

Press Release

Council of Europe Development Bank

EUR 1bn 0% Benchmark due January 2031

Transaction Highlights

- Council of Europe Development Bank's (CEB) first benchmark transaction of 2021
- Record breaking orderbook, largest for CEB public benchmark transaction
- The bond was priced at MS-14bps, 3bps tighter than initial guidance and the tightest ever print versus its secondary curve, at a yield of -0.332% and a spread of 14.6bps above the DBR 0% Feb 2031.

On Tuesday 12th January 2021, Council of Europe Development Bank (CEB), rated Aa1/AAA/AA+ (stab/stab/stab), priced a EUR 1bn "no-grow" 10-year benchmark due January 2031. The Joint Lead Managers on the transaction were BNP Paribas, Deutsche Bank, Goldman Sachs Bank Europe and HSBC. The transaction represents CEB's first benchmark outing of 2021.

Taking advantage of favourable market conditions for EUR SSA, CEB announced the mandate for their new EUR 1bn "no-grow" 10-year benchmark on Monday 11th January 2021 shortly after 11:30am CET.

Following a stable market open the following day, orderbooks were opened at 9:00am CET with initial guidance at MS-11bps area.

Momentum grew rapidly in the European morning, allowing for the spread to be revised tighter to MS-13bps (+/-1bp) within the hour. Investor interest stood in excess of EUR 5.5bn (excluding JLM interest) at this stage. The final spread was set at MS-14bps on the back of a granular orderbook which stood north of EUR 6.5bn (excluding JLM interest) at 10:45am CET with books to close shortly after. The issuer achieved its largest ever orderbook for a public benchmark transaction.

The new CEB bond was priced at 2:20pm CET at MS-14bps, offering a yield of -0.332%, equating to a spread of 14.6bps over the DBR 0% Feb 2031.

Over 120 global investors placed orders in the 6x oversubscribed transaction. The high quality and diverse investor base is testament to CEB's unique investor following. Banks took the lion share coming in at 47%, followed by asset managers at 35% of allocations. Looking at regional distribution, the benchmark saw a balanced mix across Europe, with the largest share allocated to Germany, Austria and Switzerland at 27%.



Investor Distribution

By Geography

Ger/Aus/Switz	27%
France	17%
Other Europe	13%
Nordics	11%
Italy	10%
Benelux	5%
UK	7%
Spain	7%
Other	3%

By Investor Type

Banks	47%
Asset Managers	35%
Central Banks/Official Institutions	10%
Pension Funds/Insurance/Corp	5%
Other	3%

Bond Summary Terms

Issuer:	Council of Europe Development Bank (Ticker: COE)
Issuer rating:	Aa1/AAA/AA+ (stab/stab/stab)
Amount:	EUR 1bn (no grow)
Pricing Date:	12 January 2021
Settlement Date:	19 January 2021 (T+5)
Maturity Date:	20 January 2031
Coupon:	0%, Annual Act/Act
Issue Price:	103.382%
Issue Yield:	-0.332% annual
Reoffer Spread:	MS-14bps / DBR 0% Feb 2031+14.6bps
Listing:	Luxembourg Stock Exchange's regulated market
Joint Lead Managers:	BNP Paribas, Deutsche Bank, Goldman Sachs, HSBC
ISIN:	XS2286422071

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 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.

