



18 March, 2016

NWB Bank launches 10-year inaugural USD 1 billion RegS/144a Benchmark Green Bond

On Friday, 18th March 2016, the Nederlandse Waterschapsbank N.V. (NWB Bank), rated Aaa/AAA, launched a 10-year USD 1 billion Green Bond transaction to support NWB Bank's lending to the Dutch water authorities. This successful transaction marks NWB Bank's inaugural Green Bond in USD having previously issued two EUR Green Bonds: EUR 1bn 10-year in 2015 and EUR 500m 5-year in 2014. This benchmark is also NWB Bank's first USD benchmark offering of the year.

This new green bond benchmark issue of NWB Bank underpins its role as a robust and sustainable finance partner to the Dutch water authorities.

Proceeds from the NWB Bank's Green Bonds will be credited at an internal earmarked account at NWB Bank dedicated for lending to the Dutch Water Authorities. The Dutch Water Authorities are governmental bodies, employing around 11,000 people, responsible for flood protection, water management and water quality. Climate change adaptation is an integrated part of their tasks. A large part of the future investments in flood control and in water management will be executed under the umbrella of the Dutch "Delta Plan", a plan set up by the Dutch government to make the Dutch flood protection and water management schemes fit for the expected climate change in the coming decennia. Both heavier rainfall patterns as well as longer periods of drought are taken into consideration.

Proceeds will be used to fund Green Bond Eligible Projects by the Water Authorities that target (a) mitigation of climate change, being waterway management, (b) adaptation to climate change, meaning investments in climate-resilient growth (flood protection, other flood defenses and pumping stations) or (c) biodiversity projects which are related to water related biodiversity projects rather than directly climate related (i.e. sanitation and dredging of waterbeds, water treatment, transport and cleaning of wastewater and disposal of sewage sludge).

The 10-year USD benchmark transaction was announced in the morning of Thursday, March 17th in order to give Asian investors advance notice of the deal coming the next day, with initial price talks at midswaps plus mid 70's basis points area and aim to reach USD benchmark size. Strong indications of interest from Green Bond investors in Asia, Europe and the Americas started coming in shortly after the announcement of the new issue. The following day at 8am London time, the order book was officially opened with a price guidance at midswaps plus 73 basis points area and indications of interest greater than USD 850m. The transaction quickly gathered more momentum with Asian accounts joining and the book reached USD 1.5bn after only two hours of bookbuilding enabling to set the price at midswaps plus 71 basis points, a further 2bp inside the initial guidance. The orderbook was closed shortly after the US opened with more than USD 1.7bn of demand and more than 50 investors involved. The transaction priced at 3pm in the afternoon of Friday 18th March on the tightest side of the IPT at midswaps plus mid 71's basis points, and was primarily allocated to dedicated green investors and committed mainstream accounts such as Mitsui Sumitomo Aioi Life Insurance Company, Fukuoku Mutual Life Insurance Company, AP2, AP4, CalSTRS and TIAA Asset Management.

"This is our third green bond and the first one in US dollars. Again it is a very successful one. It is also our first USD 10 year benchmark this year. The strong green case of the water authorities when it comes to climate adaptation, climate mitigation and biodiversity projects is key to the success of our 'Waterbonds', of which we will issue at least one every year" says **Tom Meuwissen, Treasurer at NWB Bank**



The distribution by investor type and geography was as follows; 56% of the bonds were placed with fund managers and insurance companies, 24% with central banks and official institutions, 20% with banks; and in terms of geography 62% was placed in Japan, 22% in the EMEA, 13% in the US and 3% in Asia.

With today's USD issue, NWB Bank continues to attract investors and broaden the market span for Green Bonds. 70% of the issue was bought by investors who purchased the bonds due to their interest in supporting climate-friendly projects within their investment mandates.

BoAML, Daiwa Capital Markets, Deutsche Bank and SEB are the joint-lead managers for this transaction and have interacted with investors over the past weeks to ensure that investors have appropriate knowledge about the NWB Bank's Green Bond program.

