

SOCIÉTÉ DU GRAND PARIS – Aa2/AA (Moody's/Fitch)

EUR 2bn 1.125% 15y Green Bond due 25th May 2034 – 12th March 2019



Société du Grand Paris
1.125% 25-May-2034
EUR 2,000,000,000
Green Bond
Joint Bookrunner
France 12/03/2019

Issuer:	Société du Grand Paris	Launch Date:	12 th March 2019
Rating:	Aa2/AA (positive/stable)	Maturity:	25 th May 2034
Notional:	EUR 2bn	Re-offer spread:	FRTR 1.250% May-2034+31bp
Coupon:	1.125% (annual)	Re-offer Price/ yield:	98.867% / 1.207%
Format:	Senior Unsecured Green Bond	Bookrunners:	BNPP, Natixis, NatWest, Nomura, Société Générale

USE OF PROCEEDS

Low Carbon Transport and Sustainable Mobility

- The SGP Green Bond Programme is dedicated solely to financing the new Grand Paris Express automatic metro for which all the infrastructure and programme management investments are eligible

SELECTION & EVALUATION

- SGP is setting up a Green Bond Committee consisting of members of the Management Board and its Finance, Environmental Engineering and Economic Studies departments. The committee will examine the verification and traceability of the projects eligible for the Green Bond Program and satisfactory allocation. It will meet at least once a year

MANAGEMENT OF PROCEEDS

- The net proceeds will be used to finance and/or refinance all or part of the investments linked to the Grand Paris Express project made in the current year and / or made over the two years preceding the date of issue.
- The Finance Department is tasked with tracking allocation of the proceeds to the Eligible Assets in SGP's internal information systems and database.
- In line with public accounting rules, any proceeds that have not yet been allocated with the French Treasury.

REPORTING

- In the year following the issue and every year thereafter, SGP will provide on its website an allocation and an Impact reporting including relevant performance and impact indicators

EXTERNAL REVIEW

- Third Party Opinion from **Sustainalytics** on SGP's Green Bond EMTN Program Framework
- Climate Bond Initiative** certification
- Limited assurance from external auditor on allocation of the proceeds and compliance of allocation reporting

Bookbuilding and spread discovery

- On Monday, 11th March, Société du Grand Paris ("SOGPR") announced their 15-year EUR benchmark Green Bond due on the 25th May 2034, their second public benchmark and their first issuance in 2019. On Monday morning, initial price thoughts (IPTs) were released at a spread of 34bp area above FRTR 1.25 25/05/2034 (reference curve of the French Sovereign).
- Books formally opened the following day at 9:00 CET with guidance unchanged from IPTs at a spread of 34bp area above the OAT reference, having garnered indications of interests (IOIs) in excess of EUR 1.1bn (incl. EUR 100m JLM interest).
- At 10:15 CET books were already in excess of EUR 2.7bn (incl. EUR 150m JLM interest) and guidance was revised to a spread of 33bp area above the FRTR 1.25 25/05/2034.
- On the back of very strong investor interest throughout the morning, the orderbooks were in excess of EUR 3.4bn (incl. EUR 150 JLM interest) and the spread was set at 31bp over the OAT reference.
- At 11:30 CET the orderbooks closed in excess of EUR 4bn (incl. EUR 150m JLM interest) and the transaction launched with a final size of EUR 2bn and a spread of 31bp above the OAT reference.
- The transaction was formally priced at 14:15 CET. The re-offer price was 98.867% and re-offer yield was 1.207%. The coupon of the bond was set at 1.125%.

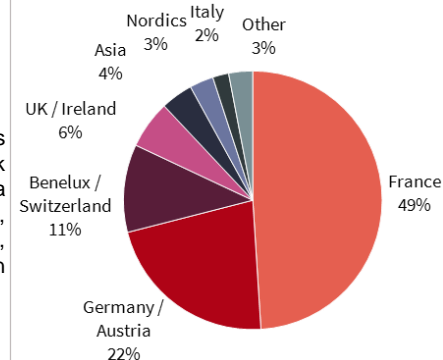
Key features of the transaction

- On Tuesday, 12th March, Société du Grand Paris ("SOGPR") launched their 15-year Benchmark Green Bond off their Green EMTN Programme, a EUR 2 billion 1.125% maturing on 25th May 2034, allowing to extend its 100% green credit curve, following the inaugural 10-year EUR transaction launched in October 2018.

Outcome

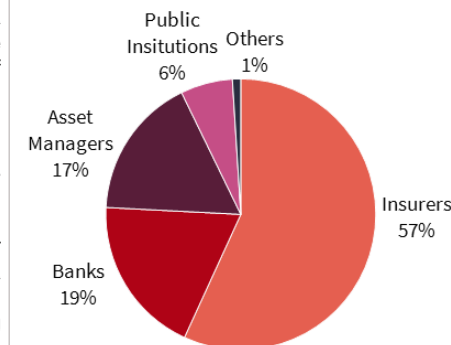
- Pricing evolution:
 - IPTs: OAT+34bp area
 - Guidance : OAT+33bp area
 - Final spread : OAT+31bp
- Exceptionally well-received transaction with a final orderbook in excess of EUR 4bn. High quality investor participation with high granularity made of 150+ orders. Geographical well diversified across Europe with strong French participation (49%) followed by Germany/Austria (22%) and Benelux and Switzerland (11%). We also received good international interest out of Asia (4%). The transaction garnered a strong bid by the Insurance and Pension Funds (57%) due to its 15-year maturity, followed by Banks with 19%, Asset Managers (17%) and Central Banks & Official Institution interest (7%).

Distribution by Geography*



* allocated

Distribution by Investor Type*



* allocated

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The Société Générale Book Building Allocation Policy setting out the process for developing allocation recommendations is available at: https://cib.societegenerale.com/fileadmin/user_upload/SGCIB/pdf/SGCIB_Bookbuilding_Summary.pdf.

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