

## **CaixaBank places 1.375 billion euros in covered bonds, attracting demand in excess of 1.75 billion**

- **The bank completed a new 1 billion euro 10-year covered bond issue, and expanded the issue made in July, adding a further 375 million.**
- **CaixaBank capitalised on good current conditions to become the first Spanish bank to harness the debt market in 2018, at a significantly lower issuance cost than the current issue made exactly one year ago.**

**Barcelona, 3 January 2018**

CaixaBank again became the year's first Spanish issuer, offering a double tranche of long-term covered bonds.

The new 1 billion euro 10-year issue was placed 22 basis points above the midswap rate, well below the 60 basis points over the midswap at which the last 10-year covered bond issue was made in January of last year. The coupon rate stood at 1%.

At the same time, CaixaBank reopened the 15-year covered bond issue made in July 2017, expanding the same by 375 million euros, and lifting the issuance amount for said bond to 750 million euros. In this case the price was established 32 basis points above the midswap rate, and 1 bps below the price offered in the initial issue.

The issue's success was evident in the combined demand for the two placements, which exceeded 1.75 billion euros. Said new issue bolsters CaixaBank's high-quality liquid assets, which at 30 September stood at 71.581 billion euros, with a Liquidity Coverage Ratio (LCR) of 213%, more than 2.5 times the minimum requirement of 80%.

### **International demand**

CaixaBank, presided over Chairman Jordi Gual and CEO Gonzalo Gortázar, capitalised on positive market conditions to complete this issue, with investors demonstrating their confidence in the group's strengths, as well as the outstanding credit quality backing such issues.

The issue will have ratings of Aa2, A+ and AA high from Moody's, Standard & Poor's and DBRS respectively.

The issue attracted an excellent response from institutional investors, which accounted for more than 90 orders. The demand from international investors was likewise prominent, again revealing the strong appeal of CaixaBank issues on the European debt market. 97% of demand was accounted for by Europe.

The banks underwriting the new issue were Commerzbank, Natixis, CaixaBank, UniCredit and UBS Investment Bank.

CaixaBank credit is highly regarded by institutional investors, allowing the covered bonds to be placed 48 basis points below the public debt yield for the same term, just one day before a 5Y, 10Y and 30Y offering from the Spanish Treasury.