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**INFACREDIT'S GUARANTEE SUPPORTS NORTH SOUTH POWER'S ISSUANCE OF THE FIRST 15-YEAR CORPORATE GREEN INFRASTRUCTURE BOND IN NIGERIA**

**Lagos, Nigeria:** InfraCredit, a 'AAA' rated infrastructure credit enhancement facility backed by the Nigeria Sovereign Investment Authority, GuarantCo (a Private Infrastructure Development Group company), KfW Development Bank and Africa Finance Corporation, is pleased to announce its guarantee of North South Power Company Limited's ("NSP") NGN8.5billion 15-Year 15.60% Series 1 Guaranteed Fixed Rate Senior Green Infrastructure Bonds Due 2034 (the "Series 1 Green Bonds") under a NGN50billion Debt Issuance Programme. NSP is the operator of a 30-year concession on the 600MW Shiroro Hydroelectric Power Plant.

With InfraCredit's guarantee, the Series 1 Green Bonds was accorded a 'AAA' credit rating by Agosto & Co. and Global Credit Ratings Co. and issued on 27<sup>th</sup> February 2019 as the first certified corporate green bond and the longest tenored (15-year) corporate bond issued in the Nigerian debt capital markets approved by the SEC.

The Series 1 Green Bonds was 160% oversubscribed with firm commitments from twelve (12) institutional investors including nine (9) pension funds and priced at 70 basis point spread to the comparable 15-year sovereign benchmark bond (FGN 2034) using the closing yield on the reference date (04 February 2019) adopted for the book building.

The development of the "Green Bond Framework" and the pre-issuance verifications were obtained through technical assistance support from the African Local Currency Bond Fund ([www.alcbfund.com](http://www.alcbfund.com)), an initiative of KfW Development Bank.

In a statement, the Executive Vice Chairman and CEO of North South Power Company Limited, Engr. (Dr) Olubunmi Peters noted that the success of the bond issuance is a significant milestone in the company's long-term corporate strategy, demonstrating its market leadership, innovation and commitment to the highest standards of environmental, social and corporate governance. "With the completion of the Series 1 Guaranteed Green Infrastructure Bonds issuance, the company has established a long-envisioned link with a more sustainable long-term, local currency financing required to implement its ambitious strategic power generation expansion plan through the capital markets."

According to the Chief Executive Officer of InfraCredit, Chinua Azubike, "Infrastructure assets like Shiroro Hydroelectric Power Plant generate social, environmental and economic impact, such as contributing to greenhouse gas emissions reduction, revitalising disenfranchised areas, improving access to services and creating employment. Shiroro Hydro is an extremely essential and resilient asset with a 30-year consistent production history. North South Power, with the acquisition of a 30-year concession in 2013, has demonstrated the competence and ability to deliver on its business targets from restoring capacity target to 600MW and a 45 percent increase in power generation".

Chinua Azubike further noted: "We believe that a sustainable and inclusive implementation of the eligible customer framework in a manner that generates economic benefits for all stakeholders will accelerate the industry's strategic growth. With the success of this first-in-kind transaction, InfraCredit has further demonstrated its pioneering commitment to promoting financial inclusion, by bringing North South Power, a

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