



**KOMMUNINVEST**

Press Points 6<sup>th</sup> March 2018

### **Kommuninvest 2-year USD600m RegS/144A transaction due 1<sup>st</sup> June 2020**

“This was our second major USD transaction this year, again with a very satisfactory outcome. To accommodate the strong demand, we decided to increase the planned issue size by 20 percent, to USD 600 million. We were again pleased to see such broad-based investor interest for Swedish local government exposure.”

Christian Rangnartz, Head of Debt Management

#### **Deal Highlights:**

- Kommuninvest, the Swedish local government debt office, priced a new USD600 million RegS/144A transaction on Tuesday 6<sup>th</sup> March. The issue has a final maturity of 1<sup>st</sup> June 2020, pays a semi-annual coupon of 2.500% and has an issue price of 99.895%, to give a spread of mid-swaps flat, equivalent to 30.75bps over the UST 2.250% due February 2020
- The transaction marks Kommuninvest's second foray into the USD market in 2018, after its USD1bn 2.375% April 2021 Notes issue in January, and one of its tightest 2-year prints vs mid-swaps in recent years
- On Monday 5<sup>th</sup> March 2018, Kommuninvest announced the mandate of its forthcoming USD 2yr RegS/144a transaction at ~11:00 London time, with subsequent initial price thoughts (IPTs) of MS+1 area released at the New York open
- Indications of interest (IOIs) grew steadily overnight, rising to USD650m (ex. JLM), allowing the issuer to tighten guidance by 1bp to MS flat area at books open at ~08:00 GMT on Tuesday 6<sup>th</sup> March 2018
- The transaction continued to receive good interest over the London morning, allowing the issuer to set spread in line with guidance at ~10:45 London alongside a final transaction size of USD600m, above their initial USD500m funding target
- Final pricing took place at 14:00 GMT, with the final orderbook exceeding USD900m from 26 accounts
- Central banks and official institutions took the majority of final allocations, accounting for 52% of the deal, with strong support from banks/ private banks with 42% and fund managers, 6%.
- In terms of geography, allocations were very well diversified globally with the Americas taking 44%, EMEA (ex-Nordics) 27%, Asia 15% and Nordics (14%)

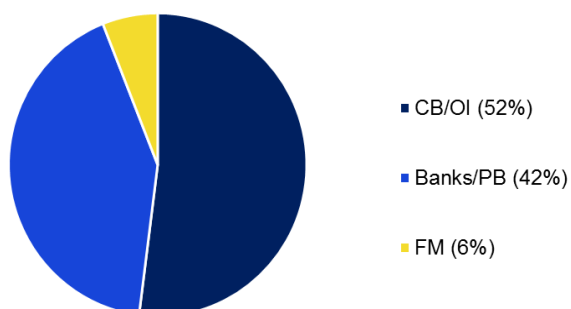
## **About Kommuninvest**

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.

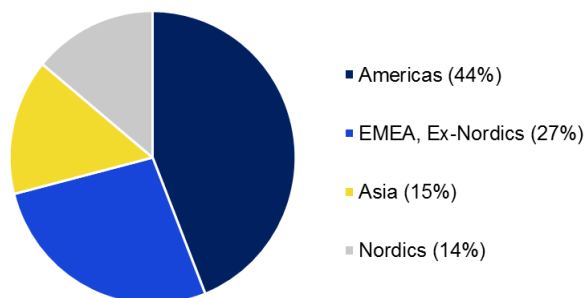
Kommuninvest is owned by Swedish local governments; of the total 310 municipalities and county councils/regions in Sweden, 288 are currently members of Kommuninvest. Kommuninvest is guaranteed explicitly, irrevocably, jointly and unlimited by its owners.

## **Distribution Stats:**

**Investor Type Distribution**



**Geographic Distribution**



## **Final Terms:**

<b>Issuer</b>	Kommuninvest i Sverige AB
<b>Size</b>	USD600 million
<b>Ratings:</b>	Aaa (sta.) / AAA (sta.)
<b>Pricing Date:</b>	06 March 2018
<b>Settlement Date:</b>	13 March 2018
<b>Coupon:</b>	2.500% payable semi-annually (short first)
<b>Maturity Date:</b>	1 June 2020
<b>Reoffer Spread to mid-swaps:</b>	MS flat
<b>Reoffer Spread to Benchmark</b>	UST 2.250% due February 2020 + 30.75bps
<b>Reoffer Price / Yield:</b>	99.895% / 2.550% s.a.
<b>Joint Lead Managers:</b>	Barclays, HSBC, J.P. Morgan

## **Funding & Investor Relations contacts at Kommuninvest**

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