

FINANCIAL REPORT 2021

- Group overview
- CDC Habitat intermediate housing (consolidated accounts)
- CDC Habitat social
- SIDOM
- Maisons & Cités
- Adoma

GROUP **OVERVIEW**

“VEFA 40 000” stimulus plan and call for projects to build 30,000 units of social housing

The Group continued to invest as part of the “VEFA 40 000” stimulus plan with 11,118 new builds launched in 2021, bringing the total to 21,611 since the programme began.

In early 2021, the Group put out a call for projects to build 30,000 units of social housing for rent over two years. The programme is backed by CDC Habitat Group.

At end-2021, operations approved by CDC Habitat and the social housing bodies represented development potential of 18,900 units of social housing; the number of accreditations obtained in 2021 totalled 12,849 units.

Partners

In 2021, CDC Habitat continued to partner the restructuring of the French social support sector. It entered into new partnership agreements and acquired stakes in operators within the sector. At end-2021, 35 partnership agreements had been signed (including 11 in 2021), representing nearly 296,000 units of housing for a provisional budget of €436 million (of which €270 million has already been committed). This process will be actively pursued into 2022.

Supporting housing associations experiencing financial difficulties

In total, since the launch of housing association support measures, 309 units of housing have been acquired, including 193 in 2021.

At end-2021, around 20 emergency agreements had been signed, representing support for over 1,100 housing units. CDC Habitat Action Copropriétés is involved in two redevelopment concessions (Marseille Parc Corot and Saint-Etienne du Rouvray).

Development of Group Strategic Project 2026

- Group Strategic Project 2026 is built around four Group stakeholders (the Company, Customers, Local and regional government, Partners and Employees) and aims to boost CDC Habitat’s role as a global real estate operator acting in the public interest;
- broken down into local and regional development projects factoring in development, work on the property portfolio and environmental and social commitments;
- updating of the Group’s CSR policy.

Launch of a project to develop the territorial organisation structure

Creation of multi-party agencies in mid-2022 (outside the Paris region) to manage both social rental housing, intermediate rental housing and free-market housing, making it possible to tackle all residential trajectories and housing issues for our local government partners.

Commitments to the National Low Carbon Strategy

Property portfolio energy consumption was reduced to 137 kWhep/sq.m./year; 0.8% of the portfolio with an F or G energy label still has to be retrofitted; 30,000 sq.m. were offset with CDC Biodiversité within the scope of the Nature 2050 programme.

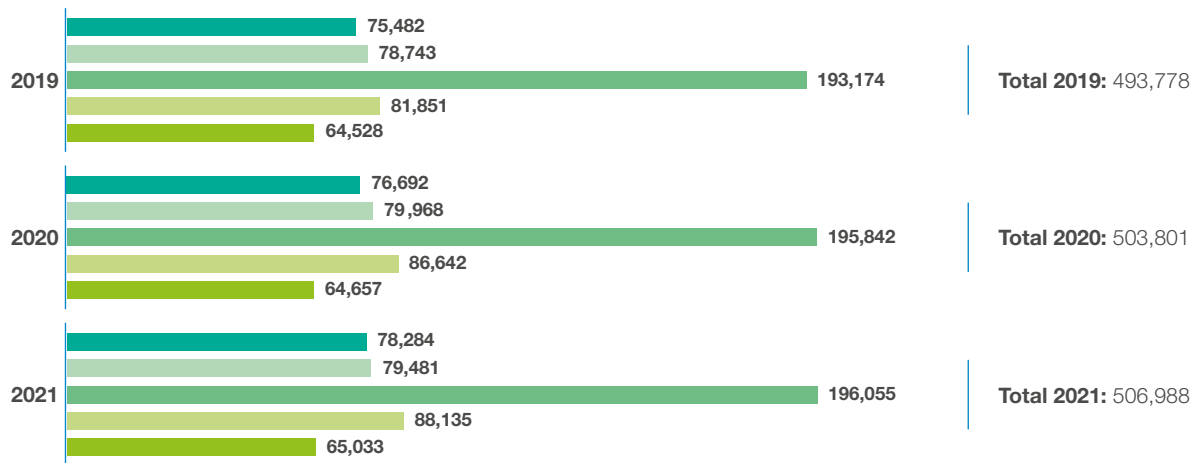
GROWTH IN PORTFOLIO

In 2021, CDC Habitat Group's owned portfolio grew by 0.6% (3,187 units) and the managed portfolio increased by 1.3% (+6,636 units), due to:

- delivery of 17,394 new units, including acquisitions and housing for first-time buyers;
- disposal of 3,582 units (excluding property development);
- demolition of 4,663 units, mostly belonging to Adoma (3,871 units);
- the end of administrative long leases or construction leases for 784 units;
- outsourcing to external management companies for 579 units;
- miscellaneous adjustments for a negative 1,150 units on CDC Habitat social's books following the transfer of households on administrative long leases.

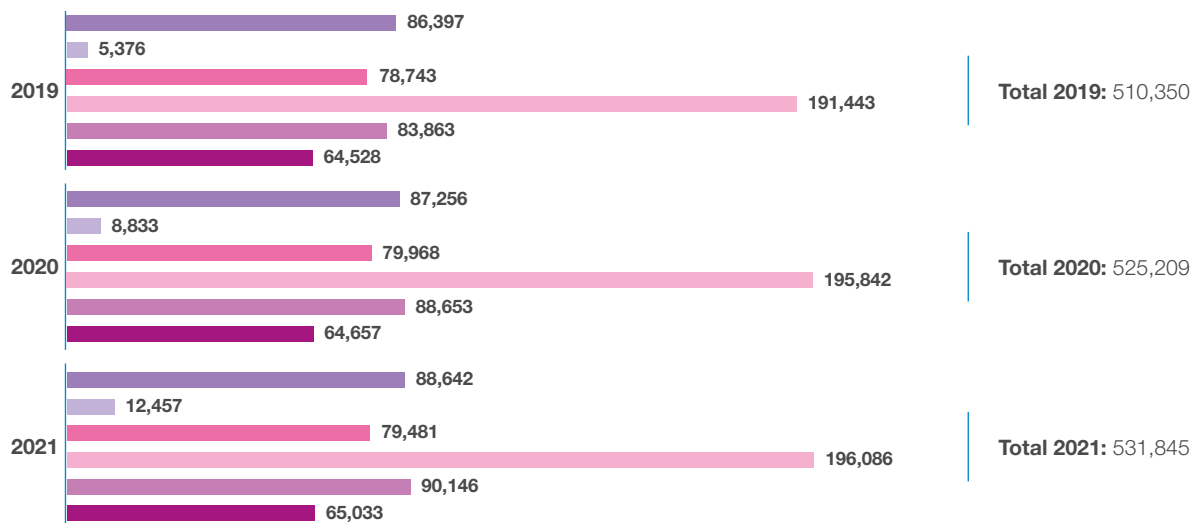
Changes in owned portfolio (in number of units)

CDC Habitat + Sainte-Barbe + CDC Habitat Action Copropriétés Adoma
Social housing division SIDOM Maisons & Cités



Changes in managed portfolio (in number of units)

CDC Habitat + Sainte-Barbe + CDC Habitat Action Copropriétés
Funds managed Adoma Social housing division SIDOM Maisons & Cités



NET RENTAL INCOME

Net rental income grew by 3.0% for the year to €2,739.5 million.

The **Consolidated division**, reported net rental income of €597.8 million, up 4.8% (or €27.5 million) for the year:

- gross rental income grew by €22 million (or 4%), driven by the full-year impact of housing acquired in 2020 (up €14.5 million), new deliveries (up €14.1 million), less the drop in rents from units sold (down €10.0 million);
- income from other activities grew by 17.7%, or by €5.2 million to €34.6 million, thanks to strong growth in management fees from third parties.

The **Social housing division**, reported net rental income of €917.5 million in 2021, 2.9% or €25.6 million higher than in 2020, under the combined impacts of:

- the €20.5 million increase in net rental income, including €26.3 million related to acquisitions and new builds, €3.2 million from existing property and a drop of €9 million from units sold off;
- lower losses on recoverable rental charges (€2.9 million) and bad debts (€1.9 million).

