

Press Release

State Bank of India (“SBI”) announces successful pricing of its inaugural USD denominated public green bond for USD 650 million

- USD 650 million 5-years Regulation S only issuance at 4.5% coupon
- Strong final orderbook in excess of USD 1.25 billion that included marquee accounts, including green accounts across geographies
- 2x oversubscription allowed SBI to tighten the pricing by 20 bps (i.e. from initial guidance of T+185 bps area to final pricing of T+165bps)
- The first public USD bond issued by an Indian public sector bank in the current fiscal
- Issued off SBI’s Medium Term Note (MTN) Programme, and also listed on the Singapore Exchange Securities Trading Limited (Singapore SGX) and the India International Exchange (India INX)
- Nimble footed transaction executed in a narrow window during a period of currency and rate market volatility

Mumbai, September 19, 2018: India’s biggest public sector bank, State Bank of India today priced its maiden Green Bond issuance. Continuing its commitment towards sustainable development, the Bank today raised USD 650 million at a coupon rate of T + 165 bps. The bond is benchmarked against 5 year US treasury. The bonds will be listed on Singapore SGX and the India INX, Gift City.

The issue received an overwhelming response and saw strong interest from investors across geographies with a final order book in excess of USD 1.25 billion across 114 accounts. On the back of strong demand, the guidance was revised from T+185 area to T+165-170, with a peak orderbook of USD 1.8 bn resulting in final pricing at the tight end of the range i.e. T+165 bps. The Notes are expected to carry a final rating of Baa2, BBB- and BBB- from Moody’s, Standard and Poor’s and Fitch respectively.

The successful issuance demonstrates the strong investor base SBI has created for itself in offshore capital markets allowing it to efficiently raise funds from world’s leading fixed income investors, even during periods of heightened currency and rates volatility.

Commenting on the occasion, Shri Rajnish Kumar, Chairman, SBI said “Bank has embarked on its sustainability journey with an objective to create a positive impact on the environment. Green Banking and Sustainability have long been areas of priority and in an early delineation of this approach, SBI had enunciated its Green Banking Policy a decade back. Issuance of Green bond is one of the step in that direction. It gives us immense pleasure to see the response received from Global Fund managers to our issuance”

DBS Bank Ltd., HSBC, MUFG, FAB and SBI Capital Markets acted as Joint Bookrunners and Joint Lead Managers for this offering.

About State Bank of India

State Bank of India (SBI) the largest commercial bank in terms of assets, deposits, branches, customers and employees; is also the largest mortgage lender in the country. As on June 30, 2018, the bank has a deposit base of Rs. 27.47 lakh crore with CASA ratio of 45.07% and advances of Rs. 19.09 lakh crore. SBI has 32% market share in home loans and 35% market share in auto loan. The Bank has the largest network of nearly 22,500 branches in India and ATM network of nearly 59,000 ATMs. YONO- an integrated digital and lifestyle platform by SBI - downloads were almost at 94 lakhs with more than 2.5 lakh logins per day. On this platform, more than 1 million SB accounts were opened reaching a peak of more than 27 thousand accounts per day. On social media platforms, SBI has the highest number of followers on Facebook, Youtube, LinkedIn and Pinterest. Bank tops the list of followers on Facebook and Youtube across all banks in the world.