



BUND Fact Sheet

Issuance Activities and Debt Management by the German Finance Agency

- Germany: Europe's benchmark issuer with a funding volume of € 250* bn in 2012.
- The Finance Agency is a service provider for and controlled by the federal ministry of finance.
- Managing the Federal Governments issuance activities, debt and liquidity.

* According to the announcement in December 2011

Primary Market

What's New 2012:

- Reduced Issuance volume:** € 250 bn (based on the announcement of December 2011 for nominal securities) compared to € 283 bn in 2011 (including ILB of € 8 bn).
- Lower issuance volume** for Schatz, Bobl, Bund and Bubills reflecting the experiences of the last three years where the individual issuances were reduced.
- In December** reduced volumes compared to former years.
- Less capital market instruments** (minus € 11 bn), and less volume of money market instruments (minus € 14 bn).
- Inflation linked securities:** commitment of an annual issuance volume from € 8 to 12 bn.
- 10Y Bunds: two new issues.** This compares to three new issues in 2010 and 2011. The second new issue (after April) is in September. A continuation of the new maturity introduced in 2010.
- 5Y Bobls: continuation of three new series.**
- 30Y Bunds:** the issuance volume has been increased by € 2 bn.

		Issuance Outlook of the Federal Government 2012 (€ bn)*													
		Q 1 2012			Q 2 2012			Q 3 2012			Q 4 2012				
Security	Share 2012	Annual Change	Volume 2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Schatz 2Y	23%	-11	58	4	5	5	5	5	5	5	5	5	5	5	4
Bobl 5Y	19%	-2	48	4	4	4	3	5							4/3
Bund 10Y	22%	0	54	5	5/4		5		5	5	4	4	5	4	4
Bund 30Y	4%	2	10	3			3				2				2
Capital Market	68%	-11	170	43			45			47			35		
Bubill 6M	19%	-6	47	4	4	4	4	4	4	4	4	4	4	4	3
Bubill 9M	0%	-12	0												
Bubill 12M	13%	4	33	3	3	3	3	3	3	3	3	3	3	3	3
Money Market	32%	-14	80	21			21			21			17		
Year total: € 250 bn				23	25	16	23	22	21	22	20	26	22	23	7
				64				66			68				52

N: new issue / R: reopening / **Bund10** / **Bund30**: federal bonds with maturities of 10 or 30 years / **Bobl**: five year federal notes **Schatz**: two year federal treasury notes / **Bubills**: treasury discount paper with maturities of 6, 9 and 12 months

Q1 2012 Issuance Calendar Germany (N: New, R: Reopening)													
Capital Market Instruments: € 43 bn							Money Market Instruments: € 21 bn						
	Date	Bond	Interest, Maturity	€ bn	N/R		Date	Bond	Maturity	€ bn	N/R		
Jan	Wed. 04.01.	Bund	2.00%, 04. Jan 2022	5	R	Mo. 09.01.	Bubill 6M	11. Jul 2012	4	N			
	Wed. 11.01.	Bobl 162	0.75% 24. Feb 2017	4	N	Mo. 23.01.	Bubill 12M	23. Jan 2013	3	N			
	Wed. 18.01.	Schatz	0.25%, 13. Dec 2013	4	R								
	Wed. 25.01.	Bund	3.25%, 04. July 2042	3	R								
Feb	Wed. 01.02.	Bund	2.00%, 04. Jan 2022	5	R	Mo. 13.02.	Bubill 6M	15. Aug 2012	4	N			
	Wed. 08.02.	Bobl 162	0.75% 24. Feb 2017	4	R	Mo. 27.02.	Bubill 12M	27. Feb 2013	3	N			
	Wed. 22.02.	Schatz	14. March 2014	5	N								
	Wed. 29.02.	Bund	2.00%, 04. Jan 2022	4	R								
Mar	Wed. 07.03.	Bobl 162	0.75% 24. Feb 2017	4	R	Mo. 12.03.	Bubill 6M	12. Sep 2012	4	N			
	Wed. 21.03.	Schatz	14. March 2014	5	R	Mo. 26.03.	Bubill 12M	27. Mar 2013	3	N			

