

Kutxabank successfully launches its inaugural issue of covered bonds

- **The Group has issued EUR 750 million with a four years tenor**
- **The price of the bonds was set at 220 basis points over mid-swap**

Bilbao, 18th January 2013. Kutxabank has successfully fulfilled in less than one hour the issue, being the first one launched by the Basque financial Group. The issue was set at EUR 750 million, with a tenor of 4 years.

The bonds yield was set at 220 basis points over mid-swap, the rate reference used for these issues. The largest part of the transaction, which demand exceed five times the issued amount -213 purchase applications for a total of EUR 3,800 million-, was allocated among institutional investors from the United States, Canada, China, Japan, Germany, France and other European countries.

Barclays, Citigroup, Commerzbank, Credit Agricole and Natixis were the Joint Lead Managers and Bookrunners of the deal. The issue was given a long term rating by the international rating agencies Moody's and Standard & Poor's of A3 and AA-, respectively.

Covered bonds are fixed income securities that are collateralized by mortgage portfolios of financial entities. The issue reinforces the solid and optimum liquidity position of Kutxabank, one of the most capitalized companies in the financial sector, with an equity exceeding EUR 5,000 million.
