

Press release with effective and complete dissemination

Paris, February 7, 2022

Compagnie de Financement Foncier results in 2021

Compagnie de Financement Foncier's Board of Directors met on February 7, 2022, under the chairmanship of Éric FILLIAT, to approve the 2021 annual financial statements.

I. ACTIVITY OF COMPAGNIE DE FINANCEMENT FONCIER

During the ongoing Covid-19 health crisis,, Compagnie de Financement Foncier had a year 2021 marked by strong commercial and financial performance. This success is due to the quality of its business model, renewed investor confidence and the growing interest of Groupe BPCE institutions for the attractive funding it offers.

▪ **Issuance of *Obligations foncières***

As a recognized player in Groupe BPCE's funding strategy for mortgage and public sector assets, Compagnie de Financement Foncier has once again demonstrated that it is a key issuer through its ability to offer investors customized products and to seize the best market opportunities. These attributes enable it to offer highly competitive funding to Groupe BPCE institutions for the development of their public sector activities.

In 2021, Compagnie de Financement Foncier issued €4.8bn of *obligations foncières*, including 3 public euro benchmark issuances at attractive financial terms. During the year, Compagnie de Financement Foncier distinguished itself on the market with a €1.5bn dual-tranche 20-year and 6-year issuance. In the private placement segment, with €0.3bn of issuances, including two multi-callable issuances, Compagnie de Financement Foncier confirmed its positioning on a differentiated offer adapted to investors' needs.

The success of these transactions attests to the quality credentials of Compagnie de Financement Foncier, which has a loyal, diversified and active investor base, as illustrated by the high levels of oversubscription observed on its public issuances for many years.

▪ **Funding of Groupe BPCE receivables**

In accordance with its strategic guidelines, Compagnie de Financement Foncier funded public receivables offered by Groupe BPCE institutions in the amount of €3.2bn in 2021. Fiscal year 2020, which was already growing, had recorded €2.6bn in funding.

II. COMPAGNIE DE FINANCEMENT FONCIER'S INCOME STATEMENT

<i>In millions of euros</i>	2021	2020
Net interest margin	223	117
Net commissions	30	34
Other bank operating charges	-1	-5
Net banking income	252	146
General operating expenses	-103	-93
Gross operating income	149	54
Cost of risk	7	4
Gains/losses on fixed assets	0	20
Income before tax	156	78
Income tax	-50	-31
Net income	106	47

Net banking income amounted to €252m, up €106m on 2020 mainly due to a higher net interest margin, more favorable issuance terms and a change in average outstanding assets benefiting from the positive dynamics of funding offered to Groupe BPCE entities.

General operating expenses amounted to €103m, up €10m on the previous year, mainly due to the increase in the remuneration of Crédit Foncier's services in the private sector (including an adjustment for 2020).

Cost of risk was a net reversal of €7.5m, reflecting the quality of the assets carried on Compagnie de Financement Foncier's balance sheet.

The overall tax expense amounted to €50m.

Net income was €106m, up sharply compared to 2020.

III. BALANCE SHEET INFORMATION

At the end of 2021, outstanding *obligations foncières* amounted to €53.7bn, including related payables.

Compagnie de Financement Foncier's balance sheet totaled €63.9bn at the end of 2021, compared with €68.5bn at the end of 2020.

The assets funded by Compagnie de Financement Foncier for the Group's institutions in 2021 are mainly in the public sector, increasing their proportion on Compagnie de Financement Foncier's balance sheet.

IV. PRUDENTIAL INFORMATION

Although exempt from regulatory requirements with regard to solvency ratios, Compagnie de Financement Foncier calculates a Common Equity Tier One (CET 1) ratio for indicative purposes. At December 31, 2021, this ratio was 27.2% and remains well above the minimum threshold provided for by CRR Regulation 575/2013.

In accordance with the legislation applicable to *sociétés de crédit foncier*, Compagnie de Financement Foncier maintains a coverage ratio greater than 105% for its privileged liabilities.

Appendices

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

At the date of this press release, the audit of the annual financial statements by the Statutory Auditors is still in progress.

Compagnie de Financement Foncier is a credit institution registered as a specialized credit institution and a société de crédit foncier, an affiliate of BPCF and is fully owned by Crédit Foncier and Groupe BPCF.

Regulated information is available on our website www.foncier.fr under "Financial Communication/Regulated Information".

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