

# MuniFin

## Municipality Finance Plc

USD1.25 billion 4.875% Long 3-Year (Jan-27) RegS / 144A Benchmark

5<sup>th</sup> October 2023

### Final Terms

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Issuer:	Municipality Finance Plc ("Munifin")
Ratings:	Aa1 / AA+ (both Stable) by Moody's / S&P
Format:	RegS / 144A
Coupon:	4.875% Fixed, S/A, 30/360, short first
Size:	USD1.25 billion
Pricing Date:	5th October 2023
Payment Date:	13th October 2023 (T+5)
Maturity Date:	13th January 2027
Reoffer Spread:	SOFR MS + 38 bps   CT3 + 17.2bps
Joint Bookrunners:	BofA Securities, J.P. Morgan, RBC Capital Markets, TD Securities

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### Issue Highlights

- **Highly successful transaction; MuniFin's largest USD Benchmark since January 2021 and second USD Benchmark in 2023 to-date.**
- **One of MuniFin's largest ever USD orderbooks closed in excess of USD3.3 billion (excl. JLM);** with broad global distribution from over 85 accounts.
- **The final re-offer spread was tightened by 2bps from IPTs;** marking a minimal new issue concession to MuniFin's outstanding secondary curve.
- **Strong participation from Banks and Central Banks / Official Institutions,** taking 44.1% and 40.3% of the final allocation respectively.

### Issue Details

- On Thursday 5th October, Municipality Finance Plc ("MuniFin"), rated Aa1 / AA+ (both stable) by Moody's / S&P, priced a new USD1.25 billion Long 3-Year (Jan-27) RegS / 144A Benchmark at SOFR MS+38bps, equivalent to CT3+17.2bps.
- MuniFin reacted swiftly to the clear issuance window and constructive market tone to announce their second USD Benchmark in 2023 to-date at 13.20 UKT on Wednesday afternoon. Initial-price-thoughts of SOFR MS+40bps area were also released alongside the mandate.
- By the time books opened just after 07.50 UKT on Thursday morning, indications of interest were in excess of USD825 million (excl. JLM). Spread guidance remained at SOFR MS+40bps area at this juncture.
- The European morning saw high quality demand come from across the investor spectrum; reaching in excess of USD2 billion (excl. JLM) by the time of the first update at 08.55 UKT. Given the size and quality of demand, revised guidance of SOFR MS+39bps area was communicated to the market, 1bp tighter than IPTs.
- By the time of the second update at 10.30 UKT, the orderbook was in excess of USD3 billion (excl. JLM). In order to provide clarity to investors, the spread was tightened and fixed at SOFR MS+38bps, 2bps tighter than IPTs. It was also communicated that books were to close at 11.30 UKT.
- Orderbooks ultimately closed in excess of USD3.3 billion (excl. JLM), allowing MuniFin to comfortably set the size of the transaction at USD1.25 billion. This marks MuniFin's largest USD Benchmark since January 2021.
- In terms of geographical distribution, the transaction was broadly diversified across Europe (39.1%), Americas (28.7%), MEA (17.3%) and Asia Pacific accounts (14.9%). Banks were the largest investor component taking 44.1% of final allocations, supported by strong participation from Central Banks / Official Institutions (40.3%), Asset Managers (15.3%) and Other accounts (0.2%).
- The broad and global distribution of this transaction is once again testament to MuniFin's unwavering support within the global investor community.

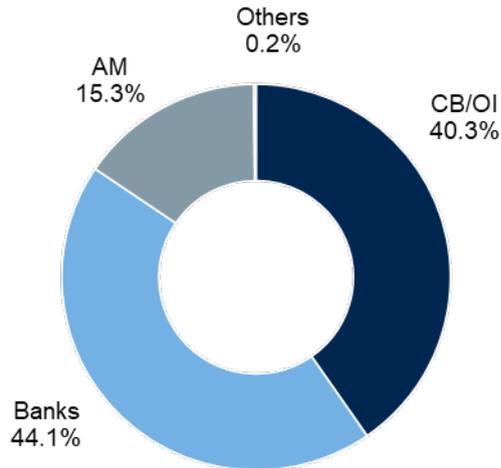
# MuniFin

## Issuer Overview

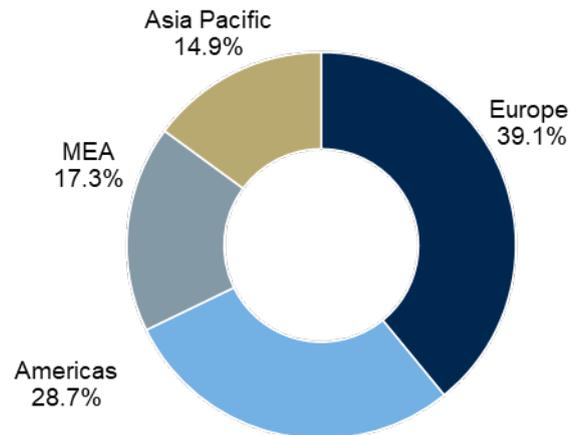
- Municipality Finance Plc, or MuniFin, is one of Finland's largest credit institutions and the only one specialised in the financing and financial risk management of the Finnish public sector.
- The financing is offered exclusively to Finnish municipalities, their majority-owned companies, and non-profit housing companies.
- MuniFin is 100-percent owned by the Finnish public sector; the municipalities, the government of Finland and Keva, a public sector pension fund.

## Sales Distribution

By Investor Type



By Geography



Source: Joint Bookrunners

## Comments from the Bookrunners:

"Huge congratulations to the MuniFin team for strategically taking this week's window despite the volatile backdrop. An excellent result for MuniFin's second USD benchmark of 2023 as illustrated by the size and depth of the orderbook. Bank of America is extremely proud to have been a part of this transaction and successfully rounding out MuniFin's benchmark funding for 2023."

**Robert Matthews, Vice President, SSA DCM, BofA Securities**

"Congratulations to the MuniFin team for swiftly responding to market conditions, taking advantage of a clear issuance window to price a successful transaction! The orders over \$3.3bn+ not only make this one of MuniFin's largest orderbooks but also underline investors' confidence in MuniFin's name. This was apt to end the benchmark funding on a high note and we're delighted to be involved!"

**Matthieu Batard, Head of SSA Syndicate, J.P. Morgan**

"Congratulations to the MuniFin team on a successful transaction; reacting swiftly to the favourable market conditions and clear issuance window to secure their second USD Benchmark in 2023. Final demand in excess of \$3.3bn marks one of MuniFin's largest ever USD books; a reflection of the high-quality credit and recognition of the team's efforts on global investor engagement. RBC was delighted to be involved and it was a pleasure working with the team on this transaction."

**Eleanor Singer, Vice President, SSA DCM, RBC Capital Markets**

"Congratulations to the entire MuniFin team on a seamlessly executed new 3yr USD transaction. MuniFin were nimble in their approach to securing an efficient funding window this week which paid off with an incredible USD 3.3bn final orderbook from a wide variety of global USD investors."

**Paul Eustace, Managing Director, Global Co-Head of SSA and Head of Europe and Asia Syndicate, TD Securities**

# MuniFin

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