CAISSE DE REFINANCEMENT DE L'HABITAT

The English language version of this Amendment to the Universal Registration Document is a free translation from the original, which was prepared in French.
All possible care has been taken to ensure that the translation is an accurate representation of the original.
However, in all matters only the contents of the French documentation are binding on CRH.

AMENDMENT A02
OF THE 2019 UNIVERSAL REGISTRATION DOCUMENT

FILED WITH THE AMF ON 28 JULY 2020

Specialised credit institution (*Établissement de crédit spécialisé*)
French Corporation (*Société Anonyme*) with share capital of 539,994,737.75 euros
Registered office: 3, rue La Boétie - 75008 PARIS
http://www.crh-bonds.com
333 614 980 R.C.S. PARIS - APE 6492Z
Telephone : + 33 1 42 89 49 10 - Facsimile: + 33 1 42 89 29 67

WS0101.31386038.1

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

This second amendment to the universal registration document dated 25 february 2020 was filed on 28 July 2020 with the *Autorité des Marchés Financiers* (AMF), in its capacity as competent authority within the meaning of (EU) Regulation 2017/1129, without any prior approval in accordance with article 9 of that regulation.

The universal registration document may be used for the purposes of a public offering of financial securities or for the admission to trading of financial securities on a regulated market, if this document is supplemented by a securities note and, where applicable, a summary and all amendments made to the universal registration document. The whole so constituted is approved by the AMF in accordance with Regulation (EU) 2017/1129.

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Amendment A02 to the 2019 universal registration document

Half-Yearly Financial Report Correspondence Table

Pursuant to article 212-13 of the AMF's General Regulations, this update includes information from the half-yearly financial report as referred to in article L. 451-1-2 of the Monetary and Financial Code and article 222-4 of the AMF's General Regulations.

This registration document is available on the websites of CRH (www.crh-bonds.com) and the AMF (www.amf-france.org).

HALF-YEARLY MANAGEMENT REPORT

1. CONDUCT OF THE COMPANY'S AFFAIRS

1.1. COMPANY'S POSITION DURING THE LAST FINANCIAL YEAR

1.1.1. BUSINESS OPERATIONS

CRH began the year 2020 by raising 2 billion euros in covered bonds of which 750 million euros of 15 year maturity and 1,250 million euros of 8 year maturity in a market anxious at the development of the Covid-19 epidemic then affecting China.

This transaction, the third since CRH's resumption in October 2019, was a great success. Around 90 different investors (excluding the Eurosystem) subscribed for each tranche enabling a tightening of spreads compared to initial forecasts from 5bp to 6bp depending on the tranche.

In March 2020, whilst the epicentre of the Covid 19 epidemic was moving to Western Europe, and continuing to spread to the United States and the rest of the world, the World Health Organisation declared this epidemic a pandemic.

In the absence of a specific medical treatment, the vast majority of the governments of the countries affected by the pandemic adopted similar measures: closing of borders, travel restrictions, lockdowns.

Thus, at the beginning of the lockdown in France, on 17 March 2020, all staff began remote working. CRH's essential operations (debt service and monitoring security) were maintained.

During this period, CRH continued performing its market platform role, by issuing 1.25 billion euros of 7 year bonds without any problem. Against this unprecedented background, 137 investors (excluding the Eurosystem) subscribed, with CRH conceding only 5 bp against its own curve.

Having raised 3.25 billion euros during the first semester, the total amount of loans granted and settled since the company's formation rose to 93.85 billion euros and 2.4 billion Swiss francs, giving an aggregate amount, converted into euros, of 95.75 billion euros.

Taking into account contractual repayments for the financial year in a total amount of 4.1 billion euros and, in the absence of any contractual early redemptions, the nominal outstanding amount of loans as at 30 June 2020 stood at 24.3 billion euros (compared to 25.2 billion euros at 31 December 2019 and 24.7 billion euros at 30 June 2019).

The balance sheet at 30 June 2020 totalled 25.2 billion euros (compared to 26.3 billion euros at 31 December 2019 and 24.7 billion euros at 30 June 2019).

The next contractual redemptions are not due until 2021.

1.1.2. EARNINGS

It should be noted that refinancing transactions, in other words lending, borrowing but also repayments, have no direct impact on earnings. Indeed, CRH does not charge any interest margin on its transactions and lends to its shareholders all capital raised on the financial markets, on identical interest rate, maturity and currency terms.

As such, CRH's earnings derive from the income from own funds invested on the money markets, net of overhead expenses.

Net banking income

The European Central Bank's (ECB) emergency plan to support the economy weakened by the Covid-19 crisis, by releasing tension in the credit market, enabled a gradual normalisation of interest rates to pre-crisis levels.

The decision taken in 2019 to favour, in so far as possible, fixed rate investments when reinvesting maturing investments, enabled near equilibrium to be achieved for the average return on invested capital. This resulted in an increase in the average rate of return on investment from 0.24 % in the first semester 2019 to 0.39 % in the first semester 2020, with investment income growing from 665,932 euros to 1,074,648 euros.

With the reversal *prorata temporis* in an amount of 35,533 euros of the provisions previously set aside on available-for-sale securities transferred during the 2018 financial year to held-to-maturity securities and posting of 22,822 euros for miscellaneous expenses from banking operations, net banking income amounted to 1,087,359 euros.

Other income and expenses

As from 2015, against a background of extremely low interest rates, income from the investment of own funds was no longer sufficient to cover CRH's overheads as result of having to pay contributions introduced at European level under the single supervisory mechanism. Accordingly, these contributions were recharged to borrowers.

Thus in 2020, in accordance with the provisions of Article 5.1 of the internal regulations and clause 3.4 of the collateralisation agreements, the following expenses have been, or are in the process of being, recharged to borrowers, taking into account, where applicable, the specific features of the relevant borrower:

- the SRF contribution, in the amount immediately charged to expenses of 6,616,337 euros, with the amount paid by CRH being equal to 7,783,926 euros. Note however that since this contribution is determined in the aggregate per country, the portion attributable to CRH would, where applicable, have largely been allocated directly to CRH's shareholders.
- the ECB supervision contribution.
- the ACPR (*Autorité de Contrôle Prudentiel et de Résolution*) and the *Single Resolution Board* expenses.
- rating agencies' fees, fees incurred in connection with the EMTN programme and corresponding issue expenses, fiscal agency and paying agency fees.

Overhead expenses, excluding recharged expenses, total 1.1 million euros compared to 1 million euros at 30 June 2019 and 1.9 million euros at 31 December 2019. Contributing to the increase in expenses are the following:

- payroll expenses with, in particular, the arrival of an extra staff member in the first quarter of 2020 compared to the previous year.
- rent, CRH having benefited from a one-month rent holiday last year.
- duties and taxes calculated on a basis linked to net banking income.
- statutory auditors' fees associated with the independent appraisal of Swift installations.

Corporation tax, due to the non-deductibility of the SRF contribution, amounted to 3,051,864 euros, calculated at the rate of 31 % over and above 500,000 euros in taxable profits.

The income statement cannot be balanced due to the increase in investment income. Net income after corporation tax was negative, in an amount of 85,862.43 euros at 30 June 2020 compared to negative income of 269,396.45 euros at 30 June 2019. Note that the income statement as at 31 December 2019 was in balance by virtue of a shareholders' operating subsidy in an amount of 250,000 euros.

1.1.3. FINANCIAL POSITION

CRH's own funds consist solely in Common Equity Tier 1 Capital (CET1).

As part of the 2019 Supervisory Review and Evaluation Process (SREP), the total capital requirement at 30 June 2020 is 11.25 %, split as follows:

- the minimum capital requirement is equal to 8 % including CET1 at 4.50 %.
- added to this, solely comprising CET1, are the regulatory 0.75% Pillar 2 requirement and the 2.50% capital conservation buffer.

At 31 December 2019, the total requirement was 11.50 %. The decrease of 0.25% relates to the abolition of the counter-cyclical banking capital buffer as from 2 April 2020 (D-HCSF-2020-02 and D-HCSF-2020-04).

CRH is not subject to any additional requirements as a systemically important financial institution and its present position does not attract any restrictions or limitations on the payment of dividends, coupons or variable interest.

After deduction of the irrevocable payment commitment to the Single Resolution Fund (SRF) which amounts to 7.7 million euros, CET1 at 30 June 2020 amounts to 554.8 million euros. The solvency ratio is equal to 18.58 %. In the absence of additional own funds, the solvency ratio on CET1 instruments is therefore at the same 18.58% level.

1.2. FORSEEABLE CHANGES IN THE COMPANY'S OUTLOOK

Over the last few years, European banking regulations and quantitative easing policy have created a highly challenging environment for CRH.

By amending its articles of association and internal regulations in March 2016, CRH was able to remove the obstacles created by the European regulations on major risks introduced at the beginning of 2014.

The reform of the European regulations on capital adequacy voted in springtime quelled the uncertainty weighing on the economic viability of CRH's business model, in particular as regards exempting its refinancing operations from the base used to calculate the leverage ratio.

The 5.25 billion euros issued since October 2019 have halted the erosion of its outstanding issuance at just above 24 billion euros. It also underlines CRH's successful return to the bonds markets - when assessed by the amounts raised, the issue spreads, the granularity of the order books, which testify, after a six-year pause, to the solidity of CRH's reputation as an issuer, and fully validates the cogency of the strategy pursued over the last few years.

The business plan measuring the impact of the resumption of issuance as from 2019 forecasts a production rate of 6 billion euros in 2020 and for the following three years with the aim of exceeding 30 billion euros in total assets as from 31 December 2021.

For the moment, this business plan has not been called into question. At the present time, it is difficult to assess the combined impact of i) the effect of the pandemic on the global economy and financial markets, ii) the domestic and European support measures taken or announced, iii) the interweaving of the various economies, on borrowing banks' activities and, consequently, the impact of the pandemic on CRH's business over the coming months.

1.3. SIGNIFICANT EVENTS BETWEEN THE FINANCIAL YEAR END-DATE AND THE DATE OF THE MANAGEMENT REPORT

No significant event specific to the company and affecting, to any material extent, the assessment of its solvency, has occurred since 30 June 2020.

1.4. RESEARCH AND DEVELOPMENT

The company does not conduct any research and development activity.

1.5. ACTIVITY OF SUBSIDIARIES AND CONTROLLED COMPANIES BY INDUSTRY SECTOR

The company has no subsidiaries and does not control any companies.

2. HEDGING POLICY

CRH does not employ any hedging accounting system. Its exposure to credit risk and market risk is analysed in Chapter 4 paragraphs 4.2.1. to 4.2.5. of this updated registration document.

3. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATED TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

The aim of the internal controls implemented by the Company is to meet the internal control and compliance obligations for credit institutions defined by the ministerial decree dated 3 November 2014.

In accordance with those regulations, a report on internal control, compliance and risk measurement and monitoring must be submitted to the board of directors at least once a year.

3.1. INTERNAL CONTROL PARTICIPANTS

The system of internal control has been adapted to meet the particular needs of the company, the main characteristics of which are its degree of specialisation and the transparency and security of its operations. Its organisational structure is also influenced by the limited number of the company's employees. For that reason, the chief executive officer and general secretary are responsible for monitoring the cogency and effectiveness of the internal control systems.

Also, in 2009, the board of directors decided to set up an audit committee. Furthermore, in October 2015, the board of directors decided to reactivate the risk committee and to create an appointments committee.

The chief executive officer reports regularly to the board of directors on the company's business operations and on the results of internal control and risk monitoring.

Internal control is enhanced by audit assignments carried out by the inspection and audit departments of CRH's credit institution shareholders, as specified in Article 9 of the internal regulations.

The new wording of Article 9 of the internal regulations also enables an audit firm selected from the list of statutory auditors to be appointed to carry out these controls.

Finally, CRH, is placed under the direct supervision of the European Central Bank (ECB) and is therefore subject each year to various audit and assessment procedures. Notwithstanding such direct supervision, CRH continues to be supervised by the ACPR pursuant to Article L. 313-43 of the Monetary and Financial Code.

3.2. ORGANISATION OF INTERNAL CONTROL WITH A VIEW TO PREPARATION OF FINANCIAL INFORMATION AND ACCOUNTS

The company's senior management is responsible for the preparation and integrity of the financial statements. These financial statements have been prepared and are presented in accordance with generally accepted accounting principles and the regulations applicable to

French credit institutions. The financial information presented elsewhere in the annual report is in conformity with the financial statements.

The company maintains a system of internal controls providing it with reasonable assurance as to the reliability of its financial information, the protection of its assets and the compliance of its operations, commitments and internal procedures with its obligations under all applicable regulations.

In technical terms, the internal control system is based on regularly updated written procedures and an organisational structure that strictly separates duties and responsibilities.

The company's senior management considers that these financial statements accurately present the financial position of the company, the results of its operations and cash flow.

3.3. RISK MANAGEMENT PROCEDURES

As a preliminary remark, it is recalled that, in addition to senior management's control functions, the provisions of article L. 313-49 of the Monetary and Financial Code provide for a specific legal control of CRH's operations by the ACPR.

In accordance with applicable regulations, a risks map has been prepared and is periodically reviewed. The main risks are described in chapter 3 of this updated registration document, to which reference should be made. It should be noted that CRH does not represent that such description is exhaustive.

Senior management regularly seeks to identify operational risks and the emergency and business continuity plan must, in principle, ensure the sustainability of operational procedures during and after any interruption of business. As a reminder, this risk was substantially reduced in 2009 with the establishment of the Euroclear procedure for the direct payment via the Banque de France of the amounts required to service its debt.

Furthermore in 2013, CRH strengthened the security of its IT system by changing the relevant service provider. Since that time, security rules are regularly reviewed and, if necessary, reinforced.

As CRH's sole objects are to lend all the proceeds of its borrowings, credit risk is the most important structural risk. This risk only concerns credit institutions, which are now under the direct supervision of the ECB, and is covered by a specific pledge of refinanced loans in accordance with the requirements of articles L. 313-42 to L. 313-49 of the Monetary and Financial Code. This pledge in particular is the subject of the above-mentioned specific legal review.

CRH also regularly audits borrowing banks' portfolios using a dedicated team of auditors.

The main aim of the procedures established within this team are to monitor the receivables pledged to CRH and to assess their effective coverage level, using controls conducted on a sample basis and on an examination of monthly electronic statements of duplicate pledged receivables lists.

A significant risk, that was addressed by CRH with the relevant authorities more than five years ago, involves regulatory changes that were designed for major deposit and investment banks and that are therefore poorly adapted to the specific nature of CRH's business.

The CRR[1] regulations have, since their introduction, greatly compromised CRH's business ; it has not granted any further loans since June 2013. Nevertheless, for good order, its internal regulations are as follows:

- a comprehensive report on CRH's loans is regularly submitted to the board of directors.
- limits on loans granted by CRH are set by senior management in accordance with the credit policy and rules established by the Board.
- these limits take into account in particular the institution's rating and the characteristics of the outstanding home-purchase loans eligible for refinancing.

The basic structure of the CRH mechanism are such that the profitability of credit transactions is, by its very nature, always zero, because CRH, as the market vehicle, borrows on behalf of shareholder credit institutions and provides them with the funding raised without charging any margin.

CRH normally has very low exposure to market risks. This issue is addressed in paragraphs 4.2.2. to 4.2.5. of this updated registration document.

In addition, the provisions of Article 8.3 of CRH's internal regulations allow CRH, if necessary and under certain conditions, to draw on lines of credit from its shareholders.

Finally, the board of directors has set at €10,000 the materiality threshold for the purposes of fraud alert defined in Article 98 of the ministerial decree of 3 November 2014 [2].

These procedures are regularly revised as the new European regulatory framework is introduced.

4. LEGAL INFORMATION

4.1. SECURITIES GIVING ACCESS TO CAPITAL

There are no securities, now or in the future, liable to give access to CRH's share capital.

4.2. SHARE DISPOSALS (MUTUAL INTERESTS)

CRH does not hold any shares of any company.

4.3. BONUS SHARE AWARDS

The company has no existing bonus share award plan.

4.4. STOCK OPTION AWARDS

The company has no existing stock option award plan.

4.5. TREASURY SHARES

As indicated above, CRH does not hold any of its own shares.

4.6. OPINION ISSUED BY THE WORKS COUNCIL CONCERNING CHANGES TO ECONOMIC OR LEGAL STRUCTURE

Because of its headcount, CRH has not established a works council.

4.7. EXPENSES NOT DEDUCTIBLE FOR TAX PURPOSES AND EXPENSES ADDED BACK FOLLOWING A TAX REASSESSMENT

No cost or expense not deductible for tax purposes under Article 39, paragraph 4 of the French General Tax Code was incurred by CRH over the last financial year.

4.8. HOLDERS OF SHARE CAPITAL OR VOTING RIGHTS

The identity of the natural or legal persons holding directly or indirectly more than one twentieth of the share capital or voting rights at general meetings, and changes made in this respect over the last financial year, are indicated in Chapter 18.

4.9. DIVIDENDS

No dividend or income eligible for the 40% deduction mentioned in Article 158-3-2° of the French General Tax Code, and no income not eligible for such deduction, has been distributed over the last three financial years.

4.10. SHARE BUY-BACK OPERATIONS

No share buy-back operation was carried out during the last semester.

4.11. SECURITIES TRANSACTIONS CARRIED OUT BY EXECUTIVE OFFICERS

No securities transactions governed by Article 19 of Regulation (EU) n° 596/2014 were carried out by executive officers during the last semester.

4.12. EMPLOYEE SHARE OWNERSHIP

No CRH share is held by any CRH employee.

4.13. ANTI-COMPETITIVE PRACTICES

No procedure aimed at terminating any anti-competitive practice was instituted against CRH.

4.14. ACQUISITION OF INTERESTS OR CONTROLLING INTERESTS

During the financial period, CRH did not acquire any interest in any company.

5. FINANCIAL RISKS RELATING TO CLIMATE CHANGE

Because of the specific nature of its operations, CRH has no exposure related to fossil energy or physical assets. However, climate change might affect CRH's banking counterparties, whether as regards the above-mentioned risks or the risk related to the transition towards a low carbon economy.

6. MISCELLANEOUS INFORMATION

6.1. TRADE PAYABLES SETTLEMENT LEAD TIME

The company complies with the rules applicable in this area. As of 30 June 2020, trade payables amounted to 42,072.23 euros. Such trade payables are generally settled in less than one month in compliance with the payment terms granted by suppliers.

CRH has no overdue trade payables.

Information related to trade payables settlement lead times as mentioned in article D. 441-4

Article D. 441 I. - 1° : Overdue invoices **received** and not settled as of the close of the financial year	None
Article D. 441 II. : Invoices received during the financial year and settled belatedly	None

6.2. AMOUNT OF INTER-COMPANY LOANS GRANTED UNDER ARTICLE ARTICLE L. 511-6 3 BIS OF THE MONETARY AND FINANCIAL CODE

Nil.

[1] Regulation (EU) n° 575/2013 of the European Parliament and Council dated 26 June 2013.
[2] Ministerial decree dated 3 November 2014 relating to internal control of enterprises from the banking, payment services and investment services sectors, subject to the control of the ACPR (*Autorité de contrôle prudentiel et de resolution*).

STATUTORY AUDITORS' REPORT ON HALF-YEARLY FINANCIAL INFORMATION

Period from 1 January 2020 to 30 June 2020

Madams, Sirs, the Shareholders,

In performance of the mission entrusted to us by your Shareholders' General Meeting and pursuant to article L.451-1-2 III of the Monetary and Financial Code, we have:

- conducted a limited examination of the half-yearly financial statements of the company Caisse de Refinancement de l'Habitat S.A., in relation to the period from 1st January 2020 to 30 June 2020, as attached to this report;
- verified the information contained in the half-yearly management report.

The half-yearly financial statements have been prepared under the responsibility of the board of directors on 16 July 2020 based on the information available at such date against the evolving background of the Covid 19 health crisis. It is our responsibility, based on our limited examination, to present our conclusion on these financial statements.

I – Conclusion on the financial statements

We have carried out our limited examination in accordance with professional standards applicable in France. A limited examination essentially involves interviewing members of executive management responsible for financial and accounting aspects and implementing analytical procedures. This work is narrower in scope than that required for an audit conducted in accordance with professional standards applicable in France. Accordingly, assurance that the financial statements, taken as a whole, do not contain any material anomalies obtained in connection with the limited examination, is a moderate assurance, a lower level than that obtained in connection with an audit.

