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2012 BUSINESS ACTIVITY AND RESULTS

Paris La Défense, Tuesday,19 February 2013

Market share gains and backlog growth for Residential division

- **Residential: 12,774 net new home and subdivision reservations amounting to €2,137 million incl. VAT, of which 10,191 net new home reservations in France (-11%), for a market share of over 12.5%, up more than 1.5 points on the year**
- **Commercial: order intake of €176 million excl. VAT**
- **Backlog above €3 billion at end-December, including €2.7 billion for Residential real estate (up 3.7% from year-end 2011), equivalent to 16 months' revenue from development activities[1]**

Current financial performance outstrips targets

- **Revenue up 8.8% year-on-year to €2,831 million**
- **Current operating profit (excluding expenses related to the Nexity Demain project[2]): €215 million, corresponding to a Group margin of 7.6%. Including these expenses, current operating profit came to €200 million**
- **Group share of net profit of €116 million excluding non-recurring items (goodwill impairment losses of €55 million and non-recurring tax expenses of €19 million)**
- **Consolidated net cash position of €332 million and undrawn corporate credit facilities of €470 million at 31 December 2012**
- **Long-term financing restructured in January 2013, thanks to a €200 million bond issue (maturity in December 2018). Subsequent termination ahead of schedule of the €185 million corporate credit line, which was available until December 2014**

Outlook for 2013

- **Residential: market share to hold steady in an expected market of between 70,000 and 75,000 new homes**
- **Commercial: order intake target of €350 million**
- **Consolidated revenue for 2013 expected to exceed €2.6 billion**
- **Current operating profit for 2013 targeted at over €180 million**
- **Proposal to distribute a dividend of €2 per share in respect of 2012. Based on this outlook, the company will consider proposing to its shareholders the renewal of a €2 per share dividend next year.**

[1] Revenue basis – previous 12-month period
[2] €15 million in 2012

Alain Dinin, Chairman and CEO of Nexity, commented:

"In 2012, the number of housing starts[3] fell 20% to 304,000 units, which must be set against the French government's medium-term annual goal of 500,000. The decline in the number of new home sales in France in 2012, which the latest FPI (French real estate developers' association) estimates place at 28%, will continue to adversely impact housing starts, with the usual lead time, pushing their level still lower in 2013. The new measures introduced at the end of 2012 (new Duflot buy-to-let investment tax-break scheme, revised terms and conditions for the re-targeted zero-interest loan scheme known as the PTZ+, for prêt à taux zéro renforcé*) are expected at best to keep production levels steady or limit any additional drop in 2013, but they will not be able to jump-start a recovery in the production of new homes. It is for this reason that further measures are anticipated in 2013 to spur a return to the sector by institutional investors (in particular, life insurance companies), which may trigger a genuine recovery in 2014. In this challenging market, Nexity's diversified client base, multi-product strategy and focus on major French urban centres result in market share gains for its Residential division.*

In commercial real estate, the limited decline in investment volumes seen in 2012 does not reflect the steeper decrease in new project launches, particularly those not substantially pre-let. The Group's projects currently in the set-up or commercialisation phases are of high quality and well suited to the requirements of investors and potential end-users, which is expected to help bring order intake for this division to around €350 million in 2013, double its level in 2012.

Thanks in part to its sound financial position, which has been reinforced for the long term by the successful six-year (December 2018) €200 million bond issue completed in January 2013, the Group is poised to seize any opportunities that may present themselves in a real estate market expected to be difficult in 2013, and to take advantage of the recovery anticipated in 2014."

* * *

[3] Excluding extensions to existing homes

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At its meeting on Tuesday, 19 February 2013, chaired by Alain Dinin, Nexity's Board of Directors reviewed and approved the consolidated financial statements for the year ended 31 December 2012. The Group's consolidated income statement and balance sheet, included on pages 13 to 15 of this press release, have been audited by the Company's Statutory Auditors.