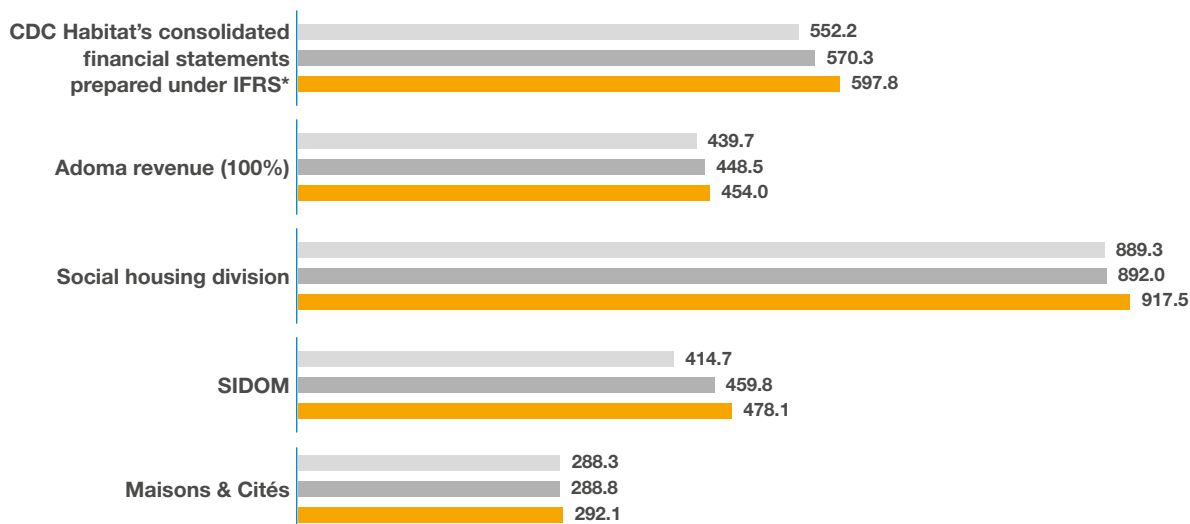
The **SIDOM division's**, income grew by €18.3 million to €478.1 million, reflecting the €17.7 million increase in rental income (including +€13.1 million for new deliveries, +€2.3 million due to a reduction in vacancy rates, lower bad debts (+€1.7 million) and higher losses on recoverable rental charges (-€1.3 million).

Maisons & Cités generated net rental income of €292.1 million, which was stable when compared to 2020 (up 1.1%).

Adoma's revenue grew by +1.2% year on year to €454.0 million.

Net rental income and Adoma revenue (€ million)

■ 2019 ■ 2020 ■ 2021



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

SIGNIFICANT INVESTMENT EFFORT

Investments in SOs by structure CDC Habitat Group (€ million)

	Reported 2019	Reported 2020	Reported 2021	Cumulative 2019/2021
INVESTMENT IN DEVELOPMENT (€ million)				
CDC Habitat + STB + CDC Action Copros	961.5	2,742.5	1,596.0	5,299.9
Funds managed	748.1	1,316.3	1,354.3	3,418.7
Adoma	258.6	196.9	206.2	661.6
Social housing division	698.5	477.4	646.1	1,821.9
SIDOM	411.1	349.9	568.0	1,328.9
Maisons & Cités	57.4	92.7	117.0	267.1
Total CDC Habitat Group	3,135.1	5,175.6	4,487.5	12,798.1
INVESTMENT IN WORK ON THE EXISTING PORTFOLIO (€ million)				
CDC Habitat + STB + CDC Habitat Action Copros	67.1	66.8	93.3	227.2
Adoma	44.6	31.2	32.8	108.6
Social housing division	181.3	144.9	160.8	486.9
SIDOM	113.5	88.3	120.4	322.2
Maisons & Cités	116.8	193.5	292.3	602.6
Total CDC Habitat Group	523.3	524.7	699.5	1,747.5
TOTAL INVESTMENT IN SOs				
CDC Habitat + STB + CDC Habitat Action Copros	1,028.6	2,809.3	1,689.3	5,527.1
Funds managed	748.1	1,316.3	1,354.3	3,418.7
Adoma	303.2	228.1	239.0	770.2
Social housing division	879.7	622.3	806.8	2,308.8
SIDOM	524.6	438.2	688.3	1,651.1
Maisons & Cités	174.2	286.1	409.3	869.6
Total CDC Habitat Group	3,658.4	5,700.3	5,187.0	14,545.6

EFFICIENT MANAGEMENT

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

- the Group's relet vacancy rate increased by 0.24 points to 1.87%, compared to 1.63% in 2020. The increase was especially marked at Consolidated Division level (in line with a large volume of deliveries) and at Maisons et Cités;
- monitoring and support initiatives deployed at Group level have helped to keep bad debts at a very low level;
- the average ratio of management costs/net rental income at Group level came in at 27.8%;
- maintenance expenditure represented 11.2% of the Group's consolidated net rental income, an increase of 0.6 points. The highest level of 15.6% was reported by Adoma. Recurring maintenance expenditure throughout the Group averaged € 557/unit in 2021. The ratios of the emergency accommodation division measured in proportion to net income are higher due to the specific features of its portfolio;
- the average EBITDA and recurring operating income margin at end-2021 was 46%, with big differences between entities;
- the net debt / net rental income ratio was stable in all entities and it remained low for Adoma.

Operating data

	GROUP	CDC Habitat consolidated financial statements prepared under IFRS	Social housing division	Adoma	SIDOM	Maisons & Cités
RENTAL MANAGEMENT						
Average vacancy rate on available units	1.87%	3.20%	1.77%	1.16%	1.41%	1.14%
For info. 2020	1.63%	2.69%	1.71%	1.01%	1.63%	0.76%
Average vacancy rate on available units (> 1 month)	1.37%	2.29%	1.13%	nd	nd	0.66%
For info. 2020	1.14%	1.83%	1.11%	nd	nd	0.31%
Bad debts	1.5%	1.2%	1.0%	1.5%	2.4%	1.3%
For info. 2020	1.6%	1.2%	1.1%	1.6%	2.4%	1.5%
MANAGEMENT COSTS (AS A % OF NET RENTAL INCOME)						
	27.8%	32.5%	26.1%	33.5%	24.0%	25.2%
For info. 2020	26.0%	27.3%	25.0%	32.0%	24.6%	23.3%
PROPERTY MANAGEMENT						
Maintenance / in € per equiv. housing unit	€557	€631	€545	€473	€590	€558
For info. 2020	€530	€609	€505	€479	€588	€488
Maintenance / as % of net rental income	11.2%	9.1%	11.1%	15.6%	10.8%	12.3%
For info. 2020	10.6%	9.0%	9.9%	15.7%	11.0%	10.8%

GROUP OVERVIEW

Financial data

	GROUP	CDC Habitat consolidated financial statements prepared under IFRS	Social housing division	Adoma	SIDOM	Maisons & Cités
INCOME STATEMENT						
Net rental income or revenue (Adoma)	2,739.5	597.8	917.5	454.0	478.1	292.1
For info. 2020	2,659.3	570.3	892.0	448.5	459.8	288.8
Recurring operating income or EBITDA / Net rental income*	46.0%	47.1%	49.5%	24.3%	54.5%	52.7%
For info. 2020	48.9%	55.3%	51.5%	25.3%	54.0%	56.5%
Gains on disposals / Profit before tax**	70.2%	78.8%	93.5%	22.4%	26.6%	67.8%
For info. 2020	57.8%	63.4%	78.1%	35.8%	28.2%	39.6%
Gains on disposals / Recurring operating income or EBITDA	23.8%	55.0%	23.0%	5.0%	7.1%	10.9%
For info. 2020	20.3%	34.5%	22.6%	15.0%	8.0%	8.5%
GROSS CASH FLOW / INV (INCR)	21.7%	22.2%	16.1%	40.1%	22.2%	33.6%
For info. 2020	28.6%	6.6%	26.5%	62.4%	27.0%	30.2%
NET DEBT / NET RENTAL INCOME	8.0	9.0	8.3	3.4	8.6	7.2
For info. 2020	7.2	7.8	7.9	3.2	8.8	4.5
GEARING (NET DEBT / EQUITY)	1.6	1.2	2.4	0.8	1.5	1.9
For info. 2020	1.4	1.0	1.7	0.8	1.7	1.2
LTV (LOAN TO VALUE)	-	44.0%	39.3%	nd	nd	nd
For info. 2020	-	42.9%	40.1%	nd	nd	nd
ANNUITIES / NET INCOME	41.1%	48.2%	48.9%	17.9%	32.1%	36.5%
For info. 2020	41.2%	48.0%	49.6%	17.2%	30.9%	39.1%

* For CDC Habitat consolidated financial statements: recurring operating income excluding property development / (net rents + income from other activities);

Other entities: EBITDA / Net income

** For CDC Habitat consolidated financial statements: gains on disposals / Profit before tax (adjusted for provisions booked for Swaps)

**CDC HABITAT
INTERMEDIATE
HOUSING**

(CONSOLIDATED
ACCOUNTS)

INCOME STATEMENT

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. Differences between CDC Habitat's and CDC's ratings reflect the fact that intermediate housing does not benefit from the same institutional support as social housing (via CDC Habitat social).

