

Press release

03 April 2019



## 2018 ANNUAL RESULTS: 60% OF THE FRENCH SOCIAL DEBT AMORTISED AS AT THE END OF 2018

The Board of Directors of CADES met on 3 April 2019, under the chairmanship of Mr. Jean-Louis Rey, to approve the financial statements for 2018. These statements are subject to the subsequent approval of the Ministers of Economy, Finance and Social Security. The annual results and activity report will be submitted to the Supervisory Board which meets on May 22, 2019.

### Highlights of 2018 results

As at 31 December, in € billion	<b>2018</b>	<b>2017</b>
Net revenue	17.6	17.2
Expenses	2.2	2.2
<b>Net result</b>	<b>15.4</b>	<b>15.0</b>

Resources allocated to CADES, totaling €17.6 billion, comprised the following:

- CRDS <sup>(1)</sup>: €7.4 billion
- CSG <sup>(1)</sup>: €8.1 billion
- Payment from FRR <sup>(1)</sup>: €2.1 billion

Net interest of €2.2 billion was paid to investors. The resulting €15.4 billion was used to redeem debt in line with the mission entrusted to CADES by the French Parliament.

The Audit Committee met on 27 March 2019, under the chairmanship of Mr. Yves Laqueille, Vice-Chairman of the CNAM<sup>1</sup> board, to review the 2018 annual results, which were presented by the Accounting Officer. The statutory auditor attending the meeting confirmed the absence of any major anomalies and specified that the accounts are certified without reservation.

As at 31 December 2018, CADES had amortised 60%, equivalent to €155.2 billion, of French social debt assumed since its inception in 1996. €105.3 billion out of the total €260.5 billion assumed remains to be amortised.

### New appointments to CADES' Board of Directors

CADES welcomes new members to the Board of Directors:

- By order of March 13, 2019 and published in the Official Journal on March 20, 2019, as representatives of the Minister of Social Security:
  - o Ms. Marianne Kermoal-Berthomé, incumbent, to replace Ms. Marie Daudé

<sup>1</sup> CNAM : Caisse nationale de l'assurance maladie

- o Ms Isabelle Touya, substitute, to replace Mr David Hoyrup
- By order of April 1, 2019 and published in the Official Journal on April 2, 2019, as representative of the Minister of Budget:
  - o Mr Bastien Llorca, incumbent, to replace M. Olivier Touvenin

## About CADES

In 1996, the French government set up the Caisse d'Amortissement de la Dette Sociale with a mission to amortise French social debt by issuing debt securities on international financial markets in a diverse range of currencies.

To enable CADES to carry out its mission, the French population pays regular taxes which contribute to the payment of interest and amortisation of social debt.

Supervised jointly by the Minister of The Economy and Finance and by the Ministers in charge of social security, CADES operates under the control of the French Parliament and the Constitutional Council.

CADES is well integrated into the French social system, having strong joint governance, co-chaired by a Board of Directors and a Supervisory Committee, which includes four members of French Parliament.

Backed by the French Parliament, CADES is one of the most significant institutions involved in the control and reduction of French social debt by using efficient and proven amortization and financing mechanisms.

Since 1 October 2017, teams from CADES and AFT, the French state debt management office, have merged to create a centre of excellence for issuing French public debt. In this regard, CADES has transferred operational responsibility for all of its funding activities to AFT. As such, AFT now operates on behalf of and for CADES, making its staff available when appropriate.

All information regarding CADES and its bond issues is available on [www.cades.fr](http://www.cades.fr).

## CADES LIGHTEN THE DEBT – BRIGHTEN THE FUTURE



### **Geneviève Gauthey**

Head of Communication  
+33 1 40 04 15 41  
genevieve.gauthey@cades.fr

### **Press relations – Paris**

Isabelle Dray  
+33 1 56 88 11 11  
idray@actifin.fr

### **Press relations – London**

Jeremy Carey/James Verstringhe  
+44 207 920 3150  
jcarey/jverstringhe@tavistock.co.uk

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