

IMPORTANT NOTICE

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Confirmation of Your Representation: By accessing the attached Base Prospectus and Supplement you have confirmed to Citigroup Global Markets Limited and Standard Chartered Bank (together, the **Arrangers and Dealers** and each an **Arranger and Dealer**) and the Federal Republic of Nigeria (the **Issuer**) that (i) you understand and agree to the terms set out herein, (ii) you are either (a) a person who is outside the United States and that the electronic mail address you have given is not located in the United States, its territories and possessions, or (b) a person that is a **Qualified Institutional Buyer** (a **QIB**) within the meaning of Rule 144A under the Securities Act of 1933, as amended (the **Securities Act**), (iii) you consent to delivery by electronic transmission, (iv) you will not transmit the attached Base Prospectus and Supplement (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Arrangers and the Dealers, and (v) you acknowledge that you will make your own assessment regarding any legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase any of the Notes.

You are reminded that the attached Base Prospectus and Supplement has been delivered to you on the basis that you are a person into whose possession the attached Base Prospectus and Supplement may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached Base Prospectus and Supplement, electronically or otherwise, to any other person and in particular to any U.S. person or to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

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Under no circumstances shall the attached Base Prospectus and Supplement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The attached Base Prospectus and Supplement is not being distributed to, and must not be passed on to, the general public in the UK. Rather, the communication of the attached Base Prospectus and Supplement as a financial promotion is only being made to those persons falling within Article 12, Article 19(5) or Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or to other persons to whom the attached Base Prospectus and Supplement may otherwise be distributed without contravention of section 21 of the Financial Services and Markets Act 2000. This communication is being directed only at persons having professional experience in matters relating to investments and any investment or investment activity to which this communication relates will be engaged in only with such persons. No other person should rely on it.

This Base Prospectus and Supplement does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that an offering of securities described herein be made by a licensed broker or dealer and an Arranger or Dealer or any affiliate of the applicable Arranger or applicable Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Arranger or such Dealer or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction.

The attached Base Prospectus and Supplement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Arrangers or the Dealers, any person who controls any of the Issuer, the Arrangers or the Dealers, any director, officer, employee or agent of any of them, or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the attached Base Prospectus and Supplement distributed to you in electronic format and the hard copy version available to you on request from any of the Arrangers or the Dealers. Please ensure that your copy is complete. You are responsible for protecting against viruses and other destructive items. Your use of this document is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

SUPPLEMENT DATED 15 FEBRUARY 2018
TO THE BASE PROSPECTUS DATED 21 NOVEMBER 2017



THE FEDERAL REPUBLIC OF NIGERIA
Global Medium Term Note Programme

This supplement (the **Supplement**) comprises a supplement for The Federal Republic of Nigeria (the **Issuer** or **Nigeria**) to the base prospectus dated 21 November 2017 (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 supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the **FSMA**). 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 is being prepared for the purposes of providing an update on recent developments, including certain third and fourth quarter 2017 macroeconomic data and developments, and effecting certain other amendments to the Base Prospectus. *Prospective investors should also read the detailed information on recent developments set out elsewhere in this Supplement and also read the Base Prospectus prior to making any investment decision.*

Recent Developments

The following developments have taken place since 21 November 2017, 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*):

Legal Proceedings

Dispute with Enron Nigeria Power Holding, Ltd. (pages 84 and 85 of the Base Prospectus). Enforcement proceedings are underway following the final judgement of the DC District Circuit on 26 April 2017.

Process and Industrial Development Limited v Ministry of Petroleum Resources of the Federal Republic of Nigeria (page 86 of the Base Prospectus). Initial negotiations for the settlement of the award rendered by the arbitration tribunal were unsuccessful. The Vice President of Nigeria has since approved entry into new negotiations and a request has been sent to P&ID. The Government is awaiting a response from P&ID in relation to the request for new negotiations.

Interstella v NITEL (page 86 of the Base Prospectus). On 5 December 2017, the Supreme Court of Nigeria dismissed the appeal made by the CBN and the cross appeal by the Government.

LR Avionics v. Federal Republic of Nigeria (page 86 of the Base Prospectus). An out-of-court settlement process is currently ongoing.

Crude Oil and Condensate – Production and Exports (pages 105 and 106 of the Base Prospectus)

According to the NNPC, in the nine months ended 30 September 2017, Nigeria produced approximately 510,252,516 barrels of crude oil and condensate, of which approximately 490,301,916 barrels were exported, as compared to approximately 499,425,465 barrels of crude oil and condensate produced in the nine months ended 30 September 2016, of which 483,684,475 barrels were exported. In the nine months ended 30 September 2017, crude oil and condensate production averaged 1.87 mbpd as compared to 1.82 mbpd in the nine months ended 30 September 2016. In the third quarter of 2017, crude oil and condensate production averaged 1.98 mbpd as compared to 1.87 mbpd in the second quarter of 2017. According to the CBN, in August 2017, the average price per barrel of Nigerian crude oil was U.S.\$51.6.

