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IDBI Bank's USD 350 million 5 years Green Bond Issue**Oversubscribed by 3 times**

Mumbai, November 23, 2015: IDBI Bank launched a USD 350 million 5 year Reg S Green Bond issue on November 23, 2015. The transaction received an overwhelming response and the issue was oversubscribed by 3 times. The issue was made under the USD 5 billion MTN Programme listed on the Singapore Stock Exchange.

The transaction was launched at 10:00 a.m. Hong Kong time with an initial price guidance of 5-year Treasury + 270 bps. During the course of the day, the book rapidly built up and the final price guidance was issued in the 5-year Treasury + 255 area. With the issue finally being oversubscribed by 3 times, the issue was priced at 5-year Treasury + 255 bps (i.e. a spread tightening of 15 bps from initial price guidance). The final coupon was 4.25% (fixed).

The transaction attracted interest from a diversified range of investors including Asset Managers (50%), Banks (28%), Private Banks (17%), and corporate and Others (5%). Around 82% of the allocation was made to Asian Investors, 18% to European investors.

ANZ Bank, BNP Paribas, Citibank, HSBC, JP Morgan Chase and Standard Chartered Bank acted as Joint Book Runners and Lead Managers to the transaction.

Shri Kishor Piraji Kharat, Managing Director & Chief Executive Officer, IDBI Bank while commenting on this landmark transaction, said that IDBI Bank has become the first state-owned commercial bank to raise USD 350 million by selling green bonds,

where proceeds are used for refinancing of clean energy projects in India assisted by IDBI Bank which include wind energy, solar energy, biomass, water recycling systems, energy distribution and management system etc. The proceeds will also be used for financing of new projects in above mentioned areas including sustainable transport. MD & CEO further added that IDBI Bank is keen to work in growing green debt capital market and support Government of India's initiatives in greening of the Indian economy.

Riding on the policy announcements of the Government and the conducive environment in the international markets, IDBI Bank was quick to respond and tap the market the moment a window of opportunity was seen. This has resulted in a massive oversubscription resulting in tightly priced deal.

IDBI Bank's USD Green Bond issue is the First from any of the public sector banks. Export-Import Bank of India had a similar issue in March. IDBI Bank could achieve investor diversification by mobilizing funds from various green investors.

The bank has already deployed \$300 mn towards clean energy projects and expects to deploy an additional \$2bn in the next 12- 15 months. The end use of the proceeds of the green bonds would be certified by third party to ensure clear transparency and provide comfort to investors. Further, IDBI Bank has also decided to become member of Climate Bonds Initiative, United Kingdom. Climate Bonds is an international organization in the World focusing on mobilizing huge funds for climate change solutions. The Climate Bond Board and several other international bodies have appreciated this initiative of IDBI Bank towards environmental protection.

About IDBI Bank

IDBI Bank is the youngest, new generation, public sector universal bank that rides on a cutting edge core banking Information Technology platform. This enables the Bank to offer personalized banking and financial solutions to its clients through its 1777 branches and 3203 ATMs. The Bank had an aggregate balance sheet size of Rs. 3,38,458 crore and total business of Rs4,43,943 crore as on September 30, 2015. IDBI Bank's operations during the quarter ended September 30, 2015 resulted in a net profit of Rs.120 Crore. The Bank's operations during the last full financial year (2014-15) had yielded a net profit of Rs. 873 crore.

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