



28 March 2007

CADES €3 bn 4.125% 25 April 2017

Earlier today, CADES (Caisse d'Amortissement de la Dette Sociale), rated Aaa/AAA/AAA, launched and priced a new € 3bn 4.125% benchmark issue due 25 April 2017 at a reoffer price of 99.441, corresponding to a spread of mid-swaps - 9 bps, equivalent to OAT 3.75% 25 Avril 2017 + 11.5 bps. This is CADES's first Euro denominated nominal benchmark this year.

CADES announced a € 9 bn funding program for the year 2007, comprising: € 3 to 6 bn in € denominated benchmarks, € 1 to 2 bn in French inflation-linked bonds, € 1 to 2 bn in non-€ benchmark issues and € 0.5 to 1 bn in private placements. Around € 1bn have already been raised since January 1st 2007, and this new transaction is potentially the only long dated € nominal benchmark to be launched by CADES in 2007.

The total order book of the new 10-year benchmark closed at above € 3.6 bn after 2 days of bookbuilding, with the participation of approximately 70 investors that have shown no spread sensitivity.

The distribution of the transaction reflects a good participation from real money accounts across Europe, especially in France, UK/Ireland and Germany, as well as in Asia. The distribution of the book is as follows:

By region

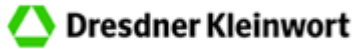
France	27%
UK/Ireland	24%
Germany	18%
Asia	12%
Switzerland	12%
Benelux	4%
Others	3%

By investor type

Funds / Pension Funds	33%
Banks / Bank Treasuries	27%
Hedge Funds	19%
Central Banks	12%
Insurance Companies	7%
Others	2%

CADES achieved this strong result thanks to a well chosen timing, benefiting from a relatively more stable market environment after several weeks of volatility and a solid investor bid for safe credits. The widening of swap spreads over the past year thus allows CADES to price its new 10-year benchmark at the tightest ever spread below mid-swaps since it was established.

Dresdner Kleinwort, JP Morgan, Natixis and SG CIB acted as joint bookrunners.



As of December 31st, 2006, CADES has already amortised €32 bn of social security debt out of the €107.7bn debt that has been entrusted to it by a series of laws aimed at social security reform. Thanks to both its dedicated resource (the CRDS) and its status as administrative public agency, it has a high degree of proximity to the State, which has allowed it to position itself as one of the strongest and best recognised agency issuers in Europe. CADES has continuously pursued the objective of being a sophisticated, efficient and transparent issuer through the use of a broad range of financial instruments, and considers as part of its borrowing achievements to regularly communicate to investors notably on its asset and liability management practices.

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CADES: A BENCHMARK ISSUER IN THE FINANCIAL MARKETS

Created in 1996, CADES is an administrative public agency placed directly under the joint authority of the French Economic and Finance and Social Security Ministries

Its mission is to pay down the debt accumulated by the general Social Security system between 1994 and 2006, a total of 107.7 billion euros, via a balanced financial structure and drawing primarily on a dedicated and exclusive resource (the CRDS tax).

A quasi-sovereign issuer, CADES enjoys benchmark status in the international capital markets. It has been awarded the highest ratings by the principal international rating agencies (AAA/A1+, Aaa/P1, AAA/F1+), and a 0% Basel ratio weighting, which makes CADES one of the five largest non-government issuers in Europe .