

Paris, 26 October 2007

## **CM-CIC Covered Bonds**

**EUR 2bn 3 years – Maturity: 02 November 2010 – Fixed Rate**

### **Press Primer**

On 26 October, CM-CIC Covered Bonds (rated Aaa/AAA/AAA) successfully launched a Euro 2bn 3-year covered bond priced at mid-swap+6bp. Due 2 November 2010, the deal pays a fixed coupon of 4.375%. Reoffer price of 99.862%.

Lead managers are ABN Amro, BNP Paribas and Danske Bank. Payment date is 2 November 2007. Launched under the issuer's EMTN programme. Luxembourg listing.

CM-CIC Covered Bonds is a French regulated credit institution and a wholly-owned subsidiary of the CM-CIC group.

This new issue is the second transaction by CM-CIC Covered Bonds following its successful EUR 2.5bn 5-year debut in July 2007.

### **Objectives**

- Continue to build a liquid benchmark curve
- Take advantage of the strong investor appetite for short-dated highly-rated paper
- Reach an attractive funding spread whilst providing investors with a fair pricing level, confirming CM-CIC's investor-friendly funding policy
- Further diversify its investor base by type and region

### **Results**

- Books opened at 9:00am CET on 25 October after the announcement of a 3-year benchmark issue with spread guidance at mid-swap+6 bp area
- Very swift bookbuilding process with orders exceeding EUR 1.5bn after 1 hour and books closing at 12:00pm with a final size of over EUR 3.6bn
- Given the overall subscription level, the issuer could have priced at mid-swaps+5bp but decided to price in line with the guidance at mid-swaps+6bps in order to reach out to new and high quality real money accounts.
- 1bp premium compared with a comparable BNP Paribas Covered Bonds new issue.
- 70 investors took part in the transaction. Significant participation out of Scandinavia

(41%), France (23%), UK/Ireland (14%) and Germany/Austria/Switzerland (13%)

- A large proportion of the order book was allocated to high quality buy-and-hold investors such as fund managers (37%), pension funds (12%) and insurance companies & central banks (8%)
- The success of this transaction in a volatile market environment underpins the quality of the CM-CIC Covered Bonds credit and its acceptance in the French Structured Covered Bonds market alongside BNP Paribas Covered Bonds.

Geographical breakdown	Investor type breakdown
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