

4th January 2024

Press Release

Council of Europe Development Bank

EUR 1.5bn 2.625% Benchmark due January 2034

Transaction Highlights

- Council of Europe Development Bank's (CEB) largest syndicated benchmark transaction, strengthening CEB's footprint in the international capital markets and enhancing liquidity in this key benchmark tenor
- Extends CEB's EUR curve by offering a new on-the-run 10-year reference
- Final books in excess of €2.7bn from 75 participating investors

On Thursday 4th January 2024, Council of Europe Development Bank (CEB), rated Aaa / AAA / AAA (all stable), priced a new €1.5bn 10-year benchmark due 11 January 2034. The Joint Lead Managers on the transaction were BofA Securities, BNP Paribas, Deutsche Bank and Goldman Sachs. This transaction adds a new 2034 maturity to the issuer's euro curve, offering investors a new reference in the 10-year tenor.

CEB opted for a 10-year tenor, a strategic decision considering that this particular Euro benchmark tenor often constitutes their first calendar trade. This responded to a strong demand from the investor base, as highlighted by the size of the transaction, enhancing liquidity of CEB's outstanding bonds.

The new benchmark mandate was announced on Wednesday, 3rd January at 2.45pm CET. On the back of a supportive market backdrop and constructive investor feedback following the mandate announcement, CEB released initial guidance at MS+22bps area on Thursday 4th January at 9.00am CET.

The orderbook attracted many high-quality investors from the outset and surpassed the €2bn mark at 10.55am CET. At this time, the issuer was able to set spread 2bps inside guidance, at MS+20bps. The investor base showed no price sensitivity despite the tightening, as illustrated by the orderbook exceeding €2.5bn by 11.40am CET.

The strong momentum enabled CEB to set the size of the transaction at €1.5bn, the largest syndicated trade ever completed by the issuer. Final orderbook closed above €2.7bn. The decision to issue a larger sized benchmark will also help enhancing the future secondary market liquidity of the line, which had been one of the key feedback received by the CEB team during their investor work last year.

Pricing took place shortly before 2.00pm CET. The new bond offered a 2.738% re-offer yield and an annual coupon of 2.625%.

In terms of investor demand, the transaction garnered significant interest from banks (51%) and fund managers (29%). The geographic distribution was well split across Germany/Austria/Switzerland (37% together), BeNeLux (22%), UK (18%), France (17%) and ME/Asia (15%).

Investor Distribution

By Geography

Germany/Austria/Swiss	24%
BeNeLux	22%
UK	18%
France	17%
Asia & ME	15%
Other Europe	4%

By Investor Type

Banks	51%
Fund Managers	29%
CB/OI	15%
Pension & Insurance	4%
Other	1%

Bond Summary Terms

Issuer:	Council of Europe Development Bank (Ticker: COE)
Issuer rating:	Aaa / AAA / AAA (all stable)
Amount:	EUR 1.5bn
Pricing Date:	04 January 2024
Settlement Date:	11 January 2024 (T+5)
Maturity Date:	11 January 2034
Coupon:	2.625%, annual, Act/Act, ICMA, following unadjusted
Issue Price:	99.023%
Issue Yield:	2.738%
Reoffer Spread:	MS+20bps
Listing:	Luxembourg Stock Exchange's regulated market
Joint Lead Managers:	BofA Securities / BNP Paribas / Deutsche Bank / Goldman Sachs
ISIN:	XS2745126792

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 (Aaa / AAA / AAA - all stable).

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.