Exports and Imports (pages 144 and 145 of the Base Prospectus)

According to the CBN, Nigeria's imports for the nine months ended 30 September 2017 amounted to ₦7,466.6 billion, with the oil sector accounting for 25.6 per cent. of total imports and the non-oil sector accounting for 74.4 per cent. of total imports during the period. For the nine months ended 30 September 2017, total exports amounted to ₦9,995.3 billion, with the oil sector accounting for 91.9 per cent. of total exports and the non-oil sector accounting for 8.1 per cent. of total exports during the period. Nigeria registered an overall trade deficit of ₦148.8 billion for the nine months ended 30 September 2017. For the period, the oil sector registered a trade surplus of ₦7,272.7 billion, while the non-oil sector registered a trade deficit of ₦4,255.0 billion.

Balance of Payments (pages 149 to 150 of the Base Prospectus)

According to the CBN, for the nine months ended 30 September 2017, the current account registered a surplus of ₦1,965.8 billion, or 2.4 per cent. of GDP. The current account registered a surplus of ₦700 billion in the third quarter of 2017, representing a 62.1 per cent. increase compared to the second quarter of 2017. The capital and financial account has a surplus of ₦2,688.2 billion for the nine months ended 30 September 2017. The capital and financial account has a surplus of ₦948.5 billion in the third quarter of 2017, representing a 28.4 per cent. decrease compared to the second quarter of 2017. Net errors and omissions for the nine months ended 30 September 2017 were ₦4,653.9 billion. According to the CBN, the monthly adjusted gross external reserves position stood at U.S.\$34.9 billion as at 30 November 2017, U.S.\$38.8 billion as at 31 December 2017 and U.S.\$40.7 billion as at 31 January 2018. As of 8 February 2018, gross external reserves (30-day moving average) stood at U.S.\$41.1 billion.

Foreign Private Capital (pages 151 and 152 of the Base Prospectus)

According to provisional data released by the CBN and NBS, in 2017, total foreign private capital investments in Nigeria amounted to U.S.\$12.2 billion, a 138.6 per cent. increase compared to U.S.\$5.1 billion in 2016, primarily as a result of improved liquidity in the foreign exchange market following the CBN's introduction of the Investors' and Exporters' foreign exchange window in April 2017. Total foreign direct investment in Nigeria in 2017 amounted to U.S.\$981.8 million, representing a 6.0 per cent. decrease compared to U.S.\$1,044.0 million in 2016.

Federal Government Revenues and Expenditures (pages 158 to 163 of the Base Prospectus)

Federal Government Revenues

According to provisional data released by the Office of the Accountant General of the Federation and the Budget Office of the Federation, total gross federally collectible revenue for the third quarter of 2017 amounted to ₦2,223.60 billion, a 60.0 per cent. increase compared to ₦1,389.60 billion in the second quarter of 2017. This increase was primarily due to a 61.0 per cent. increase in oil revenue from ₦789.2 billion in the second quarter of 2017 to ₦1,270.6 billion in the third quarter of 2017 as a result of higher international prices of crude oil, as well as improved non-oil revenue collection. Non-oil revenue increased by 58.7 per cent. from ₦600.4 billion in the second quarter of 2017 to ₦953.0 billion in the third quarter of 2017, primarily as a result of a 163.3 per cent. increase in corporate tax receipts. For the nine months ended 30 September 2017, oil revenue amounted to ₦2,858.3 billion, while non-oil revenue amounted to ₦2,078.4 billion.

Federal Government Expenditures

Total federal government expenditure for the third quarter of 2017 was ₦1,685.7 billion, representing a 53.3 per cent. increase from the second quarter of 2017, largely as a result of increased capital expenditures during the third quarter. Non-debt expenditure was ₦616.1 billion for the same period, representing a 10.2 per cent. decrease as compared to the second quarter of 2017. For the nine months ended 30 September 2017, aggregate federal government expenditure was ₦4,145.5 billion, of which ₦1,939.2 billion was non-debt expenditure. In the nine months ended 30 September 2017, debt service amounted to ₦1,541.0 billion. For the nine months ended 30 September 2017, the Government recorded a fiscal deficit of ₦1,103.8 billion.

Excess Crude Account (pages 169 and 170 of the Base Prospectus)

In December 2017, the National Economic Council announced that it had approved the Government's request to withdraw U.S.\$1 billion from the Excess Crude Account to fund the Government's efforts to counter the Boko Haram insurgency and other security challenges in the country. As of 30 September 2017, the balance in the Excess Crude Account was U.S.\$2.3 billion. As of the date of this Supplement, the relevant disbursement remains a Government proposal only, and the Federal Accounts Allocation Committee has not yet effected the disbursement from the Excess Crude Account.

Exchange Rate (pages 179 and 180)

As of 30 November 2017, 31 December 2017 and 31 January 2018, the Naira/U.S. dollar exchange rate stood at ₦306.0, ₦306.0 and ₦305.7 to U.S.\$1, respectively. As of 14 February 2018, the inter-bank exchange rate was ₦305.9 to the U.S. dollar.