As part of Fitch's annual ratings review, CDC Habitat's medium- and long-term rating was maintained at AA- with a negative outlook, i.e., one notch below CDC's rating.

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

- CDC Habitat, SAS Sainte-Barbe, AMPERE and Aestia, all of which are fully consolidated;
- Adoma (56.44% stake) and FLI (19.14% stake), consolidated using the equity method;

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

Highlights in 2021 and business environment:

■ Agreement to sell a real estate portfolio to the Lamartine fund

On 23 December 2021, a Memorandum of Understanding was signed between CDC Habitat and CNP Assurances covering the sale of 85% of the units in SCI Lamartine, which are 99.99%-owned by CDC Habitat at end-December 2021. The sale is scheduled to take place in 2022 and the following operations will be carried out beforehand:

- transfer of a portfolio of existing properties to SCI Lamartine and SCI Milly;
- contribution of the 99.99%-owned shares in SCI Milly to SCI Lamartine.

For information, in view of their non-material impact on the consolidated financial statements of CDC Habitat at 31 December 2021, SCI Lamartine and SCI Milly are non-consolidated entities. At end-2021, assets totalling €1.070 million and liabilities totalling €572 million were reclassified to assets held for sale and liabilities related to assets held for sale, respectively.

■ "VEFA 40 000" stimulus plan

CDC Habitat continued to invest as part of the "VEFA 40 000" stimulus plan with 5,338 new builds launched in 2021, i.e., a total of 13,190 units since spring 2020.

■ Shareholder support from CDC

- share capital increase in 2020: CDC increased CDC Habitat's share capital by an amount of €1.23 billion in 2020 to help with the recovery in the housing sector (40,000 units of off-plan housing, support for social housing bodies). By the end of 2021, a total of €849 million had been called up, including €369 million in 2021. The residual amount of €381 million was duly paid up in February 2022;
- share capital increase in 2022: an additional €140 million capital increase to support the social housing sector (CDC Habitat social and partners) was approved by CDC in spring 2021 and should be subscribed in 2022;
- payment of a dividend: the General Shareholders' Meeting held on 15 December 2021 voted to pay a special dividend of €50 million out of reserves.

■ CEGELOG

The consortium headed up by CDC and CDC Habitat to bid for the French Ministry of Defence property management concession (CEGELOG), was not successful. CDC Habitat is therefore preparing to handover management of these properties to the concession operator appointed with effect from end-2022 (nearly 8,800 housing units managed at end-2021).

■ Creation of a digital transformation department and an innovation unit

Acceleration of digital transformation across the board: customers, development, property operation-maintenance, business processes.

INCOME STATEMENT

Consolidated profit for 2021 came in at €151.5 million, compared to €133.3 million for 2020.

Net rental income excluding property development (i.e., net rents + income from other activities) grew by €27.5 million to €597.8 million on the back of higher gross rental income (up €22 million) and income from other activities (up €5.2 million).

Operating expenses increased by €61.4 million to €316.1 million for the year. This rise was mainly attributable to increases of €23.9 million and €25.5 million, respectively, in other operating expense and purchases consumed & external services (due to increases in recruitment and services provided by inter-company partnerships, miscellaneous fees generated by major strategic projects, management agency fees and technical fees).

Maintenance expenses amounted to €57.7 million or 9.1% of net rental income.

Taxes and other levies rose by €5.4 million to €60.8 million, notably due to the full-year impact of acquisitions and property from the mergers that took place in 2020.

Personnel expenses rose by €4.1 million to €76.5 million in line with the growth of the business.

There was a net **other operating expense** of €5.4 million for the period, compared to other operating income of €18.6 million in 2020. For information, non-recurring income for 2020 was boosted by the real estate investment companies (SCIs) contributed by CDC and reversals of provisions.

Recurring operating income was €281.9 million compared to €315.4 million in 2020. Excluding the property development margin, recurring operating income was 47.1% of net income versus 55.3% in 2020.

Disposal gains accounted for 78.8% of pre-tax profit (€155.0 million), which was 15.4 points higher than in 2020.

Depreciation and amortisation net of government grants and subsidies increased by €12.4 million year on year to €193.5 million due to new buildings placed in service.

Adoma's contribution to consolidated profit decreased by €10.3 million year on year to €13.9 million, due to higher depreciation charges and lower gains on disposals.

FLI only contributed a small amount of €0.1 million to net income as income from the first properties delivered still only has a marginal impact on fund earnings.

Cost of gross debt remained stable year on year.

Cost of net debt amounted to €66.9 million in 2021. €32 million less than in 2020. This decrease was attributable to higher amounts of income generated by gains on disposals of equity investments, interest received on property developers' calls for funds and positive fair value adjustments to derivatives.

We should note that, while changes in the fair value of derivatives do not automatically push up/decrease finance costs, they need to be analysed in terms of an opportunity cost/gain in line with forecast interest rates.

The Group's interest rate hedging policy is to use interest rate swaps to insure the finance costs of Group entities over the very long term and is not intended to be used for speculative purposes.

Positive fair value adjustments to investments amounted to €10.8 million in 2021. mainly attributable to the remeasurement of the investment in Juno.

Profit before tax was €201.4 million, versus €171.4 million in 2020. a year on year increase of €30.0 million.

The **tax expense** was €49.9 million, €11.7 million higher than in 2020. For information, the share in the net income of Adoma is exempted from income tax.

Consequently, **return on equity (ROE)** climbed by 0.3 points to 3.9%.

CDC HABITAT INTERMEDIATE HOUSING (CONSOLIDATED ACCOUNTS)

Consolidated income statement, prepared under IFRS

in €M

	Reported 2020	Reported 2021	Reported 2021/2020 €	Reported 2021/2020 %
Gross rental income	548.8	570.7	22.0	4.0%
Loss on recoverable rental charges	-7.9	-7.5	0.3	-4.4%
Net rents	540.9	563.2	22.3	4.1%
Income from other activities	29.4	34.6	5.2	17.8%
NET RENTAL INCOME	570.3	597.8	27.5	4.8%
Income from property development	2.1	2.0	-0.1	-3.4%
Cost of inventory	-2.3	-1.8	0.5	-22.1%
Property development margin	-0.3	0.2	0.4	-166.9%
Purchases consumed & external services	-90.2	-115.8	-25.5	28.3%
Maintenance	-55.3	-57.7	-2.4	4.3%
Taxes other than income taxes	-55.3	-60.8	-5.4	9.8%
Personnel expenses, discretionary and non-discretionary profit-sharing	-72.4	-76.5	-4.1	5.7%
Other operating income (expense)	18.6	-5.4	-23.9	-128.9%
Total recurring expenses	-254.7	-316.1	-61.4	24.1%
RECURRING OPERATING INCOME	315.4	281.9	-33.4	-10.6%
Disposal gains on investment property	108.7	155.0	46.3	42.6%
EBITDA	424.1	437.0	12.9	3.0%
Depreciation and amortisation net of government grants and subsidies	-181.1	-193.5	-12.4	6.8%
Net (additions to) reversals of provisions	1.1	0.0	-1.1	-100.0%
Net disposal gains (losses)	0.0	0.0	0.0	
Impairment losses on intangible assets	0.0	0.0	0.0	
EBIT BEFORE SHARE IN NET INCOME OF ASSOCIATES	244.1	243.5	-0.6	-0.3%
Share in net income of associates	24.7	14.0	-10.7	-43.4%
EBIT AFTER SHARE IN NET INCOME OF ASSOCIATES	268.7	257.4	-11.3	-4.2%
Cost of gross debt	-115.6	-115.6	0.0	0.0%
Income from cash and cash equivalents	16.7	43.9	27.2	162.6%
Fair value adjustments to derivatives	0.0	4.8	4.7	12092.3%
Cost of net debt	-98.8	-66.9	32.0	-32.3%
Fair value adjustments to investments	1.5	10.8	9.4	638.9%
PROFIT BEFORE TAX	171.4	201.4	30.0	17.5%
Income tax expense	-38.1	-49.9	-11.7	30.8%
NET PROFIT	133.3	151.5	18.3	13.7%
Non-controlling interests	0.0	0.0	0.0	-100.0%
NET PROFIT ATTRIBUTABLE TO OWNERS	133.3	151.5	18.3	13.7%

	2020	2021
Recurring operating income (excluding property development margin) / net income (net rents + income from other activities)	55.3%	47.1%
Gains on disposals / Profit before tax (excluding impact of swaps)	63.4%	78.8%
Gains on disposals / EBITDA	25.6%	35.5%
Gains on disposals / Recurring operating income	34.5%	55.0%
Interest coverage ratio (ICR)	1.23	1.23
ROE	3.6%	3.9%

BALANCE SHEET

OVERVIEW OF THE GROUP'S BORROWINGS

In December 2020, the Supervisory Board authorised the Group to raise €520 million in new borrowings for 2021 by means of placements on the open market. This entire sum was raised during the period in the following form:

- six commercial paper and medium-term note programmes (NEU CP-NEU MTN) for an amount of €300 million, borrowed for periods of between 3 and 20 years,
- five NSV-type bonds for an amount of €220 million, borrowed for periods of between 6 and 30 years,

The Supervisory Board also authorised the Group to raise an additional €300 million in new borrowings on 23 September 2021, and this sum was raised for a five-year period.

