figures, Saudi Arabia's financial account increased by SAR 206.1 billion (U.S.\$55.0 billion) as at 30 September 2018, compared to an increase of SAR 28.0 billion (U.S.\$7.5 billion) as at 31 December 2017.

Recent Developments to “Public Investment Fund” (The following language is hereby included at the end of the section entitled “Public Investment Fund” starting on page 204 of the Base Prospectus)

On 17 September 2018, the PIF announced that it is completing a U.S.\$11.0 billion international syndicated loan facility, thereby taking the first step in its strategic medium-term funding programme. The international syndicated loan facility represents the PIF's first commercial loan, and the facility will be used for general corporate purposes.

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 Base Prospectus)

The following table sets forth SAMA's balance sheet data as at 30 September 2018 and 31 December 2017, 2016, 2015, 2014 and 2013, respectively.

	As at 30 September		As at 31 December			
	2018 ⁽¹⁾	2017 ⁽¹⁾	2016	2015	2014	2013
	(SAR millions)					
Assets:						
Foreign currencies and gold.....	249,309	229,188	234,505	237,212	216,132	194,684
Cash in vault.....	37,855	25,831	34,516	39,300	35,240	28,296
Deposits with banks abroad.....	433,197	377,966	401,144	552,360	510,972	546,629
Investments in foreign securities.....	1,210,102	1,244,669	1,365,189	1,505,023	1,998,580	1,952,837
Other assets.....	12,035	26,009	41,517	39,487	31,185	16,283
Total assets.....	1,942,497	1,903,663	2,076,871	2,373,382	2,792,109	2,738,728
Liabilities:						
Currency issued.....	249,309	229,188	234,505	237,212	216,132	194,684
Deposits and reserves of the central Government	659,816	641,378				
Deposits of Government institutions.....	107,485	88,346	730,580	1,023,304	1,378,948	1,484,427
Regulatory deposits for financial institutions.....	98,414	97,534	154,514	142,074	182,270	165,720
Foreign institutions' deposits in local currency.....	17,932	18,469	97,839	98,117	92,558	81,901
SAMA bills and repurchase agreements ⁽²⁾	89,025	138,786	18,490	11,213	9,695	6,358
Other liabilities.....	720,516	689,962	164,755	182,947	427,815	459,932
Total liabilities.....	1,942,497	1,903,663	2,076,871	2,373,382	2,792,109	2,738,728

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 2,330.8 billion (U.S.\$621.5 billion) as at 30 September 2018, compared to SAR 2,283.1 billion (U.S.\$608.8 billion) as at 30 September 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.

	Nine months ended 30 September		Year ended 31 December		
	2018 ⁽²⁾	2017 ⁽²⁾	2016	2015	2014
CPI Index ⁽¹⁾	107.1	104.7	105.6	103.5	102.2
CPI Index Inflation (%).....	2.4	(0.8)	2.0	1.3	2.2

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 Base Prospectus)

Third Quarter 2018 Budget Performance

The following table sets forth the actual revenues, expenditure and overall surplus/deficit of the Government for the nine month periods ended 30 September 2018 and 2017.

	<u>Nine months ended 30 September</u>	
	<u>2018</u>	<u>2017</u>
	<u>Actual</u>	<u>Actual</u>
	(SAR millions)	
Revenue:		
Oil revenues.....	452,062	307,316
Non-oil revenues.....	211,051	142,806
Total Revenues	663,113	450,122
Expenditure:		
Capital expenditures	110,300	97,299
Current expenditures.....	601,790	474,281
Total expenditures	712,090	571,580
Surplus/(deficit)	(48,977)	(121,458)

2019 Government Budget

Saudi Arabia announced its 2019 budget on 18 December 2018. The Government has indicated that the focus of the 2019 budget will be the continued implementation of the Vision 2030 programmes, initiatives and projects, including diversification of the economy and growth of the private sector. The 2019 budget indicates that the main fiscal challenges in the medium term include: control of deficit and public debt; development of subsidies and social spending mechanisms for better targeting; modernization and development of infrastructure; stimulation of the private sector; and improving the efficiency of expenditures.

