



Kingdom of Belgium | Belgian Debt Agency

EUR 7.0bn 3.100% new 10-year OLO103 due 22 June 2035

Deal Summary – January 2025

The Kingdom of Belgium, rated Aa3/AA/AA- (negative/stable/negative) by Moody's, S&P and Fitch, launched today, via the Belgian Debt Agency, its first syndicated OLO benchmark of 2025. The new EUR 7 billion OLO103 due 22 June 2035 pays an annual coupon of 3.100% and was priced at a spread of 66bps over the mid-swap reference rate implying a reoffer yield of 3.141%. Joint bookrunners were BNP Paribas Fortis, Crédit Agricole CIB, HSBC, J.P. Morgan and Morgan Stanley. All remaining primary dealers in Belgian government bonds were invited into the syndicate as co-leads.

The 2025 funding plan

- The Belgian Debt Agency expects its 2025 gross borrowing requirements to amount to EUR 44.65 billion which represents a decrease of EUR 6.23 billion compared to the 2024 borrowing requirements. This will be financed by issuing EUR 42 billion of OLOs, marginally less than the EUR 43.19 billion issued via OLOs in 2024.
- Similarly to last year, the Belgian Debt Agency expects to launch three new fixed-rate OLO benchmarks in 2025: a new 10-year benchmark, a new 5-year benchmark, and one new OLO in a long maturity.
- With this new OLO 103, the Debt Agency has already achieved 16.7% of its planned OLO issuance in 2025.

Execution highlights

- In line with its longstanding habit to bring a new liquid 10-year OLO in January, the Debt Agency announced its intention to launch a new 10-year benchmark on Monday 6th January at 12:00 CET with the objective to execute the transaction on Tuesday 7th. This was also the first EGB syndication of the year.
- On the back of the strong initial feedback of investors and positive market tone, the syndicate of banks were in a position to open books the following day at 9:00 CET with a guidance of MS+68bps area, implying an initial New Issue Premium between 3.5 and 4bps.
- The investor reaction was immediate and fast. After 1h30 of bookbuilding the quality of the book was very high with total orders in excess of EUR 67bn (excl. JLM interest), which enabled to set the spread at MS+66bps, and to announce the book's closing at 11:00 CET. With books exceeding EUR 88bn (pre-rec, excl. JLM interest) at the final spread, the decision was made to set the size at EUR 7bn and launch the transaction at 11:50 CET.
- Final books were in excess of EUR 89bn (excl. JLM interest), which represents the largest ever orderbook for an OLO syndication, an increase by more than 25% of the record set only a year ago.
- Allocations were released to the market at 15:25 CET and the transaction priced at 16:10 CET at mid-swaps +66bps implying a reoffer yield for investors of 3.141% and final NIP seen at 1.5 to 2bps. Almost 400 individual orders received an allocation in this transaction.

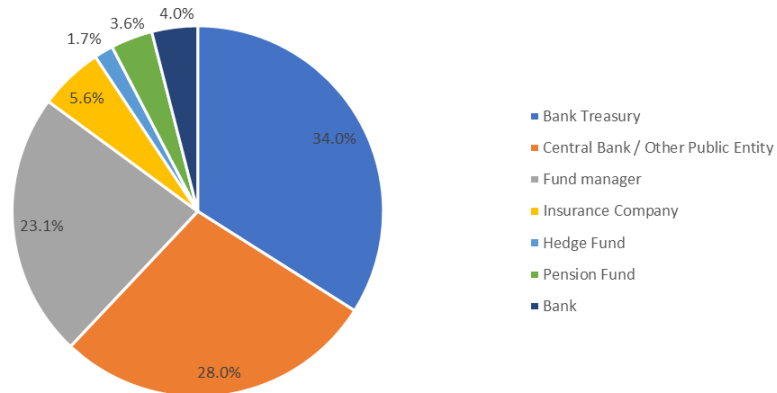
Summary of distribution

- By investor type, Bank Treasuries took the bulk of the demand with 34%, followed by Central Banks & Other Public Entities taking 28% and Fund Managers 23.1%.
- By geography, we've seen strong international demand (89.1% outside of Belgium), with UK taking 18% of the share, followed by Asia 16.3%, Italy 9.1% and France 7.7%.

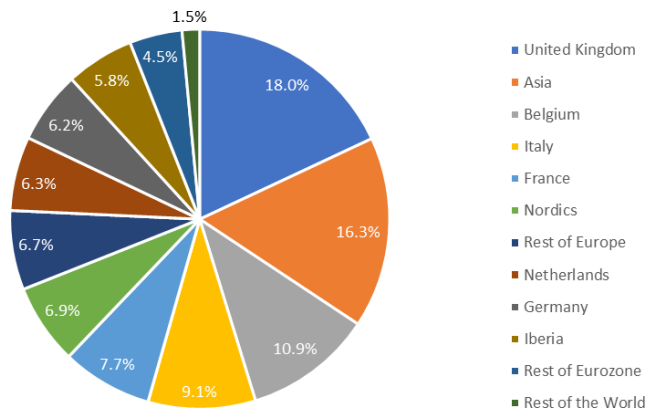




Distribution by type



Distribution by region



Summary of terms and conditions

Issuer	The Kingdom of Belgium
Issue ratings	Aa3 (Negative) / AA (Stable) / AA- (Negative)
Pricing date	7 th January 2025
Settlement date	14 th January 2025 (T+5)
Maturity date	22 nd June 2035
Size	EUR 7,000,000,000
Coupon	3.100% annual Act/Act (ICMA) with short first coupon on 22 nd June
Re-offer spread	MS +66bps (DBR 2.60% 08/34 +67.0bps)
Re-offer price	99.652%
Re-offer yield	3.141%
Listing / Law	Brussels / Belgian law
ISIN	BE0000363722
Joint bookrunners	BNP Paribas Fortis, Crédit Agricole CIB, HSBC, J.P. Morgan and Morgan Stanley

