

Govern Illes Balears € 400m 1.549 % due 21st November 2028

Terms & Conditions

Issuer	The Autonomous Community of the Balearic Islands
Ratings (Moody's / S&P / Fitch)	BBB+(Pos) (S&P)
Amount (EUR)	400,000,000
BBVA role	Global Coordinator
Trade date	12 th February 2019
Settlement Date	19 th February 2019
Maturity	21 st November 2028
Reoffer Spread	Interpolated SPGB 1.400 07/2028 & SPGB 1.450 04/2029 + 27bps
Reoffer Price	100.002 (1.549%)
Coupon	1.549% Fixed, Annual, Act/Act (Short 1st)
Listing	AIAF
Law	Spanish

Deal Highlights

- On Tuesday 12th February 2019, Autonomous Community of the Balearic Islands resume its activity in the Capital Markets since 2011 after having priced a new Euro 400,000,000 1.549% short 10-year transaction.
- The mandate was announced on Monday afternoon and the marketing material carried out by the issuer was distributed among the investor base.
- The Go/No-Go call was set at 8.00 UKT next morning in order to announce the transaction as early as market opens subject to market conditions. The issuer released the IPTs (initial price thoughts) at 08.15 UKT with a spread of +low 30's over interpolated SPGB curve.
- After one hour and due to the supportive interest from investors with books in excess of Euro 700mn, Illes Balears officially opened books while announcing an initial guidance of SPGB interpolated +30bps area.
- After one hour of bookbuilding process the orderbook reached Euro 1,000mn (excluding JLM interest) and the decision was taken to set the spread at interpolated SPGB+27bps. The orderbook was officially closed at 11.00UKT with a demand in excess of Euro 1,100mn (excluding JLM orders).
- Allocations for the new Euro 400mn due November 2028 were released just before 13:15 UKT and the transaction was priced at 13:55UKT at a reoffer yield of 1.549%.
- Strong presence of international accounts (56% of the allocated deal) with a great interest from German and Austrian institutional investors. By investor type, Banks took 42%, Fund Managers 23%, Insurance & Pension Funds 21% whilst Official Institutions, Private Banking and Others took the 14%.

First syndicated transaction launched by Autonomous Community of the Balearic Islands since May 2011

BBVA acted as Global Coordinator in the transaction

Final Reoffer Spread was set at SPGB+27bps

Books were in excess of €1.1bn supported by the excellent reception of the deal by 75 European institutional investors

High granularity and investor diversification with non-domestic accounts representing the 56% of the allocated book

Allocations Breakdown

