

National Bank of Greece issues €500m senior preferred bonds with a coupon of 3.375%

The National Bank of Greece (NBG) has successfully completed the issuance of a €500 million senior preferred bond in the international capital markets, offering a fixed coupon of 3.375% and a yield of 3.422%. The bond, which matures in 2032 and is callable in 2031, marks NBG's second bond issuance within 2025.

This transaction forms a key part of NBG's strategy to meeting its Minimum Required Eligible Liabilities (MREL), a regulatory requirement for European banks. The offering attracted strong investor interest, with demand peaking at approximately €1.7 billion from over 100 institutional investors, resulting in an oversubscription of more than 3.5 times.

The final pricing reflects a spread of 90 basis points over the corresponding mid-swap rate. More than 75% of the issuance was allocated to international institutional investors. In terms of investor type, 58% was placed with fund managers, insurance companies and pension funds, 36% with private banks and bank treasuries, 5% with official institutions and 1% with hedge funds.

The strong reception from global investors highlights the Bank's robust fundamentals and the improving outlook for the Greek economy.

Commerzbank, Crédit Agricole CIB, GoldmanSachs Bank Europe SE, Jefferies, JP Morgan and Morgan Stanley acted as joint bookrunners for the issuance.

Freshfields LLP and Karatzas & Associates acted as legal advisers to NBG.