

CADES issues 4-billion euro note due 10/25/2014 (4%)

PRESS RELEASE

In response to high demand, CADES is issuing a 4-billion euro note.

This fourth benchmark note, which will be quoted on MTS France and MTS Quasi Sovereign, is the largest since CADES began issuing debt. Due October 25, 2014, the issue offers a gross yield to maturity of 4% and a 6bp spread versus its benchmark OAT (0bp versus a swap with the same maturity).

It also marks the first issue since the passage of the French Health Insurance Act of August 13, 2004, which extended the life of CADES.

ABN AMRO, CSFB, DrKW and SG CIB are serving as joint bookrunners.

The syndicate is composed of Barclays Capital, BNPP, Calyon, Deutsche Bank, Lehman Brothers and Natexis. The offer price is 99.155, and the settlement date is October 11, 2004.

The issue attracted a broad range of investors for a total of 6.7 billion euros, attesting to the high level of demand.

Subscribers include investors in France (23.5%), the UK/Ireland (25.3%), Germany (11.6%), Belgium (7%), Scandinavia (7.1%), Switzerland (12%) and Asia (5%).

In terms of institutional investor type, the breakdown is as follows: central banks (10%), bank portfolios (35.3%), investment funds (30%), insurance companies (8%) and hedge funds (8%).

CADES: A BENCHMARK ISSUER IN THE INTERNATIONAL MARKET

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