



CRH – Caisse de Refinancement de l’Habitat

Aaa Moody’s / AAA Fitch

CRH was created in 1985 by the French Government with State explicit guarantee as a central agency in order to issue bonds in the specific legal framework of art 13 of law 85-685 of July 1985 for refinancing residential mortgage home loans granted by the French banking system.

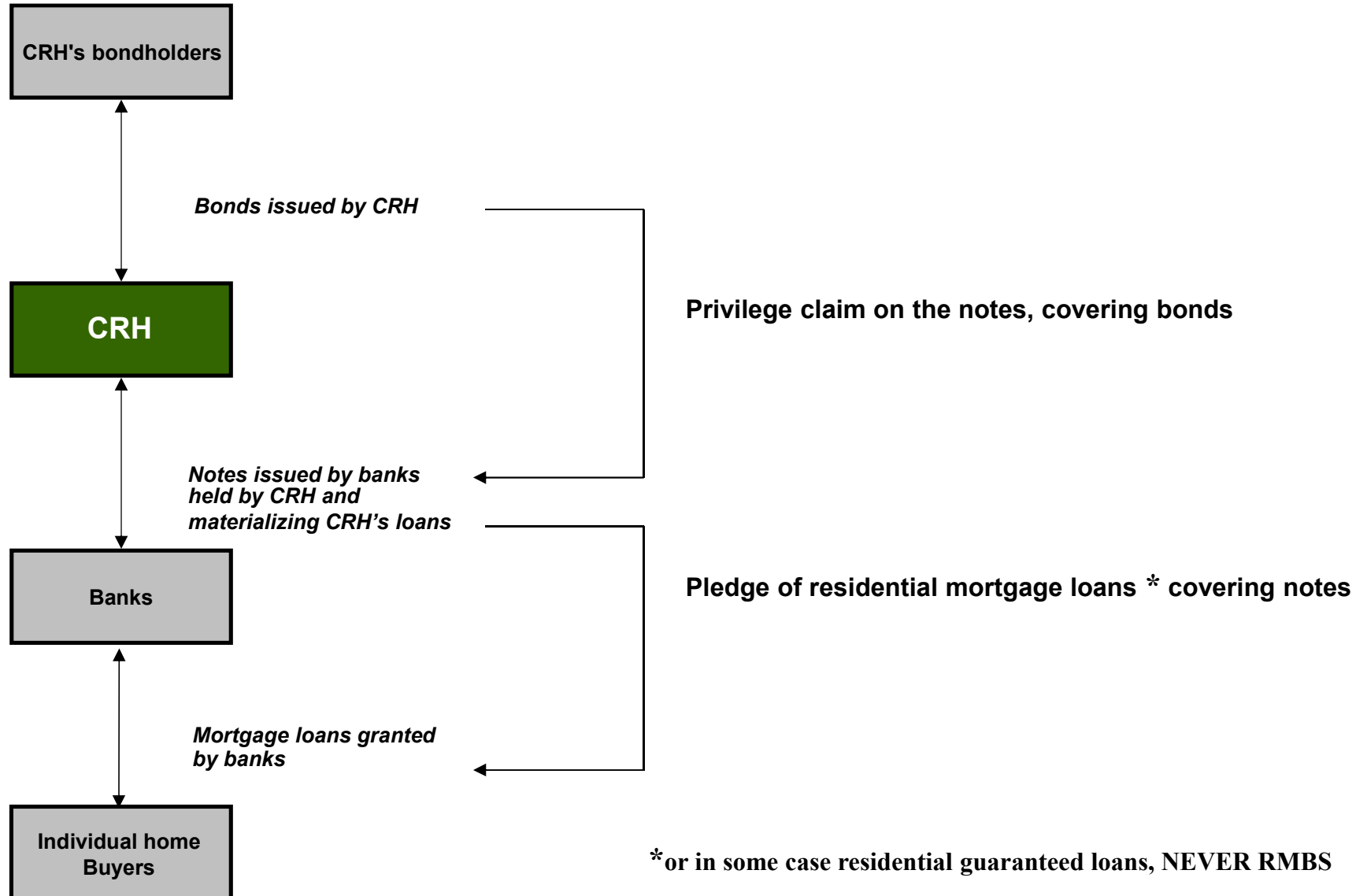
Today, instead of State guarantee, the French law grants to CRH’s bondholders a very strong privilege on CRH’s secured loans to banks.

No other agency of this kind had been set up until the creation of Société de Financement de l’Economie Française (SFEF) in October 2008.