The weighted average interest rate on these new borrowings is 0.50% at an average maturity of 12 years.

Another €20 million was raised in other forms (a €16 million bank loan for Sainte-Barbe and €4 million in other borrowings).

After taking into account the impact of hedging, the weighted average interest rate on consolidated division borrowings is 2.22% (34 basis points lower than in 2020).

The gearing ratio increased from 1.1 in 2020 to 1.3 in 2021 in line with debt. After fair value adjustments to derivatives it comes out at 1.2.

The overall Loan to Value (LTV) ratio, which includes fair value adjustments to non-consolidated investments, grew by over 1 point to 44.0%.

IN ASSETS

Non-current assets grew by €138.5 million (+1.6%), mainly attributable to the combined effects of:

- a €192.1 million increase in **investment property**, mainly driven by new work in-progress (effects of the stimulus plan) and new buildings placed in service which exceeded disposals and depreciation expense for the period;
- a €124.8 million increase in **available-for-sale financial assets**. This heading corresponds to non-consolidated investments owned directly by CDC Habitat or via Adestia. The increase reflects acquisitions of equity interests during the period for an amount of €155 million, offset by a negative amount of €40 million for the disposal of shares in RIVP;
- the €22.4 million increase in **investments in associates** (FLI and Adoma);
- the €181.4 million decrease in **other non-current financial assets**, mainly tied to the decrease in derivative instruments in assets;
- recognition of a deferred tax asset for an amount of €1.0 million (€23.4 million less than in 2020).

Current assets decreased by an amount of €292.4 million, mainly due to the €369 million capital increase paid up.

Assets held for sale amounted to €1,069.5 million and consist of assets that will be contributed to the Lamartine fund.

IN EQUITY AND LIABILITIES

Equity grew by 5.0% or €194.7 million, thanks mainly to profit generated for the year (€151.5 million) and positive adjustments to derivatives (€93.2 million), less the payment of a €50 million dividend to CDC.

Non-current liabilities by €186.1 million in line with a €499.8 million increase in non-current borrowings (new borrowings net of repayments and reclassification of Lamartine liabilities to liabilities related to assets held for sale), against a €313.7 million decrease in other non-current financial liabilities (mainly reflecting the impact of derivatives).

Current liabilities were €39.1 million (or 2.4%) lower year on year:

- **current borrowings** fell by €181.0 million to €1,040.6 million, mainly due to the reclassification of Lamartine liabilities as liabilities related to assets held for sale;
- **other current liabilities** grew by €142.5 million, including an amount of €126 million related to acquisitions of investment property;

Liabilities held for sale grew by €571.8 million and consist of assets that will be contributed to Lamartine.

Debt ratios were higher but remained in line with projections:

Balance sheet ratios	2020	2021	Δ 2021/2020
Net debt (€ million)	4,315	5,162	847
Gearing (net debt / equity)	1.1	1.3	0.2
Gearing (excluding impact of swaps)	1.0	1.2	0.2
Net debt/income (statutory accounts)	7.8	9.0	1.2
Loan to value (LTV)	42.9%	44.0%	1.1%
Real estate borrowings / EBO	9.76	11.46	1.70

CDC HABITAT INTERMEDIATE HOUSING (CONSOLIDATED ACCOUNTS)

Balance sheet

in €M

	2019	2020	2021	Δ 2021/2020
ASSETS				
Intangible assets	4.3	3.2	8.5	5.3
Investment property	5,360.7	6,659.5	6,851.6	192.1
Other non-current assets	30.6	29.1	27.9	-1.2
Rental property	5,395.6	6,691.8	6,888.0	196.1
Available-for-sale financial assets	657.2	802.6	927.4	124.8
Investments in associates	425.9	441.2	463.5	22.4
Other financial assets	665.7	685.5	504.1	-181.4
Deferred tax assets	27.7	24.4	1.0	-23.4
Non-current financial assets	1,776.5	1,953.7	1,896.0	-57.7
NON-CURRENT ASSETS	7,172.1	8,645.5	8,784.0	138.5
Cash and cash equivalents	1,092.3	1,087.3	1,131.2	43.9
Inventories	17.7	19.7	50.1	30.4
Trade receivables	236.5	1,013.2	646.4	-366.8
CURRENT ASSETS	1,346.5	2,120.2	1,827.8	-292.4
Assets held for sale	2.7	0.0	1,069.5	1,069.5
TOTAL ASSETS	8,521.3	10,765.7	11,681.3	915.6
EQUITY AND LIABILITIES				
Share capital	933.3	2,163.3	2,163.3	0.0
Reserves	1,475.4	1,561.2	1,737.7	176.4
Net profit for the period	110.4	133.3	151.5	18.3
Equity attributable to owners of the parent	2,519.1	3,857.8	4,052.5	194.7
Non-controlling interests	0.0	0.0	0.0	0.0
TOTAL EQUITY	2,519.1	3,857.8	4,052.5	194.7
TOTAL PROVISIONS	38.7	45.2	47.2	2.0
Non-current borrowings	3,910.5	4,181.0	4,680.8	499.8
Other non-current financial liabilities	1,040.0	1,081.1	767.4	-313.7
Deferred tax liabilities	0.0	0.0	0.0	0.0
NON-CURRENT LIABILITIES	4,950.5	5,262.1	5,448.3	186.1
Current provisions	16.9	10.1	9.5	-0.6
Current borrowings	706.2	1,221.6	1,040.6	-181.0
Other current liabilities	289.1	368.8	511.3	142.5
CURRENT LIABILITIES	1,012.2	1,600.5	1,561.4	-39.1
Liabilities related to assets held for sale	0.7	0.0	571.8	571.8
TOTAL EQUITY AND LIABILITIES	8,521.3	10,765.7	11,681.2	915.6

FINANCING THE ACTIVITY

The various operations carried out in 2021 generated a funding surplus of €46.8 million compared to a surplus of €184.9 million in 2020. This reflects a number of factors:

- a net operating funding requirement of €14.8 million, a year-on-year deterioration of €15.3 million reflecting the increase in principal repayments (negative €5.2 million), capital invested in building work (negative €6.5 million), a €4 million decline in cash generated by operating activities, and a stable amount of dividends received (positive €0.4 million);
- a €63.7 million increase in cash proceeds on disposals to €246.3 million;
- capital outlay required for development (including major projects) of €340.5 million, which was €132 million higher than in 2020;
- acquisitions of equity interests and payment of current account advances of €157.4 million, a drop of €119.7 million on 2020;
- a cash payment of €369.0 million received from CDC (i.e., the balance of the €1.230 million capital increase of 2020 paid up in 2021), less the payment of a €50 million dividend.

