Report 2023

Financial report

Group overview financial report 2023

CDC Habitat logement intermédiaire (consolidated division)

CDC Habitat social

SIDOM

Maisons & Cités

Adoma

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Economic overview

The current economic climate is impacting operating and investment conditions as a result of various economic factors:

- inflation, which remained high in 2023, especially for building materials costs as well as energy prices, with the gradual phasing out of the energy tariff shield. Because of the phasing out of the tariff shield, which helped to smooth the impact of rising energy prices in 2022, inflation in France was much higher than the eurozone average in 2023 (France: 4.9% in 2023 vs 5.2% in 2022; eurozone 2.9% in 2023 vs 9.3% in 2022). Over a two-year period however, price rises have been more limited in France than in the rest of the eurozone (10.3% vs. 12.5%).

  Construction costs are rising rapidly, but at a slightly slower rate than general inflation: France's BT01 national construction index rose by 2.4% in the year to November 2023;
- high interest rates: the ECB refinancing rate was raised to 4.50% in September 2023. The annual rate of interest on Livret A passbook savings accounts has been fixed at 3% since 1 February 2023 (compared with 2% in August 2022), and will remain at this level until January 2025, in line with the French Government's decision;
- the French law relating to purchasing power (*loi pouvoir d'achat*), enacted during the summer of 2022, caps the rent review index (IRL) at 3.5% in mainland France until Q1 2024, in order to limit the impact of inflation on tenant purchasing power. The Group had decided to cap the increase in social housing rents at 2.95% for 2023. Unrestricted and intermediate housing rents were increased by 3.5% in 2023;
- to mitigate the impact of rising energy costs on the most vulnerable tenants, the Group created an Energy Solidarity Fund in September 2022 with a budget of €1.2 million. The programme was readapted throughout 2023 in order to best benefit tenants experiencing difficulties and provide them with rent reductions.

The current economic climate and the lack of medium-term market visibility are hitting residential property yields and causing investors to adopt a wait-and-see attitude with:

- increasing difficulties for private individuals wishing to obtain loans, given the rise in interest rates: the number of loans granted in 2023 plummeted by 41.7%;
- a sharp drop in residential investment: at end-2023, the total amount of residential investments in France, as defined by ImmoStat, stood at €2.8 billion, down 52% on 2022. This has resulted in a slowdown in housing production, especially at investment fund level;
- the stagnating property market is limiting growth in the value of the Group's properties and unrealised capital gains ■

2023 stimulus plan (17,000 units of housing) and strengthening of CDC Habitat's equity

In the current unfavourable economic climate for real estate investment and faced with an unprecedented crisis in demand for property development, coupled with a lack of supply, CDC Habitat Group began deploying a housing production stimulus plan in spring 2023 targeting approximately 17,000 units of off-plan housing (including 12,000 intermediate and 5,000 social housing units), in order to secure housing production programmes, get building work up and running and meet the housing needs of our fellow citizens. A capital increase of €650 million (€500 million dedicated to the stimulus plan, €150 million to strengthen the Group's intervention capacity via the network of partners) was carried out in July 2023 by CDC, and an amount of €162.5 million was paid up at subscription.

At end-2023, 17,406 units had been pre-ordered, including 11,730 intermediate rental housing units (*LLI*), 5,294 units of social rental housing (*LLS*) and 382 units of contractual, affordable housing (*LAC*) for a total estimated investment of €4.1 billion. Of these pre-ordered homes, 4,689 service orders have been issued (4% for contractual, affordable housing, 82% for intermediate housing and 14% for social housing — including 613 units for CDC Habitat social) for a total investment of €1.3 billion ■

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2020 stimulus plan (40,000 units of housing)

In 2020, during the health crisis, CDC Habitat launched a major programme to support the construction and housing sector based around a call for projects to build 40,000 units of contractual, affordable, intermediate and social housing. This figure was reduced to 32,000 as a result of the abandonment of certain operations by developers. At end-2023, 30,509 service orders had been issued since the beginning of the stimulus plan, including 56% for contractual, affordable housing, 26% for intermediate housing and 18% for social housing. This plan is now in the delivery phase, with 15,152 units delivered in 2023 (of which, 90% comprised contractual affordable and intermediate rental housing, and 10% social rental housing) and 7,083 units scheduled for delivery in 2024. These operations helped to make 2023 a record year in terms of deliveries, with total deliveries of 23,390 units of housing, including over 11,000 units delivered for CDC Habitat and the funds (i.e. more than 10% of total properties operated within this reporting scope) and letting activity. 19,500 leases were signed in 2023 (deliveries + rotation of existing properties) within this same reporting scope ■

AMPERE Gestion

Due to higher interest rates and financing costs, the funds managed by Ampère Gestion adopted a wait-and-see strategy in 2023, with the launch of just over 1,350 units of housing.

The Eco-Résid fund, a unit-linked life insurance product marketed by APICIL and managed by AMPERE Gestion, was set up in the first-half of 2023. CDC Habitat is responsible for providing rental and property management services for the fund's properties.

The fund invests in open market and intermediate housing, as well as in managed and co-living residences.

At the beginning of June 2023, CDC Habitat contributed six unoccupied properties which comprise the fund's seed portfolio. The fund began selling to the general public on 13 June. After a very bright start, with over €11 million raised by the end of July, amidst higher interest rates and a sluggish property market, fund inflows slowed to €28.2 million by mid-December ■

Partner network

In 2023, CDC Habitat Group continued to partner the restructuring of the French social housing sector by entering into new partnership agreements. At end-2023, excluding dedicated subsidiaries, 40 such agreements had been signed (including 26 capital investment partnerships and 1 new partnership in 2023), with operators representing around 320,000 housing units, for a cumulative commitment of €392 million. The provisional budget was increased by an amount of €150 million in spring 2023, to help develop new strategic partnerships with social housing bodies in key regions not affected by rent controls under the ELAN law, but faced with specific requirements to carry out energy retrofits before the deadlines set out in the French Climate Act.

In 2023, the Group vetted the partnership involving CDC Habitat's membership of Montpellier OFS, an agency set up to promote affordable home ownership ■

SIDOM

Aside from its network of partners, CDC Habitat has strengthened its presence in overseas departments, especially on Reunion Island, by acquiring a 32.91% stake in SEMAC and becoming its anchor shareholder. This company owns more than 5,500 housing units, over 80% of which are located in the CIREST area (Eastern Reunion Island intercommunal area).

In Guadeloupe, the buyout of the housing portfolio belonging to the city of Pointe-à-Pitre (1,676 units) was finalised in December 2023 by SIG, which until then had managed this portfolio on behalf of the city. The buyout was completed for the purpose of participating in a major urban redevelopment project.

In 2023, there were major water shortages in Mayotte, which impacted local operations and construction sites. More generally, this territory has also experienced difficulties due to increasing construction costs ■

Maisons & Cités

Renovation of the Maisons & Cités property portfolio continued into 2023, particularly as part of the *ERBM* programme to renovate the former coal mining area with the financial support and expertise of CDC Habitat (22,000 retrofits planned for the Maisons & Cités portfolio over the 2018-2028 period, including 12,000 under the *ERBM* programme).

The pace of renovation work initiated since 2018 under the ERBM programme has been stepped up in line with the 10-year plan. Consequently, 2,955 service orders were issued in 2023 (including 1,639 under ERBM) for a total amount of €323.7 million (€198.3 million under ERBM).

In early 2023, ADESTIA increased its stake in Maisons & Cités to 49.5% and contributed equity of approximately €49 million to the company ■

ADOMA

For Adoma, 2023 was marked by the deployment of the action plan resulting from the round table conference on safety and roll-out of the ADOMA youth brand (Kamino). Project ownership activity remained buoyant despite the higher cost of operations, with 2,913 deliveries and service orders issued for 4,333 new-builds and major renovation and improvement programmes, particularly as part of the accommodation strategic development plan (PSP).

Inflationary pressures have also had an impact on ADOMA results, including:

- the 20% year-on-year increase in gas and electricity prices, the impact of which has nevertheless been mitigated by the exceptional Government aid obtained to partially offset the rise in energy costs granted to residential dwellings that do not pass on the cost of fluids to their residents;
- the extension to all Adoma employees on 1 January 2023 of the "*SEGUR*" salary increase measures applied in April 2022 to social and medico-social support professions only, at the request of the public authorities, resulting in a significant increase in payroll costs;
- the increase in the Livret A passbook rate, which pushed up financial expenses considerably (almost double in comparison to 2022) ■

Housing associations experiencing financial difficulties

At end-2023, 30 contracts had been signed with local authorities by CDC Habitat social (mainly emergency agreements) and CDC Habitat Action Copropriétés (redevelopment concessions), covering 1,937 housing units to be acquired (including 2 new contracts in Strasbourg and Villeneuve-Saint-Georges signed in 2023):

- 960 housing units acquired at the end of December (along with 267 in 2023), including 535 by CDC Habitat social and 425 by CDC Habitat Action Copropriétés;
- involvement in 11 of the 16 French Government "national priority" projects;
- a strategic partnership with Etablissement Public Foncier Ile-de-France (*EPFIF* - public real estate agency for the Paris Region): creation of a joint subsidiary (ACIF) in charge of turnaround projects and participation of the Group in deploying the ORCOD IN programme (Clichy, Grigny, Mantes);
- three redevelopment concessions for CDC Habitat Action Copropriétés: redevelopment of the Parc Corot housing association in Marseille in partnership with Marseille Habitat and Urbanis, redevelopment of the Robespierre housing association in Saint-Etienne-du-Rouvray, and redevelopment of the Obélisque housing association in Épinay sur Seine ■

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Environmental commitments

In 2022, CDC Habitat opted to align its property management business with the National Low Carbon Strategy's 1.5 °C trajectory. This challenge is underpinned by a strong medium-term objective of committing to a Climate Strategy Plan focused on achieving average GHG emissions for the portfolio of less than 15 $kgCO_2/m^2$/year by 2030, i.e. a 32% reduction between 2022 and 2030.