Based on our limited examination, we have not discovered any material anomalies likely to call into question, having regard to French accounting rules and principles, the regularity and sincerity of the half-yearly financial statements and the true and fair view they give of the results of operations for the financial half-year, and the financial position and assets of the company at the end of that half year.

II – Specific verification

We have also verified the information contained in the half-yearly management report issued on 16 July 2020 commenting on the half-yearly financial statements on which our limited examination was based. We have no observations to make on their sincerity and concordance with the half-yearly financial statements.

The statutory auditors,

Paris, 27 July 2020	Paris La Défense, 27 July 2020
AUDITEURS & CONSEILS ASSOCIÉS	**KPMG SA**
Represented by Laurent CAZEBONNE *Partner*	Represented by Sophie SOTIL-FORGUES *Partner*

CHAPTER 1 – PERSONS RESPONSIBLE

1.1. PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND ADDITIONAL INFORMATION

Mr Marc NOCART, Chief Executive Officer of CRH.

1.2. DECLARATION BY THE PERSON RESPONSIBLE

I certify, having taken all reasonable care to ensure that such is the case, that the information contained in this amendment to the 2019 Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I certify that, to the best of my knowledge, the full financial statements for the past semester have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and net income of the company, and that the half-yearly management report set forth on page 7 gives an accurate overview of the significant events that have occurred during the first six months of the financial year, of their impact on the financial statements, the main transactions between related parties and a description of the main risks and uncertainties for the remaining six months of the financial year.

In Paris, on 28 July 2020

Marc NOCART
Chief Executive Officer

CHAPTER 2 – STATUTORY AUDITORS

2.1. STATUTORY AUDITORS

2.1.1. Standing statutory auditors

1) **AUDITEURS & CONSEILS ASSOCIÉS SA**

NEXIA International

Member of the Paris Regional Institute of Statutory Auditors

Address :	31 rue Henri Rochefort 75017 PARIS
Represented by :	Mr Laurent CAZEBONNE
Dates of appointment :	Initially appointed on 16 April 1991, renewed on 4 March 1997, 4 March 2003, 3 March 2009 and 17 March 2015.
Duration of current term of office :	This six-year term shall expire in 2021, following the ordinary general meeting called to approve the financial statements for the financial year ending on 31 December 2020.

2) **KPMG SA**

Member of the Versailles Regional Institute of Statutory Auditors

Address :	Tour Eqho - 2 avenue Gambetta 92066 PARIS LA DÉFENSE CEDEX
Represented by :	Mrs Sophie SOTIL-FORGUES
Dates of appointment :	Initially appointed on 16 April 1991, renewed on 4 March 1997, 4 March 2003, 3 March 2009 and 17 March 2015.
Duration of current term of office :	This six-year term shall expire in 2021, following the ordinary general meeting called to approve the financial statements for the financial year ending on 31 December 2020.

2.1.2. Alternate statutory auditors

1) **PIMPANEAU & ASSOCIÉS SA**

Alternate statutory auditor of AUDITEURS & CONSEILS ASSOCIÉS SA

Member of the Paris Regional Institute of the Statutory Auditors

Address :	31 rue Henri Rochefort 75017 PARIS
Represented by :	Mr Olivier JURAMIE
Date of appointment :	Appointed on 17 March 2015.
Duration of current term of office :	This six-year term shall expire in 2021, following the ordinary general meeting called to approve the financial statements for the financial year ending on 31 December 2020.

2) **KPMG Audit FS I**

Alternate statutory auditor of KPMG SA

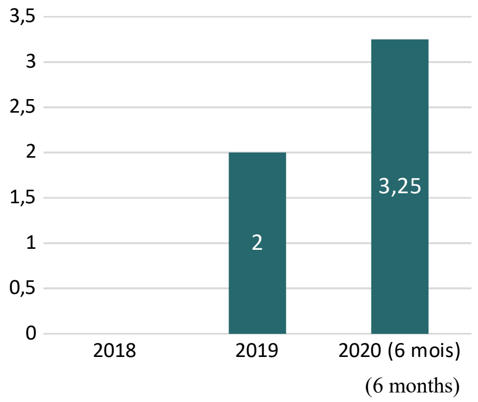
Member of the Versailles Regional Institute of Statutory Auditors

Address :	Tour Eqho - 2 avenue Gambetta 92066 PARIS LA DÉFENSE CEDEX
Represented by :	Mrs Isabelle GOALEC
Date of appointment :	Appointed on 17 March 2015.
Duration of current term of office :	This six-year term shall expire in 2021, following the ordinary general meeting called to approve the financial statements for the financial year ending on 31 December 2020.

CHAPTER 3 – SELECTED FINANCIAL INFORMATION

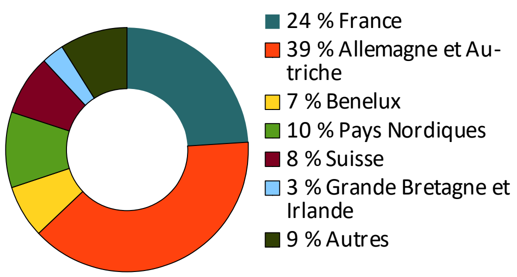
Issued covered bonds

In € billions

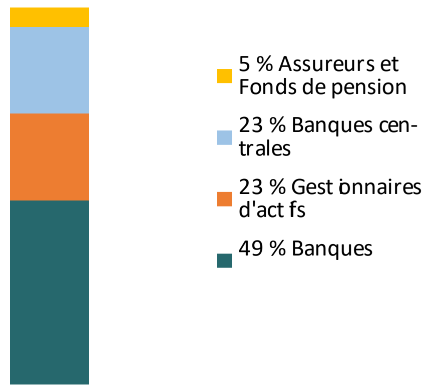


Breakdown of issues in 1st semester 2020

By geographical zone



By type of investor



Main balance sheet items as at 30 June 2020

In € thousands

	30/06/20
Total assets	25 174 865
Uses of funds: Mortgage notes	24 609 245
Sources of funds: Bond issues	24 609 245

Summary income statement

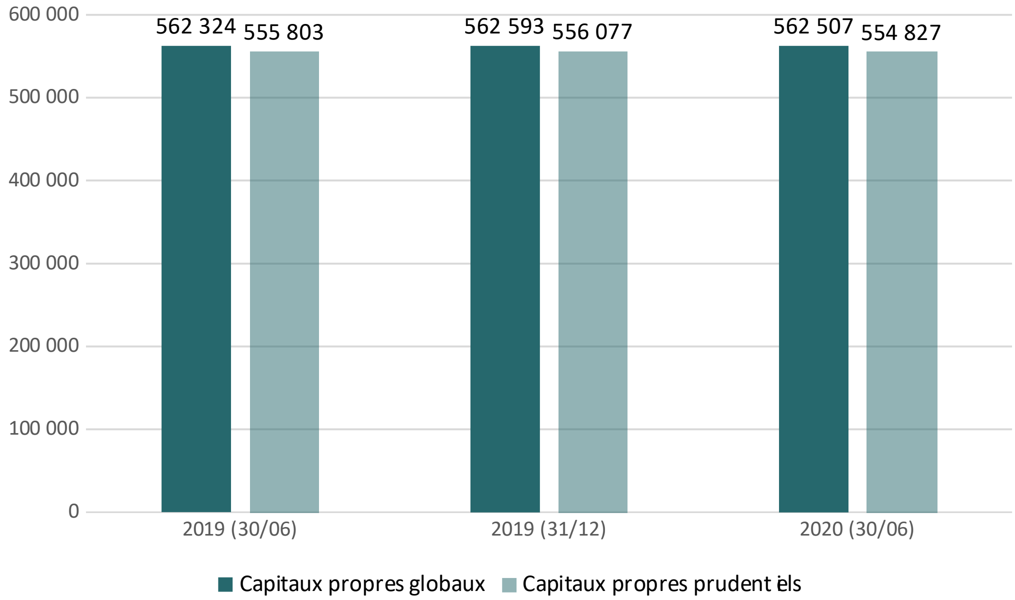
In € thousands

	30/06/2020	30/06/2019	31/12/2019
Net banking income	1 087	687	2 001
Gross operating income	2 966	2 908	3 292
Net income	-86	-269	0
Return on capital	-0.0153 %	-0.0479 %	0.0001 %
Return on assets	-0.0003 %	-0.0011 %	0.0000 %

CRH lends to its shareholders, without charging any margin, the capital it raises on the financial markets, and both the funds used by CRH and its sources of funds have identical interest rate, maturity and currency terms. CRH's earnings correspond to the proceeds of investment of its own funds, net of overheads.

Capital

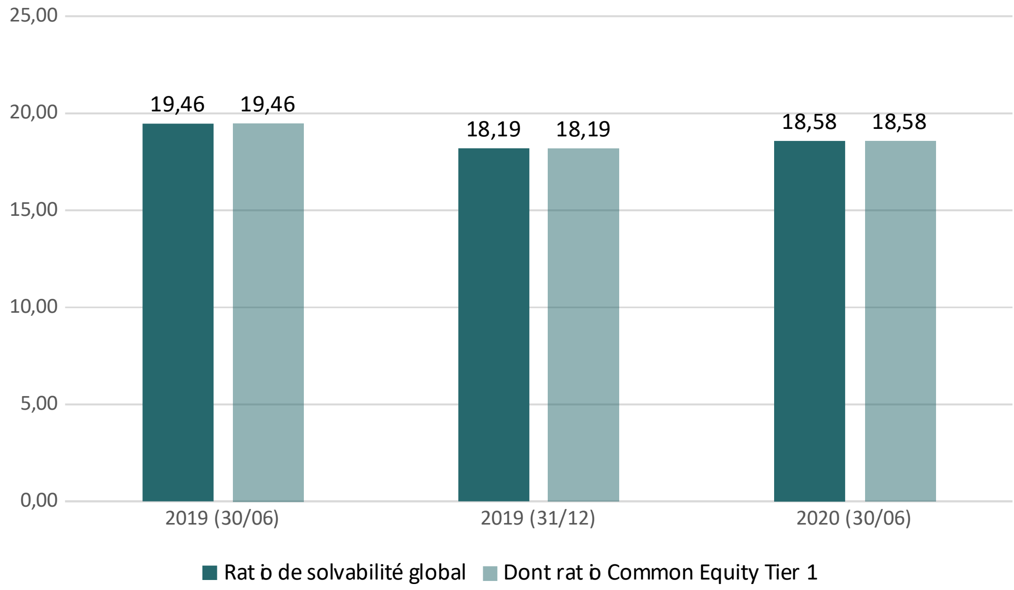
In € thousands



Overall capital Prudential capital

Phased solvency ratio

As %



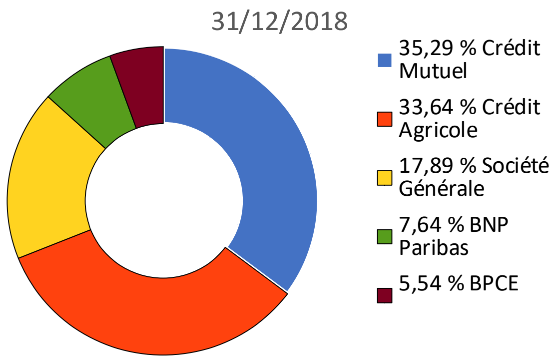
Overall solvency ratio Of which CET1 solvency ratio

Ratings as of 30 June 2020

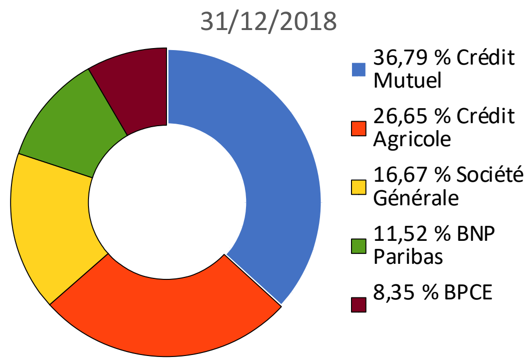
Agency	Short-term	Long-term	Outlook	Rating decision	Latest rating decision
Moody's	N/A	Aaa	Stable	LT rating maintained Outlook unchanged	27/01/2020
Fitch Ratings	N/A	AAA	Stable	LT rating maintained Outlook unchanged	08/10/2019

Changes in CRH's share ownership over the last three years among the main groups of shareholders

As a percentage of the number of shares

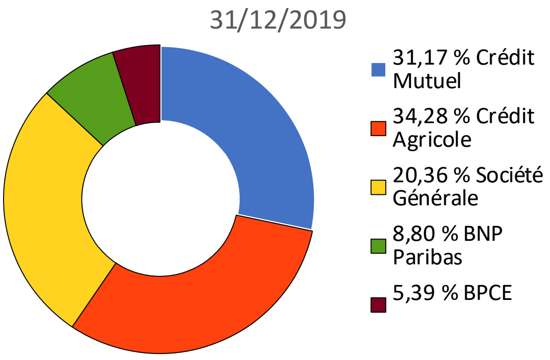


As a percentage of the number of voting rights[1]

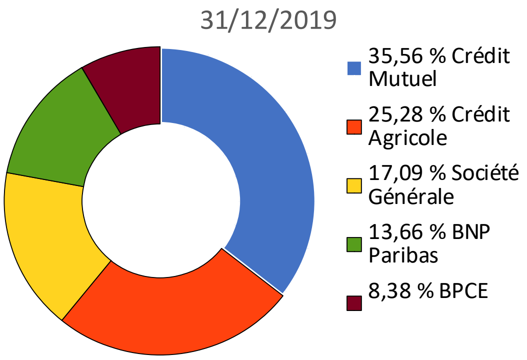


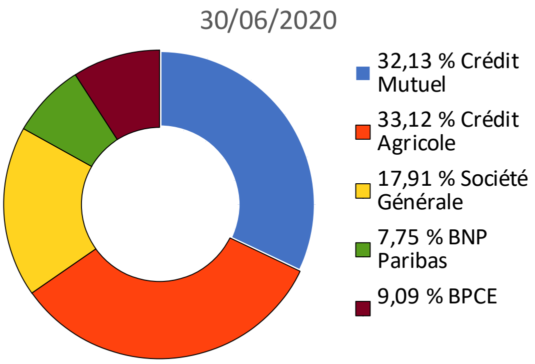
[1] For the calculation of voting rights, see Article 23 of the articles of association in Schedule 5 of the 2019 universal registration document.

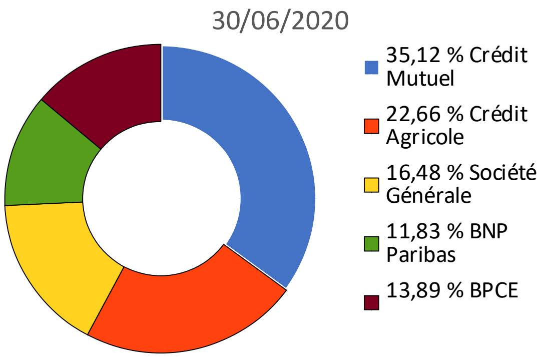
As a percentage of the number of shares



As a percentage of the number of voting rights [2]





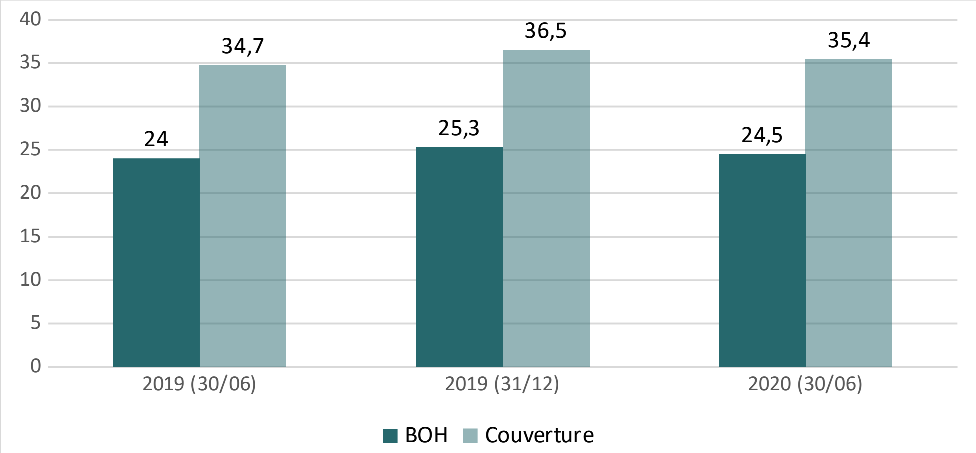


In accordance with CRH's constitutional documents (Article 6 of its articles of association), the allocation of share capital is modified each year before 31 March, so that the number of shares held by each shareholder is proportionate to the regulatory capital requirement related to the refinancing granted by CRH to the shareholder concerned. 2018 and 2019 allocations were made on the basis of the situation existing as of 31 December of the preceding financial year. By decision of the board of directors, the 2020 allocation was made on the basis of the situation at 29 February 2020. The amount of share capital remained unchanged over the period at 539 994 737.75 euros, divided into 35 409 491 shares.

[2] See Article 23 of the articles of association in the schedule to this document for an explanation of the method of calculation of voting rights.

Guarantee commitments received from borrowers

In € billions



The principal and interest on mortgage notes are secured by a pledged portfolio of receivables under home-purchase loans, secured either by a first ranking mortgage or real property security interest conferring equivalent security, or by a guarantee (*cautionnement*) granted by a credit institution or insurance firm not included in the scope of consolidation of the credit institution issuing the mortgage note.

CHAPTER 4 – RISK FACTORS

The Issuer considers that the following factors may affect its ability to satisfy its obligations under the terms of the covered bonds issued and may be important in assessing the market risks associated with such bonds. All of these factors are contingencies that may or may not occur and the Issuer is not able to express an opinion on the likelihood of their occurrence.

The Issuer considers that the factors described below represent the main intrinsic risks relating to an investment in the covered bonds issued, but the Issuer's inability to pay interest, capital and other amounts due on or in relation to these bonds may arise due to other reasons and the Issuer gives no representation that the statements made below concerning the risks associated with holding the bonds are exhaustive. Prospective investors must also read the detailed information set forth elsewhere in this document (including any document incorporated by reference into this document) and form their own opinion before taking any investment decision.

In each of the following sub-categories, the Issuer first presents the most significant risk, in its opinion, taking into account the level of their anticipated negative impact and the likelihood of their occurrence.

4.1. IDENTIFICATION OF RISK FACTORS

4.1.1. The Issuer is exposed to borrower credit risk and structural risks

The Issuer has sole liability and possesses limited assets

The Issuer is the only entity liable for payment of principal and interest on the covered bonds, and its ability to perform its obligations in such regard depends solely on its assets which shall be applied in priority towards payment of sums owing under the covered bonds, and, if applicable, on any cover agreement or other similarly preferred funds.

In accordance with article 13 of law n° 85-695 dated 11 July 1985, the Issuer, duly authorised by the Finance, Economy and Budget Minister, finances its shareholders, in their capacity as borrower, through mortgage notes, in accordance with articles L. 313-43 to L. 313-49 of the Monetary and Financial Code.

In this connection, in consideration for its loans, each borrower has previously undertaken to pledge, for the sole benefit of CRH, in accordance with article 13 of the law n°85-695 dated 11 July 1985, as supplemented by article 36 of the law n° 2006-872 dated 13 July 2006 and articles L. 313-42 to L. 313-49 of the Monetary and Financial Code, a pool (the specific cover pool), comprising only home-purchase loans with the security attached thereto (the cover pool, comprising all of the specific cover pools). In accordance with the Issuer's internal regulations, the mortgage notes are secured by a pledge of home-purchase loans, up to the amount respectively of at least 125 % or 150 % of their nominal value, depending on whether the loan is fixed or variable rate.

Neither the Issuer nor any other party guarantees the payment in full and by the due date by any of the borrowers of the amounts due, in principal or interest, under the mortgage notes.

In the event of payment default by the Issuer under its covered bonds, holders of the covered bonds will have no other external recourse than to request such payment from the Issuer and, in particular, will not have any direct recourse against the borrowers, or against the cover pool, or against the proceeds of the cash payments received from home-purchase loans, or, if applicable, against any liquidity drawdown and/or similarly preferred asset (liquid assets provided by way of security form, together with the loans provided by way of security, the entire cover pool). The ability of the Issuer to perform its obligations under the terms of the covered bonds will depend on the anticipated amount of principal and interest paid by each borrower under the mortgage notes and/or, as the case may be, amounts received under any agreement entered into with the Issuer and/or the proceeds of the income generated by permitted investments.

