

# **FUNDING STRATEGY HY2 2025**

**Capital Markets**

Basel, 15<sup>th</sup> July 2025

**EUROFIMA**

European Company for the Financing  
of Railroad Rolling Stock  
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## 1 Objective

The FUNDING STRATEGY document is produced by the Capital Markets unit with the purpose to review and guide its funding activities. The objective is to define the funding strategy for the next half year, as well as to align funding decisions to EUROFIMA's long-term funding goals. This is a summary of the internal extended version of the FUNDING STRATEGY, document which contains a market overview, a capital markets and functions activities review, as well as dedicated sections on lending and investor relations activities. The document is submitted to the Management Committee (i.e., the CEO and CFO) for approval each half year-end.

## 2 Funding Review

### Bond funding

In H1 2025, one green bond transaction with a volume of EUR 400m was issued: a new EUR 400m 3.375% May-2040 green bond.

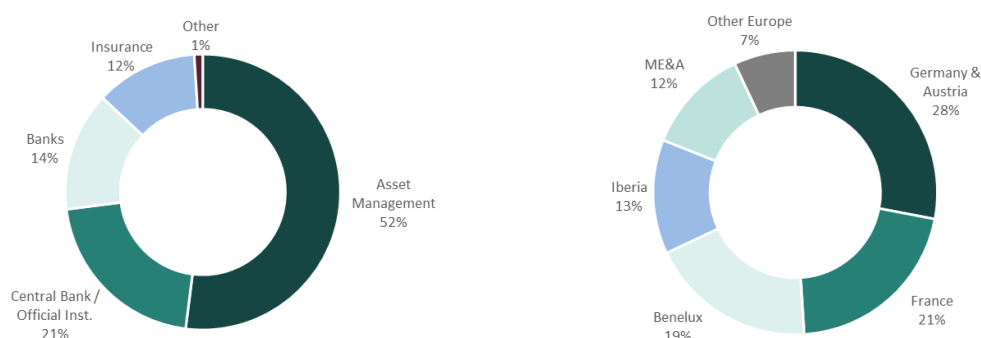


***Funding volume with bond issuances in H1 2025***

### Public Bookbuilds and Investors Reached

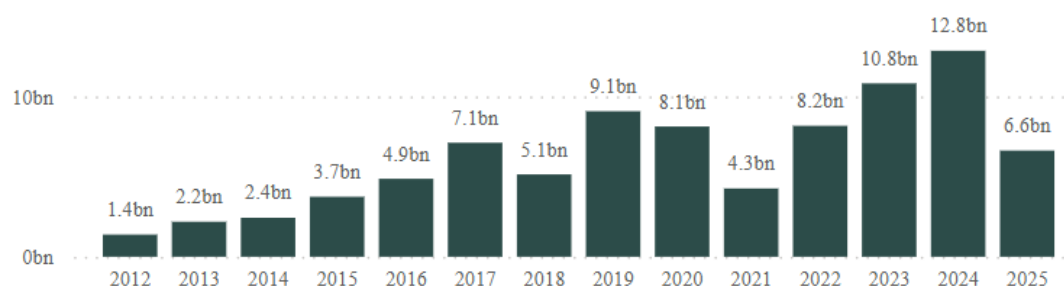
The new May-2040 issuance featured a public bookbuild, which allowed EUROFIMA to receive interest from over 120 investors.

#### **EUR 400m Green Bond May-2040**



### Commercial paper funding

In H1 2025, a total volume of EUR 6.6bn in Commercial Papers (CPs) was issued, slightly down from EUR 6.8bn in H1 2024.



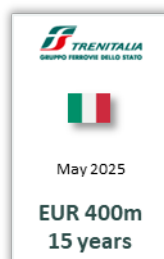
***Short-term funding volume by year***

### 3 Equipment financings contracts

EUROFIMA's core activity and public mission consist of supporting the development of rail transportation in Europe by providing its shareholders and other railway bodies with cost-effective financings to renew and modernize their railway equipment.

#### EFC long-term lending H1 2025

In 2025, the following long-term financing were closed:



#### ***Overview EFC transaction in 2025***

#### EFC short-term lending H1 2025

In H1 2025, a total of six short-term financings to SBB were disbursed:

- 4 times 1-month financing ranging from CHF 100m to CHF 350m
- 2 tranches 5-week financing before month-end in clips of CHF 100m

#### Loan Redemptions in H2 2024

Over the course of 2025, EUROFIMA's loan book has increased in notional value terms compared to end of June 2024 by EUR 538m to a total volume of EUR 9.5bn. The main movement on the loan book during H1 2025 is related to the new financing to Italy, which amounts to EUR 400m.

