

»»» KfW USD Green Bond

10yr USD 2bn 1.75% due September 2029

10 September 2019

Investor Relations: investor.relations@kfw.de • www.kfw.de/investor-relations

Joint Lead Managers:

KfW successfully launches its inaugural USD Green Bond from the new Green Bond framework

Petra Wehlert (Head of Capital Markets) comments:

“This is a landmark transaction for KfW in multiple ways - we achieved a record UST spread in the 10-year maturity, printed the largest USD Green Bond in the SSA segment and also the first of this kind with a 10-year maturity in 2019.”



Transaction Highlights

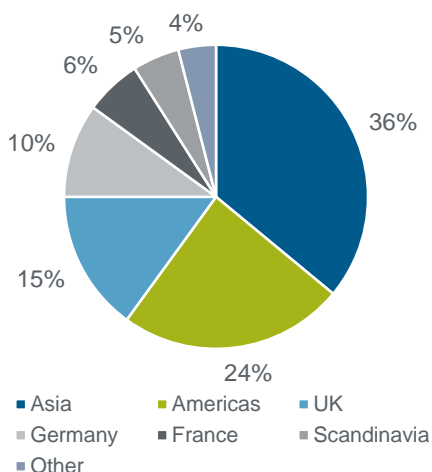
- KfW updated its Green Bond framework in May 2019, generating substantial volumes that are eligible for KfW’s Green Bonds going forward and underlines KfW’s overarching objective to boost environmental investments via the capital markets.
- KfW subsequently issued Green Bonds in six different currencies off this, and on Tuesday 10th September, brought its inaugural USD Green Bond, a 10-year USD 2bn due 14th Sep 2029.
- This landmark transaction marks not only the largest USD Green Bond ever issued by KfW, but also represents the largest USD Green Bond ever issued by any SSA issuer.
- It also printed at the tightest spread to US Treasuries ever seen for a SSA issuer for a 10-year USD transaction across green and benchmark markets.
- With final orders in excess of USD 4.8bn, KfW was able to tighten the pricing by 2bps from IPTs and price with a negligible new issue concession versus KfW’s outstanding curve.
- Given the lack of USD SSA Sustainable Bond supply, particularly in the long-end – first USD SSA 10yr benchmark Green Bond in close to a year, KfW’s trade saw strong support from ESG investors, representing 58% of the orderbook.

83% raised ytd out of EUR 80bn

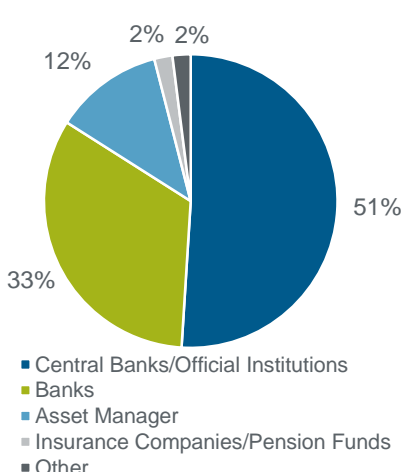
KfW expects its volume of long-term funding to be raised in the capital markets in 2019 to be approximately EUR 80 billion.

Distribution Statistics

By geography



By investor type



120 individual investors

Strong and diversified orderbook with an impressive share of 58% green investors.

Disclaimer: The information contained in this document does not constitute an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration. KfW has registered the securities that are the subject of this document for sale in the United States. The offering of the securities in the United States will be made by means of a prospectus that may be obtained from KfW and will contain detailed information about KfW and its management, financial statements and information about the Federal Republic of Germany.

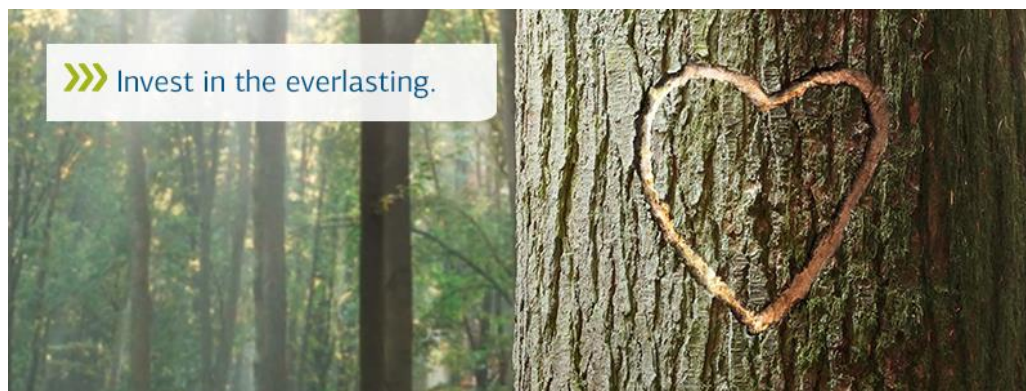


Photo: gettyimages / Piotr Krzeslak, Cultura

Transaction Summary

ISIN	US500769JD71
Issuer	KfW
Guarantor	Federal Republic of Germany
Rating	Aaa / stable (Moody's) AAA / stable (Scope Ratings) AAA / stable (Standard & Poor's)
Notional Amount	USD 2 billion
Pricing Date	10 th September 2019
Maturity Date	14 September 2029
Coupon	1.750% s.a.
Reoffer Price / Yield	99.900% / 1.761%
Reoffer Spread	MS +21bps
Benchmark Spread	UST+ 9.65
Format	Global / SEC registered
Listing	Luxembourg
Joint Lead Managers	BNP Paribas, Citi, TD Securities

Execution Process

- On Monday 9th September at 12.30pm London time, the mandate for a min USD 1bn Green Bond due in 2029 was announced to the market, taking Indications of interest (IOIs) at IPT of MS+23bps area .
- Indications built rapidly and the orderbooks opened with initial spread guidance of MS+22bps area at 8.05am London time having collated IOIs in excess of \$3bn.
- The trade built with solid momentum with orders exceeding \$4bn within two hours of opening books. The size was set at \$2bn and the spread set 1bp tighter at MS+21 at 9.50am London time.
- EMEA books went subject at 10.30am and Global books were closed at 8am New York time. The deal was launched shortly thereafter with final books in excess of \$4.8bn
- The swift bookbuilding process is once again a testament to the quality of KfW's Green Bond programme and the ongoing support from high quality Green/SRI investors.
- The USD 2bn Green Bond was priced at 4.45pm London time at MS+21bps, offering a coupon of 1.750% and a yield of 1.761%, equivalent to a cash price of 99.900 and a spread of 9.65bps over the UST 1.625% 15 August 2029.