

The English language version of this Release Document is a free translation from the original, which was prepared in French.
In all matters only the contents of the French documentation are binding on CRH.



CAISSE DE REFINANCEMENT DE L'HABITAT

CRH NEWS RELEASE

Paris, 27 October 2014

Results of stress tests and asset quality review

CRH - Caisse de Refinancement de l'Habitat has seen the results of the comprehensive assessment review released on 26 October by the European Central Bank, the European Banking Authority and Banque de France.

It is pleased with the results obtained by the major French banks that benefit from its refinancing in mortgage bonds and which are therefore its counterparties.

With regard to its own results (see summary table published by Banque de France on page 3 of the release):

http://acpr.banque-france.fr/fileadmin/user_upload/acp/International/Les_grands_enjeux/20141024-press-release.pdf

Its initial Common Equity Tier One (CET1) ratio at 31 December 2013, used as the starting point for the stress test, was 5.74%.

1. The adverse scenario applied for the stress test had a very limited impact which confirms the strong resilience of CRH's model.

The impact on the CET1 ratio was of only 0.22%, bringing it down from 5.74% to 5.51% (ECB-EBA figures), which is above the minimum threshold of 5.5% for the adverse scenario.

2. The baseline scenario impact was even slighter, reducing the initial CET1 ratio by 0.06%, from 5.74% to 5.67%.

As the initial ratio was already below the 8% minimum requirement, the ratio resulting from the baseline scenario is naturally below the 8% limit.

In anticipation of a requirement to increase equity, the ACPR (Autorité de Contrôle Prudentiel et de Resolution) board had, on 23 December 2013, requested CRH to achieve and maintain a CET1 ratio of 10%.

To this end, as announced in the update to the Registration Document filed with the French financial markets regulator, *Autorité des Marchés Financiers*, on 29 July 2014 under number D. 2014-0083-A01, CRH's capital was increased in June 2014. The capital was increased from €300 million to €540 million. The amount of capital currently constituted exclusively of common equity Tier 1 capital (CET1) is €564 million.

The increased capital was freed up by offsetting with subordinated loans for €188 million and by a cash contribution for €62 million.

In the absence of any additional capital, the solvency ratio on instruments of common equity tier one capital (CET1) stood at 10.27% on 30 June 2014.

Investor contact: + 33 1 42 89 49 10

Henry RAYMOND

henry.raymond@crh-bonds.com

**CRH – Caisse de Refinancement
de l'Habitat**

35 rue La Boétie
75008 PARIS

Telephone: + 33 1 42 89 49 10
Fax: + 33 1 42 89 29 67