Free cash flow

in €M

	Reported 2020	Reported 2021	Δ 2021/2020
Cash flow from operating activities	160.9	156.9	-4.0
Repayment of principal	-154.4	-159.6	-5.2
Dividends received from FLI	5.2	5.0	-0.2
Dividends received from VESTA	1.7	1.4	-0.3
Dividends received from other investments	3.5	4.4	0.9
GROSS OPERATING CASH FLOW	16.9	8.1	-8.8
Capital invested in renov/enhancement/demolition (calculated at delivery)	-16.5	-22.9	-6.5
NET OPERATING CASH FLOW	0.5	-14.8	-15.3
Cash proceeds on disposals	182.7	246.3	63.7
Equity invested in development (at delivery)	-188.9	-300.4	-111.4
Equity invested in major projects	-9.5	-40.1	-30.6
Equity invested in structural work	-2.0	-2.1	-0.2
Other early repayments	-0.3	-3.7	-3.4
FREE CASH FLOW BEFORE EQUITY FINANCING	-17.6	-114.8	-97.2
Acquisitions of equity interests	-210.8	-122.6	88.2
Distributed dividends	0.0	-50.0	-50.0
FREE CASH FLOW AFTER EQUITY FINANCING AND BEFORE TRANSFERS TO RESERVES AND CAPITAL INCREASE	-228.4	-287.4	-59.0
Cash capital increase	479.7	369.0	-110.7
Current account advances granted to/repaid by subsidiaries	-66.4	-34.8	31.6
FREE CASH FLOW AFTER EQUITY FINANCING AND BEFORE TRANSFERS TO RESERVES	184.9	46.8	-138.1

CDC HABITAT
SOCIAL

- CDC Habitat social continued to invest within the scope of the “VEFA 40 000” stimulus plan with 1,010 new builds launched in 2021, i.e., a total of 1,499 units since the plan was first launched. In early 2021, the Group put out a call for projects to build 30,000 units of rented social housing over two years. The programme is backed by CDC Habitat Group (and more specifically by CDC Habitat social). At end-2021, operations validated by CDC Habitat Group represent a potential total of 18,900 social housing units;
- Ysalia Garonne Habitat shares were transferred to Adestia for an amount of €10 million in the first-half of 2021.

INCOME STATEMENT

Net rental income came in at €910.4 million, a year-on-year increase of €19.2 million, attributable to the combined impacts of:

- a €14.1 million increase in rental income driven by new deliveries (positive €26.3 million), higher rents from the existing property portfolio (positive €3 million), and the property transferred to Ysalia (negative €6.2 million);
- decreases in bad debts and losses on unrecoverable rental charges of €1.9 million and €2.9 million, respectively.

The contribution margin contracted slightly by €1.0 million to €650.9 million, mainly due to:

- a €14.5 million increase in maintenance charges to €101.9 million, representing 11.2% of net rental income and a return to normal expenditure levels after an atypical 2020 in which charges were abnormally low due to lockdown restrictions;
- a €2.5 million decrease in local non-recoverable payroll (accounting adjustment);
- a €3.7 million increase in property taxes due to new disposals of exempted properties in 2021;
- a €4.6 million increase in other indirect costs, including €1.1 million in management agency fees related to deliveries in 2021, and €3.5 million in additional costs in the wake of 2020, which was severely affected by the pandemic.

Indirect charges increased by €4.5 million to €200.7 million, representing 22.0% of net rental income.

EBITDA was €451.0 million, a drop of €5.4 million (49.5% of net rental income).

EBIT came in at €138.4 million and was hit by a €15.1 million increase in depreciation charges.

Net financial expense was €138.3, which was €9.4 million lower than in 2020, as a result of the combined impact of an €11.3 million decrease in financial charges (lower interest rates) and a €2.0 million drop in financial income (decrease in cash and cash equivalents and lower investment yields).

Disposals generated income of €103.5 million on the sale of 1,550 units of housing, which was stable when compared to 2020. Disposal gains accounted for 93.5% of net profit versus 78.1% in 2020.

Non-recurring profit decreased by €18.5 million, notably due to the impact of income of €12.7 million recorded in 2020 on the partial contribution of assets to Ysalia.

Employee profit-sharing costs amounted to €8.7 million for the year.

Consequently, **net profit** for the year came in at €110.7 million, a decrease of €22.0 million when compared with 2020.

in €M

Income statement

	Reported 2020	Reported 2021	Δ 2021/2020	Δ 2021/2020 (%)
Rental income *	891.2	910.4	19.2	2%
Maintenance	-87.4	-101.9	-14.5	17%
Local non-recoverable payroll	-25.8	-23.3	2.5	-10%
Taxes on rental housing stock	-101.0	-104.6	-3.7	4%
Other direct costs	-25.2	-29.7	-4.6	18%
Direct costs	-239.2	-259.5	-20.2	8%
CONTRIBUTION MARGIN	651.9	650.9	-1.0	0%
Non-rental income *	0.7	0.8	0.1	10%
Admin staff payroll, net of amounts rebilled	-60.4	-63.1	-2.7	4%
Taxes and contributions	-20.3	-16.2	4.1	-20%
Other direct costs, net of amounts rebilled	-14.7	-16.9	-2.1	15%
GIE Supports et Territoriaux (inter-company partnerships)	-100.8	-104.5	-3.7	4%
Indirect costs	-196.2	-200.7	-4.5	2%
EBITDA	456.5	451.0	-5.4	-1%
Depreciation and amortisation net of government grants	-296.6	-311.7	-15.1	5%
Variance MR / PMRs	-1.8	-0.9	0.9	-47%
EBIT	158.1	138.4	-19.7	-12%
Financial expense	-154.1	-142.7	11.3	-7%
Financial income	5.9	3.9	-2.0	-33%
Net financial income (expense)	-148.2	-138.8	9.4	-6%
Acquisition-related costs	-0.1	-0.1	0.0	-27%
PROFIT FROM ORDINARY ACTIVITIES	9.8	-0.5	-10.3	-105%
Net profit on disposals	103.7	103.5	-0.1	0%
Other non-recurring profit (loss)	32.9	14.4	-18.5	-56%
Demolition ANRU and non-ANRU programmes	-4.2	2.0	6.2	-147%
PROFIT BEFORE TAX	142.2	119.4	-22.8	-16%
Employee profit-sharing	-9.5	-8.7	0.7	-8%
Income tax	0.0	0.0	0.0	
NET PROFIT	132.7	110.7	-22.0	-17%

BALANCE SHEET

IN ASSETS

- The €465 million increase in **rental property** was a result of the combined impact of:
 - deliveries of new buildings and acquisitions for an amount of €617 million;
 - completion of building work (renovation and replacement of components) totalling €357 million;
 - assets derecognised following disposals for a negative amount of €47 million;
 - depreciation charges totalling €364 million;
 - adjustments to buildings placed in service in previous years totalling €171 million;
 - a €269 million decrease in work in-progress after new buildings were placed in service.

- The €4 million increase in **owner-occupied** property.

- **Non-current financial assets** declined by €10 million year on year, reflecting the shares in Ysalia Garonne Habitat social housing entity ceded to Adestia in 2021.

- CDC Habitat social's **cash and cash equivalents** at end-2021 amounted to €446 million, which was €223 million lower than at end-2020.

- **Inventories and trade accounts receivable** balances grew by €82 million, reflecting higher investments in property development and housing associations that are in a poor state of repair (+€20 million), and increases in advances and prepayments (+€24 million) and trade accounts receivable (+€56 million).

IN EQUITY AND LIABILITIES

- **Equity grew by €94 million** to €4,408 million, reflecting the combined impacts of:
 - CDC Habitat social's profit for the year totalling €111 million;
 - a €14 million drop in subsidies and government grants;
 - €3 million in dividends paid out.

- **Borrowings** amounted to €8,047 million, an increase of €218 million, mainly reflecting new borrowings of €579 million, less repayments of €345 million made during the period.

- **Other liabilities declined by €9 million.**

Balance sheet

in €M

	Reported 2020	Reported 2021	Δ 2021/2020
ASSETS			
Uncalled subscribed capital	0.0	0.0	0.0
Rental property	10,046	10,781	735
Renovation and building work in-progress	1,517	1,248	-269
Total rental property	11,563	12,029	465
Owner-occupied property	36	40	4
Non-current financial assets	20	10	-10
NON-CURRENT ASSETS	11,619	12,078	459
Cash and cash equivalents	669	446	-223
Inventories and trade accounts receivable	546	629	82
TOTAL ASSETS	12,835	13,153	318
CAPITAL AND RESERVES			
Profit (loss) for the period	2,971	3,100	129
Subsidies and government grants	133	111	-22
Regulated provisions	1,212	1,198	-14
TOTAL EQUITY	4,315	4,408	94
Provisions for contingencies and losses	93	99	7
Borrowings	7,830	8,047	218
Other payables	582	573	-9
PCA renewal of conventions	15	24	9
TOTAL EQUITY AND LIABILITIES	12,835	13,153	318

Balance sheet ratios

	Reported 2020	Reported 2021
NET DEBT	7,161	7,602
Net debt / net rental income	8.0	8.3
Net debt / rental property	0.7	0.7
Gearing (net debt / equity)	1.7	1.7
ROE	3.2%	2.6%
LTV	38.7%	39.3%
Cash on hand / number of months of rental income	9.0	5.9
Annuities / Net income (%)	47.6%	48.9%
Spread (EBITDA/Rental income - Annuities/Net income)	3.6%	0.6%

Total assets grew by 2.5% (or by €318 million) in 2021.

