

Press release with effective and complete dissemination

Paris, July 28, 2022

Results of Compagnie de Financement Foncier for the first half of 2022

Compagnie de Financement Foncier's Board of Directors met on July 28, 2022, under the chairmanship of Éric Filliat, to approve the 2022 half-year financial statements.

I. ACTIVITY OF COMPAGNIE DE FINANCEMENT FONCIER

In a deteriorated international economic context, with the return of Covid-19 and the continuation of the war in Ukraine, global economic growth is slowing down and inflationary tensions maintain a climate of uncertainty. In this environment, Compagnie de Financement Foncier posted a strong first half of 2022, once again demonstrating investor confidence in the strength of its business model.

▪ Issuance of *obligations foncières* (French covered bonds)

A key player in Groupe BPCE's refinancing strategy as a whole, Compagnie de Financement Foncier issued €1,985bn in *obligations foncières* in the first half of 2022, including €480m in private placements.

- In March 2022, Compagnie de Financement Foncier completed its first benchmark of the year in the amount of €1.25bn over a maturity of six years. This transaction, carried out just after the start of the Ukrainian crisis, illustrates the resilience of Compagnie de Financement Foncier's signature in complex environments.
- In April 2022, Compagnie de Financement Foncier made a remarkable return to the Swiss franc market with an issue with a maturity of seven years and an equivalent euro amount of €255m: the high granularity of the order book and the diversity of the accounts represented attest to the success of the operation.
- In the private placements segment, Compagnie de Financement Foncier issued €480m, confirming its ability to offer tailor-made investment solutions to its clients.
- **Obtaining of the "European High Quality Bond" label**

From July 8, 2022, the new issues of Compagnie de Financement Foncier will benefit from the "European High Quality Bond" label.

This label reinforces the quality of Compagnie de Financement Foncier's cover pool and its positioning as a leading French issuer.

- **Refinancing of Groupe BPCE receivables**

In the first half of 2022, in accordance with its strategic guidelines and despite a context of increased volatility and rising interest rates, Compagnie de Financement Foncier refinanced a total of **€1.4bn** in receivables for the Group's entities.

II. COMPAGNIE DE FINANCEMENT FONCIER'S INCOME STATEMENT

<i>In millions of euros</i>	1st half of 2022	1st half of 2021
Net interest margin	119	114
Net commissions	12	16
Other banking operating charges (net)	-1	-1
Net banking income	130	128
General operating expenses	-46	-55
Gross operating income	84	73
Cost of risk	8	1
Gains or losses on fixed assets	0	0
Income before tax	92	75
Income tax	-26	-24
Net income	66	51

Net banking income amounted to €130m, a slight improvement compared to the first half of 2021, mainly due to a higher net interest margin.

General operating expenses amounted to €46m, down by €9m compared to the first half of 2021, mainly due to an adjustment of expenses made in 2021 for the 2020 financial year.

Gross operating income amounted to €84m.

Cost of risk was a net reversal of €8m, reflecting the quality of the assets carried on Compagnie de Financement Foncier's balance sheet.

The overall tax expense amounted to €26m.

Net income was €66m at June 30, 2022 compared to €51m at June 30, 2021.

III. BALANCE SHEET INFORMATION

Compagnie de Financement Foncier's balance sheet totaled €60.5bn at June 30, 2022, compared with €63.9bn at December 31, 2021.

The assets refinanced by Compagnie de Financement Foncier for the Group's entities in the first half of 2022 mainly belong to the public sector, increasing the proportion of this category of exposure on Compagnie de Financement Foncier's balance sheet.

At June 30, 2022, outstanding *obligations foncières* amounted to €52.2bn, including related debts, down compared to December 31, 2021 (€53.7bn).

IV. PRUDENTIAL INFORMATION

Although exempted from regulatory requirements concerning solvency ratios, Compagnie de Financement Foncier calculates a Common Equity Tier One (CET1) ratio for indicative purposes. At June 30, 2022, this amounted to **XX%** 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%.

Appendix

Unless otherwise specified, the financial information included in this press release is estimated and taken from the financial statements of Compagnie de Financement Foncier. Those statements include the individual accounts and related explanatory notes, prepared in compliance with French accounting standards and the applicable BPCE standards.

At the date of this press release, the audit of the half-year financial statements by the Statutory Auditors (“Commissaires aux comptes”) is still in progress.

Compagnie de Financement Foncier is a credit institution registered as a specialized credit institution and a “société de crédit foncier”, a French legal “obligations foncières” issuer, an affiliate of BPCE and fully-owned by Crédit Foncier and Groupe BPCE.

Regulated information is available on our website www.foncier.fr under “Financial communication/Regulated information”.

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