PRESS RELEASE

The Slovak Republic
€2 billion 3.000% government bond due 6 November 2031

On 29 October 2024, the Slovak Republic, rated A2 (neg) / A+ (stab) / A- (stab) by Moody's / S&P / Fitch, successfully returned to the international capital markets for the third time this year with a €2bn 7-year Reg S bond offering that priced at a re-offer spread of MS+70bps, resulting in a 3.040% p.a. yield, a 3.000% p.a. coupon, and a price of 99.751%.

Citi, CSOB (KBC Group), Deutsche Bank and J.P. Morgan (B&D) acted as Joint Bookrunners on the transaction.

The Republic carefully navigated macro events and rating review dates while targeting a constructive 1.5-day pre-US election window. The Republic announced their intention to print a EUR benchmark 7-year Reg S transaction on the afternoon (CET) of Monday 28 October 2024. An investor presentation was also made available to investors.

Over the course of the day following the mandate announcement, the Joint Bookrunners collected very supportive investor feedback and indications of interest, allowing the Republic to open books the following morning on Tuesday 29 October 2024 at 9:30 CET at guidance levels of MS+90bps area.

The offering attracted strong momentum from the outset, with books in excess of €5bn (including €170m JLM interest) by 11:15 CET on the back of which the issuer released revised guidance in an intermediary step at MS+80bps area. The orderbook continued on an upward trajectory and stood in excess of €7.3bn (including €170m JLM interest) by 12:25 CET. This allowed the Republic to further tighten pricing and set the spread at MS+70bps for a EUR benchmark transaction. With minimal orderbook attrition despite the price revisions, the transaction was launched at 13:20 CET with final size set at €2bn and final books in excess of €7.5bn (including €210m JLM interest).

The orderbook remained resilient throughout and peaked at €7.6bn, marking the largest orderbook achieved by the Republic so far this year. The issuance was allocated to 125 investors with 53% of the allocations going to Banks, 29% to Asset Managers, 14% to Central Banks/Official Institutions, 3% to Pension & Insurance funds and the remaining 1% to Hedge Funds. In terms of geography, German, Austrian & Switzerland together had 24%, Central and Eastern European investors took 18%, Southern Europe was at 15%, Benelux at 14%, UK & Ireland at 11%, the Nordics at 7%, France at 2%, while other European investors took 4%, and other global investors took the remaining 5%.

Pricing Terms

Issuer:	The Slovak Republic acting through the Ministry of Finance of the Slovak Republic, represented by the Debt and Liquidity Management Agency (Agentúra pre riadenie dlhu a likvidity) (ARDAL) (Ticker: SLOVGB)
Ratings:	A2 negative (Moody's) | A+ stable (S&P) | A- stable (Fitch)
Joint Bookrunners	Citi, CSOB (KBC Group), Deutsche Bank and J.P. Morgan (B&D)
Format:	Reg S
Principal Amount:	EUR 2 billion
Pricing Date:	29 October 2024
Settlement Date:	6 November 2024 (T+5)
Maturity Date:	6 November 2031
Coupon:	3.000% p.a., Annual, ACT/ACT (ICMA)
Reoffer spread vs. MS:	+70 bps
Reoffer spread vs Bund:	+90 bps
Reoffer Yield:	3.040%
Reoffer Price:	99.751%
Listing:	Bratislava Stock Exchange
Governing Law:	Slovak law