Failure by the Issuer to receive in good time payment in full by the borrowers of all amounts of principal or interest under the mortgage notes, may harm the Issuer's ability to make payments under the covered bonds. The Issuer may also be exposed to the materialisation of credit risk on the borrowers in respect of the mortgage notes.

In the event of payment default by a borrower under a mortgage note, including if such payment default results from a resolution procedure brought against it, the Issuer shall have the right to accelerate payment of amounts due under the mortgage notes and to enforce the security over the specific cover pool, resulting in transfer to the Issuer of title to the home-purchase loans, with no other formalities.

The ability of the Issuer to fully perform its obligations under the covered bonds will thereafter depend mainly on the amounts and proceeds received in respect of the transferred assets.

As of 30 June 2020, the cover pool amounts to 35.39 billion euros and comprises 550 460 loans. If it transpires that such amounts are insufficient to enable the Issuer to satisfy its obligations under the covered bonds, the Issuer's only recourse will be to bring a claim against the defaulting borrower of the amounts unpaid, as an unsecured creditor. If the proceeds of the twin recourse against the relevant borrower and over the transferred home-purchase loans are insufficient to enable payments to be made until maturity under the covered bonds (for more information on the specific risks associated with the cover pool in the event of payment default under a mortgage note, see the section "Risk Factors - Risks relating to the cover pool" below), this may have a significant negative impact on the Issuer's ability to perform its payment obligations under the covered bonds. Accordingly, holders of covered bonds may lose all or part of their investment in these covered bonds.

In light of the above, the Issuer considers that the probability of such risk materialising is very unlikely, but that the impact of such risk could be very high.

The Issuer is exposed to credit risk on stakeholders

The Issuer's ability to make payments of principal and interest under the covered bonds will depend in part on the ability of stakeholders, in particular that of borrowers, which have agreed to provide services for the Issuer (in particular monitoring and managing eligible assets transferred by way of security, and providing liquidity if certain events arise or in the event of default by a borrower). The Issuer's ability to make payments under the covered bonds may be affected by the ability of other stakeholders to make their payments and fulfil their obligations.

Furthermore, the inability of a stakeholder to make an agreed payment or transfer on the due date may significantly affect the Issuer's ability to make a payment of principal or interest under the covered bonds.

In light of the above, the Issuer considers that the probability of such risk materialising is low, but that the impact of such risk could be high.

Conflicts of interest between stakeholders may arise

As regards the covered bonds, conflicts of interest may arise due to various factors involving in particular the borrowers, their respective affiliates and the other stakeholders identified below.

In particular, although a borrower may have established procedures for Chinese walls and managing conflicts of interest, it is possible that it may, from time to time, be involved, via its other banking activities, in transactions involving an index or its associated derivatives which may affect either the amounts receivable by covered bond holders during the life or at maturity of the securities, or indeed the market price, liquidity or value of the securities, which may accordingly be deemed harmful to the interests of covered bond holders.

Although there may not be, in connection with the tasks assumed under the various roles they perform, any conflict between the respective rights and obligations of the borrowers, and although they may be independent from one another, each borrower and/or its affiliates may find itself in a position of conflict of interest. Each borrower and/or its affiliates will only have the rights and responsibilities expressly accepted by the entity performing this role, and will not be deemed to have any other rights or responsibilities, or any other duty of care, than those assumed in such capacity, by virtue of it, and/or any of its affiliates, acting in any other capacity.

In light of the above, the Issuer considers that the likelihood of such risk arising is improbable, but that the impact of such risk could be high.

The Issuer is exposed to operational performance risk on third-party service providers

The Issuer has adequate staff to manage its bond issuance programme under normal operating conditions. If a borrower is in default, the Issuer may need to enter into agreements with various third parties for the provision of services. As of the date of this amendment to the universal registration document, borrowers act for their own account and/or, if applicable, for the account of affiliate entities, as collateral providers and are subject to the Issuer's internal regulations.

The ability of the Issuer to make payments under the covered bonds may be adversely affected should any of such parties fail to satisfy their respective obligations in relation to their undertakings, including in the event of resolution proceedings relating to a borrower or any of its affiliates.

Under certain circumstances, the Issuer may need to replace a third party service provider. However, there is a risk that no appropriate successor may be found in good time, having regard to its experience or ability to perform the relevant services, on identical or similar terms to those previously existing, or having regard to the financial terms on which it would accept appointment. The ability of a third-party service provider to provide all of the required services would also depend, amongst other things, on the information, software and data available at the time of their contractual appointment.

Any inadequate operational performance or delay by a third party service provider, or any delay or inability to appoint a substitute entity, may affect the Issuer's ability to make payments of the required amounts and/or on the due date under the covered bonds. Accordingly, holders of covered bonds may lose all or part of their investment in their securities.

In light of the above, the Issuer considers that the likelihood of such risk materialising is very low, but that the impact of such risk could be high.

4.1.2. The Issuer may be exposed to liquidity and foreign exchange risk

Liquidity risk

The Issuer is not subject to laws or regulations relating to liquidity and operates as a simple intermediary, the covered bonds and related mortgage notes being of the same currency, interest rate and maturity.

Accordingly, the Issuer is not exposed to liquidity or market risk in the normal course of business.

In the event of default by a borrower and enforcement of the security, part of the funds available to the Issuer will derive from home-purchase loans.

There is a risk that the maturity date and repayment profile of the home-purchase loans in the cover pool do not match the redemption profile and maturity dates of the bonds. Any such mis-match would result in the Issuer having a potential liquidity requirement. As of 30 June 2020, the cover pool comprised 550 460 loans with an average duration of 86 months and weighted average residual term of 162 months. The nominal outstanding amount of bonds issued by the Issuer amounts to 24.5 billion euros and these bonds will mature no later than February 2035.

In accordance with its internal regulations, the Issuer may finance any temporary liquidity requirement that may arise as a result of a borrower default, by using liquidity advances that its shareholders have undertaken to procure.

The liquidity advances are confirmed facilities in an amount equal to 5% of the total value of mortgage notes in issue.

Pursuant to its internal regulations, the Issuer may also request its shareholders to provide additional liquidity support if the amount of such liquidity advances is insufficient to cover any temporary liquidity requirement.

The Issuer's ability to fulfil its obligations and, in particular, settlement on the due date of payments owed under the covered bonds, may be adversely affected if the Issuer is not able to meet its liquidity requirement.

In light of the above, the Issuer considers that the likelihood of such risk materialising is very low, but that the impact of such risk may be high.

Foreign exchange risk

Loans granted to borrowers through mortgage notes are denominated in the same currency as the covered bonds used to refinance them. As of the date of filing of the second amendment to the universal registration document, the Issuer has only issued covered bonds denominated in euros or Swiss francs (CHF). Mortgage notes refinanced by covered bonds denominated in euros are secured by home-purchase loans denominated in euros and mortgage notes refinanced by covered bonds denominated in Swiss francs are secured by home-purchase loans denominated in Swiss francs, the debtors of such loans being obliged to dispose of income in Swiss francs.

Accordingly, in the normal course of business, the Issuer is not exposed to currency risk between its claims on borrowers and its covered bonds.

In the event of a default by a borrower and enforcement of the security over the specific cover pool, the funds available to the Issuer derive in part from home-purchase loans and their ancillary rights.

In the event of default by a borrower, followed by the default of a home-purchase loan debtor, the proceeds of enforcement of the security in relation to the home-purchase loan, if located in France, will be denominated in euros which will expose the Issuer to currency risk, since the related secured obligation will be denominated in Swiss francs (CHF).

In light of the above, the Issuer considers that the likelihood of such risk materialising exists, but that the impact of such risk is low.

4.1.3. The Issuer may face risks relating to the cover pool which would materialise in the event of borrower default

4.1.3.1 Credit quality, credit risk and risk related to the market value of the cover pool

Changes to the criteria for the granting of borrower loans

Each home-purchase loan granted by a borrower will have been granted in accordance with its then applicable lending criteria. It is expected that the lending criteria of each borrower will generally take into account the type of asset financed, the term of the loan, the age of the applicant, the loan-to-value ratio of the property, the status of the buyers, the amount of their deposit, the property value / debt service ratio, available income and credit history. Satisfaction by the debtor, prior to the granting of the home-purchase loan, of all criteria and conditions required by the originator, in accordance with its procedures, is one of the eligibility criteria for inclusion of such loan in the specific portfolio granted by way of security. Any change to the criteria that adversely impacts on the credit quality of the home-purchase loans may result in increased borrower payment defaults and affect the value of the cover pool, or part thereof, and significantly affect the ability of the Issuer to make payments under the covered bonds in the event of enforcement of the borrower's security. As of 30 June 2020, the cover pool comprised 550 460 loans with an average balance of 64 291 euros and a weighted average loan-to-property value ratio of 39.6 % (36.9 % on a discounted basis).

In light of the above, the Issuer considers it probable that such a risk will materialise and that the impact of such risk may be very high.

Housing loan debtor solvency risk

Following a default by a borrower and enforcement of the security, the Issuer will be exposed to credit risk on the home-purchase loan debtors, being the persons who have borrowed to finance the acquisition of a residential property, and whose ability to make payments on the due date will depend mainly on their assets and liabilities, and their ability to generate sufficient income, which, in turn, could be adversely affected by a great many factors, some of which (i) specifically concern the debtor himself (ii) are more general in nature (change of tax policy, economic environment …).

Furthermore, these home-purchase loan debtors may benefit from favourable laws and regulations under the Consumer Code, pursuant to which any natural person may, under certain circumstances and on various conditions, request and obtain from the over-indebtedness commission (*Commission de Surendettement des Particuliers*), a grace period, a reduction, in whole or in part, of the amount of their debt and related interest and, potentially, the extinguishment, in whole or in part, of their debt to a credit institution.

Accordingly, the ability of the Issuer to fulfil its obligations under the covered bonds may be adversely affected. As of 30 June 2020, the amount of the cover pool totalled 35.39 billion euros, and comprised 550 460 loans with an average balance of 64 291 euros, a weighted average loan/property value ratio of 39.6% (36.9% on a discounted basis), an average duration of 86 months and a weighted average residual term to maturity of 162 months.

In light of the above, the Issuer considers it probable that such a risk will materialise, but that the impact of such risk may be low.

Credit risk on the residential home-purchase loan guarantee provider (guaranteed loans)

Following a default by a borrower and enforcement of the security, the Issuer will be exposed, for home-purchase loans secured by a guarantee (*caution*), to credit risk on the guarantee provider(s), in the event that the loan debtor is himself in default. As of 30 June 2020, the cover pool comprises loans secured by a mortgage (*garantie hypothécaire*) (86.4 % in value) (of which 9.48% benefit from an additional French State guarantee), and loans guaranteed by *Crédit Logement* (13.3%), an independent company which guarantees home-purchase loans and is authorised to operate as a finance company.

The ability of the Issuer to make payments owed under the covered bonds may be affected if, for any reason whatsoever, the guarantee provider does not pay, in whole or in part, or by the due date, the amounts payable under the relevant home-purchase loan guarantee.

In light of the above, the Issuer considers that the probability of such risk materialising is unlikely and that the impact of such risk may be high.

Value of mortgaged property (home-purchase loans secured by a mortgage)

Following a default by a borrower and enforcement of the security, the Issuer will be exposed, in the event of subsequent default of the home-purchase loan debtor, to the value of the relevant property. In any event, the value of the properties securing the home-purchase loans may decrease due to a number of factors, including the domestic or international economic environment, regional economic or housing conditions, changes in tax laws, interest rates, inflation, the availability of finance, returns on alternative investments, increased cost constraints and other day-to-day expenditure, political and government events. Since the properties securing these home-purchase loans are located in France, their value may decrease in the event of a widespread fall in French property values. As of 30 June 2020, 86.4% (in value) of the loans comprising the cover pool are mortgage loans (of which 9.48% benefit from an additional French State guarantee).

A fall in the value of a property may therefore affect the Issuer's ability to obtain an amount through enforcement of the security sufficient to cover all unpaid amounts owed by the relevant debtor and may, therefore, affect the Issuer's ability to satisfy all payment obligations under the covered bonds.

In light of the above, the Issuer considers that the likelihood of such risk materialising is probable and that the impact of such risk may be low.

Early redemptions and renegotiation of interest rates on home-purchase loans may affect the return on the cover pool

The rate of early redemptions of home-purchase loans is influenced by a wide variety of economic, social and other factors, including market interest rates, and changes in tax laws (including, but without limitation, changes in the tax deductibility of residential home-purchase loan interest), local and regional economic conditions, and changes in debtor behaviour (including, but without limitation, homeowner mobility). Furthermore, the debtors of the loans may periodically renegotiate the applicable interest rate which the relevant lender may accept.

Although such events may occur at any time and are difficult to quantify in advance, the probability of such early redemptions and renegotiations occurring is currently high due to the persistently low market interest rates.

A high level of early redemptions and interest rate negotiations would reduce the return on the cover pool and, accordingly, may affect the Issuer's ability to maintain sufficient funds to meet its payment obligations under the covered bonds in the event of default by a borrower.

In light of the above, the Issuer considers that the likelihood of such risk materialising is very probable and that the impact of such risk may be very low.

Operational and structural risks related to the cover pool

Notifying the debtors of home-purchase loan receivables may take time.

The terms of the mortgage notes provide that the receivables resulting from the home-purchase loans are assigned with full title by way of security in accordance with articles L. 313-42 et seq. of the Monetary and Financial Code, without informing or notifying the debtors of the underlying loans. However, in the absence of such notice, any payment by the debtor in respect of these receivables to the relevant borrower, shall be deemed to have been validly made by the debtor.

The home-purchase loan debtors will only be notified by the Issuer in the event of default by a borrower and enforcement of the security.

As of 30 June 2020, the largest specific cover pool comprised 272 730 loans for a total amount of 12.1 billion euros. Accordingly, notifying the debtors of the relevant loans may take time, given that, notwithstanding such notice, there may be a delay before the Issuer actually receives payment directly from these debtors. This may affect payments being made by the due date under the covered bonds and may result in insufficient funds to meet interest payments or redemptions of principal.

In order to mitigate such delays and/or shortfalls, the Issuer may call on the liquidity advances granted by its shareholders, in accordance with its articles of association, and may also, if applicable, benefit from the maturity deferral period specified for deferrable financial securities.

However, these mitigation measures may be insufficient to fully cover these risks of delay and/or funding shortfall.

In light of the above, the Issuer considers that the likelihood of such risk materialising is very high, but that the impact of such risk may be low.

The value of the global cover pool may not be sufficient and the borrower's debt may not be repaid by the due date or in full

In the event of default by a borrower, the Issuer would be permitted to accelerate payment of all mortgage notes affected by such default and to take possession of the global specific cover pool (including on any subsequent commencement of insolvency proceedings against the borrower). The inability of the borrower or any of its affiliates, acting as collateral provider, to transfer, in accordance with the Internal Regulations, any additional home-purchase loan receivables, in order to maintain the portfolio cover at the level required to satisfy the specific over-collaterlization ratio notified by the Issuer to each borrower, just as any fall in the market value of residential home-purchase loan receivables (for reasons of ineligibility, losses or decrease in the value of property, illiquidity of the home-purchase loan market, etc...) could result in insufficient funds being available to the Issuer to meet its payment obligations under the covered bonds. As of the date of this universal registration document, the minimum legal over-

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collaterlization ratio applicable to the Issuer is 105%. As of 30 June 2020, the Issuer's over-collaterlization ratio was 144%.

If, after the occurrence of a borrower event of default, the cover pool is insufficient to meet in full all payments due under the covered bonds until maturity, the Issuer will still have a claim against the borrower in respect of all amounts remaining unpaid, in accordance with the internal regulations, but this claim would only be an unsecured claim, in other words it would only be paid after secured and preferred creditors. There is therefore a risk that this remaining unsecured claim may not be paid in due time or for the full amount.

In light of the above, the Issuer considers that the likelihood of such risk materialising is low, but that the impact of this risk may be high.

Potential difficulties relating to enforcement of mortgages

Following a borrower default and enforcement of the security, the Issuer will be exposed, in the event of default by a home-purchase loan debtor, to the French legal procedures for the enforcement of mortgages, and related expenses, and the ability of the Issuer to effectively liquidate the mortgaged properties and obtain payment of the proceeds of enforcement in good time may be affected. As of 30 June 2020, 86.4 % (in value) of the residential home-purchase loans underlying the secured assets are mortgage loans (9.48% of which benefit from an additional French State guarantee).

Seizure of real property is subject to very strict rules under French law. There are specific rules applicable to lenders' liens (*privilèges des prêteurs de deniers*) and mortgages registered in the French *départements* Haut-Rhin, Bas-Rhin and Moselle. These specific rules do not substantially modify the main principles of the procedures explained below.

The seizure of real property assets located in France by secured creditors may require selling the asset at a public auction if the sale cannot be made voluntarily by the debtor (conversion to voluntary or amicable sale). The seizure procedure may take up to one and a half years under normal circumstances.

In accordance with article R. 321-1 et seq. of the French enforcement procedures Code, the first step in the seizure process involves the delivery by a bailiff or court official of a seizure notice to the debtor. This notice this filed with the relevant property and land charges registry (known since 1 January 2013 as the "*fichier immobilier*") of the place where the property is located.

The next stage involves instructing a local lawyer to prepare the terms and conditions of the sale by auction, including the reserve price, of the relevant property (such instructions are not mandatory in the *départements* Haut-Rhin, Bas-Rhin and Moselle).

Finally, a number of legal opinions must be issued before the sale. The debtor may issue an objection to the seizure (including to the reserve price), the validity of which will be decided by the competent court. If no bids are received at the public auction, and provided that there is only one creditor enforcing the seizure, that creditor is declared the highest bidder and is therefore obliged to purchase the property at the reserve price specified in the terms of sale.

If no agreement is reached (for example, if the sale price of the property is significantly less than the amount of the secured debt), the third party will still have the right to offer to pay the sale price to the secured creditors in order to discharge all liens and mortgages granted over the relevant property (judicial discharge: articles 2476 et seq. of the Civil Code). The secured creditors may decline this offer if they consider the sale price to have been underestimated by the debtor and the third party. In such case, a sale by auction will be ordered with a minimum offer equal to the price offered to the secured creditor by the relevant third party, plus ten percent (10%).

Furthermore, the Issuer's ability to liquidate effectively and in good time the mortgaged property may be compromised by the commencement of insolvency proceedings against the debtor of the relevant home-purchase loan, which is an over-indebtedness procedure (postponement procedure) if the debtor is a natural person, which would result in the proceedings against him being suspended, or seizure which would again therefore cause delay for the Issuer in obtaining in good time the proceeds of enforcement of the mortgages. Such delay may therefore affect the Issuer's ability to meet its payment obligations under the covered bonds and, in particular, affect payments being made to holders within the required time limits.

In light of the above, the Issuer considers that the likelihood of such risk materialising exists, but that the impact of such risk may be low.

Set-off, against the Issuer, in limited circumstances, in connection with home-purchase loans

Under French law, set-off may be legal, contractual or judicial.

Legal set-off may operate automatically between two reciprocal debts, provided that such debts are simultaneously fungible, certain, liquid and due for payment. A contract or court may extend the reach of legal set-off where, in respect of two reciprocal and fungible debts, such debts are not simultaneously certain, liquid and due for payment. In particular, a court may not refuse set-off where it has been requested in respect of debts connected either by contract or from an economic perspective.

None of the terms of a residential home-purchase loan expressly permits the debtor to extend the reach of legal set-off, or expressly specifies a connection between the debts owed by a debtor to a collateral provider under a residential home-purchase loan and any claims that such debtor may have, if relevant, against such collateral provider under other contracts, such as a bank account or deposit agreement, etc... but no term to the contrary excludes this possibility. Accordingly, a debtor under a residential home-purchase loan is entitled to rely either on (i) legal or judicial set-off, or (ii) set-off based on connectedness if such connectedness is specified in an agreement other than the residential home-purchase loan agreement or results from the overall economic relationship existing between a debtor under a residential home-purchase loan and a collateral provider.

Any set-off, as referred to in points (i) or (ii) may only become a risk for the Issuer in the event of borrower default and enforcement of the security.