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BUSINESS ACTIVITY IN 2012

Residential real estate

In line with the Group's forecasts, the French **new home** market saw a steep decline in 2012. At this stage, prior to the release of the French Housing Ministry's annual statistics, we estimate this new home market at about 80,000 units, which translates to a decline in the range of 20% to 25% compared to 2011**.** Based on the sample data collected by its Observatoire, the FPI (French real estate developers' association) has estimated the contraction of the market in 2012 at 28%. Several factors contributed to this decline: the significant reduction in the tax benefit associated with buy-to-let investments under the Scellier scheme, support measures for home buyers inadequately geared to lower income households (those most affected by the stricter lending criteria imposed by banks for mortgages), together with a wait-and-see attitude ahead of the presidential elections in the first half of the year and afterwards, as new tax regimes continued to take shape. Although the steady decline in mortgage rates over the year (3.3% on average excluding insurance in the fourth quarter of 2012 as against 3.9% in the fourth quarter of 2011 according to the Observatoire Crédit Logement) was a positive support factor, it was not sufficient to rein in the overall market trend.

In this weakened context, the Group saw its market share go up by more than 1.5 points on the year, to more than 12.5%, with 10,191 net new home reservations in France. In all, the Group booked a total of 12,774 net reservations for new homes[4] and subdivisions in 2012 (down 11% from 2011), for reservation revenue including VAT of €2,137 million (-15%).

The slower rate of decline in the Group's sales recorded in the second half of 2012 (down 10% in France compared to H2 2011, as against a 15% decrease in H1 2012 year-on-year) is due in particular to the less sharp drop in commercial launches in the second half compared to the first half[5] (down 4% in H2 2012 versus 10% in H1 2012). The growing proportion of sales recorded in the Paris region by the Group for the period (35% of the total, as against 25% at year-end 2011) attests, compared to other regional markets in France, to the more buoyant character of this market, where the Group enjoys a strong and long-standing presence.

New home and subdivision reservations - France (units and €m)	**2012**	**2011**	**Change %**
New homes (number of units)	10,191	11,424	-11%
Subdivisions (number of units)	2,332	2,834	-18%
Total new home and subdivision reservations (number of units)	**12,523**	**14,258**	**-12%**
New home reservations (€m incl. VAT)	1,860	2,251	-17%
Subdivision reservations (€m incl. VAT)	182	215	-15%
Total new home and subdivision reservations (€m incl. VAT)	**2,042**	**2,466**	**-17%**

[4] Of which, 143 units in Italy for €46 million and 108 units in Belgium for €49 million
[5] Compared to the same six-month period of the previous year

New home reservations booked in 2012 by the Group in France were characterised by two opposing trends. Retail sales to both home buyers and private buy-to-let investors fell significantly (-23%), whereas the Group further strengthened its position among professional landlords[6], with a corresponding surge in sales (+24%).

More specifically, buy-to-let investments by private individuals declined by 32% in 2012, in line with the reduction in the tax benefit under the Scellier scheme, which took effect in early 2012, and a wait-and-see attitude on the part of individual investors in relation to the future shape of tax regimes, which was only reinforced by the announcement in September of a new tax-break scheme for buy-to-let investment (the Duflot scheme).

Breakdown of new home reservations by client – France (number of units)	**2012**		**2011**		**Change %**
Home buyers	2,753	27%	2,915	26%	-6%
o/w: - first-time buyers	*2,134*	*21%*	*2,119*	*19%*	*+1%*
- other home buyers	*619*	*6%*	*796*	*7%*	*-22%*
Individual investors	3,747	37%	5,540	48%	-32%
Professional landlords	3,691	36%	2,969	26%	+24%
Total new home reservations	**10,191**	100%	**11,424**	100%	**-11%**

Excluding bulk sales to professional landlords and Iselection sales,[7] the average price of homes sold in France fell by 6%. However, if sales for homes within the city of Paris are excluded from the calculation, the drop in the average price including VAT per home is only 3%, which corresponds to the decrease in average floor areas over the same period.

*Average sale price & floor area**	**2012**	**2011**	**Change %**
Average price incl. VAT per sq.m (€)	3,761	3,848	-2.3%
Average floor area per home (sq.m)	56.8	58.8	-3.5%
Average price incl. VAT per home (€k)	**213.6**	**226.4**	**-5.7%**
o/w France excluding Paris (€k)	210.3	217.4	-3.3%

* excluding bulk sales and Iselection sales

For new residential developments in France, the average presale rate recorded at the time construction work was launched remained very high (74% over the year), and unsold completed stock held by the Group remained very low (55 homes at 31 December 2012, down from 59 homes a year earlier). The business potential[8] of the Group's Residential real estate division for new homes in France rose to 23,900 units, 41% of which were situated in the Paris region, as against 23,100 at 31 December 2011.

