



PRESS RELEASE

The Republic of Bulgaria priced a dual currency triple tranche transaction consisting of EUR 1.75bn 8 year, USD 1.5bn long 12-year and EUR 1.25bn 20-year bonds

28th of August 2024

Issuer	Republic of Bulgaria		
Issuer Ratings / Outlook	Baa1 (Stable) by Moody's, BBB (Positive) by S&P and BBB (Positive) by Fitch		
Expected Issue Ratings	Baa1 by Moody's and BBB by Fitch		
Ranking	Senior Unsecured		
Currency	EUR	EUR	USD
Format	Reg S (Category 1), Registered, Drawdown under the GMTN Programme	Reg S (Category 1), Registered, Drawdown under the GMTN Programme	Reg S (Category 1), Registered, Drawdown under the GMTN Programme
Issue Size	EUR 1.75bn	EUR 1.25bn	USD 1.5bn
Tenor	8-Year	20-Year	Long 12-Year
Maturity Date	5 September 2032	5 September 2044	5 March 2037
Settlement Date	5 September 2024		
Re-offer	MS+135bps / 3.823% / 98.657	MS+190bps / 4.413% / 97.864	UST CT10 +135bps / 5.192% / 98.251
Benchmark	DBR 1.7 08/15/32 (96.74, B+167.3)	DBR 2 ½ 07/04/44 (99.513 B+188.2)	T 3 ⅞ 08/15/34 100-08+
Coupon	3.625%	4.250%	5.000%
Terms	€1,000 and €1,000	€1,000 and €1,000	USD 2,000 and USD 2,000
ISIN	XS2890420834	XS2890435600	XS2890436087
Governing Law	English Law		
Listing	Regulated Market of the Luxembourg Stock Exchange		
Clearing System	Euroclear / Clearstream, Luxembourg		
Joint Lead Managers	BNPP (B&D), Citi, ING, UniCredit		
Use of Proceeds	The net proceeds from Notes to be issued under the Programme will be applied for general budget purposes		

In anticipation of a potentially busy September issuance window, the Republic of Bulgaria decided to take advantage of the strong market backdrop and successfully issue its new dual currency triple tranches on 28th August composed of a EUR 1.75bn 8-year tranche, a EUR 1.25bn 20-year tranche and a USD 1.5bn long 12-year tranche, being the first CEE issuer tapping the market after the summer break.

The transaction was announced the day before, on Tuesday, 27th August, together with intensive marketing efforts combining a Global investor call and several small group meetings together with one-on-one meetings throughout the whole day. During this deal related roadshow, the issuer managed to connect to around 28 investor accounts across 7 small group calls while an impressive 96 investor accounts participated in the Global Investor Call. As a result of the well-attended marketing effort, the issuer managed to collect a solid IOI book, skewed towards the USD tranche, by the end of the day.

Comforted by the strong investor interest and based on the stable market environment, the Republic of Bulgaria opened books on Wednesday, 28th August at 9:30 CET with IPTs set at MS+165bps area for the EUR 8-year, MS+220bps area for the EUR 20-year and T+170bps for the USD long 12-year.

Being the first CEE issuer after a very quiet summer, the transaction was very well received from the start with the roadshow clearly paying off in the early hours of bookbuilding as the IOIs collected translated into firm orders. Around 13.45 CET, the orderbook reached EUR 4.6bn for the EUR 8-year, EUR 2.8bn for the EUR 20-year and USD 4.1bn for the long USD 12-year. The strong momentum allowed the Republic of Bulgaria to tighten the spread by 20bps on all tranches to revise guidance to MS+145bps area / MS +200bps area and to T+150bps area respectively. Simultaneously it was announced that the book goes subject at 15:00 CET.

Despite the tighter spread guidance, the order inflows remained sturdy with the orderbook reaching EUR 6.6bn for the EUR 8-year, EUR 3.9bn on the EUR 20-year and USD 6.8bn on the long USD 12-year tranche with limited price sensitivity. Therefore, final spreads were set at 15.40 CET with 10bps tightening on the EUR tranches to MS+135bps and MS+190bps respectively while a 15bps tightening on the long USD 12-year tranche to T+135bps could be achieved. Simultaneously the sizes were fixed at EUR 1.75bn for the 8-year, USD 1.5bn for the long 12-year and EUR 1.25bn for the 20-year transaction.

This remarkable transaction marks the Republic of Bulgaria's first appearance on the market during the year of 2024, it marks the return of the sovereign to the USD market, with its last visit in 2002 and it is the biggest ever transaction that the Republic of Bulgaria issued in one market exercise. This dual currency triple tranche transaction once again demonstrates the strong market access of the Republic. The perfect preparation during the 1-day Roadshow as well as the perfect mixture of timing and execution strategy were key factors allowing the Republic of Bulgaria to achieve an outstanding outcome on this transaction.

The Republic of Bulgaria attracted a granular and high-quality investor base into the issue, with more than 300 accounts. The final allocations were as follows:

20-year EUR:

Investors geographical distribution: UK & Ireland accounted for the largest portion of 39%, US (offshore) comes after with 19% share, the DACH region took 13%, Rest of World 11%, CEE 9%, and the final Rest of Europe accounted for 8%.

Investors type distribution: Asset Managers had the biggest share of 61%, Pension Fund & Insurance accounted for 15%, Hedge funds 11%, Official institutions 7%, and the closing Others 6%.

12-year USD:

Investors geographical distribution: UK & Ireland took 49%, US (offshore) accounted for 27%, Rest of Europe comes after with 10%, Rest of World 6%, the DACH region had 6% accompanied by the CEE region with 2%.

Investors type distribution: Asset Managers took the biggest share of 78%, Hedge Funds come after with 11% share, Official Institutions accounted for 6%, Pension Funds & Insurance took 3%, and the final Others 3%.

8-year EUR:

Investors geographical distribution: UK & Ireland accounted for 30%, Rest of Europe comes after with 20%, US (offshore) took 19%, the CEE region 15%, the DACH region had 12%, and the Rest of World took the remainder (4%).

Investors type distribution: Asset Managers had the biggest share of 65%, Banks and Private Banks come after with 11% share, Hedge Funds 9%, Pension Funds & Insurance took 8%, and the final Official Institutions 8%.