



PRESS RELEASE

The Slovak Republic

EUR 2.0bn 3.75% 12-year (Feb-35) and EUR 1.5bn 4% 20-year (Feb-43)

On February 15, 2023, the Slovak Republic, rated A2 (neg) / A+ (neg) / A (neg) by Moody's / S&P / Fitch, successfully returned to the international capital markets for the first time in 2023 with a €3.5bn dual-tranche transaction, consisting of a new €2bn 12-year Eurobond due 23 February 2035 and a new €1.5bn 20-year Eurobond due 23 February 2043.

Barclays, Deutsche Bank, Slovenska Sporitelna (Erste Group), Tatra Banka (Raiffeisen Bank International) and VUB (IMI-Intesa Sanpaolo) acted as Joint Bookrunners on the transaction.

On February 14, 2023, having carefully monitored the US CPI release, at 15:08 CET the Slovak Republic announced their intention to enter the markets with a new dual-tranche benchmark transaction, consisting of new 12-year (Feb-35) and new 20-year (Feb-43) tranches, which would launch in the near future, subject to market conditions.

The following morning, off the back of a constructive market open and having received supportive investor feedback overnight, the Republic decided to proceed with opening the books and released initial guidance at "MS+95bps area" on the 12-year tranche and "MS+130bps area" on the 20-year tranche at 9:11 CET.

Momentum in the orderbook accelerated with investor demand reaching a combined size of EUR 8.0 billion including JLM interest (EUR 4.6 billion for the 12-year and EUR 3.4 billion on the 20-year) at 11:03 CET. This enabled the Republic to revise guidance for the two tranches to "MS+85bps area +/- 5bps WPIR" and "MS+125bps area", respectively.

The granular, high quality investor demand continued and the orderbook surged to over EUR 11.1 billion including JLM interest (EUR 6.2 billion for the 12-year and EUR 4.9 billion for the 20-year) by 11:58 pm CET, allowing the Republic to tighten further and set the reoffer spreads at "MS+80bps area" and "MS+120bps area" for the 12-year and for the 20-year tranches, respectively. The orderbook closed shortly thereafter at 12:30 CET.

The quality of the orderbook allowed the transaction to be launched at 12:59 CET with a combined size of EUR 3.5 billion, making this transaction the second largest-ever SLOVGB

syndication on record in the international capital markets, as well as the joint largest EUR-denominated government bond syndication in the CEE space in 2023.

Total orders exceeded EUR 12.2 billion including JLM interest (EUR 6.7 billion on the 12-year and EUR 5.5 billion on the 20-year). The offering achieved a notable double-digit tightening from Guidance to re-offer on both the 12-year and 20-year tranches, representing a vote of confidence in the Slovak Republic by global investors.

At 15:50 CET, the 12-year tranche priced at MS+80bps, equivalent to a reoffer yield of 3.800% and a spread of 134.7bps to the DBR 4.75% Jul-2034. In addition, the 20-year tranche officially priced at MS+120bps, equivalent to a reoffer yield of 4.011% and a spread of 151.4bps to the DBR 3.250% Jul-2042.

The investor base for the issue was well diversified both geographically and by investor type. The complete distributions for both tranches were the following:

12-year (c. 177 orders)

By region: DACH: 24.4%, Slovakia: 14.7%, Italy: 12.2%, Nordics: 11.9%, France: 9.5%, United Kingdom: 8.9%, Other South Europe: 6.5%, Other: 6.0%, Benelux: 5.9%

By type: Banks: 52.5%, Fund Managers: 33.9%, Central Banks: 5.5%, Insurance / Pension Funds: 5.0%, Hedge Funds: 3.1%

20-year (c. 145 orders)

By region: DACH: 27.7%, United Kingdom: 18.3%, Nordics: 11.7%, Other South Europe: 11.3%, Italy: 10.4%, France: 9.9%, Other: 6.1%, Benelux: 2.4%, Slovakia: 2.2%

By type: Fund Managers: 45.8%, Banks: 39.8%, Hedge Funds: 5.5%, Central Banks: 5.3%, Insurance / Pension Funds: 3.6%

Pricing Terms

Issuer:	The Slovak Republic acting through the Ministry of Finance of the Slovak Republic represented by the Debt and Liquidity Management Agency ("ARDAL")	
Ratings:	A2 negative (Moody's) A+ negative (S&P) A negative (Fitch)	
Joint Bookrunners	Barclays, Deutsche Bank, Slovenska Sporitelna (Erste Group), Tatra Banka (Raiffeisen Bank International), VUB (IMI-Intesa Sanpaolo)	
Format:	Reg S	
Issue:	ŠD 245	ŠD 246
Principal Amount:	EUR 2 billion	EUR 1.5 billion
Pricing Date:	15 February 2023	15 February 2023
Settlement Date:	23 February 2023	23 February 2023
Maturity Date:	23 February 2035	23 February 2043
Coupon:	3.750% p.a., Annual, payable each 23 February	4.000% p.a., Annual, payable each 23 February
Reoffer spread vs. MS:	+80 bps	+120 bps
Reoffer Yield:	3.800% p.a.	4.011% p.a.
Reoffer Price:	99.525%	99.851%
Listing:	Bratislava Stock Exchange	
Governing Law:	Slovak law	

This press release is being issued on behalf of all of the Joint Lead Managers on this transaction: Barclays, Deutsche Bank, Slovenska Sporitelna (Erste Group), Tatra banka (Raiffeisen Bank International), VUB (IMI-Intesa Sanpaolo).

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The final terms and conditions will be set out in the final legal documentation relating to the issue.