

15th September 2021

Press Release

Council of Europe Development Bank

USD 1bn 0.875% Benchmark due September 2026

Transaction Highlights

- Council of Europe Development Bank's (CEB) largest USD benchmark transaction of 2021, following the \$500m Social Inclusion Bond 3yr issued earlier in June
- Extend CEB's USD curve by offering a new longest tenor in Sep-26, (versus Feb-25 previously)
- USD joint-tightest Supra & Agencies spread to Libor swap since 2015 in the 5yr tenor

On Wednesday 15th September 2021, Council of Europe Development Bank (CEB), rated Aa1/AAA/AA+ (stab/stab/pos), priced a new \$1bn 5-year benchmark due 22 September 2026. The Joint Lead Managers on the transaction were Barclays, BofA Securities, J.P. Morgan and RBC Capital Markets. This transaction adds a new 2026 maturity to the issuer's dollar curve, offering investors a new reference in the 5yr tenor.

Council of Europe Development Bank took advantage of a strong backdrop in the USD SSA primary market and a clear issuance window to announce their new USD 5yr benchmark.

The new mandate was announced on Tuesday, 14th September at 1.30pm London time and investors were invited to reflect Indications of Interest ("IOIs") at MS-1bps area for a USD 1bn "no grow" transaction. With lower than expected US CPI figures leading to a more risk off tone, CEB released guidance at MS-1bps area on Wednesday, 15th September at 8.00am London time.

The orderbook attracted a number of high quality investors, enabling the issuer to release a first update at 11.00am London time, with an unchanged spread guidance and books above \$1.15bn (excl. JLM interest). Final book in excess of \$1.3bn allowed the issuer to launch the transaction at MS-1bps, the joint-tightest Supra & Agencies spread to Libor swap since 2015 on the 5yr tenor.

Pricing took place shortly after 3.00pm London time. The new bond offered a 0.890% re-offer yield and an annual coupon of 0.875%. In terms of investor demand, the transaction garnered significant interest from Central Banks/Official Institutions (48%) and Bank/Bank Treasuries (42%). Similarly, geographic distribution was evenly split across the Americas (37%), EMEA (33%) and Asia (30%).

Investor Distribution

By Geography

Asia	37%
EMEA	33%
Americas	30%

By Investor Type

Central Bank/Official Institution	48%
Banks & Bank Treasuries	42%
FM/Ins/PF	10%

Bond Summary Terms

Issuer:	Council of Europe Development Bank (Ticker: COE)
Issuer rating:	Aa1/AAA/AA+ (stab/stab/pos)
Amount:	USD 1bn
Pricing Date:	15 September 2021
Settlement Date:	22 September 2021 (T+5)
Maturity Date:	22 September 2026
Coupon:	0.875%, s.a., 30/360, following unadjusted
Issue Price:	99.927%
Issue Yield:	0.890% s.a.
Reoffer Spread:	MS-1bp
Listing:	Luxembourg Stock Exchange's regulated market
Joint Lead Managers:	Barclays, BofA Securities, J.P. Morgan, RBC Capital Markets
ISIN:	US222213AY60

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.