The average consumption of CDC Habitat, CDC Habitat social and Sainte-Barbe family housing units has been reduced from 229 kWhep/sq.m/year in 2008 to 134 kWhep/sq.m/year at end-2022 (label C under the scale used in French energy performance assessments), representing a reduction of 41%. This will climb to 65% by 2050. Average GHG emission values calculated at the end of 2022 were 22.2 $kgCO_2/m^2$/year.

This ambitious objective is based around the drivers of construction, renovation and energy use.

Work on preparing a Climate Strategy Plan began in 2023, involving several iterations with the Management Board for completion in 2024 in 2 stages: first with a view to updating the medium-term works plan by the end of Q1 2024, and second, by phasing out energy performance assessments by the end of 2024.

In early November 2023, CDC Habitat set up a specific, cross-functional decarbonisation mission within the CDC Habitat Group. The director in charge of this mission will coordinate and monitor the initiatives in the various areas concerned and report to a decarbonisation steering committee. These initiatives cover investments in new-builds and renovation (bioclimatic design, energy, etc.), operation and maintenance of the housing portfolio, stepping up the use of renewable energies, involving tenants and residents in these initiatives, biodiversity, together with our offices and operations and the way we work. As part of the mission, expertise is also being provided to SIDOM, Adoma, Maisons & Cités and the CDC Habitat Partenaires network ■

The Group's *raison d'être*

The Group's *raison d'être* was validated on 30 March 2023 by CDC Habitat's Supervisory Board: "We are committed to sustainable housing that is accessible to all and we work in the regions to design living environments adapted to the diverse situations of our tenants and residents, to changes in society and to environmental challenges». On 15 December 2023, the General Meeting of CDC Habitat approved the inclusion of this *raison d'être* in the Company's Articles of Association. It is the culmination of the process initiated in 2021 to define the Impulse 2026 strategic project and the Company's CSR policy ■

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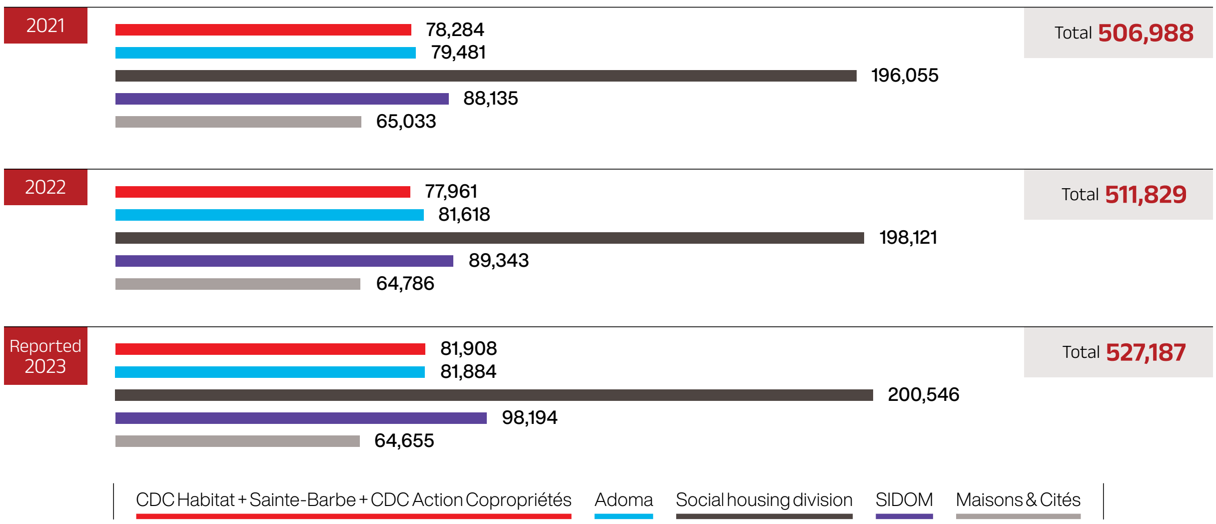
1 - GROWTH IN PORTFOLIO

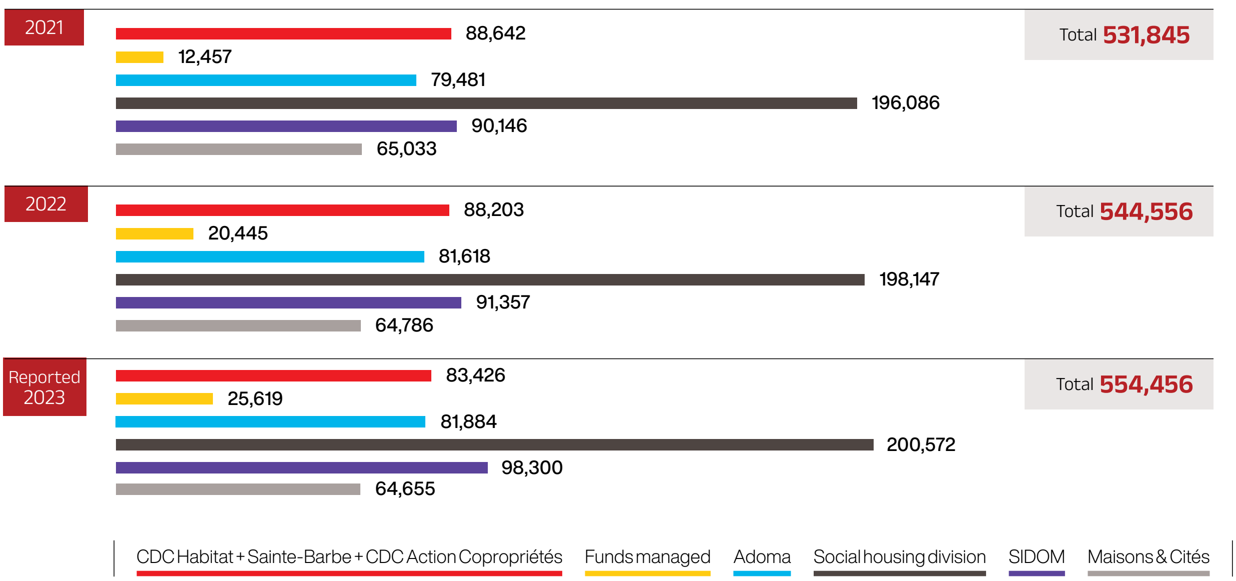
In 2023, CDC Habitat Group's owned portfolio grew by 3.0% to 527,187 units, reflecting the following movements:

- delivery of 18,012 new units (excluding deliveries to funds, commercial premises and property development),
- disposal of 4,354 units (excluding property development),
- demolition of 3,238 units, mostly belonging to ADOMA (2,305 units),
- miscellaneous movements and the loss of management over 792 units.
- the inclusion of 5,530 units following the first-time consolidation of SEMAC ■

CHANGES IN OWNED PORTFOLIO (in number of units)

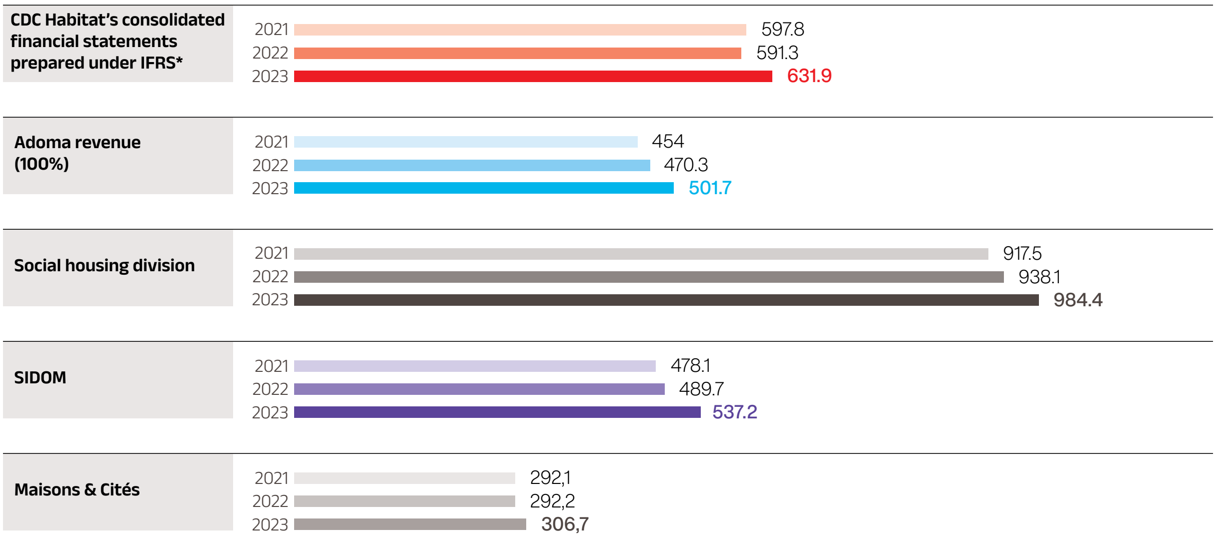


CHANGES IN MANAGED PORTFOLIO (in number of units)



2 - NET RENTAL INCOME

NET RENTAL INCOME AND ADOMA REVENUE (€ million)



* CDC Habitat's consolidated financial statements are prepared under IFRS. The other entities are accounted for under French Gaap.

Net rental income grew by 6.5% for the year to €2,961.8 million.

The **Consolidated division** reported net rental income of €631.9 million, up 6.9% (or €40.6 million) on 2022:

- gross rental income grew by €33.1 million, driven by deliveries for the 2022/2023 period, improved vacancy rates across the existing property portfolio and the reduction in losses on non-recoverable rental charges, offset by derecognition of state-owned housing and disposals.
- income from other activities grew by €7.6 million to €51.1 million, reflecting management fees from third parties.