FREE CASH FLOW AT DELIVERY

The various operations carried out in 2021 generated a net funding requirement of €65 million compared to a surplus of €39 million in 2020. This reflects a number of factors:

- a €31 million year-on-year increase in principal repayments;
- a €46 million increase in capital invested in building work in line with new deliveries (especially renovation work);
- an €18 million drop in cash proceeds on disposals;
- additional capital outlay required for structural development of €56 million (higher investments);
- an €11 million increase in early repayments (excluding sales), due to repayment of over-funded borrowings;
- the transfer of Ysalia Garonne shares to Adestia which generated gross cash flow of €10 million;
- equity financing of €47 million, comprising the last instalment of the 1.0 subsidised equity loan of €3 million and €44 million in pandemic-related subsidised equity loans.

Free cash flow

in €M

	Reported 2020	Reported 2021	Δ 2021/2020
Cash flow from operating activities	332	339	7
Compensating interest	0	0	0
Repayment of principal (excl. early repayments)	-270	-301	-31
GROSS OPERATING CASH FLOW	62	38	-24
Capital invested in renov/enhancement/demolition	-62	-108	-46
NET OPERATING CASH FLOW	0	-70	-70
Cash proceeds on disposals	128	110	-18
Equity invested in development (new deliveries)	-86	-142	-56
Equity invested in structural work	-6	-6	0
Other early repayments	-1	-12	-11
Acquisitions (-) or disposals (+) of equity investments	1	10	9
FREE CASH FLOW BEFORE EQUITY FINANCING	37	-109	-145
Distributed dividends	-4	-3	0
Equity financing	6	47	41
FREE CASH FLOW AFTER EQUITY FINANCING	39	-65	-104

SIDOM

Figures for 2020 include SODIAC following the acquisition of a 57.75% stake in July 2020. There were no changes in the scope of consolidation in 2021.

INCOME STATEMENT

Net rental income rose by €17.7 million for the year (or by 3.9%), including €13.1 million generated by new buildings delivered in 2020-2021 and €5.6 million from the existing property portfolio following the revaluation of the French rent review index in 2021 and a reduction in vacancy rates.

Maintenance expenses increased by a moderate €1.1 million (+2.1%) million and represented 10.8% of net rental income.

Property taxes were €2.1 million (or 4.9 % higher) due to disposals of exempted properties.

Other direct costs increased by €1.6 million and included €1 million in technical fees and €0.3 million in legal and property management fees.

Indirect charges declined by €0.5 million due mainly to the following impacts:

- a €2.7 million decline in indirect costs, reflecting the combined impacts of a €1.4 million increase in own-work capitalised and savings on routine operating management costs;
- the sum of personnel expenses and share in inter-company partnership costs rose by €1.8 million (the two items are offset because of amounts rebilled for personnel provided by the inter-company partnerships).

EBITDA came in at €260.7 million, which was 5.6% higher than last year and represented 54.5% of net rental income (53.7% in 2020).

EBIT came in at €91.1 million, reflecting increases in depreciation charges related to new buildings placed in service and renovation work carried out.

Net financial expense was €1.8 million lower in 2021, mainly due to the €4.4 million decrease in financial expense following a drop in the rate paid on Livret A passbook savings accounts and its full-year impact in 2021. The lower financial income is attributable to the disposal of non-strategic equity investments by SIDR in 2020, which generated gains of €2.4 million.

Profit from ordinary activities rose by €6.4 million to €52.4 million (versus €46 million in 2020).

Disposal gains decreased by 10% to €18.5 million, mainly reflecting lower gains on disposals of land.

Net profit for the year came in at €67.2 million compared to €68.6 million in 2020.

Income statement
in €M

	Reported 2020	Reported 2021	Δ 2021/2020	Δ 2021/2020
Rental income *	458.3	476.0	17.7	3.9%
Maintenance	-50.5	-51.6	-1.1	2.1%
Local non-recoverable payroll	-5.0	-5.2	-0.2	3.0%
Taxes on rental housing stock	-43.3	-45.4	-2.1	4.9%
Other direct costs	-8.3	-9.9	-1.6	19.6%
Direct costs	-107.1	-112.1	-4.9	4.6%
CONTRIBUTION MARGIN	351.2	363.9	12.8	3.6%
Non-rental income *	1.6	2.1	0.6	36.6%
Admin staff payroll, net of amounts rebilled	-80.6	-69.4	11.2	-13.9%
Taxes and contributions	-5.3	-5.7	-0.4	8.3%
Other indirect costs	-28.2	-26.6	1.6	-5.7%
Other internally rebilled costs	13.3	14.5	1.1	8.6%
Other direct costs, net of amounts rebilled	-14.9	-12.1	2.7	-18.5%
GIE Supports et Territoriaux (inter-company partnerships)	-5.1	-18.1	-13.0	253.1%
Indirect costs	-105.9	-105.4	0.5	-0.5%
EBITDA	246.8	260.7	13.9	5.6%
Depreciation and amortisation net of government grants	-160.9	-170.1	-9.1	5.7%
Variance MR / PMRs	0.6	0.4	-0.2	-26.8%
EBIT	86.5	91.1	4.6	5.3%
Financial expense	-46.3	-42.3	3.9	-8.5%
Financial income	5.8	3.7	-2.1	-36.9%
Net financial income (expense)	-40.5	-38.7	1.8	-4.4%
Acquisition-related costs	0.0	0.0	0.0	
PROFIT FROM ORDINARY ACTIVITIES	46.0	52.4	6.4	13.9%
Net profit on disposals	20.6	18.5	-2.1	-10.0%
Other non-recurring profit (loss)	6.1	2.3	-3.8	-62.2%
Demolition ANRU and non-ANRU programmes	1.7	-1.5	-3.2	-189.2%
PROFIT BEFORE TAX	74.3	71.7	-2.6	-3.5%
Employee profit-sharing	-3.9	-2.2	1.8	-44.9%
Income tax	-1.8	-2.4	-0.5	
NET PROFIT	68.6	67.2	-1.4	-2.0%

BALANCE SHEET

Total assets grew by €345.8 million in 2021 to €7,477.1 million.

Balance sheet	in €M		
	Reported 2020	Reported 2021	Δ 2021/2020
ASSETS			
Rental property	5,382.9	5699.4	316.5
Renovation and building work in-progress	684.8	661.1	-23.7
Total rental property	6,067.7	6,360.5	292.8
Owner-occupied property	43.5	41.4	-2.1
Non-current financial assets	9.8	9.2	-0.6
Non-current assets	6,121.0	6,411.0	290.1
Cash and cash equivalents	234.8	232.1	-2.7
Inventories	175.3	148.3	-27.0
Grants receivable	418.5	524.8	106.3
Trade receivables	181.7	160.9	-20.8
TOTAL ASSETS	7,131.2	7,477.1	345.8
EQUITY AND LIABILITIES			
Capital and reserves	615.8	685.9	70.1
Profit (loss) for the period	68.6	67.2	-1.4
Subsidies and government grants	1,533.4	1,766.7	233.3
Tax exemption subsidies or tax credits	146.8	145.5	-1.3
Regulated provisions	0.0	0.0	0.0
Total equity	2,364.6	2,665.3	300.7
Provisions for contingencies and losses	109.3	103.5	-5.8
Non-current borrowings	4,265.4	4,345.3	80.0
Other payables	303.6	305.7	2.1
PCA renewal of conventions	88.3	57.2	-31.2
TOTAL EQUITY AND LIABILITIES	7,131.2	7,477.1	345.8

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

- deliveries for the period, i.e., 2,022 units of new housing, 28 commercial units and 38 acquisitions, representing a total amount of €371 million;
- investment work for the period totalling €101 million;
- assets under construction, which increased by an amount of €93 million year on year.

Cash on hand totalled €232.1 million at end-2021 (down €2.7 million) and represented 5.8 months' worth of rental income.

Grants receivable amounted to €524.8 million, a year-on-year increase of €106 million due to the large number of Service Orders issued in 2020 (new builds were subsidised to the tune of 39% and building work was subsidised at 29%).

