



KOMMUNINVEST

USD 1 billion 2.875% Benchmark due 01 March 2021

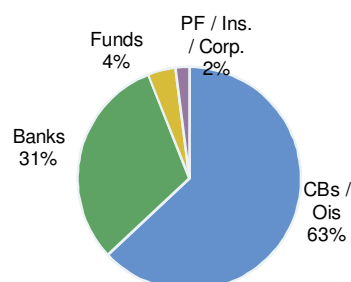
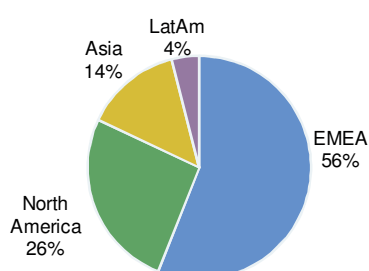
*** PRESS POINTS ***

Issuer:	Kommuninvest i Sverige AB	Maturity:	01 March 2021
Rating:	Aaa/AAA	Re-offer Price:	99.799%
Issue Amount:	USD 1 billion	Re-offer Yield:	2.952% (semi-annual)
Payment Date:	23 May 2018	Re-offer vs. MS:	+6 bps
Coupon:	2.875% (semi-annual)	Re-offer vs. CT3:	+20.7
Leads:	Barclays, BNP Paribas, HSBC, J.P. Morgan	Co-leads:	Daiwa, Nomura, Mitsubishi UFJ, Tokai Tokyo, SMBC Nikko, Mizuho

Transaction Highlights:

- On 16th May, Kommuninvest, the Swedish local government debt office, rated AAA/Aaa, successfully issued a new USD 1 billion 3-year RegS/144A bond due 1st March 2021.
- Barclays, BNP Paribas HSBC and JP Morgan acted as joint lead managers on the transaction for Kommuninvest's second USD benchmark transaction of the year; this is a further step to completing the SEK 85-100bn funding targeted by Kommuninvest for 2018.
- Over 50 accounts participated in the diversified transaction which saw central banks and official institutions taking the majority of the trade, 64%. In terms of regional distribution, accounts out of EMEA region and North America were allocated 56% and 26% respectively, while Asian and LatAm investors took 14% and 4% of the deal.

Distribution:



By Geography

EMEA	56%
North America	26%
Asia	14%
LatAm	4%

By Investor Type

Central Banks / Official Institutions	63%
Banks	31%
Funds	4%
PF / Ins. / Corp.	2%



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Execution:

- Kommuninvest announced the mandate for the new USD 3-year benchmark transaction on Tuesday 15th May, at 14:05 UKT, with IPTs of MS plus 8bps area.
- With IOIs exceeding USD 1 billion the following London morning, books were opened at 07:55 UKT with an official price guidance in line with IPTs, at MS plus 8bps area.
- With further strong support, the orderbook level doubled in size by 09:05 UKT, allowing Kommuninvest to tighten the spread by 2bps from the initial price guidance and to communicate the final terms with a spread set at MS plus 6bps and an issue size of USD 1 billion.
- Books were closed at 09:30 UKT with final orders in excess of USD 2 billion and the transaction was priced at 14:43 UKT with a coupon of 2.875%, a re-offer yield of 2.625% and a spread of plus 20.7bps versus 3-year US Treasuries.

Transaction Comments:

- **Tobias Landström, Kommuninvest, Deputy Head of Debt Management:** “We are very pleased with the outcome of this transaction, and particularly with the final order book exceeding 50 accounts including a large number of central banks and bank treasuries. We appreciate the strong support for Kommuninvest bonds from core SSA buyers from across the globe”.
- **Alex Paterson, Barclays, Director SSA Origination:** “The deal ticked all the boxes: a high quality oversubscribed orderbook, supporting price tightening to very competitive levels versus the outstanding curve. Being able to achieve this level of investor support following a period of volatility in swap spreads and at such a tight spread versus Treasuries clearly demonstrates the broad support Kommuninvest enjoys from the global investor community”.
- **Jamie Stirling, BNP Paribas, Head of SSA DCM:** “The issue was an excellent result for Kommuninvest, especially with the increased volatility in US swap spreads we have seen this week. The orderbook highlights the significant demand the issuer receives from the real money community globally, with notable participation from a range of official institutions”.
- **Asif Sherani, HSBC, Co-Head of FIG & Public Sector Syndicate:** “With this transaction Kommuninvest took advantage of favourable market dynamics in the short end of the USD curve to price a \$1bn 3-year benchmark issue through secondary levels. The high-quality and well over-subscribed orderbook, driven by the central bank and official institutions community, is testament to the strong confidence in the credit”.
- **Matthieu Batard, J.P. Morgan, Frequent Borrowers Syndicate:** “Kommuninvest successfully took advantage of stable market conditions post the European Holidays to print yet another successful benchmark. The positive and diversified demand well beyond subscription once again proves the global reach of Kommuninvest”.

About Kommuninvest:

- Kommuninvest of Sweden is a public sector owned and guaranteed credit market company, regulated by the Swedish Financial Supervisory Authority.
- Kommuninvest lends only to municipalities that are members of Kommuninvest Cooperative Society, and to their majority-owned companies. All members are jointly committed to unlimited cover of all Kommuninvest liabilities.