The **Social housing division** reported net rental income of €984.4 million in 2023, 4.9% or €46.3 million higher than in 2022, mainly reflecting the €45.3 million increase in rents driven by improved vacancy rates, the indexation of rents from the existing property portfolio and new deliveries.

ADOMA's revenue grew by 6.7% year on year to €501.7 million on the back of an increase in internally-billed fees for the Accommodation activity in 2022 and 2023, the revaluation of the French rent review index (by 3.5%), and exceptional Government aid of €11.9 million in 2023 for the "supported accommodation" activity.

The **SIDOM division**'s income grew by €47.5 million to €537.2 million, mainly due to the first-time consolidation of SEMAC (€28.3 million), newly-delivered properties and rent indexation.

Maisons & Cités generated net rental income of €306.7 million, which was €14.5 million higher than in 2022. This is mainly attributable to an increase in rents from the existing property portfolio, renovations and newly-delivered properties, offset by the impact of demolitions and disposals, and lower losses on recoverable rental charges

3 - INVESTMENT OUTLAY

INVESTMENTS IN SOS BY STRUCTURE CDC HABITAT GROUP (€ MILLION)	2021 (reported)	2022 (reported)	2023 (reported)	cumulative 2021/2023
Investment in development (€ million)				
CDC Habitat + STB + CDC Action Copros	1,596.0	1,132.6	2,063.2	4,791.8
Funds managed	1,354.3	340.7	262.6	1,957.5
ADOMA	206.2	210.8	231.9	649.0
Social housing division	646.1	509.9	467.4	1,623.4
SIDOM	568.0	492.9	509.7	1,570.6
Maisons & Cités	117.0	103.5	33.1	253.6
CDC Habitat Group	**4,487.5**	**2,790.4**	**3,568.0**	**10,845.8**
Investment in work on the existing portfolio (€ million)				
CDC Habitat + STB + CDC Action Copros	93.3	72.4	92.0	257.7
ADOMA	32.8	40.7	55.7	129.2
Social housing division	160.8	184.2	216.1	561.0
SIDOM	120.4	68.7	76.2	265.2
Maisons & Cités	292.3	277.5	353.3	923.1
Total CDC Habitat Group	**699.5**	**643.4**	**793.2**	**2,136.1**
Total investment in SOs				
CDC Habitat + STB + CDC Action Copros	1,689.3	1,205.0	2,155.2	5,049.5
Funds managed	1,354.3	340.7	262.6	1,957.5
ADOMA	239.0	251.5	287.6	778.1
Social housing division	806.8	694.1	683.5	2,184.4
SIDOM	688.3	561.6	585.8	1,835.8
Maisons & Cités	409.3	381.0	386.4	1,176.7
Total CDC Habitat Group	**5,187.0**	**3,433.8**	**4,361.2**	**12,982.0**

The Group's overall investment outlay remained very substantial in 2023, with over €4.3 billion committed, including more than €3.5 billion for development and nearly €0.8 billion in capital investment in the existing portfolio. Over the last 3 years, the Group has committed to investments of nearly €13 billion ■

4 - MANAGEMENT INDICATORS

OPERATING DATA (hors Ysalia Garonne Habitat et Ysalia Centre Loire Habitat)	GROUP	CDC Habitat consolidated financial statements prepared under IFRS	Social housing division + MEECAM	ADOMA	SIDOM	Maisons & Cités
Rental management						
Average vacancy rate on available units	1.59%	2.44%	1.35%	1.16%	1.85%	0.70%
For info. 2022	*1.76%*	*3.09%*	*1.37%*	*1.18%*	*1.59%*	*1.10%*
Average vacancy rate on available units (> 1 month)	0.89%	1.41%	0.80%	nd	nd	0.31%
For info. 2022	*1.16%*	*2.17%*	*0.79%*	*nd*	*nd*	*0.60%*
Bad debts	1.9%	1.4%	1.3%	1.8%	3.3%	1.3%
For info. 2022	*1.9%*	*1.0%*	*1.3%*	*1.9%*	*3.4%*	*1.3%*
Management costs (as a % of net rental income)	28.5%	31.8%	27.4%	34.5%	26.3%	24.6%
For info. 2022	*28.3%*	*30.8%*	*27.6%*	*37.3%*	*25.3%*	*23.5%*
Property management						
Maintenance /in € per equiv. housing unit	559 €	642 €	552 €	503 €	550 €	558 €
For info. 2022	*544 €*	*638 €*	*526 €*	*472 €*	*565 €*	*548 €*
Maintenance / as % of net rental income	10.8%	8.9%	10.8%	16.6%	10.0%	11.6%
For info. 2022	*10.9%*	*9.3%*	*10.6%*	*16.0%*	*10.2%*	*12.0%*

FINANCIAL DATA	GROUP	CDC Habitat consolidated financial statements prepared under IFRS	Social housing division + MEECAM	ADOMA	SIDOM	Maisons & Cités
Income statement						
Net rental income or revenue (Adoma)	2,961.8	631.9	984.4	501.7	537.2	306.7
For info. 2022	*2,781.5*	*591.3*	*938.1*	*470.3*	*489.7*	*292.2*
Recurring operating income or EBITDA / Net rental income*	44.8%	48.7%	47.3%	43.2%	52.5%	53.9%
For info. 2022	*44.9%*	*46.9%*	*47.7%*	*34.8%*	*53.4%*	*54.5%*
Gains on disposals / Recurring operating income or EBITDA **	22.6%	55.6%	20.5%	-0.7%	6.4%	9.9%
For info. 2022	*54.6%*	*197.1%*	*22.3%*	*2.7%*	*5.9%*	*8.7%*
Net debt / net rental income	8.0	10.0	8.2	4.1	8.7	5.7
For info. 2022	*7.5*	*8.3*	*8.2*	*3.9*	*8.5*	*5.1*
Gearing (net debt / equity)	1.3	1.1	1.7	0.9	1.5	1.4
For info. 2022	*1.3*	*1.0*	*1.6*	*0.8*	*1.5*	*1.1*
LTV (Loan To Value)* **	-	41.9%	39.0 %	nc	nc	nc
For info. 2022	-	*37.3%*	*37.9%*	*nc*	*nc*	*nc*
Annuities / Net income	47.6%	65.0%	47.0%	21.0%	45.0%	41.7%
For info. 2022	*44.4%*	*53.7%*	*46.2%*	*18.8%*	*45.7%*	*39.6%*

* For CDC Habitat consolidated financial statements: recurring operating income excluding property development / (net rents + income from other activities);
** For CDC Habitat consolidated financial statements: gains on disposals / Profit before tax (adjusted for provisions booked for Swaps);
*** The Social housing division only concerns CDC Habitat social (excl. Ysalia Garonne Habitat and Ysalia Centre Loire Habitat and MEECAM).
ROI: Recurring operating income
EBITDA: Earnings before interest, taxes, depreciation, and amortisation

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An overview of the Group's operating and financial ratios highlights the following points:

- The Group's relet vacancy rate declined by 0.17 points to 1.59%, compared to 1.76% in 2022. This decrease was more marked in CDC Habitat and Maisons & Cités.
- The proportion of bad debts was stable year on year (at 1.9%), with an increase in CDC Habitat (where bad debts still remained low at 1.4%).
- The average ratio of management costs/net rental income came in at 28.5%, up by 0.2 points for the Group as a whole, however the ratio actually declined for CDC Habitat social and ADOMA.
- Maintenance expenditure represented 10.8% of the Group's consolidated net rental income, a decrease of 0.1 points. The highest level of 16.6% was reported by ADOMA. Recurring maintenance expenditure throughout the Group averaged €559/unit in 2023. The ratios of the emergency accommodation division measured in proportion to net income are higher due to the specific features of its portfolio and lower rents.
- The average EBITDA and recurring operating income margin at end-2023 was 44.8%. This was down year on year for all entities apart from CDC Habitat and ADOMA, due to the effect of a more rapid increase in charges (payroll, maintenance contracts, etc.) than in income (the French rent review index was capped in 2023).
- The net debt / net rental income ratio increased across all Group entities, with the exception of Adoma where it remained low ■

2

Consolidated division

2 - Consolidated division

End of mandate to manage the property portfolio of the French Ministry of the Armed Forces

With effect from 1 January 2023, CDC Habitat has been replaced as manager of the Ministry of Defence's portfolio of 8,680 units of state-owned housing by the concession operator appointed at the beginning of 2022 following a call for tenders. The handover phase continued during 2023 to ensure the smooth transfer of management and the effective settlement of CDC Habitat's obligations.

CDC Habitat Group's scope of consolidation includes the following entities:

- CDC Habitat, SAS Sainte-Barbe, AMPERE and ADESTIA, all of which are fully consolidated;
- ADOMA (56.44% stake), FLI (19.14% stake) and Lamartine (15% stake), consolidated using the equity method.

This scope of consolidation is itself consolidated for accounting and tax purposes in the accounts of Caisse des Dépôts. CDC Habitat's Fitch rating applies to this same group of consolidated entities ■

Credit rating

Fitch uses its public sector entities methodology and applies a top-down approach when rating CDC Habitat, i.e., its rating is based around that of its shareholder, Caisse des Dépôts et Consignations, whose rating is in turn dependent on that of the French State. CDC Habitat's rating reflects its financial and strategic integration within CDC, as well as its key role in providing social housing at national level.

Following Fitch's most recent annual ratings review (August 2023), CDC Habitat's medium- and long-term rating was maintained at AA- and its outlook was upgraded to stable, reflecting an upgrade of its intrinsic credit profile. In the wake of this review and the downgrading of France's credit rating to AA- in spring 2023, CDC Habitat's rating is now aligned with those of the French State and its shareholder CDC.

