

CADES assumes projected health insurance deficit for 2005

PRESS RELEASE

Article 76 of Act no. 2004-810 of August 13, 2004 extends the mission of the Caisse d'amortissement de la dette sociale (CADES) by allowing for the transfer of up to 50 billion euros in health insurance deficits for the period running from 2002 through 2006.

According to an opinion issued by the Secretary General of the Social Security Accounting Commission (government decree number 2005-1255 dated October 5, 2005 and published in the Journal Officiel on October 6, 2005), the health insurance system's projected deficit for 2005 is 8.3 billion euros.

In light of payments already made, the net amount transferred on October 7, 2005 to the central agency of social security (ACOSS) is 6.61 billion euros.

Overall, as of October 7, 2005 CADES has assumed total debt of 100.776 billion euros, of which it indicates having already amortized 27.64 billion euros (as of June 30, 2005).

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.