

4th January 2023

Press Release

Council of Europe Development Bank

GBP 500m 4.25% Benchmark due March 2026

Transaction Highlights

- Council of Europe Development Bank's (CEB) first GBP benchmark transaction of 2023, achieving their largest sterling orderbook ever
- Adding a new liquid point in CEB's sterling curve, complementing the existing Dec-25, Sep-26 and Sep-27 maturities

On Wednesday 4th January 2023, Council of Europe Development Bank (CEB), rated Aa1/AAA/AA+ (watch positive / stable / positive), priced a new £500m 3-year benchmark due 16 March 2026. The Joint Lead Managers on the transaction were BofA Securities, NatWest Markets and RBC Europe Limited.

In line with the issuer's strategy over the past years, this transaction enhances the liquidity of CEB's sterling curve with a 4th pricing reference in the curve. Of note, the new line constitutes the second bond for CEB in the 2026 segment, following the Sep-26 issue back in January 2022.

The issuer took advantage of a constructive market environment to announce its first syndicated transaction of the year on Wednesday 4th January at 9.50am CET, opening books with guidance of 82bps area over the January 2026 UKT.

The orderbook quickly attracted numerous high-quality investors despite the active primary market, enabling the issuer to release a first update at 11.50am CET, setting the spread at UKT+82bps on the back of orders in excess of £350m (excl. JLM interest). The orderbook continued to grow and reached £700m within the following 45 minutes, allowing CEB to fix the final size of the transaction at £500m.

Pricing occurred shortly after 2.00pm CET, offering an annual coupon of 4.25%, an annual yield of 4.255% and a reoffer price of 99.967%.

The success of the transaction was also illustrated by the final orderbook closing above £780m, the largest ever for a CEB sterling benchmark.

Of note, the issuance follows the recent approval of CEB's strategic framework 2023-2027, which includes a strengthening of the CEB's capital base with a €4.25bn subscribed capital increase (€1.2bn paid-in).

Investor Distribution

By Geography

UK	58%
Asia/MEA	30%
Europe	12%

By Investor Type

Central Bank/Official Institution	49%
Bank	38%
Fund Managers / Insurance	13%

Bond Summary Terms

Issuer:	Council of Europe Development Bank (Ticker: COE)
Issuer rating:	Aa1/AAA/AA+ (watch positive / stable / positive)
Amount:	GBP 500m
Pricing Date:	4 January 2023
Settlement Date:	11 January 2023 (T+5)
Maturity Date:	16 March 2026
Coupon:	4.250%, Annual Act/Act ICMA
Issue Price:	99.967%
Issue Yield:	4.211% s.a.
Reoffer Spread:	UKT Jan-26 +82bps
Listing:	Luxembourg Stock Exchange's regulated market
Joint Lead Managers:	BofA Securities, NatWest Markets, RBC Europe Limited
ISIN:	XS2574080789

About Council of Europe Development Bank

The Council of Europe Development Bank (CEB) is a multilateral development bank with an exclusively social mandate. The Bank receives no aid, subsidy or budgetary contribution from its member states to finance its activities. The necessary resources are therefore raised on the international capital markets in the form of borrowings.

As a major instrument of the policy of solidarity in Europe, the Bank finances social projects by making available resources raised in conditions reflecting the quality of its rating (Aa1 with Moody's, on review for upgrade, AAA with Standard & Poor's, outlook stable and AA+ with Fitch Ratings, outlook positive).

To ensure that it maintains access to the funds needed to pursue its activities, the Bank continues to have recourse both to large-scale borrowings in major currencies, aimed at a broad range of institutional investors, and to issues in given currencies or with specific structures corresponding to more particular requirements.