



KOMMUNINVEST

Press Points 14th September 2017

Kommuninvest 3 year USD 1bn RegS/144A transaction due 1st September 2020

“We had a stellar outcome in a strong market and the tightest pricing for several years, it was exactly what we hoped to achieve. We are pleased to see such strong investor interest for Swedish local government exposure, and the continued support from our core investor base.”

Christian Rangnartz, Head of Debt Management

Deal Highlights:

- Kommuninvest, the Swedish local government debt office, priced a new USD 1 billion 3 year RegS/144A transaction on Thursday 14th September 2017. The issue has a final maturity of 1st September 2020, pays a semi-annual coupon of 1.625% and has an issue price of 99.663%, to give a spread of 23.35bps over the UST 1.375% due September 2020, equivalent to mid-swaps + 3bps.
- The transaction marks Kommuninvest’s tightest 3-year global USD benchmark on a mid-swap basis since January 2015, demonstrating the strength of international investor interest for Swedish local government exposure.
- Kommuninvest took advantage of the supportive market and on Wednesday 13th September announced the 3 year USD 1bn (no-grow) mandate in the New York morning, followed by price guidance of MS+4bps area.
- Indications of interest (IOIs) grew steadily and had reached over USD1bn when books opened at 8am (London time) on Thursday 14th September.
- High quality investor support continued to accumulate throughout the London morning, with books exceeding USD 1.3bn just after 10:30am (London time), at which point the spread was set at MS+3bps. Books were subsequently closed at 1pm (London time).
- Final pricing took place just before 3pm (London time) with orders exceeding USD1.4bn from just over 45 accounts.
- Central banks and official institutions accounted for 55% of the deal; banks 27% and fund managers, insurance companies and hedge funds 18%.
- In terms of geography, allocations were very well diversified globally with the Americas taking 41%, EMEA 36% and Asia 23%.
- Kommuninvest has now completed SEK 59 bn of its forecasted SEK 90-95 bn (USD c.11bn) funding programme for 2017.

Quotes:

Alex Paterson, Director in SSA Origination at Barclays, said: "Kommuninvest timed this transaction very well, taking advantage of the strong demand backdrop supported by higher rates in order to generate a high quality and diversified orderbook. The deal priced at the tightest spread for a Nordic Agency 3 year fixed rate benchmark so far in 2017, making a strong statement about the depth of demand for their name."

PJ Bye, Global Head of Public Sector Syndicate at HSBC, said: "Kommuninvest has successfully taken advantage of a prime opportunity for issuance following the summer break, leveraging significant investor demand for paper in this segment. The transaction demonstrates Kommuninvest's strength in the market, producing the tightest spread for a Nordic Agency issuer in 2017 in the 3-year space and their best spread to mid-swaps at this tenor in over 2 years, all whilst achieving global investor distribution."

Matthieu Batard, Frequent Borrowers Syndicate at J.P. Morgan, said: "Kommuninvest again proved successful in executing its third USD benchmark of the year, a \$1bn no-grow 3-year transaction. Timing, pricing and communication were perfectly managed to ensure a balanced orderbook for the size target, whilst attracting an array of high-quality global investors. An excellent outcome!"

Gustav Landström, Head of Public Sector and SSA origination at SEB, said: "This transaction is a great result for Kommuninvest. Taking advantage of the strong market backdrop and clear issuance window, Kommuninvest once again showcased the strength of the Swedish local government sector among global investors. We are proud to have been part of this transaction and look forward to continue supporting financing for the Swedish local governments together with Kommuninvest."

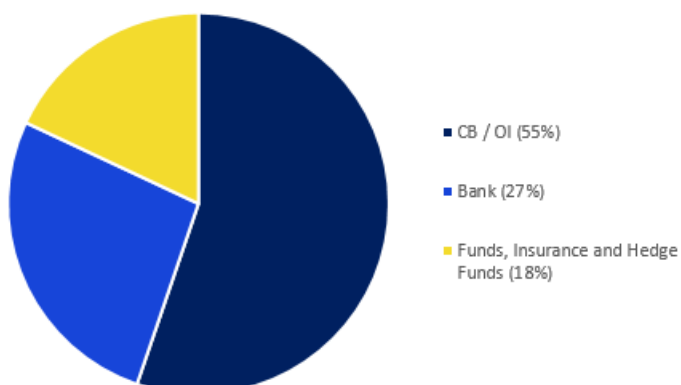
About Kommuninvest

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.

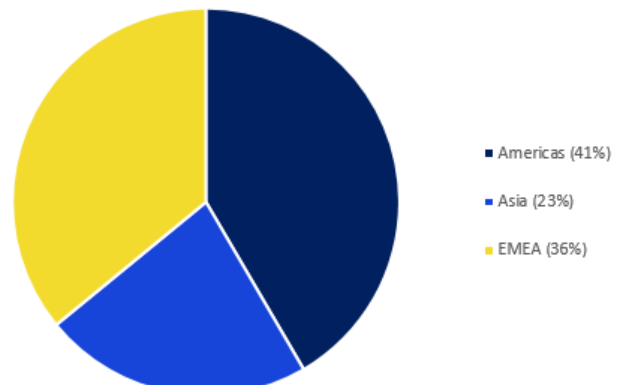
Kommuninvest is owned by Swedish local governments; of the total 310 municipalities and county councils/regions in Sweden, 288 are currently members of Kommuninvest. Kommuninvest is guaranteed explicitly, irrevocably, jointly and unlimited by its owners.

Distribution Stats:

Investor Type Distribution



Geographic Distribution



Final Terms:

Issuer	Kommuninvest i Sverige AB
Size	USD 1 billion
Ratings:	Aaa (sta.) / AAA (sta.)
Pricing Date:	14 September 2017
Settlement Date:	21 September 2017
Coupon:	1.625% payable semi-annually (short first)
Maturity Date:	1 September 2020
Reoffer Spread to mid-swaps:	3yr USD mid-swaps + 3bps
Reoffer Spread to Benchmark	UST 1.375% due September 2020 + 23.35bps
Reoffer Price / Yield:	99.663% / 1.743% s.a.
Joint Lead Managers:	Barclays, HSBC, JPM, SEB

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