Presentation February 2016



CRH mechanism





CRH at glance

- CRH is a Specialized Credit Institution. Its equity belongs to French Banks
- CRH's only function is to fund **French residential home loans** granted by banks by issuing mortgage bonds in the special legal framework of law n° 85-695 of July 1985. CRH doesn't charge any fee or deals.
- CRH' loans to banks have the same characteristics as those of CRH's bonds. CRH' debt is served by French banks and CRH's balance sheet duration is zero
- Refinanced loans remain on the borrowing banks' balance sheet, but are pledged as collateral for covering CRH's loans to banks with a **minimum of 25% over-collateralisation**. In the event of a borrowing bank default, provisions of French law give CRH **the full ownership** of these loans, without any formality, **notwithstanding any provision to the contrary**
- Loans in its cover-pool have to be compliant with *sociétés de crédit foncier's* criteria but have to be also compliant with CRH's additional criteria. CRH implemented **internal rules strengthening the credit quality for CRH's bonds**
- CRH debt is rated **Aaa by Moody's and AAA by Fitch Ratings**
- CRH has a total outstanding debt over EUR 41,2 * bn with several highly liquid bonds (as of December 31st, 2015)
- CRH was appointed to control debt's service and collateral's administration of Société de Financement de l'Economie Française (SFEF) from 1st January 2010 to 31 December 2014
- Because of the size of its balance sheet, CRH operates under the supervision of E.C.B. since November 4th 2014

* in nominal value



Breakdown of CRH's Equity (December 2015)

	%
Crédit Mutuel CIC	37,0
Crédit Agricole SA - Crédit Lyonnais	34,5
Société Générale	14,2
BNP Paribas	8.1
BPCE	5,8
Others	0.4
	<hr/>
	100.0

- Every borrower is committed to become a shareholder of CRH with a part in CRH's equity equal linked the borrowings amount
- Furthermore, every borrower is committed to supply back up lines to CRH if CRH calls them and regulatory equity if CRH needs
- These shareholders-borrowers' global market share is roughly 90% of the French Mortgage Market



CRH Economic Balance sheet (December 2015)

Assets	€bn	Liabilities	€bn
Promissory notes	41,2	CRH mortgage bonds	41,2
Interests and other assets	0,8	Interests and other liabilities	0,8
Deposits and CD	0,6	CRH equity	0,6
TOTAL	42,6	TOTAL	42,6

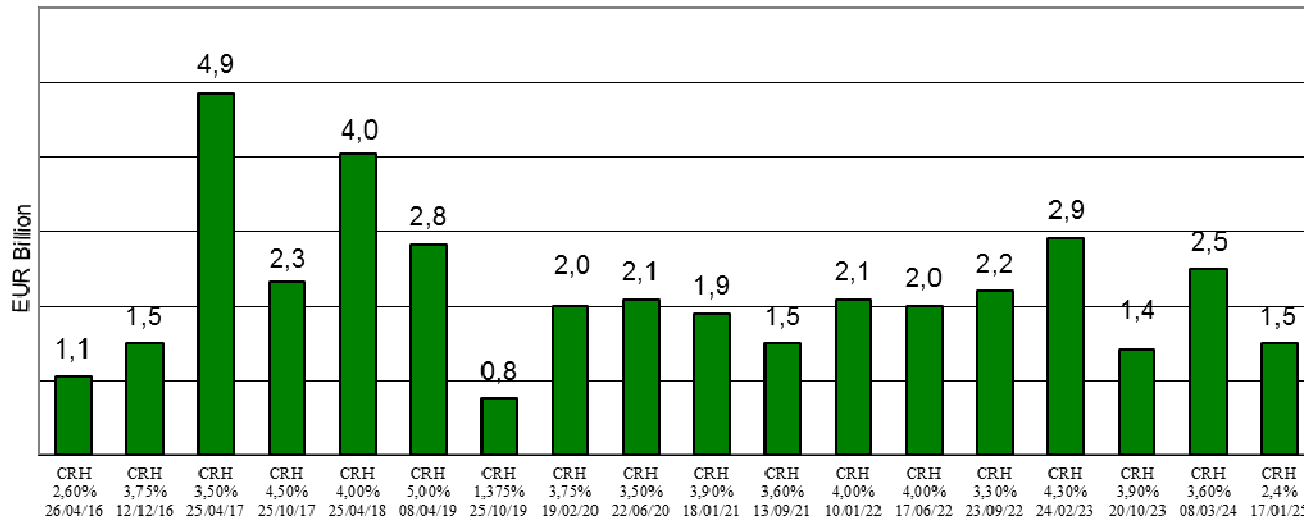
Because of the perfect matching between CRH bonds and promissory notes, CRH's balance sheet duration is zero. CRH's debt service is done by the French Banking System. CRH is an actual "Pass-through"



