Q1 2019 BUSINESS ACTIVITY AND REVENUE

Paris, 25 April 2019

REVENUE AND GUIDANCE

- Total revenue: €881 million; Up 14%[1] from Q1 2018 excluding the integration of Ægide-Domitys and other scope effects
- Strong revenue growth across all of the Group's business lines
- Guidance unchanged: revenue and EBITDA expected to grow by at least 5% in 2019

INDIVIDUAL CLIENTS

- Revenue: €762 million (up 26%)[2]
- New home reservations in France: 3,883 units (up 7% by volume vs Q1 2018) worth €773 million (up 8% by value relative to Q1 2018)[3]
- Business potential for new homes: 54,299 units, i.e. 2.7 years of development operations (up 1% from end-2018)
- Serviced residences (students and seniors): 211 residences in operation, six of which were opened in Q1 2019, representing over 25,000 residential units
- Portfolio of units under management by the Property Management for Individuals business: 898,000 units (up 0.1% from end-2018)

COMMERCIAL CLIENTS

- Revenue: €119 million (up 40%)[2]
- Commercial Real Estate order intake: no significant orders in Q1
- Business potential for Commercial Real Estate: €2.8 billion (up 2% compared with end-2018)
- Real Estate Services to Companies: additions to the portfolio of commercial space under management with the integration of Accessite

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The financial data and indicators used in this press release – including forward-looking information – are based on Nexity's operational reporting, with joint ventures proportionately consolidated.

Changes in scope include Ægide-Domitys (consolidated since 1 July 2018) as well as acquisitions/disposals carried out by Nexity Solutions Enterprise with effect 1 January 2019.

[1] Up 28% at current scope
[2] Like-for-like revenue of €671 million for the Individual Clients segment (up 11%) and €111 million for the Commercial Clients segment (up 31%)
[3] On a like-for-like basis, 3,598 units (down 0.6% by volume vs Q1 2018) worth €714 million incl. VAT (down 0.1% by value relative to Q1 2018)

Alain Dinin, Chairman and CEO of Nexity, commented:

“Nexity delivered very strong business performance in the first quarter of 2019, with 7% growth in new home reservations and improvements in all indicators for its real estate services businesses (property management for individuals, franchise networks, student residences, senior independent living facilities and distribution activities). Quarter after quarter, Nexity’s real estate services platform model is proving its worth.

The multi-product, multi-service and multi-brand approach adopted by Nexity and its expertise in land acquisition, together with its highly disciplined risk management and careful attention to its margin targets, as well as its strong presence in major cities and first among them the Greater Paris region, explain its continuing ability to outperform the market.

The French new housing market (estimated at 145,000 units in 2019) remains fundamentally undersupplied – especially when it comes to putting products on the market at affordable prices, which is Nexity’s constant objective. Even though structural and transitory supply-related issues are weighing on the market more than any other factors, medium- to long-term trends remain very positive. This is borne out by the results of the Opinionway survey commissioned in France by the real estate brokerage firm Artemis and published in February 2019, which found that 75% of all respondents aspired to be homeowners. This proportion rises to 85% among 25- to 34-year-olds and confirms the desire for permanence felt by millennials and already revealed in a 2017 HSBC survey, in which 69% of those under 36 indicated that they hoped to purchase a property within five years.

In commercial real estate, Nexity’s performance is less visible over the period, but the future looks bright, with encouraging advances in the preparation of the corporate campus in La Garenne-Colombes in partnership with Engie, among other projects.

The strong growth in revenue seen in the first quarter, to which all of the Group’s business lines contributed, is not representative of full-year performance but nevertheless strengthens our guidance given to the market (revenue and EBITDA growth of at least 5% in 2019).”

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BUSINESS ACTIVITY IN Q1 2019

INDIVIDUAL CLIENTS – RESIDENTIAL REAL ESTATE

In 2018, the French market for new homes, including bulk sales,[4] totalled 157,600 net reservations, down around 7% year on year. This change was mainly due to a slowdown in reservations by some social housing operators, a one-off supply issue linked to the approaching spring 2020 local elections, and overly inflated prices in some locations.

The current level of mortgage rates offered to individual borrowers (1.39% on average in March 2019) remains a key driver of housing demand. The expected gradual rise in interest rates should not have any short-term impact on client solvency. The key underlying trends shaping the markets in which the Group operates (population growth, urbanisation, changing lifestyles and protection of resources) remain very positive.

