

Press release for full and effective distribution

Paris, July 19, 2024

Compagnie de Financement Foncier results for the 1st half of 2024

On July 19, 2024, Compagnie de Financement Foncier's Board of Directors, chaired by Éric FILLIAT, met to approve the interim financial statements for 2024.

I. COMPAGNIE DE FINANCEMENT FONCIER'S BUSINESS ACTIVITY

In a resilient global economy despite growing geopolitical tensions, Compagnie de Financement Foncier's performance in the 1st half of 2024 remained consistent with its strategic guidelines, aligned closely with Groupe BPCE, as well as with its own management commitments.

▪ Issuance of covered bonds

In the 1st half of 2024, Compagnie de Financement Foncier issued €4.11bn of covered bonds, including €3.5bn in euro benchmark public format.

- In April 2024, Compagnie de Financement Foncier tapped the primary market for a €2bn dual-tranche issuance. The two tranches of €1.25bn and €750m were issued with maturities of three and eight years. The high level of oversubscription in this transaction, despite market volatility, attests to its success.
- In May 2024, a €1.5bn issuance was carried out with a six-year maturity. The diversity of investors in this transaction testifies to the quality of Compagnie de Financement Foncier's investor base.

The currency diversification offered by Compagnie de Financement Foncier once again materialized, with a CHF issuance in January for an equivalent value of €161m at the transaction date, and a USD issuance in February for an equivalent value of €139m at the transaction date.

Always attentive to the market and its investors, Compagnie de Financement Foncier has made a remarkable entry into the Social Bond market: its inaugural issuance in October 2023 was awarded first prize in the "Social Covered Bond of the Year" category at the Sustainable Debt Awards in April 2024.

▪ Refinancing of Groupe BPCE receivables

In the 1st half of 2024, in line with its strategic guidelines and despite a highly volatile interest rate environment, Compagnie de Financement Foncier refinanced a total of €2.466bn in receivables for Groupe BPCE institutions. A specific refinancing of state-guaranteed loans (SGL) was also carried out for €1.375bn.

II. COMPAGNIE DE FINANCEMENT FONCIER'S INCOME STATEMENT

<i>In millions of euros</i>	1st half 2024	1st half 2023
Net interest margin	75	115
Net commissions	4	7
Other bank operating charges (net)	-1	-2
Net banking income	78	120
General operating expenses	-27	-35
Gross operating income	51	85
Cost of risk	1	1
Gains or losses on long-term investments	0	0
Income before tax	52	86
Income tax	-13	-24
Net income	39	62

Net banking income came to €78m, down €42m on the 1st half of 2023.

General operating expenses came to €27m, down €8m on the same half of the previous year, due to lower invoicing for services provided by Crédit Foncier and income from the restatement of the contribution to the Single Resolution Fund (SRF).

Gross operating income reached €51m.

The cost of risk was a net reversal of €1m, reflecting the quality of the loans 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 was €13m.

Net income was €39m at June 30, 2024, compared with €62m at June 30, 2023.

III. BALANCE SHEET INFORMATION

Compagnie de Financement Foncier's balance sheet total stood at €61.4bn at June 30, 2024, compared with €60.3bn at December 31, 2023.

In the 1st half of 2024, in line with the strategy put in place, the refinancing of Groupe BPCE's institutions focused mainly on the public sector, increasing the relative proportion of this type of asset on Compagnie de Financement Foncier's balance sheet.

At June 30, 2024, outstanding *obligations foncières* amounted to €53.1bn, including related debts, up on December 31, 2023 (€51.7bn).

IV. PRUDENTIAL INFORMATION

Although exempt from regulatory requirements in terms of solvency ratios, Compagnie de Financement Foncier establishes, for information purposes, a Common Equity Tier One (CET 1) ratio at its limits. At June 30, 2024, this ratio remains well above the thresholds set out in regulation 575/2013 (CRR).

In accordance with the legislation applicable to *Sociétés de Crédit Foncier*, Compagnie de Financement Foncier maintains a coverage ratio for 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 applicable Groupe BPCE standards.

At the date of publication of this press release, the audit procedures carried out by the Statutory Auditors on the interim financial statements are in progress.

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 100% subsidiary of Crédit Foncier and Groupe BPCE.

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

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