



## Bond Switching Transaction for LB15DA

Mr.Theeraj Athanavanich, Deputy Director General of Public Debt Management Office, announced that Public Debt Management Office (“PDMO”) has successfully completed the bookbuilding process of the Bond Switching transaction for LB15DA. The transaction was aimed to reduce refinancing risk of the government debt and had enabled investors to exchange LB15DA which has the remaining maturity of 6 months to 5 longer-tenor Destination Bonds which have remaining maturity between 3 to 23 years.

From the bookbuilding result, institutional investors have expressed strong interest to participate and tendered THB 85,530 million of LB15DA to switch. Consequently, PDMO has accepted the amount of THB 63,960 million and achieved the objective of reducing refinancing risk by reducing 48% of the outstanding size of LB15DA (from THB 132,000 million to THB 68,040 million).

Details of the exchange of LB15DA and 5 Destination Bonds are:

Destination Bond	Time To Maturity	Accepted Amount (THB million)	%
1) LB183B	2 Years 9 Months	8,039	13
2) LB206A	5 Years	18,291	29
3) LB25DA	10 Years 6 Months	9,656	15
4) LB296A	14 Years	10,580	16
5) LBA37DA	22 Years 6 Months	17,394	27
Total		63,960	100%

### Key benefits of the LB15DA's Bond Switching transaction

- 1) **Public debt management:** Extension of maturing debt from 6 months to 11 year and 9 months
- 2) **Increased liquidity:** Increase of outstanding amount of 5-year, 10-year, and 15-year On-the-run Benchmark Bonds which can help enhance the liquidity in secondary market.
- 3) **Investor diversification:** various types of investors have participated in this Bond Switching transaction and details are as shown below :
  - a. **Domestic institutional investors** such as banks and mutual funds are accounted for **40% of the accepted amount**
  - b. **Long-term investors** including Government Pension Fund, Social Security Office, and life insurance companies are accounted for **55% of the accepted amount**
  - c. **Foreign investors** from various countries including USA, Canada, UK, France, Switzerland, Hong Kong and Singapore are accounted for **5% of the accepted amount**

PDMO would like to take this opportunity to express sincere appreciation to the Joint Lead Managers, Bangkok Bank Public Company Limited, Kasikornbank Public Company Limited and Standard Chartered (Thai) Public Company Limited, as well as Bank of Thailand, Thai Bond Market Association and the investors for the involvement and support in this Bond Switching transaction.