

# Kommunalbanken Norway (KBN)

## USD1.25 billion 5-Year RegS/144A Benchmark



### Final Terms

<b>Issuer:</b>	<b>Kommunalbanken Norway (KBN), 100% owned by Kingdom of Norway</b>
Ratings:	Aaa / AAA (Stable / Stable - Moody's / S&P)
Format:	RegS / 144A
Coupon:	4.125%, Fixed, S/A, 30/360
Size:	USD1.25 billion
Price Date:	21 May 2025
Payment Date:	29 May 2025 (T+5)
Maturity Date:	29 August 2030
Re-Offer Spread:	SOFR MS + 49bps   CT5 + 13.7bps
<b>Joint Lead Managers:</b>	<b>BMO, Citi, NBF, TD Securities</b>

### Issue Highlights

- High quality demand from over 112 investors resulted in the final re-offer spread being tightened by 4bps from IPTs and landing inside Fair Value.
- KBN attracted IOIs of over USD4.1billion at the European open marking their largest ever IOI Book. Final demand for this deal was over USD 6bn.
- Robust participation from Central Banks / Official Institutions and Banks / Bank Treasuries, taking 55% and 39% of the final allocations respectively.
- This new issue marks KBN's third outing in the USD market in 2025. The issuer's previous Benchmark transaction in the currency was a 5-year US Dollar Benchmark priced in January 2025, followed by a 4-year US Dollar FRN priced in April 2025.
- KBN is targeting an estimated total issuance programme of USD11-12 billion equivalent in 2025.

### Issue Details

- On Wednesday 21st May 2025, Kommunalbanken Norway ("KBN"), rated Aaa / AAA (both stable) by Moody's / S&P, priced a new USD1.25 billion long 5-Year RegS/144a Benchmark at SOFR MS+49bps, equivalent to CT5+13.7bps.
- KBN reacted swiftly to the constructive market tone to re-open the European Agency USD Benchmark market with the announcement of a new USD 5-Year Benchmark at 11:49 CET on Tuesday 20th May. Initial Price Thoughts (IPTs) of SOFR MS+53bps area were released alongside the mandate.
- The transaction enjoyed a strong reception from the outset, with Indications of Interest in excess of USD4.1 billion (incl. USD100m JLM interest) by the time books opened at 08:48 CET on Wednesday morning. Given the strength of demand, price guidance was communicated at SOFR MS+51bps area at this juncture, 2bps tighter than IPTs.
- Strong momentum continued throughout the European morning with high quality demand coming from across the investor base reaching in excess of USD5.75 billion (excl. JLM interest) by the time of the second update at 09:15CET. In order to provide clarity to investors, the final spread was tightened and fixed at SOFR MS+49bps, 4bps tighter than IPTs.
- KBN's USD orderbook closed in excess of USD6 billion (incl. 100m JLM interest), allowing KBN to comfortably set the size of the transaction at USD1.25 billion.
- The transaction was well supported by Central Banks & Official Institutions (55%), Banks & Bank Treasuries (39%) and Asset Managers / Pensions / Insurance / Other accounts (6%).

- In terms of geographical distribution, the transaction was broadly diversified across EMEA (48%), Americas (41%) and APAC accounts (11%).
- The broad and global distribution of this transaction is once again testament to KBN's continuous support within the global investor community.

### Reactions

#### Massimo Antonelli, Head of International SSA, BMO

"BMO Capital Markets were very excited to be involved in KBN's second USD benchmark of the year. The transaction priced at a remarkable 13.7bps over the benchmark Treasury, through fair value and achieved a book almost five times oversubscribed. Congratulations to the KBN team."

#### Ebba Wexler, Head of SSA DCM, Citi

"Many congratulation to the KBN team for a sensational result in the Dollar market. Despite the heightened volatility earlier in previous weeks, they managed to achieve their largest IOI orderbook and an impressive final book in excess of \$6bn. The granularity of the book with over 110 investors participating is a true testament of the popularity of the KBN credit in the Dollar market. This is further reinforced by the spread tightening from IPTs. Citi was truly delighted to have been involved in this transaction."

#### Scott Graham, Managing Director, SSA NBC Paris

"It was fantastic to see the overwhelming demand for KBNs \$1.25bln USD long 5yr. The transaction saw exceptional demand with high quality and diverse investors immediately upon announcing the trade. Ultimately the deal saw 113 unique orders and was more than 4.9 times oversubscribed. The demand highlights the unique value proposition, high credit quality and diversification that global investors are seeking. NBF was proud to partner with KBN in bring this USD to market.

#### Paul Eustace, Managing Director, Global Head of SSA & Head of EAP Syndicate, TD Securities

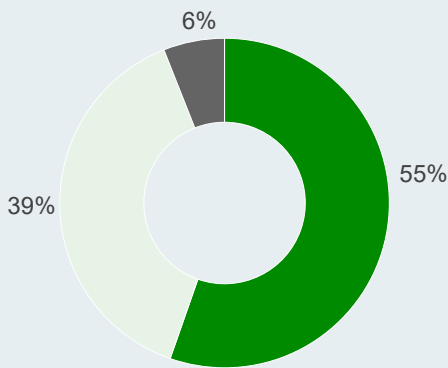
"Another successful print in the USD market for KBN, marking their third USD transaction in 2025. Taking advantage of the robust backdrop in the USD market, the deal attracted high-quality investors across the globe which allowed KBN to price 4bps tighter than IPTs, effectively through fair value. Congratulations to the KBN team on another fantastic transaction, TD was delighted to have been part of it."

### Issuer Overview

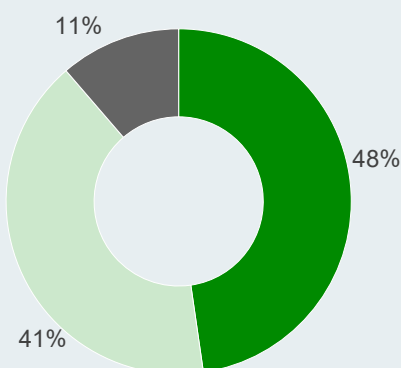
- Established by an act of Parliament in 1926 as a state administrative body, KBN gained its current status and structure through a conversion act in 1999. KBN is a direct continuation of its predecessor Norges Kommunalbank and has for more than 90 years been the main provider of credit to the local government sector in Norway.
- KBN is defined as a state instrumentality with a public policy mandate from the central government to provide lowcost finance to the Norwegian local government sector. The Norwegian Central Government is 100% owner of KBN.

### Sales Distribution

By Investor Type



By Investor Region



■ CB / OI

■ Banks & Bank Treasuries

■ AM / Pens / Ins / Oth

■ EMEA

■ Americas

■ Asia Pacific

**Joint Lead Managers:**



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