However, after notification of the transfer of the residential home-purchase loan to the Issuer, the debtor would only be entitled to rely on set-off against the Issuer if, prior to notification of the transfer, the conditions of legal set-off were satisfied or if the set-off relied upon is between two inter-connected debts. The connectedness of the debts will be determined on a case-by-case basis depending on the factual circumstances existing at the time. The most likely situation under which set-off between connected debts may be contemplated would be where, in respect of counter-claims under a current account relationship, a debtor is able to set-off its counter-claims against sums owed under a residential home-purchase loan. In this situation, however, French jurisprudence indicates that there is no inter-connection between these claims, notwithstanding the fact that payments under the residential home-purchase loan were made by automatic direct debit from the amounts standing to the credit of the relevant current account, since the parties had no intention from an economic point of view to establish a connection between their current account relationship and the loan transaction.

Due to the set-off of amounts owed by a debtor to the borrower against amounts owed by the borrower under home-purchase loans, the residential home-purchase loans will, in whole or part, be extinguished. Such extinguishment may affect the Issuer's capacity to satisfy its obligations to holders under the covered bonds.

In light of the above, the Issuer considers that the likelihood of such risk materialising is very low and that the impact of such risk may be low.

4.1.4 Risks relating to the global health crisis

A new strain of coronavirus appeared in China in December 2019 and has since spread to more than 180 countries worldwide. In March 2020, the WHO declared a pandemic.

In the absence of a specific vaccine, the epidemic and the vast majority of governmental measures taken in response (closing of borders, travel restrictions, lockdowns...) have had and may continue to have a significant impact, directly or indirectly, on economic activity and the financial markets worldwide.

The slowdown of the most affected economies (for example China, Italy, France, Spain and other European countries, the United States and the United Kingdom) and the decrease in global trade and commerce in general have had, and will probably continue to have, adverse effects on the global economic situation, since production, investments, supply chains and consumer spending are all affected.

In response to these adverse economic and commercial consequences of the pandemic, various governments and central banks have taken or announced measures to support the economy (loan guarantee mechanisms, tax deferrals, extension of unemployment benefits...) or to improve financial market liquidity (increased asset purchasing, financing facilities...), and credit institutions are acting as a conveyor belt for these measures.

Nevertheless, there is no assurance that these measures will be sufficient to offset the negative effects of the pandemic on the economy and the stability of the financial markets, and it should be noted that the overall impact on the global economy is unforeseeable due to the uncertainty surrounding the duration and scale of the pandemic.

The debtors - and shareholders – of CRH are the main French banking groups, with significant operations in France, where the undoubted impact of the pandemic on the economy cannot currently be measured, making it difficult to clearly assess the situation.

Nevertheless, given their financial soundness, reflected by their credit ratings, liquidity levels and solvency ratios, as well as the support of the public authorities in managing this crisis, there should not be adverse consequences for holders of the covered bonds issued by CRH as regards payment of interest and redemption of principle under these bonds.

4.2. RISK ANALYSIS

4.2.1. Credit risk

a) Breakdown of commitments

CRH's commitments are as follows:

In € thousands

Credit risk exposure	31/12/2019		30/06/2020	
	Balance sheet	Bad debt rate	Balance sheet	Bad debt rate
Mortgage notes	25 726 787	0 %	24 609 245	0 %
Negotiable debt instruments (TCN)	174 847	0 %	174 886	0 %
Demand deposits, term deposits	380 832	0 %	380 809	0 %
Other receivables (re-invoicing...)	762	0 %	1 633	0 %
Total exposure to credit institutions	**26 283 228**	**0 %**	**25 166 573**	**0 %**
Exposure to central bank	**37**	0 %	**257**	0 %
Exposure to public sector	**218**	0 %	**167**	0 %
Other exposure	**39**	0 %	**40**	0 %
Total credit risk exposure	**26 283 522**	**0 %**	**25 167 037**	**0 %**
Equity holdings, other long-term securities, fixed assets, prepayments and accrued income	**117**		**148**	
Exposure deducted from own funds	**6 517**		**7 680**	
Total balance sheet	**26 290 156**		**25 174 865**	

CRH has no off-balance sheet commitments.

In € thousands

Geographical breakdown of exposure	31/12/2019		30/06/2020	
	Balance sheet	%	Balance sheet	%
France	26 273 583	99.96	25 157 082	99.96
United Kingdom	9 939	0.04	9 955	0.04

A breakdown of outstanding loans in nominal value between the main borrowing institutions is provided in Chapter 6, paragraph 6.1.1.4. B).

A breakdown of mortgage notes, negotiable debt instruments and term deposits by residual maturity is provided in Chapter 20, note 4 of the notes to the half-yearly financial statements.

b) Transaction selection process

Each borrower is subject to prior approval by the board of directors. Such authorisation may, where applicable, be subject to specific terms and conditions.

Rules concerning the granting of loans have been drawn up by the board of directors:

- lending decisions must take into account the institution's rating (determined by the level of its equity, profitability, shareholding structure and credit rating) and the characteristics of the loan portfolio due to be refinanced.

- The amount of the loan is limited to a level such that the institution should be able to cover the loan granted without difficulty until its final maturity, assuming no further new lending and an average annual prepayment rate.

- To avoid an excessive concentration of CRH's commitments with a single institution, and despite the effective pledging of a cover pool, the proportion of CRH's total lending to any one institution is capped at 40% of the total amount outstanding.

- The following are also regularly monitored:

  - CRH's new loans as a percentage of the borrowing institution's annual new borrowing.
  - CRH's loans as a percentage of the total assets of the borrowing institution and of the amount of its own funds.
  - CRH's loans to the borrowing institution as a percentage of the amounts reported by the institution to the ACPR.
  - The ratio of liabilities covered (including CRH's loans) to the total assets of the borrowing institutions.

- The actual decision on whether or not to lend to an institution is made by CRH's Senior Management.

c) Credit risk mitigation mechanism

The aim of pledging residential home loans in France, up to at least 125% of the nominal amount of the mortgage notes, if the loans provided as collateral are fixed-rate loans, and 150%, if the loans provided as collateral are floating-rate loans, is to enable CRH to fully protect itself against credit risk.

These loans must themselves be secured either by a first ranking mortgage or real property security conferring equivalent security, or a guarantee (*cautionnement*) granted by a credit institution or insurance company whose share capital is greater than 12 million euros, which is not included in the consolidation scope of the institution to which the CRH loan is granted and whose credit quality rating is at least equal to 2.

The criteria for selecting loans provided as collateral are governed by the provisions applicable to SCFs (*sociétés de crédit foncier*), unless more stringent provisions have been defined by CRH. Thus, for each loan, restrictions have been introduced concerning the loan's residual maturity, which must be less than 25 years, and its unit amount, which may not exceed 1 million euros.

The provisions of Article L. 313-49 of the Monetary and Financial Code provide for a specific check by the ACPR. At the same time, CRH's Inspection Department carries out its own verifications. If non-qualifying loans are detected, then the amount of the pledged loans portfolio must be increased accordingly.

In € billions

Date	Mortgage notes (nominal value assessed as of the closing date)	Amount of cover pool		Over-collateralisation rate	
		Gross	Net *	Gross	Net *
31/12/2019	25.3	36.5	33.3	44 %	32 %
30/06/2020	24.5	35.4	32.2	44 %	31 %

* Estimated amount of cover pool excluding non-qualifying loans

d) Use of credit derivatives

CRH does not use any credit derivatives.

e) Investment of own funds

CRH's own funds were originally invested in demand deposits with an interest rate close to the daily money market rate. However, an active investment management approach is now adopted, albeit a very conservative one, as shown in the analysis tables below (which exclude accrued interest):

In € thousands

Breakdown per type of investment	31/12/2019		30/06/2020	
	Balance sheet	%	Balance sheet	%
Sight accounts	5 901	1.06	6 236	1.12
Term accounts	374 000	67.43	374 000	67.38
Negotiable debt instruments (TCN)	174 771	31.51	174 806	31.50
Total	**554 672**	**100.00**	**555 042**	**100.00**

Breakdown per counterparty	31/12/2019				30/06/2020			
	Number	+ highest	+ lowest	Average	Number	+ highest	+ lowest	Average
Credit institutions	6	25.06 %	1.79 %	20.67 %	6	25.17 %	1.79 %	20.71 %

Breakdown per external rating as of 30 June 2020													
Standard & Poor's				Moody's				Fitch Ratings					
ST	LT	ST	LT	ST	LT	ST	LT	ST	LT	ST	LT	ST	LT
A-1	*A+*	*A-1*	*A*	*P-1*	*Aa3*	*P-1*	*A1*	*F1*	*A+*	*F1*	*A*	*NA*	*NA*
55.74 %		44.26 %		55.57 %		44.43 %		73.89 %		24.32 %		1.79 %	

In € thousands

Initial term of the investments excluding demand deposits and accrued interest	31/12/2019	30/06/2020
Three months and less	0	0
Three to six months	0	0
Six months to one year	0	0
One to two years	0	0
Two to three years	30 000	30 000
Three to five years	180 940	155 952
More than five years	337 831	362 854
Total	**548 771**	**548 806**

Fixed rate/floating rate breakdown	31/12/2019	30/06/2020
Fixed rate	34 %	38 %
Floating rate *	66 %	62 %
Total	100 %	100 %

** EONIA or 3 month Euribor only*

Average annual yield	**31/12/2019 :** 0.31 %	**30/06/2020 :** 0.39 %

4.2.2. Interest rate risk

In accordance with CRH's articles of association and internal regulations, CRH's borrowings and loans are perfectly matched in terms of interest rate and term. In addition, CRH requires that portfolios of pledged receivables that may therefore become its property in the event of borrower default must also have the same interest rates and maturities as the related loans.

Furthermore, the minimum loan coverage of 125% imposed by CRH on its borrowers shields it to a large extent from any residual interest-rate risk.

CRH has no market activities, and its articles of association, amended in August 1999, forbid it to carry out any activity that is not strictly in line with its sole corporate objects.

CRH's income reflects a technical balance between proceeds from the investment of own funds on the money market and general and administrative expenses. Any decrease in money market rates leads directly to a decrease in income and vice versa:

In € thousands

Impact on pre-tax net income during the next 12 months as from 30 June 2020	
Impact of + 2 % increase in interest rates	+ 6 664
Impact of - 2 % decrease in interest rates	- 3 176

In order to neutralise the unwarranted volatility of the remuneration received each year by CRH on its fixed-rate investments held to maturity, a specific portfolio of investment (held-to-maturity) securities was created in 2018. Available-for-sale securities with a residual maturity of more than two years were re-classified into this portfolio.

Unrealised gains and losses related to securities forming part of the portfolio (comprised only of negotiable debt instruments) are valued as follows:

Available-for-sale securities (*Titres de placement*) :

In € thousands

ISIN Code	Gross book value	Net book value	Unrealised gains	Unrealised losses
FR0125442899	10 000	10 000	96	0
FR0125443624	20 000	20 000	163	0
XS1515233408	50 000	50 000	70	0
TOTAL	**80 000**	**80 000**	**329**	**0**

Held-to-maturity securities (*Titres d'investissement*) :

In € thousands

ISIN Code	Gross book value	Net book value	Unrealised gains	Unrealised losses
FR0013241775	10 000	9 997	0	64
FR0013247731	10 000	10 000	150	0
FR0013265667	10 000	10 000	51	0
FR0013265824	10 000	9 955	0	50
FR0013285509	20 000	19 989	384	0
FR0013327681	10 000	10 000	0	154
FR0124497985	10 000	9 865	3	0
FR0124980220	15 000	15 000	73	0
TOTAL	**95 000**	**94 806**	**661**	**268**

However, CRH's operating rules mean that it is not exposed to interest-rate risk on its refinancing operations.

In € thousands

Residual term as at 30/06/2020	Assets: mortgage notes (a)		Liabilities: bond issues (b)		Net exposure before hedging (c) = (a) - (b)	
	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
No more than one year	2 300 141	0	2 300 141	0	0	0
One to two years	5 721 273	0	5 721 273	0	0	0
Two to five years	11 018 441	0	11 018 441	0	0	0
More than five years	5 261 182	0	5 261 182	0	0	0
Total	**24 301 037**	**0**	**24 301 037**	**0**	**0**	**0**

4.2.3. Foreign exchange risk

CRH generally does not operate in foreign currencies. Since 2010, in addition to its issues in euros, CRH issues bonds in Swiss francs (CHF). This type of transaction does involve any foreign exchange risk, since CRH borrows in CHF, lends in CHF and receives, in the cover pool of loans granted, loans in CHF.

In € thousands

As of 30/06/2020	Included in assets: mortgage notes (a)	Included in liabilities: bonds (b)	Foreign currency liabilities (c)	Position before hedging (d) = (a) – (b) +/- (c)
EUR	23 157 938	23 157 938	0	0
CHF	1 143 099	1 143 099	0	0
Total	**24 301 037**	**24 301 037**	**0**	**0**

First semester 2019	Impact on pre-tax net income	
	10% increase	10% decrease
CHF	0	0

4.2.4. Equity risk

CRH's articles of association prohibit it from buying equities. Similarly, CRH does not buy or sell on the credit derivatives market.

4.2.5. Liquidity risk

Under normal conditions, due to its sole activity and perfect matching of maturities, interest rate and currency between the mortgage notes forming its assets and bond issues forming its liabilities, CRH does not have liquidity risk exposure.

In the event of default by a borrower on a maturity date, the provisions of the internal regulations and articles of association, as amended for such purpose in 1995 and 1999, permit CRH to call on its shareholders to provide, by way of cash advance, the funds necessary for it to operate subject to a limit of 5% of total outstandings.

If the funds necessary for it to operate exceed this limit, which would imply over the medium-term the failure of one or two major French borrowing banks, the other shareholder banks would be called upon to lend CRH the shortfall. The shareholders are, in any event, obliged to provide CRH with the capital required under the banking regulations.

The table providing a breakdown of mortgage notes and bond issues by residual maturity, set forth in Chapter 20, note 4 of the notes to the annual financial statements, illustrates this perfect matching.

CRH, in its capacity as a credit institution, is subject to European Central Bank LCR reporting requirements.

In this regard, the provisions of article 425-1 of Regulation (EU) n° 575/2013 dated 26 June 2013 permit CRH to exclude the cash inflows from its mortgage notes from the 75% cap on cash outflows applied towards the service of its bond issues.

Normally:

- funds corresponding to interest payments on the euro-denominated mortgage notes are received on the interest due date of the euro-denominated bonds, with the same maturity and interest rate,

- funds corresponding to interest payments on Swiss franc mortgage notes are received on the business day preceding the interest due date of the Swiss franc bonds, with the same maturity and interest rate,

- funds corresponding to the final maturities of the euro and Swiss franc mortgage notes (principal and interest) are received five business days before the due date for redemption of the Euro bonds and Swiss franc bonds with the same maturity and interest rate,

- funds received before maturity are deposited with the central bank or are used in French government security *repo* transactions pending their maturity,

- in addition, CRH usually maintains readily available liquidity to enable it meet ad hoc liquidity requirements, notably intra-day requirements.

During the first semester 2020, CRH continued implementation of the measures that it had taken during the financial year 2015 in order to adjust to the level of the negative short-term interest rates as part of the ECB’s monetary policy:

- the funds corresponding to interest payments due under CHF-denominated mortgage notes are provisionally received on the due date for interest payments under the bonds of the same currency, maturity and interest rate,

- the liquidity that was previously readily available was invested in an amount of 50 million euros in securities eligible for Eurosystem refinancing.

It should also be noted that CRH's bond issue agreements do not contain any events of default, early redemption events or covenants.

4.2.6. Industrial and environmental risks

Not applicable.

4.2.7. Legal risks

CRH operates in such a manner that it is not exposed to intellectual property risks or product marketing risks.

The legal risk associated with CRH's operations has in the past been widely audited internally by the risk committee and the rating agencies, and is still subject to regular review by CRH with the assistance of eminent legal experts.

At CRH's request, specific provisions were added to the French savings and financial security law (*Loi Épargne et Sécurité Financière*) of 25 June 1999 to eliminate any uncertainty surrounding CRH's ownership rights over receivables pledged in the event that a borrower files for protection from creditors.

Furthermore, the validity of the security granted to CRH by borrowing institutions is regularly verified through controls carried out on a test basis by the CRH audit and inspection department.

In order to avoid any conflict of laws, CRH does not accept otherwise eligible loans extended in other European Union countries.

4.2.8. Operational risks

Since its inception in 1985, CRH has never suffered any events giving rise to operating risks and has therefore never incurred any operating losses. Its highly specialised activity, which has modest requirements in terms of technical and human resources, enables it to be extremely adaptable to all types of unforeseen circumstances or events. Similarly, CRH benefits from the infrastructure put into place by its counterparties, being mostly major French credit institutions.

Since 2009, CRH uses, for debt servicing purposes, the Banque de France's and Euroclear's direct payments procedure. This procedure greatly reduces operating risks by automating the settlement of amounts due to bondholders, thereby enabling CRH to fully focus on monitoring the timely receipt of amounts due from borrowers. In 2016 this procedure migrated to the European TS2 (Target2-Securities) platform.

4.2. INTERNAL CONTROL

In accordance with the provisions of the ministerial decree of 3 November 2014 related to the internal control of banking sector firms, a regular report on the internal control systems established at CRH is submitted to the board of directors.

Internal control is also the responsibility of the risk committee and the audit committee. Indeed, the risk committee is responsible for supporting the board of directors in order to help it ascertain the quality of internal control, while the audit committee must verify the reliability of the financial information supplied to shareholders.

The internal control system is tailored to CRH's specific circumstances:

- it is first necessary to highlight the transparency of CRH's operations which are described in a prospectus and summarised in the universal registration document ;

- its operations are strictly limited by its corporate objects;

- its operations are codified by the internal regulations signed by the shareholders and published in the registration document;

- it has no foreign operations or subsidiaries;

- because of CRH's small headcount, Senior Management is responsible for monitoring the cogency and effectiveness of internal control.

In addition, CRH's internal regulations require it to be audited regularly by the audit and inspection departments of its shareholders or by an audit firm appointed by the audit committee or by the risk committee.

CHAPTER 5 – INFORMATION CONCERNING THE ISSUER

Information concerning the Issuer, other as updated herein, is set forth in detail in the 2019 universal registration document pages 60 to 64.

5.1. HISTORY AND DEVELOPMENT OF THE COMPANY - LEGISLATION

5.1.4. Registered office - legal form - legislation - other information

5.1.4.3. Legislation and regulations

B) CRH's position with regard to banking regulations

Because of the amount of its total assets, CRH is subject to the direct prudential supervision of the European Central Bank.

As a result of the 2019 *Supervisory Review and Evaluation Process* (SREP) 2019, its overall capital requirement at 30 June 2020 is 11.25% broken down as follows:

- The minimum capital requirement is equal to 8 % including a 4.50% CET1 requirement.
- Added to this, solely comprising CET1, are the regulatory 0.75% Pillar 2 requirement and the 2.50% capital conservation buffer.

At 31 December 2019, the total requirement was 11.50 %. The decrease of 0.25% relates to the abolition of the counter-cyclical banking capital buffer as from 2 April 2020 (D-HCSF-2020-02 and D-HCSF-2020-04).

CRH is not subject to any additional requirements as a systemically important financial institution and its present position does not attract any restrictions or limitations on the payment of dividends, coupons or variable interest.

The French authorities decided in 2014 to maintain the principle of treating, for prudential purposes, mortgage notes held by CRH in the same way as covered bonds (Decree of the Minister for the Economy and Finance dated 17 February 2014 published in the official Journal of 26 February 2014 and the ACPR letter dated 18 February 2014), without prejudice to any interpretation given by the competent European banking authorities in their efforts to seek convergence.

Since then, such equivalence has not been challenged by the European Central Bank during the annual SREP process.

In order to limit its regulatory capital requirement, CRH has asked for these notes to be rated. Thus, nearly 93% of the notes outstanding are rated, and only the notes issued by two institutions were not rated as of 30 June 2020.

All of the notes in respect of which CRH requested a rating received a rating corresponding to level 1 credit quality.

Under article 129 of the CRR Regulation, these notes therefore have a 10% weighting.

As regards the treatment of the notes in calculating the major risks base:

- since 1 January 2014, notes issued before 31 December 2013 are excluded from the major risks base in accordance with the above-mentioned ministerial decree.

- henceforth, mortgage notes will benefit until 2029 from the temporary exemption provided under Article 493-3 (e) of the CRR. When queried by the European Commission, the European Banking Authority recommended, in its report published on 24 October 2016, that such exemption be maintained.

