

CADES unveils issuance program for 2004

PRESS RELEASE

CADES Chairman Patrice Ract Madoux today presented to the business and financial press a review of the issues carried out by CADES in 2003 and the broad outlines of its financing program for 2004.

2003 PROGRAM TOTALS 3.5 BILLION EUROS

In the course of 2003, CADES issued debt valued at some 3.5 billion euros, including four new issues linked to the French consumer price index (excluding tobacco). CADES also divested of 38.7 million euros worth of real-estate assets last year, thereby completing the programmed disposal of property assets it had assumed. Upon completion, this program will have contributed total additional cash resources of 467 million euros, including 241 million on sales completed by social security funding organizations prior to year-end 1999.

In addition, CADES remitted 1.28 billion euros to various social security funding organizations, the first installment of the exceptional payment provided for in the Social Security Financing Act for 2003.

ISSUES PROGRAMMED FOR 2004 TOTAL 5.5-6 BILLION EUROS

On the basis of available data and forecasts, and including the exceptional installment payment to social security funding organizations of 1.1 billion euros, approved under the Social Security Financing Act for 2004, CADES estimates that it will issue debt of between 5.5 and 6 billion euros this year. The issue strategy gives preference to indexed bonds, and calls for the increased use of customized issues and optimal liquidity for our major issues quoted on MTS France, noted Mr. Ract Madoux. We currently have 38.25 billion euros to pay down, out of the 53.8 billion euros in debt that CADES assumed. Consequently, we expect to be able to meet the objective that was set for us, that of extinguishing the debt by January 31, 2014.

In 2004, the French social security system is scheduled for reform. For this reason, it is expected to be a pivotal year in the financing of the related debt that CADES was created to amortize.

CADES, A BENCHMARK ISSUER IN THE EUROPEAN MARKETS

Established in 1996, CADES is an administrative public agency under the authority of the French government. CADES enjoys the highest ratings from the principal international rating agencies (AAA/A1+, Aaa/P1, AAA/F1+), and has a 0% Basel ratio weighting, making it one of the five largest non-government issuers in Europe.

Information about CADES and its issues can be found on the CADES Web site (www.cades.fr), or on Reuters and Bloomberg pages.