

KEXIM's commitment to Green Financing

INVESTOR UPDATE

March 2018

Recent Green Bond Issuance

KEXIM continued navigating the green bond market with innovative approaches and successfully secured funds to support the bank's green projects. The proceeds of KEXIM's green bonds will be used to extend loans to the projects, in whole or in part, projects that promote the transition to low-carbon and climate resilient growth, which includes fostering renewable energy, reducing carbon emissions, promoting energy efficiency, and encouraging environmentally-friendly industries in accordance with KEXIM's green framework.

INR 6.3billion 4-year Privately Placed Green Bond

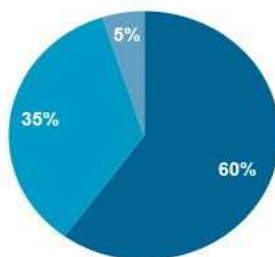
KEXIM issued INR-denominated, USD-settled Green Bonds in 144A/RegS format over two trades in July and August 2017. After identifying that many of the international accounts with an appetite for INR also manage sizeable green bond portfolios, KEXIM launched and priced INR 3.2billion 4-year Green Bond on July 25, 2017. On the back of overwhelming follow-up interest from the investors, KEXIM re-opened the trade for another INR 3.1billion on August 11, 2017.

US\$ 400million 5-year Formosa Green Bond

When KEXIM's inaugural USD 500million Green Bond issued in 2013 matured in February 27, 2018, KEXIM again tapped into the green bond market. KEXIM issued 5-year FRN Formosa Green Bond for the size of USD 400million on March 8, 2018. The deal is highlighted since KEXIM is the second Formosa Green Bond issuer globally and the first Asian issuer except for Taiwanese. The offering demonstrates KEXIM's commitment on low carbon and climate resilient growth, while providing diversity of investment options for Formosa investors.

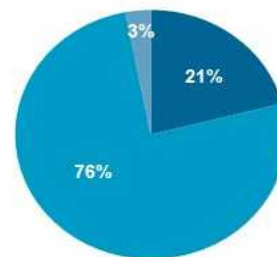
Breakdown by Region

■ Taiwan ■ ASIA ■ Europe/EMEA



Breakdown by Investor Type

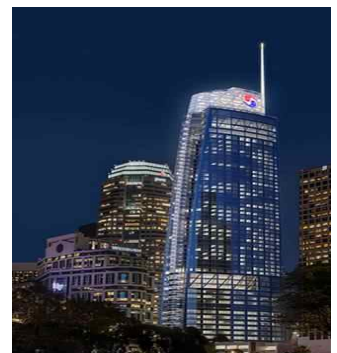
■ AM/FM ■ Bank ■ etc



US\$ 300million 3-year KEXIM Guaranteed Green Bond

In September 2017, Hanjin International Corp, a wholly-owned subsidiary of Korean Air Lines Co., Ltd., issued a KEXIM guaranteed bond to refinance its existing bonds maturing the next month. The proceeds were allocated exclusively to refinance the costs associated with the deconstruction and construction of the Wilshire Grand Center located in Los Angeles, California.

The building won a LEED(Leadership in Energy and Environmental Design) Gold Certification, an internationally recognized green building certification. The Gold status was granted for the tower's water and energy conservation systems, as well as efforts made during the construction process to be energy efficient. It is estimated to achieve a 23% energy cost savings and building orientation, day-lighting, high-performance glazing, and Thermal Energy Storage all contribute to the project's reduced energy use by USGBC(U.S.Green Building Council).



Use of Proceeds

Throughout 2017, the proceeds from KEXIM's outstanding green bonds were all used up, including the proceeds from KEXIM's INR denominated synthetic notes, which were swapped into US dollars(equivalent to US\$ 98million).

We expect further growth in green assets at a stable pace since Korean manufacturers have strong edge on the production of fuel cell and solar panels and Korean developers gradually expand their global business in solar power and windfarm projects.

Timing	Sector	Region	Description	Amount Executed (US\$1,000)
1Q 2016	Solar Photovoltaic	US	Loans to Hanwha Q Cells USA Corp	15,500
1Q 2016	Solar Photovoltaic	Malaysia	Loans to Malaysian Subsidiary of OCI Specialty Co. (Elpion Silicon Sdn, Bhd)	31,000
1Q 2016	Solar Photovoltaic	Malaysia	Loans to Hanwha Q Cells Malaysia Sdn, Bhd	90,000
2Q 2016	Solar Photovoltaic	China	Loans to Hanwha Q Cells(Qidong) Co., Ltd	100,000
2Q 2016	Energy Efficiency	US	Loans to LG Display Co., Ltd	2,600
2Q 2016	Energy Storage	US	Loans to Doosan Heavy Industries and Construction Co., Ltd	22,800
3Q 2016	Solar Photovoltaic	US	Loans to Hanwha Q-Cells USA Corp	15,500
3Q 2016	Solar Photovoltaic	Thailand	Loans to Hanwha Chemical (Thailand) Co., Ltd	10,000
3Q 2016	Solar Photovoltaic	Japan	Loans to Hanwha Q CELLS Japan Co., Ltd	14,717
3Q 2016	Fuel Cell	US	Loans to Doosan Co., Ltd	8,500
4Q 2016	Energy Efficiency	US	Loans to LG Display Co., Ltd	54,600
4Q 2016	Solar Photovoltaic	US	Loans to 174 Power Global Corporation	5,300
4Q 2016	Solar Photovoltaic	Japan	Loans to Hanwha Energy Corporation Japan	25,725
1Q 2017	Fuel Cell	US	Loans to Doosan Co., Ltd	3,758
US\$ 400million Global Green Bond issued in 2016				400,000
1H 2017	Solar Photovoltaic	US	Loans to 174 Power Global Corporation	15,000
1H 2017	Solar Photovoltaic	Malaysia	Loans to Malaysian Subsidiary of OCI Co.	71,300
1H 2017	Solar Photovoltaic	US	Loans to Hanwha Q Cells USD Corp	11,706
INR 6.2billion Green Private Placement issued in 2017				98,006

Here are some of the green projects that KEXIM provided financing.

Fujeij Windfarm in Jordan



KEXIM provided total US\$ 122million worth of financing to a windfarm project in Jordan, consisting of US\$ 67million in loans and the remainder in guarantees.

The project company, Fujeij Wind Power Company, is a wholly owned subsidiary of KEPCO(the "Korea Electric Power Corp"). Through the project, KEPCO has become the first Korean company to be a electricity producer and seller with a new and renewable energy plant in a Middle Eastern Country.

The project is located at Fujeij, an area 150km southwest of Amman, in the governorate of Ma'an, in Jordan. The project will consist of 27 Vestas V126-3.3MW wind turbine generators and is targeting to start the commercial operations on 31 October 2018.

174 Power Global Corporation in US



174 Power Global Corporation was established in 2013 by Hanwha Energy Corporation to run solar energy businesses in North America.

Committed to become a leading clean energy company and creating sustainable value to the partners and also to environment, the company is involved in development, construction and operation for more than 20 solar downstream projects including Techren project in Nevada and Midway project in Texas.

The Techren project in particular will be one of the largest solar photovoltaic facilities in the United States when it becomes fully operational and will provide energy to the regional companies under 25-year Power Purchase Agreement with a total capacity of 300MW.

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