The reform of the CRR voted by the European Parliament at first reading on 16 April 2019 and ratified by the Council and published in the official Journal of the European Union on 7 June 2019, quelled, according to the legal opinion issued to CRH, the uncertainty surrounding the economic viability of CRH's business model, in particular as regards the exemption of its refinancing operations from the base used to calculate the leverage ratio.

Also, the inter-dependent assets and liabilities provisions for the purpose of the calculation of the NSFR, were confirmed.

The provisions of the revised regulation shall apply effective from 28 June 2021.

5.1.5. Recent events specific to the Issuer affecting, to a material extent, an assessment of its solvency

No recent event specific to the Issuer affecting, to a material extent, an assessment of its solvency, has occurred since 30 June 2020.

5.2. INVESTMENTS

5.2.1. Investments made during the last three financial years

The amounts invested in equipment or equity securities over the last three years has been as follows:

In € thousands

	2017	2018	2019	2020*
Tangible fixed assets	7	28	9	13
Intangible fixed assets	0	14	10	0
Research and Development expenses	0	0	0	0
A-Total equipment investments	**7**	**42**	**19**	**13**
Equity securities	0	0	0	0
B-Total investments (equity securities)	**0**	**0**	**0**	**0**
C-Total investments: A + B	**7**	**42**	**19**	**13**

** Figures as at 30 June 2020.*

Tangible fixed assets principally relate to acquisitions of computer equipment, photocopying/printing equipment and fittings.

Intangible fixed assets relate to acquisitions of standard software.

Acquisitions of tangible and intangible fixed assets are financed out of own funds.

CRH does not hold any equity securities, as this is prohibited by its articles of association (Article 2 § 4 see Schedule 5).

5.2.2. Principal investments in process of being made

No investment is in the process of being made.

5.2.3. Main scheduled investments

By the end of the year, all computer equipment will have been entirely renewed for an overall budget of 30,000 euros.

CHAPTER 6 – BUSINESS OVERVIEW

Information on the Issuer's business and its principal markets, other than as updated herein, is set forth in detail in the 2019 universal registration document, pages 65 to 74.

6.1. PRINCIPAL ACTIVITIES

6.1.1. Company formation - Description of business operations

6.1.1.4. Refinancing

A) Changes in the amount of loans granted

The table below shows changes in the amount of the loans granted by CRH during the first semester 2020 and over the last three financial years.

In € billions

Financial year	2017	2018	2019	2020*
Amount of loans granted	0	0	2	3.25

** Figures as of 30 June 2020.*

B) Changes in loan amounts outstanding

The table below shows changes in the nominal value of CRH's loans outstanding since 31 December 2017.

In € millions

Borrowing credit institutions	As of 31/12/2017	As of 31/12/2018	As of 31/12/2019	As of 30/06/2020	As of 30/06/2020 (%)
Crédit Agricole SA	9 009	8 387	8 024	7 874	32.4
Société Générale	5 856	5 194	5 481	4 426	18.2
Banque Fédérative du Crédit Mutuel	6 931	5 856	4 424	3 820	15.7
BNP Paribas	2 550	2 535	2 385	2 145	8.8
Caisse Centrale du Crédit Mutuel	1 874	1 559	1 829	2 167	8.9
BPCE	1 849	1 478	1 951	2 780	11.4
Crédit Lyonnais	2 178	1 620	892	844	3.5
Crédit Mutuel Arkéa	538	275	187	267	1.1
Crédit du Nord	95	0	0	0	0.0
All borrowers	**30 880**	**26 904**	**25 173**	**24 323**	**100.0**

C) Refinancing of home-purchase loans extended by monetary financial institutions (other than the Banque de France)

Several overall figures are presented in the table below :

Position as of 31 March 2020

In € billions

Uses of funds by monetary financial institutions		Sources of funds of monetary financial institutions	
Home-purchase loans to households	1 208.7	Regulated sources (*not including "Livrets A" and "Livrets bleus")*	711.0
		Covered bonds - of which CRH 25.4	238.0
Other uses	9 002.9	Other sources *- of which capital and reserves 653,1* *- of which non-regulated deposits 1 521,0*	9 262.6
Total uses	**10 211.6**	**Total sources**	**10 211.6**

Source : This document is prepared on the basis of figures published by the Banque de France (main economic and financial indicators and the Webstat database) and by covered bond issuers on their websites.

6.1.1.5. Bond issues

A) Changes in annual issuance amounts

During the first semester 2020, two bond issues were made in a total amount of 3 250 million euros.

Since its formation, CRH has redeemed an amount of 71 423.79 million euros, of which 4 100 million euros during the first semester 2020, bringing the nominal outstanding amount of bonds to 24 323.07 million euros.

CRH's annual issuance amounts are summarised below :

Year	Number of issues in the year	Nominal amount (€ million)	
1985 (4th quarter)	2	551.87	25 Government-guaranteed issues totalling €5 774.77 million
1986	6	1 506.20	
1987	8	1 783.65	
1988	9	1 933.05	
1988	1	152.45	216 Government-guaranteed issues totalling €89 972.09 million
1989	6	1 184.53	
1990	8	1 219.59	
1991	10	1 829.39	
1992	8	1 387.29	
1993	11	1 585.47	
1994	1	91.47	
1995	2	266.79	
1996	2	525.95	
1997	2	304.90	
1998 1	6	2 143.43	
1999 1	12	3 055.00	
2000	9	2 553.00	
2001	9	1 384.00	
2002	9	1 798.00	
2003	8	1 802.00	
2004	9	2 560.00	
2005	10	3 050.00	
2006	12	7 655.00	
2007	14	8 325.00	
2008	6	7 400.00	
2009	15	5 050.00	
2010 2	17	9 201.01	
2011 3	14	12 132.57	
2012 4	6	5 530.42	
2013 5	5	2 534.83	
2014	0	0.00	
2015	0	0.00	
2016	0	0.00	
2017	0	0.00	
2018	0	0.00	
2019	2	2 000.00	
2020 (6 months)	2	3 250.00	
Total	**241**	**95 746.86**	**95 746.86**

[1] Including the public exchange offer during the course of the year.

2 Including the Swiss franc-denominated bond issue totalling CHF250 million (€186.01 million) settled on 21 July 2010

3 Including the Swiss franc-denominated bond issues settled:

- 29 March 2011 : CHF 625 million (€482.36 million)
- 12 July 2011 : CHF 175 million (€150.21 million)

4 Including the Swiss franc-denominated bond issues settled:

- 5 March 2012 : CHF 625 million (€518.20 million)
- 23 May 2012 : CHF 375 million (€312.21 million)

5 Including the Swiss franc-denominated bond issues settled:

- 15 March 2013 : CHF 200 million (€162.50 million)
- 26 June 2013 :CHF 150 million (€122.33 million)

B) Bond issues completed during the semester

As indicated above, two bond issues were completed during the first semester 2020 for a total amount of 3.25 billion euros.

The details of these bond issues are as follows:

Issue N°	Issue	ISIN Code	Settlement Date
20-01	0.25 % February 2035	FR0013480514	07/02/2020
	0.001% February 2028	FR0013480522	07/02/2020
20-02	0.125% April 2027	FR0013510476	30/04/2020

Issue N°	Issue	Amount in € million	Cost to issuer (%)	Subscriber rate (%)	Spread compared to Euribor 6 month swap *reoffer*
20-01	0.25% February 2035	750	0.34	0.31	6 c
	0.001% February 2028	1 250	-0.04	-0.08	2 c
20-02	0.125% April 2027	1 250	0.21	0.17	31 c

C) CRH bond maturities as of 30 June 2020

Bond	Redemption date	ISIN Code	Number of securities	Nominal unit value	Outstanding (in millions)	Currency
CRH 3.90 % January 2021	18/01/2021	FR0010989889	1 880 750 000	1	**1 881**	**EUR**
CRH 2.50 % March 2021	29/03/2021	CH0125062262	105 000	5 000	**525**	**CHF**
CRH 3.60 % September 2021	13/09/2021	FR0011108976	1 500 000 000	1	**1 500**	**EUR**
CRH 4.00 % January 2022	10/01/2022	FR0011057306	2 081 700 000	1	**2 082**	**EUR**
CRH 1.875 % May2022	23/05/2022	CH0184777271	35 000	5 000	**175**	**CHF**
CRH 4.00 % June 2022	17/06/2022	FR0011178946	2 000 000 000	1	**2 000**	**EUR**
CRH 3.30 % September 2022	23/09/2022	FR0010945451	2 200 000 000	1	**2 200**	**EUR**
CRH 4.30 % February 2023	24/02/2023	FR0011011188	2 895 000 000	1	**2 895**	**EUR**
CRH 1.375 % March 2023	15/03/2023	CH0204477290	40 000	5 000	**200**	**CHF**
CRH 3.90 % October 2023	20/10/2023	FR0011133008	1 381 325 000	1	**1 381**	**EUR**
CRH 2.375 % March 2024	05/03/2024	CH0148606137	70 000	5 000	**350**	**CHF**
CRH 3.60 % March 2024	08/03/2024	FR0011213453	2 500 000 000	1	**2 500**	**EUR**
CRH 2.40 % January 2025	17/01/2025	FR0011388339	1 493 240 000	1	**1 493**	**EUR**
CRH 1.75 % June 2025	26/06/2025	CH0212937244	30 000	5 000	**150**	**CHF**
CRH 0.01 % November 2026	27/11/2026	FR0013463551	10 000	100 000	**1 000**	**EUR**
CRH 0.125 % April 2027	30/04/2027	FR0013510476	12 500	100 000	**1 250**	**EUR**
CRH 0.001 % February 2028	07/02/2028	FR0013480522	12 500	100 000	**1 250**	**EUR**
CRH 0.001 % October 2029	08/10/2029	FR0013451796	10 000	100 000	**1 000**	**EUR**
CRH 0.25 % February 2035	07/02/2035	FR0013480514	750	100 000	**750**	**EUR**
Total					**23 182**	**EUR**
					1 400	**CHF**

CHAPTER 7 – ORGANISATIONAL CHART

The Issuer's organisational structure and dependency vis-à-vis other group entities are detailed in the 2019 universal registration document, page 75.

CHAPTER 8 – PROPERTY, PLANT AND EQUIPMENT

For chapter 8, refer to the 2019 universal registration document, page 76.

CHAPTER 9 – REVIEW OF THE FINANCIAL POSITION AND RESULTS FROM OPERATIONS

9.1. FINANCIAL POSITION

The analysis of the 2020 financial position is detailed under section 1.1.3. Financial Position of the half-yearly management report, on page 8 of this document.

9.2. OPERATING RESULTS

9.2.1 Description of the company's earnings

The analysis of 2020 earnings is detailed in section 1.1.2. (Earnings) of the half-yearly management report, on page 7 of this document.

Significant events of the financial year are detailed in section 1.1.1. (Business Operations) of the half-yearly management report, on page 7 of this document.

9.2.2. Financial statements

Please refer to Chapter 20 (Financial information) of this document for a description of the Issuer's assets and liabilities, financial position and earnings.

A table showing the Issuer's financial results for the last five financial years is set forth on page 22 of the 2019 universal registration document.

9.2.3. Foreseeable changes in the Issuer's outlook

The foreseeable changes in the Issuer's outlook are detailed in section 1.2 of the half-yearly management report, on page 9 of this document.

CHAPTER 10 – CAPITAL RESOURCES AND CASH FLOW

10.1. ISSUER'S CAPITAL RESOURCES (SHORT AND LONG TERM)

The information relating to changes in CRH's own funds during the last three financial years are detailed in note 9 "Common Equity Tier 1 (CET1)" to the Company's financial statements in Chapter 20 of the 2019 universal registration document. Such information as updated is set forth in note 9 "Common Equity Tier 1 (CET1)" to the Company's financial statements in Chapter 20 of this document.

The breakdown of CRH's receivables and liabilities according to their remaining term for the last three financial years is detailed in note 4 "Breakdown of receivables and liabilities by residual maturity" to the Company's financial statements, in Chapter 20 of the 2019 universal registration document. Such information as updated is set forth in note 4 "Breakdown of receivables and liabilities by residual maturity" to the Company's financial statements in Chapter 20 of this document.

The details and maturity schedule of the CRH bonds are provided in paragraph 6.1.1.5. of the 2019 universal registration document. Such information as updated is set forth in paragraph 6.1.1.5 of this document. For the two preceding financial years, such information was included in paragraph 6.1.1.5 of the 2018 registration document filed with the *Autorité des Marchés Financiers* on 16 April 2019 under the number D. 19-0343 and in paragraph 4.2.3. of the 2017 registration document filed with the *Autorité des Marchés Financiers* on 20 April 2018 under number D. 18-0355.

CRH has no short-term debt.

10.2. SOURCES AND AMOUNTS, WITH NARRATIVE DESCRIPTION, OF THE ISSUER'S CASH FLOWS

The cash flow amounts recorded over the last three financial years are summarised in the net cash flow statement contained in the CRH financial statements in Chapter 20 of the 2019 universal registration document.

The cash flow amounts recorded over the period under review are summarised in the net cash flow statement contained in the CRH financial statements in Chapter 20 of this document.

CHAPTER 11 – RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

The Issuer does not carry on any research and development activity.

CHAPTER 12 – TREND INFORMATION

12.1. MAIN TRENDS AFFECTING THE COMPANY'S OPERATIONS DURING THE FIRST SEMESTER 2020

Like almost all economic actors, CRH was affected by the government measures taken mid-March to curb the spread of the Covid-19 epidemic.

The extension of remote working to all staff did not have any impact on CRH's activities since its essential operations (debt service and monitoring security) were maintained.

During this period, CRH continued playing its market platform role, with issuances of €3.25 billion under good conditions.

12.2. MISCELLANEOUS EVENTS AND TRENDS LIKELY TO AFFECT THE COMPANY'S OPERATIONS DURING THE 2020 FINANCIAL YEAR

Over the last few years, European banking regulations and the European Central Bank's quantitative easing policy have created a highly challenging environment for CRH.

By amending its articles of association and internal regulations in March 2016, CRH was able to remove the obstacles created by the European regulations on major risks introduced at the beginning of 2014.

The reform of the European regulations on capital adequacy voted in springtime quelled the uncertainty weighing on the economic viability of CRH's business model, in particular as regards exempting its refinancing operations from the base used to calculate the leverage ratio.

The business plan measuring the impact of the resumption of issuance as from 2019 forecasts a production rate of 6 billion euros in 2020, with the aim of exceeding 30 billion euros in total assets as from 31 December 2021.

For the moment, this business plan has not been called into question. At the present time, it is difficult to assess the combined impact of i) the effect of the Covid-19 pandemic on the global economy and financial markets, ii) the domestic and European support measures taken or announced, iii) the interweaving of the various economies, on the borrowing banks' activities and, consequently, the impact of the pandemic on CRH's business over the coming months.

CHAPTER 13 – PROFIT FORECASTS OR ESTIMATES

This document does not contain any forward-looking information.

CHAPTER 14 – ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The information on the administrative, management and supervisory bodies other than as updated herein, is detailed in the 2019 universal registration document, pages 82 to 85.

14.1. INFORMATION CONCERNING THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

14.1.0. Honorary Chairmen

- Mr Georges PLESCOFF (†)
- Mr Claude PIERRE-BROSSOLETTE (†)
- Mr Henry RAYMOND

14.1.1. Board of directors

- **Mr Olivier HASSLER** — Chairman
  First appointment as director
  on 17/03/2015 for 6 years.
  -Renewed for one year on 12/03/2020

- **Banque Fédérative du Crédit Mutuel** — Director
  represented by Mr Éric CUZZUCOLI
  Head of Treasury Crédit Mutuel CIC Group
  6 avenue de Provence – 75009 PARIS
  First appointed by co-option by Compagnie Financière de CIC et de l'UE by the board of directors during its meeting of 17/10/1995, confirmed on 27/02/1996 as regards CIC,
  Appointment confirmed on 04/03/2008 for 5 years, i.e. the residual term of CIC, resigning as director, term of office renewed for 6 years on 14/03/2019.

- **BNP Paribas** — Director
  represented by Ms Valérie BRUNERIE
  Head of Medium and Long-term Financing and Securitisation
  3 rue d'Antin – 75002 PARIS
  First appointment of Banque Nationale de Paris
  on 21/10/1985, appointment renewed for six years on 17/03/2015.

- **BPCE** — Director
  represented by Mr Roland CHARBONNEL
  Issues and Financial Reporting Director
  50 avenue Pierre Mendès France – 75013 PARIS
  First appointment of Caisse Centrale des Banques Populaires on 21/10/1985,
  Appointment confirmed on 02/03/2010 5 years, i.e. the remainder of the term of the resigning Banque Fédérale des Banques Populaires, appointment renewed for 6 years on 17/03/2015.

- **Caisse Centrale du Crédit Mutuel** — Director
  represented by Ms Sophie OLIVIER
  Director of Markets and Research
  88/90 rue Cardinet – 75017 PARIS
  First appointment on 10/04/1990, appointment renewed for 6 years on 17/03/2015.

- **Crédit Agricole SA** — Director
  represented by Ms Nadine FEDON
  Group Head of Refinancing
  12 place des États Unis – 92127 MONTROUGE CEDEX
  First appointment of Caisse Nationale de Crédit Agricole on 12/05/1987, term of office renewed for 6 years on 17/03/2015.

- **Crédit Lyonnais** — Director
  represented by Mr Gilles RAYNAUD
  Head of Financial Management
  10 avenue de Paris – 94800 VILLEJUIF
  First appointment on 19/04/1988, appointment renewed for 6 years on 17/03/2015.

- **Société Générale** — Director
  represented by Mr Vincent ROBILLARD
  Head of Group Funding
  17 cours Valmy – 92972 PARIS LA DÉFENSE CEDEX
  First appointment on 21/10/1985, appointment renewed for 6 years on 17/03/2015.

14.1.2. Persons responsible for management

- Mr Marc NOCART appointed on 01/09/2016 electing address for service at the Company's registered office.	Chief Executive Officer
- Mr Alain CHÉNEAU electing address for service at the Company's registered office.	General Secretary

14.1.3. Audit Committee

- Mr Gilles RAYNAUD	Crédit Lyonnais
- Mr Éric CUZZUCOLI	Banque Fédérative du Crédit Mutuel
- Mr Olivier HASSLER	Chairman of the board of directors

14.1.4. Risks Committee

- Mr Gilles RAYNAUD	Crédit Lyonnais
- Mr Éric CUZZUCOLI	Banque Fédérative du Crédit Mutuel
- Mr Olivier HASSLER	Chairman of the board of directors

14.1.5. Remunerations Committee

- Ms Sophie OLIVIER	Caisse Centrale du Crédit Mutuel
- Ms Nadine FEDON	Crédit Agricole SA
- Mr Vincent ROBILLARD	Société Générale

14.1.6. Appointments Committee

- Ms Sophie OLIVIER	Caisse Centrale du Crédit Mutuel
- Ms Nadine FEDON	Crédit Agricole SA
- Mr Vincent ROBILLARD	Société Générale

14.1.7. Other positions held by corporate officers in 2020

Mr Olivier HASSLER	- No other corporate office
Mr Henry RAYMOND	- No other corporate office
Mr Marc NOCART	- No other corporate office
Mr Éric CUZZUCOLI	- No other corporate office
Ms Valérie BRUNERIE	- Director and Chairman - Chief Executive Officer of BNP Paribas Home Loan SFH - Director and Deputy Chief Executive Officer of BNP Paribas Public Sector SCF
Mr Roland CHARBONNEL	- Chief Executive Officer of BPCE-SFH
Ms Sophie OLIVIER	- Permanent representative of CCCM on the board of directors of Crédit Logement - Permanent representative of CCCM on the board of directors of SGFGAS
Ms Nadine FEDON	- Director and Chief Executive Officer of Crédit Agricole Home Loan SFH - Director and Chief Executive Officer of Crédit Agricole Public Sector SCF - Director of European DataWarehouse (EDW)

Mr Gilles RAYNAUD	– Director of Armines – Director of Transvalor – Director of Cariou Holding – Director of LCL Emissions
Mr Vincent ROBILLARD	- Director and Deputy Chief Executive Officer of Société Générale SCF - Director and Deputy Chief Executive Officer of Société Générale SFH - Vice-Chairman of SGIS

CHAPTER 15 – REMUNERATION AND BENEFITS

For Chapter 15, refer to the 2019 universal registration document, page 86.

