

VakıfBank maintained its leading position with the issuance of new sustainable eurobond amounting to USD 750 million with 5 years maturity

VakıfBank became the first Turkish bank to successfully complete this new transaction for the third time after pioneering Sustainable Eurobond transactions in the sector in 2020 and 2021.

The transaction attracted attention from all around the world, reaching 3.5 times oversubscription.

Emphasizing involvement in significant transactions in the field of sustainable finance within the banking sector, VakıfBank CEO Abdi Serdar Üstünsalih made the following remarks in his assessment:

"Sustainability and, in particular, sustainable finance are of great importance for both VakıfBank and the Turkish banking sector. Recently, we signed a loan agreement with the French Development Agency (AFD) for the disbursement of the second tranche of EUR 100 million loan under the 'Green Mortgage Project.' Following that, we successfully completed the Sustainable Eurobond transaction amounting to USD 750 million. This new 5-year transaction 3.5 times oversubscribed with an order book coming from almost 180 corporate investors from all around the world. Thanks to the strong demand, the coupon rate for the transaction was realized at 9.0%, which is 62.5 basis points below the initial level, and the final yield rate was 9.125%. As a result, the total size of the Sustainable Eurobond issuances reached at the level of USD 2 billion and further strengthened our leading position among Turkish banks in this field. It is worth to note that we were the last Turkish bank to conduct a 5-year Eurobond transaction in 2021. After two-year break, we are once again the first Turkish bank to re-open the market with this maturity."

"The third largest long-term funding transaction in this year"

Reminding the largest DPR funding transaction in the Turkish banking sector earlier in this year amounting to USD 2 billion and recent USD 500 million collateralized funding transaction, VakıfBank CEO Üstünsalih stated, "With this Sustainable Eurobond issuance, we have successfully completed our third largest long-term funding transaction in this year. We will continue to bring new funding sources to Türkiye from international debt capital markets with our diversified funding structure and access to long-term, cost-effective international funding sources," concluding his remarks.