

Pressrelease

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BayernLB and international bank syndicate place dual-tranche benchmark issue on behalf of Volkswagen Leasing GmbH

Munich – Under the joint lead management of Barclays, BayernLB, BNP Paribas, Danske Bank and RBC Capital Partners, Volkswagen Leasing GmbH is selling a dual-tranche benchmark issue with a total volume of EUR 1.5bn, guaranteed by Volkswagen Financial Services AG. The bonds, which were oversubscribed many times, have maturity periods of 3 and 6.5 years and coupons of 2.25% and 3.25%, respectively.

There was high demand for the issue from a wide range of investors and the order book, in the end EUR 6.1bn, was considerably oversubscribed. Owing to the high investor interest, especially from asset managers, the price range narrowed significantly during the book-build. The final value of the 3-year bond was 68 bp, with that of the 6.5-year bond standing at 115 bp over mid-swap. The issue has a rating of A3 positive/A- stable.

Paul Kuhn, BayernLB's Debt Capital Markets Department Manager, commented: "This is the second bond that BayernLB has successfully placed for Volkswagen Leasing in 2011. Both sparked a significant amount of interest, particularly from our institutional investors in Germany, Great Britain and France."