



Kingdom of Belgium | Belgian Debt Agency

EUR 3bn 1.45% new 20-year OLO84 due June 2037

POST MORTEM - 23 May 2017

The Kingdom of Belgium, rated Aa3/AA/AA- by Moody's, S&P and Fitch, launched today, via the Belgian Debt Agency, its third and last syndicated OLO benchmark of 2017. The new EUR 3 billion OLO84 due June 2037 pays an annual coupon of 1.45% and was priced at a spread of 8bps over the interpolated mid-swap reference rate implying a reoffer yield of 1.485%. Joint bookrunners were Barclays, Morgan Stanley, NatWest Markets and SG CIB. All remaining primary dealers in the Belgian government bond market were invited into the syndicate as co-leads.

Background

- The Belgian Debt Agency expects its 2017 gross borrowing requirements to amount to EUR 38.98bn to cover redemptions and the projected deficit. It is anticipated that EUR 35bn of financing needs will be financed by issuing OLOs.
- The transaction priced today is the third and final syndicated OLO benchmark for 2017 and follows a EUR 6 billion 10-year in January, and dual tranche 7-year and 40-year in February, with each tranche sized at 3bn.
- Following the creation in 2016 of a new 30-year (OLO78) and a new 50-year (OLO80), with a new 40-year issued (OLO83) earlier this year, the Treasury confirms its commitment to offer liquid reference points at the long-end of the OLO curve and take advantage of long-term financing at historically low rates with a new current coupon 20-year OLO due June 2037.

Execution Highlights

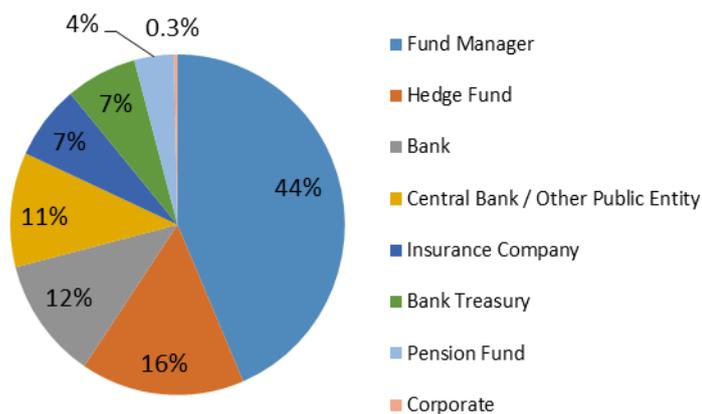
- The mandate was announced at 14:00 CET on Monday 22nd May. Although no Initial Pricing Thoughts ("IPTs") had been communicated to the market following the announcement, the response from investors was positive with Indications of Interest (IOIs) building quickly throughout the afternoon.
- IPTs were released the following morning at 09:00 CET with a spread of MS+ low teens. By 10:45 CET, IOIs were already in excess of €8.85bn and books were officially opened at a guidance of MS+10bps.
- Momentum showed no sign of abating and demand continued to build with books topping €15.4bn by 12:20 CET. This allowed spread to be refined further, with spread set at MS+8bps and books closing at 13:00 CET.
- Allocations were released to the market at 15:55 CET and the transaction priced at 17:00 CET at a spread of MS+8bps, which represented a limited new issue concession of 3bps versus the interpolated OLO curve.
- The historically low rates at which Belgium has been able to raise these funds re-affirms the breadth and quality of Belgium's investor franchise and gives a strong message to the market as the result achieved is another clear vote of confidence for the country going forward.



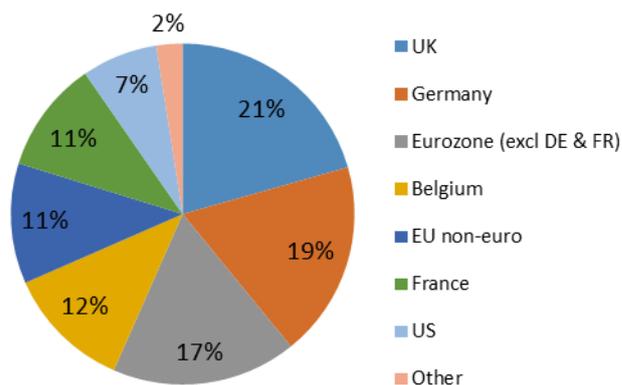
Summary Distribution Statistics

- The orderbook was dominated by high quality accounts, with more than 100 investors participating in the transaction anchored by fund managers who took 44%.
- Geographically, the book was well diversified and shows a good balance between the largest European jurisdictions (UK 21%, Germany 19%, Eurozone 17%)

Distribution by Investor Type



Distribution by Region



Summary Terms and Conditions

Issuer	Kingdom of Belgium
Rating	Aa3/AA/AA- (Moody's/S&P/Fitch, all stable)
Format	RegS Cat 1, 144A eligible, CAC
Size	3,000,000,000.00
Launch date	23 May 2017
Settlement date	31 May 2017
Maturity date	22 June 2037
Coupon	1.45%
Reoffer Spread	MS+8bps
Reoffer Price	99.396%
Reoffer Yield	1.485%
ISIN	BE0000344532
Bookrunners	Barclays, Morgan Stanley, NatWest Markets, SG CIB