Revenues. The 2019 budget estimates total Government revenues at SAR 975.0 billion (U.S.\$260.0 billion), an increase of 8.9 per cent. compared to estimated revenues of SAR 895.0 billion (U.S.\$238.7 billion) in the fiscal year 2018, based on preliminary figures. Oil revenues are expected to generate SAR 662.0 billion (U.S.\$176.5 billion) in fiscal year 2019, an increase of 9.0 per cent. compared to estimated oil revenues of SAR 607.0 billion (U.S.\$161.9 billion) in 2018. Value added tax, excise tax and expat levies (which are expected to continue in 2019) are expected to generate approximately SAR 47.0 billion (U.S.\$12.5 billion), SAR 10.0 billion (U.S.\$2.7 billion) and SAR 56.4 billion (U.S.\$15.0 billion) in revenues, respectively, in the fiscal year 2019.

Expenditures. The 2019 budget estimates total Government expenditure at SAR 1,106.0 billion (U.S.\$294.9 billion), an increase of 7.4 per cent. compared to estimated expenditures of SAR 1,030.0 billion (U.S.\$274.7 billion) in the fiscal year 2018, based on preliminary figures. Capital expenditure in 2019 is estimated at SAR 246 billion, an increase of 19.9 per cent. compared to 2018, driven by a number of Vision 2030 related investments, including housing, launching “mega” projects and infrastructure development.

Deficit. The deficit in the 2019 budget is projected at SAR 131.0 billion (U.S.\$34.9 billion), a decrease of 3.7 per cent. compared to the estimated deficit of SAR 136.0 billion (U.S.\$36.3 billion) in the fiscal year 2018, based on preliminary figures. The decline in the budgeted deficit is driven by an expected 9.0 per cent. increase in total revenues as a result of reforms aimed at increasing and diversifying revenue sources.

Other. The 2019 budget includes a new accounting procedure introduced by the Government which records all direct revenues and corresponding expenditures relating to certain government entities. The revenues

related to this new accounting procedure for fiscal year 2019 are estimated at SAR 23.0 billion (U.S.\$6.1 billion).

Key assumptions and risks. The 2019 budget estimates that there will be real GDP growth of approximately 2.6 per cent. and nominal GDP growth of 6.4 per cent. in 2019. This compares to IMF projections of 2.2 per cent. and 2.4 per cent. real GDP growth for Saudi Arabia in 2018 and 2019, respectively (based on October 2018 IMF projections). The 2019 budget does not disclose oil price assumptions for 2019, but notes that analysts expect oil prices to pick up gradually in 2019 due to the OPEC+ Ministerial meeting decision to voluntarily reduce overall production by 1.2 million barrels per day effective as of January 2019. The 2019 Budget notes that several major risks continue to threaten global growth, including global trade tensions, tightening monetary policies, capital outflows from emerging economics and declines in global investment due to higher borrowing costs for existing and future debt.

Summary of revenues and expenditures. The following table sets forth the actual revenues, expenditure and overall surplus/deficit of the Government for the fiscal years ended 30 December 2017, 2016, 2015 and 2014, respectively, as well as the estimated revenues, expenditure and overall surplus/deficit of the Government for the fiscal year ended 30 December 2018 and the Government budget for the fiscal year ending 30 December 2019.

	Fiscal year ended 30 December						
	2019 Budget	2018 Estimate	2017 Actual ⁽¹⁾	2016 Actual	2015 Actual	2014 Actual	2013 Actual
	(SAR millions, except percentages)						
Total Revenues	975,000	895,000	691,505	519,448	612,694	1,044,366	1,156,361
Total expenditures	1,106,000	1,030,000	929,997	830,513 ⁽²⁾	978,139	1,109,903	976,014
Surplus/(deficit)	(131,000)	(136,000)	(238,492)	(311,065)	(365,445)	(65,537)	180,347
Nominal GDP	—	2,938,000	2,564,352	2,418,508	2,453,512	2,836,314	2,799,927
Ratio of surplus/(deficit) to nominal GDP (%)	—	(4.6)	(9.3)	(12.9)	(14.9)	(2.3)	6.4

Source: SAMA, Ministry of Finance

Notes:

(1) Preliminary figures.

(2) This figure excludes an expenditure amount of SAR 105.0 billion (U.S.\$28.0 billion) relating to settling due payments from prior years.