This rating reflects the resilience of CDC Habitat's business model, its strong ability to maintain its revenue stream and the strong support the Group receives from CDC ■

2 - Consolidated division

1 - INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT PREPARED UNDER IFRS (€ MILLIONS)	2022 (reported)	2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)	Δ 2023 (reported) /2022 (reported) (%)
Gross rental income	558.1	589.1	31.0	5.6%
Loss on recoverable rental charges	-10.3	-8.3	2.0	-19.8%
Net rents	547.8	580.9	33.1	6.0%
Income from other activities	43.5	51.1	7.6	17.4%
NET RENTAL INCOME	591.3	631.9	40.7	6.9%
Income from property development	12.7	17.7	5.0	39.5%
Cost of inventory	-11.0	-16.9	-5.9	53.6%
Property development margin	1.7	0.8	-0.9	-53.1%
Purchases consumed & external services	-115.2	-141.6	-26.4	22.9%
Maintenance	-56.5	-51.7	4.8	-8.5%
Taxes other than income taxes	-60.9	-63.8	-3.0	4.9%
Personnel expenses, discretionary and non-discretionary profit-sharing	-72.6	-59.6	13.0	-18.0%
Other operating income (expense)	-8.6	-7.7	1.0	-11.1%
Total recurring expenses	-313.8	-324.4	-10.6	3.4%
RECURRING OPERATING INCOME	279.1	308.3	29.2	10.5%
Disposal gains on investment property	550.3	171.4	-378.9	-68.9%
EBITDA	829.4	479.7	-349.7	-42.2%
Depreciation and amortisation net of government grants and subsidies	-236.0	-218.1	17.9	-7.6%
EBIT before share in net income of associates	593.4	261.6	-331.8	-55.9%
Share in net income of associates	1.6	10.5	8.8	535.2%
EBIT after share in net income of associates	595.1	272.1	-323.0	-54.3%
Cost of gross debt	-115.8	-155.2	-39.3	34.0%
Income from cash and cash equivalents	22.0	93.8	71.8	326.3%
Fair value adjustments to derivatives	4.1	-0.7	-4.8	-118.2%
Cost of net debt	-89.8	-62.1	27.6	-30.8%
Fair value adjustments to investments	14.5	-9.8	-24.2	-167.4%
PROFIT BEFORE TAX	519.8	200.2	-319.5	-61.5%
Income tax expense	-125.1	-38.3	86.8	-69.4%
NET PROFIT	394.7	161.9	-232.7	-59.0%
Non-controlling interests			0.0	
NET PROFIT ATTRIBUTABLE TO OWNERS	394.7	161.9	-232.7	-59.0%

Recurring operating income (excluding property development margin) / net income (net rents + income from other activities)	46.9%	48.7%
Gains on disposals / Profit before tax (excluding impact of swaps)	106.7%	85.3%
Gains on disposals / EBITDA	66.3%	35.7%
Gains on disposals / Recurring operating income	197.1%	55.6%
Interest coverage ratio (ICR)	2.41	1.99

2 - Consolidated division

Consolidated profit for 2023 came in at €161.9 million, compared to €394.7 million for 2022.

Net rents grew by €33.1 million, including €29.8 million in gross rents, due to the combined impacts of new deliveries for the period, and €2.1 million in losses on unrecoverable rental charges.

Income from other activities, essentially comprising fees from third parties rose by €7.6 million (ramping up of investment fund activity, particularly fund and property management fees).

The **property development margin** came out at €0.8 million, down €0.9 million year on year.

Operating expenses fell by €10.6 million to €324.4 million for the year. This slight drop was mainly attributable to:

- the €4.8 million decrease in **maintenance expenses**, due in particular to the derecognition of state-owned housing, which requires a great deal of maintenance;
- **personnel expenses, discretionary and non-discretionary profit-sharing** were down by €13 million year on year, with additional income billed for personnel provided by the inter-company partnerships;
- the €29.1 million increase in the costs of the inter-company partnerships driven by the full-year effect of the multi-party model for GIE Territoires[1], and the increase in rebilled payroll costs.

Recurring operating income was €308.8 million, compared to €279.1 million in 2022. Excluding the property development margin, recurring operating income was 48.7% of net income versus 46.9% in 2022.

Disposal gains (€171.4 million, €378.9 million lower than 2022), following an exceptional year in 2022 dominated by the completion of the Lamartine transaction, which generated capital gains on disposals of properties of €472 million and gains on disposal of equity investments of €32.3 million. In 2023, 1,658 housing units were sold in block sales and 391 in split sales.

Depreciation and amortisation net of government grants and subsidies was €218.1 million, down €17.9 million year on year due to a provision of €42.3 million for depreciation recorded on 35 specific properties in 2022.

Share in net income of associates grew by €8.8 million to €10.5 million, €7.8 million of this amount related to ADOMA.

Cost of gross debt was €39.3 million higher year on year. **Income from cash and cash equivalents** grew by €71.8 million year on year (including increases of €26.3 million in interest received from property developers and €26.1 million in income from investments).

Negative fair value adjustments to investments amounted to €9.8 million in 2023, mainly attributable to the remeasurement of the investment in Juno.

Profit before tax was €200.2 million, versus €519.8 million in 2022, a year on year drop of €319.5 million.

The **tax expense** was €38.3 million, €86.8 million less than in 2022 (which included the Lamartine operation) ■

1 27 multi-party agencies were created by consolidating the CDC Habitat and CDC Habitat social agencies, creation of a centralised service charges platform, and reorganisation of the litigation process.

2 - BALANCE SHEET

(€ MILLIONS)	2021 (reported)	2022 (reported)	2023 (reported)	Δ 2023/2022
ASSETS				
Intangible assets	8.5	13.8	0.0	-13.8
Investment property	6,851.6	25.9	58.0	32.1
Other non-current assets	27.9	7,995.7	9,248.0	1,252.3
Investment property	6,888.0	8,035.5	9,306.0	1,270.5
Available-for-sale financial assets	927.4	1,218.2	1,331.0	112.8
Investments in associates	463.5	579.7	601.0	21.3
Other financial assets	504.1	215.7	289.0	73.3
Deferred tax assets	1.0	0.3		-0.3
Non-current financial assets	1,896.0	2,014.0	2,221.0	207.0
Non-current assets	8,784.0	10,049.5	11,527.0	1,477.5
Cash and cash equivalents	1,131.2	1,768.0	1,317.0	-451.0
Inventories	50.1	58.5	49.0	-9.5
Trade receivables	646.4	271.2	773.0	501.8
Current assets	1,827.8	2,097.8	2,139.0	41.2
Assets held for sale	1,069.5	0.0	0.0	0.0
TOTAL ASSETS	11,681.3	12,147.3	13,666.0	1,518.7

EQUITY AND LIABILITIES				
Share capital	2,163.3	2,303.3	2,953.0	649.7
Reserves	1,737.7	2,127.2	2,494.0	366.8
Net profit for the period	151.5	394.7	162.0	-232.7
Equity attributable to owners of the parent	4,052.5	4,825.2	5,609.0	783.8
Non-controlling interests	0.0	0.0		0.0
Total equity	4,052.5	4,825.2	5,609.0	783.8
Total provisions	47.2	37.2	41.0	3.8
Non-current borrowings	4,680.8	4,824.0	4,992.0	168.0
Other non-current financial liabilities	767.4	310.1	348.0	37.9
Deferred tax liabilities	0.0	43.2	38.0	-5.2
Non-current liabilities	5,448.3	5,177.3	5,378.0	200.7
Current provisions	9.5	12.1	12.0	-0.1
Current borrowings	1,040.6	1,594.5	2,217.0	622.5
Other current liabilities	511.3	500.1	409.0	-91.1
Current liabilities	1,561.4	2,106.7	2,638.0	531.3
Liabilities related to assets held for sale	571.8			0.0
TOTAL EQUITY AND LIABILITIES	11,681.2	12,147.3	13,666.0	1,518.7

2 - Consolidated division

In assets

Non-current assets grew by €1,477.5 million (+14.7%), including a €1,270.5 million increase in investment property. This growth was attributable to the combined effects of:

- deliveries for the period and higher outstandings amounting to €1,565 million;
- disposals totalling €113 million;
- depreciation charges totalling €213 million;
- opening of the new Montpellier headquarters ("Cassiopée") for a cost of €32 million.

Non-current financial assets grew by €207 million year on year on the back of acquisitions of equity interests.

Current assets increased by €41.2 million for the year, reflecting the combined impact of a €451 million decrease in cash and cash equivalents and a €501.8 million increase in trade accounts receivable (positive €488 million relating to the balance of the 2023 capital increase paid up during the year).

In equity and liabilities

Equity grew by €783.8 million (or 16.2%) to €5,609.0 M€, reflecting the €650 million increase in capital granted by CDC in 2023.

Non-current liabilities grew by €200.7 million, reflecting a €168 million increase in non-current borrowings and a €37.9 million increase in other non-current financial liabilities.

Current liabilities were €531.3 million, or +25.2% higher year on year, including a €622.5 million increase in current borrowings, which totalled €2,217 million, driven by property management operations in progress.

This increase was mainly attributable to a positive €881 million in new borrowings, a positive amount of €163 million reclassified under IFRS 5, and negative €267 million in repayment ■

Overview of the Group's borrowings

In December 2022, the Supervisory Board authorised the Group to raise €410 million in new borrowings for 2023 by means of placements on the open market. The final volume of open market financing raised in 2023 was €370 million.

The weighted average interest rate on these new borrowings is 3.93% at an average maturity of 14 years.

Another €57 million was raised in other forms (a €15 million bank loan for Sainte-Barbe and €36 million in other borrowings).

After taking into account the impact of hedging, the weighted average interest rate on Consolidated division borrowings is 2.12%, which is 3 basis points lower than in 2022 (reflecting the positive, gradual effect of hedges and amounts raised).

The gearing ratio increased from 1.0 in 2022 to 1.1 in 2023 in line with the change in debt.

The overall Loan to Value (LTV) ratio, which includes fair value adjustments to non-consolidated investments (including investments in associates), went up to 41.9%.