* According to the annual planning as of December 2011

Secondary Market

- Liquidity:** tightest bid/ask spreads in the Eurozone (average of 0.048 within around 60 outstanding capital market securities). Bunds are the only deliverable underlying in the Eurex futures contracts. The outstanding volume of tradeable EURO-denominated German government securities: € 1079 bn (as of Jan 20th, 2012).
- Secondary Market Depth:** A daily volume of more than € 20 bn is turned over in German government securities. This is additionally supported by activities in the secondary market by the Finance Agency.
- Total trading volume*** of German government securities in HY1 2011 was around € 3.2 tn with a monthly average of € 497 bn.

*Source: Secondary market flows reported from member banks in the "Bund Issues Auction Group", covering the major part of the market.
Securities: Bubills, 2Y Schatz, 5Y Bobls, 10Y and 30Y Bunds, USD Bund, inflation linked bonds.

Outline of Current Benchmark Issues of the Bund (as of Dec 20th, 2011)

Security	Maturity	Coupon	Outstanding	Launch/Tap	ISIN
€ Capital Market Benchmarks (nominal)					
2Y Schatz	Dec 13	0.25%	€ 15 bn	Jan 12	DE0001137321
5Y Bobl S. 162	Feb 17	0.75%	€ 4 bn	Jan 12	DE0001141620
10Y Bund	Jan 22	2.00%	€ 11 bn	Jan 12	DE0001135465
30Y Bund	Jul 42	3.25%	€ 12 bn	Oct 11	DE0001135432

New Funding Tools

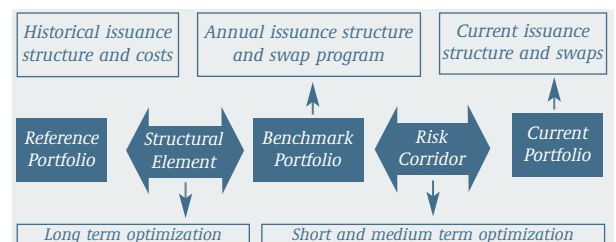
5Y ILB (Bobl ei)	Apr 13	2.25%	€ 11 bn	Apr 10	DE0001030518
5Y ILB (Bobl ei)	Apr 18	0.75%	€ 5 bn	Nov11	DE0001030534
10Y ILB (Bund ei)	Apr 16	1.50%	€ 15 bn	Sep 10	DE0001030500
10Y ILB (Bund ei)	Apr 20	1.75%	€ 15 bn	Mar 11	DE0001030526
3Y FX (USD)	Sep 12	1.50%	US\$ 4 bn	Sep 09	DE0001030120

Secondary Market Volumes German government securities

€ bn	Total				Monthly Average			
	HY1 2011	2010	2009	2008	HY1 2011	2010	2009	2008
Trading Vol.	3,196	5,679	4,609	5,961	532	473	392	496
Net Volume	105	247	223	118	17.5	20.58	18.6	9.8

Management of the Debt Portfolio

- Reaching a target portfolio according to the long term cost and risk preferences of the issuer.
- Structuring the annual issuance calendar and using interest rate swaps.
- Adjusting the financing activities based on macro-economic analysis.
- Improved diversification in the portfolio because of using a broader variety of funding tools.
- Savings target of around € 500 mn interest costs per year.



Information / Contact

Christoph Hennemann – Head of Institutional Investor Relations/ Mail: INST@deutsche-finanzagentur.de / Phone: 0049 69 25 616 1577

Web: www.deutsche-finanzagentur.de / Bloomberg: BUND <GO> / Reuters: BUND / Subscription to recipients list of issuance calendar via web site.

All Information provided within this presentation as of January 2012 by German Finance Agency. This presentation contains information and documents which are for information purposes only. They do not constitute an offer or invitation to subscribe or to purchase securities, nor are the information or documents contained thereon meant to serve as a basis for any kind of obligation, contractual or otherwise.