

## Summary of CADES' latest transactions

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### PRESS RELEASE

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As announced by CADES on January 6, 2005, its debt issuance program will amount to €39 billion in 2005. In light of positive investor demand conditions going into 2005, CADES is able to maintain the sustained issuance schedule it pursued in the last quarter of 2004.

The latter was launched following a €35 billion transfer in 2004, which was the first installment of the €50 billion in social security debt that CADES is gradually assuming. The remaining deficits will be taken up in 2005 and 2006.

Taking advantage of the excellent opportunities provided by the US dollar market, CADES issued USD 1 million of 5-year bonds on January 11, 2005, maturing on January 21, 2010. The bonds offer a gross yield to maturity of 4% and a spread that is 24 bp above the yield curve for US Treasuries.

Managed by ABN AMRO and Dresdner Kleinwort Wasserstein, this transaction is part of CADES' EMTN (Euro Medium Term Note) issuance program.

Also as a part of this program, CADES tapped up its 5.25% issue maturing December 7, 2006, from GBP 200 million to GBP 300 million. This transaction, for which Deutsche Bank is the lead bookrunner, brings in an additional £100 million. A settlement at the resale price of 101.131 is scheduled for January 18, 2005.

Lastly, CADES tapped up its issue in euros linked to the French consumer price index (excluding tobacco), the CADESi 1.85% (€1 billion maturing in 2019, launched on November 24, 2004). At the investor price of 101.613, this new €300 million issue, managed by bookrunners Barclays Capital and Natexis Banques Populaires, offers a spread of 39 bp above the inflation-indexed bond OATi 2013 (1 basis point less than the initial issue).

These transactions, consistent with its strategy of enlarging and diversifying its investor base and financial instruments, confirm CADES' position as a benchmark issuer in the market.

#### **CADES: A BENCHMARK ISSUER IN THE EUROPEAN 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.