



**2016 ANNUAL RESULTS:
€124.7 BILLION OF SOCIAL DEBT AMORTISED AS AT THE END OF 2016**

"A KEY TOOL IN REDUCING OVERALL LEVEL OF FRENCH PUBLIC DEBT"

"In 2016, CADES demonstrated once again that it was a key tool in reducing the overall level of French public debt. Through the efficiency and success of our amortization and financial mechanisms, we are proud to have been responsible for reducing the country's debt by almost 125 billion euros over 20 years, equivalent to up to 7 GDP points. With the French Social Security in better shape, CADES' task is not yet complete and 136 billion euros of social debt, which has already been transferred, is still to be amortized. We remain committed to completing the mission entrusted to us by the French Parliament", commented Patrice Ract Madoux, Chairman of CADES' Board.

The Board of Directors of CADES met on 29 March 2017, under the chairmanship of Mr. Patrice Ract Madoux, to approve the financial statements for 2016. These statements are subject to the subsequent approval of the Ministers of Economy, of Finance and of Social Security and will be submitted to the Supervisory Board, which will meet soon.

Highlights of 2016 results

<i>As at 31 December, in € billion</i>	<u>2016</u>	<u>2015</u>
Net revenue	16.75	16.4
Expenses	2.3	2.9
Net result	14.4	13.5

Resources allocated to CADES which amounted to €16.4 billion, comprise the following:

- CRDS ⁽¹⁾: €7.0 billion
- CSG ⁽¹⁾: €7.7 billion
- Payment from FRR ⁽¹⁾: €2.1 billion

Net interest paid to investors was €2.3billion. The resulting €14.4 billion was used to redeem the debt and allows CADES to pursue the mission entrusted to it by the French Parliament.

As at 31 December 2016, CADES had amortised €124.7 billion of the €260.5 billion of social debt that it has assumed since its inception in 1996. €135.8 billion is left to amortise.

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In the first quarter of 2017, CADES has already issued €6.1 billion of mid- and long-term bonds.

Since the beginning of the year, CADES has carried out almost two third of its programme for the year, under excellent financing conditions.

In the last three months, CADES has raised a total of €6.1 billion mid- and long-dated debt on the financial markets in France and abroad. The refinancing rate on CADES' debt portfolio was 1.65 per cent, as at 28 February 2017.

Capital raised in the first quarter of 2015 can be broken down as follows:

- A €4.0-billion benchmark bond with a five-year maturity;
- A \$2.25-billion benchmark bond with a three-year maturity.

"INVESTOR INTEREST IN CADES BOND ISSUES REMAINS STRONG"

"Since the beginning of the year, investors have shown strong interest in CADES' bond issues. Every deal included investors from Europe, America, and Asia, many of whom regularly subscribe to our issues. Investors are attracted by the status of CADES as a French public franchise, as well as to the wide variety of financial instruments offered in various currencies and maturities", **added Patrice Ract Madoux, Chairman of CADES' Board.**

(1) CRDS: Contribution au Remboursement de la Dette Sociale - CSG: Contribution Sociale Généralisée - FRR: Fonds de Réserve des Retraites – ACOSS : Agence Centrale des Organismes de Sécurité Sociale

All information regarding CADES and its bond issues are available on www.cades.fr.

CADES LIGHTEN THE DEBT – BRIGHTEN THE FUTURE



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