The net debt/gross operating income ratio stood at 12.05 at end-2023 ■

	2022	2023	Δ 2023/2022
Net debt (€ million)*	4,650	5,892	1,242
Gearing (net debt / equity)	1.0	1.1	0.1
Gearing (excluding impact of swaps)	1.0	1.1	0.1
Net debt/income (statutory accounts)	8.3	10.0	1.6
Loan to value (LTV)	35.6%	41.9%	6.3%
Net debt/gross operating income	5.45	12.05	6.60

* Net debt = net debt (current + non-current) – cash and cash equivalents

3 - FINANCING THE ACTIVITY

FREE CASH FLOW AT DELIVERY (IN € MILLIONS)	2022 (reported)	2023 (reported)	Δ 2023/2022
Cash flow from operating activities	42.1	223.6	181.5
Repayment of principal	-183.1	-244.1	-61.1
Dividends received/Share in funds	10.1	6.4	-3.7
Gross operating cash flow	-130.9	-11.9	119.0
Capital invested in renov/enhancement/demolition (calculated at delivery)	-24.5	-29.7	-5.3
Net operating cash flow	-155.4	-41.6	113.7
Cash proceeds on disposals	1,164.8	272.4	-892.4
Equity invested in development (at delivery)	-433.3	-693.7	-260.4
Equity invested in major projects	-29.3	-10.5	18.8
Equity invested in structural work	-1.6	-36.6	-35.1
Other early repayments	-8.3	-14.6	-6.3
Free Cash Flow before equity financing	537.0	-524.6	-1,061.6
Acquisitions of equity interests	-339.7	-183.8	155.9
Distributed dividends	0.0	-4.0	-4.0
Free Cash Flow after equity financing and before transfers to reserves and capital increase	197.3	-712.4	-909.7
Cash capital increase	521.3	162.5	-358.8
Current account advances granted to/repaid by subsidiaries	68.5	-61.4	-129.9
Free Cash Flow after equity financing and before transfers to reserves	787.1	-611.3	-1,398.4

The various operations carried out in 2023 generated a net funding requirement of €611 million (pre-financed by the €787 million surplus generated in 2023, in line with budget forecasts).

Various factors explain this change in relation to 2022:

- cash proceeds on disposals totalling €272 million, which were €892 million lower than last year due to disposals to the Lamartine fund in 2022;
- capital outlay required for development totalling €694 million, which was €260 million higher than in 2022, in line with the higher number of properties delivered during the year (+2,855 units);
- acquisitions of equity interests and payment of current account advances of €245 million, a drop of €26 million on last year;
- a cash payment of €163 million from CDC to finance the stimulus plan, compared with €521 million in 2022 (comprising €381 million for the outstanding balance on the 2020 capital increase, and €140 million for the 2022 capital increase) ■

3

CDC Habitat social

3 - CDC Habitat social

1 - INCOME STATEMENT

INCOME STATEMENT (IN € MILLIONS)	2022 (reported)	2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)	Δ 2023 (reported) /2022 (reported) (%)
Rental income *	913.4	956.4	42.9	5%
Maintenance	-97.5	-103.7	-6.2	6%
Local non-recoverable payroll	-26.9	-30.3	-3.4	13%
Taxes on rental housing stock	-108.1	-121.1	-13.0	12%
Other direct costs	-31.9	-32.7	-0.8	3%
Direct costs	-264.4	-287.9	-23.4	9%
CONTRIBUTION MARGIN	649.0	668.5	19.5	3%
Non-rental income *	3.2	5.1	1.9	59%
Admin staff payroll, net of amounts rebilled	-54.2	-46.6	7.6	-14%
Taxes and contributions	-19.1	-20.3	-1.3	7%
Other direct costs, net of amounts rebilled	-13.3	-10.7	2.6	-20%
GIE Supports et Territoriaux (inter-company partnerships)	-129.5	-146.1	-16.5	13%
Indirect costs	-216.1	-223.7	-7.6	4%
EBITDA	436.1	449.9	13.8	3%
Depreciation and amortisation net of government grants	-320.2	-326.2	-6.0	2%
Variance MR / PMRs	0.0	-4.8	-4.8	45,307%
EBIT	115.9	118.9	3.0	3%
Financial expense	-126.2	-195.7	-69.5	55%
Financial income	9.3	20.9	11.6	125%
Net financial income (expense)	-116.9	-174.8	-57.9	49%
Acquisition-related costs	0.0	0.0	0.0	-48%
PROFIT FROM ORDINARY ACTIVITIES	-1.0	-55.9	-54.9	5,271%
Net profit on disposals	99.6	95.7	-3.9	-4%
Other non-recurring profit (loss)	40.5	21.8	-18.7	-46%
Demolition ANRU and non-ANRU programmes	-13.5	-14.2	-0.6	5%
PROFIT BEFORE TAX	125.6	47.4	-78.1	-62%
Employee profit-sharing	-16.0	-6.8	9.2	-58%
Income tax	0.0	0.0	0.0	
NET PROFIT	109.5	40.6	-68.9	-63%

* Net income = rental income + non-rental income
Rental income = rents + rent supplements + operating expense + bad debts + losses on unrecoverable rental charges

3 - CDC Habitat social

Net profit for 2023 declined year on year and came in at €40.6 million, reflecting an increase in EBITDA, offset by the unfavourable impact of a sharp rise in financial expense.

Net rental income came in at €956.4 million, a year-on-year increase of €42.9 million, driven by the indexation of rents from 1 January, improved vacancy rates and new deliveries.

The contribution margin grew by €19.5 million to €668.5 million, mainly due to:

- the €6.2 million increase in maintenance expenditure to €103.7 million, or 10.8% of net rental income, attributable to higher amounts for housing repairs, general maintenance and insurance claims;
- a €3.4 million increase in local non-recoverable payroll, driven by various components of remuneration policy and lower recovery rates;
- an increase in exemption from French tax on developed property (TFPB) for an amount of €13 million due to a 7.1% increase in the tax base (indexation of rents to the harmonised price index), higher tax rates and the end of exemptions in 2023;
- higher routine operating management costs of €0.8 million (assistance with billing, organising tenant representative elections).

Non-rental income came in at €5.1 million, a year-on-year increase of €1.9 million, driven mainly by the full-year impact of the MEECAM management agreement, compared to only one quarter in 2022 (€1.6 million).

Indirect charges increased by €7.6 million to €223.7 million, representing 23.3% of net rental income, due to the increase in payroll costs, reflecting higher amounts billed for services and personnel provided by the inter-company partnerships.

EBITDA was €449.9 million, an increase of €13.8 million (46.8% of net rental income).

After deducting depreciation, amortisation and provisions (€326.2 million), EBIT came out at €118.9 million, a year-on-year increase of €3 million.

Net financial expense increased by €57.9 million to € 174.8 million, as a result of the combined impact of higher borrowing rates, mainly on Livret A passbook accounts (average rate of 2.93% in 2023 compared with 1.4% in 2022), and short-term financing rates, generating total additional expenses and volumes of almost €120 million, partially offset by lower hedging costs and higher financial income (a relative gain of €58 million).

Disposals generated income of €95.7 million, a year-on-year drop of €3.9 million.

Non-recurring profit was €18.7 million lower year on year, in the wake of 2022 which was marked by the exceptional recovery of a subsidy following the partial contribution of assets to MEECAM (€23.7 million).

Losses generated by demolitions amounted to €14.2 million, a year on year drop of €0.6 million.

Employee profit-sharing costs amounted to €6.8 million for the year, a decrease of €9.2 million due to lower Group earnings.

Consequently, **net profit** for the year came in at €40.6 million ■

2 - BALANCE SHEET

BALANCE SHEET (IN € MILLIONS)

	2022 (reported)	2023 (reported)	Δ 2023/2022
ASSETS			
Uncalled subscribed capital	0	0	0
Rental property	10,730	11,034	305
Renovation and building work in-progress	1,290	1,196	-94
Total rental property	12,019	12,230	211
Owner-occupied property	38	38	0
Non-current financial assets	108	112	4
Non-current assets	12,165	12,379	214
Cash and cash equivalents	**735**	**580**	**-155**
Inventories and trade accounts receivable	**603**	**790**	**188**
TOTAL ASSETS	13,503	13,750	247

	2022 (reported)	2023 (reported)	Δ 2023/2022
EQUITY AND LIABILITIES			
Capital and reserves	3,325	3,424	100
Profit (loss) for the period	110	41	-69
Subsidies and government grants	1,177	1,187	11
Regulated provisions	0	0	0
Total equity	4,611	4,652	41
Provisions for contingencies and losses	**100**	**119**	**19**
Borrowings	**8,210**	**8,410**	**200**
Other payables	**547**	**509**	**-38**
PCA renewal of conventions	**35**	**59**	**24**
TOTAL EQUITY AND LIABILITIES	13,503	13,750	247

	2022 (reported)	2023 (reported)
Net debt	7,475	7,830
Net debt / net rental income	8.2	8.1
Net debt / rental property	0.7	0.7
Gearing (net debt / equity)	1.6	1.7
ROE	2.4%	0.9%
LTV	38.1%	39.0%
Cash on hand / number of months of rental income	9.6	7.2
EBITDA / net rental income	47.6%	46.8%
Annuities	424.1	388.0
Annuities / Net income (%)	46.3%	40.4%
Spread (EBITDA/Rental income - Annuities/Net income)	1.3%	6.4%

Total assets grew by +1.8% or by €247 million year on year ■

3 - CDC Habitat social

In assets

- The €211 million increase in **total rental property** was a result of the combined impact of:
  - capital expenditure, new builds and acquisitions for a positive amount of €624 million;
  - depreciation charges for a negative amount of €377 million;
  - disposal of housing for a negative amount of €36 million;
- CDC Habitat social's **cash and cash equivalents** at end-2023 amounted to €580 million, which was €155 million lower than at end-2022.
- **Inventories and trade accounts receivable** grew by €188 million to €790 million.

