

Overview of Key Fixed Income Products

| | Domestic Bonds | Eurobond | Schuldschein |
|---------------------|--|--|--|
| Key Characteristics | <ul style="list-style-type: none"> • Domestic investor base • International investors (limited %) • Rated & unrated • Public deal • Small denominations • Usual Tenors: 5-7 years • Institutional placement with secondary market retail offering | <ul style="list-style-type: none"> • Broadest investor base • Available for the widest variety of credit qualities (CCC to AA) & unrated • Public deal • Tenors: 18 months - 100 years (always bullet) | <ul style="list-style-type: none"> • Private placement with banks, insurances and pension funds • Unrated / unlisted • Confidential • 2-10 years, for selected names even 10-20 years |
| Key Benefits | <ul style="list-style-type: none"> • Marketing effects • Name recognition of issuer important • Coupon-sensitive investors • Retail investors • Investor diversification | <ul style="list-style-type: none"> • Offers long tenors • Best investor diversification • Current market environment offers attractive pricing • Many currencies possible | <ul style="list-style-type: none"> • Lowest cost & efforts • Leanest documentation • Structural flexibility • Smoothing the maturity profile possible • EUR complemented by e.g. USD tranches |
| Key Issues | <ul style="list-style-type: none"> • Smaller sizes than Eurobond • Publicly available prospectus required • Very limited geographic diversification • Primarily EUR denominated | <ul style="list-style-type: none"> • Publicly available prospectus required • Least flexible product • HY: Incurrence based covenants | <ul style="list-style-type: none"> • Potential cannibalization effect for bank market • Fin. Covenants usually in line with other financings |
| Marketing | <ul style="list-style-type: none"> • Newspaper advertisements • One group investor meeting & investor calls | <ul style="list-style-type: none"> • 2 - 3 days pan European roadshow for debut deals | <ul style="list-style-type: none"> • One group investor meeting & potential investor call |
| Min. Issue Size | <ul style="list-style-type: none"> • ~ EUR 75m plus | <ul style="list-style-type: none"> • ~ EUR 200m plus | <ul style="list-style-type: none"> • ~ EUR 30m plus |