#### Redemptions due in 2025

There are a total of EUR 676.8m in EFC maturities in 2025, of which EUR 568.6m in redemptions is due in the second half of the year and therefore backloaded.

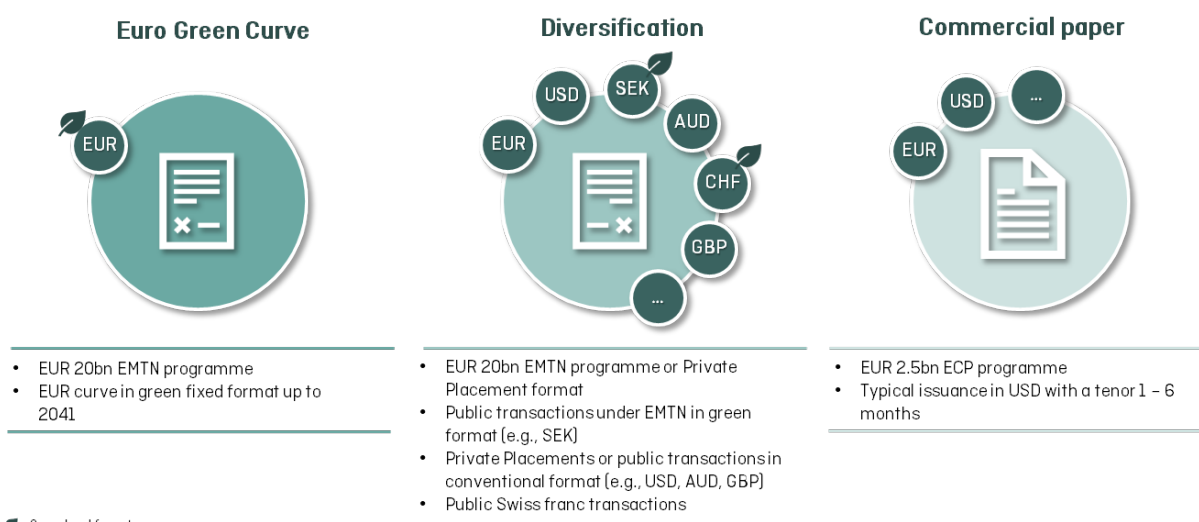
#### Budget for new financings in H2 2025


Total financings for the year could therefore range from EUR 600m to EUR 800m.

## 5 Funding Strategy

EUROFIMA's borrowing operations serve both the core lending business and EUROFIMA's own liquidity requirements. This is fulfilled via bond issuances and commercial paper funding in the international capital markets. The borrowing strategy applicable for 2025 is based on three pillars.

- **Euro-denominated issuances in green bond format ("Euro Green Curve")** as the core financing instrument which serves only to finance lending activities to railways
- **Diversification** of funding activities with issuance in Euro non-green format and/or US dollar-denominated issuances to fund internal liquidity needs as well as opportunistic funding in other currencies (i.e., SEK, CHF, AUD) to fund railway demand
- Short-term funding via **Commercial Paper** for short-term EFC requests and internal liquidity needs



 = Green bond format

### 3-pillar Funding Strategy

Priorities for issuances of bonds in 2025 will be set according to the following rules:

1. Completing the Euro green curve with new benchmarks in 15y, 20y or 30y if size allows.
2. Increasing the existing green Euro-lines with taps preference is to increase sub-benchmark sizes to benchmark size.
3. Issuing in non-Euro-lines (e.g. AUD, USD, SEK, CHF),
  - If pricing is not competitive in Euro,
  - If size does not fit Euro market or
  - Any other reason (e.g., maintain presence in non-core opportunistic markets or reduce derivatives exposure)