In equity and liabilities

- **Equity grew by €41 million** to €4,652 million, reflecting:
  - CDC Habitat social's profit for the year totalling €41 million;
  - an €11 million increase in subsidies and government grants;
  - €11 million in dividends paid out.
- **Borrowings** amounted to €8,410 million, an increase of €200 million, mainly reflecting new borrowings of €446 million and a €37 million increase in accrued interest, less repayments of €284 million made during the period.
- **Other liabilities declined by €38 million** ■

3 - FINANCING THE ACTIVITY

FREE CASH FLOW AT DELIVERY (IN € THOUSANDS)	2022 (reported)	2023 (reported)	Δ 2023/2022
Cash flow from operating activities	323	297	-26
Repayment of principal (excl. early repayments)	-301	-264	36
Equity invested in building work	-48	-52	-3
Gross operating cash flow	-26	-20	7
Cash proceeds on disposals	108	129	21
Equity invested in development (new deliveries)	-145	-120	26
Equity invested in structural work	-1	-9	-8
Acquisition costs	0	0	0
Other early repayments	-40	-20	20
Acquisitions (-) or disposals (+) of equity investments	-2	-3	-1
Distributed dividends	-3	-10	-7
Net operating cash flow	-110	-53	57
Cash capital increase	117	0	-117
Current account advances	-2	-1	1
Free Cash Flow after equity financing and before transfers to reserves	5	-53	-59

The various operations carried out in 2023 generated a net funding requirement of €53 million compared to a surplus of €5 million in 2022. This movement reflects a number of factors:

- a capital increase of €117 million carried out in 2022;
- a €26 million decrease in cash flow from operating activities (reflecting a €13.8 million increase in EBITDA, a €57.9 million increase in net financial expense, and a €9.2 million increase in employee profit-sharing costs);
- an increase in structural investment (€8 million, including €6.2 million for vectorised plans);
- lower amounts of principal repayments due to the revision mechanism, which helps to mitigate the impact of higher Livret A passbook account rates on interest expense (€36 million);
- a €26 million decrease in equity invested in development work in line with lower deliveries of new properties;
- a drop of €21 million in cash proceeds on disposals due to lower levels of property sales;
- a €20 million decrease in early repayments (excluding sales). 2022 was marked by repayment of over-funded borrowings and early repayments made as part of debt renegotiations.

Capital outlay generated by building work was stable year on year ■

4

SIDOM

4 - SIDOM

Note

SIDOM's reporting scope changed in 2023 with the acquisition of 32.91% of SEMAC's shares in September. For comparison purposes, the financial statements are presented both excluding and including SEMAC, and analyses are performed on a like-for-like basis, excluding SEMAC

1 - INCOME STATEMENT

INCOME STATEMENT (IN € MILLIONS)	2022 (reported)	EXCL. SEMAC 2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)	Δ 2023 (reported) /2022 (reported) (%)	INCL. SEMAC 2023 (reported)
Rental income *	485.8	506.1	20.2	4.2%	534.1
Maintenance	-50.1	-50.9	-0.8	1.6%	-53.6
Local non-recoverable payroll	-5.4	-7.8	-2.4	44.6%	-8.0
Taxes on rental housing stock	-48.0	-53.4	-5.4	11.2%	-54.4
Other direct costs	-11.6	-13.1	-1.4	12.4%	-13.4
Direct costs	-115.0	-125.1	-10.1	8.7%	-129.3
CONTRIBUTION MARGIN	370.8	381.0	10.2	2.7%	404.8
Non-rental income *	3.9	2.9	-1.0	-26.5%	3.1
Admin staff payroll, net of amounts rebilled	-69.1	-71.0	-1.9	2.8%	-75.8
Taxes and contributions	-6.1	-6.0	0.2	-3.0%	-6.4
Other direct costs, net of amounts rebilled	-14.6	-15.2	-0.6	4.3%	-14.7
GIE Supports et Territoriaux (inter-company partnerships)	-23.1	-28.3	-5.2	22.3%	-29.2
Indirect costs	-113.0	-120.5	-7.5	6.6%	-126.1
EBITDA	261.7	263.3	1.6	0.6%	281.8
Depreciation and amortisation net of government grants	-176.2	-186.0	-9.8	5.6%	-193.2
Variance MR / PMRs	-1.9	-0.3	1.6	-83.4%	-0.5
EBIT	83.6	77.0	-6.6	-7.9%	88.0
Financial expense	-57.0	-103.9	-46.9	82.1%	-113.5
Financial income	7.5	12.7	5.1	68.3%	13.0
Net financial income (expense)	-49.5	-91.2	-41.7	84.2%	-100.5
Acquisition-related costs	0.0	0.0	0.0		0.0
PROFIT FROM ORDINARY ACTIVITIES	34.1	-14.2	-48.3	-141.7%	-12.5
Net profit on disposals	15.5	16.7	1.2	7.8%	17.9
Other non-recurring profit (loss)	4.4	4.1	-0.3	-7.4%	4.6
Demolition ANRU and non-ANRU programmes	1.2	1.5	0.3	25.5%	1.5
PROFIT BEFORE TAX	55.1	8.0	-47.1	-85.4%	11.6
Employee profit-sharing	-6.4	-2.5	3.9	-61.4%	-2.6
Income tax	-1.2	-0.6	0.6	-49.4%	-0.6
NET PROFIT	47.6	5.0	-42.6	-89.5%	8.3

* Net income = rental income + non-rental income
Rental income = rents + rent supplements + operating expense + bad debts + losses on unrecoverable rental charges

Net rental income (excluding SEMAC) grew by €19.2 million between 2022 and 2023, mainly due to the €18 million increase in rents related to deliveries of property in 2022 and 2023 and the indexation of rents, which were capped at 2.5% for the overseas departments and territories.

EBITDA for 2023 (excluding SEMAC) came in at €263.3 million, up €1.6 million year on year. The ratio of EBITDA to net rental income was 51.7% (53.4% in 2022), and 52.5% including SEMAC.

EBITDA was impacted by the €11.6 million increase in **management costs** (local and administrative personnel expenses, other direct and indirect costs and inter-company partnerships), as well as by **property taxes** amounting to €5.4 million. Property taxes rose by 11.2%, mainly as a result of the 7.1% increase in the tax base and additional increases voted by local authorities. This also includes the end of exemption from French tax on developed property (*TFPB*).

EBIT excluding SEMAC was €77 million, reflecting a €9.8 million increase in net depreciation, amortisation and provisions related to new buildings placed in service, renovation work carried out and the replacement of components.

Net financial expense was €41.7 million higher than in 2022, mainly due to the increase in the rate paid on Livret A passbook savings accounts (average rate of 2.93% in 2023 compared with 1.4% in 2022).

Gains on disposals totalled €16.7 million, a slight year-on-year increase (€1.2 million).

The 3.9 million year-on-year drop in **employee profit-sharing** costs reflected lower Group profit.

Net profit for the year (excluding SEMAC) came out at €5 million, compared to €47.6 million in 2022. The €3.3 million in net profit generated by SEMAC brings the total profit for the 9 SIDOM entities to €8.3 million ■

2 - BALANCE SHEET

Total assets, excluding those of SEMAC, grew by €223.4 million in 2023 to €7,945 million. To this total must be added SEMAC's total balance sheet of €635 million, as shown in the table below:

BALANCE SHEET (IN € MILLIONS)

		EXCL. SEMAC		INCL.SEMAC
	2022 (reported)	2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)	2023 (reported)
ASSETS				
Land	678	741	63.4	788
Rental property	5,057.3	5,053.4	-3.9	5,488.0
Renovation and building work in-progress	813.1	987.5	174.4	1,064.7
Total rental property	6,547.9	6,781.8	233.9	7,341.0
Owner-occupied property	38.1	39.8	1.7	42.7
Non-current financial assets	9.7	10.1	0.4	10.7
Non-current assets	6,595.7	6,831.7	236.0	7,394.4
Cash and cash equivalents	**257.2**	**214.3**	**-42.9**	**231.1**
Inventories	**145.6**	**135.8**	**-9.7**	**141.2**
Grants receivable	**540.7**	**562.0**	**21.3**	**595.2**
Trade receivables	**182.6**	**201.4**	**18.7**	**218.7**
TOTAL ASSETS	7,721.8	7,945.2	223.4	8,580.7
EQUITY AND LIABILITIES				
Capital and reserves	753.1	796.2	43.1	836.9
Profit (loss) for the period	47.6	5.0	-42.6	8.3
Subsidies and government grants	2,020.0	2,080.5	60.5	2,268.8
Total equity	2,820.7	2,881.7	61.0	3,114.1
Provisions for contingencies and losses	**107.4**	**106.8**	**-0.6**	**110.5**
Non-current borrowings	**4,435.4**	**4,543.4**	**108.0**	**4,925.0**
Other payables	**304.9**	**364.5**	**59.6**	**377.6**
PCA renewal of conventions	**53.4**	**48.9**	**-4.5**	**53.5**
TOTAL EQUITY AND LIABILITIES	7,721.8	7,945.2	223.4	8,580.7

The main changes in **non-current assets** (excluding depreciation charges and derecognition of components) were as follows:

- deliveries for the period, i.e., 1,778 units of new housing, 59 units of sheltered accommodation, 30 commercial units and 1,840 acquisitions (mainly corresponding to the acquisition of property in Pointe-à-Pitre from SIG), representing a total amount of €351.2 million;
- investment work for the period totalling €79 million,
- assets under construction, which increased by an amount of €174 million year on year.

Cash on hand totalled €214.3 million at end-2023 (down €42.9 million when compared to 2023) and €231.1 million including SEMAC (i.e., 5.2 months' worth of rental income).

Grants receivable (excluding SEMAC) amounted to €562 million, a year-on-year increase of €21.3 million due to the large number of Service Orders issued in 2023 (new builds and other building work were subsidised to the tune of 39% and 14%, respectively).