Subdivision reservations totalled 2,332 units, representing a decrease of 18% compared to 2011, with the average price of net reservations from individuals remaining nearly stable year-on-year at €75.4 thousand. This lower volume is consistent with the decreasing popularity of detached houses, which account for the bulk of this

6 Mostly social housing operators and, more incidentally, other investors
7 Sales of new homes as an operator, excluding sales on behalf of third parties
8 Includes the Group's current supply for sale, its future supply corresponding to project phases not yet marketed on acquired land, and projects not yet launched associated with land secured through options

business.[9] At 31 December 2012, the business potential for subdivisions came to 10,100 units (up from 9,100 a year earlier).

In a market environment expected to remain challenging in 2013, the Group has tightened its operational management approach and has become increasingly selective with respect to new project launches. The Group continues to pursue its multi-product strategy targeting a diversified client base (traditional and low-income home buyers, buy-to-let investments under the Duflot and Censi-Bouvard schemes, bulk sales, student and senior residences, etc.), along with its cost control policy (renegotiation of land prices, innovative construction processes, centralised purchasing). The success of the Group's new commercial offerings shows that they are well positioned in price terms. The Group has adapted the design of its operations to the new Duflot scheme, and is reinforcing synergies with the Services business as well as with Iselection, which became part of the Residential real estate division at the start of the year 2013.

Commercial real estate

- Transaction volumes in the French commercial investment market fell by about 10% in 2012 to nearly €14.5 billion.[10] This market's slower-than-expected decline was chiefly the result of a fourth quarter whose performance outstripped forecasts, accounting for nearly 40% of the amounts invested during the year. Commitments in Paris CBD, and within Paris city limits more generally, were up strongly. 49% of commitments were for properties located within the city of Paris, compared to 36% in 2011. As the supply of prime assets has not kept pace with demand, yields for the best office properties in Paris CBD fell back down to 4.5% in the third quarter and average rents for prime assets remained stable. With 2.4 million sq.m of space taken up in the Paris region in 2012 (3% lower than the previous year), the impact of economic uncertainty and anaemic growth on take-up turned out to be less severe than expected.

- In the aftermath of the fire that occurred in March 2011 on the construction site for the Basalte building in La Défense, the client (a Société Générale subsidiary) initiated legal proceedings against the Group's special-purpose subsidiary in charge of the operation. While not calling into question its intent to take delivery of the finished building, Société Générale filed for damages on the grounds of losses allegedly incurred as a result of the project's delayed delivery. Although it is not possible to completely exclude other outcomes in a lawsuit of this type, the Group believes the case brought by Société Générale to be formally inadmissible and considers, regarding the substance of the dispute, that such claims cannot be upheld against the Group, in light of the project's material circumstances and contractual framework. These legal proceedings had no impact on the Group's 2012 financial statements.

- Following a record set in 2011, the order intake for the Group's Commercial real estate division in 2012 was €176 million, a level slightly lower than its announced target of €200 million, mainly as a result of a number of contract signings postponed until 2013. Among the individual orders included in this total is that received in the fourth quarter of 2012 for 7,150 sq.m of street-level retail premises as part of the T8 complex, in the 13th arrondissement of Paris. Nexity continues to take the strategic approach of securing the commercial outcome of its products, particularly by favouring programmes that are either fully or partially pre-let. The portfolio of Group programmes currently in the advanced set-up or commercialisation phases has prompted Nexity to set a high order intake target of €350 million for the Commercial real estate division in 2013.

[9] According to the Union des Maisons Françaises, the market for detached houses recorded a year-on-year decline of 19% in early December 2012 (press release of 10 December 2012)
[10] Source: CBRE

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Services and Distribution Networks

The key highlights of 2012 for the **Real estate services** business were the acquisition of Icade Résidences Services (IRS) in March 2012 and the disposal of the Group's property management operations in Germany. Following the disposal of the Citéa business and the tie-up with La Française AM in commercial advisory and brokerage services the previous year, these transactions were in keeping with the refocusing of the Group's Services business. With the acquisition of IRS,[11] Nexity has bolstered its position in the management of student residences, where it was already the top player, and reinforced its ability to promote cross-selling with its development activities around these products. This acquisition was only consolidated from the second quarter of 2012. By disposing of its real estate services business in Germany (which represented annual revenue of about €10 million), the Group has divested an activity that enjoyed neither a strong competitive position nor an adequate profitability structure.

