
KINGDOM OF SPAIN

New EUR 7 billion 1.9% 30-year Benchmark due 31 October 2052

PRESS RELEASE – 9th of February 2022

The Kingdom of Spain, acting through the Spanish Treasury, rated A/A-/Baa1/A (neg/stab/stab/stab) by S&P, Fitch, Moody's and DBRS, priced a new 30-year benchmark on Wednesday 9th of February, the second syndicated *Obligaciones del Estado* launched in 2022. The new EUR 7 billion SPGB due 31 October 2052 pays an annual coupon of 1.9% and was priced at a spread of 10bps over the SPGB Oct-2050, with a re-offer price of 99.934%. The placement was carried out through a syndicate comprising six lead managers: BBVA, BNP Paribas, Crédit Agricole CIB, Citi, Deutsche Bank and Santander. The remaining primary dealers in the Kingdom of Spain government bond market were invited as co-leads.

Background

- ✓ This new 30-year benchmark transaction is the second syndicated *Obligaciones del Estado* issued in 2022.
- ✓ The Kingdom of Spain's total gross funding needs for 2022 are projected to be EUR 237.5 billion (of which EUR 148.1 billion in medium-and long-term instruments).

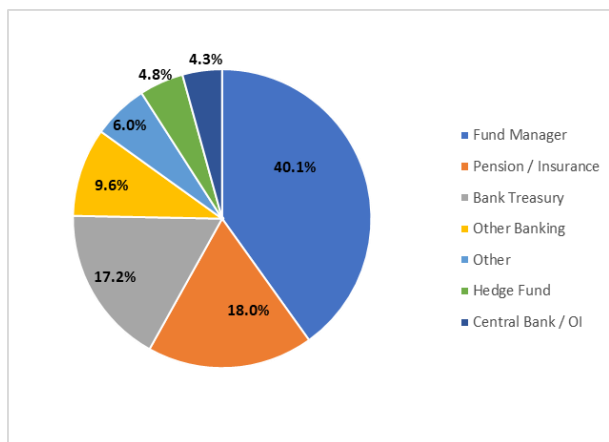
Execution Highlights

- ✓ The mandate for the new *Obligaciones del Estado* syndicated 30-year EUR benchmark was announced on Tuesday 8th of February 2022 at 14:30 CET with the objective to launch the transaction the following day.
- ✓ After the announcement, the new benchmark transaction received substantial interest from investors throughout the European afternoon and overnight before the announcement of the price guidance. The following morning, Wednesday 9th of February, at 9:35 CET, indications of interest ("Iols") stood in excess of EUR 26 billion (including EUR 3 billion of Joint Lead Manager interest), at which point the orderbook was officially opened with price guidance of SPGB Oct-2050 +12bps (+/- 2bps WPIR).
- ✓ The orderbook continued to grow strongly and at 10:45 CET, with orders now over EUR 54 billion (including EUR 3.3 billion of Joint Lead Manager interest), the decision was taken to set the spread at SPGB Oct-2050 +10bps. The order book was officially closed at 11:30 CET with a final size in excess of EUR 60 billion (including EUR 3.3 billion of Joint Lead Manager and co leads interest).
- ✓ At 12:25 CET, the quality and diversification of the orderbook enabled the Kingdom of Spain to fix the deal size and launch a EUR 7 billion transaction. Allocations for the new SPGB due October 2052 were released at 15:35 CET.
- ✓ The transaction was priced at 16:10 CET with a re-offer price of 99.934%, a re-offer yield of 1.903%.

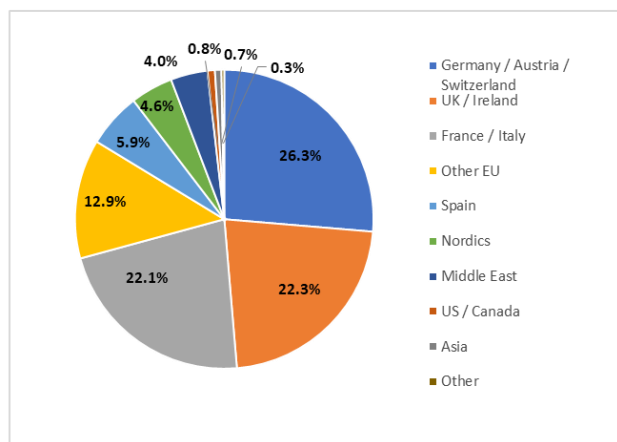
Summary of Distribution

- ✓ In terms of investor type, Fund Managers constituted the largest investor group taking 40.1% of the transaction, followed by Pension Insurance with 18% and Bank Treasury funds with 17.2%.
- ✓ International investors took more than 94% of the final allocation, the highest figure so far in a Tesoro transaction. Germany / Austria / Switzerland was the single largest geography with 26.3%. Other notably active investor regions were UK / Ireland with 22.3% and France / Italy with 22.1%. Domestic accounts represented 5.9% of the allocation.

By Type



By Region



Summary of Terms and Conditions

Issuer	The Kingdom of Spain
Issuers Ratings	A/A-/Baa1/A (neg/stab/stab/stab) (S&P/Fitch/Moody's/DBRS)
Format	<i>Obligaciones del Estado</i> (in dematerialised book entry form), RegS Cat 1, 144A eligible, CACs
Size	€ 7 billion
Maturity	31 October 2052
Settlement	16-Feb-2022 (T+5)
Coupon	1.9% Fixed, annual ACT/ACT, short first to 31-Oct-2022
Reoffer Price / Yield	99.934% / 1.903%
Denom/Listing/Law	€1k+1k / Madrid (AIAF Mercado Renta Fija) / Spanish Law
Docs	Exempt from prospectus requirements in Spain. Spanish public debt tax regime. No events of default. No tax gross-up.
ISIN	ES0000012K46
Bookrunners	BBVA, BNPP, CITI, CACIB, DB (B&D/DM), SANTANDER
Timing	Priced/ T.O.E 16.10 CET/FTT Immediately