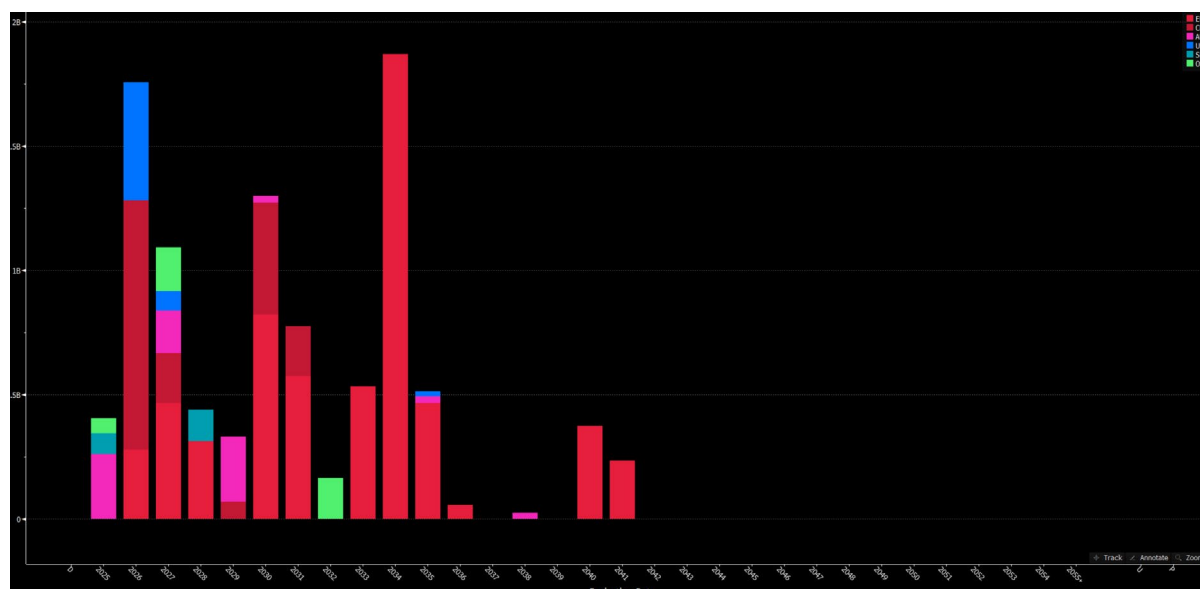
## Existing EUROFIMA EUR lines

Overview of existing Euro-denominated lines for taps including the amount outstanding. There is a cap of EUR 2bn per line based on internal policy guidelines.

R	CUSIP	Amt Issued(M..)	Issue Date	Name	Ticker	Coupon	Maturity	Curr Bid	Yield to M..	Ask Px
1	Y04334307	400.00	05/21/2025	Eurofima Europaeische Ges...	EUROF	3.375	05/21/2040	EUR	3.470	99.308
2	BQ0853854	335.50	06/23/2021	Eurofima Europaeische Ges...	EUROF	0.010	06/23/2028	EUR	2.433	93.464
3	BK5969393	300.00	07/28/2020	Eurofima Europaeische Ges...	EUROF	0.000	07/28/2026	EUR	2.314	97.838
4	ZR8270483	2000.00	10/10/2019	Eurofima Europaeische Ges...	EUROF	0.150	10/10/2034	EUR	3.093	77.082
5	BJ4444235	800.00	05/20/2020	Eurofima Europaeische Ges...	EUROF	0.100	05/20/2030	EUR	2.550	89.252
6	YT1519370	500.00	11/19/2024	Eurofima Europaeische Ges...	EUROF	2.875	01/31/2035	EUR	3.179	97.976
7	ZN1038290	614.35	11/09/2022	Eurofima Europaeische Ges...	EUROF	3.125	11/09/2031	EUR	2.759	102.467
8	B09795358	250.00	04/19/2021	Eurofima Europaeische Ges...	EUROF	0.500	04/23/2041	EUR	3.644	64.048
9	BX7871607	500.00	07/20/2022	Eurofima Europaeische Ges...	EUROF	1.625	07/20/2027	EUR	2.252	98.950
10	ZL7512516	570.00	03/30/2023	Eurofima Europaeische Ges...	EUROF	3.125	03/30/2033	EUR	2.994	101.472
11	QJ1550384	80.00	10/15/2015	Eurofima Europaeische Ges...	EUROF	FLOAT	10/15/2030	EUR	2.306	99.747
12	YX1301705	61.00	05/22/2024	Eurofima Europaeische Ges...	EUROF	3.136	06/30/2036	EUR	3.343	98.746

**Outstanding EUR-denominated EUROFIMA bonds (Source: Bloomberg, 3 Jul 25)**

## Debt distribution profile



EUR remain the main funding currency (60.1%) followed by CHF (19.5%), AUD (7.8%), USD (5.84%) and SEK (2.1%).

## Financing EFC

Detailed financing strategy for respective upcoming transactions is subject to approval from the Deal Review Committee.

In addition to price-related best execution considerations for both EUROFIMA and the rail-way, we also observe the following considerations on funding strategy for funding in the market:

- We cannot tap bonds above EUR 2bn, bonds issued before 1st Jan 2018, and we prefer not to tap bonds far below par as it is less economical.
- We prefer to maximise individual bonds' liquidity by taking outstanding volumes >EUR 500m. Maintaining and building upon EUROFIMA's presence across the curve is also important.
- We prefer benchmark issuance and public bookbuilding, even if the volume is sub-benchmark.
- For other EFC financings, whether small in volume or otherwise amortising structures, EUR 53m and EUR 15.75m worth of warehouse funding remains available until November 2031 and January 2035, respectively.
- We continue to maintain and build upon the flexibility to accommodate more complex disbursement schedules offered to shareholders