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PRESS RELEASE

Ireland EUR 3.75bn 10-year benchmark bond, due March 2024

Today, Ireland, acting through the National Treasury Management Agency (NTMA), with ratings of Ba1 (stable outlook) from Moody's, BBB+ (positive outlook) from Standard & Poor's and BBB+ (stable outlook) from Fitch Ratings, launched its first syndicated transaction of 2014 and its first debt offering since exiting its EU-IMF programme of financial assistance in December 2013. This is also the first European sovereign syndicated debt transaction of 2014.

The new EUR 3.75 billion benchmark bond due 18 March 2024 has a 3.40% coupon and was priced at a spread of 140 basis points over mid swaps for a yield of 3.543%. Barclays, Citi, Danske Bank, Davy, Deutsche Bank and Morgan Stanley acted as joint bookrunners on the transaction.

Context:

The NTMA has indicated that it will raise between EUR 6 and EUR 10 billion from the capital markets in 2014, having already pre-funded 2014 and into the first quarter of 2015. This transaction is part of the process of re-engagement with the markets, including plans to auction bonds.

Highlights of the Issue:

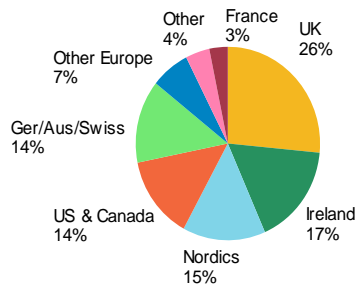
- This EUR 3.75 billion 10-year bond follows two successful syndicated offerings in 2013: a EUR 5 billion 10-year syndication in March 2013 and a EUR 2.5 billion syndicated tap of Ireland's 2017 bond in January 2013.
- The mandate was announced at approximately 2:30pm Dublin time on Monday 6th January with the intention of opening books thereafter, subject to market conditions. This announcement allowed the NTMA to signal its intentions to the market and allowed investors some time to consider the transaction before price guidance was released.
- The NTMA's plan was to limit the size of this transaction, in order to leave further room in its funding programme for a return to bond auctions.
- Markets opened on a positive note on Tuesday, providing a stable backdrop to launch the transaction. The transaction was announced with initial price thoughts of mid swaps +150 basis points area at 8:00am Dublin time. The deal amassed over EUR 9 billion in indications of interest, including EUR 1.5 billion in interest from the joint bookrunners, within the first 45 minutes.
- Books formally opened at 8:45am Dublin time, with price guidance announced at mid-swaps +145 basis points area.

- Following a strong bookbuilding process, the final spread was set at mid-swaps +140 basis points at 9:15 am Dublin time. The final spread was 2 basis points inside of the fair value 10-year level of mid-swaps +142 basis points prior to the announcement of the transaction. Furthermore, Ireland’s curve saw significant tightening on the back of this transaction, with the existing March 2023 bond tightening by approximately 8 basis points over the course of the transaction execution period.
- Momentum continued to build as the book surpassed the EUR 14 billion mark (including EUR 1.75 billion of interest from the joint bookrunners) by 9:30am Dublin time, when books formally closed.
- The NTMA decided to price a EUR 3.75 billion offering based on the strong demand.
- Almost 400 investors participated in the transaction, with over 83% coming from overseas, particularly pan-European and US real money accounts.

Highlights of the Issue:

- In terms of geographical distribution, the transaction saw notable demand from the UK and Nordic regions as well as the Americas, with strong support from the domestic investor base.
- Statistics (by allocation): UK 26%, Ireland 17%, Nordics 15%, US & Canada 14%, Germany/Austria/Switzerland 14%, Other Europe 7%, Other 4%, France 3%.
- In terms of investor type, approximately half of the deal was anchored by fund managers, with banks and pension funds also taking up a significant amount.
- Statistics (by allocation): Fund managers 49%, Banks 27%, Pension Funds 10%, Hedge Funds 8%, Insurance 5%, Central Banks/Official Institutions 1%.

Overall Distribution by Geography
Total Allocations



Overall Distribution by Investor Type
Total Allocations