Inflation (pages 179 and 180 of the Base Prospectus)

According to the CBN, the year-on-year change for annual consumer price inflation was 15.9, 15.4 and 15.1 per cent. as at November 2017, December 2017 and January 2018, respectively. The year-on change for food (non-core) inflation was 20.3, 19.4 and 18.9 per cent. as at November 2017, December 2017 and January 2018, respectively.

Foreign Exchange Turnover (page 181 of the Base Prospectus)

According to the FMDQ OTC Securities Exchange, the foreign exchange turnover in secondary market trading of Nigeria's bonds and other securities was U.S.\$8,860 million in November 2017 and U.S.\$7,467 million in December 2017.

Public Debt (pages 194 to 202 of the Base Prospectus)

According to provisional data released by the Debt Management Office, Nigeria's total public debt outstanding as of 30 September 2017 was U.S.\$56.2 billion (compared to U.S.\$54.4 billion as of 30 June 2017), comprising U.S.\$40.9 billion of domestic debt and U.S.\$15.4 billion of external debt (compared to U.S.\$39.3 billion and U.S.\$15.0 billion, respectively, as at 30 June 2017). Public debt consists of external and domestic debt owed by the Federal Government and external debt on-lent by the Federal Government to States and the Federal Capital Territory. Nigeria's external debt stock as at 30 September 2017 was comprised of multilateral debt amounting to U.S.\$9.9 billion, bilateral debt amounting to U.S.\$2.2 billion and commercial debt amounting to U.S.\$3.3 billion. Nigeria's external debt service payments for the nine months ended 30 September 2017 totalled U.S.\$383.4 million (compared to U.S.\$293.3 million for the nine months ended 30 September 2016), and Nigeria's domestic debt service payments totalled ₦1,240.1 billion (U.S.\$4,056.0 million) for the nine months ended 30 September 2017 (compared to ₦1,044.1 billion (U.S.\$3,420.5 million) for the nine months ended 30 September 2016). As at 30 September 2017, short-term debt (comprising Government treasury bills having a maturity of one year or less) comprised 30.2 per cent. of Nigeria's total domestic debt, while medium-and long-term debt (Government notes and treasury bonds having a maturity of greater than one year) comprised 69.8 per cent. of Nigeria's total domestic debt.

On 28 November 2017, the Issuer issued in the international capital markets (a) U.S.\$1,500,000,000 6.500 per cent. notes due 2027 and (b) U.S.\$1,500,000,000 7.625 per cent. notes due 2047, in each case under the Programme. To date, U.S.\$500,000,000 in proceeds from the November 2017 issuances have been applied

toward refinancing treasury bills as part of the Government's announced intention to refinance approximately U.S.\$3 billion of treasury bills through external borrowing in the near term and thereby extend Nigeria's debt maturity profile and decrease borrowing costs.

Amendments to the Base Prospectus

MiFID II product governance / target market

The following paragraphs shall be inserted at the end of the "*Important Information*" section on page (ii) of the Base Prospectus:

"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 Directive 2014/65/EU (as amended, **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."

The following legend shall be inserted at the beginning of the "*Applicable Final Terms*" section on page 30 of the Base Prospectus:

"¹MiFID II product governance / Professional investors and ECPs 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.]"

¹ Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

GDP

The information and communication sector's real GDP trend for 2016 was incorrectly presented on page 94 of the Base Prospectus as a contraction of 1.95 per cent. The information and communication sector's real GDP in fact grew by 1.95 per cent. in 2016.

Due to an arithmetic error, the figures representing the change in real GDP in the electricity, gas, steam and air conditioning supply sector in 2014 and 2015 were incorrectly stated in the "*GDP by Sector*" table on page 98 of the Base Prospectus as being (0.09) and (0.09) per cent., respectively. The changes in real GDP for the electricity, gas, steam and air conditioning supply sector in 2014 and 2015 were in fact (8.69) and (9.25) per cent., respectively. The correct figures were included in the discussion of the electricity, gas, steam and air conditioning supply sector on page 135 of the Base Prospectus.

Authorisations and clearances

The relevant authorisations and clearances for each issue of Notes are to be obtained on an issue by issue basis, and there is no longer a size limit as regards the aggregate nominal amount of Notes that can be outstanding at any time under the Programme, as each issue of Notes is subject to such authorisation and clearance. Accordingly, all references in the Base Prospectus to a programme size of U.S.\$4,500,000,000 shall be deleted.

From the date of this Supplement, the Base Prospectus shall be amended such that the section entitled “*Authorisation*” on page 226 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

“The Issuer has obtained all necessary consents, approvals and authorisations in connection with the establishment of the Programme. The update of the Programme has been authorised and cleared by the National Assembly, the Federal Executive Council, the Federal Ministry of Finance and the Federal Ministry of Justice. In relation to each issue of Notes under the Programme, the Issuer will obtain the authorisation and clearance of the National Assembly, the Federal Executive Council, the Federal Ministry of Finance and the Federal Ministry of Justice.”.

General

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.