

Press Information, 8 June 2017

Berlin Hyp successfully issues a new Green Pfandbrief

- Berlin Hyp's third green bond since the issue of its first Green Pfandbrief
- High percentage sold to socially responsible investors
- Target: 20% of loan portfolio to be green by 2020; regular green bond issues

Berlin Hyp today successfully issued its second Green Pfandbrief, its third green bond in benchmark format. "Once again, the significant oversubscription and the high percentage of socially responsible investors in the order book are testament to the fact that we have our finger on the pulse when it comes to our green bond program," said Gero Bergmann, member of the Berlin Hyp Board of Management responsible for capital markets. "We draw on our green bonds to refinance loans for energy-efficient and sustainable buildings. This business is particularly important to us, which is why we decided this spring to anchor the financing of green buildings as a strategic target. The aim is for green building financing to make up 20% of our loan portfolio by 2020."

The Green Pfandbrief has an issue volume of EUR 500 million and a term of just over six years, offers a coupon of 0.125% and, just like all of the bank's Mortgage Pfandbriefe, has been given the highest possible rating of Aaa by Moody's. This latest Green Pfandbrief comes on the back of the widely acclaimed first Green Pfandbrief issue in April 2015 and the green senior unsecured bond issued in September 2016, which made Berlin Hyp the first bank to issue green bonds in more than one asset class. Berlin Hyp bases all the green bonds it issues under its green bond program on the Green Bond Principles. Positive sustainability performance is certified through a second party opinion provided by renowned sustainability rating agency oekom. In addition, oekom rates the sustainability of Berlin Hyp as C, putting it in the prime range. Sustainalytics considers the bank to be an "outperformer" with a total score of 76/100.

A consortium made up of Commerzbank, Crédit Agricole, J.P. Morgan, LBBW and UniCredit Bank opened the order books at 9:10 am with an initial guidance of mid-swap -12 basis points. The syndicate banks received orders exceeding EUR 900 million within 2 ½ hours and closed the order books at noon. The re-offer spread was set at mid-swap -14 base points. The majority of the bond, 53 %, went to domestic investors, followed by investors from BeNeLux (18%) and UK/Ireland (13%). The largest group of investors were central banks/official institutions, which accounted for 43% of subscriptions. The bond was also well received by asset management companies and banks and savings banks, which accounted for 31% and 26% of subscriptions respectively. It is also worth noting that 45% of the Green Pfandbrief went to socially responsible investors.

“We are delighted to register such high demand for our new Green Pfandbrief. We consider this and the high demand from foreign investors to be a great vote of confidence in our bank and recognition of our intensive investor activities,” Bergmann added. “At the same time, we also see this as a clear mandate to offer investors the chance to participate in our commitment to emissions-saving green buildings and in the fight against climate change moving forward. As well as planning to double the volume of our green finance portfolio by 2020, we also intend to continue issuing green bonds on a regular basis in the future.”

Press contact

Nicole Hanke
Communications and Marketing
T +49 30 2599 9123
nicole.hanke@berlinhyp.de

Investor Relations / Sales

Bodo Winkler
T 030 25 99 95 21
bodo.winkler@berlinhyp.de

Berlin Hyp specialises 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's clear focus, almost 150 years of experience and its close proximity to the Savings Banks Finance Group characterise the Bank as a leading German real estate and Pfandbrief bank.