Against the backdrop of fewer building permits being granted, Nexity is outperforming the market. In the first quarter of 2019, Residential Real Estate's business activity (new homes in France, subdivisions and international operations) was up 5% by volume and 7% by value (down 3% by volume and 1.2% by value on a like-for-like basis).

Given the low volumes observed in the period, these changes cannot be extrapolated to the entire financial year.

Reservations (units and €m)	**Q1 2019**	**Q1 2018**	**% change**
New homes (France)	3,883	3,618	+7.3%
*o/w Ægide (reservations made independently of Nexity)**	285	-	-
Subdivisions	258	339	-23.9%
International	36	40	-10.0%
Total reservations (number of units)	**4,177**	**3,997**	**+4.5%**
New homes (France)	773	715	+8.1%
*o/w Ægide (reservations made independently of Nexity)**	59	-	-
Subdivisions	20	28	-26.7%
International	3	4	-16.9%
Total reservations (€m incl. VAT)	**797**	**747**	**+6.7%**

* Development projects undertaken without Nexity's involvement. Co-development projects undertaken with Nexity are included in the Group's "Residential Real Estate" reporting.

New homes

In the first quarter of 2019, Nexity booked 3,883 net new home reservations in France, up 7% by volume and 8% by value relative to Q1 2018. After adjusting to exclude external growth transactions (acquisition of a controlling stake in the Ægide-Domitys group in June 2018), a total of 3,598 units had been reserved at end-March 2019, down 0.6% compared with Q1 2018. Expected revenue from reservations came to €714 million including VAT, down 0.1% relative to end-March 2018. This very slight decline on a like-for-like basis is explained by weaker-than-expected bulk sales (15% lower than in Q1 2018), although retail reservations were upbeat (up 5% relative to Q1 2018). Ægide's business activity in Q1 2019 corresponds to 285 reservations made independently of Nexity.

With respect to their geographic distribution, 82% of the reservations were located in supply-constrained areas (the A, A *bis* and B1 zones under the current Pinel scheme). Reservations grew strongly outside the Paris region (up 39%). They recorded a decline in the Paris region (down 32%), affected by the lower number of bulk sales over the period.

[4] Comprised of 128,000 retail sales (according to ECLN) and 29,600 bulk sales (according to FPI)

Breakdown of new home reservations by client – France (number of units)	Q1 2019		Q1 2018	
Homebuyers	1,005	26%	1,024	28%
o/w: - first-time buyers	*835*	*22%*	*860*	24%
- other homebuyers	*170*	*4%*	*164*	5%
Individual investors	1,990	51%	1,552	43%
Professional landlords	888	23%	1,042	29%
Total new home reservations	**3,883**	**100%**	**3,618**	**100%**

Reservations by first-time buyers were down 3% on Q1 2018 and made up 22% of Nexity's total new home reservations.

Reservations by individual investors increased sharply (up 28% relative to Q1 2018) and accounted for 51% of new home reservations during the period (with 53% making use of the Pinel scheme), compared with 43% in Q1 2018.

Reservations by professional landlords comprised 23% of total new home reservations, marking a 15% decline on Q1 2018, a one-off slowdown relating to the delayed confirmation of reservations made by social housing operators. Nexity remains confident in the growth potential of bulk sales to institutional investors.

*Average selling price & floor area**	Q1 2019	Q1 2018	% change
Average price incl. VAT per sq.m (€)	4,139	4,030	+2.7%
Average floor area per home (sq.m)	54.6	56.2	-2.8%
Average price incl. VAT per home (€k)	**225.9**	**226.5**	**-0.3%**

* Excluding bulk sales; reservations by iSelection, PERL and Ægide; and international reservations

The average unit price including VAT of new homes reserved by Nexity's individual clients at end-March 2019 was down 0.3% compared with end-March 2018, reflecting changes in the client mix. Nexity, whose strategy is to offer affordable housing, does not rely on assumed inflation in selling prices.
The average level of pre-selling booked at the start of construction work remained high at end-March 2019, at 74%.

In the first quarter of 2019, Nexity launched a total of 2,635 units, 25% lower than in the same period in 2018. This trend was the result of the decline in the number of building permits granted, which should recover in 2020.

The supply of homes for sale fell 9% relative to end-December 2018, totalling 8,151 units at end-March 2019, for an average take-up period of 4.9 months[5] (compared with 5.3 months in Q1 2018). Unsold completed stock as a proportion of the total supply for sale amounted to 127 units.

