



Erste Group successfully placed EUR1.25 bn 12-year benchmark Slovak government Eurobond at record low yield of 3.375%

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Well managed market timing and robust demand from high quality investors

New issue amassed an impressive EUR 2.1 bn order book across 140 investors

Approximately 80% of the total demand came from international investors, namely Germany, UK, Austria, France, Switzerland, Benelux and Asia

Erste Group Bank AG ("Erste Group") through its subsidiary Slovenská sporiteľňa successfully managed a EUR 1.25 bn 12-year new issue for the Slovak government as Joint Lead Manager. The Slovak Republic, rated A2 negative / A stable/ A+ stable (Moody's/S&P/Fitch), acted through the Ministry of Finance and was represented by the Debt and Liquidity Management Agency (ARDAL). The new issue represents the second transaction for Slovakia led by Erste Group this year, following the successful CZK 12.5 bn benchmark issue in February.



Taking advantage of a positive market opening on Wednesday, November 7th, the issuer decided to proceed with its last syndicated EUR transaction of the year as part of its pre-funding strategy. The final issue carries a coupon of 3.375% due 15 November 2024 and was placed at a re-offer price of 99.533% and a yield of 3.421%.

"The fact that Slovakia is able to issue a long-term transaction at a historically low yield in the current turbulent times highlights the strength of the Slovak credit story and economic fundamentals. It proves that Slovakia's debt strategy is well managed and confirms its position as a safe haven sovereign", said Franz Hochstrasser, Deputy CEO of Erste Group.

Erste Group acted as Bookrunner in the most recent issues of the Republic of Poland (EUR 1.7 bn), the Czech Republic (EUR 2 bn issue in February, including the recent EUR 750 mn tap) and Republic of Austria (EUR 5 bn), among others. Accordingly, Erste Group ranks as the top underwriter for sovereign and corporate issuers in Austria and the CEE region, with a market share of ca. 11% and a total transactional volume of EUR 4.7 bn in 2012 year-to-date.

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