



Press Release - Kommuninvest USD 600 million 1.50% due 23 April 2019

Anders Gange, Head of Funding and Treasury at Kommuninvest comments:

"We are very happy with the reception to this inaugural green bond, and that virtually all Swedish local governments now have an avenue for green financing. The success of the bond is testament to the quality of our green bonds framework, and we look forward to bringing new bonds to the market in the future. In particular, we are pleased to see so many renowned environmentally focused investors in the book, many of whom we met during the extensive roadshow conducted prior to the transaction"

Deal Highlights:

- Kommuninvest's inaugural green bond transaction
- Deal follows an extensive roadshow to introduce investors to Kommuninvest's green bond framework. Kommuninvest met over 50 accounts in both the US (NY, Boston, Philadelphia and Washington DC) and Europe (London, Paris, Zurich, Stockholm and Oslo), culminating with a Global Investor call on Thursday 10th March
- High quality book with very strong participation from environmentally focused investors
- Final book size approaching USD 900million for an upsized USD 600million, allowing for pricing at the tight end of the guidance
- The transaction proceeds will be used to finance investment projects undertaken by Swedish local governments that promote the transition to a low-carbon and climate resilient society.

Kommuninvest, the Swedish local government debt office, today priced their inaugural USD 600million long 3-year RegS/144A Green Bond transaction. The new issue has a final maturity of 23 April 2019, pays a semi-annual coupon of 1.50% and has an issue price of 99.972% to give a spread of +35.5 basis points over the UST 1.00% due March 2019, equivalent to 33bps above mid-swaps.

The mandate was announced at 12noon London afternoon on Monday 14th March together with IPTs of mid-swaps plus 'mid 30s' for a USD 500 million transaction.

Indications of interest (IOIs) grew steadily overnight enabling a prompt book opening at 8:15am London the following morning with IOIs in excess of USD 500million. Official price guidance announced at mid-swaps plus 34bps area.

High quality investor support continued to accelerate through London morning, with books exceeding USD 850million by 11.45am London enabling final price to be revised 1bp tighter and set at mid-swaps plus 33 bps area for a USD 600mm upsized deal. Notice was simultaneously given that EMEA books would close shortly at 12noon London, with US books subject at 9am New York.

Final pricing was at 15.45pm London with total orders approaching USD 900million from 41 accounts.

Kommuninvest's first Green bond received very strong support from environmentally focused accounts including AP3, AP4, CalSTRS, Erste Asset Management, Everence Financial, NIB, Raiffeisen KAG, SBAB Treasury, SEB Investment Management and United Nations Joint Staff Pension Fund.

In terms of investor breakdown, Central banks and Official Institutions accounted for 37% of the deal, asset managers 29%, banks 19%, pension and insurance funds 12% with 3% going to others. Geographical split was very well diversified globally with 30% placed into the US investor base, 26% Nordics, 24% Middle East and Africa, 13% other Europe and the final 7% into Asia.

Kommuninvest i Sverige AB ("Kommuninvest") was founded in 1986 and provides loans, debt management and other services to municipal members of the Kommuninvest Cooperative Society.

Kommuninvest is owned by Swedish local governments; of the total 310 municipalities and county councils/regions in Sweden, 281 are currently members of Kommuninvest. Kommuninvest is guaranteed explicitly, irrevocably, jointly and unlimited by its owners.

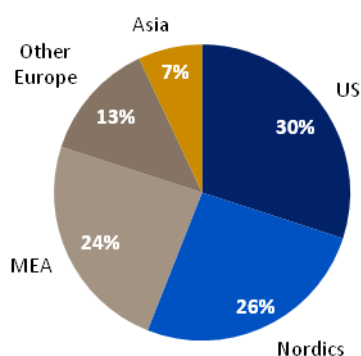
For more information about Kommuninvest's Green Bonds, please visit the webpage at: <http://kommuninvest.se/en/for-investors/green-bonds/>

Terms of the Transaction

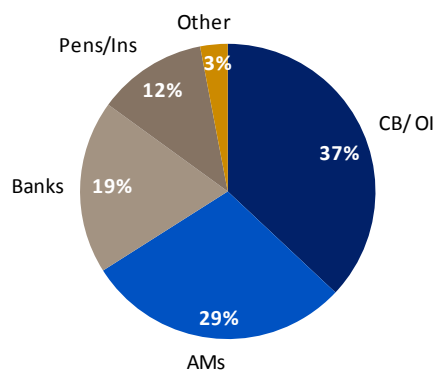
Issue amount:	USD 600million
Issue Date:	15 March 2016
Settlement Date:	22 March 2016
Coupon:	1.50% payable semi-annually, long first coupon to 23 October 2016
Maturity Date:	23 April 2019
Reoffer Spread:	Mid swaps + 33 bps
Benchmark:	UST 1.00% due March 2019
Reoffer vs. Benchmark:	+ 35.50bps
Reoffer Price:	99.972%
Reoffer Yield:	1.509% s.a.
Format:	144a/ RegS
Joint Lead Managers:	BofA Merrill Lynch, CA CIB and SEB

Distribution Stats

Geographic Distribution



Investor Type Distribution



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