

MuniFin successfully prices its first syndicated euro benchmark transaction of the year: a new €1bn 10-year

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MuniFin Contacts:

Joakim Holmstrom +358-9-68035674,

Antti Kontio +358-9-6803-5634

Transaction Highlights:

- On Tuesday the 18th January 2022, MuniFin (Aa1 / AA+ both stable) priced a new EUR 1 billion 10-year benchmark, their first syndicated euro transaction of the year.
- The new bond carries a coupon of 0.250%, and was priced at mid-swaps-5bps, equivalent to a spread of + 37.7bps over the DBR 0% due February 2032.
- The mandate for the new 10-year was announced on Monday the 17th January 2022. Books subsequently opened the next morning with initial price guidance of mid-swaps-3bps area.
- After just over ninety minutes, books had grown in excess of EUR 1.65 billion (excluding JLM Interest), at which point, guidance was revised to mid-swaps-4bps (+/- 1 will-price-in-range).
- Momentum for the transaction continued throughout the European morning, and with books growing further to EUR 2.05 billion (excluding JLM Interest), final spread was set at mid-swaps-5bps, two basis points through guidance.
- Final books closed in excess of EUR 2.05 billion (excluding JLM Interest) enabling MuniFin to comfortably set a final new issue size of EUR 1 billion.
- The transaction was well supported by a high quality, and geographically diverse investor base. In terms of investor type, banks took the largest share of allocations with 35% followed by central banks and official institutions with 31%, asset managers with 23% and insurers and pension funds taking the remaining 11%.
- In terms of geography, accounts from the Benelux region took the greatest share of the new issue with 32% followed by Germany/Austria/Switzerland with 22%, France with 17%, Asia with 10%, the Nordics with 9%, the Americas with 5%, the UK with 4% and other European accounts taking 1%.

Summary Terms and Conditions for the new bond:

Issue Amount	EUR 1 billion
Issuer Rating	Aa1 /AA+ (Moody's / S&P) (all stable)
Pricing Date	18 January 2022
Settlement Date	25 January 2022 (T+5)
Maturity Date	25 February 2032
Re-offer price/Yield	98.991% / 0.352%
Annual Coupon	0.250% (Long first coupon)
Re-offer Spread	Mid-swaps – 5bps
Spread vs Benchmark	DBR 0% February 2032 + 37.7bps
Listing	Nasdaq Helsinki Stock Exchange (Regulated market)
Documentation	Issuer's Debt Issuance Programme
ISIN	XS2435663393
Joint Lead Managers	Citi, Danske Bank, Deutsche Bank, TD Securities

Distribution of final allocations for the new issue:

By Geography:		By Investor type:	
Benelux	32%	Banks	35%
Ger/Aus/Swz	22%	Central Banks / Official Institutions	31%
France	17%	Asset Managers	23%
Asia	10%	Insurance / Pension Funds	11%
Nordics	9%		
Americas	5%		
UK	4%		
Other Europe	1%		

Joint Lead Manager Comments:

Ebba Wexler, Managing Director, Public Sector DCM, Citi, said: "A fantastic way for MuniFin to start its euro benchmark funding this year. In a busy market, MuniFin demonstrated its broad investor appeal with a high quality, and geographically diverse final orderbook which closed twice oversubscribed. Congratulations to the MuniFin team! Citi is delighted to have been bookrunner on this successful transaction."

Axel Zetterblom, SSA Origination, Danske Bank, said: "MuniFin continues their strong start to 2022 with their first EUR benchmark of the year. Final pricing through Fair value in an extremely competitive market, is a clear testament to the strength of the credit and excellent support that MuniFin enjoys from a well-diversified and high quality investor community. Danske Bank is delighted to have been part of this successful transaction and proud to support MuniFin in reaching their funding target of EUR 9-10bn for 2022"

Achim Linsenmaier, Global Head of Public Sector Origination DCM, Deutsche Bank, said: "A fantastic outcome for MuniFin's first Euro benchmark of the 2022 calendar year. The transaction was met with strong investor interest from a diverse range of high quality accounts, and the two times oversubscribed orderbook highlights the strength of the issuer's credit quality. Deutsche Bank is delighted to be part of this transaction."

Laura Quinn, Managing Director, Head of Primary Markets, TD Securities, said: "Congratulations to MuniFin on a phenomenal transaction to kick off their EUR benchmark funding for 2022. A combination of immensely loyal investors and fantastic execution judgement from the MuniFin team provided an amazing result in what was a busy EUR market."