In Real estate services to individuals, the portfolio of units under management declined from its level at year-end 2011 to reach 816,000 units at 31 December 2012. Excluding changes in the scope of consolidation, the attrition rate of this portfolio in 2012 was a limited 2.9%.

In Real estate services to companies, total floor space under management amounted to 11.6 million square metres at 31 December 2012, up from 5.7 million square metres at 31 December 2011. This substantial increase is due to the signing of two major property management contracts and the integration of the portfolio of 4.2 million square metres under management as a consequence of the tie-up signed at year-end 2011 with La Française AM in this business line.

Since November 2012, all the activities of Nexity's Services business have been under the direct supervision of Hervé Denize, the Group's Deputy CEO, with the aim of speeding the rate of growth in profitability for these activities.

In **Distribution Networks**, the distributor of buy-to-let investment products Iselection saw a sharp decline in sales on behalf of third-party real estate developers (823 reservations in 2012, compared to 1,686 the previous year, i.e. -51%). This decrease is in keeping with the overall drop in reservations of buy-to-let investment products observed in the market in 2012, attributable mainly to the reduction in tax benefits associated with buy-to-let investments under the Scellier and Censi-Bouvard schemes and a wait-and-see attitude relating to future changes in tax regimes, estimated by the FPI at 44% for the market as a whole. The Century 21 and Guy Hoquet l'Immobilier franchise networks demonstrated good resilience in 2012, with a limited 11.5% decrease in transaction volumes, whereas the market for existing properties is expected to have slumped by about 25% in the year, compared to the record-setting volumes seen in 2011.

Urban regeneration business (Villes & Projets)

At 31 December 2012, Nexity's urban regeneration business (Villes & Projets) had a land development potential totalling 634,200 square metres,[12] with 37% of space in the French provinces and 63% in the Paris region. This portfolio was well balanced between space earmarked for residential real estate projects (totalling 42%), and space earmarked for commercial real estate projects (28% intended for offices, 27% for logistics platforms and business premises, and 3% for retail).

Operations initiated by the urban regeneration business provided revenue for the Group's real estate development activities totalling €307 million in 2012, up 60% from the year prior. Of this, €174 million was in Residential real estate and €133 million was in Commercial real estate.

[11] See the Nexity press release dated 25 July 2012 for further information about this project

[12] Floor areas are provided for information purposes only and may be subject to adjustment once administrative authorisations have been obtained

2012 CONSOLIDATED RESULTS

Revenue

Consolidated **revenue** for 2012 totalled €2,831 million, up 8.8% from 2011.

€ millions	2012	2011	Change %
Residential real estate	1,796.0	1,732.2	+3.7%
Commercial real estate	517.5	320.9	+61.3%
Services and Distribution Networks	514.4	547.1	-6.0%
Other activities	3.4	2.7	+24.2%
Total Group revenue*	**2,831.3**	**2,602.9**	**+8.8%**

** Revenue generated by both the Residential (excluding Italy) and the Commercial division is calculated using the percentage-of-completion method, i.e. on the basis of notarized sales pro-rated to reflect the progress of committed construction costs.*

- **Residential real estate** revenue totalled €1,796 million, an increase of 3.7% compared to 2011. This change is due in part to increased revenue from activities outside France (recognized upon delivery), with 7 projects delivered in Italy in 2012, versus 4 in 2011.

- In **Commercial real estate**, revenue rose 61.3% to €518 million, thanks in part to steady progress on major ongoing construction projects, which in turn reflected the high order intake recorded in 2011 (€644 million). This total includes substantial contributions from the Solstys (Rocher-Vienne) and T8 projects in Paris, as well as Pointe Métro 2 in Gennevilliers, which was delivered in 2012.

- Revenue from **Real estate services** totalled €423 million, up 8.5% from 2011 mainly due to changes in the scope of consolidation (+€40 million). The absence of revenue from the Citéa urban extended-stay residence business (-€8.8 million), sold in the second quarter of 2011[13], was thus more than offset by the consolidation since 1 January 2012 of the property management and commercial advisory and brokerage businesses brought by La Française AM (+€21 million) and by the consolidation of Icade Résidences Services since 1 April 2012 (+€29.3 million). The decline in recurring revenue was due in part to a net shrinkage in 2011 of the Group's condominium management portfolio, and by a drop in brokerage activity because of the lower volumes registered in 2012 on the market for existing property.