"Through this bond purchase, Trillium Asset Management recognizes the importance of preserving biodiversity amid efforts to adapt to climate change and support low carbon growth strategies." **says Cheryl Smith, Phd at Trillium Asset Management, LLC.**

"The inaugural USD Green bond from NWB Bank enabled the Dutch agency to increase the duration of their funding by tapping the 10-year sector, and diversify its buyer base by selling the vast majority of the bonds to strategic SRI investors globally. A visible success, and testament of NWB Bank's efforts in addressing environmental issues in The Netherlands." **says Anthony Vives de Montal, Director at BofA Merrill Lynch**

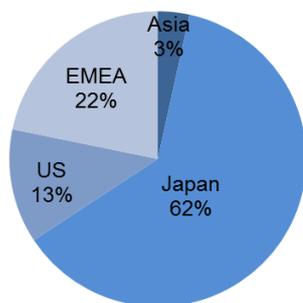
"Today's successful inaugural USD Green Bond for NWB Bank attracted a granular and high quality orderbook, with especially strong support from Japanese investors, underscoring the growing interest from Asia in this important and strategic market. The success of this new Green Bond reflects the continuous IR effort conducted worldwide by the NWB Bank team enabling them to broaden and diversify their green investor base outside of Europe." **says Vince Purton, Head of DCM at Daiwa Capital Markets Europe**

"NWB's first ever USD Green Bond was an overwhelming success, with the size and exceptionally high quality order-book being a testament to the issuer's global presence in this fast growing asset class. The USD 1.7 bn order book allowed NWB to set the deal size of USD 1bn, making this the joint largest ever dollar Green Bond issued in the 10-year space and the largest Green Bond issued this year to date. It is also the tightest priced SSA 10-year USD benchmark in 2016. Deutsche Bank was privileged to be part of this landmark transaction and we congratulate NWB on this highly successful outcome" **says Steven Jallport, Director, SSA Origination at Deutsche Bank.**

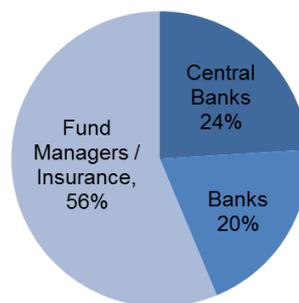
"The ability to facilitate finance for the Dutch Water Authorities through NWB Bank, and learn from their World leading experience in how to manage water quality and water quantity – is both enriching and insightful! – It is rewarding to do finance when you can combine fiduciary prudence with positive climate impact" **says Christopher Flensburg, Head of Climate Financial Solutions at SEB**

Transaction Summary:**Issuer:** Nederlandse Waterschapsbank (NWB BANK)**Format:** RegS/144a**Amount:** USD 1 billion**Settlement date:** 24 March 2016**Maturity date:** 24 March 2026**Issue price:** 99.726%**Coupon:** 2.375%**Issue yield:** 2.406%**Spread:** Midswap +71 bps and UST 1.625% due February 2026 + 54 bps**Denomination:** USD 200,000 / USD 1,000**Listing:** Luxembourg Stock Exchange**Joint-Lead Managers:** BofAML, Daiwa Capital Markets, Deutsche Bank and SEB**ISIN:** US63983TBB08**Distribution statistics:**

By investor region:



By investor type:

**About NWB BANK**

Nederlandse Waterschapsbank N.V. (NWB Bank) is the Dutch Bank of and for the public sector. NWB Bank is a leading financial services provider for the public sector. The NWB Bank arranges short-term and long-term loans for water authorities, municipal authorities, provinces, social housing, healthcare, educational institutions, Public-Private-Partnerships ("PPP") and activities in the field of water supply and the environment. NWB Bank funds its activities on the international money- and capital markets on the back of a very strong financial position and ratings from Moody's (Aaa) and Standard & Poor's (AAA). Since the Bank was founded in 1954, its shares have been held by public authorities. The NWB Bank's objective is to provide the required funding subject to the most favourable terms and tailored specifically to the individual customer. Social relevance, high quality and a strong financial position and integrity are the cornerstones of NWB Bank's policy.

Information for investors is available on NWB Bank's website: <https://www.nwbbank.com/investor-relations-en.html>

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