

Cassa Depositi e Prestiti EUR 750mn 10-year Social Bond

On February 4th, 2020 Cassa Depositi e Prestiti (CDP) successfully priced its new EUR 750mn senior unsecured Social Bond dedicated to Social Housing

Transaction Summary

Transaction Execution

- On 3rd February 2020, on the back of the rally in the BTP curve observed during the previous week and despite the recent turmoil caused by the spreading of the coronavirus, CDP decided to test its strength and credibility by announcing its first Social Housing Bond with €-benchmark size and 10y maturity
- The issuer opted for a 2-day execution strategy in order to educate investors on its updated Green, Social and Sustainability Bond Framework, holding a number of 1-to-1 calls
- Books were opened at around 09:20am CET, with IPTs set at MS+135bps area on the back of (i) a theoretical FV estimated in the context of 118bps and (ii) the reference BTPS 1.35 04/01/30 being spotted at 100/101bps in Bid I-Spread
- The size of the orderbook increased rapidly, exceeding € 2.75bn within 1 hour from opening, when a book update message was sent to the market. Orders continued to pile up and – with the book exceeding € 4.0bn – the guidance was released at MS+120bps area and the size set to € 750m
- Thanks to the stellar quality of the book and the low price sensitivity shown by investors, the issuer was able to set the final spread at MS+113bps – 5bps inside the theoretical FV – corresponding to a record low premium of +13bps vs the reference BTP spotted prior to the launch
- The final book of ca. € 4.5bn vindicated CDP's decision to approach the market and showed the contribution from more than 250 geographically well-diversified accounts. In particular, international investors represented 66% (vs 41% in March 2019) of the total allocated amount. French investors were on the front-line (19%), followed by Germany & Austria (16%) and Iberia (11%)

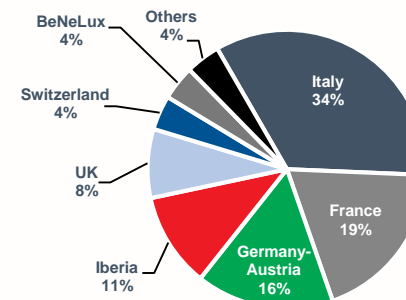
Transaction Features

- The transaction represents the fourth ESG issuance by CDP, following its last Social Bond priced in March 2019, a Sustainability Bond in September 2018 and the inaugural Social Bond in November 2017. Moreover, it is CDP's first 10y public institutional bond since March 2015
- The proceeds of the transaction will be used to finance projects that increase access to social housing with the aim to support people living in social and economic difficulties and without adequate housing, providing them with decent housing (through construction, renovation or upgrade)
- The new issuance was inspired by UN SDGs 1 (“No Poverty”) and 11 (Sustainable Cities and Communities)

Transaction Highlights

Issuer	Cassa Depositi e prestiti S.p.A. (CDP)
Issuer ratings	BBB(S&P) / BBB(Fitch) / BBB+(Scope)
Issue ratings	BBB(S&P) / BBB(Fitch) / BBB+(Scope)
Documentation	Issued under the Issuer's €10bn Debt Issuance Programme dated 10 May 2019 and the supplement to the Base Prospectus dated 4 December 2019
Governing law	Italian law
Format / Type	RegS / Social Bond
Ranking	Senior Unsecured
Size	€750mn
Denomination	€100,000 + €100,000
Pricing Date	4 February 2020
Settlement Date	11 February 2020
Maturity Date	11 February 2030 (10y)
Coupon	1.000% fixed, annual act/act
Reoffer Spread	MS +113 bps
Reoffer Yield	1.103%
Reoffer Price	99.030%
Listing / ISIN	Luxembourg Stock Exchange / IT0005399586

Investor allocation by Region



Investor allocation by Type

