

Press Information, 15 October 2018

## Berlin Hyp launches successfully third green Pfandbrief, strengthening position as most active issuer of green bonds in the European commercial banking segment

**Berlin Hyp's successful issuance of a seven year Green Pfandbrief consolidates the bank's position as a leading green bond issuer. Since debuting with the first Green Pfandbrief in 2015, Berlin Hyp has issued six green bonds with a total volume of € 3 billion, half of them being green covered bonds and the other half being green senior unsecured bonds. That makes the bank the most active green bond issuer in the European commercial banking segment.**

After completing a three-day roadshow, Berlin Hyp successfully issued its third Green Pfandbrief on Friday, 12 October 2018. The seven-year bond with a volume of € 500 million offers a coupon of 0.625% and is rated Aaa by Moody's. It's positive sustainability performance is documented in a Second Party Opinion by ISS oekom.

Order books were opened at 9.00 am by a consortium comprising ABN Amro, Bayern LB, Commerzbank, Credit Agricole and J.P. Morgan with a guidance of mid-swap -4 basis points. Bankhaus Lampe was mandated as a Co-Lead Manager. The syndicate banks received 76 orders worth more than € 950 million within just 2 1/2 hours and closed the books at 11.30 am. The re-offer spread was set at mid-swaps -6 basis points. The foreign share of 58% was higher than in any other bond issued by Berlin Hyp before and was dominated by investors from Scandinavia and the UK with 20% and 17%, followed by Benelux and Asian investors with 13% and 5% respectively. Domestic investors signed 42% of the Green Bond. The bond was well received among banks/savings banks and asset managers, which accounted for 40% and 33% of investment respectively. It is also worth noting that more than 45% of the green bond went to SRI investors.

Gero Bergmann, Member of the Board of Management of Berlin Hyp: "The high shares of foreign and SRI investors are evidence for the esteem Berlin Hyp enjoys on the market for covered bonds and green bonds. Furthermore, it encourages us to further expand our green finance business."

Berlin Hyp incentivizes loans for green buildings by a 10 basis points discount. It is the bank's strategic objective to grow its green finance portfolio to 20% of its total loan portfolio by 2020. So far it has reached 16%.

Berlin Hyp uses the proceeds from the issue to refinance loans for green buildings. The applicable criteria for classification as a green building are predominantly based on the energy efficiency of a commercial property, but also include other sustainability criteria. As with all of its other green bonds, the bank does its best efforts to invest an amount equivalent to the proceeds from the issue in additional new green building financing within the term of the bond.

**Funding / Investor Relations**

Bodo Winkler

T 030 25 99 95 21

[bodo.winkler@berlinhyp.de](mailto:bodo.winkler@berlinhyp.de)

**Press contact**

Nicole Hanke

Communications and Marketing

T +49 30 2599 9123

[nicole.hanke@berlinhyp.de](mailto:nicole.hanke@berlinhyp.de)

Berlin Hyp specializes in large-volume real estate finance for professional investors and housing societies, for whom the Bank develops individual financing solutions. As an enterprise forming a Group together with the German savings banks, it also makes an extensive spectrum of products and services available to these institutions. Berlin Hyp is not only at the forefront as the issuer of the first Green Pfandbrief; the bank also supports the financing of sustainable real estate. Berlin Hyp's clear focus, 150 years of experience and the ability to actively shape the digital transformation in the real estate sector with an eye to the future characterize the Bank as a leading German real estate and Pfandbrief bank.