



Ireland successfully launches new €7 billion bond

Ireland has launched a new benchmark bond, the 4.4% Treasury Bond which will mature in June 2019. The proceeds from the bond will be used to provide ongoing finance to the Exchequer. The new bond was launched through a syndicate of banks led by Barclays Capital, Calyon, Davy Capital Markets, Deutsche Bank and Royal Bank of Scotland. The amount sold was €7 billion and is the largest syndicated bond transaction by any borrower in Europe to date this year. Demand for the bond was very strong with bids of over €13 billion received from investors.

Ireland has the top grade AAA credit rating with a stable outlook from each of the four major credit rating agencies, Standard & Poor's, Moody's, Fitch Ratings, and Rating & Investment Information Inc.

The National Treasury Management Agency (NTMA) manages Ireland's national debt. The Chief Executive of the NTMA, Dr. Michael Somers, stated today that the launch of the new bond was a magnificent success especially given the ongoing volatility in the financial markets and the very limited windows of opportunity for issuance at the present time. He highlighted that Ireland was keen to satisfy the large investor demand for its government bonds and that this was done in the face of competition from other European sovereign issuance. Dr. Somers also declared that Irish Government bonds continue to be popular with investors spread over many countries and that most investors in this latest bond will be long-term holders.

Irish investors accounted for 6% of the issue, the UK for 30%, the Benelux countries for 14%, Germany for 10% and France for 15%. Some 39% of the issue was taken up by asset managers, 26% by banks and 18% by pension funds and insurance companies.

National Treasury Management Agency
8 April 2008

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