

Unédic

EUR 1.5 billion 10-year benchmark due 20th March 2029

PRESS RELEASE – 13th March 2019

Unédic, the French unemployment insurance manager rated Aa2/AA by Moody's and Fitch, issued on Wednesday 13th March its first syndicated benchmark of 2019, a highly successful new 10 year bond under its EMTN programme. The new EUR 1.5 billion benchmark due 20th March 2029 pays an annual coupon of 0.500% and was priced at a spread of 16bps over interpolated OATs. The transaction benefits from an unconditional and irrevocable first demand guarantee from the Republic of France. The transaction was carried through a syndication made of 5 lead managers: Barclays, BNP Paribas, Commerzbank, J.P. Morgan and Natixis.

Background

- Created in 1958, Unédic is the non-profit association in charge of managing the compulsory unemployment insurance system in France and has a strategic role within the French welfare system. It was set up in accordance with the law of 1st July 1901 and was created for an indefinite period. Labour union and employer's organisations are entrusted by law to manage the unemployment insurance system through Unédic and within a framework designed for this specific public service delegation.
- Unédic, the French unemployment insurance agency, issued on Wednesday 13th March 2019, a new EUR 1.5 billion 10-year transaction maturing on 20th March 2029. This is Unédic's first syndicated transaction of 2019 and, following their short 10-year benchmark in September 2018.
- This transaction marks one of Unédic's benchmark with a very large and oversubscribed orderbook and solidifies its position as a top quality SSA borrower in the market.

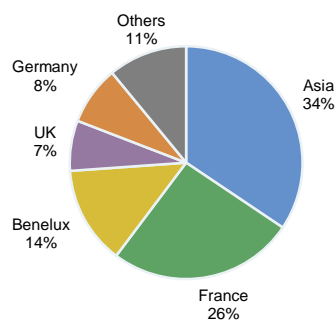
Execution highlights

- The mandate for Unédic's new 10-year benchmark was announced at 14:10 CET on Tuesday 12th March 2019.
- Formal price guidance was released the following morning at 09:00 CET at interpolated OATs +20bps area.
- Investor demand was strong from the outset and within 50 minutes, orderbooks were in excess of EUR 2.5 billion (excluding Joint-Lead Manager interest) leading to a revised guidance of OATs +18bps area.
- The orderbook maintained its strong growth momentum over the course of the morning, reaching EUR 4 billion (excluding Joint-Lead Manager interest) by 10:15 CET. At this time, spread was set at interpolated OATs +16bps, 4bp inside of guidance, and size was set at EUR 1.5 billion.
- Orderbooks closed at 10:40 CET in excess of EUR 4.8 billion (excluding Joint-Lead Manager interest).
- The new 10-year benchmark priced at 14:23 CET at 16bps over interpolated OATs, translating to a re-offer yield of 0.605% and a coupon rate of 0.500%, the tightest reoffer yield ever achieved by Unédic for a 10-year maturity

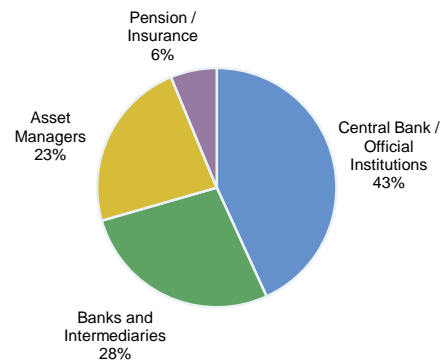
Summary of distribution

- By geography, the deal saw participation from both domestic and international accounts. International investors accounted for the majority of allocations with Asia getting 34% followed by Benelux 14%, Germany 8% and the UK 7%. Domestic accounts received 26% of allocations.
- The transaction attracted high quality investors with the top two categories being Central Banks / Official Institutions at 43% and Banks and Intermediaries at 28%. Asset managers received 23% and Pension / Insurance 6%.

Distribution by region



Distribution by type



Summary of terms and conditions

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| Issuer | Unédic |
| Type of Notes | European Medium Term Notes |
| Guarantee | Explicit, Unconditional & Irrevocable Guarantee of the Republic of France |
| Rating | Aa2 (Positive) / AA (stable) (Moody's/ Fitch) |
| Notional Amount | EUR 1,500,000,000 |
| Pricing Date | 13 March 2019 |
| Settlement Date | 20 March 2019 |
| Maturity Date | 20 March 2029 |
| Coupon | 0.500% (ann. Act/Act) |
| Reference Benchmark | Interpolated FRTR 0.750% Nov-28 and FRTR 0.500% May-29 |
| Re-offer Spread vs. Benchmark | +16 bps |
| Re-offer Yield | 0.605% |
| Re-offer Price | 98.984% |
| Joint-Lead Managers | Barclays, BNP Paribas, Commerzbank, J.P. Morgan, Natixis |