At end-March 2019, the business potential for new homes[6] rose 1% from end-December 2018 to 54,299 units, i.e. 2.7 years of development operations.

Subdivisions

Subdivision reservations totalled 258 units, down 24% relative to Q1 2018, affected as expected by the phase-out of the PTZ interest-free loan scheme in non-supply-constrained areas (only 28% of reservations were located in supply-constrained areas) and the drop in subdivision authorisations. The average price of net reservations by individuals was stable at €78k.

International

In the first quarter of 2019, Nexity recorded 36 new home reservations outside France (compared with 40 in Q1 2018), all located in Poland.

[5] Take-up period: available market supply / reservations for the last 12 months, expressed in months
[6] See the glossary on page 11

INDIVIDUAL CLIENTS – REAL ESTATE SERVICES TO INDIVIDUALS

In **Property Management for Individuals, excluding Franchises** (condominium management, rental management, lettings and brokerage), the portfolio of units under management totalled almost 898,000 units at 31 March 2019, up 0.1% from 31 December 2018[7].

In **Franchise** operations, Century 21 and Guy Hoquet l'Immobilier signed 8% more provisional sale agreements in the first quarter of 2019 than in Q1 2018, with France's market for existing real estate remaining at historically high levels[8]. The number of franchisees rose to 1,371 agencies at end-March 2019, compared with 1,361 at end-December 2018.

Nexity Studéa, France's leading **student residence** management firm (with 122 residences totalling over 15,000 units under management at 31 March 2019), saw its occupancy rate increase to 96.3% (compared with 95.4% at end-March 2018).

The **Domitys** senior independent living facilities business posted strong growth. Six new facilities were opened during the period, bringing its portfolio to 89 properties, corresponding to over 10,400 housing units (up 6% relative to end-2018). At end-March 2019, the total occupancy rate for the 58 facilities operating "at cruising speed"[9] was 97%. Eleven new facilities were opened in 2018 and ten facilities had reached cruising speed at 1 January 2019, given their high occupancy rates.

Distribution activities under the iSelection and PERL brands saw 988 reservations in the first quarter of 2019 (compared with 952 reservations in Q1 2018, up 4%). Of these reservations, 593 were for homes distributed on behalf of third-party real estate developers or through the division of ownership of existing property, up 29% relative to Q1 2018, buoyed by dynamic growth in iSelection's business. The remainder corresponds to Nexity's new home reservations recorded as part of Residential Real Estate's business activity.

COMMERCIAL CLIENTS[10]

Following a record-setting year in 2018 (more than €30 billion invested), the investment market totalled €3.8 billion in the first quarter of 2019, down 13% but above its 10-year average level (€2.9 billion). Office space in the Paris region accounted for the lion's share of these volumes, including prime assets, some of which continued to trade at an all-time low yield of 3%.

The rental market was active, although not matching the peak reached in Q1 2018, with take-up in the Paris region totalling 541,300 sq.m in the first quarter of 2019. According to a recent study,[11] take-up by coworking office operators has surged in France, with a particularly strong performance for the city of Paris itself, where more than two-thirds of such spaces are concentrated.

Commercial real estate

New orders recorded by Nexity were not significant at end-March 2019 (€9 million in Q1 2019). Given the outlook for the various projects currently in the structuring phase, the Group confirms an order intake target for 2019 at least equal to that of 2018 (€349 million excluding VAT).

Business potential in Commercial Real Estate[10] totalled €2.8 billion at end-March 2019 (up 2% relative to end-December 2018), representing 5.5 years of development operations. The structuring of the development in La Garenne-Colombes (Hauts-de-Seine) representing around 136.000 sq.m and developed through a financial and technological partnership with Engie, is proceeding to schedule.

Real Estate Services to Companies

The volume of units under management totalled 19.0 million sq.m at end-March 2019 and includes 1 million sq.m in respect of Accessite, a company specialising in the management of retail space, which was acquired in January 2019.

Morning Coworking, a leading player in the Paris ready-to-use office space market, has opened two new centres (Montparnasse and Courcelles). At end-March 2019, the company operated 18 spaces totalling nearly 50.000 sq.m with a total of more than 5,000 workstations.

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[7] On a like-for-like basis, the change was +0.1% in Q1 2019 compared with -1.4% in 2018
[8] Crédit Foncier Immobilier housing market conditions, December 2018
[9] See the glossary on page 11
[10] Source of market data: CBRE *MarketView*: Paris Region Office and France Investment – Q1 2019
[11] Cushman & Wakefield – *La ronde du coworking* – December 2018

Nexity sold a majority stake in its subsidiary Nexity Conseil et Transaction to the latter's senior management at end-March 2019, while retaining a minority stake of 16.3%.

