

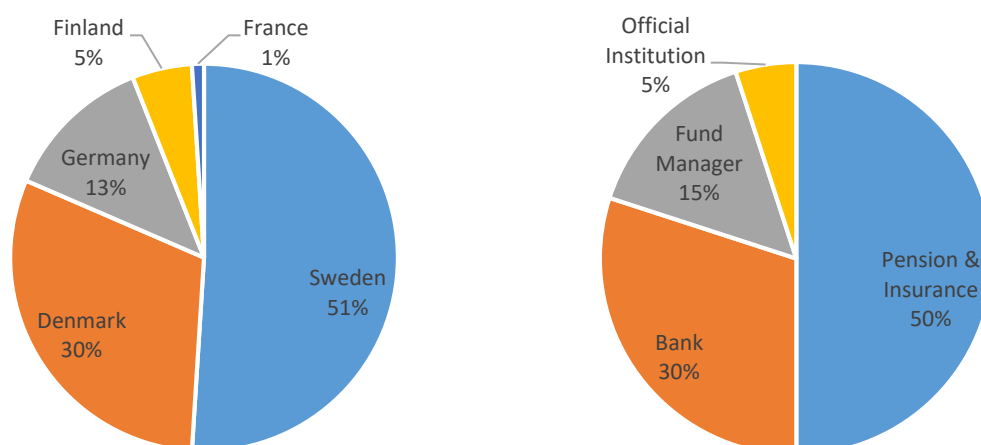
Kommunalbanken Inaugural Green SEK 2bn issue due 28 August 2026

Issuer:	Kommunalbanken	Maturity:	28 th August 2026
Rating:	Aaa/AAA	Re-offer Price:	99.722%
Issue Amount:	SEK 2 billion	Re-offer Yield:	0.165%
Settlement Date:	28 August 2019	Re-offer vs. MS:	+15 bps
Coupon:	0.125% (annual/unadjusted)	Denomination:	SEK 2m + 2m
Leads:	Danske Bank	ISIN:	XS2047497289

Transaction Highlights:

- On 21 August, Kommunalbanken, 100% owned by Kingdom of Norway, rated Aaa/AAA (both stable) by Moody's/S&P, successfully issued an inaugural SEK 2 billion 7-year Green bond issue due 28th August 2026. The issue is Kommunalbankens first Green bond in Swedish Kronor and its seventh Green bond overall. Kommunalbanken has previously issued Green bonds in USD, NOK and AUD.
- Danske Bank acted as sole lead bookrunners in the transaction, which follows on the continued demand for Green Loans by Kommunalbanken.
- Nine accounts participated in the final order book, which saw Insurance companies and Pension funds taking 50% of the transaction. Banks took another 30% of allocations while Fund Managers were allocated 15%. The orderbook was very granular in terms of geographical distribution, Swedish investors were allocated 51%, Denmark 30%, Germany 13%, Finland 5% and France took 1%.

Distribution:



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Execution:

- Kommunalbanken announced the mandate for the Inaugural 7yr SEK Green Bond transaction on 20 Tuesday August at 15:09 CET.
- Following a positive response on the mandate announcement from the SRI investor community, books opened officially on Wednesday 21st of August at 09:33 CET, with guidance of MS +15bps and an expected size of SEK 1bn minimum.
- With books officially open, the transaction quickly attracted interest of major SEK investors and after an hour and a half of book building, the syndicate banks communicated a first update of an order book above SEK 1bn (excluding orders from joint lead manager).
- At 13:47 CET the second update was released, announcing the spread to be set at MS +15bps and the deal size to be SEK 2b.
- A SEK 2bn green bond was priced at 15:19 CET with a re-offer price of 99.722%, giving a spread of 15bps over mid-swaps and a re-offer yield of 0.165%.

About Kommunalbanken:

- 100% central government owned Kommunalbanken is classified as a state instrumentality serving a public policy function of providing low cost funding to the Norwegian local government sector
- Kommunalbanken is the largest lender to Norwegian municipalities providing close to 50% of total credit to the sector
- KBN was one of the first European SSA issuers to launch a public green bond earmarked towards green projects. In 2013, with increasing global demand for sustainable and responsible investments and projects with a climate benefit, KBN completed its inaugural public US dollar green bond. Since then KBN has issued a further two public US dollar green bonds, two public NOK denominated green bonds totaling NOK 1.35bn and a AUD denominated green bond, raising a total of AUD 450m