

29TH MAY 2020

Bpifrance successfully launched a new EUR 1.25 billion 10-year Benchmark

On Thursday 28th May 2020, Bpifrance Financement, rated Aa2 stable / AA negative (Moody's / Fitch) successfully launched a new EUR 1.25 billion benchmark due on 29th March 2030, bearing a coupon of 0.25%.

This transaction constitutes Bpifrance's third benchmark issuance this year, after a EUR 2bn 5-year issuance in March and a EUR 1.5bn 7-year inaugural Covid-19 Response Bond in April.

The new bond was priced at a re-offer yield of 0.31%, equating to a spread of +35 bps over interpolated OATs, illustrating the significant tightening of Bpifrance Financement credit curve since its return on the capital markets, post Covid-19 outbreak. Despite a busy primary market, the bond received an outstanding support from investors with an orderbook closing in excess of EUR 4.8 billion of interests (including EUR 75 million of JLM orders), corresponding to the issuer's largest orderbook ever achieved. Joint lead managers were BofA Securities, Deutsche Bank, HSBC, J.P. Morgan and Société Générale.

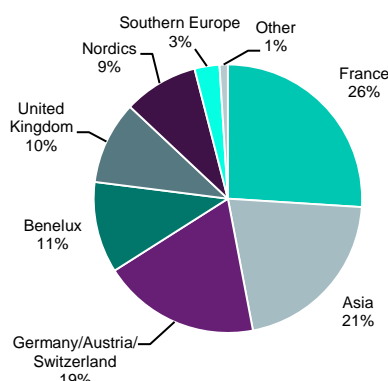
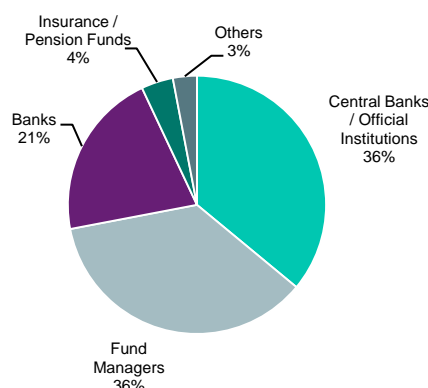
Transaction Details:

The mandate for a new 10-year was announced to the markets on Wednesday 27th May afternoon, following the pricing by the Republic of France of a new 20-year EUR 7 billion OAT. The following day, on the back of a stable market backdrop, the issuer decided to officially open books at 9:10 am CET with a price guidance of OATs+40 bps area. The momentum for the bond was immediate and very strong from the outset with more than EUR 2.5 billion of interests (excl. JLMs) gathered at 10:25 am CET at which point the price guidance was revised at OATs+38bps area. The orderbook continued to grow at a rapid pace with top quality orders, which allowed the issuer to set the final spread 5 bps tighter from initial guidance at OATs+35bps and to set the final size at EUR 1.25 billion when books reached EUR 4.4 billion (excl. JLMs).

The exceptionally granular demand, with more than 105 investors participating in the transaction and the very well diversified distribution, is a true testament of the solid investor base supporting Bpifrance and its missions despite historically volatile market conditions.

Composition of demand for the issue by allocation breakdown:

By Investor type:		By Geography:	
Central Banks / Official Institutions	36%	France	26%
Fund Managers	36%	Asia	21%
Banks	21%	Germany/Austria/Switzerland	19%
Insurance / Pension Funds	4%	Benelux	11%
Others	3%	United Kingdom	10%
		Nordics	9%
		Southern Europe	3%
		Other	1%





Summary of the Terms and Conditions for the OSEOFI € 1.25 billion 0.25% due 29-March-2030:

Issue Amount	EUR 1.25 billion
Pricing Date	28 May 2020
Payment Date	5 June 2020
Maturity Date	29 March 2030
Re-offer Price	99.421%
Re-offer Yield	0.310%
Annual Coupon	0.25%
Re-offer Spread	Interpolated OATs+ 35 bps
Listing	Euronext Paris
Joint Lead Managers	BofA Securities, Deutsche Bank, HSBC, J.P. Morgan, Société Générale

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About Bpifrance

Bpifrance is the French national investment bank: it finances businesses – at every stage of their development – through loans, guarantees, equity investments and export insurances. Bpifrance also provides extrafinancial services (training, consultancy) to help entrepreneurs meet their challenges (innovation, export...).

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