CHAPTER 16 – FUNCTIONING OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

For the functioning of the administrative and management bodies, refer to the 2019 universal registration document, pages 87 to 88.

CHAPTER 17 – EMPLOYEES

For Chapter 17, refer to the 2019 universal registration document, page 89.

CHAPTER 18 – PRINCIPAL SHAREHOLDERS

The information on the principal shareholders, other than as updated herein, is detailed in the 2019 universal registration document, page 90.

18.1. IDENTIFICATION OF THOSE SHAREHOLDERS OR GROUPS OF SHAREHOLDERS HOLDING MORE THAN 3% OF THE VOTING RIGHTS AS OF 30 JUNE 2020

In accordance with CRH's constitutional documents (Article 6 of the articles of association), the allocation of the share capital is modified each year before 31 March, so that the number of shares held by each shareholder is proportionate to the regulatory capital requirement related to the refinancing granted by CRH to the shareholder concerned. Such allocation is made on the basis of the situation existing as of 31 December of the preceding financial year, unless the board of directors specifies a different date.

The table below lists CRH's shareholders as at 30 June 2020 :

Shareholder	Number of shares	%	Number of voting rights	%
CRÉDIT AGRICOLE SA	10 408 146	29.39	1 110	16.95
CRÉDIT LYONNAIS	1 322 105	3.73	374	5.71
Sub-total CRÉDIT AGRICOLE SA Group	**11 730 251**	**33.12**	**1 484**	**22.66**
CAISSE CENTRALE DU CRÉDIT MUTUEL	5 418 462	15.3	1 054	16.09
BANQUE FÉDÉRATIVE DU CRÉDIT MUTUEL	5 258 247	14.85	1 049	16.01
CRÉDIT MUTUEL ARKÉA	699 390	1.98	198	3.02
Sub-total Confédération nationale du CM	**11 376 099**	**32.13**	**2 301**	**35.12**
SOCIÉTÉ GÉNÉRALE	**6 339 965**	**17.91**	**1 080**	**16.48**
BPCE	**3 219 027**	**9.09**	**910**	**13.89**
BNP PARIBAS	**2 744 147**	**7.75**	**775**	**11.83**
Mr Henry RAYMOND	**1**	**0.00**	**1**	**0.01**
Mr Olivier HASSLER	**1**	**0.00**	**1**	**0.01**
TOTAL	**35 409 491**	**100.00**	**6 552**	**100.00**

CHAPTER 19 – RELATED PARTY TRANSACTIONS

During the first semester 2020, CRH did not enter into any transaction within the meaning of article R. 123-199-1 of the Commercial Code with any related party.

CHAPTER 20 – FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

20.1. HISTORICAL FINANCIAL INFORMATION

BALANCE SHEET

In € thousands

ASSETS	Note	30/06/20	30/06/19	31/12/19
CASH, CENTRAL BANKS		**257**	**11**	**37**
LOANS AND ADVANCES TO CREDIT INSTITUTIONS		**380 810**	**366 570**	**380 832**
- Demand deposits		6 236	9 741	5 901
- Term deposits	4	374 000	356 470	374 000
- Accrued interest		574	359	931
BONDS AND OTHER FIXED INCOME SECURITIES		**24 784 130**	**24 366 344**	**25 901 634**
- Securities (held to maturity)	3-4-5-6	24 395 843	23 929 656	25 242 123
- Securities (available for sale)	4-5-6	80 000	95 000	80 000
- Accrued interest		308 287	341 688	579 511
INTANGIBLE FIXED ASSETS		**9**	**17**	**13**
TANGIBLE FIXED ASSETS		**35**	**33**	**27**
- Office furniture		0	1	1
- Fittings		11	13	12
- Miscellaneous equipment		17	11	10
- Office automation equipment		7	8	4
OTHER ASSETS	7	**9 511**	**8 155**	**7 523**
PREPAYMENTS AND ACCRUED INCOME	7	**113**	**109**	**90**
TOTAL		**25 174 865**	**24 741 239**	**26 290 156**

BALANCE SHEET

In € thousands

LIABILITIES	Note	30/06/20	30/06/19	31/12/19
DEBTS REPRESENTED BY A SECURITY		**211**	**0**	**0**
DEBTS REPRESENTED BY A SECURITY		**24 609 245**	**24 176 519**	**25 726 787**
- Bond issues	3-4	24 301 037	23 834 920	25 147 352
- Accrued interest		308 208	341 599	579 435
OTHER LIABILITIES	6	**1 634**	**1 415**	**210**
PREPAYMENTS AND ACCRUED INCOME	6	**1 023**	**765**	**331**
PROVISIONS	7	**245**	**216**	**235**
SHAREHOLDERS' EQUITY EXCLUDING FUNDS FOR GENERAL BANKING RISKS	8	**562 507**	**562 324**	**562 593**
- Subscribed share capital		539 995	539 995	539 995
- Share premium		17 820	17 820	17 820
- Statutory reserves		3 257	3 257	3 257
- Other reserves		1 122	1 122	1 122
- Retained earnings		399	399	399
- Net income for the year		-86	-269	0
TOTAL		**25 174 865**	**24 741 239**	**26 290 156**

OFF-BALANCE SHEET COMMITMENTS

In € thousands

COMMITMENTS RECEIVED	Note	30/06/20	30/06/19	31/12/19
FINANCING COMMITMENTS RECEIVED FROM CREDIT INSTITUTIONS	9	**1 216 154**	**1 194 154**	**1 258 654**
GUARANTEE COMMITMENTS RECEIVED FROM CREDIT INSTITUTIONS	10	**35 389 709**	**34 737 802**	**36 490 776**

INCOME STATEMENT

In € thousands

	Note	30/06/20	30/06/19	31/12/19
+ Interest and similar income	11	**398 191**	**464 443**	**901 647**
- On transactions with credit institutions				
. Demand deposits		-15	-13	-31
. Term accounts and loans		892	506	1 378
. Advances under § 5.3 of the internal regulations		413	247	317
- On bonds and other fixed-income securities				
. Securities (*available for sale*)		64	31	92
. Securities (*held to maturity*)		396 837	463 672	899 891
- Interest and similar expenses	11	**-407 478**	**-463 940**	**-906 409**
- On bonds and other fixed-income securities				
. Interest		-396 668	-463 494	-899 543
. Issuance and management fees		-10 810	-446	-6 866
+/- Gains or losses on portfolio investment operations		**0**	**0**	**0**
+/- Translation differences	11	**0**	**0**	**0**
+/- Commissions	11	**-6**	**-3**	**-7**
+ Other income from banking operations	11	**10 810**	**446**	**7 115**
- Other expenses from banking operations	11	**-430**	**-259**	**-345**
NET BANKING INCOME	11	**1 087**	**687**	**2 001**
- General operating expenses	12	**-8 436**	**-8 066**	**-9 511**
- Payroll expenses		-733	-655	-1 239
- Other administrative expenses				
. Taxes other than income tax		-7 389	-7 127	-7 697
. External services		-314	-284	-575
- Depreciation, amortisation and provision expenses related to intangible and tangible fixed assets	12	**-8**	**-9**	**-19**
+ Other operating income		**10 323**	**10 296**	**10 821**
GROSS OPERATING INCOME		**2 966**	**2 908**	**3 292**
+/- Cost of risk		**0**	**0**	**0**
OPERATING INCOME		**2 966**	**2 908**	**3 292**
+/- Gains or losses on fixed assets		**0**	**0**	**0**
NET INCOME FROM ORDINARY OPERATIONS		**2 966**	**2 908**	**3 292**
+/- Non-recurring items		**0**	**0**	**0**
- Corporation tax (*impôt sur les sociétés*)	13	**-3 052**	**-3 177**	**-3 292**
+/- Expenses/reversals related to FRBG and regulated provisions		**0**	**0**	
NET INCOME		**-86**	**-269**	**0**

NET CASH-FLOW STATEMENT			
In € thousands	As of 30/06/20	As of 30/06/19	As of 31/12/19
Cash flow from operating activities			
Net income before taxes	**2 966**	**2 908**	**3 292**
Non-cash items:			
Depreciation and amortisation expenses	8	9	19
Net charge to the provisions	-25	-24	-41
Net charge to FRBG	0	0	
Other non-cash items	1 235	221	-754
Total non-cash items included in net income and other adjustments	**1 218**	**206**	**-776**
Changes in transactions with credit institutions:			
Increase in term deposits	-35 000	-175 048	-223 062
Term deposits having reached maturity	35 000	180 001	225 485
Changes in non-financial assets and liabilities:			
Other assets	-1 988	-887	-155
Other liabilities	-93	-288	-172
Taxes paid	-1 535	-1 856	-3 390
Net change in assets and liabilities from operating activities	**-3 616**	**1 922**	**-1 294**
Net cash flow used in operating activities (A)	**568**	**5 036**	**1 222**
Net cash-flow from investment activities			
+/- Disposals or acquisitions of tangible fixed assets	-13	-9	-9
+/- Disposals or acquisitions of intangible and financial fixed assets	0	-9	-9
Net cash flow used in investment activities (B)	**-13**	**-18**	**-18**
Net cash flow from financing activities			
Capital increase in cash	0	0	0
Proceeds from bond issues	3 248 098	0	2 014 400
Bond repayments	-4 100 000	-3 021 008	-2 311 008
Acquisition of investment securities (mortgage notes)	-3 248 098	0	-2 014 400
Investment securities having reached maturity	4 100 000	3 021 008	2 311 008
Dividends paid	0	0	0
Net cash flow from financing activities ©	**0**	**0**	**0**
Impact of changes in exchange rates (D)	**0**	**0**	**0**
Net change in cash flow (A + B + C + D)	**555**	**5 018**	**1 204**
Net cash and cash equivalents at the beginning of the period	5 938	4 734	4 734
Net cash and cash equivalents at the end of the period	6 493	9 752	5 938
NET CHANGE IN CASH POSITION	**555**	**5 018**	**1 204**

NOTES
PRÉSENTATION OF THE FINANCIAL STATEMENTS, ACCOUNTING POLICIES AND VALUATION METHODS

NOTE 1 - Presentation of the financial statements

CRH's annual financial statements are prepared and presented in accordance with the provisions of Regulation No. 2014-07 of the French Accounting Standards Authority (Autorité des Normes Comptables – ANC) related to the financial statements of banking sector enterprises.

NOTE 2 - Accounting principles and valuation methods

A - Information on the impact of the Covid-19 epidemic

CRH's half-yearly accounts as of 30 June 2020 have been prepared during the evolving background of the Covid-19 health crisis. It is not anticipated that the Covid-19 epidemic will have any consequences on CRH's continuing business operations. Furthermore, this crisis has not generated any major problems in organising operations, producing financial statements or estimating risk.

B - Foreign exchange transactions

CRH's foreign exchange transactions are recognised in accordance with Regulation No. 2014-07 referred to above. Therefore, as an exception to the provisions of Article L. 123-22, paragraph 1 of the French Commercial Code, the accounting documents related to the recording of foreign exchange transactions are prepared in each of the relevant currencies.

CRH does not take any foreign exchange positions.

CRH carries out refinancing transactions using mortgage notes in Swiss francs (CHF) guaranteed by home-purchase loans in CHF, by issuing bonds in CHF for the same amount.

These transactions are perfectly matched, since the translation differences on the mortgage notes are recognised in a symmetrical manner in respect of the differences recognised on the bonds.

C – Bond issues

Bonds issued are recorded at their issue price in an account entitled "Debt securities". When the issue price differs from the redemption price, the difference is amortised using the actuarial method.

Actuarial amortisation is non-straight-line amortisation computed using the effective interest rate. The effective interest rate is the discount rate used to ensure that the book value of a financial instrument and the discounted cash flow generated until its maturity are the same.

Yearly actuarial amortisation is equal to the difference between the cash flow of the period, calculated on the basis of the nominal rate, and the actuarial cash flow computed by applying the effective interest rate to the actuarial amortised price obtained at the end of the previous computation period.

As regards bonds issued in CHF, on each closing date :

- the bonds' issue prices, adjusted for actuarial amortisation of the issue premiums, are translated using the CHF historical exchange rate on the settlement date of each issue.
- accrued interest payable on these bonds is translated at the CHF spot rate and recognised in the income statement.
- amounts due (interest, repayment) are recognised at the rate prevailing on each of these settlements. A technical currency gain or loss is then recognised in the income statement.

Each bond issue has its own costs. Bond issuance costs are split between new issue costs (issue commission, AMF fees, listing costs, advertising costs) and costs pertaining to the management of outstanding bonds (fiscal agency, paying agency and rating agency fees and contributions to prudential authorities).

Regardless of their nature, such expenses are reinvoiced to borrowers. Issue costs are charged to them in proportion to their share in each new issue and settled without delay. The other expenses, paid annually, are broken down according to their share of each bond pool.

D – Securities transactions

The term "Securities transactions" applies to securities, French Treasury notes and other negotiable debt instruments, interbank market instruments, and in general all debt represented by securities admitted to trading on a market.

Securities are classified in the annual financial statements according to the fixed or variable nature of the related income, whereas the accounting classification is based on the overriding purpose for which the securities were acquired or reclassified.

The securities portfolio held by CRH is mainly comprised of fixed-income securities: the mortgage notes subscribed by the shareholders.

CRH may incidentally hold negotiable debt instruments corresponding to the investment of its own funds.

Mortgage notes are recorded as investment securities. Indeed under Regulation No. 2014-07 referred to above, they are intended to be held to maturity and are financed through matching and earmarked bond issues. Maturities and interest rates for the notes and the bonds are identical, and thus the acquisition price of mortgage notes on the assets side of the balance sheet is equal to the issue value of the bonds on the liabilities side.

When the acquisition price differs from the redemption price, the difference is amortised using the actuarial method under exactly the same terms and conditions as for the bonds.

As regards the CHF mortgage notes, on each closing date:

- accrued interest receivables on such notes are valued on the basis of the CHF spot rate and recognised in the income statement;
- the notes' acquisition price, adjusted for actuarial amortisation, is valued on the basis of the CHF's historical exchange rate as of the date of the acquisition;
- amounts due (interest, repayment) are recognised on the basis of the exchange rate prevailing on the day of each of the payments. A technical foreign currency gain or loss is then recognised in the income statement.

Disposals of held-to-maturity securities are limited to early redemptions of mortgage notes, by delivery of matching bonds by the relevant shareholders, or by the acquisition of the matching bonds by CRH as part of a public exchange offer. In the case of public exchange offers, as a consideration for such disposals, CRH acquires new mortgage notes matching the related bonds offered.

These disposals have no impact on CRH's earnings.

Negotiable debt instruments, with a maturity in excess of two years on their acquisition date, are recognised in a specifically created new portfolio of held-to-maturity securities.

Where available-for-sale securities have been reclassified as investment (held to maturity) securities, previously recognised impairment charges are reversed over the residual term of the relevant securities.

The other negotiable debt instruments are recognised as available-for-sale securities. On each closing date, unrealised capital losses, if any, are calculated for each securities line and give rise to the recognition of an impairment charge without set-off against unrealised capital gains. Such capital losses are recognised as "Gains or losses related to portfolio investment operations", in the same manner as for the depreciation flows related to such securities. Unrealised capital gains are not recognised.

E - Loans and advances to credit institutions

Loans and advances to credit institutions include all loans and advances held in respect of banking operations, with the exception of those represented by a security. Loans and advances to credit institutions are stated on the balance sheet at their face value or acquisition cost in the case of loans and advances purchased, plus any accrued interest not yet due and net of provisions recognised in respect of credit risk.

CRH did not redeem any receivables. Also, CRH did not recognise any impairment charge related to the credit risk.

F - Equity interests and other securities held over the long term

This item relates only to the certificate of membership of the FDGR (*Fonds de Garantie des Dépôts et de Resolution*).

G - Fixed assets

Under the accounting regulations for fixed assets (CRC Regulations No. 2002-10 and 2003- 12), fixed assets are recognised on the balance sheet at their historical acquisition cost. Depreciation and amortisation schedules are calculated on the basis of the rates approved by tax authorities.

Intangible fixed assets consist of software amortised on a straight-line basis over 3 years.

Tangible fixed assets are depreciated on a straight-line or declining-balance basis, depending on their expected useful life:

- office furniture	10 years	straight-line
- fittings, installations	5 to 15 years	straight-line
- office equipment	5 to 10 years	straight-line and declining balance for tax purposes
- IT equipment	3 years	declining balance for tax purposes

H - Other assets and liabilities

Other assets may consist of payments on account of tax, deductible VAT, security deposits and guarantees, costs and taxes to be recovered, salary advances to staff and interim dividends.

Other liabilities may consist of amounts due to tax, social security and other welfare bodies, VAT collected, trade payables, remuneration due to staff, dividends due to shareholders, bonds and other fixed-income securities issued by the institution, amortised and not yet repaid, and coupons in respect of securities issued by the institution and which are due but still remain to be paid.

I - Retirement benefits

The benefits to which CRH employees are entitled upon retirement are paid by the French social security system, with a complementary portion paid by third-party bodies managing the distribution of contributions made.

The employer's share of such contributions is expensed each year as incurred. In addition, CRH makes a lump-sum payment to retiring employees in an amount determined by the number of years spent with the Company.

Each year, CRH's actuarial liability pursuant to these policies, calculated in accordance with the provisions of the French collective agreement for finance companies, is recalculated.

NOTES TO THE BALANCE SHEET

NOTE 3 - Mortgage notes and bond issues

Mortgage notes are the instruments representing the securities issued by CRH, corresponding to the loans that it has granted, while its borrowings are in the form of bond issues.

Related items, on the asset and liability sides of the balance sheet, show a perfect match between borrowing and lending.

In € thousands

	As of 30/06/20		As of 30/06/19		As of 31/12/19	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
SECURITIES TRANSACTIONS						
-bonds and other fixed-income securities						
. mortgage notes (*)	24 301 037		23 834 920		25 147 352	
. accrued interest not yet due on mortgage notes	308 208		341 599		579 435	
- Debt securities						
. bonds (*)		24 301 037		23 834 920		25 147 352
. accrued interest not yet due on bonds		308 208		341 599		579 435
TOTAL	**24 609 245**	**24 609 245**	**24 176 519**	**24 176 519**	**25 726 787**	**25 726 787**

(*) Including amounts in nominal value:

In € thousands

	As of 30/06/20		As of 30/06/19		As of 31/12/19	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
SECURITIES TRANSACTIONS						
- bonds and other fixed-income securities						
. mortgage notes (*)	*23 182 015*		*22 742 015*		*24 032 015*	
- Debt securities						
. bonds (*)		*23 182 015*		*22 742 015*		*24 032 015*
TOTAL	***23 182 015***	***23 182 015***	***22 742 015***	***22 742 015***	***24 032 015***	***24 032 015***

In CHF thousands

	As of 30/06/20		As of 30/06/19		As of 31/12/19	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
SECURITIES TRANSACTIONS						
- bonds and other fixed-income securities						
. mortgage notes (*)	*1 400 000*		*1 400 000*		*1 400 000*	
- Debt securities						
. bonds (*)		*1 400 000*		*1 400 000*		*1 400 000*
TOTAL	***1 400 000***	***1 400 000***	***1 400 000***	***1 400 000***	***1 400 000***	***1 400 000***

Note: Mortgage notes are not listed securities

NOTE 4 - Breakdown of receivables and liabilities by residual maturity

In € thousands

RECEIVABLES	As of 30/06/20	As of 30/06/19	As of 31/12/19
Credit institutions: term deposits			
- Less than three months	0	20 470	
- Three months to one year	71 000	0	66 000
- From one to five years	75 000	151 000	85 000
- More than five years	228 000	185 000	223 000
TOTAL	**374 000**	**356 470**	**374 000**
Negotiable debt instruments			
- Less than three months	0	15 000	0
- Three months to one year	50 000	0	50 000
- From one to five years	124 806	159 735	124 771
- More than five years	0	15 000	0
TOTAL	**174 806**	**189 735**	**174 771**
Mortgage notes			
- Less than three months	0	0	1 999 602
- Three months to one year	2 300 141	4 810 094	2 100 531
- From one to five years	16 739 714	17 417 102	17 424 607
- More than five years	5 261 182	1 607 724	3 622 612
TOTAL	**24 301 037**	**23 834 920**	**25 147 352**

Note: none of these receivables are eligible for refinancing through the European System of Central Banks (ESCB).

