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Tuesday 18th June 2019, 9:32 GMT

BayWa reveals green bond success

Agricultural group says proceeds will be used to finance new and existing wind and solar power plants around the world.



BayWa has announced the successful issuing of its first green bond, with a total volume of €500m placed for domestic and international institutional investors.

According to the Germany-based agricultural group, this was the first green bond transaction in benchmark size in Europe of an unrated issuer, with the proceeds to be used to finance new and existing wind and solar power plants around the world.

The bond was presented to investors in Germany, England, France, Austria and Switzerland during a roadshow at the start of June.

"The very successful placement of the green bond shows that BayWa's business model is very well received by investors, especially in relation to the fields of renewable energies," said Klaus Josef Lutz, CEO of BayWa. "Today's issue is the next logical step in our corporate strategy. Financing thereby also follows in the same direction."

"The fact that the green bond was considerably oversubscribed is a clear sign that BayWa is seen as sound and attractive by investors from over 20 countries," noted Andreas Helber, chief financial officer of BayWa.