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

As at 31 December 2018, Saudi Arabia’s total outstanding direct indebtedness amounted to SAR 560.0 billion (U.S.\$149.3 billion), 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, compared to total outstanding direct indebtedness of SAR 443.3 billion (U.S.\$118.2 billion) as at 31 December 2017, comprising SAR 259.5 billion (U.S.\$69.2 billion) of domestic indebtedness and SAR 183.8 billion (U.S.\$49.0 billion) of external indebtedness. The Ministry of Finance has continued to adopt a diversified financing policy based on debt issuances and withdrawals from government deposits and reserves during 2018 to finance the budget deficit.

The following table sets forth Saudi Arabia's total outstanding direct indebtedness (external and domestic) as at, and for the years ended 31 December 2018, 2017, 2016, 2015, 2014, and 2013, respectively.

	As at, and for the year ended, 31 December					
	2018	2017	2016	2015	2014	2013
	(SAR billions, except percentages)					
Borrowed during period.....	120.0	139.1	200.1	98.0	—	—
Repaid during period	3.3	12.4	25.8	—	15.9	23.7
Indebtedness outstanding at end of period .	560.0	443.3	316.6	142.2	44.3	60.1
Change (%).....	26.3	40.0	122.5	221.4	(26.4)	(28.3)
GDP at current prices.....	2,575.3 ⁽¹⁾	2,575.3	2,418.5	2,453.5	2,836.3	2,799.9
Ratio of public debt to nominal GDP (%).....	21.7	17.2	13.1	5.8	1.6	2.1

Source: Ministry of Finance, GASTAT

Notes:

- (1) Represents nominal GDP for the year ended 31 December 2017.

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

	Year ended 31 December			
	2019	2020	2021	2022
	(SAR millions)			
External indebtedness:				
Scheduled principal repayments ⁽¹⁾	0	0	20,625	16,875
Scheduled interest/profit repayments ⁽²⁾	10,687	12,802	16,056	19,047
Total external scheduled repayments	10,687	12,802	36,681	35,922
Domestic indebtedness:				
Scheduled principal repayments ⁽³⁾	2,055	44,360	5,260	57,415
Scheduled interest/profit repayments ⁽⁴⁾	10,681	14,216	16,332	18,753
Total domestic scheduled repayments	12,736	58,576	21,592	76,168
Total scheduled repayments	23,423	71,378	58,273	112,090

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 153.8 billion (U.S.\$41.0 billion) in respect of nine 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 and 2018 comprise instruments with varying tenors of five years, seven years and ten years. The instruments issued in 2015, 2016, 2017 and 2018 with a five-year tenor are scheduled to mature in 2020, 2021, 2022 and 2023, 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.

Recent Developments Concerning the Agreement between OPEC and non-OPEC members to reduce crude oil production (The following language is hereby included at the end of the section entitled "*Economy of Saudi Arabia Production Oil production*" starting on page 134 of the Base Prospectus)

On 7 December 2018, OPEC members and certain other non-OPEC states, including Russia, agreed to reduce crude oil production by 1.2 million barrels a day from October 2018 production levels for an initial period of six months effective as of January 2019, reaffirming the continued commitment of the participating producing countries in the Declaration of Cooperation reached on 10 December 2016 to a stable market. The

contributions from OPEC members and the voluntary contributions from non-OPEC participating countries to the production cut will correspond to 800,000 barrels a day and 400,000 barrels a day, respectively.

Recent Developments Concerning the Case of Jamal Khashoggi (The following language is hereby included at the end of the section entitled “*Overview of Saudi Arabia Legal and Judicial System*” starting on page 97 of the Base Prospectus)

On 15 November 2018, the Saudi Arabian Public Prosecution announced the results of the investigation it carried out with respect to a number of suspects in the case of Saudi citizen Jamal Khashoggi, who died on 2 October 2018 in the Saudi Arabian consulate in Istanbul, Turkey. The Public Prosecutor announced that some of the suspects have been indicted and their cases have been referred to the local court system. The initial hearing in the case was held on 3 January 2019 in the criminal court of Riyadh, with the indicted individuals as defendants.

General

Since the date of the Base Prospectus, there has been no significant adverse change in the information set out under the following headings in the Base Prospectus (as supplemented by this Supplement): “*The Economy of Saudi Arabia*”, “*Monetary and Financial System*”, “*Public Finance*” and “*Balance of Payments and Foreign Trade*”. To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference into the Base Prospectus, the statements in (a) above will prevail. Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.