

Press Release

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Another Transaction via New Digital Financing Marketplace from LBBW and Boerse Stuttgart

LBBW makes Debtvision platform available to KfW and Wüstenrot Bausparkasse for a Schuldschein transaction

KfW is the first financial institution to successfully test the new Debtvision digital marketplace for its funding. The promotional bank concluded a Schuldschein with a term of ten years and a volume of EUR 50 million with LBBW. The lender is Wüstenrot Bausparkasse.

Debtvision is a digital financing platform developed jointly by LBBW and Boerse Stuttgart. Businesses, banks and public institutions looking for capital – all with good to very good credit ratings – can find here established, financially sound investors. The transaction process in this front-end system is fully electronic from marketing to subscription. The platform was launched at the start of June with a Schuldschein market place.

“We are happy to test this new approach, as we intend to make our funding more efficient with the help of modern technology and become even more attractive to investors in the future. We are therefore following the developments in this area with great interest,” says Dr Frank Czichowski, Treasurer of KfW. “The first transaction went off without a hitch and demonstrates the room for efficiency gains by streamlining processes in the Schuldschein marketing.” With Debtvision, borrowers can manage all the marketing

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themselves via the web-based platform's intuitive user interface, while always maintaining full transparency.

Investors likewise benefit from the digitalisation of the Schuldschein process. The marketplace gives them access to high-quality Schuldschein transactions and allows them to subscribe electronically. "We are open to innovation and would like to explore these possibilities, because we can also see ourselves conducting capital market transactions via modern technologies such as blockchain," explains Jürgen Steffan, CFO of Wüstenrot Bausparkasse AG, which is taking on the KfW Schuldschein directly.

After Debtvision launched with the marketing of corporate Schuldschein, KfW is the first bank to use the platform as a borrower. "The requirements for Schuldschein transactions for financial institutions differ from those for corporate notes. This test has therefore provided us with valuable insights, including with regard to the development of additional marketplaces for other financing products," says Christoph Steinbrich, Managing Director of Debtvision.

"We have a broad Schuldschein customer base, not just among corporates but also banks and the public sector. Together with our placement strength and our high product expertise as market leader, these are excellent conditions for permanently establishing Debtvision on the market," explains Dr Christian Ricken, LBBW Board of Managing Directors responsible for capital market activities. "The smooth transaction via the new marketing channel is another element in our excellent cooperation with KfW," adds Patrick Seifert, Head of Primary Markets at LBBW.

Further transactions with renowned Schuldschein companies and the inclusion of additional investors are being prepared for the coming months. On the basis of the lessons learned, Debtvision will

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be continuously augmented with additional functions. Furthermore, the integration of a blockchain is to be prepared in due course; while the platform primarily generates added value in the initiation of the transaction, a blockchain will streamline implementation and processing and complete the digitalisation of the process.

Debtvision is scheduled to be open to interested companies and investors market-wide from late summer. In the future, the marketplace is also intended to enable pure Schuldschein trading, thus creating a transparent and efficient secondary market.

About Debtvision

Debtvision is a shared subsidiary of LBBW und Boerse Stuttgart. The Stuttgart-based company founded in 2018 operates a digital market place of the same name for promissory note loans. The Managing Director of Debtvision is Christoph Steinbrich, an experienced and recognized capital market expert who has been working in corporate finance at LBBW since 2011.

About LBBW

Landesbank Baden-Württemberg is a mid-sized universal bank that acts as central institution for the savings banks in Baden-Württemberg, Saxony and Rhineland-Palatinate. With total assets of EUR 238bn and over 10,000 employees (as of 31 December 2017), LBBW is one of the largest banks in Germany. Its core activities are corporate customer business, especially with SMEs, and business with private customers and savings banks. Another focus is on real estate and project financing in selected markets as well as the customer-oriented capital market business with banks, savings banks and institutional investors.

About Boerse Stuttgart

Boerse Stuttgart is the leading stock exchange for retail investors in Germany. At Boerse Stuttgart, retail investors trade equities, securitized derivatives, bonds, investment fund units and profit participation certificates – all at the highest quality of execution and the best prices. Boerse Stuttgart is the German market leader for exchange trading in corporate bonds and the European market leader for exchange trading in securitized derivatives. Investor protection and transparency are ensured by all the regulatory and

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control mechanisms of a public exchange. With a trading volume of EUR 81bn across all asset classes in 2017, Boerse Stuttgart is ranked tenth among European exchanges.

About KfW

KfW is one of the world's leading promotional banks. Since 1948, KfW has been committed to improving economic, social and ecological living conditions all around the world on behalf of the Federal Republic of Germany and the federal states. To do this, it provided funds totaling EUR 76.5bn in 2017 alone; of this total, 43% was spent on measures aimed at protecting the climate and the environment. KfW has no retail branches and does not hold any customer deposits. KfW funds its promotional business in a responsible manner and almost entirely via the international capital markets. In 2017, it raised EUR 78.2bn for this purpose. For 2018, KfW foresees a funding volume of EUR 75-80bn; around EUR 49bn has already been raised on the international capital markets.

About Wüstenrot Bausparkasse

Wüstenrot Bausparkasse AG is the oldest institution of its kind in Germany and one of the most traditional property finance providers. The home loan and savings bank, number two on the German market, took over Wüstenrot Bank AG Pfandbriefbank's mortgage lending and Pfandbrief business in 2017 and thus positioned itself as the first German home loan and savings bank with an active Pfandbrief business. Wüstenrot is part of the Wüstenrot & Württembergische Group established in 1999, which supports around six million customers in Germany in the areas of financial security, residential property, risk protection and private wealth management.

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