Debt amounted to €4.5 billion at end-2023, reflecting the following movements:

- €265 million in new borrowings, including €80 million in PIV loans (with payment deferred for between 4 and 15 years) for new builds, acquisitions and investment work;
- €153 million in repayments due;
- €27 million in early repayments, mostly related to the renegotiation of SIDR's debt and sales to SEMADER.

Note the impact of the consolidation of SEMAC on total debt, which amounted to €375 million ■

BALANCE SHEET (IN € MILLIONS)	2022 (reported)	EXCL. SEMAC 2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)	INCL.SEMAC 2023 (reported)
Net debt	4,178	4,329	151	4,694
Net debt / net rental income	8.5	8.5	0.0	8.7
Net debt / rental property	63.8%	63.8%	0.0%	63.9%
Gearing (net debt / equity)	1.5	1.5	0.0	1.5
ROE	1.7%	0.2%	-1.5%	0.3%
Cash on hand / number of months of rental income	6.3	5.1	-1.2	5.2

The **net debt / net rental** income and gearing ratios (excluding SEMAC) were stable year on year.

Return on equity (ROE) declined by 1.5% due to the sharp drop in net profit in 2023.

The **cash to net rental income ratio** fell by 1.2 months year on year and remains at a satisfactory level of 5.1 months' worth of rental income (excluding SEMAC).

The consolidation of SEMAC by the SIDOM entities had a marginal impact on the ratios, adding 0.2 points to the net debt / net rental income ratio, and 0.1 point to the cash to net rental income ratio ■

3 - FINANCING THE ACTIVITY

FREE CASH FLOW AT DELIVERY (IN €	2022 (reported)	EXCL. SEMAC 2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)	INCL.SEMAC 2023 (reported)
Cash flow from operating activities	216.0	183.9	-32.0	194.3
Repayment of principal	-179.6	-155.2	24.3	-164.0
Gross operating cash flow	36.4	28.7	-7.7	30.4
Capital invested in renov/enhancement work	-8.7	-10.7	-2.0	-10.7
Equity invested in building components	-39.8	-31.7	8.0	-33.8
Net operating cash flow	-12.0	-13.7	-1.7	-14.1
Cash proceeds on disposals	33.7	24.2	-9.5	24.2
Equity invested in development	-4.6	-18.2	-13.6	-18.2
Equity invested in structural work	-2.8	-2.2	0.6	-2.2
Other repayments	-7.6	-4.6	3.0	-4.6
Acquisitions of equity interests	0.0	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0
Free Cash Flow	6.6	-14.5	-21.1	-14.9
Current account advances	0.0	0.0	0.0	0.0
Cash capital increase	0.0	0.0	0.0	4.0
Free Cash Flow after equity financing	6.6	-14.5	-21.1	-10.9

The net funding requirement was €14.5 million in 2023, a year-on-year decrease of €21.1 million (excluding SEMAC).

This year-on-year deterioration was mainly attributable to a €32 million decrease in cash balances, partially offset by lower amounts of principal repayments (€24 million). We must also add the €13.6 million increase in equity invested in development, notably in SIG for the acquisition of property in Pointe-à-Pitre.

Cash proceeds on disposal decreased by €9.5 million compared to 2022, due to lower levels of disposals in 2023 and the sale of a major land asset to SIGUY in 2022.

The consolidation of SEMAC had a positive impact on free cash flow which amounted to €3.6 million

5

Maisons & Cités

5 - Maisons & Cités

1 - INCOME STATEMENT

INCOME STATEMENT (IN € MILLIONS)

	2022 (reported)	2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)
Rental income *	292.0	306.6	14.5
Maintenance	-35.2	-35.7	-0.5
Local non-recoverable payroll	*0.0*	*0.0*	*0.0*
Taxes on rental housing stock	*-24.8*	*-25.8*	*-1.1*
Other direct costs	-5.9	-8.1	-2.2
Direct costs	-65.8	-69.7	-3.8
CONTRIBUTION MARGIN	226.2	236.9	10.7
Non-rental income *	0.1	0.1	0.0
Admin staff payroll, net of amounts rebilled	-53.9	-56.4	-2.5
Taxes and contributions	-4.3	-4.1	0.2
Other indirect costs	*-15.3*	*-19.0*	*-3.6*
Other internall rebilled costs	*6.6*	*8.2*	*1.6*
Other direct costs, net of amounts rebilled	-8.8	-10.8	-2.0
GIE Supports et Territoriaux (inter-company partnerships)	-0.2	-0.3	0.0
Indirect costs	-67.2	-71.6	-4.4
EBITDA	159.2	165.4	6.3
Depreciation and amortisation net of government grants	-130.8	-131.5	-0.7
Variance MR / PMRs	0.0	0.0	0.0
EBIT	28.4	34.0	5.6
Financial expense	-28.2	-51.0	-22.8
Financial income	6.2	13.0	6.9
Net financial income (expense)	-22.1	-38.0	-15.9
Acquisition-related costs	0.0	0.0	0.0
PROFIT / (LOSS) FROM ORDINARY ACTIVITIES	6.3	-4.0	-10.3
Net profit on disposals	13.9	16.4	2.6
Other non-recurring profit (loss)	11.1	16.1	5.1
Demolition ANRU and non-ANRU programmes	-5.7	-18.5	-12.7
PROFIT BEFORE TAX	25.5	10.1	-15.4
Employee profit-sharing	0.0	0.0	0.0
Income tax	0.0	0.0	0.0
NET PROFIT	25.5	10.1	-15.4

* Net income = rental income + non-rental income
Rental income = rents + rent supplements + operating expense + bad debts + losses on unrecoverable rental charges

Maintenance / Net income	12.0%	11.6%	-0.4%
General expenses / Net income	21.5%	22.0%	0.5%
Management costs / Net income	23.5%	24.6%	1.1%
Gains on disposals / Net income	54.4%	163.1%	108.6%
ICR = EBITDA / Finance costs	5.64	3.24	-2.40
EBITDA / Net income	54.5%	53.9%	-0.5%

Net profit for the year declined by €15.4 million year on year to €10.1 million, due to the impact of financial expenses and demolition costs.

Rental income rose €14.5 million to €306.6 million in line with the increase in rents (rise in the French rent review index and deliveries for the period) and the impact of lower losses on non-recoverable rental charges.

Maintenance expenses edged up by €0.5 million when compared with the amount reported in 2022. Maintenance expenses represented 11.6% of net rental income.

Other direct costs grew by €2.2 million, reflecting the €1.8 million increase in contractor's liability insurance and technical fees incurred for energy performance assessments.

Indirect charges rose by €4.4 million in line with the €2.5 million increase in personnel expenses (impact of annual negotiations and organisation of the "*Réussissons ensemble*" (Succeeding together) project designed to achieve delivery targets) and the €1.9 million increase in the cost of leasing administrative premises following the leasing of the new headquarters building.

EBITDA rose by €6.3 million to €165.4 million and the ratio of EBITDA to net rental income was 53.9% (versus 54.5% in 2022).

After the impact of depreciation, amortisation and provisions, which were stable year on year, **EBIT** came in at €34 million.

Net financial expense was €15.9 million higher than last year, reflecting higher interest rates on Livret A passbook savings accounts.

Disposal gains increased by €2.6 million in line with higher capital gains on the sale of other types of property (standalone plots of land and sales of administrative buildings).

Non-recurring profit grew by €5.1 million for the year due to higher amounts of tax rebates and income from the sale of Energy Saving Certificates.

Demolition costs rose by €12.7 million following the recognition of provisions for upcoming costs in 2024 and 2025 ■

2 - BALANCE SHEET

BALANCE SHEET (IN € MILLIONS)

	2022 (reported)	2023 (reported)	Δ 2023/2022
ASSETS			
Rental property	2,512.6	2,443.7	-68.8
Renovation and building work in-progress	234.6	517.0	282.4
Total rental property	2,747.2	2,960.7	213.6
Owner-occupied property	13.0	12.0	-1.0
Non-current financial assets	12.0	9.7	-2.3
Non-current assets	2,772.2	2,982.5	210.3
Cash and cash equivalents	**360.6**	**439.2**	**78.6**
Inventories and trade accounts receivable	**141.3**	**185.7**	**44.4**
TOTAL ASSETS	3,274.1	3,607.4	333.3
EQUITY AND LIABILITIES			
Capital and reserves	940.3	893.9	-46.4
Profit (loss) for the period	25.5	10.1	-15.4
Subsidies and government grants	351.4	366.6	15.3
Regulated provisions	25.0	25.0	0.0
Total equity	1,342.1	1,295.6	-46.6
Provisions for contingencies and losses	**10.5**	**23.6**	**13.1**
Non-current borrowings	**1,839.3**	**2,197.3**	**358.1**
Other payables	**74.3**	**85.6**	**11.3**
PCA renewal of conventions	**7.9**	**5.2**	**-2.7**
TOTAL EQUITY AND LIABILITIES	3,274.1	3,607.3	333.2
Net debt	1,479	1,758	279
Net debt / net rental income	5.1	5.7	0.7
Net debt / rental property	54%	59%	5.6%
Gearing (net debt / equity)	1.1	1.4	0.3
ROE	1.9%	0.8%	-1.1%
Cash on hand / number of months of rental income	14.8	17.2	2.4
Annuities / Net income (%)	39.6%	41.7%	2.1%
Spread (EBITDA/Rental income - Annuities/Net income)	14.8%	12.2%	-2.6%

Total assets grew by 10% (or by €333.3 million) in 2023 to €3,607.3 million.

Total **rental property** grew by €213.6 million thanks to big increases in renovation programmes in-progress and new builds.

Cash on hand increased by €78.6 million over the period following the payment of a current account advance of €121.5 million.

Equity decreased by €46.6 million to €1,295.6 million, mainly due to capital flows during the period (reduction in capital combined with the provision of funds via shareholder loans totalling €121 million).

