

Iberdrola places €800 million hybrid green bond

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- The coupon has been set at 4.25%, making this Iberdrola's most competitive hybrid transaction in the last 3 years.

Iberdrola has placed an €800 million hybrid green bond in the Euromarket today, as reported to the National Securities Market Commission (CNMV). The bond issued is perpetual but has a par call option in August 2030. The coupon has been set at 4.25%, making it Iberdrola's most competitive hybrid operation in the last 3 years.

Demand reached more than **€3 billion, 3.75 times oversubscribed**, and consists of more than 200 international investors, mainly from Europe and the United Kingdom.

Supported by strong demand, the coupon obtained is competitive with a new issuance premium close to zero despite a market environment influenced by geopolitical instability.

The demand and the coupon show investors' confidence in Iberdrola's financial strength, business outlook and growth ambition. The proceeds will be used to refinance the renewable assets allocated to the 2019 hybrid that is being replaced. The call back will take place soon, thus keeping the company's hybrids stack stable at 8.25 billion euros.

The company has taken advantage of the improvement in both interest rates and credit spreads. Iberdrola's flexibility to refinance this transaction has contributed to its success.

The hybrid bonds count as 50% capital, in accordance with the methodology of the main rating agencies, so this operation contributes to maintaining the group's credit ratings. The last issuance of this type of debt by Iberdrola dated from January 2023 with a coupon of 4.87%.

Nine top-tier international banks have participated in the placement: BNP, Unicredit, JP Morgan, HSBC, Bank of America, Santander, Natixis, SMBC and Commerzbank, which have facilitated access to investors.

Investor Confidence

Investor confidence in Iberdrola remains strong. The operation today represents Iberdrola's eighth public operation in the market so far in 2024, which have raised a total of 6.6 billion euros.

The other transactions include:

- A [€700 million hybrid bond](#) was issued in January.
- A bond valued at [335 million Swiss francs](#) was issued in June.
- A [€750 million senior bond](#) was issued in July.
- In August Iberdrola placed [525 million dollars](#) (490 million euros) through the US subsidiary.
- On September 23, Iberdrola placed [2.15 billion euros](#) in the largest issuance of senior debt in its history.
- Just last month the company closed its first green bond in Sterling for 15 years totalling [500 million](#) (595 million euros) with strong support from investors.
- Earlier this week Iberdrola issued green debt for [750 million Australian dollars](#) (about 460 million euros). Investor demand exceeded the amount offered by 2.8 times.

Iberdrola has carried out four operations in euros this year and is the only European utility to have carried out operations during 2024 in the Swiss (June), British (October) and Australian (November) markets. It also made a private placement in Norwegian kroner in September.

Ends