



MuniFin successfully prices its third syndicated euro benchmark transaction of the year: a new EUR 1 billion Long 7-year

19th April 2023

Transaction Highlights

- On Wednesday, 19th April 2023, MuniFin (Aa1 / AA+ both stable) priced a new EUR 1 billion Long 7-year benchmark, the issuer's third syndicated euro transaction of the calendar year.
- The new bond carries a coupon of 3.125%, and was priced at mid-swaps+5bps, equivalent to a spread of +71.8bps over the DBR 0% due 15th February 2030.
- The mandate for the new Long 7-year was announced on Tuesday, 18th April 2023 at 11:23 London time.
- Books opened the following morning, shortly after 8am London time, with initial price guidance released at mid-swaps+5bps area.
- Just under two hours later, the orderbook stood in excess of EUR 1.05 billion (including EUR 100 million Joint Lead Manager interest) and price guidance remained unchanged at mid-swaps+5bps area.
- The orderbook momentum continued to grow throughout the European morning with books in excess of EUR 1.45 billion (including EUR 100 million Joint Lead Manager interest) by 11:25 London time, at which point the spread was set at mid-swaps+5bps.
- The final orderbook closed in excess of EUR 1.8 billion (including EUR 100 million Joint Lead Manager interest), enabling MuniFin to comfortably print a EUR 1 billion sized transaction.
- The final orderbook was of high quality and from a geographically diverse investor base. In terms of investor type, majority of allocations went to banks with 56%, followed by central bank and official institutions with 36%, Asset Managers with 7% and pension funds and insurers taking the remaining 1%.
- By geography, accounts from Germany/Austria/Switzerland took the largest share with 28%, followed by Asia with 20%, UK with 19%, Benelux with 12%, the Nordics with 9%, France with 7% and the Rest of the World with 5%.

Summary Terms and Conditions for the new bond

Issuer	Municipality Finance Plc ("MuniFin")
Issue Amount	EUR 1 billion
Issuer Rating	Aa1 /AA+ (Moody's / S&P) (all stable)
Pricing Date	19 April 2023
Settlement Date	26 April 2023 (T+5)
Maturity Date	29 July 2030
Re-offer Price /Yield	99.722% / 3.170%
Annual Coupon	3.125% (short first coupon)
Re-offer Spread	Mid-swaps +5bps
Spread vs Benchmark	DBR 0% Due 15 th February 2030 +71.8bps
Listing	Nasdaq Helsinki Stock Exchange (Regulated market)
Documentation	Issuer's Debt Issuance Programme
ISIN	XS2615680399
Joint Lead Managers	Citi, Deutsche Bank, Goldman Sachs, JP Morgan

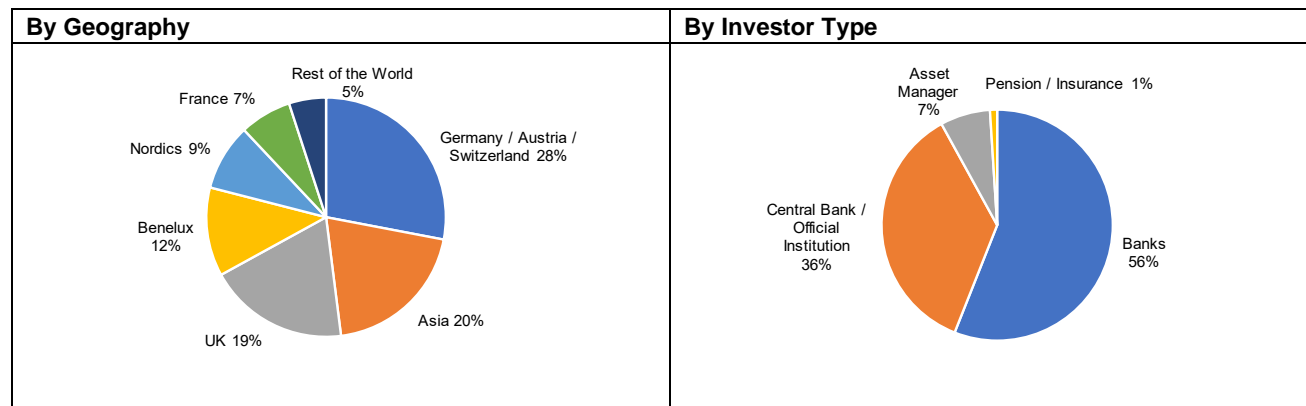


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Joint Lead Manager Comments

Ebba Wexler, Managing Director, Public Sector DCM, Citi, said: “Many congratulations to the MuniFin team on such a successful outcome for their third euro transaction of their 2023 funding program. Despite a volatile rates backdrop, MuniFin were able to price their longest euro benchmark of the year on the back of an extremely high quality and oversubscribed order book. Citi is delighted to have been involved!”

Katrin Wehle, Managing Director, Head of SSA DCM Origination, Deutsche Bank, said: “Congratulations to the MuniFin team on their third EUR benchmark outing of 2023. The new EUR 1bn long 7-year benchmark garnered a quality orderbook amidst a busy primary market for SSA issuers. MuniFin’s agility in adapting to market windows once again enabled them to achieve attractive cost of funding for their activities which support the mission of building a better and more sustainable future for its clients. Deutsche Bank is pleased to have been involved in this transaction.”

Edward Markham, Managing Director, Goldman Sachs, said: “Many congratulations to the MuniFin team on successfully accessing the EUR market for the third time in a row this year. A strong return to the market following a period of broader volatility, capturing interest from a wide range of good quality investors while achieving the price and volume targets. The Goldman Sachs team was extremely delighted to be part of this transaction.”

Matthieu Batard, Head of SSA Syndicate, J.P. Morgan, said: “Congratulations to the MuniFin team on printing a solid €1bn transaction in 7-year part of the curve, being the first Nordic agency to access the tenor this year. The orderbook size of €1.8bn+ is a testament to investor confidence in MuniFin’s name, as it stands as the issuer’s largest EUR 7-year orderbook to date. We are delighted to be involved in this landmark transaction.”

Issuer Overview

Municipality Finance Plc, or MuniFin, is one of Finland’s largest credit institutions and the only one specialised in the financing and financial risk management of the Finnish public sector. The financing is offered exclusively to Finland’s municipal sector, wellbeing services counties sector and affordable social housing. MuniFin is 100-percent owned by the Finnish public sector; Finland’s municipal sector and wellbeing services counties, Keva, a public sector pension fund, and the State of Finland

MuniFin Contacts:

Joakim Holmström – Executive Vice President, Capital Markets and Sustainability +358 50 4443 638

Antti Kontio – Head of Funding and Sustainability +358 50 3700 285

Karoliina Kajova – Senior Manager, Funding +358 50 5767 707

Lari Toppinen – Analyst, Funding +358 50 4079 300

Aaro Koski – Analyst, Funding +358 45 138 7465



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