



24th September 2009

## PRESS RELEASE



### African Development Bank (Aaa/AAA/AAA)

## USD 1bn Global Benchmark 1.750% Issue due 1 October 2012

#### Terms of Transaction

African Development Bank (AfDB)

Principal Amount: USD 1,000,000,000

Pricing Date: September 24, 2009

Settlement Date: October 1, 2009

Maturity Date: October 1, 2012

Re-Offer Spread: UST 1.375% due October 2012 +41.4 bps, Midswaps flat bps

Coupon: 1.750% semiannual

Joint Bookrunners: Credit Suisse / Deutsche Bank / Goldman Sachs International / Morgan Stanley

Co-Managers: BNP Paribas / Daiwa / HSBC / Mizuho / RBC

#### Overall deal points:

- ✓ The African Development Bank, rated Aaa/AAA/AAA (Moody's/S&P/Fitch), has successfully priced a USD 1 billion Global benchmark issue due 1 October 2012 through CREDIT SUISSE, DEUTSCHE BANK, GOLDMAN SACHS INTERNATIONAL, and MORGAN STANLEY. The issue pays a semiannual coupon of 1.750% and has a reoffer price of 99.660% to give a spread of +41.4 bps over the UST 1.375% due October 2012
- ✓ The African Development Bank (AfDB) is the premier development institution in Africa, a multilateral development bank or supranational dedicated to the promotion of sustainable economic growth and to reduce poverty in the continent
- ✓ This transaction is the fifth AfDB transaction in 2009 and the third USD 1bn Global benchmark market completed in 2009, following from a very successful 3-year USD 1bn benchmark issued in January 2009 as well as a 5-year USD 1bn benchmark issued in May 2009
- ✓ AfDB's expected borrowing programme for 2009 is expected to reach USD 9.8bn, of which they have completed approximately 52% year-to-date
- ✓ Following on from favourable market conditions and positive investor feedback, a 3-year USD Global benchmark transaction was announced on Wednesday 23 September, before opening the orderbook formally in Asia on Thursday morning with price guidance of MS flat
- ✓ By mid morning in London, the demand was in excess of USD 800 million with good interest from central banks in Asia, the Middle East, and Europe, as well as from European real money accounts. With more interest from US accounts on NY open, the

CREDIT SUISSE 

Deutsche Bank 

Goldman Sachs 

Morgan Stanley

- orderbook quickly grew in excess of USD 1 billion. The orderbook closed at 2pm London time in excess of USD 1.5 billion
- ✓ The USD 1 billion transaction (the maximum size approved by the issuer) was priced on Tuesday at 5:30pm London time at MS flat. The orderbook was of the highest quality with Central Banks and US and European real money accounts being heavily represented (52% and 42%, respectively). Geographically, the deal was well distributed across the Americas notably taking 57% of the transaction and Middle East, Europe and Asia 18%, 16% and 9%, respectively. Close to 65 investors participated in the deal
  - ✓ The successful outcome of the trade and high quality of the orderbook is credit to the standing AfDB holds in the capital markets

**Summary of Distribution:**

- ✓ Close to 65 accounts participated, achieving strong investor diversification, while maintaining a high quality order book
- ✓ Allocations by Geography: 57% Americas, 18% Middle East, 16% Europe and 9% Asia
- ✓ Allocations by Investor Type: 52% Central Banks & Official Institutions, 42% Investment Advisors, 6% Other