**KommuneKredit EUR 1bn 10-year Benchmark Issue**

On Wednesday 24th February 2021, KommuneKredit (“KOMMUN”) priced their new 10-year EUR 1bn benchmark.

**Bond Terms Summary**

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| Issuer | KommuneKredit |
| Rating | Aaa/AAA (Moody's/S&P - both stable) |
| Status | Senior unsecured, 0% RW, HQLA 1 |
| Issue Amount | EUR 1,000,000,000 |
| Issue Date | 24-Feb-2021 |
| Settlement Date | 3-Mar-2021 (T+5) |
| Maturity Date | 3-Mar-2031 |
| Coupon | 0% Fixed, ACT/ACT(ICMA) |
| Re-offer spread to mid-swaps | MS+4 |
| Re-offer spread to benchmark | DBR 02/31+35.0bps |
| Re-offer price | 99.561% |
| Re-offer yield | 0.044% |
| ISIN | XS2308329783 |
| Listing | Luxembourg |
| Lead Managers | Deutsche Bank, Natixis, Nomura, Nordea |

**Transaction Summary**

* On Wednesday 24th February, KommuneKredit returned to the market for their first Euro benchmark of 2021, raising EUR 1bn with a strongly oversubscribed 10-year bond, coming at a spread of 4bps over mid-swaps. This is KommuneKredit’s largest Euro issuance since March 2018 and its largest ever 10-year bond.
* The mandate for the new EUR 1bn no-grow bond was announced to the market at 2pm CET on Tuesday 24th February and books opened at 9am CET the following morning with guidance of MS+6bps area.
* By 10:15 CET, the order book had accumulated to over EUR 1.8bn, thus allowing the guidance to be revised to MS+5a.
* The order book continued its growth momentum despite the tighter guidance, and by 11am CET, total orders stood at over EUR 2.6bn. The leads subsequently fixed the spread at MS+4bps, 2bps inside initial guidance. At 11:30 CET book close, orders were in excess of EUR 2.6bn (incl. EUR 100m JLM) good at final spread.
* Allocations were released at 2pm CET and the new issue was priced at 2:34pm CET, setting the reoffer yield of 0.044%, translating into a reoffer price at 99.561% for the 0% coupon bond. The issue also comes at a final spread of 35bps over the Feb-31 Bund.

* The transaction attracted a very solid and diverse book as illustrated by the final allocation distribution.
Investors participated from across the world, with the lion share derived from Germany/Austria (25%), Benelux (24%) and the Nordics (15%). In terms of investor type, the deal was dominated by Central Banks and Official Institutions who accounted for 49%, followed by Bank Treasuries (29%), Asset Managers (18%), Banks (3%), and other investors (1%).

**By Geography**

**By Investor Type**

**About KommuneKredit**

KommuneKredit is Denmark’s Local Government Funding Agency. KommuneKredit was established as a membership organization under Danish law in 1899. Its voluntary membership is restricted to Danish local governments (the municipalities and regions) and currently all local governments are members, thereby representing the entire population of Denmark. Its objective as a non-profit organization is to secure cost-efficient financing for its clients.

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Please also see [www.kommunekredit.dk](http://www.kommunekredit.dk) for further information