

## **CaixaBank strengthens its capital position by issuing €750 million in preferred securities contingently convertible into shares**

- **Investors' confidence in CaixaBank's credit quality is demonstrated by the high level of demand, exceeding €2.5 billion, resulting in a coupon reduction of 37.5 bps to 8.25%.**
- **This issue has enabled CaixaBank to increase its capital adequacy ratios to 15.1% for Tier 1 and 18.0% for Total Capital while strengthening its solid MREL ratio of 27.1%.**

**1 March 2023**

CaixaBank has launched its fifth issue of preferred securities contingently convertible into shares, totalling €750 million with a coupon of 8.25%, equivalent to a mid-swap of +514.2 bps, one level below the weighted average of CaixaBank's AT1 issues, currently at a mid-swap of +539 bps. The previous issue of AT1 bonds was completed in September 2021. This is CaixaBank's third debt issue in 2023, following the issuance of senior non-preferred debt in US dollars and subordinated debt in sterling in January.

These preferred shares are perpetual and eligible for early redemption as of March 2029, thereby broadening the refinancing profile of CaixaBank's AT1 instruments.

The success of this issue is evidenced by the demand in excess of €2.5 billion (more than 3.3 times oversubscribed), resulting in a price reduction of 37.5 bps from the initial level offered when the transaction was launched to a final coupon of 8.25%.

It also highlights the quality of the trading book. More than 170 institutional investors participated in the transaction, demonstrating the extent of CaixaBank's investor base.

### **Improved capital adequacy ratios and capital structure**

This new issue reinforces CaixaBank's excellent capital adequacy ratios to 15.1% for Tier 1 and 18.0% for Total Capital while maintaining flexibility in the management of the AT1 issue buffer and helping to maintain its solid leverage ratio of 5.7%, above the 3.0% requirement, and increasing the anti-crisis buffer (MREL) to 27.1%, thereby bolstering the support of the most senior creditors.

Standard & Poor's has assigned a BB rating to this issuance. The underwriters are Barclays, CaixaBank, Goldman Sachs Bank Europe SE, J.P. Morgan SE and UBS Investment Bank.