

Press Release



pbb provides financing of eight child day-care centres in Hannover

- Financing volume of EUR 20 million within the framework of a PPP-project
- Scholz: „We are available to provide funding for public investments“

Munich, 15th May 2012 – Within the framework of a public private partnership (PPP), pbb Deutsche Pfandbriefbank is providing a financing with a volume of EUR 20 million for the building of eight child day-care centres in Hannover, the state capital of Lower Saxony in Germany. The child day-care centres offer places for a total of 745 children. Construction will be completed by mid-2013 and will be carried out according to passive house standards – an exemplary energy saving model.

pbb provides funds to the construction company during the construction phase and a long-term financing to the city of Hannover within the operating phase. This long-term funding will be provided as a forfaiting with a waiver of objections to receive conditions similar to public sector loans. pbb will then purchase the receivables against the city of Hannover that result from the construction contract between the city and the construction company. The disbursement of the first instalment will be made shortly.

Dr. Bernhard Scholz, Member of the Management Board of pbb Deutsche Pfandbriefbank responsible for Public Investment Finance, said: “We are very pleased to provide the city of Hannover with funding for such an important public infrastructure. The chosen structure of a PPP and the construction according to passive house standards lead the way for the future. pbb is a partner to the public sector by providing public investment finance for municipal housing, public utilities and waste management, health care facilities, nursing facilities and public amenities. The financing of these child day-care centres also demonstrates how closely related this business area is to our other core business, real estate finance.”

Hans Mönninghoff, Head of Economic and Environmental Affairs Department at the city of Hannover, said: „The new child day-care centres show how important child-care is to us, together with the compatibility of family and work. With the simultaneous tender for eight buildings, we can achieve particularly economical results in this project.”

Contacts for the media:

Walter Allwicher, +49 89 2880 28787, walter.allwicher@pfandbriefbank.com
Oliver Gruß, +49 89 2880 28781, oliver.gruss@pfandbriefbank.com

pbb Deutsche Pfandbriefbank

pbb Deutsche Pfandbriefbank is a leading European specialist bank for real estate finance and public investment finance. The main funding instrument is the German Pfandbrief, of which the Bank is one of the largest issuers in the market. pbb Deutsche Pfandbriefbank is active in markets in Germany and other European countries. www.pfandbriefbank.com.



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Notes for the Editor

Passive house

A passive house has a particularly low energy consumption. This is achieved by the use of passive energy sources such as human body heat or the sun. Very good insulation and a building shell which is as airtight as possible are important building components. In addition, air conditioning units create an optimum climate and a comfortable room temperature in both summer and winter.

PPP-Financing via „Purchase of receivables“

In this model of forfaiting transaction with a waiver of objections, the contractor (in this case the construction company) of the building contract receives no immediate payment of wages for work carried out but defers these receivables against the client (here, the city of Hannover). The receivables will be purchased by the bank within the forfaiting framework. With the acceptance of work of the completed building, the client waives any objections or disputes. As a result, the client “guarantees” the deferred payment of the wages resulting in cover pool eligibility according to the German Pfandbrief Act.