PRESS RELEASE
12th April 2016

European Union €1.5bn tap of the 0.625% benchmark due 4th November 2023

The European Union (“EU”), rated AAA/Aaa/AA+/AAA by Fitch, Moody’s, S&P and DBRS (st/st/neg/st), today issued a €1.5bn tap of their 0.625% November 2023 line. On the back of a supportive market backdrop, the EU took advantage of a clear issuance window ahead of expected competing supply to announce a €1.5bn tap of their November 2023 transaction, increasing the size of the bond to EUR 3.5bn. Pricing was tightened by 2 basis points during the book building process due to a high quality and significantly oversubscribed order book.

The transaction was executed by the European Commission (Directorate General for Economic and Financial Affairs – Luxembourg) on behalf of the EU. Issuance size was limited by the EU´s current funding needs. The proceeds will be used as a third tranche to refinance Portugal's EFSM loan maturing in June (in total €4.75bn).

The €1.5bn transaction was priced at 15 basis points through mid-swaps, equivalent to 32.0 basis points over the 2.0% DBR due August 2023].

Joint bookrunners were Credit Agricole, J.P. Morgan, LBBW and UniCredit.

Execution highlights

- The EU funding team took advantage of supportive market conditions on Monday 11th April to announced a tap of the EU 0.625% due November 2023. The EUR 1.5bn increase was initially announced without initial price thoughts.
- Books opened at 09.10 CET the following morning with price guidance of mid-swaps minus 13bps area.
- The orderbook grew quickly driven by bank treasury orders and central banks, reaching in excess of EUR 2bn within an hour. With the transaction size set at EUR 1.5bn, price guidance was tightened to mid-swaps minus 14 area. Interest remained strong and at 10.30 CET the spread was set at mid-swaps minus 15bps, on the back of orderbooks in excess of EUR 3bn. Books closed rapidly thereafter at 10.45 CET with high quality orders from 76 investors. The transaction was more than twice oversubscribed underlining investors continuing appetite for the EU credit.
- The EUR 1.5 billion increase priced at 14.35 CET at a spread of mid-swaps minus 15bps, equivalent to 32.0bps above the yield of the Bund due August 2023. The total outstanding amount of the bond now stands at EUR 3.5 billion.
- With 76 investors participating, the transaction saw a high level of support from Germany/Austria (39.7%), followed by Asia (19.3%), France (16.6%) and the Benelux region (9.0%). In terms of investor type, central banks and offcial institutions led allocations (50.2%) followed closely by banks (44.1%)

Background information on the European Union

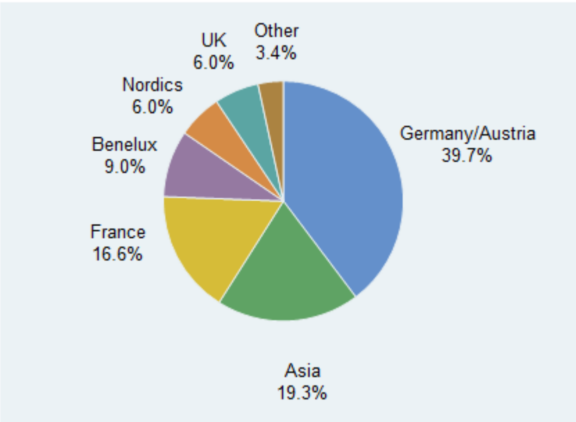
- The EU was established by the Treaty of Rome in 1957 and is 0% risk weighted as an issuer (Basel III). The EU's borrowings are direct and unconditional obligations of the EU, and are ultimately joint and severally guaranteed by its 28 Member States. The European Commission is empowered by the EU Treaty to borrow from the international capital markets, on behalf of the European Union.

- The EU borrows exclusively in Euros for lending on to sovereign borrowers. The EU currently has three loan programmes:

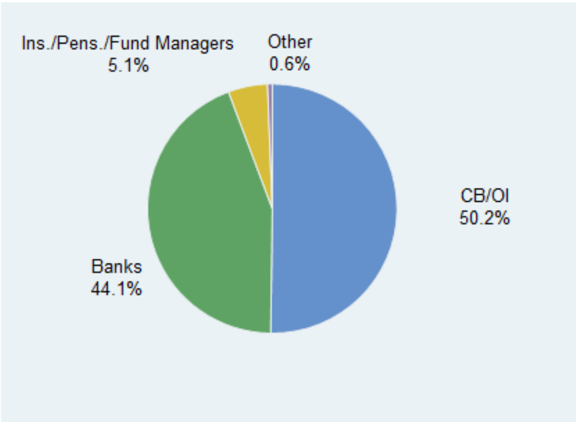
    - Under the EFSM (European Financial Stabilisation Mechanism), the EU can borrow up to €60bn to lend to any Member State (although the main focus has been on lending to Member States of the euro area). ESFM loans of €24.3bn have been disbursed to Portugal, which has successfully completed the assistance programme in June 2014. Based on a Council decision of June 2013, the country has the possibility to request the Commission to extend the maturity of loans already paid out, helping to diversify the maturity profile of the debt. In accordance with the above Council Decision, in January 2016 Portugal formally requested to lengthen the maturity of its EFSM loan of a nominal amount of €4.75bn maturing on 3 June 2016. To this end, the EU had launched on 8 March 2016 a first transaction of an amount of €1bn with a maturity of 20 years and a coupon of 1.125%, on 6 April 2016 a second transaction of an amount of €2.26bn with a maturity of 15 years and a coupon of 0.75% followed by today´s issuance.
    - Up to €50bn can be borrowed under the EU's Balance of Payments facility (BoP), which offers support to Member States which have not yet adopted the Euro.
    - The EU also borrows to finance Macro-Financial Assistance (MFA) loans to support, together with IMF, non-EU countries.

Summary of the distribution

Investor allocation by region (50+ accounts)



Investor allocation by type (50+ accounts)



CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK | J.P.Morgan | LBBW | UniCredit

Summary of terms and conditions

Issuer	:	European Union (EU)
Issue ratings	:	AAA (st) / Aaa (st) / AA+ (neg) / AAA (st) (Fitch/Moody's/S&P/DBRS)
Pricing date	:	12th April 2016
Settlement date	:	19th April 2016 (T+5)
Maturity date	:	4th November 2023
Initial outstanding	:	€ 2,000,000,000.00
Tap size	:	€ 1,500,000,000.00
New outstanding	:	€ 3,500,000,000.00
Coupon	:	0.625%; annual ACT/ACT
Re-offer spread	:	MS-15bps (DBR 2.0% Aug-23 +32.0bps)
Re-offer price	:	103.644%
Re-offer yield	:	0.139%
ISIN	:	EU000A1Z6630
Listing	:	Luxembourg Stock exchange
Denominations	:	€ 1,000.00
Bookrunners	:	Credit Agricole CIB, J.P. Morgan, LBBW, Unicredit

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