

16 April 2018

## **HSBC partners with Government of Sri Lanka for the twelfth successive Sovereign Bond issuance**

The Central Bank of Sri Lanka (CBSL), on behalf of the Democratic Socialist Republic of Sri Lanka, successfully launched and raised USD 2.5 billion in a dual-tranche 5 and 10 year bond. The transaction was the twelfth US Dollar benchmark offering in the international bond markets by Sri Lanka since 2007, and its largest offshore bond offering ever, outlining Sri Lanka's position as a key Asian Sovereign issuer. HSBC acted in the capacity of Joint Lead Manager, Bookrunner and Ratings Advisor to the Government of Sri Lanka for this Bond issuance.

The size of the new 5 year bond was USD 1.25 billion with a coupon of 5.75% p.a., whilst the size of the new 10 year bond was USD 1.25 billion with a coupon of 6.75 p.a. The final order books stood at USD 3 billion across over 235 accounts and USD 3.5 billion across over 190 accounts for the 5 and 10 year issuances respectively. The strong interest shown from a wide range of high quality investors across the US, Europe and Asia, allowed the Sovereign to tighten price guidance by 25bps each across both tranches, confirming its position as a premier issuer in the capital market.

Mark Prothero, CEO HSBC Sri Lanka and Maldives said, "The sovereign announced a dual tranche offering on the 11th of April 2018, and once again displayed its savviness to remain nimble and responsive to market conditions and successfully capturing a stable market window. This transaction signals the continued confidence placed by the international investor community in the country's strong credit and growth story.

HSBC has a rich history that spans for over 125 years here in Sri Lanka and is the largest international bank in Sri Lanka employing over 4,000 people including our Global Service Centre in Colombo. This manifests our strong and continued commitment to the country. We have partnered with the Sovereign on all of its international bond issuances since 2007 and we are proud to support the country on its growth journey."

The issuances have been rated 'B1', 'B+' and 'B+' by Moody's Investors Service, Standard and Poor's and Fitch Ratings respectively.

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**Note to editors:**

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