

Press release for full and effective distribution

Paris, July 25, 2023

Results of Compagnie de Financement Foncier for the first half of 2023

On July 25, 2023, the Board of Directors of Compagnie de Financement Foncier met, chaired by Éric FILLIAT, to approve the 2023 half-year financial statements.

I. COMPAGNIE DE FINANCEMENT FONCIER'S ACTIVITIES

Against an uncertain backdrop of economic slowdown, persistently high inflation and rising interest rates, Compagnie de Financement Foncier's first half of 2023 saw a solid commercial and financial performance. This success is due to the quality of its business model, the renewed confidence of its investors and the interest of Groupe BPCE institutions in the competitive refinancing it offers.

▪ Issuance of covered bonds

During the first half of 2023, Compagnie de Financement Foncier issued €3.81bn of covered bonds, including €2.75bn in euro benchmark public format, optimizing its interventions on the primary market.

- In March 2023, Compagnie de Financement Foncier completed its first benchmark of the year in the amount of €1.75bn with a maturity of 8.5 years. The high level of oversubscription and the high granularity of the order book attest to the success of this operation.
- In May 2023, an issuance of €1bn was carried out with a maturity of 6 years. This transaction, carried out in a more volatile market, confirms Compagnie de Financement Foncier's ability to issue significant volumes in all circumstances.

Two flagship issues illustrate Compagnie de Financement Foncier's currency diversification strategy: in February, an issuance in CHF with an equivalent value of €370m and, in June, an issuance in USD with an equivalent value of €137m.

▪ Refinancing of Groupe BPCE receivables

At the first half of 2023, Compagnie de Financement Foncier refinanced a total of €1.338bn in receivables for Groupe BPCE institutions, in line with its strategic guidelines and despite the rise in interest rates.

II. COMPAGNIE DE FINANCEMENT FONCIER'S INCOME STATEMENT

<i>In millions of euros</i>	H1 - 23	H1 - 22
Net interests margin	115	119
Net fees and commissions	7	12
Other bank operating charges (net)	-2	-1
Net banking income	120	130
General operating expenses	-35	-46
Gross operating income	85	84
Cost of risk	1	8
Gains or losses on long-term investments	0	0
Income before tax	86	92
Income tax	-24	-26
Net income	62	66

Net banking income, at €120m, remained solid.

General operating expenses amounted to €35m, down €11m compared to the first half-year 2022.

Gross operating income reached €85m.

The cost of risk showed a net reversal of €1m, reflecting the quality of the assets carried on Compagnie de Financement Foncier's balance sheet. It includes an improvement in individual risk and a net reversal of collective risk in line with the decline in outstandings.

The overall tax expense amounted to €24m.

Net income amounted to €62m at June 30, 2023.

III. BALANCE SHEET INFORMATION

Compagnie de Financement Foncier's balance sheet totaled €60.7bn at June 30, 2023, compared with €60.5bn at December 31, 2022.

In the first half of 2023, Compagnie de Financement Foncier's refinancing of Groupe BPCE institutions involved public sector assets, increasing the relative proportion of this type of asset on Compagnie de Financement Foncier's balance sheet. Compagnie de Financement Foncier's direct holding model remained stable overall compared to the end of 2022 with 75% of assets held.

At June 30, 2023, outstanding *obligations foncières* amounted to €52.3bn, including related debts, an increase compared to December 31, 2022 (€51.6bn).

IV. PRUDENTIAL INFORMATION

Although exempt from regulatory requirements in terms of solvency ratios, Compagnie de Financement Foncier has established, for information purposes, a Common Equity Tier One (CET 1) ratio at its limits. At June 30, 2023, this amounted to 26.5% and remains well above the minimum threshold provided for by Regulation 575/2013 (CRR).

In accordance with the legislation applicable to *Sociétés de Crédit Foncier*, Compagnie de Financement Foncier maintains a coverage ratio of its privileged liabilities of more than 105%.

Appendices

Unless otherwise stated, the financial data in this press release are currently estimated and taken from the financial statements of Compagnie de Financement Foncier. These include the individual financial statements and related explanatory notes, prepared in accordance with French accounting standards and the applicable Groupe BPCE standards.

As of the date of publication of this press release, the audit procedures carried out by the Statutory Auditors on the half-year financial statements are ongoing.

Compagnie de Financement Foncier is a credit institution, approved as a specialized credit institution and a Société de Crédit Foncier, affiliated with BPCE and a wholly-owned subsidiary of Crédit Foncier and Groupe BPCE.

Regulated information is available on the website <https://foncier.fr/> in the “Financial communication/Regulated information” section.

Contact: Investor Relations

Email: ir@foncier.fr

Tel.: +33 (0) 1 58 73 55 10