In € thousands

LIABILITIES	As of 30/06/20	As of 30/06/19	As of 31/12/19
Bonds			
- Less than three months	0	0	1 999 602
- Three months to one year	2 300 141	4 810 094	2 100 531
- From one to five years	16 739 714	17 417 102	17 424 607
- More than five years	5 261 182	1 607 724	3 622 612
TOTAL	**24 301 037**	**23 834 920**	**25 147 352**

NOTE 5 – Monitoring of securities available-for-sale reclassified as securities held-to-maturity as of 30 June 2020

In € thousands

30/06/2020	Amount at the beginning of the financial year		Amount at the end of the semester	
ISIN Code	Gross book value	Net book value	Impairment charge	Net book value
FR0124497985	10 000	9 844	21	9 865
FR0013241775	10 000	9 996	1	9 997
FR0013247731	10 000	10 000	0	10 000
FR0013265667	10 000	10 000	0	10 000
FR0013285509	20 000	19 987	2	19 989
FR0013265824	10 000	9 944	11	9 955
TOTAL	**70 000**	**69 771**	**35**	**69 806**

NOTE 6 – Valuation of securities held in the portfolio as of 30 June 2020

Available for sale:

In € thousands

ISIN Code	Gross book value	Net book value	Unrealised capital gains	Unrealised capital losses
FR0125442899	10 000	10 000	96	0
FR0125443624	20 000	20 000	163	0
XS1515233408	50 000	50 000	70	0
TOTAL	**80 000**	**80 000**	**329**	**0**

Held to maturity:

In € thousands

ISIN Code	Gross book value	Net book value	Unrealised capital gains	Unrealised capital losses
FR0013241775	10 000	9 997	0	64
FR0013247731	10 000	10 000	150	0
FR0013265667	10 000	10 000	51	0
FR0013265824	10 000	9 955	0	50
FR0013285509	20 000	19 989	384	0
FR0013327681	10 000	10 000	0	154
FR0124497985	10 000	9 865	3	0
FR0124980220	15 000	15 000	73	0
TOTAL	**95 000**	**94 806**	**661**	**268**

NOTE 7 - Other assets, liabilities, prepayment and accruals amounts

In € thousands

ASSETS	As of 30/06/20	As of 30/06/19	As of 31/12/19
Miscellaneous debtors	**9 511**	**8 155**	**7 523**
Government – corporation tax (*impôt sur les sociétés*)	0	0	99
Government – CVAE	0	4	0
Government – VAT credit	140	0	77
Government – Deductible VAT	28	38	42
Expenses recharged to borrowers	1 632	1 570	762
Guarantee deposits with the French Deposit Guarantee and Resolution Fund	7 671	6 504	6 504
Other guarantee deposits and miscellaneous	40	39	39
Miscellaneous debtors	0	0	0
Other prepayments	**113**	**109**	**90**
TOTAL	**9 624**	**8 264**	**7 613**

In € thousands

LIABILITIES	As of 30/06/20	As of 30/06/19	As of 31/12/19
Miscellaneous creditors	**1 634**	**1 415**	**210**
Government – corporation tax (*impôt sur les sociétés*)	1 517	1 321	0
Government – VAT payable	0	13	124
Social security, payroll taxes and withholding tax	74	69	72
Trade payables	42	10	13
Miscellaneous creditors	1	2	1
Accrued expenses	**1 023**	**765**	**331**
Payroll expenses and related expenses	266	223	215
Direct and indirect taxes	46	11	45
Other accrued expenses	711	531	71
TOTAL	**2 657**	**2 180**	**541**

NOTE 8 – Provisions

In € thousands

	Balance as of 30/06/19	+ Expenses - Reversals	Balance as of 31/12/19	+ Expenses - Reversals	Balance as of 30/06/20
Provision for retirement benefits (note 15)	216	19	235	10	245

NOTE 9 – Common Equity Tier 1 (CET1) capital instruments

CRH's share capital is fully subscribed. Shares have a par value of €15.25. The total number of shares in issue is equal to 35 409 491.

In € thousands

	Balance as of 30/06/19	+ Increase - Decrease	Balance as of 31/12/19	+ Increase - Decrease	Balance as of 30/06/20
Subscribed share capital	539 995	0	539 995	0	539 995
Share premium	17 820	0	17 820	0	17 820
Statutory reserve	3 257	0	3 257	0	3 257
Other reserves	1 122	0	1 122	0	1 122
Retained earnings	399	0	399	0	399
Net income	-269	269	0	-86	-86
Irrevocable payment undertaking to SRF	-6 504	0	-6 504	-1 167	-7 671
Intangible fixed assets	-17	4	-13	4	-9
TOTAL	**555 803**	**273**	**556 076**	**-1 249**	**554 827**

The change in Common Equity Tier 1 capital results from:

- Allocation of earnings for the 2019 financial year.
- Change in net income.
- Deduction of the irrevocable payment undertaking to the SRF in accordance with the *Supervisory Review and Evaluation Process* (SREP).
- Deduction of intangible fixed assets.

INFORMATION RELATED TO OFF-BALANCE SHEET ITEMS

NOTE 10 - Financing commitments received from credit institutions

Pursuant to the articles of association, credit institution shareholders are obliged to provide the cash advances required for CRH's operations up to the limit of 5% of total outstanding loans. This requirement is defined in CRH's internal regulations, approved by the Shareholders' Meeting of 27 February 1996.

As of 30 June 2020, such received commitments totalled 1 216 153 511.83 euros.

NOTE 11 – Guarantee commitments received from credit institutions

The principal and interest on each mortgage note are secured by a pledged portfolio of receivables representing secured home-purchase loans secured either by a first ranking mortgage or real property security conferring equivalent security, or a guarantee (*cautionnement*) granted by a credit institution or insurance company which is not included in the consolidation scope of the credit institution issuing the note.

As of 30 June 2020, the estimated amount of the portfolio of receivables pledged to CRH amounted to 35 389 709 295.79 euros.

NOTES TO THE INCOME STATEMENT

NOTE 12 - Net Banking Income (NBI)

A - Analysis of NBI from bond issuance and lending operations

It should be noted that CRH lends under the same conditions as to interest rate and maturity as it borrows on the financial markets. It therefore does not charge any margin on its lending activities.

To facilitate the analysis of its net income, income and expenses from lending and borrowing activities are grouped together for purposes of equivalence of their amounts.

In € thousands

	As of 30/06/20		As of 30/06/19		As of 31/12/19	
	Expenses	Income	Expenses	Income	Expenses	Income
Interest						
On bonds issued	396 668		463 494		899 543	
On mortgage notes		396 668		463 494		899 543
Translation differences *						
On bonds issued	3 877		16 978		16 978	
On mortgage notes		3 877		16 978		16 978
Issuance and management fees						
On bonds issued	10 810		446		6 866	
On mortgage notes		10 810		446		6 866
TOTAL	**411 355**	**411 355**	**480 918**	**480 918**	**923 387**	**923 387**

• *Foreign exchange differences correspond to a technical balance between the foreign exchange gains and losses recorded upon the contractual maturities of CHF-denominated transactions.*

Issuance and management fees relate to expenses recharged to borrowing institutions. As of 30 June 2020, these comprise the following:

- Issue fees: 9 787 500 euros.
- Rating agency fees: 802 500.00 euros.
- Fiscal/paying agency fees on CHF-denominated bonds : 132 076.29 euros.
- Fiscal/paying agency fees on EURO-denominated bonds : 56 787.25 euros.
- Legal fees: 31 000.00 euros.

These payments relating to borrowing and lending activities therefore have no impact on CRH's net income.

B - Other income and expenses relating to banking operations

For the 2020 financial year, the other income from banking operations included interest earned on own funds invested on the money market in demand deposits, term deposits and negotiable debt instruments, which are generally adjustable rate. This income fluctuates from year to year in close correlation with the average level of market interest rates. This income therefore represents a rate of return of 0.39% on the average capital invested during the first semester 2020 compared to 0.31% in 2019 (0.24% in the first semester 2019).

Negotiable debt instruments with a residual maturity in excess of two years as of 31 December 2018, have been transferred into a specific portfolio of securities held to maturity in order to protect the return on own funds. Impairment charges previously recognised are reversed over the residual term of the relevant securities. As of 30 June 2020, these reversals amounted to 35 533.20 euros.

As of 30 June 2020, no unrealised losses on negotiable debt instruments in the portfolio of securities available for sale have been recognised (see in Note 6 - valuation of securities held in the portfolio).

In € thousands

	As of 30/06/20	As of 30/06/19	As of 31/12/19
Interest on cash management transactions	877	493	1 347
Interest on securities available for sale (NDI)	64	31	92
Interest on securities held to maturity (NDI)	133	142	277
Interest from the investment of advances paid under § 5.3 of the Internal Rules	-413	-247	-317
Reversal of impairment charges on re-classified securities	36	36	71
Fees on securities transactions	0	0	0
Received operating subsidy	0	0	250
A - Total other income from banking operations	**697**	**455**	**1 720**
Interest on advances under § 5.3 of the Internal Rules	-413	-247	-317
Gains or losses on investment portfolio transactions	0	0	0
Miscellaneous interest and expenses	23	15	35
Fees on securities transactions	0	0	1
B - Total other expenses from banking operations	**-390**	**-232**	**-281**
NET BANKING INCOME	**1 087**	**687**	**2 001**

NOTE 13 - Other operating income and expenses

A – Operating expenses recharged to borrowers

Since 2015, under the new European regulatory framework, CRH has been obliged to pay two contributions:

- The European Central Bank (ECB) supervision contribution,
- the contribution to the Single Resolution Fund (SRF).

Since 2015, in order to enable CRH to meet these expenses, which significantly increase its operating expenses, while the profitability of its investments is impaired by the very low level of interest rates received on the money market, these contributions have been recharged to borrowers by neutralising the impact of the non-deductibility from corporate income tax of the contribution to the SRF, in accordance with the provisions of the internal regulations and the collateralisation agreements.

In 2016, the following were also recharged :

- the supervision contribution paid to the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR),
- the contribution to the Single Resolution Mechanism (SRM).

The same mechanism is applied to the fee payable to the *Autorité des Marchés Financiers* (AMF) in relation to bond issues.

The above items will similarly be recharged in 2020.

In € thousands

	As of 30/06/20		As of 30/06/19		As of 31/12/19	
	Expenses	Income	Expenses	Income	Expenses	Income
Taxes other than income tax (excerpt)						
SRF contribution	6 616		6 389		6 389	
ECB contribution	462		405		924	
ACPR contribution	161		170		170	
SRM contribution	111		137		137	
AMF fee	0		0		5	
Other operating income						
Recharged contributions		10 323		10 296		10 820
Miscellaneous income		0		0		1

B – Other operating expenses

Not including recharged expenses, CRH's total administrative expenses, after depreciation and amortisation, amounted to:

- 1.1 million euros as of 30 June 2020,
- 1 million euros as of 30 June 2019,
- 1.9 million euros as of 31 December 2019.

Total annual administrative expenses represented 0.0088% of average outstanding loans to shareholders in the period ending 30 June 2020 (0.0077% as of 30 June 2019 and 31 December 2019).

Details of the main items are as follows:

In € thousands

	As of 30/06/20	As of 30/06/19	As of 31/12/19
Wages and salaries	450	403	754
Retirement expenses (1)	64	49	119
Other social security contributions	153	138	265
Payroll taxes and similar expenses	66	54	101
Total payroll expenses	**733**	**644**	**1 239**
Taxes other than income tax (excerpt)	**38**	**26**	**72**

	As of 30/06/20	As of 30/06/19	As of 31/12/19
Rental and leasing	116	105	219
Other external services and miscellaneous administrative expenses	198	179	356
Total other administrative expenses	**314**	**284**	**575**

	As of 30/06/20	As of 30/06/19	As of 31/12/19
Amortisation of intangible fixed assets	4	3	7
Amortisation of tangible fixed assets	4	6	12
Total amortisation and depreciation expenses	**8**	**9**	**19**

(1) *including the provision for retirement benefits in an amount* of *10 000 euros as of 30 June 2020.*

NOTE 14 - Corporation tax (*Impôt sur les sociétés*)

For companies whose turnover is equal to or greater than 250 million euros, the corporation tax rate in 2020 is 28% on profits of up to 500 000 euros and 31% on profits over and above that amount.

Accordingly, the estimated corporation tax charge on the interim results as of 30 June 2020 is an amount of 2 966 557 euros. Whilst this only covers recurring transactions, the amount is very significantly increased by (i) adding-back of the SRF contribution of 6 616 337.41 euros which is non-deductible and (ii) the corresponding recharge (Note 12 A). To this, it is necessary to add the social contribution in an amount of 85 307 euros.

OTHER INFORMATION

NOTE 15 – List of related-party transactions

CRH did not enter into any transactions within the meaning of Article R. 123-199-1 of the French Commercial Code with any related parties whatsoever during the first semester 2020.

NOTE 16 - Provision for retirement indemnities

Provisions set aside to cover lump-sum retirement benefits as required by French law, which amounted to 245 000 euros, cover the full amount of CRH’s estimated liability as of 30 June 2020.

CRH does not have any other retirement commitments.

ADDITIONAL INFORMATION

Solvency ratio

The solvency ratio calculated in accordance with the provisions of Regulation (EU) n° 575/2013 dated 26 June 2013 is at 18.58 % as of 30 June 2020. In the absence of additional own funds, the solvency ratio on common equity tier 1 capital instruments is therefore 18.58 %.

Leverage ratio

European regulations have introduced as one of the prudential indicators, a leverage ratio, calculated as equal to the amount of CET1 capital compared to the amount of the overall exposure of the relevant institution. Data collection in regulatory format commenced in 2014, and institutions have been obliged to publish their leverage ratio since 1 January 2015.

The European Commission, as part of its proposed reform of the CRR presented on 23rd November 2016, proposed implementing the recommendations of the EBA in its report, published on 3 August 2016, on the introduction and calibration of the leverage ratio. This proposal entailed a binding leverage ratio obligation equal to 3%. However, the Commission’s proposed reform of the capital requirements regulation contained possible exemptions, based on decisive criteria decided by the EBA, applicable to certain types of exposure.

The text voted by the European Parliament at its first reading on 16 April 2019, as approved by the Council and published in the Official Journal of the European Union on 7 June 2019, enables a credit institution, when calculating the leverage ratio, to adjust certain exposures that are exempted from the total exposure measurement.

According to the legal opinion delivered to CRH, it is authorised, by virtue of its compliance with the conditions set forth in Article 429 bis, paragraph 1, point e) and paragraph 3 relating to the institution and the loans granted, and for the purposes of calculating the leverage ratio, to deduct from its exposure the refinancing granted to the banks.

By way of information, the leverage ratio calculated in accordance with these new provisions would be equal to 99.44% as of 30 June 2020. With no deduction, the ratio would be 2.20 %.

LCR liquidity ratio

CRH’s normal operating conditions are such that it has no non-covered liabilities. The provisions of Article 425-1 of Regulation (EU) n° 575/2013 of 26 June 2013 permit CRH to exclude the cash inflows from its mortgage notes from the 75% cap on cash outflows applied towards the service of its bond issues.

NSFR liquidity ratio

In accordance with its articles of association and internal regulations, CRH’s borrowings and loans are fully interdependent (identical rates, terms and currencies).

The reform of the capital requirements regulation voted by the European Parliament at first reading on 16 April 2019, approved by the Council and published in the Official Journal of the European Union on 7 June 2019, implemented the Basel rules on interdependent assets and liabilities as regards the calculation of the NSFR in order to avoid the application of differentiated available stable funding (ASF) and required stable funding (RSF) coefficients to borrowings and loans maturing within six months.

Major risks

The amendments to the articles of association and internal regulations unanimously approved by the shareholders at the extraordinary general meeting held on 8 March 2016, permit, pursuant to the provisions of article 493-3 (e) of the CRR and article 2-1 (c) of the ministerial decree of 23 December 2013, mortgage notes held by CRH to be fully exempt from the major risks rules until 1 January 2029.

20.5. DATE OF THE LATEST FINANCIAL INFORMATION

The financial information dated 30 June 2020 is the latest financial information to have been verified.

20.6. INTERIM AND OTHER FINANCIAL INFORMATION

CRH has not published any quarterly or half-yearly financial information since its financial statements dated 30 June 2020.

20.8. JUDICIAL AND ARBITRATION PROCEEDINGS

As of the filing date of this document, there are no pending legal, governmental, regulatory, tax or arbitration proceedings that are likely to have a material impact on CRH's financial position or profitability.

20.9. SIGNIFICANT CHANGES IN THE ISSUER'S POSITION

As of the filing date of this document, there are no extraordinary events or litigation having had in the recent past, or that are likely in the future to have, a material impact on CRH's financial position, activity or earnings that have not been reflected in the financial statements dated 30 June 2020.

CHAPTER 21 – ADDITIONAL INFORMATION

Detailed information on share capital and the articles of association are set forth in the 2019 universal registration document, pages 121 to 125.

CHAPTER 22 – MATERIAL CONTRACTS

CRH has not, as of the filing date of this document, entered into any contracts other than in the normal course of business and that may confer on any member of the company any rights or obligations that may have a material impact on CRH's ability to fulfil its obligations to bondholders.

CHAPTER 23 – INFORMATION ORIGINATING FROM THIRD PARTIES, STATEMENTS BY EXPERTS AND DECLARATIONS OF INTEREST

This document does not contain any statement or report originating from third parties or experts.

CHAPTER 24 – DOCUMENTS ON DISPLAY

All prospectuses, registration documents and their updates, together with the 2019 universal registration document and its amendments, may be consulted on CRH's website :

http://www.crh-bonds.com

These documents may be obtained free of charge and without obligation, by request to CRH,

By telephone + 33 1 42 89 49 10

By fax + 33 1 42 89 29 67

By email: crh@crh-bonds.com

Or by post to the following address:

CRH
Caisse de Refinancement de l'Habitat
3 rue La Boétie
75008 PARIS

A hard copy of the company's constitutive documents may be consulted at its registered office.

CHAPTER 25 – INFORMATION ON INTERESTS HELD BY THE ISSUER

The Issuer does not hold any interest in any company.

SCHEDULE

ARTICLES OF ASSOCIATION

(as amended by the shareholders' combined general meeting held on 12 March 2020)

SECTION I – LEGAL FORM– OBJECTS – COMPANY NAME REGISTERED OFFICE - TERM OF INCORPORATION

Article 1. LEGAL FORM

The company is incorporated in the form of a "*société anonyme*". It is governed by all applicable laws and regulations and by these articles of association and the internal regulations appended hereto.

Article 2. OBJECTS

The objects of the company are:

- refinancing, for the benefit of the shareholders or credit institutions that have agreed to become shareholders in accordance with articles 6 to 9 below, mortgage notes subscribed or endorsed by such shareholders for the purpose of collateralizing receivables as referred to in Article L. 313-42 of the Monetary and Financial Code representing home-purchase loans,
- issuing, in consideration of the above, financial securities with features similar to those of the mortgage notes,
- and, more generally, carrying out all real or personal property transactions related to the above-mentioned objects, or any objects that are similar or connected, or likely to further the attainment thereof.

Pursuant to the provisions of Article 13 of the law n° 85-695 dated 11 July 1985, the company provides, on restrictive terms, facilities for the refinancing of certain home-purchase loans granted to individuals by credit institutions, without charging any margin on its transactions.

Due to the perfect matching between the financial securities that it issues and the mortgage notes that it refinances, it offers a transparent service to credit institutions. The company's aim is to promote the home-purchase loan financing sector, without seeking to make a profit and by operating on a non-competitive basis.

The company is prohibited from taking any equity interests or conducting any business that does not conform with its corporate objects. In particular, the company does not incur any debts that do not conform with such objects.

It may, however, incur debt in the nature of own funds within the meaning of the prudential regulations. It may also, in the event of insolvency of a borrowing institution, and with the consent of the board of directors, incur any indebtedness that the situation requires.

Article 3. COMPANY NAME

The name of the company is:

C.R.H. - CAISSE DE REFINANCEMENT DE L'HABITAT

Article 4. REGISTERED OFFICE

The company's registered office is at 3, rue La Boétie, 75008, Paris. If the board of directors decides to change the location of the registered office, as provided by law, the new registered office shall automatically replace the former office in this article.

Article 5. TERM OF INCORPORATION

The company is incorporated for a period of 99 years from the date of its registration with the trade and companies registry (RCS), unless wound-up early or its term of incorporation is extended.

