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PRESS RELEASE • 24 MARCH 2015

AGENCE FRANCE LOCALE SUCCESSFULLY LAUNCHED ITS INAUGURAL BOND ISSUE

Agence France Locale successfully launched today its €750m inaugural bond issue.

Transaction final terms:

- **Issuer:** Agence France Locale
- **Issuer rating:** Aa2 neg (Moody's)
- **EMTN programme rating:** Aa2 neg (Moody's)
- **Documentation:** issuer's EMTN programme (AMF visa on 6 March 2015)
- **Size:** €750m benchmark
- **Settlement:** 2 April 2015
- **Maturity:** 20 March 2022 (7-year)
- **Coupon:** 0.375%
- **Spread:** OAT + 22 bps
- **Listing:** Paris Euronext & LSE

For this first benchmark transaction, Agence France Locale issued bonds with a maturity of 7 years because of Agence France Locale's need for long-term resources matching its loan origination activity and because of investors' interest in this tenor.

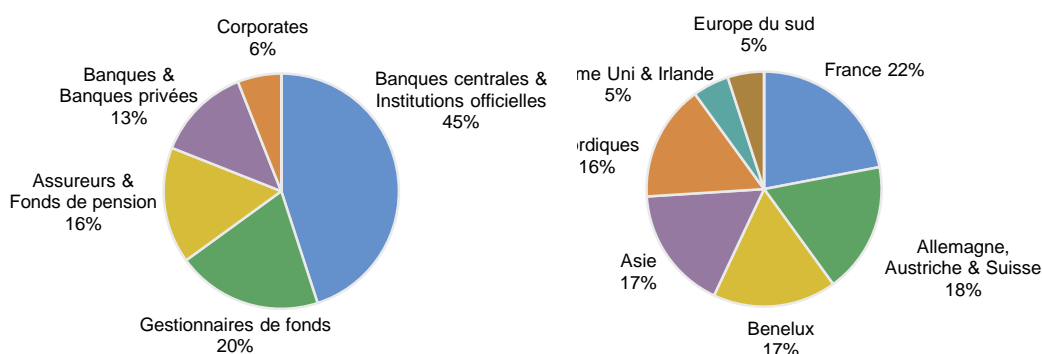
Agence France Locale's debut issue was sold with a yield-to-maturity of 0.423% and the reoffer spread was set at OAT + 22 bps (OAT curve: the French state curve - *Obligations Assimilables du Trésor*).

From the very start of the transaction, bookbuilding went extremely fast and books closed in excess of €1.3bn after only 2 hours and a half of bookbuilding. Agence France Locale's debut issue attracted a highly diversified investor base by type (banks, insurance companies, central banks, investment funds, asset managers, pension funds, private banks, etc.) and by geography.



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Final allocation is as follows:



The excellent financial conditions Agence France Locale was able to reach for its inaugural issue highlight investors' interest and confidence in the French local public sector and in Agence France Locale's business model, since it is the only French issuer to provide investors with a direct exposure to this sector.

Yves Millardet, Chairman of the Executive Board of Agence France Locale, pointed out that "This inaugural bond issue is a milestone in Agence France Locale history and a significant event for French local authorities. The main objective of this inaugural transaction was to establish Agence France Locale signature in international debt capital markets and to make Agence France Locale renowned for its qualities. This goal has been successfully reached. Even before the beginning of its credit activity, Agence France Locale demonstrates it is a leading international financial institution."

Rollon Mouchel-Blaisot, Chairman of the Board of Directors of the Société Territoriale - Agence France Locale holding - commented on that "Our shareholders are very pleased with the success of this debut issue which highlights the relevance of Agence France Locale's business model designed to securing French local authorities' access to liquidity and which demonstrates the credit and professionalism of Agence France Locale staff. Such a success proves that Agence France Locale's objective to provide French local authorities with a long-term and viable funding alternative even in the event of market disruptions has been fully understood and recognized by investors."

Olivier Landel, Chief Executive Officer of the Société Territoriale, added that "Thanks to the very low issue price achieved for this inaugural bond issue, Agence France Locale will be able to extend to its members loans offering excellent financial conditions. Agence France Locale has already received many loan applications from its members and is now ready to make its first loans as from 2 April 2015."



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ABOUT AGENCE FRANCE LOCALE

- Agence France Locale was created further to the new banking legislation dated 26 July 2013 and was granted a banking license on 22 December 2014
- 100% owned by French local authorities, Agence France Locale's sole mandate is to raise funds in the capital markets to optimize the cost of French local authorities' financing by pooling volumes and risks through a robust financial structure

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