6th February 2018

Press Release

Council of Europe Development Bank

US$1bn no-grow 2.625% Global Benchmark due February 2023

Transaction Highlights

- Council of Europe Development Bank's (CEB) first US$ benchmark transaction of 2018
- Extending CEB's US$ curve, offering investors new point of liquidity for this rare credit
- Tightened pricing by 3bps from Initial Price Thoughts against a volatile market backdrop, with final pricing at Fair Value

On Tuesday 6th February 2018, Council of Europe Development Bank (CEB), rated Aa1/AA+/AA+ (stable/positive/stable), priced a US$1bn "no-grow" 5-year Global benchmark, joint lead managed by Goldman Sachs, HSBC, Nomura and TD Securities. The transaction represents CEB's first US$ Global outing of 2018, following a successful outing in EUR. The new benchmark extends CEB's USD curve, offering investors a new liquid pricing reference.

Following a quiet week in the SSA Primary Markets with the FOMC meeting on Wednesday 31st January and NFP release on Friday 2nd February, CEB announced the mandate for a US$1bn no-grow 5-year Global early on Monday 5th to secure an issuance window, in the expectation of competing supply ahead of the Chinese New Year Holidays.

Initial Price Thoughts ("IPTs") of mid-swaps +14bps area were released at 12:30pm London time with the simultaneous collection of Indications of Interest ("IOIs"). Despite significant volatility in the broader macro markets, the transaction garnered demand from the outset, especially from the Bank Treasury community, underscoring CEB's status as a safe haven asset for global investors.

With Indications of Interest standing in excess of US$1.9bn (excluding JLM interest), the syndicate tightened Price Guidance to mid-swaps +12bps area at Books Open on Tuesday 6th. Orderbook momentum continued during the European morning, supported by further high quality central bank orders, and it was announced at 9.25hrs London that European Books would go subject at 9.45hrs London. Soon thereafter, the syndicate further revised the final spread to mid-swaps +11bps, with the demand in excess of US$2.3bn for the US$1bn no-grow transaction.

The new CEB 5-year Global was priced at 15:45hrs London at mid-swaps +11bps, equating to a +21.8bps spread vs the 2.375% UST maturing January 2023.

With very little price sensitivity in the orderbook despite the 3bps spread tightening, CEB garnered demand from a wide range of global investors, with over 65 separate orders. The quality of the transaction was underscored by the high proportion of Bank Treasury (42.2%) and Central Bank (41.4%) tickets.

Investor Distribution

By Geography

Americas	34.9%
UK	19.0%
Rest of EMEA	18.5%
Asia	13.1%
Germany/Austria/ Switzerland	10.2%
BeNeLux	4.3%

By Investor Type

Banks	42.2%
CB/OI	41.4%
Asset Manager	13.3%
Other	3.1%

Bond Summary Terms

Issuer:	Council of Europe Development Bank (Ticker: COE)
Issuer rating:	Aa1/AA+/AA+ (stable/positive/stable)
Amount:	US$ 1bn (no grow) USD Benchmark
Settlement date:	13 February 2018 (T+5)
Coupon:	2.625%, SA 30/360
Maturity date:	13 February 2023
Issue price:	99.628 %
Issue yield:	2.705% s.a.
Reoffer spread:	Mid-Swaps +11bps / CT5 +21.8bps
Listing:	Luxembourg Stock Exchange's regulated market
Clearing systems:	DTC, Euroclear, Clearstream
Joint lead managers:	GSI, HSBC, Nomura, TD Securities
ISIN:	US222213AR10

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, outlook stable, AA+ with Standard & Poor's, outlook positive and AA+ with Fitch Ratings, outlook 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.