

CADES issues USD 1.25 billion bond

PRESS RELEASE

In response to the growing appeal of the US dollar market, and as part of ongoing efforts to enlarge its investor base, CADES yesterday issued a fixed-rate bond with a face value of USD 1.25 billion.

The three-year issue due July 15, 2008 offers a fixed coupon of 4.125% and a 32bp spread over the US Treasury Yield Curve rate.

Nomura and UBS are joint bookrunners.

Five banks also participated in the transaction: BNPP, Deutsche Bank, Goldman Sachs, HSBC, and Merrill Lynch.

The transaction's real performance, as well as the excellent level of security and liquidity offered, helped to attract the interest of central banks, particularly in Asia . The latter placed large orders that accounted for 65% of the total issue. Other subscribers included Europe and the United Kingdom (13%), the Middle East (12%) and North America (10%).

Central banks picked up 75% of the total issue, with bank portfolios acquiring 18% and investment funds the remaining 8%.

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 .