



The Slovak Republic issues EUR 1 billion 1.000% bond due 13 October 2051

6 October 2021

PRESS RELEASE

Issuer:	The Slovak Republic acting through the Ministry of Finance of the Slovak Republic represented by the Debt and Liquidity Management Agency ("ARDAL")
Ratings:	A+ (stab) / A2 (stab) / A (neg) by S&P / Moody's / Fitch
Joint Lead Managers:	ČSOB (KBC Group), Deutsche Bank, J.P. Morgan, Slovenská sporiteľňa (Erste Group)
Notional Amount:	EUR 1,000,000,000
Maturity Date:	13 October 2051
Coupon:	1.000% p.a., payable annually each 13 October
Reoffer Spread vs. Midswaps:	+ 47bps
Re-offer Price:	99.845%
Re-offer Yield:	1.006% p.a.
Law:	Slovak Law
Listing:	Bratislava Stock Exchange

- **The Slovak Republic successfully tapped the international capital markets for the second time in 2021 with a new EUR 1 billion 30-year bond issue.**
- **The new issue represents the second longest syndicated international capital market transaction issued by the Slovak Republic, successfully adding a new long-dated reference point to the Republic's outstanding credit curve.**
- **The transaction was subscribed by 115 investors and the final order book closed in excess of EUR 3.6 billion.**
- **The coupon of 1.000 % p.a. represents the lowest coupon ever accomplished by the Slovak Republic in a maturity longer than 15 years.**



J.P.Morgan

On 5 October 2021, the Slovak Republic announced at 1:40 pm CEST that it had mandated ČSOB (KBC Group), Deutsche Bank, J.P. Morgan and Slovenská sporiteľňa (Erste Group) for a new 30-year benchmark EUR issue with a 1.5 day execution.

The following morning at 8:55 am CEST, on the back of a constructive market and supportive investor feedback, the order book was opened with official price guidance of “MS+55bps area”. By 10:45 am CEST the order book grew strongly to EUR 3.5 billion, allowing the Slovak Republic and the Joint Lead Managers to send out a message to revise price guidance to “MS+50bps (+/- 5bps WPIR)”.

The order book kept the momentum and continued to reach in excess of EUR 3.6 billion (pre-reconciliation and incl. EUR 155 million JLM interest), allowing the Slovak Republic and the Joint Lead Managers to close the order book at 12:25 am CEST and launch the new issue with a final size of EUR 1 billion and set the spread at MS+47bps, representing a 8bps tightening from initial guidance and a 3bps new issue concession versus the fair value curve.

With a bond coupon being set at 1.000% p.a. and the final re-offer yield at 1.006% p.a., the Slovak Republic managed to print the initially targeted EUR 1 billion and secure an attractive coupon for this second 30-year transaction while adding a new long-term reference bond to its outstanding curve. The Slovak Republic intends to re-open the issue through auctions or a syndicated transaction at a later stage (up to EUR 5 billion).

The investor base for the issue was well diversified both geographically and by investor type.

By region: Germany: 33.6%, Scandinavia: 12.4%, Austria: 10.5%, UK: 8%, Southern Europe: 7.6%, Slovakia: 7.4%, Benelux: 7.3%, France: 4.4%, Other CEE: 4.2%, Switzerland: 4.1%, Rest of the World: 0.5%.

By type: Banks: 35%, Fund Managers: 33.3%, Insurance & Pension Funds: 24.9%, Central Banks: 4% and Others: 2.8%.

This press release is being issued on behalf of all of the Joint Lead Managers for this bond issue: ČSOB (KBC Group), Deutsche Bank, J.P. Morgan, Slovenská sporiteľňa (Erste Group)

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



J.P.Morgan