LOCAL AUTHORITY CLIENTS

At end-March 2019, the land development potential of Nexity's urban regeneration business (Villes & Projets) remained stable at 637,000 sq.m.[12]

Along with its consortium partners, Nexity won the "Inventer Bruneseau" call for projects, involving the development of the first low-carbon district in France, stretching over almost 100,000 sq.m, thus creating a new neighbourhood linking Paris and Ivry-sur-Seine.

As a member of two different consortia, Nexity also won two calls for projects as part of the "Dessine-moi Toulouse" programme, for the Jolimont project (a mixed-use development of nearly 15,000 sq.m) and the Halle Amouroux project (nearly 9,000 sq.m of housing and the rehabilitation of an industrial warehouse).

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

REVENUE

In the first quarter of 2019, Nexity recorded **revenue** of €881 million, up 28% from Q1 2018. Given the limited contribution made by activity in the first quarter to annual revenue, the pace of reservations for developments and the commercial backlog, the trends presented here are not representative of full-year performance.

(in millions of euros)	Q1 2019 Actual	Q1 2019 LFL	Q1 2018 Reported	% Actual	% LFL	
Individual Clients	**761.6**	**671.0**	**603.1**	**+26.3%**	**+11.3%**	
Residential Real Estate*	552.5	510.6	445.1	+24.1%	+14.7%	
Real Estate Services to Individuals	209.1	160.4	158.0	+32.4%	+1.6%	
Commercial Clients	**118.9**	**110.9**	**84.7**	**+40.4%**	**+31.0%**	
Commercial Real Estate*	98.3	98.3	69.6	+41.3%	+41.3%	
Real Estate Services to Companies	20.6	12.6	15.1	+36.5%	+12.4%	**
Other Activities	**0.5**	**0.5**	**0.5**	**+1.0%**	**+1.0%**	
Revenue	**881.1**	**782.5**	**688.3**	**+28.0%**	**+13.7%**	

* Revenue generated by Residential Real Estate and Commercial Real Estate from VEFA off-plan sales and CPI development contracts is recognised using the percentage-of-completion method, i.e. on the basis of notarised sales and pro-rated to reflect the progress of all inventoriable costs.

** Q1 2018 data used to calculate the like-for-like (LFL) change in revenue for Real Estate Services to Companies have been adjusted to reflect the disposal of Nexity Conseil et Transaction, in the amount of €3.9 million.

INDIVIDUAL CLIENTS

Revenue for the Individual Clients segment amounted to €762 million in the first quarter of 2019, up 26% from Q1 2018.

Residential Real Estate recognised revenue of €552 million at end-March 2019, up 24% relative to end-March 2018. This growth reflects the increase in the backlog over previous quarters, buoyant business at Edouard Denis and the consolidation of Ægide's development business with effect from 1 July 2018, which added €42 million.

Real Estate Services to Individuals posted revenue of €209 million at end-March 2019, up 32% relative to end-March 2018.

Property Management for Individuals and Brokerage (including Franchises) generated €87 million in revenue, up 2% relative to Q1 2018, driven by strong performance in the brokerage business.

Distribution activities generated revenue of €50 million in the first quarter of 2019, nearly stable (down 0.6%) compared with Q1 2018.

Serviced Residence activities generated revenue of €72 million, including €23 million from Studéa (up 3% due to higher occupancy rates at residences) and €49 million from the Domitys senior independent living facilities business.

COMMERCIAL CLIENTS

The Commercial Clients segment posted revenue of €119 million at end-March 2019, up 40% relative to end-March 2018. This strong growth reflects an isolated increase in the volume of developments under construction compared with Q1 2018. Given the €222 million backlog at 31 March, revenue in the upcoming quarters is expected to be materially lower than in 2018.

Commercial Real Estate posted revenue of €98 million at end-March 2019, representing very strong growth relative to end-March 2018 (up 41%) both in and outside the Paris region, notably thanks to the volume of developments with imminent delivery dates generating high levels of revenue.

Real Estate Services to Companies posted revenue of €21 million at end-March 2019, up 37% relative to end-March 2018. Changes in scope during the period concern the business of the subsidiary Nexity Conseil et Transaction, which has been deconsolidated, and the companies Morning Coworking and Accessite, both consolidated since 1 January 2019.

