

# Kommunalbanken Norway (KBN)

## USD1.5 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:	4.500%, Fixed, S/A, 30/360
Size:	USD1.5 billion
Price Date:	08 January 2025
Payment Date:	15 January 2025 (T+5)
Maturity Date:	15 January 2030
Re-Offer Spread:	SOFR MS + 48bps   CT5 + 17.7bps
<b>Joint Lead Managers:</b>	<b>Daiwa Capital Markets, J.P. Morgan, Nomura, RBC Capital Markets</b>

### Issue Highlights

- **KBN's second largest ever USD orderbook closed in excess of USD5.6 billion (excl. JLM interest).**
- **The first USD Benchmark from a European Agency issuer in 2025.**
- **High quality demand from over 115 investors resulted in the final re-offer spread being tightened by 3bps from IPTs.**
- **Strong participation from Banks / Bank Treasuries and Central Banks / Official Institutions**, taking 42% and 39% of the final allocations respectively.
- **KBN is targeting an estimated total issuance programme of USD10 billion equivalent in 2025.**

### Issue Details

- On Wednesday 8th January 2025, Kommunalbanken Norway ("KBN"), rated Aaa / AAA (both stable) by Moody's / S&P, priced a new USD1.5 billion 5-Year RegS/144a Benchmark at SOFR MS+48bps, equivalent to CT5+17.7bps.
- 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 14.00 CET on Tuesday 7th January. Initial Price Thoughts (IPTs) of SOFR MS+51bps area were released alongside the mandate.
- The transaction enjoyed a strong reception from the outset, with Indications of Interest of in excess of USD3 billion (incl. USD50m JLM interest) by the time books opened at 09.11 CET on Wednesday morning. Given the strength of demand, price guidance was communicated at SOFR MS+49bps area at this juncture, 2bps tighter than IPTs.
- Strong momentum continued throughout the European morning with high quality demand coming from across the investor spectrum; reaching in excess of USD4.8 billion (excl. JLM interest) by the time of the first update at 10.34 CET. In order to provide clarity to investors, the final spread was tightened and fixed at SOFR MS+48bps, 3bps tighter than IPTs.
- KBN's second largest ever USD orderbook closed in excess of USD5.6 billion (excl. JLM interest), allowing KBN to comfortably set the size of the transaction at USD1.5 billion.
- The transaction was well supported by Banks & Bank Treasuries (42%) Central Banks & Official Institutions (39%) and Asset Managers / Pensions / Insurance accounts (19%).
- In terms of geographical distribution, the transaction was broadly diversified across EMEA (53%), Americas (38%) and APAC accounts (9%).
- The broad and global distribution of this transaction is once again testament to KBN's unwavering support within the global investor community.

## Reactions

### Jez Walsh, Head of EMEA Debt Syndicate, Daiwa Capital Markets

"Congratulations to KBN on this exceptional first USD benchmark issuance of 2025. That this transaction priced only 6 basis points back of all supranational issuers that have issued 5yr USD so far this year is a testament to KBN's strong credit fundamentals and loyal investor following. Daiwa was delighted to have worked with the issuer to deliver this result."

### Keith Price, Head of Frequent Borrower Group, J.P. Morgan

"Congratulations to the KBN team for their successful return to the USD benchmark market in 2025. KBN's ability to execute a significantly oversubscribed USD 1.5 billion 5-year benchmark, with a final orderbook of USD 5.6 billion and 3bp pricing move underscores the strong support and loyalty they enjoy from the global investor community. We are proud to have been involved in this important transaction."

### Spencer Dove, Managing Director, Head of DCM SSA, Nomura

"Congratulations to the KBN team on their successful \$1.5bn 5-year USD deal, marking a fantastic start to the 2025 funding programme. Despite jumbo Supra supply in the same maturity, KBN's consistency and commitment to the USD market has once again been rewarded: this transaction ended up with another robust and diverse orderbook 3x covered across 100 accounts, cementing KBN's reputation as a USD favourite for investors."

### James Taunton, Head of Public Sector Origination, Europe, RBC Capital Markets

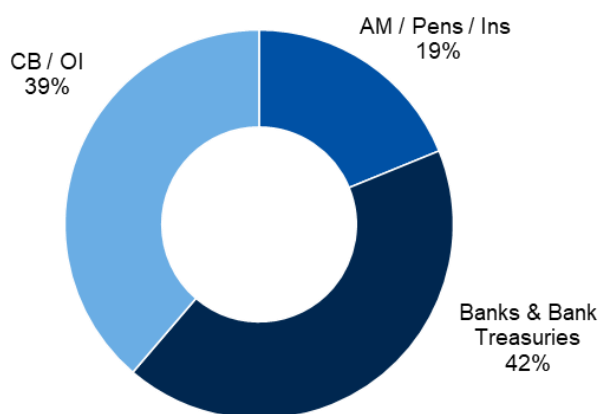
"Congratulations to the KBN team on reopening the European Agency USD market in 2025 with such a successful new USD1.5 billion 5-Year Benchmark, against a congested market backdrop. The impressive \$5.6bn+ final orderbook marked KBN's second largest USD orderbook to date, demonstrating the continued global investor support for KBN and is a real testament to the ongoing investor relations work conducted by the team over the years. RBC was delighted to support KBN to achieve this fantastic result."

## Issuer Overview

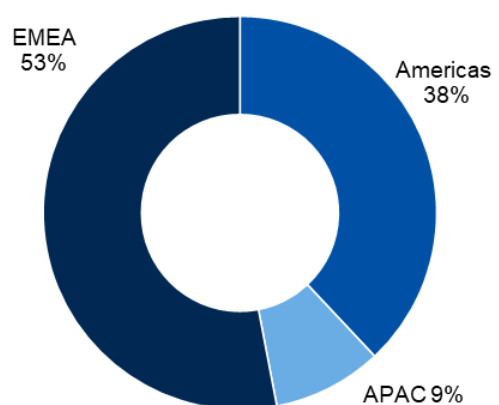
- Established by an act of Parliament in 1926 as a state administrative body, KBN gained its current status and structure through a conversion act in 1999. KBN is a direct continuation of its predecessor Norges Kommunalbank and has for more than 90 years been the main provider of credit to the local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

## Sales Distribution

### By Investor Type



### By Geography



Source: Joint Bookrunners

## Joint Lead Managers:



J.P.Morgan

NOMURA



Capital Markets

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