

7th January 2016

PRESS RELEASE

Ireland **€3bn 10-year benchmark bond, due May 2026**

Today, Ireland, acting through the National Treasury Management Agency (NTMA), with ratings of 'Baa1' (positive outlook) from Moody's, 'A+' (stable outlook) from Standard & Poor's and 'A-' (positive outlook) from Fitch Ratings, launched a syndicated transaction.

The new €3 billion benchmark bond, due 15 May 2026, has a 1% coupon and priced at a spread of mid swaps +24 basis points to give a re-offer yield of 1.156%. Barclays, BofA Merrill Lynch, Davy, Morgan Stanley, Royal Bank of Scotland and Societe Generale GIB acted as joint book-runners on the transaction.

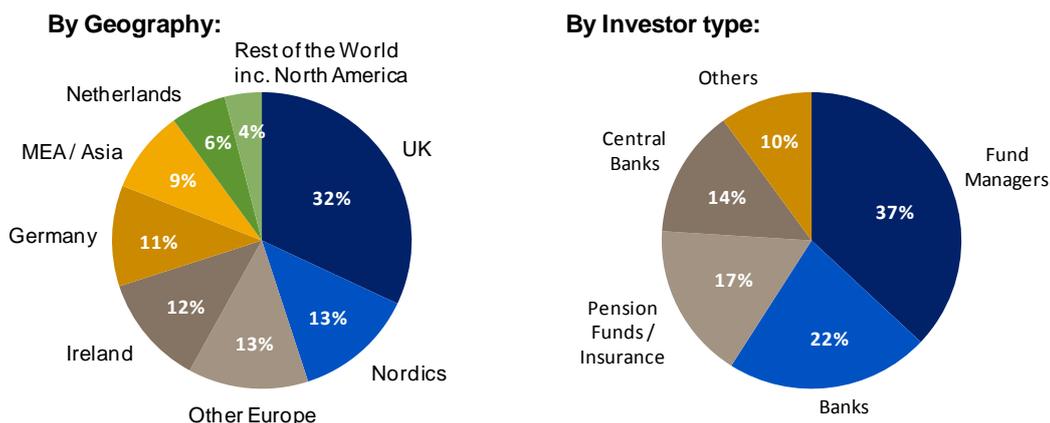
This new transaction provides Ireland with a new 10-year benchmark bond.

Highlights of the Issue

- The mandate was announced at 3 p.m. Dublin time on Wednesday 6th January allowing investors time to consider the transaction before initial price thoughts were released today;
- Asian equity markets had another tough overnight session with indices down 2-3%, and as a result there was a better bid tone to Bunds in the morning session. Prices in Irish government bonds remained firm and spreads stable.
- At 8.15am Dublin time today, initial price thoughts of “mid swaps + mid to high 20s basis points” were released
- The deal was met with strong initial demand, attracting in excess of €8bn in indications of interest (IOIs), including €1.2bn Joint Lead Manager interest, before the release of formal price guidance;
- Books formally opened at 9.15 a.m. with price guidance announced at mid swaps + 25 basis points area.
- The order book continued to grow throughout the morning and at 10.05 a.m. the final spread was set at mid swaps + 24 basis points.
- The books closed at 10:15 a.m. with greater than €9.6bn of interest (including €975m from the Joint Lead Managers) across over 160 orders – this enabled Ireland to price a well-placed €3bn deal by 1.20 p.m.

Distribution Highlights

- Of the €3 billion issued 88% was taken up by overseas investors, including the U.K. (32%), Nordics (13%), Germany (11%), Netherlands (6%), other Europe (13%), Middle East / Asia (9%) and rest of the world including North America (4%).
- The main investor categories were fund managers (37%), banks (22%), pension funds and insurance companies (17%) and central banks (14%), with the balance spread across hedge funds, corporates and others.



Final terms:

Issuer	Ireland
Notional amount	EUR 3 billion
Format	Reg S
Coupon	1% Annual
Settlement	14 January 2016 (T+5)
Maturity	15 May 2026
Re-offer Price	98.49
Re-offer Yield	1.156 %
Benchmark	DBR 1% 8/25 at 104.518% / 0.516%
Re-offer benchmark spread	64 bps
Re-offer Spread vs Midswaps	24 bps
Lead Managers	Barclays, BofA Merrill Lynch, Davy, Morgan Stanley, Royal Bank of Scotland and Societe Generale
Co Lead Managers	BNP Paribas, CACIB, Cantor Fitzgerald, Citi, Danske Bank, Deutsche Bank, Goldman Sachs, HSBC, JP Morgan, Nomura, UBS