Equity grew by €300.7 million to €2,665.3 million, reflecting:

- net profit of €67.2 million for the period;
- a €233.3 million increase in subsidies and government grants.

Debt amounted to €4.3 billion at end-2021, reflecting the following movements:

- €357 million in new borrowings for new builds, acquisitions and investment and redevelopment work;
- €201 million in repayments due;
- €79 million in early repayments, mostly corresponding to pre-financing of tax credits.

Balance sheet

in €M

	Reported 2020*	Reported 2021	Δ 2021/2020
Net debt	4,031	4,113	83
Net debt / net rental income	8.8	8.6	-0.2
Net debt / rental property *	66.4%	64.7%	-1.8%
Gearing (net debt / equity)	1.7	1.5	-0.2
ROE	3.0%	2.6%	-0.4%
Cash on hand / number of months of rental income *	6.1	5.8	-0.3

* 2020 data adjusted following the adjustment made to income statement aggregate headings.

Debt ratios improved overall year on year: the net debt / net rental income ratio was 8.6 and the gearing ratio was 1.5. Return on equity (ROE) edged down slightly by 0.4 points due to the big increase in subsidies and government grants in equity.

The cash to net rental income ratio fell by 0.3 months year on year but remains at 5.8 months' worth of rental income.

FREE CASH FLOW

Cash flow from operating activities was €16.4 million higher than in 2020, making it possible to fund principal repayments. The SIDOM entities generated positive gross operating cash flow of €39.6 million in 2021 (€5.3 million more than in 2020), however this was insufficient to cover capital invested in building work due to the high cost of building components.

Capital outlay required for structural development and investment and other early repayments were covered by cash proceeds on disposals.

Free cash flow before equity financing was a positive amount of €7.4 million, a year-on-year improvement of €10.2 million.

The €34.5 million year-on-year decrease in free cash flow after equity financing was attributable to the large amount of equity financing obtained in 2021 (current account advance of €20 million and €15 million increase in the capital of SODIAC, plus €6 million increase in the capital of SEMADER).

Free cash flow	in €M		
	Reported 2020	Reported 2021	Δ 2021/2020
Cash flow from operating activities	205.3	221.7	16.4
Repayment of principal	-170.9	-182.0	-11.1
GROSS OPERATING CASH FLOW	34.3	39.6	5.3
Capital invested in renov/enhancement work	-9.2	-7.9	1.3
Equity invested in building components	-46.1	-42.4	3.8
NET OPERATING CASH FLOW	-21.0	-10.6	10.4
Cash proceeds on disposals	26.0	26.4	0.4
Equity invested in development	-2.3	-3.5	-1.2
Equity invested in structural work	-2.3	-3.0	-0.8
Acquisition-related costs	0.0	0.0	0.0
Other repayments	-3.3	-1.9	1.5
FREE CASH FLOW	-2.8	7.4	10.2
Current account advances	23.8	0.0	-23.8
Cash capital increase	21.0	0.0	-21.0
FREE CASH FLOW AFTER EQUITY FINANCING	41.9	7.4	-34.5

MAISONS & CITÉS

INCOME STATEMENT

Net rental income came in at €292 million, a year-on-year increase of €3.4 million, mainly attributable to the €1.9 million increase in rents and the €1.3 million decrease in bad debts and losses on unrecoverable rental charges.

Maintenance expenses increased by €4.7 million over the period however, costs were unusually low in 2020 because of the pandemic and expenditure not incurred due to lockdown restrictions.

Indirect charges grew by €5.7 million, reflecting a €3.6 million increase in personnel expenses driven by higher provisions for paid leave and time saving accounts as well as a €2.2 million increase in other indirect costs, particularly IT costs which grew by €2 million.

EBITDA declined by €8 million to €154 million and the ratio of EBITDA to net rental income was 52.7% (versus 56.1% in 2020).

After the impact of depreciation, amortisation and provisions, which were stable year on year, **EBIT** decreased by 26.4% year on year to €22.4 million.

Disposal gains grew by €3 million, principally reflecting the growth in the property development margin.

Non-recurring profit was down by €1.5 million and demolition costs increased by €2.7 million, in line with the 226 units demolished during the year.

Net profit for the year declined by €10.1 million to €24.7 million.

Income statement	in €M			
	Reported 2020	Reported 2021	Δ 2021/2020	Δ 2021/2020
Rental income *	288.6	292.0	3.4	1.2%
Maintenance	-31.2	-36.0	-4.7	15.2%
Local non-recoverable payroll	0.0	0.0	0.0	
Taxes on rental housing stock	-23.6	-23.9	-0.3	1.3%
Other direct costs	-6.3	-6.8	-0.5	8.5%
Direct costs	-61.1	-66.7	-5.6	9.1%
CONTRIBUTION MARGIN	227.5	225.3	-2.2	-1.0%
Non-rental income *	0.2	0.1	-0.1	-52.4%
Admin staff payroll, net of amounts rebilled	-51.6	-55.2	-3.6	7.0%
Taxes and contributions	-4.6	-4.5	0.1	-1.8%
Other direct costs, net of amounts rebilled	-9.4	-11.5	-2.2	23.2%
GIE Supports et Territoriaux (inter-company partnerships)	-0.1	-0.1	0.0	0.0%
Indirect costs	-65.6	-71.3	-5.7	8.7%
EBITDA	162.0	154.0	-8.0	-4.9%
Depreciation and amortisation net of government grants	-131.6	-131.6	0.0	0.0%
Variance MR / PMRs	0.0	0.0	0.0	0.0%
EBIT	30.4	22.4	-8.0	-26.4%
Financial expense	-24.3	-25.0	-0.8	3.1%
Financial income	2.1	2.1	0.0	-0.9%
Net financial income (expense)	-22.2	-22.9	-0.8	3.5%
Acquisition-related costs	0.0	0.0	0.0	0.0%
PROFIT FROM ORDINARY ACTIVITIES	8.2	-0.5	-8.8	-106.6%
Net profit on disposals	13.9	16.8	3.0	21.4%
Other non-recurring profit (loss)	15.8	14.2	-1.5	-9.7%
Demolition ANRU and non-ANRU programmes	-3.1	-5.8	-2.7	89.5%
PROFIT BEFORE TAX	34.8	24.7	-10.1	-29.0%
Employee profit-sharing	0.0	0.0	0.0	0.0%
Income tax	0.0	0.0	0.0	0.0%
NET PROFIT	34.8	24.7	-10.1	-29.0%

BALANCE SHEET

Total assets increased by 4.1% (or by €119.2 million) in 2021.

Rental property increased by €83.7 million in line with renovation programmes in-progress and new builds.

Cash on hand amounted to €318.9 million at end-2021 and represented 13.1 months' worth of rental income.

Equity totalled €1,129.9 million at 31 December 2021, a year-on-year increase of €57.4 million, reflecting the net profit for the year of €24.7 million and the €32.7 million increase in government grants and subsidies.

The net debt / net rental income ratio edged up by 0.2 points to 4.7. The gearing ratio (net debt / equity) remained stable at 1.2.

Balance sheet

in €M

	Reported 2020	Reported 2021	Δ 2021/2020
ASSETS			
Uncalled subscribed capital	0.0	0.0	0.0
Rental property	2,363.9	2,361.1	-2.8
Renovation and building work in-progress	151.5	238.0	86.5
Total rental property	2,515.4	2,599.1	83.7
Owner-occupied property	19.8	16.5	-3.4
Non-current financial assets	5.0	5.1	0.1
Non-current assets	2,540.2	2,620.6	80.4
Cash and cash equivalents	292.0	318.9	26.8
Inventories and trade accounts receivable	79.4	91.4	12.0
TOTAL ASSETS	2,911.7	3,030.9	119.2
EQUITY AND LIABILITIES			
Capital and reserves	879.2	914.1	34.9
Profit (loss) for the period	34.9	24.7	-10.2
Subsidies and government grants	158.4	191.0	32.7
Regulated provisions	0.0	0.0	0.0
Total equity	1,072.5	1,129.9	57.4
Provisions for contingencies and losses	8.1	10.1	2.0
Non-current borrowings	1,603.9	1,691.4	87.4
Other payables	225.9	191.1	-34.8
PCA renewal of conventions	1.2	8.4	7.2
TOTAL EQUITY AND LIABILITIES	2,911.7	3,030.9	119.2

in €M

	Reported 2020	Reported 2021	Δ 2021/2020
Net debt	1,312	1,372	61
Net debt / net rental income	4.5	4.7	0.2
Net debt / rental property	55%	58%	3%
Gearing (net debt / equity)	1.2	1.2	0.0
Cash on hand / number of months of rental income	12.1	13.1	1.0

* 2020 data adjusted following the adjustment made to income statement aggregate headings.

