

# Republic of France (Aa2/AA/AA/AAA)

## Inaugural Green OAT - EUR 7bn 1.75% June 2039 – 24<sup>th</sup> January 2017



<b>Issuer:</b> Republic of France	<b>Type:</b> RegS Cat1, 144A Eligible, CACs
<b>Rating:</b> Aa2/AA/AA/AAA (stable/stable/stable/stable)	<b>Launch Date:</b> January 24 <sup>th</sup> 2017
<b>Notional:</b> €7bn	<b>Maturity:</b> 25 <sup>th</sup> June 2039
<b>Coupon:</b> 1.75%	<b>Re-offer spread:</b> FRTR 1.25% May-36+13bp
<b>Bookrunners:</b> Barclays/ BNPP/ CACIB/ MS/Natixis/SGCIB	<b>Price/ Yield:</b> 100.162% / 1.741%

Rep. of France (Green)  
1.75% 25-Jun-39

EUR 7,000,000,000

Joint Bookrunner

FRANCE 24/01/17

### Key features of new issue:

- Today, Agence France Trésor announced the successful launch of the first French sovereign green bond with a maturity of 22 years.
- **The Green OAT 1.75% 25 June 2039 issuance amount was €7bn, making it the largest and longest-dated green bond ever issued.**
- By becoming the first country to issue a sovereign green benchmark bond, France has confirmed its role as a driving force for the implementation of the goals of the December 2015 Paris Climate Agreement.

### Outcome:

- Pricing evolution:
  - IPTs: FRTR 1.25% May-36+Mid to High Teens
  - Guidance: FRTR 1.25% May-36+15bp area
  - Final Pricing: FRTR 1.25% May-36+13bp
- The order book reflects the highly diverse investor base, including SRI specialists. Around 200 final investors supported the issue of this first sovereign green bond.
- The allocations to asset managers (33%), banks (21%), pension funds (20%), insurers (19%), official institutions (4%) and hedge funds (3%) is particularly noteworthy.
- The geographical distribution of investors shows strong domestic and international demand for France's first long-dated sovereign green bond.

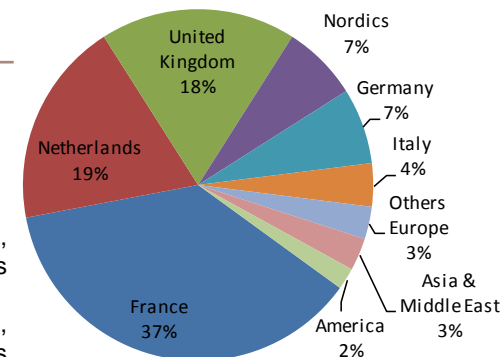
### Bookbuilding and spread discovery:

- The mandate for the inaugural Green OAT benchmark due 25 June 2039 was announced on Monday 23<sup>rd</sup> of January at 11:15am CET, and IPTs were published on the morning of the following day at FRTR 1.25% May-36+Mid to High Teens.
- With IOIs exceeding €17bn (including €5.2bn JLM's orders) after less than 1 hour, books were formally opened with guidance at FRTR 1.25% May-36+15bp area.
- On the back of strong demand, books were over €23.7bn (including €5.2bn JLM's orders), when spread was set at FRTR 1.25% May-36+13bp.
- At the end of the book-building process, total bids stood at more than €23bn and €7bn was allocated.

### Investors who wished to disclose their participation in the issue\*\*:

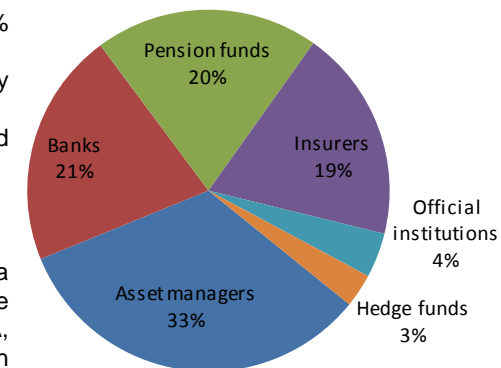
Achmea Investment Management, Actiam, AG2R La Mondiale, Amundi, APG Asset Management, Apicil, Aviva Investors France, AXA France, Barclays Treasury, BlackRock, BNP Paribas, BNP PARIBAS CARDIF, Caisse Régionale du Crédit Agricole Mutuel de Paris et d'Ile de France, COVEA FINANCE, Crédit Agricole SA, DekaBank, ERAFP, HSBC Assurances Vie (France), IRCANTEC, JP Morgan Asset Management, Kempen Capital Management N.V., MIF : MUTUELLE D'IVRY (la Fraternelle), MIROVA, Nippon Life Insurance Company, NN Investment Partners, Nordea Asset Management, PGGM, Pro BTP, SCOR SE, Standard Life Investments, Sumitomo Mitsui Trust Bank Limited, WWF FRANCE.

### Distribution by Geography\*



\* allocated

### Distribution by Investor type\*



\* allocated

\*\* This list will be updated on 27<sup>th</sup> January 2017 by cob on AFT website