

## CEB issues EUR 500mm 7-year Social Inclusion Bond Benchmark Press Release – 20<sup>th</sup> March 2018

### Final terms

Issuer	Council of Europe Development Bank (CEB)
Rating	Aa1/AA+/AA+ (M stable/S&P positive/F stable)
Format	RegS
Issue Amount	EUR 500,000,000 (no grow)
Pricing Date	20 <sup>th</sup> March 2018
Settlement Date	27 <sup>th</sup> March 2018
Maturity Date	27 <sup>th</sup> March 2025
Coupon	0.375%
Re-offer vs. mid-swaps	-21bps
Re-offer vs. Benchmark	+27.2bps
Re-offer Price/Yield	99.149% / 0.499%
Joint Bookrunners	Crédit Agricole CIB, DZ Bank, Goldman Sachs International and Rabobank

### Context of the transaction

Council of Europe Development Bank (CEB) rated Aa1 (stable) /AA+ (positive) /AA+ (stable) (Moody's/S&P/Fitch), successfully priced its second EUR 500mn 7-year Social Inclusion Bond at a spread of mid-swaps less -21bps, equivalent to a spread at the time of pricing of 27.2bps over the DBR 0.50% Feb 2025 and gathering investor interest over EUR 700mn, excluding Joint Lead Managers interest. The transaction follows a roadshow across Europe, which allowed CEB to present their impact report for the first Social Inclusion Bond and highlight CEB's best in class Social Inclusion Bond Framework which was kept unchanged for this second Social Inclusion Bond Benchmark. The proceeds are earmarked for the financing of eligible loans to support Social Housing, Education and Vocational Training as well as micro, small and medium size enterprises (MSMEs), as described in the Final Terms of the Notes. CEB publishes an annual reporting that includes an overview of the Eligible Social Loans and their social impact. Crédit Agricole CIB, DZ Bank, Goldman Sachs International and Rabobank acted as Joint Bookrunners on this landmark transaction.

### Launch and execution process

The roadshow presentations from 7 to 14<sup>th</sup> March, created the condition for a strong momentum of the second EUR 500mm 7-year Social Inclusion Bond. On Monday March 5<sup>th</sup> the decision was taken to announce the mandate to the market. The announcement was made just after 8.00am London Time.

On Monday 19<sup>th</sup> March Initial Pricing Thoughts (IPTs) were released at mid-swaps -20bps area around 2.00pm London Time for the EUR 500mn no grow Social Inclusion Bond Benchmark. With Indications of Interest (IOIs) already over EUR 350mn (excluding JLM interest), the Joint Lead Managers opened books at 8:00am London Time with official guidance of mid-swaps-20bps area.

Momentum continued in the morning with orders exceeding EUR 650mm, excluding JLM interest at 9.20am London Time. The spread was then set at mid-swaps -21bps and books closed at 10:00am London Time in excess of 700EUR (excluding JLM interest) allowing CEB to launch their second successful Social Inclusion Bond Benchmark.

The issue priced at 11.45am London time with an annual coupon of 0.375%, an issue price of 99.149%, to give a spread of mid-swaps -21bps, equivalent to +27.2bps over DBR 0.50% Feb 2025. The issue provided no new issue concession which highlights again the issuer’s successful Social Bond Programme.

The deal attracted a wide range of high quality investors. The number of accounts participating was close to 50. The orderbook was driven mainly by European investors. Investors from the Benelux (27%), France (15%) and Germany (12%) were the main drivers within the European demand. With respect to distribution by client type there was especially strong interest from Asset Managers (37%) and Banks (29%) as well as Central Banks and other official institutions. Investors with Sustainable investment commitments were also abundantly represented in the orderbook, providing further investor diversification to CEB.

**Distribution statistics**

