

Press Release

## **IHO Holding successfully places approximately EUR 2.1 billion equivalent of new bonds**

- **Four tranches with six, eight and ten year maturities in euros and US dollars**
- **Maturities extended, attractive interest rates secured on a long-term basis**
- **Debt reduced by approximately EUR 500 million from existing cash on hand**

HERZOGENAURACH, *May 22, 2019*. IHO Verwaltungs GmbH, a subsidiary of IHO Holding, today successfully placed approximately EUR 2.1 billion equivalent secured notes in Euros and US-Dollars with institutional investors.

The issue consists of two Euro tranches with maturities of six and eight years and two US-Dollar tranches with maturities of eight and ten years. The six-year Euro tranche has a nominal value of EUR 800 million and a coupon of 3.625 percent, while the eight-year Euro tranche has a nominal value of EUR 500 million and a coupon of 3.875 percent. The eight-year US-Dollar tranche has a nominal value of USD 450 million and a coupon of 6.0 percent, while the ten-year US Dollar tranche has a nominal value of USD 400 million and a coupon of 6.375 percent. The bonds will be listed on the Euro MTF market of the Luxembourg Stock Exchange.

The proceeds from the bond issuance will be used to redeem the existing bonds of IHO Verwaltungs GmbH due September 2021 and September 2023 in the amount of approximately EUR 2.4 billion, for prepayment costs and the unwinding of the related currency hedging transactions as well as for other transaction costs. The existing Euro and US-Dollar bonds due September 2026 will remain in place unchanged and are not subject of the transaction.

In addition to the above-mentioned bonds, the refinancing of IHO Holding includes a renewal of the existing credit agreement with four international banks by two years until 2024. The refinancing will extend the debt maturity profile and thus secure the currently still attractive financing costs of IHO Holding on a long-term basis. IHO Holding's gross financial indebtedness will be reduced by approximately EUR 500 million by using existing cash on hand in the context of the transaction.

**Important notice**

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*The manufacturer target market (MIFID II product governance) is eligible counterparties and professional clients only (all distribution channels).*

*No PRIIPs key information document (KID) has been prepared as the offering is not available to retail investors in the EEA.*

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