

HYPO NOE Landesbank kicks off 2023 borrowing with third green senior preferred benchmark bond

Yesterday, HYPO NOE Landesbank returned to the green bond market, pricing a EUR 500m 4-years senior preferred benchmark bond (AT0000A32HA3) at a re-offered spread of mid-swaps +115 bps with a coupon of 4.0% at a re-offered yield of 4.063%. The bond is expected to be rated 'A' from S&P Global. Transaction proceeds are exclusively dedicated to financing and/or refinancing suitable green loans to projects and activities that promote climate friendly and other environmental or sustainable purposes according to the eligible green categories in HYPO NOE Landesbank's green bond framework.

HYPO NOE Landesbank and its mandated joint lead managers - BayernLB, BNP Paribas, Danske Bank, Deka-Bank, DZ Bank und Erste Group- once again decided for a swift intraday execution strategy on the back of the issuer's solid international name recognition. Order books were opened at 8:56 CET on Monday morning with initial pricing thoughts (IPTs) of mid-swaps +125/130 bps area.

Solid transaction momentum in a busy primary market drove orders to total more than EUR 500m (excluding joint lead managers) by the first update at 11:49CET. Pricing was set at mid-swaps +115 bps by the time of the second update at 12:46 CET, with books to go subject at 13:00 CET. At the time of pricing at 14:54 CET orders amounting to around EUR 500m good at re-offered had been gathered from 65 investors in 13 countries.

The order book was again granular. At 76%, a substantial share was placed abroad, with Germany (52%) followed by the Nordic region (6%) and Switzerland (5%) as well as France (4%) showing particular interest. Domestic investors accounted for 24% of the placement. Banks ordered 67% of the bond, followed by asset managers (24%) as well as insurance companies and pension funds (9%).

Similar to 2020's successful debut green bond issue as well as last year's green senior preferred benchmark issue, a substantial proportion of investors in this latest green bond have a dedicated focus on green and sustainable investments. This once again underlines HYPO NOE Landesbank's convincing sustainability credentials, based not least on strict ethical guidelines and a comprehensive catalogue of exclusion criteria.

For further information, visit ir.hyponoe.at.

HYPO NOE Landesbank für Niederösterreich und Wien AG

HYPO NOE Landesbank is the largest and oldest-established of Austria's state mortgage banks¹, and has served as a dependable commercial bank, stable state bank and specialist mortgage bank for more than 130 years. Based on the foundations of its strong position in the capital region of Lower Austria and Vienna, the Bank operates primarily in Austria and Germany, as well as in selected markets in the European Union.

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¹In terms of total assets (2021 consolidated financial statements) and foundation dates