



KommuneKredit

EUR 1 billion 0% Benchmark due 8 September 2022

Issuer:	KommuneKredit
Rating:	Aaa/AAA (Stable/Stable)
Issuer Size:	EUR 1bn
Payment Date:	08 September 2017
Maturity Date:	08 September 2022
Coupon:	0 % Fixed, Annual, Act/Act
Re-offer Price:	99.715 %
Re-offer Yield:	0.057 %
Re-offer Vs Mid Swaps:	- 11 bps
Re-offer Vs Benchmark:	+40.2 bps over OBL 0.000% due Oct-22
Lead Managers (JLMs):	BofAML, Danske, LBBW, SGCIB

- On Wednesday, 30 August 2017, KommuneKredit (rated Aaa/AAA, stable outlook by Moody's/S&P), priced a EUR 1 billion Reg S/ Bearer 5-year fixed rate benchmark; jointly led by BofA Merrill Lynch, Danske Bank, LBBW and SG CIB. The benchmark offers a zero coupon and a spread of 40.2 bps over the OBL 0.000% due Oct-22, equivalent to 11 bps through mid-swaps.
- The transaction was KommuneKredit's third EUR-denominated bond in 2017, following the 7-year benchmark launched in January and the inaugural 10-year green bond priced in May. With the new 5-year benchmark, the Danish agency completes 60% of its annual funding program .
- The mandate for a new 5-year benchmark was announced at 13:30 CET on Tuesday 29 August. Following a go/no-go call on the morning of 30 August, books were officially opened at 9:00 CET with spread guidance in the mid-swaps minus 8 bps area, and the issue size set at EUR 1bn no-grow.
- The transaction was in high demand, which led to a quick and impressive book building. Within one hour of the book opening, steady growth caused the guidance to be revised twice: the first revision to the mid-swaps -9bps area was announced at 9:35 CET, with orders over EUR 1.5bn (excl. JLMs); then another tightening of 1bp at 9:45 CET (to mid-swaps -10bp area), when books were over EUR 2.25bn (excl. JLMs).
- At 10:10 CET the final spread was set at mid-swaps -11bps, with the demand for the new benchmark in excess of EUR 2.8bn (excl. JLMs). Books saw a strong surge before their closing at 10:15 CET reaching more than EUR 3.5bn of orders from nearly 95 investors. The transaction priced at 14:00 CET.
- The solid demand for KommuneKredit's new benchmark allowed the Lead Managers to tighten the guidance by 3bps with little price sensitivity. With this successful transaction, KommuneKredit adds another point to its EUR curve and expands its investor base even further.
- The order book was dominated by investors in the Nordic region (16.9%) and Benelux (16.6%), followed by Germany/Austria/Switzerland (15.7%), CEEMEA (15.1%), France (14.9%) and Asia (8.7%). Central Banks & Official Institutions (46.2%) represented the largest share of allocations, followed by Banks & Private Banks (27.4%), Fund Managers (24%) and Insurance companies & Pension Funds (2.4%).



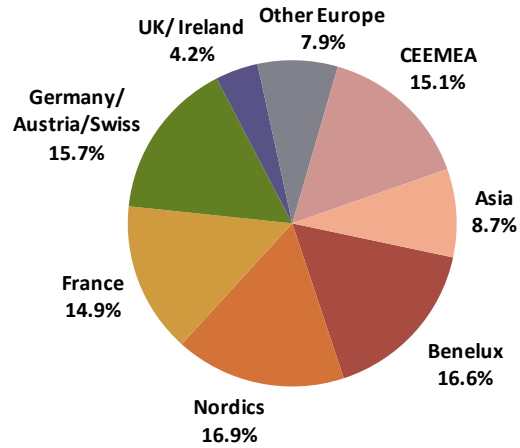
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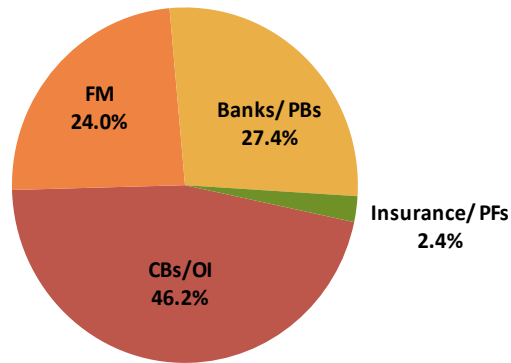
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Distribution Statistics:

Geography



Investor Type



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