FREE CASH FLOW

The net funding requirement was €11.8 million in 2021, a year-on-year decline of €27.5 million, due principally to a €24.1 million deterioration in net operating cash flow driven by higher volumes of deliveries for an amount of €19.7 million, and a €4.4 million drop in gross operating cash flow.

Free cash flow

in €M

	Reported 2020	Reported 2021	Δ 2021/2020
Cash flow from operating activities	155.6	144.5	-11.1
Repayment of principal	-88.4	-81.7	6.7
GROSS OPERATING CASH FLOW	67.2	62.8	-4.4
Equity invested in building work	-32.0	-51.6	-19.7
NET OPERATING CASH FLOW	35.2	11.2	-24.1
Cash proceeds on disposals	18.6	19.6	1.0
Equity invested in development	-12.3	-15.9	-3.6
Equity invested in structural work	-2.2	-2.3	-0.1
Other repayments	0.0	-0.8	-0.8
FREE CASH FLOW	39.3	11.8	-27.5

ADOMA

INCOME STATEMENT

Net profit declined by €17.4 million year on year to €24.7 million.

EBIT was €6.4 million lower than in 2020 (i.e., €46.9 million in 2021 versus €53.3 million in 2020), mainly reflecting:

- a €5.9 million increase in operating income that included a €5.5 million increase in revenue driven by the supported accommodation and housing activity (+€4.9 million) and asylum-seeker accommodation activity (+€2.9 million), offset by the €0.8 million decrease in emergency accommodation facilities and a €1.5 million impact related to disposals.

- a €12.4 million increase in operating expenses attributable to:
 - a €5.4 million increase in personnel expenses (new hires, a new holiday bonus and mandatory annual negotiations);
 - an increase of €4.8 million in water, electricity and heating expenses due to higher electricity consumption and a return to normal patterns of water consumption after an unusual 2020;
 - an increase in other operating expenses of €5.9 million due to lower earnings from the Hémisphère programme and costs generated by asbestos mapping;
 - a €3 million drop in taxes and other levies due to a fall in the rate of French territorial economic contribution tax (*CET*), which generated a positive amount of €1.8 million, and a €0.6 million decrease in contribution payments into the social rental housing guarantee fund (*CGLLS*). There were also property tax savings after land charge registers were updated and a number of sites were demolished.

- Non-recurring profit was down by €11.3 million year on year, mainly reflecting lower gains on disposals and the release of an impairment provision in 2020 following disposal of the assets.

Income statement

in €M

	Reported 2020	Reported 2021	Δ 2021/2020	Δ 2021/2020
REVENUE	448.5	454.0	5.5	1%
Own work capitalised	2.5	3.4	0.8	34%
Operating subsidy	21.6	21.0	-0.6	-3%
Reversal of prov. for investment subsidy	16.6	17.1	0.5	3%
Other income	2.2	1.9	-0.3	-14%
OPERATING INCOME	491.4	497.3	5.9	1%
Water, electricity & heating	-51.4	-56.3	-4.8	9%
General maintenance (excluding major upkeep & repairs)	-27.1	-27.0	0.1	0%
Building upkeep & cleaning	-26.3	-24.2	2.1	-8%
Major upkeep & repairs	-2.5	-2.9	-0.4	16%
Rent expense	-33.9	-33.1	0.8	-2%
Security and caretaking services	-7.8	-8.0	-0.3	3%
Other operating expenses	-33.0	-39.0	-5.9	18%
Taxes other than on income	-28.4	-25.5	3.0	-10%
Personnel expenses	-148.5	-154.0	-5.4	4%
Additions to/reversals of depreciation, amortisation and provisions	-79.1	-80.6	-1.5	2%
TOTAL OPERATING EXPENSES	-438.1	-450.4	-12.4	3%
EBIT	53.3	46.9	-6.4	-12%
NET FINANCIAL EXPENSE	-9.7	-9.7	0.0	0%
PROFIT FROM ORDINARY ACTIVITIES	43.6	37.2	-6.4	-15%
NON-RECURRING PROFIT (LOSS)	6.4	-5.0	-11.3	-178%
Income tax and employee profit-sharing	-7.8	-7.6	0.2	-3%
NET PROFIT	42.2	24.7	-17.4	-41%

All activities

in €M excluding PCI

	2020	2021
Revenue	448.5	454.0
Fees and rents (including internally-billed fees)	319.9	323.4
EBITDA	113.5	110.1
EBITDA margin (EBITDA/Revenue)	25.3%	24.3%
EBITDA / Fees and rents (including internally-billed fees)	35.5%	34.0%

BALANCE SHEET

Equity (excluding government grants) represented 23% of the total balance sheet, which was stable in comparison to 2020.

Cash and cash equivalents totalled €169 million at end-2021, which was €17 million higher than at end-2020.

Long-term working capital, representing the difference between long term assets and long-term fixed assets, is a measure of surplus available resources. It rose from €132 million in 2020 to €147 million in 2021 because equity and borrowings increased faster than investment expenditure. Ratios of debt to revenue and to fees and rents edged up slightly by 0.1 point, to 1.8 and 2.5 respectively.

Balance sheet	in €M		
	Reported 2020	Reported 2021	Δ 2021/2020
ASSETS			
Uncalled subscribed capital	0.0	0.0	0.0
Rental property	1,814.6	1,922.1	107.5
Renovation and building work in-progress	0.0	0.0	0.0
Non-current assets	1,814.6	1,922.1	107.5
Cash and cash equivalents	151.9	169.1	17.1
Inventories and trade accounts receivable	178.1	169.7	-8.4
TOTAL ASSETS	2,144.6	2,260.9	116.3
EQUITY AND LIABILITIES			
Capital and reserves	446.3	488.5	42.2
Profit (loss) for the period	42.2	24.7	-17.4
Subsidies and government grants	513.6	543.9	30.3
Regulated provisions	0.1	0.1	0.0
Total equity	1,002.2	1,057.2	55.0
Provisions for contingencies and losses	41.8	44.8	2.9
Non-current borrowings	902.1	967.1	65.0
Current borrowings	34.8	34.2	-0.6
Other payables	158.2	151.6	-6.6
PCA renewal of conventions	5.5	6.0	0.5
TOTAL EQUITY AND LIABILITIES	2,144.6	2,260.9	116.3

FREE CASH FLOW

Gross cash flow from operating activities fell by an amount of €5 million, from €101.8 million in 2020 to €96.8 million at end-2021.

Net operating cash flow came out at €35.4 million, €2.4 million higher than last year, due mainly to the increase in borrowings used to finance the cost of building components (less equity used).

Cash proceeds on disposals fell by half (i.e., €10.3 million compared to €20.9 million in 2020) due to lower volumes of disposals.

Free cash flow (i.e., surplus cash after disposals, equity invested in development and early repayments) came out at €13.9 million.

Free cash flow	in €M		
	Reported 2020	Reported 2021	Δ 2021/2020
Cash flow from operating activities	101.8	96.8	-5.0
Repayment of principal	-35.6	-37.8	-2.3
GROSS OPERATING CASH FLOW	66.3	59.0	-7.2
Equity invested in building components (including moveable property)	-33.3	-23.6	9.6
NET OPERATING CASH FLOW	33.0	35.4	2.4
Cash proceeds on disposals	20.9	10.3	-10.6
Equity invested in development	-16.1	-6.7	9.4
Other early repayments	-5.4	-25.0	-19.6
FREE CASH FLOW	32.4	13.9	-18.4
Equity financing	0.0	0.0	0.0
FREE CASH FLOW AFTER EQUITY FINANCING	32.4	13.9	-18.4

CDC Habitat

CDC Habitat group, the Caisse des Dépôts' public interest real estate subsidiary, is France's largest social landlord, managing more than 532,000 units of housing. It offers an effective solution to the housing needs of the state, communities, large public institutions and citizens. Its business operates within the framework of the Banque des Territoires, created in 2018.

CDC Habitat group covers the entire lodging market, offering its tenants an adapted housing experience, meeting their needs and resources, whether for renting or buying (social, low-cost, intermediate and affordable housing; student and young worker accommodation; senior and multigenerational housing; nursing homes; low cost and social housing acquisition).

As one of France's major housing operators, CDC Habitat is committed to exercising its public service mission through an approach underpinned by Corporate Social Responsibility in its dealings with all stakeholders.

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