

Press Information, 15 February 2016

First benchmark issue for Berlin Hyp in 2016

Berlin Hyp issued its first benchmark mortgage Pfandbrief of 2016 today.

The seven-year bond with a volume of € 500 million and a coupon of 0.25% is rated Aaa and AA+ by rating agencies Moody's and Fitch.

The syndicate banks assigned by Berlin Hyp, Commerzbank, Deka, J.P. Morgan and UniCredit, opened their order books at 8.45 am on Monday morning with an initial spread guidance of mid-swap + 2 basis points. ABN Amro and Bankhaus Lampe acted as co-lead managers.

Orders of almost EUR 1.4bn were generated from more than 60 investors. This significant oversubscription enabled lead managers to close the books at 10.30 am and price the bond at mid-swap -1 basis point. The lion's share of subscriptions, 68%, came from Germany, followed by Asia/Middle East (14%) and Scandinavia (6%). The largest group of investors were banks and savings banks, which accounted for 47% of subscriptions.

"We are delighted about this successful issue," said Gero Bergmann, Member of the Board of Management responsible for Berlin Hyp's capital market business. "Given the difficult market environment with falling interest rates and considerable volatility, we did not expect our benchmark issue to be oversubscribed to such an extent. We see this as a testament to the trust investors place in our successful business model. At the same time, the success also shows how important intensive and sustained contact with investors is, even in difficult market phases."

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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.