CRH Bonds – Key Points

(December 2015)

Euro CRH's curve – 18 Euro bonds, from 2016 to 2025, totalling € 39,4 bn



Issue	Amt EUR bn	Status
CRH 2,60% 26/04/16	1,1	Potential reopening
CRH 3,75% 12/12/16	1,5	No further taps
CRH 3,50% 25/04/17	4,9	No further taps
CRH 4,50% 25/10/17	2,3	Potential reopening
CRH 4,00% 25/04/18	4,0	Potential reopening
CRH 5,00% 08/04/19	2,8	Potential reopening
CRH 1,375% 25/10/19	0,8	Potential reopening
CRH 3,75% 19/02/20	2,0	Potential reopening
CRH 3,50% 22/06/20	2,1	Potential reopening
CRH 3,90% 18/01/21	1,9	Potential reopening
CRH 3,60% 13/09/21	1,5	Potential reopening
CRH 4,00% 10/01/22	2,1	Potential reopening
CRH 4,00% 17/06/22	2,0	Potential reopening
CRH 3,30% 23/09/22	2,2	Potential reopening
CRH 4,30% 24/02/23	2,9	Potential reopening
CRH 3,90% 20/10/23	1,4	Potential reopening
CRH 3,60% 08/03/24	2,5	Potential reopening
CRH 2,4% 17/01/25	1,5	Potential reopening
TOTAL EUR BONDS	39,4	
TOTAL CHF 2016 - 2025	1,7 (1)	
EN EUROS EQUIVALENT		
TOTAL EUROS EQUIVALENT		

Today:

- Compliant with “Capital Requirement Directive 2” - 10% Risk weighted by European credit institutions
- Eligible for open-market operations of the European Central Bank European investors and European Covered Bond Council complement
- Benefit from the exception referred to Article 52.4 of the Directive on UCITS

(1) In nominal value



To sum up

CRH is very different from other credit institutions:

- **CRH's only function is to fund French home loans to individuals granted by banks**
- **CRH's loans and borrowings have exactly same characteristics (rate, duration, currency)**
- **CRH's debt service, from an economic point of view, is done by French Banking System**
- **CRH's loans to banks are covered by the pledge of a portfolio compound with home loans to individuals. These loans are kept by borrowing banks in their assets**
- **In the event of a borrowing bank default, CRH becomes fully owner of that portfolio "notwithstanding any provision to the contrary "and" without any formality" because of provisions of French law.**
- **CRH doesn't charge any fee on deals**
- **CRH's equity belongs to borrowing banks (mainly: Crédit Agricole, Crédit Mutuel, Société Générale, BNPP, BPCE)**
- **Borrowing banks are committed to supply back up lines to CRH if CRH calls them**
- **Borrowing banks are committed to supply regulatory equity to CRH if CRH needs**
- **CRH never had losses write-downs or difficulties since its creation even in core phases of crisis**
- **Paradoxicaly, CRR regulation is impeding CRH' activity**



Contact & Disclaimer

Henry RAYMOND
Chief Executive Officer
Tel: +33 1 42 89 49 11
crh@crh-bonds.com

CRH Caisse de Refinancement de l'Habitat
35 rue La Boetie
75008 PARIS

<http://www.crh-bonds.com>

This document has been prepared by CRH only for use in the roadshow presentation. This document is confidential and is not to be reproduced by any person, nor to be distributed to any person other than its original recipient. CRH doesn't take any responsibility for the use of these materials by any person.

This document does not constitute a prospectus for any bond offering (an "offering") and shall not be considered as an invitation to invest.

Any decision to buy or purchase bond should be only on the basis of the information contained in Prospectus. In particular, investors should pay special attention to any risk factors described in prospectus.

Only the contents of the French Prospectus are binding on CRH.

Some information contained herein and other information or material may include forward-looking statements based on current beliefs and expectations about future events. These forward-looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about CRH. Those events are uncertain, and their outcome may differ from current expectations, which may in turn significantly affect expected results. Actual results may differ materially from those projected or implied in these forward-looking statements. Any forwards-looking statement contained in this document speaks as of the date of this document, without any obligation from CRH to update.

This document is not an offer to purchase securities in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. CRH does not intend to register any portion of any Offering in the United States or to conduct a public Offering of securities in the United States.