

Invitation to bid by auction Reopening of the 1.75 % inflation-linked Bonds of the Federal Republic of Germany of 2009 (2020)

As already announced on 4 March 2011 the German Federal Government will reopen once again the

1.75 % inflation-linked Bonds of the Federal Republic of Germany of 2009 (2020)

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on **9 March 2011**, using an auction procedure. An increase of € 2 billion is envisaged for the issue (auction allotment and amount set aside for secondary market operations). The current issue volume amounts to € 13 billion.

Members of the Bund Issues Auction Group are entitled to bid. Bids must be for a par value of not less than € 1 million or an integral multiple thereof. The price bids must be expressed in terms of full 0.01 percentage points. Non-competitive bids are possible. The bids accepted by the issuer will be allotted at the price bid. Non-competitive bids are filled at the weighted average price of the bids accepted. The right to scale down bids is reserved.

The auction allotments for inflation-linked Federal bonds will be included in the ranking list of the Bund Issues Auction Group. The weighting factors of inflation-linked Federal bonds thereby correspond to the weighting factors of the nominal interest-bearing Federal securities with the same maturity.

The bidding deadline ends – as usual in auctions of inflation-linked issues – at 12.00 noon Frankfurt time.

Time schedule of the auction procedure:

Bidding period: Wednesday, 9 March 2011,
from 8.00 a. m. until **12.00** noon Frankfurt time

Inclusion in stock
exchange trading: Wednesday, 9 March 2011

Value date: Friday, 11 March 2011

Settlement: Delivery versus payment-settlement in the night-time processing of Clearstream
Banking AG Frankfurt, beginning on the eve of the value date.

Terms of the inflation-linked Federal bonds to be reopened:

Maturity: 15 April 2020

Interest payment: 15 April annually,
Interest has begun to accrue on 15 April 2009

Next interest payment: 15 April 2011

Reference index: Harmonized Index of Consumer Prices (HICP) of the Euro area
excluding tobacco

Indexbasis: 107.02533

Indexation Coefficient: 1.03401 (on the value date 11 March 2011)

In addition, the Auction rules, the Special terms and conditions of the Deutsche Bundesbank for auctions of Federal securities using the Bund Bidding System (BBS) and the terms and conditions of these inflation-linked Federal bonds shall apply.