SECTION II - SHARE CAPITAL – SHARES

Article 6. SHARE CAPITAL

The amount of the share capital is FIVE HUNDRED THIRTY-NINE MILLION NINE HUNDRED NINETY-FOUR THOUSAND SEVEN HUNDRED THIRTY-SEVEN EUROS and SEVENTY-FIVE CENTS.

The share capital is sub-divided into THIRTY-FIVE MILLION FOUR HUNDRED NINE THOUSAND FOUR HUNDRED NINETY-ONE SHARES OF EUR 15.25 each.

The number of shares held by each shareholder shall be proportionate to the capital requirement corresponding to the refinancing facilities granted by the company to such shareholder.

Article 7. SHARE CAPITAL INCREASE

The share capital may be increased, by any means and in accordance with any procedure provided for by law, by decision of the shareholders in extraordinary general meeting.

The extraordinary general meeting may confer on the board of directors any delegation of authority to determine the terms of any share capital increase decided by the general meeting, and may delegate powers authorising the board of directors itself to decide any share capital increase.

Article 8. SHARE CAPITAL DECREASE

If the amount of the company's capital is in excess of the regulatory requirement, the board of directors considers the possibility of redistributing to shareholders any excess capital and decides where applicable the terms of such redistribution.

Any share capital decrease may be authorised or decided by the extraordinary general meeting, under the conditions provided for by law and subject to the approval of the prudential authorities.

The extraordinary general meeting may confer on the board of directors any delegation of authority to determine the terms of any share capital decrease decided by the general meeting, and may delegate powers authorising the board of directors itself to decide any share capital decrease.

Article 9. FORM AND TRANSFER OF SHARES – SALE AND PURCHASE UNDERTAKING

The shares are mandatorily in registered form. Shares are registered in an account in accordance with the terms and conditions provided by applicable laws and regulations.

Shares are freely negotiable and transferable. Share transfers take effect as regards third parties, by a transfer order signed by the transferor or its agent.

In order for the number of shares held by each shareholder to be proportional to the regulatory capital requirement in respect of the outstanding refinancing facilities granted to it by the company, each shareholder undertakes to acquire or sell the necessary number of shares from or to the present or future shareholders (or shareholder) designated by the company.

If, in order to comply with such proportion as regards one or more shareholders, one or more share transfers are required, each shareholder shall transfer or acquire, at the company's request, the number of shares required in order to comply with such proportion. Any fractional shares shall be allocated according to the largest remainder method.

When any change in the proportion of shares to be held by each shareholder results from changes in the amount outstanding of the loans refinanced by the company, such acquisitions or transfers shall be completed at least once per year, within thirty days from approval of the company's annual financial statements by the general meeting and whenever the board of directors so decides.

When the change results in whole or in part from an increase in the weighting of the amounts outstanding in the calculation of the regulatory capital requirements, in particular in case of deterioration of the financial rating of the mortgage notes issued by one or more shareholders or any change in the rules related to the prudential ratios applicable to the company, the acquisitions or transfers are completed within forty-five days from the date of such change.

The acquisitions or transfers are completed on the basis of a unit share price equal to the amount resulting from the division:

- of the net book value of the company determined on the basis of its own funds (without including the FRBG) shown in the most recent financial statements of the company: (i) either as of 31 December, of the preceding year, in the company's universal registration document; or (ii) as of 30 June, of the preceding year, in the financial statements drawn up by the board of directors and subject to a limited review by the statutory auditors. Such net book value takes into account possible allocations or contributions made between the reference date and the date of the acquisition or transfer.
- by the number of shares comprising the share capital as of the reference date referred to in the above paragraph.

The total price for each transfer is paid at the latest on the date of registration of the transfer, with the transferee being personally responsible for the payment of any such transfer duties as may be due.

In the case of a cancellation of shares for the purpose of reducing the share capital authorised by the shareholders' extraordinary general meeting, the board of directors may decide that the company itself shall purchase its own shares.

Article 10. RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

Each share confers entitlement, to ownership of the corporate assets and sharing of profits and liquidation dividends, in proportion to the percentage of the share capital that such share represents.
Whenever it is necessary to hold several shares to exercise any particular right, owners of single shares or of an insufficient number of shares have no rights against the company unless they take such action as is necessary to assemble the necessary number of shares.

Ownership of a share automatically implies acceptance of the company's articles of association and decisions taken by the shareholders' general meeting.

Article 11. PAYMENT FOR SHARES

Outstanding amounts to be paid-up in cash on the shares shall be called by the board of directors on such conditions as it may determine.

Article 12. SHAREHOLDERS' OBLIGATIONS

Each shareholder must pay to the company any amounts necessary in order to provide the company with the own funds determined by the ordinary general meeting in compliance with banking regulations. Such contributions correspond:

- either to the subscription or purchase of shares of the company, as discussed in Articles 6 to 9; or
- to the grant of loans to the company or to the acquisition of debt instruments issued by the company and having the character of equity within the meaning of prudential regulations. Such loans and instruments are hereinafter referred to as additional equity.

Such contributions are allocated for each shareholder and for each of the above categories, on a pro rata basis of the regulatory capital requirements related to the amount outstanding of the mortgage notes that the company has refinanced or endorsed in favour of such shareholder.

When it is decided to call additional equity from the shareholders, subject to the powers expressly reserved for general meetings of shareholders and within the limit of the corporate purpose, the board of directors determines the characteristics, amount and terms of such calls.

The board of directors may also decide to convert the additional own funds into capital, whether in whole or in part. Such decision is implemented in accordance with the articles of incorporation, prudential regulations and provisions of law. Where applicable, such decision is implemented after being approved by prudential authorities.

In addition, each shareholder must provide the company, as cash advances, with the amounts necessary for its functioning within the limits and subject to the conditions determined by the board of directors, within the limit of 5% of total nominal amounts outstanding.

Such advances shall be allocated among shareholders on a pro rata basis of the refinanced amounts.

Any shareholder failing to pay the required amounts on the scheduled dates shall, automatically and without any prior notice, owe the company an indemnity under the terms set forth by the ordinary general meeting.

SECTION III – ADMINISTRATION AND AUDIT OF THE COMPANY

Article 13. BOARD OF DIRECTORS

The company is administered by a board of directors comprised of no less than three members and no more than twelve members.

Directors are not required to hold at least one share of the company.

The directors' term of office is six years. Directors are always eligible for re-election.

As a departure from the above provisions, the number of directors who are over seventy years of age may not exceed one third of the number of directors comprising the board of directors. The board of directors notes whether the above limit is exceeded during the meeting deciding to give notice of the ordinary general meeting. The board then appoints, among those of its members who are over seventy years of age, the member(s) who shall remain in office.

If any office becomes vacant because of death, attainment of the age limit or resignation of one or more directors, the board of directors may, between two general meetings, appoint directors provisionally.

Article 14. NOTICE OF MEETINGS AND DELIBERATIONS OF THE BOARD OF DIRECTORS

The board of directors meets whenever the interests of the company so require, upon being convened by its chairman. Directors are given notice of the meetings of the board of directors by all means and even orally.

If the board of directors has not met for more than two months, at least one third of its members may ask the chairman to give notice of a meeting in relation to a specific agenda.

The Chief Executive Officer may also ask the chairman to give notice of a meeting of the board of directors in relation to a specific agenda.

Deliberations are made subject to the quorum and majority requirements mandated by law; in case of a split vote, the meeting chairman has a casting vote.

Minutes are prepared and copies or excerpts of the deliberations of the board of directors are issued and certified in accordance with applicable law.

Except when the board of directors meets in order to draw up the annual financial statements, review the annual management report or appoint or remove the chairman or the Chief Executive Officer, or determine their remuneration, directors are also deemed present for the calculation of the quorum and majority when they participate in the meeting by videoconference or other means of telecommunication.

These means must allow for the directors' identification and must guarantee their actual participation. Such means must transmit at least the voice of the participants and must comply with technical requirements allowing for the continuous and simultaneous transmission of the deliberations.

The minutes must record any technical incident that disrupted the proceedings of the meeting, whether such incident affects a means of telecommunication or videoconference.

Article 15. POWERS OF THE BOARD OF DIRECTORS

The board of directors determines the policies of the company and oversees their implementation. Subject to the powers expressly reserved for shareholder meetings and within the limit of the corporate objects, the board of directors reviews any matter related to the sound management of the company and adopts deliberations pertaining to the matters concerning the company.

The board of directors carries out any such checks and inspections as it deems necessary.

The board of directors receives from the chairman or Chief Executive Officer of the company any and all documents and information necessary for the performance of its mandate.

Article 16. OBSERVERS

The general meeting may appoint one or more observers selected among those shareholders who are not directors. The general meeting determines their remuneration.

The term of office of the observers is six years. Such term of office expires at the end of the ordinary general meeting reviewing the financial statements for the last financial year during the year in which their term of office expires.

Observers may be re-elected without any limitation; they may be removed at any time by a decision of the general meeting.

In case of death or resignation of one or more observers, the board of directors may co-opt the successor, with such provisional appointment being subject to ratification by the next general meeting.

Observers are responsible for the strict enforcement of the articles of association. They attend meetings of the board of directors without any voting right. They review the lists of assets and liabilities and the annual financial statements and submit in this respect their observations to the general meeting whenever they see fit.

Article 17. CHAIRMAN OF THE BOARD

The board of directors elects a chairman among those of its members who are natural persons, for a period determined by it, which may not exceed the term of the chairman's office as a director. The chairman organises and leads the work of the board of directors, and reports thereon to the general meeting. The chairman ensures the proper functioning of the bodies of the company and ensures in particular that the directors are in a position to discharge their duties.

The remuneration of the chairman is determined freely by the board of directors, upon the recommendation of the remuneration committee.

The chairman may be re-elected at any time subject to the provisions of the sub-paragraph below.

The office of Chairman shall expire at the latest at the end of the general meeting convened in order to review the financial statements for the financial year during which the Chairman has reached the age of seventy-one.

Without prejudice to the provisions of the first paragraph, when the Chairman reaches the age of sixty-nine, his term of office shall be subject to confirmation each year by the board of directors in the first meeting following the Chairman's birth date. Such term of office shall then be renewed for a maximum period of one year.

If the chairman dies or is temporarily unable to act, the board of directors may appoint a director in order to act as chairman.

In case of temporary inability to act, such appointment is made for a limited time and is renewable. In case of death, such appointment is valid until the election of the new chairman.

The board of directors also appoints a secretary and determines his term of office. The secretary need not be selected among the directors; if the secretary is not a director, he shall not have any voting right or advisory capacity within the board.

The chairman and the secretary form the bureau of the board of directors.

Article 18. SENIOR MANAGEMENT

The Senior Management of the company is carried out by a natural person, other than the chairman of the board of directors, who is appointed by the board of directors and has the title of Chief Executive Officer. The Chief Executive Officer may be a director.

The Chief Executive Officer has the broadest powers to act in all circumstances in the name of the company. The Chief Executive Officer exercises such powers within the limit of the corporate objects and subject to the powers expressly reserved by law for general meetings and for the board of directors.

The Chief Executive Officer represents the company in its relationships with third parties. The company is bound even by those actions of the Chief Executive Officer that fall outside the corporate objects, unless the company proves that the third party concerned knew that such action exceeded the corporate objects or could not be unaware of the same in view of the circumstances, provided that the mere publication of the articles of incorporation shall not be sufficient to constitute proof thereof.

The board of directors may limit the powers of the Chief Executive Officer, but such limitation is unenforceable against third parties.

The Chief Executive Officer may delegate part of his powers, whether temporarily or permanently, to as many agents as he shall see fit, with or without the power to subdelegate.

The Chief Executive Officer's remuneration is determined freely by the board of directors, upon a recommendation of the remuneration committee.

The Chief Executive Officer is asked to attend meetings of the board of directors, even if he is not a director.

The Chief Executive Officer may be removed at any time by the board. Any removal decided without cause may give rise to the payment of damages.

When the Chief Executive Officer is a director, he may not be appointed for a period exceeding his term of office as a director.

The office of Chief Executive Officer shall expire at the latest at the end of the general meeting convened in order to review the financial statements for the financial year during which the Chief Executive Officer has reached the age of seventy.

Without prejudice to the provisions of the first paragraph, when the Chief Executive Officer reaches the age of sixty-nine, his term of office shall be subject to confirmation each year by the board of directors in the first meeting following the Chief Executive Officer's birth date. Such term of office shall then be renewed for a maximum period of one year.

Article 19. DEPUTY CHIEF EXECUTIVE OFFICERS

Upon a recommendation made by the Chief Executive Officer, the board of directors may appoint, within the limits set forth by law, one or more natural persons responsible for supporting the Chief Executive Officer, and bearing the title of Deputy Chief Executive Officer.

In agreement with the Chief Executive Officer, the board of directors determines the scope and term of the powers granted to the Deputy Chief Executive Officers. However, the Deputy Chief Executive Officers have, vis-à-vis third parties, the same powers as the Chief Executive Officer.

When the Chief Executive Officer ceases discharging his duties or is unable to discharge his duties, the Deputy Chief Executive Officers remain in office, unless otherwise decided by the Board until the appointment of the new Chief Executive Officer.

The remuneration of the Deputy Chief Executive Officer is determined freely by the board of directors, upon a recommendation from the remuneration committee.

Even where the Deputy Chief Executive Officers are not members of the board of directors, they are asked to attend meetings of the board of directors.

Deputy Chief Executive Officer may be removed at any time by the board of directors upon a recommendation from the Chief Executive Officer. Any removal decided without cause may give rise to the payment of damages.

When a Deputy Chief Executive Officer is also a director, his term of office as a Deputy Chief Executive Officer may not exceed that of his office as a director.

The office of any Deputy Chief Executive Officer shall expire at the latest at the end of the general meeting convened in order to review the financial statements for the financial year during which the said Deputy Chief Executive Officer has reached the age of seventy.

Without prejudice to the provisions of the first paragraph, when the Deputy Chief Executive Officer reaches the age of sixty-nine, his term of office shall be subject to confirmation each year by the board of directors in the first meeting following the Deputy Chief Executive Officer's birth date. Such term of office shall then be renewed for a maximum period of one year.

Article 20. GOVERNMENT'S REPRESENTATIVE

The State may appoint a representative in order to attend the meetings of the Board of directors.

The Government's representative is not a director. The Government's representative ensures that the company complies with its corporate objects.

The Government's representative has no voting right. In case of disagreement with any decision that he deems contrary to the company's corporate objects, a reference to his position is noted in the minutes of the relevant meeting.

Article 21. STATUTORY AUDITORS

The company is audited by one or more statutory auditors in accordance with the terms and conditions set forth by law.

One or more alternate statutory auditors, who are to replace the standing statutory auditor(s) in case of death, inability to act or refusal to act, are appointed by the ordinary general meeting.

SECTION IV – SHAREHOLDERS' GENERAL MEETINGS

Article 22. GENERAL MEETINGS

Notice of general meetings is given in accordance with and as required by law.

Meetings are held at the registered office or at any other place specified in the notice of meeting.

The right to participate in general meetings is conditional on the registration of the shares in the accounts maintained by the company, at least five days before the date of the general meeting.

General meetings are chaired by the chairman of the board of directors or, in his absence, by a director especially appointed to that end by the board. Failing which, the general meeting itself appoints its chairman.

The two members of the general meeting who are present and hold the largest number of votes are appointed as scrutineers, if they accept such appointment.

The bureau appoints the secretary, who is not required to be a shareholder.

An attendance sheet is maintained in accordance with and as required by law.

The copies or excerpts of the minutes of general meetings are duly certified in accordance with and as required by law.

Article 23. ATTENDANCE AND REPRESENTATION AT GENERAL MEETINGS

All shareholders are entitled to participate in general meetings.

Subject to the laws applicable to general meetings classed as constitutive general meetings, each member of the general meeting has the following number of votes :

- any shareholder owning a number of shares ranging between one share and 10% of the number of shares representing the share capital, shall have one vote for every 0.01% of that shareholder's percentage ownership of the share capital.

- any shareholder owning a number of shares ranging between 10 % and 20 % of the number of shares representing the share capital, shall have a number of votes equal to 1,000 plus one vote for every 0.01 % of that shareholder's percentage ownership of the share capital over and above 10 % of the share capital.

- any shareholder owning a number of shares greater than 20 % of the number of shares representing the share capital, shall have a number of votes equal to 1,100 plus one vote for every 1 % of that shareholder's percentage ownership of the share capital over and above 20 % of the share capital.

- Where applicable, the number of votes so determined shall be rounded up to the immediately higher whole number.

Any shareholder may be represented at general meetings by another shareholder.

Natural persons who are permanent representatives of legal entity shareholders on the board of directors shall participate in general meetings, whether or not they are personally shareholders.

Article 24. POWERS OF GENERAL MEETINGS

Ordinary and extraordinary general meetings deciding in accordance with the applicable quorum and majority rules, exercise the powers conferred upon them by law.

SECTION V – FINANCIAL YEAR - PROFITS

Article 25. FINANCIAL YEAR

The financial year begins on 1 January and ends on 31 December.

Exceptionally, the company's first financial year began on 23 September 1985 and ended on 31 December 1985.

Article 26. PROFITS AND LOSSES - DIVIDEND PAYMENTS

Distributable profits, as defined by law, are at the disposal of the general meeting which may decide to post them to reserves, carry them forward or distribute them. If it decides to distribute, the general meeting may grant the option of electing either a dividend payment in cash or in shares, under the conditions provided by law.

Furthermore, the general meeting may decide to distribute amounts withdrawn from available reserves, expressly indicating the specific reserves from which such withdrawal shall be made.

However, dividends in respect of a financial year are paid in priority out of the available distributable profits for that year.

Except in the case of a share capital reduction, no distribution may be made to shareholders if own funds are, or would as a result of such distribution, fall below the minimum amount required under applicable laws and regulations.

Losses, if any, are carried forward and applied against the profits of subsequent financial years until extinguished.

SECTION VI – INTERNAL REGULATIONS

Article 27. INTERNAL REGULATIONS

Internal regulations (*règlement intérieur*), drawn up by the board of directors, set forth the provisions governing the company's operations and various shareholder undertakings. The internal regulations supplement and clarify the articles of association. They are signed by the shareholders or the institutions committed to become shareholders.

SECTION VII – WINDING UP – LIQUIDATION

Article 28. LIQUIDATION OF THE COMPANY

When the company's term of incorporation expires, or upon its winding-up, the general meeting determines the manner of its liquidation and appoints, and determines the powers of, one or more liquidators who discharge their duties as required by law.

CORRESPONDENCE TABLES

Headings of Annex I and II of the European Regulation n° 2019/980

For ease of reading of this amendment to the universal registration document, this correspondence table uses the headings contained in European Regulation 2019/980 (Annexes I and II), pursuant to the so-called "Prospectus 3" Directive and refers to the pages of the universal registration document where the relevant information under each of such headings is contained.

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Pursuant to Article 19 of (EU) Regulation n° 2017/1129 of the European Parliament and of the Council of 14 June 2017, the following information is incorporated by reference into this registration document :

- The CRH individual company financial statements for the period from 1st January 2018 to 31 December 2018 and the related statutory auditors' report, shown on pages 29 to 33 of the 2018 registration document filed with the AMF on 16 April 2019 under number D. 19-0343 ;

- The CRH individual company financial statements for the period from 1st January 2017 to 31 December 2017 and the related statutory auditors' report, shown on pages 33 to 37 of the 2017 registration document filed with the AMF on 20 April 2018 under number D. 18-0355 ;

- the management report relating to the financial year ending on 31 December 2018 shown on pages 9 to 17 of the 2018 registration document filed with the AMF on 16 April 2019 under number D. 19-0343 ;

- the management report relating to the financial year ending on 31 December 2017 shown on pages 7 to 14 of the 2018 registration document filed with the AMF on 20 April 2018 under number D. 18-0355;

- a description of the principal markets on which CRH operates shown on page 68 of the 2018 registration document filed with the AMF on 16 April 2019 under number D. 19-0343.

The 2018 registration document may be viewed at the following link : http://www.crh-bonds.com/DocRef/2019-034300.pdf.
The 2017 registration document may be viewed at the following link : http://www.crh-bonds.com/DocRef/2018-035500.pdf.

Annual financial report correspondence table

Pursuant to Article 212-13 of the general regulations of the *Autorité des Marchés Financiers*, this document includes information from the annual financial report referred to in article L. 451-1-2 of the Monetary and Financial Code and article 222-4 of the general regulations of the *Autorité des Marchés Financiers* :

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