- Revenue from the **Distribution Networks** business totalled €91 million, down 42% over the year. As regards Iselection, all of whose sales-related revenues are recorded at the signing of the relevant notarised deeds (be they fees for selling on behalf of third parties or proceeds from the direct sale of new homes as an operator), business activity over the period directly reflected the sharp decline in buy-to-let investments in 2012.

[13] The disposal of the Group's services business in Germany, which was consolidated until its date of divestment in December 2012, had no significant impact on revenue for the financial year

Operating profit

Current operating profit amounted to €200.4 million (€215.4 million excluding expenses related to the Nexity Demain corporate project), resulting in a **current operating margin** of 7.1% (7.6% excluding Nexity Demain expenses).

€ millions		**2012**	**2011**
Residential real estate		172.4	173.9
	% of revenue	*9.6%*	*10.0%*
Commercial real estate		25.2	10.6
	% of revenue	*4.9%*	*3.3%*
Services and Distribution Networks		29.9	44.1
	% of revenue	*5.8%*	*8.1%*
Other activities		(27.1)	(26.2)
Operating profit		**200.4**	**202.4**
	% of revenue	***7.1%***	***7.8%***
Recurring operating profit (*) excluding expenses related to the "Nexity Demain" project		***215.4***	***201.3***
	% of revenue	***7.6%***	***7.7%***

** adjusted for the impact of the sale of Citéa in 2011*

The **Residential real estate division** posted an operating margin of 9.6%, versus 10.0% in 2011, showing satisfactory performance in a weakened market. This slightly lower margin is due to lower marketed volumes impacting the coverage of overhead costs and a larger portion of business taking the form of bulk sales to professional landlords.

The operating margin of the **Commercial real estate division** climbed to 4.9%, versus 3.3% in 2011, but was weighed down by the particularly high level of expenses incurred for prospecting and the set-up of new projects.

Operating profit from **Services and Distribution Networks** totalled €29.9 million, versus €44.1 million in 2011. This latter result registered the exceptional impact of the disposal of the Citéa urban extended-stay residence business. Excluding this non-recurring item, operating profit from Services and Distribution Networks fell by only €4 million, mainly due to a drop in revenue from Iselection and franchise networks, while the margin specific to Services rose slightly to 4.6%, compared with 4.3% in 2011.

Other activities posted a current operating loss of €27.1 million, thus remaining stable compared to 2011. This figure includes non-allocated holding company expenses, expenses incurred by the Villes & Projets urban regeneration business,[14] IFRS expenses related to share-based payments (totalling nearly €10 million), co-investment and asset management activities, and a significant portion of the expenses related to the Nexity Demain project.

[14] Revenue and operating profit stemming from operations initiated by Villes & Projets are recognised in the Residential and Commercial real estate divisions

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Overall expenses related to the Nexity Demain corporate project totalled €15.0 million in 2012, after €9.1 million in 2011. This year saw the re-branding of almost all Services agencies from Lamy to Nexity, as well as the implementation of new client relations tools such as personal web portals and a Group-wide CRM application capable of summarising a single client’s interactions with the Group's various businesses.

Operating profit came to €145.4 million after taking into account a €55 million goodwill impairment charge.

Net financial expense was €4.5 million, compared to a net expense of €7.5 million in 2011, an improvement mainly due to the decrease in average debt outstanding during the period.

This year's high income tax expense of €94.2 million is essentially due to the €18.8 million in non-recurring tax expenses incurred mainly by the cancellation of potential tax savings previously recognized in deferred taxes and subsequently invalidated by the new fiscal regulations enacted in 2012. After correction for this, the effective tax rate was 38.5%, versus 37.3% in 2011.

The contribution of equity-accounted investments was close to zero, compared with €25 million in 2011. Equity-accounted investments no longer include the Group’s stake in Eurosic, whose disposal had contributed €21.7 million to net profit in 2011.

The **Group share of net profit** amounted to €41.8 million. After adjustment for non-recurring items (goodwill impairments, exceptional tax expenses in 2012 and non-recurring profits from the sale of Eurosic as well as that of the Citéa urban extended-stay residences business in 2011), the Group share of net profit was €115.6 million in 2012, compared with €114.7 million in 2011.

