

20th February 2020

Press Release

Council of Europe Development Bank

US\$1bn no-grow 1.375% Global Benchmark due February 2025

Transaction Highlights

- Council of Europe Development Bank's (CEB) first USD benchmark transaction of 2020
- The bond priced at CT5+6.70bps, the tightest spread to the reference US Treasury in this tenor from non-Sovereign issuer year-to-date
- CEB tightened by 1bps from Initial Price Thoughts ("IPTs") to price at MS+8bps, inside Fair Value and the joint tightest reoffer spread for a USD benchmark year-to-date

On Thursday 20th February 2020, Council of Europe Development Bank (CEB), rated Aa1/AAA/AA+ (stab/stab/pos), priced a USD 1bn "no-grow" 5-year Global benchmark. The Joint Lead Managers on the transaction were BNP Paribas, BofA Securities, Deutsche Bank and TD Securities. The transaction represents CEB's first USD Global outing of 2020, following a successful 10yr EUR transaction the month prior. The new benchmark extends CEB's USD curve to 2025, offering investors a new liquid pricing reference.

Following a relatively quiet issuance period in the SSA market, CEB took advantage of favourable market dynamics and a clear issuance window ahead of potential competing supply to announce the mandate for their new USD Global benchmark.

Initial Price Thoughts of mid-swaps ("MS") +9bps area were released alongside the mandate announcement at 3pm London time and investors were invited to reflect Indications of Interest ("IOIs") at that time. In the interest of full transparency, a USD 1bn "no-grow" transaction was communicated to investors from the outset.

When books were officially opened the following morning at 8am London, IOIs were already in excess of USD 750m. Momentum continued to build throughout the London morning, and just two and a half hours later interest from investors was in excess of USD 1.3bn. The quality and granularity of the orderbook allowed CEB to set the spread 1bp tighter than IPT at MS+8bps.

The new CEB bond was priced at 2:55pm London at MS+8bps, equating to a +6.70bps spread vs the 1.375% UST maturing January 2025. This represents the tightest UST spread in this tenor for a non-Sovereign issuer in 2020. It also represents the joint-tightest MS spread for a 5yr benchmark in 2020.

40 global investors placed orders in the transaction. The quality of the orderbook was exceptional as reflected in the final allocations, with 90% of the bond allocated to Central Banks, Official Institutions and high quality Bank Treasuries.



BNP PARIBAS

BofA SECURITIES



Deutsche Bank



Investor Distribution

By Geography

Europe	40.8%
Middle East	10.0%
Asia	34.1%
Americas	15.2%

By Investor Type

Bank Treasury/Private Bank	56.4%
Central Bank/Official Institution	33.6%
AM/Ins/Other	10.1%

Bond Summary Terms

Issuer:	Council of Europe Development Bank (Ticker: COE)
Issuer rating:	Aa1/AAA/AA+ (stab/stab/pos)
Amount:	USD 1bn
Pricing Date:	20 February 2020
Settlement Date:	27 February 2020 (T+5)
Maturity Date:	27 February 2024
Coupon:	1.375%, SA 30/360
Issue Price:	99.640%
Issue Yield:	1.450% s.a.
Reoffer Spread:	MS+8bps / CT5+6.70bps
Listing:	Luxembourg Stock Exchange's regulated market
Joint Lead Managers:	BNP Paribas, BofA Securities, Deutsche Bank, TD Securities
ISIN:	US222213AU49

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, 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.



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