Caisse des Dépôts (CDC)
Rating Aaa, AAA, AAA

OVERVIEW
Caisse des Dépôts (CDC) is a French public financial institution, created in 1816 to manage private funds requiring particular protection. Its current activities include financing of social housing and management of funds such as savings, pensions, funds granted to the legal professions etc.

The Caisse des Dépôts group is made up of the Caisse des Dépôts Public Institution and its subsidiary companies. The Caisse des Dépôts Public Institution carries out CDC’s traditional and general interest missions. Its subsidiary companies operate within the competitive sector.

CDC is self-financing, deriving its funding in equal shares from the Public Institution (activities as an investor) and its subsidiary companies and strategic holdings. Its profits after tax are distributed as follows: one third to the state budget, one third to general interest investments and one third to increasing its equity capital.

TOTAL EQUITY

OUTSTANDING ISSUANCE BY CURRENCY

INVESTOR BASE BY TYPE
$1BN 3YR MAR 2011

INVESTOR BASE BY REGION
$1BN 3YR MAR 2011

TOTAL ASSETS

PUBLIC BOND ISSUANCE

KEY OFFICIALS

Pierre-François Koehl
Head of ALM and funding

Stephan Haëuw
Head of financing

Marie Suyker
Head of treasury

INVESTOR BASE BY TYPE
$1BN 3YR MAR 2011

Fitch
AAA, stable outlook

The ratings are based on Fitch’s belief that there is an implicit guarantee from the French state extending to all CDC’s obligations. CDC’s legal status of “special agency” (établissement spécial), fully state controlled, is unique in France. Fitch considers CDC enjoys the same implicit solvency and liquidity guarantee as other French public agencies (établissement public), as per Law 80-539. Consequently, its IDRs are aligned, and will move in tandem with those of the French sovereign. CDC’s ratings also take into account CDC’s close monitoring by the French state, notably through its supervisory board and the fact CDC is supervised by the French parliament. Although highly unlikely, a change in CDC’s legal framework and lower state support could trigger a downgrade. Any negative action on France’s sovereign ratings would also be automatically reflected in CDC’s ratings.
Standard & Poor’s
AAA, stable outlook

Strengths
• Critical public policy role, integral link with the state securing governmental commitment to its operations.
• Cautious strategy conciliating public-policy commitments and adequate business efficiency
• Sound risk-management practices and improved corporate governance
• Satisfactory financial profile of the main division enabling self financing of its missions
• Gradual restoration of the savings funds division’s financial profile since the reform of the Livret A

Weaknesses
• High equity risks
• Structural volatility in earnings
• Just adequate capital position at the main division

The outlook is stable and mirrors the outlook on the sovereign. S&P expects CDC to continue to play an active role in French public policy, ensuring an almost certain likelihood of support from the French authorities should the need arise.

Any change in France’s sovereign ratings or outlook would immediately result in a similar change for CDC. S&P could lower the rating if it sees deterioration in CDC’s stand-alone financial profile that would call into question the institution’s ability to carry out its public policy role.

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