

*The operation attracted demand in excess of 2.8 billion euros*

## **CaixaBank places 1 billion euros in a new subordinated debt issue**

- ***This is CaixaBank's second Tier 2 subordinated debt issue aimed at institutional investors in 2017. Maturing in 11 years, it is the longest-term public institutional issue in this format placed by a Spanish issuer.***
- ***More than 200 investors from twelve different countries took part in the operation. CaixaBank is the only Spanish issuer to have accessed the market in all available debt formats during 2017, raising a total of 5.5 billion euros.***
- ***The new issue sees CaixaBank strengthen its regulatory capital levels, while ensuring the institution is well positioned to cover future MREL requisites.***

**Barcelona, 5 July 2017**

CaixaBank has placed 1 billion euros in a new Tier 2 subordinated debt issue. The issue matures in eleven years, with an early redemption option for the issuer as of the sixth year.

A swift market response saw the initial price tightened by 25 bps (from 260 bps to 235 bps in terms of spread against the mid-swap rate), attracting top quality investors, and establishing the lowest level for a Spanish Tier 2 issue in the last two years. The coupon rate stood at 2.75%.

The cost of the new issue is down 1% in terms of spread against the mid-swap compared to CaixaBank's issue in February, which was of a shorter term, demonstrating the market credibility established by the CaixaBank brand and its acknowledged performance over the year.

CaixaBank is the only Spanish issuer that during 2017 has accessed the market in all available debt formats, for a total of 5.5 billion euros, the highest volume raised in public issues via the institutional market by a Spanish issuer, which includes covered bond operations, senior unsecured debt, subordinated debt and more recently its inaugural AT1 issue in June.

CaixaBank is the largest European issuer of institutional regulatory capital debt on the euro market in 2017, and the only Spanish issuer to have made two Tier 2 placements in euros

during the same year.

### **International demand**

CaixaBank, presided over by Chairman Jordi Gual and CEO Gonzalo Gortázar, capitalised good market conditions to complete this issue, demonstrating real confidence in the solvency and leadership of the CaixaBank franchise in the Iberian market. This allowed the issuer to achieve its targets both in terms of cost and maturity, without exerting extra pressure on existing issues on the aftermarket.

The placement attracted interest in excess of 2.8 billion euros and was enthusiastically received by more than 200 institutional investors. There was strong involvement from foreign investors, which accounted for 93% of the issue, and excellent book quality, with 80% placed among investment funds and insurance companies.

Barclays, BNPP, Crédit Agricole, CaixaBank CIB and JPM were the underwriters for the issue.