The **net debt / net rental income** ratio was up by 0.7 points to 5.7. The gearing ratio increased by 0.3 points to 1.4 ■

3 - FINANCING THE ACTIVITY

FREE CASH FLOW AT DELIVERY (IN € MILLIONS)

	2022 (reported)	2023 (reported)	Δ 2023/2022
Cash flow from operating activities	144.0	141.0	-2.9
Repayment of principal	-87.6	-98.2	-10.6
Gross operating cash flow	56.4	42.9	-13.5
Equity invested in building work	-44.0	-61.6	-17.6
Net operating cash flow	12.4	-18.7	-31.1
Cash proceeds on disposals	13.4	25.4	12.1
Equity invested in development	-7.6	-21.2	-13.7
Equity invested in structural work	-0.3	-3.2	-3.0
Acquisition costs	0.0	0.0	0.0
Other repayments	-5.2	0.0	5.2
Acquisitions of equity interests	0.0	-4.5	-4.5
Dividends	0.0	0.0	0.0
Free Cash Flow before equity financing	12.8	-22.4	-35.1
Equity financing	25.0	49.6	24.6
Free Cash Flow after equity financing	37.8	27.2	-10.5

The net funding requirement was €22.4 million in 2023, a year-on-year decline of €35.1 million, due to higher levels of equity invested in construction work and development, and an increase in principal repayments.

Additional equity financing corresponds to capital movements on the books of ADESTIA in 2023. The amount of €25 million in 2022 related to equity securities subscribed with Banque des Territoires.

Free cash flow after equity financing was €27.2 million at end-2023, €10.5 million less than in 2022 ■

6

Adoma

6 - Adoma

1 - INCOME STATEMENT

INCOME STATEMENT (IN € MILLIONS)	2022 (reported)	2023 (reported)	Δ 2023 (reported) /2022 (reported) (€ million)	Δ 2023 (reported) /2022 (reported) (%)
REVENUE	470.3	501.7	31.4	7%
Own work capitalised	3.3	4.3	1.0	30%
Operating subsidy	29.8	27.8	-2.0	-7%
Reversal of prov. for investment subsidy	17.9	18.7	0.8	5%
Other income	1.1	1.2	0.1	7%
OPERATING INCOME	522.4	553.7	31.3	6%
Water, electricity & heating	-67.2	-75.9	-8.7	13%
General maintenance (excluding major upkeep & repairs)	-27.9	-28.6	-0.6	2%
Building upkeep & cleaning	-23.9	-27.9	-4.0	17%
Major upkeep & repairs	-2.3	-2.4	-0.1	5%
Rent expense	-36.0	-36.2	-0.2	1%
Security and caretaking services	-8.4	-7.9	0.5	-6%
Other operating expenses	-42.8	-44.6	-1.8	4%
Taxes other than on income	-24.5	-25.2	-0.7	3%
Personnel expenses	-168.3	-180.0	-11.8	7%
Additions to/reversals of depreciation, amortisation and provisions	-87.5	-94.6	-7.1	8%
TOTAL OPERATING EXPENSES	-488.8	-523.3	-34.4	7%
EBIT	33.6	30.4	-3.1	-9%
NET FINANCIAL EXPENSE	-6.0	-10.0	-4.0	68%
PROFIT FROM ORDINARY ACTIVITIES	27.6	20.4	-7.2	-26%
NON-RECURRING PROFIT (LOSS)	-9.7	2.5	12.2	-125%
Income tax and employee profit-sharing costs	-14.3	-5.9	8.4	-59%
NET PROFIT	3.6	17.0	13.4	374%

Revenue	470.3	501.7	31.4
Fees and rents (including internally-billed fees)	331.5	352	20.5
EBITDA	**102.3**	**104.1**	**1.8**
EBITDA margin (EBITDA/Revenue)	22%	21%	-1.0%
EBITDA / Fees and rents (including internally-billed fees)	31%	30%	-1.3%

6 - Adoma

Net profit grew by €13.4 million year on year to €17 million.

EBIT was €3.1 million lower than in 2022 (i.e., €30.4 million in 2023 versus €33.6 million in 2022), mainly due to:

- a €31.3 million increase in operating income, mainly driven by an increase in revenue: the impact of the application of the French rent review index in 2023 on external fees, the increase in fees for the Accommodation activity for the purpose of passing on the increase in the price of fluids and newly-delivered properties (full-year activity for 2022 and 2023 deliveries);
- the €34.4 million increase in operating expenses attributable to:
  - an €11.8 million rise in personnel expenses driven by salary increases (SEGUR, corresponding to an increase for non-eligible staff), and an additional provision for paid leave for current employees (application of new case law on rights accrued during sick leave, with retroactive effect from 2020);
  - an €8.7 million increase in water and heating expenses and a €4 million increase in sanitation and hygiene service costs due to higher energy prices (in particular for renewal of hygiene and cleaning contracts) and to security work;
  - the €7.1 million net increase in depreciation, amortisation and provisions, reflecting the delivery of new properties during the year, as well as investments in IT.
- Net financial expense was €4 million higher year on year due to new borrowings and higher Livret A passbook account rates, despite the positive impact of lower hedging costs and higher financial income.
- Non-recurring profit rose by €12.2 million year on year, mainly reflecting exceptional Government aid obtained to partially offset the higher cost of fluids in 2022 ■

2 - BALANCE SHEET

BALANCE SHEET (IN € MILLIONS)	2022 (reported)	2023 (reported)	Δ 2023/2022
ASSETS			
Rental property	2,065.3	2,203.1	137.8
Rental property	2,065.3	2,203.1	137.8
Cash and cash equivalents	**196.8**	**219.7**	**22.9**
Inventories	**0.0**		**0.0**
Trade accounts receivable	**87.9**	**90.2**	**2.3**
Accrued subsidies and government grants	**135.5**	**137.9**	**2.5**
Non-current assets	420.2	447.9	27.7
TOTAL ASSETS	2,485.4	2,650.9	165.5
EQUITY AND LIABILITIES			
Capital and reserves	515.9	519.5	3.6
Profit (loss) for the period	3.6	17.0	13.4
Subsidies and government grants	592.0	618.2	26.2
Regulated provisions	0.1	0.1	0.0
Total equity	1,111.6	1,154.8	43.2
Provisions for contingencies and losses	7.0	6.8	-0.2
Other provisions	40.1	39.5	-0.7
Provisions	47.1	46.2	-0.8
Borrowings (outstanding principal)	1,102.1	1,204.6	102.5
Non-current liabilities	1,102.1	1,204.6	102.5
Current borrowings	**35.3**	**33.7**	**-1.6**
Other payables	**183.7**	**204.6**	**20.9**
PCA renewal of conventions	**5.7**	**7.0**	**1.3**
Current liabilities	224.7	245.3	20.6
TOTAL EQUITY AND LIABILITIES	2,485.4	2,650.9	165.5
Net debt	905.3	984.9	79.6
Equity (excl. subsidies) (1)	*519.6*	*536.6*	*17.0*
Advances to shareholders (2)	*0*	*0*	*0*
Permanent equity (1) + (2)	519.6	536.6	17.0
Net debt / Permanent equity	1.7	1.8	0.1
Net debt / Revenue	1.9	2.0	0.0
Net debt / Revenue and fees (including internally-billed fees)	2.7	2.8	0.1

Total assets grew by €165.5 million year on year to €2,650.9 million.
Net debt rose by €79.6 million due to €102.5 million in additional borrowings, partly offset by a €22.9 million increase in cash and cash equivalents, which stood at €219.7 million at end-2023.

Equity (excluding investment grants) represented 20% of the total balance sheet in 2023, which was relatively stable in comparison to 2022 (21%). Debt ratios were also stable year on year ■

3 - FINANCING THE ACTIVITY

FREE CASH FLOW AT DELIVERY (IN € MILLIONS)	2022 (reported)	2023 (reported)	Δ 2023/2022
Cash flow from operating activities	86.7	107.4	20.6
Repayment of principal	-39.9	-41.8	-1.9
Gross operating cash flow	46.8	65.6	18.8
Equity invested in building components (including moveable property)	-22.4	-15.9	6.4
Net operating cash flow	24.5	49.7	25.2
Cash proceeds on disposals	4.6	2.8	-1.8
Equity invested in development	-16.5	-18.3	-1.8
Equity invested in structural work	0.0	0.0	0.0
Acquisition costs	0.0	0.0	0.0
Other repayments	-4.1	-0.8	3.3
Acquisition of equity interests	0.0	0.0	0.0
Dividends	0.0	0.0	0.0
Free Cash Flow	8.5	33.3	24.8
Equity financing	0.0	0.0	0.0
Free Cash Flow after equity financing	8.5	33.3	24.8

Free cash flow was €33.3 million in 2023, a year-on-year increase of €24.8 million.

The favourable impact of €12.4 million in exceptional Government aid given in 2023 and the increase in rents helped generate higher cash flow from operating activities than in 2022 (up €20.6 million).

Equity invested in building components amounted to €15.9 million, down €6.4 million on prior year, mainly due to changes in the methods of financing work carried out as part of the Strategic Property development Plan (PSP).

In 2023, this enabled ADOMA to increase the amount of equity invested in development operations (€1.8 million higher) ■

CDC HABITAT

CDC Habitat Group, Caisse des Dépôts' public interest global real estate operator, and operator of Banque des Territoires, is one of France's major housing players with a portfolio of more than 554.000 units of housing throughout the country and in the overseas departments.

The Group strives to provide solutions adapted to people's needs throughout their lives, regardless of their circumstances. It offers a wide range of solutions, covering all different types of residential housing: social housing and emergency accommodation, intermediate and affordable housing, accommodation for students and young working people, senior and intergenerational residences, free-market and subsidized home ownership programmes.

With a solid presence throughout the country via its six inter-regional entities and various subsidiaries, CDC Habitat provides customised solutions to problems faced by local authorities. As a public interest global real estate operator, CDC Habitat performs its public service mission based on Corporate Social Responsibility in its dealings with all stakeholders.

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