

Green Bond Offering

Japan Finance Organization for Municipalities (“JFM”) issued its first green bond in the Euro markets on 12 February 2020. This green bond is denominated in euro and summary of the terms are as specified below.

Green bond is a debt instrument available among the financing alternatives and is limited to fund businesses who undertake environmental initiatives. The net proceeds for this offering will be used exclusively to finance or refinance, in whole or in part, existing or future sewerage projects of the local governments that satisfy the eligibility criteria.

JFM’s objective is to provide long-term, low interest rate financing for sound management of local governments’ finances and promotion of residents’ welfare. Furthermore, projects financed by JFM are in diverse businesses that contribute to the achievement of SDG initiatives.

JFM would like to contribute to environmental measures and SDC initiatives undertaken by local governments via issuing green bond.

Summary of Terms

Issuer	Japan Finance Organization for Municipalities (“JFM”)
Issue amount	EUR 500 million
Issue Date	12 February 2020
Maturity	12 February 2027 (7 years)
Interest	0.050%
Use of Proceeds	The net proceeds will be used to make loans to local municipalities to finance or refinance, in whole or in part, existing or future sewerage projects of the local governments that satisfy the eligibility criteria.
Lead managers	J.P. Morgan Securities plc Barclays Bank PLC Merrill Lynch International Mizuho International plc
Bond ratings	S&P: A+ , Moody’s: A1

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