

IAG issues five-year Eurobond

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International Consolidated Airlines Group (IAG) has issued €500 million (\$589 million) in senior unsecured bonds due 10 September 2030.

The bond, which was sold 100% at par, priced at 3.352% and will mature on 11 September 2025.

The group approached the market earlier this month for an issuance with a five-year term with a stabilisation period through 23 October, according to a press release.

According to the prospectus, BBVA, BofA Securities, Deutsche Bank, and Santander Corporate & Investment Banking are acting as joint global coordinators and joint lead bookrunners of the offering.

Credit Agricole Corporate and Investment Bank and Societe Generale Corporate and Investment Bank are passive bookrunners.

Barclays Bank Ireland, Caixabank, ING Bank and Lloyds Bank Corporate Markets Wertpapierhandelsbank are managers. Deutsche Bank acts as stabilisation coordinator.

BBVA, BofA Securities, Deutsche Bank, and Santander are stabilisation managers.

Initial price guidance for the bonds indicates a spread of around 135 basis points over the mid-swap rate.

The net proceeds from the issue of the bonds are expected to be approximately €499 million. The net proceeds will be used by the issuer for general corporate purposes, including to fund the repurchase of any or all of the issuer's outstanding €500 million 1.5% senior unsecured bonds due 2027 and €700 million 3.75% senior unsecured bonds due 2029.

Allen Overy Shearman Sterling acted as law firm for the issuer as to English law.

J&A Garrigues acted as law firm for the issuer as to Spanish law.

Linklaters represented the manager in English law and Spanish law.

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