Working capital requirements by division

€ millions	**31 Dec. 2012**	**31 Dec. 2011**	**Change in €m**
Residential real estate	411	365	+46
Commercial real estate	(36)	(72)	+36
Services and Distribution Networks	(14)	5	-19
Other activities & tax	77	88	-11
Total WCR	**438**	**387**	**+51**

The Group’s total working capital requirement rose by €51 million compared to 31 December 2011.

In the Residential real estate division, WCR was up €46 million compared with 31 December 2011. As projected by the Group, slowing rates of sales led to an increase in WCR in Residential real estate over the second half of 2012 (up €89 million over 6 months). This trend is expected to continue in a controlled fashion in 2013.

The WCR of the Commercial real estate division, still negative as of 31 December 2012, continued its gradual return to positive figures, as is normal for this business line.

The lower WCR in the Services and Distribution Networks division as of 31 December 2012 compared with one year earlier was due in part to a drop in Iselection's WCR and the inclusion of Icade Résidences Services' negative WCR.

Goodwill

€ millions	31 Dec. 2012	31 Dec. 2011
Residential real estate	227	227
Commercial real estate	52	52
Services	483	523
Networks		
- Franchises	69	69
- Distribution networks	83	83
Total goodwill	**914**	**954**

Goodwill from the Services business rose by a net €15.2 million after the year's additions and disposals, while also being written down a total of €55 million in 2012. Half of this adjustment reflects higher rates, with the increase in market risk premiums on the one hand, which raised the weighted average cost of capital (WACC), as well as the change in the applied corporate income tax rate from 33.3% to 34.4% on the other hand. The remainder was due to changes in the sequence of projected operating cash flows.

Group financial structure

Consolidated **equity** (attributable to parent company shareholders) totalled €1,604.0 million at 31 December 2012, compared to €1,659.0 million a year earlier, after €105.7 million in dividends paid and the inclusion of net profit for the year (Group share €41.8 million).

The Group's **consolidated net cash position** was **€321.9 million** at 31 December 2012.

€ millions	2012	2011
Cash flow from operations before WCR, interest and taxes	221.2	212.0
Changes in operating WCR	(54.5)	14.1
Interest and tax payments	(29.7)	(53.3)
Net cash generated by operating activities	**137.1**	**172.7**
Operating capital expenditure	(19.2)	(10.7)
Free cash flow	**117.9**	**162.0**
Dividends received from equity-accounted companies	2.9	11.8
Proceeds from the sale of the stake in Eurosic	-	195.7
Net cash (used in) generated by other financial investment activities	(17.0)	(35.9)
Dividends paid	(105.7)	(313.6)
Net cash used in other financing activities (excluding dividends)	(5.7)	(185.2)
Net change in cash	**(7.6)**	**(165.1)**

As of 31 December 2012, the Group had authorised credit facilities totalling €979.4 million, of which €151.4 was drawn down as of that date. This includes the Group's undrawn and available lines of corporate credit totalling €470 million as of 31 December 2012, €185 million of which was a holding company credit facility.

€ millions	31 Dec. 2012	31 Dec. 2011	Change in €m
Bank borrowings[15]	151.4	154.2	(2.8)
Other financial borrowings / other financial receivables	11.7	2.2	9.5
Net cash and cash equivalents	(485.0)	(492.5)	(7.6)
Net debt (net cash)	**(321.9)**	**(336.2)**	**(14.3)**

On 24 January 2013, the Group issued[16] bonds in the amount of €200 million with an annual interest rate of 3.749%, redeemable at maturity in December 2018. Following this operation, the holding company's corporate credit facility of €185 million, originally due to expire in December 2014, was terminated ahead of schedule.

The Group was in compliance with all of the financial covenants attached to its lines of credit as of 31 December 2012.

BACKLOG – ORDER BOOK AT 31 DECEMBER 2012

€ millions, excluding VAT	31 Dec. 2012	31 Dec. 2011	Change %
Residential real estate – New homes*	2,436	2,337	+4.3%
Residential real estate – Subdivisions	266	269	-1.1%
Residential real estate backlog	**2,702**	**2,606**	**+3.7%**
Commercial real estate backlog	383	709	-46.0%
Total Group backlog	**3,085**	**3,315**	**-6.9%**

** including outside France*

The Group's order backlog at 31 December 2012 amounted to €3.09 billion, down by a limited 6.9% year-on-year and equivalent to 16 months' revenue from Nexity development activities[17]. In Commercial real estate, order intake for the year was not enough to offset the significant portion of end-2011 backlog used up by the high rate of activity seen in 2012. Backlog in Residential real estate rose by 3.7%.

