

VakifBank issued a new Eurobond amounting USD 500 million

Vakifbank, pioneer and innovative bank of Turkey in international capital markets, issued a new Eurobond with a maturity of 5 years, amounting USD 500 million within the Global Medium Term Notes (GMTN) program. Thus, in the last one-month period that credit rating agency Moody's downgraded the sovereign rating to non-investment grade, VakifBank's Syndication, Securitization and Eurobond issuance amount reached USD 2,225 billion.

“This issuance confirmed once more the recognition, high credibility and strong image of VakifBank in the eye of international investors”

Stating that in a period that vulnerability and uncertainties increased, VakifBank made a successful transaction coming onto the market in a little time by using the flexibility of GMTN program, VakifBank CEO Mr. Halil Aydogan said “Although within the last week Eurobond issuances in our country increased and markets' attention slipped to the Arabian countries' borrowing transactions, 2,5 times of issuance amount from around 140 investors has been demanded for the bookbuilding of Eurobond issuance in a little while. Thanks to the high quality investor demand coming all over the world, the yield has tightened by 15 bps from the initial price of MS+450 bps to MS+ 435 bps and the final yield has been set at 5.614% and the coupon rate at 5.5%. This transaction confirmed once more the recognition, high credibility and strong image of VakifBank in the eye of international investors.”

“These transactions are the best answers to the credit rating agencies”

In the last one-month period that credit rating agency Moody's downgraded the sovereign rating to non-investment grade, VakifBank's transaction amount reached USD 2,225 billion through the transactions of Syndication, Securitization and the Eurobond issued yesterday. Mr. Aydogan said “These transactions are the best answers to the credit rating agencies downgraded the sovereign rating. As VakifBank, we will continue to diversify our funding structure, provide long term and cost-effective international funds suitable for different investor bases and thus, support the high value added projects of our country. Year to date, international borrowing amount reaching USD 4,5 billion clearly proves this case.”

Joint Lead Managers of the transaction amounting USD 500 million are Emirates NBD PJSC, Goldman Sachs International, ING Bank N.V., National Bank of Abu Dhabi PJSC, SMBC Nikko Capital Markets Limited, Societe Generale and Wells Fargo Securities.