

Paris - May 10, 2022

CADES closed a new benchmark bond in US dollars US\$ 3.5 billion – 3-year maturity – 3% semi-annual coupon

The Caisse d'Amortissement de la Dette Sociale (CADES), the French state-backed agency in charge of financing and amortising French social debt, today closed a US\$ 3.5 billion bond with a 3-year maturity as part of its social issuance programme.

The bond was issued in accordance with rule 144A/3C7 of the U.S. Securities Act of 1933 of the United States.

This transaction is part of the issuance programme to finance the €40bn debt assumption operations which is scheduled to run until the end of 2022.

Since the beginning of the year, CADES has until now successfully carried out five social issues under this framework, raising a total of €19.4 billion on the financial markets.

Key features of the issue

The price of the 3% semi-annual coupon, three-year maturity (maturity: May 17, 2025) bond was fixed at 99.986%. The transaction closed with a spread of 30 basis points over the SOFR USD mid-swap rate (equivalent to 21.25 basis points over the 3-year maturity US Treasury bond).

Joint-lead book runners for the transaction were CACIB, Nomura, JP Morgan and NatWest Markets.

The order book closed over US\$ 6.3 billion, gathering high quality orders from 97 investors; 31% of the bond was allocated to ESG investors¹.

The bond was placed with international investors based in Americas (33.5%), the United Kingdom (27.9%), the Eurozone (8.8%), other European countries (12.5%), Africa Middle-east (11.2%) and Asia-Pacific (6%).

Central banks and official institutions purchased 43% of the issue, followed by banks for 42.3%, institutional investors for 11.6%, as well as other investors for 3.1%.

About CADES

In 1996, the French government set up the Caisse d'Amortissement de la Dette Sociale with a mission to amortise French social debt by issuing debt securities on international financial markets in a diverse range of currencies.

To enable CADES to carry out its mission, the French population pays regular taxes which contribute to the payment of interest and amortisation of social debt.

Supervised jointly by the Minister of the Economy, Finance and the Recovery and by the Minister for Solidarity and Health, CADES operates under the control of the French Parliament and the Constitutional Council.

CADES is well integrated into the French social system, having strong joint governance, co-chaired by a Board of Directors and a Supervisory Committee, which includes four members of the French Parliament.

Backed by the French Parliament, CADES is one of the most significant institutions involved in the control and reduction of French social debt by using efficient and proven amortization and financing

¹ According to classification from banks that led the operation

mechanisms.

Since 1 October 2017, teams from CADES and AFT, the French state debt management office, have merged to create a centre of excellence for issuing French public debt. In this regard, CADES has transferred operational responsibility for all its funding activities to AFT. CADES is maintained as an independent entity guaranteeing the effectiveness of the principle of confinement and amortization of social debt, retaining the prerogatives of its Executive Chairman, the board of directors and its supervisory committee. AFT operates on behalf of and for CADES, making its staff available when appropriate.

All information regarding CADES and its bond issues is available on www.cades.fr.

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