



Paris, 14th of September 2020

Press release

Highly successful fifth transaction of the year for SFIL Group

SFIL Group has successfully launched its fifth transaction of the year. It was issued under covered bond format by CAFFIL with a maturity of 7 years and an issuance volume of EUR 1.5 billion.

It is the third non-themed transaction of the year for CAFFIL, which last week received the “Best Euro Covered Bond Issuer” award, attributed by GlobalCapital.

With markets reopening after the summer break, the appetite of investors for risk free and low risk assets remains strong in the context of renewed uncertainties concerning the economy, the pandemic, and expectations concerning a negative net supply in the covered bond market. CAFFIL has thus been able to benefit from a strong dynamic in terms of both order book and issue price.

With EUR 3.2 billion in orders, it is the largest order book for a covered bond transaction since the market reopened after the summer break. It is also the French covered bond with the tightest spread since the start of the pandemic and finally, the transaction has been placed without any new issue premium.

Details of the transaction

CAFFIL obligations foncières

EUR 1.5 billion / maturity: 22nd of February, 2028

Yield: -0.289%

Spread: mid-swaps +4 basis points / OAT +11.1 basis points

Lead managers: BNP Paribas, Crédit Agricole CIB, Crédit Suisse, HSBC, JP Morgan

Distribution by region:

Germany and Austria	34%
France	28%
United Kingdom and Ireland	16%
Nordics	8%
Italy	5%
Benelux	3%
Asia	3%
Switzerland	2%
Others	1%

Distribution by type of investor:

Banks	53%
Central Banks and official institutions	30%
Investment Managers	16%
Insurance Companies	1%

"This 4th transaction in an environment marked by the Covid-19 pandemic has been a great success in terms of order book and issue size, in terms of investor participation, and in terms of financing conditions. It allows us to carry-on to finalize the 2020 issuance program, and illustrates, in my view, the strengths that allowed us to be awarded the prestigious "Best Euro Issuer" award, attributed last week by GlobalCapital."

Philippe Mills, CEO of SFIL and Chairman of the Supervisory Board of CAFFIL

Investor relations:

Ralf Berninger - ralf.berninger@sfil.fr

Clotilde Queneudec - clotilde.queneudec@sfil.fr

Media relations:

Christine Lair – Tel.: + 33 (0)1 73 28 87 36

christine.lair@sfil.fr

About bonds issued by the SFIL Group

The SFIL Group – with its subsidiary CAFFIL - is the main European issuer of covered bonds secured by loans to public sector entities. Its bond issues provide adequate funding to cover the needs associated with the two missions that the SFIL Group has been entrusted with by the French State: the refinancing of loans to French local authorities and hospitals by its partner La Banque Postale, and the refinancing of large French export loans benefiting from a State guarantee ("enhanced guarantee"), as part of its refinancing platform for banks active in this sector.

Bonds issued by CAFFIL and SFIL are eligible for the purchase programs of the European Central Bank (PSPF and CBPP) and are classified in the best liquidity categories for regulatory ratios. They benefit from the Covered bond label and only have a hard bullet structure.

SFIL is a signatory to the United Nations Global Compact.