OUTLOOK FOR 2013

- Residential real estate: market share to hold steady in an expected market of between 70,000 and 75,000 new homes
- Commercial real estate: order intake target of €350 million
- Consolidated revenue for 2013 expected to exceed €2.6 billion
- Current operating profit targeted for 2013 at over €180 million
- Proposal to distribute a dividend of €2 per share for 2012. Based on this outlook, the company will consider proposing to its shareholders the renewal of a €2 per share dividend next year.

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[15] Includes IFRS adjustments (faire value adjustment of derivatives)
[16] See press releases dated 17 and 24 January 2013
[17] Revenue basis – previous 12-month period

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FINANCIAL CALENDAR & PRACTICAL INFORMATION

- Q1 2013 Revenue and Business Activity — Wednesday, 24 April 2013

- A **conference call** on 2012 business activity and results will be accessible in English at 15:00 CET on Wednesday, 20 February 2013, by dialling the following numbers:

- Dial-in number (France)	+33 (0)1 70 99 35 15	Access code: Nexity
- Dial-in number (rest of Europe)	+44 (0)207 153 20 27	Access code: Nexity
- Dial-in number (United States)	+1 (0) 480 629 9673	Access code: Nexity

The presentation accompanying this conference can be accessed at the following address:
http://www.media-server.com/m/p/7tu2jyup

This presentation will be available on the Group's website starting at 09:00 CET on 20 February 2013.

Playback will be available by phone after the conference call by dialling the following number:
+44 (0)207 959 67 20 (Access code: 4594254#)

DISCLAIMER

The information, assumptions and estimates that the Company could reasonably use to determine its objectives are subject to change or modification due notably to economic, financial and competitive uncertainties. Furthermore, it is possible that some of the risks described in chapter 4 of the Document de Référence, filed with the AMF under number D.12-0365 on 18 April 2012 could have an impact on the Group's activities and the Company's ability to achieve its objectives. Accordingly, the Company cannot give any assurance as to whether it will achieve the objectives described, and makes no commitment or undertaking to update or otherwise revise this information.

AT NEXITY, WE AIM TO SERVE ALL OUR CLIENTS AS THEIR REAL ESTATE NEEDS EVOLVE

Nexity offers the widest range of advice and expertise, products, services and solutions for private individuals, companies and local authorities, so as to best meet the needs of our clients and respond to their concerns.

Our businesses – brokerage, management, design, development, planning, advisory and related services – are now optimally organised to serve and support you, our client. As the benchmark operator in our sector, we are resolutely committed to all of our clients, but also to the environment and society as a whole.

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CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

€ THOUSANDS	31/12/2012	31/12/2011
Revenue	**2,831,283**	**2,602,875**
Purchases	(1,948,052)	(1,720,625)
Personnel costs	(429,457)	(421,973)
Other operating expenses	(208,680)	(213,266)
Taxes (other than income tax)	(31,289)	(33,805)
Depreciation and amortisation	(13,365)	(10,772)
Current operating profit	**200,440**	**202,434**
Change in value of goodwill	(55,000)	(88,900)
Operating profit	**145,440**	**113,534**
Financial expense	(15,763)	(18,495)
Financial income	11,218	10,988
Net financial expense	**(4,545)**	**(7,507)**
Pre-tax recurring profit	**140,895**	**106,027**
Income taxes	(94,214)	(72,760)
Share of profit from equity-accounted companies	51	24,888
Consolidated net profit (loss)	**46,732**	**58,155**
Net profit (loss) attributable to equity holders of the parent company	**41,786**	**54,207**
Net profit (loss) attributable to minority interests	4,946	3,948

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CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2012

ASSETS (IN THOUSANDS OF EUROS)	31/12/2012	31/12/2011
Non-current assets		
Goodwill	914,173	953,949
Other intangible assets	42,652	16,940
Property, plant and equipment	23,733	23,237
Equity-accounted investments	23,645	23,252
Other financial assets	26,358	27,161
Deferred tax assets	6,087	20,594
Total non-current assets	**1,036,648**	**1,065,133**
Current assets		
Inventories and work in progress	1,286,538	1,314,930
Trade and other receivables	321,266	285,728
Tax accounts receivable	7,400	13,571
Other current assets [(1)]	939,871	1,023,334
Other financial receivables	16,480	25,240
Cash and cash equivalents	534,712	545,452
Total current assets	**3,106,267**	**3,208,255**
TOTAL ASSETS	**4,142,915**	**4,273,388**
[(1)] *of which cash held in client working capital accounts (Services business)*	*471,594*	*515,240*

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2012

LIABILITIES AND EQUITY (IN THOUSANDS OF EUROS)	31/12/2012	31/12/2011
Share capital	264,170	262,011
Additional paid-in capital	1,043,060	1,150,887
Treasury shares	(2,258)	(3,257)
Reserves and retained earnings	257,229	195,169
Net profit for the period	41,786	54,207
Equity – attributable to equity holders of the parent company	**1,603,987**	**1,659,017**
Minority interests	18,866	19,635
Consolidated equity	**1,622,853**	**1,678,652**
Non-current liabilities		
Long-term borrowings and financial debt	6,217	10,029
Employee benefits	23,343	19,404
Deferred tax liabilities	51,477	984
Total non-current liabilities	**81,037**	**30,417**
Current liabilities		
Short-term borrowings, financial and operating cycle debt (1)	223,122	224,493
Current provisions	98,604	88,946
Trade and other payables	847,240	876,232
Current tax liabilities	2,524	2,681
Other current liabilities (2)	1,267,535	1,371,967
Total current liabilities	**2,439,025**	**2,564,319**
TOTAL LIABILITIES and EQUITY	**4,142,915**	**4,273,388**
(1) of which bank overdrafts	*49,749*	*52,904*
(2) of which client working capital accounts (Services business)	*471,594*	*515,240*

ANNEXES

REVENUE BY DIVISION

RESIDENTIAL REAL ESTATE

€ millions	2012	2011	Change %
New homes	1,585.6	1,541.4	+2.9%
Subdivisions	144.9	160.6	-9.8%
International	65.5	30.2	x2.2
Residential real estate	**1,796.0**	**1,732.2**	**+3.7%**

COMMERCIAL REAL ESTATE

€ millions	2012	2011	Change %
Commercial real estate	**517.5**	**320.9**	**+61.3%**

SERVICES AND DISTRIBUTION NETWORKS

€ millions	2012	2011	Change %
Services	422.9	389.8	+8.5%
Distribution Networks	91.4	157.2	-41.9%
Services and Distribution Networks	**514.4**	**547.1**	**-6.0%**

QUARTERLY PROGRESSION OF REVENUE BY DIVISION

	2011				2012			
€ millions	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
Residential real estate	359.8	435.5	353.9	583.0	380.8	392.6	398.3	624.3
Commercial real estate	72.7	108.0	74.4	65.8	81.8	105.2	126.2	204.3
Services and Distribution Networks	126.3	111.8	128.3	180.7	124.4	119.1	120.1	150.8
Other activities	0.5	0.5	0.8	0.9	0.8	0.9	0.8	0.9
Revenue	**559.3**	**655.8**	**557.4**	**830.4**	**587.9**	**617.6**	**645.6**	**980.2**

Operating profit by division

Residential

€ millions		2012	2011	Change %
New homes		158.8	162.1	-2.0%
	% of revenue	10.0%	*10.5%*	
Subdivisions		18.6	17.1	+8.8%
	% of revenue	12.8%	*10.6%*	
International		(5.0)	(5.2)	-3.8%
	% of revenue	**172.4**	**173.9**	**-0.9%**
Residential real estate		**9.6%**	***10.0%***	
	% of revenue	158.8	162.1	-2.0%

Commercial real estate

€ millions		2012	2011	Change %
Commercial real estate		**25.2**	**10.6**	**x2.4**
	% of revenue	***4.9%***	***3.3%***	

Services and Distribution Networks

€ millions		2012	2011	Change %
Services		19.4	27.1	-28.7%
	% of revenue	*4.6%*	*7.0%*	
Distribution Networks		10.5	17.0	-38.2%
	% of revenue	*11.5%*	*10.8%*	
Services and Distribution Networks		**29.9**	**44.1**	**-32.2%**
	% of revenue	***5.8%***	***8.1%***	

Other activities

€ millions	2012	2011	Change %
Other activities	**(27.1)**	**(26.2)**	**+3.5%**