REVENUE UNDER IFRS

In IFRS terms, revenue for the first quarter of 2019 was €830 million, up 27% relative to restated consolidated revenue of €654 million for the first quarter of 2018. On a like-for-like basis, revenue for the period totalled €731 million (up 12% compared with Q1 2018). This figure excludes revenue from joint ventures, in accordance with IFRS 11, which requires joint ventures – proportionately consolidated in the Group's operational reporting – to be accounted for using the equity method.

BACKLOG AT 31 MARCH 2019

(in millions of euros)	Q1 2019	31 December 2018	% change
Residential Real Estate – New homes	4,109	3,979	+3.3%
Residential Real Estate – Subdivisions	160	182	-11.8%
Residential Real Estate backlog	**4,269**	**4,161**	**+2.6%**
Commercial Real Estate backlog	222	308	-28.0%
Total Group backlog	**4,491**	**4,469**	**+0.5%**

At end-March 2019, the Group's backlog stood at €4,491 million, up 0.5% relative to end-2018, equivalent to 16 months' revenue from Nexity's development operations (revenue on a rolling 12-month basis).

Backlog in **Residential Real Estate** totalled €4,269 million, up 3% relative to 31 December 2018. This backlog amounts to 19 months of revenue (Residential Real Estate division revenue on a rolling 12-month basis).

Backlog in **Commercial Real Estate** totalled €222 million at end-March 2019, down 28% relative to 31 December 2018 as a result of relatively weak order intake during the period. This backlog amounts to 5 months of revenue (Commercial Real Estate revenue on a rolling 12-month basis).

GUIDANCE UNCHANGED

- **Revenue and EBITDA expected to grow by at least 5% in 2019**
- **Target of 10% compound annual growth (2017-2021) in revenue and EBITDA confirmed**
- **Dividend[13] of €2.50 per share payable in 2019**
- **Individual Clients:**
  - **The Group expects to grow its market share** in a new housing market (retail and bulk sales) set to decline to around 145,000 units in 2019
  - **Serviced residences (students and seniors)**: the Group expects to open over **20 new residences** in 2019 while **rejuvenating 1,000 student housing units**
- **Commercial Clients**: **order intake volume at least equal to 2018** (€349 million excluding VAT) and continued **growth of new service offerings** (Intent, Accessite, etc.)
- **Local Authority Clients**: initiation of the largest private sector project in Greater Paris in La Garenne-Colombes (Hauts-de-Seine)

[13] Compared with a dividend of €2.50 per share paid in 2018, subject to approval at Nexity's Shareholders' Meeting

FINANCIAL CALENDAR & PRACTICAL INFORMATION

Shareholders' Meeting	Wednesday, 22 May 2019
2018 dividend, subject to approval at the Shareholders' Meeting	
- Ex-dividend date	Monday, 27 May 2019
- Payment date	Wednesday, 29 May 2019
2019 half-year results	Tuesday, 23 July 2019
Q3 2019 revenue and business activity	Thursday, 24 October 2019

A **conference call** on Q1 2019 revenue and business activity will be held in English today at 6:30 p.m. CET, which may be joined using access code 9926126 by calling one of the following numbers:

- Calling from France +33 (0)1 76 77 22 57
- Calling from elsewhere in Europe +44 (0)330 336 94 11
- Calling from the United States +1 720 543 0214

The presentation accompanying this conference call will be available on the Group's website from 6:15 p.m. CET and may be viewed at the following address:
https://globalmeet.webcasts.com/starthere.jsp?ei=1239639&tp_key=6336152895

The conference call will be available on replay at http://www.nexity.fr/immobilier/groupe/finance from the following day.

Disclaimer

The information, assumptions and estimates that the Company could reasonably use to determine its targets are subject to change or modification, notably due to economic, financial and competitive uncertainties. Furthermore, it is possible that some of the risks described in Section 2 of the Registration Document filed with the AMF under number D.19-0272 on 4 April 2019 could have an impact on the Group's operations and the Company's ability to achieve its targets. Accordingly, the Company cannot give any assurance as to whether it will achieve its stated targets and makes no commitment or undertaking to update or otherwise revise this information.

CONTACT
Domitille Vielle – Head of Investor Relations / +33 (0)1 85 55 19 34 – investorrelations@nexity.fr
Géraldine Bop – Deputy Head of Investor Relations / +33 (0)1 85 55 18 43 – investorrelations@nexity.fr

ANNEX 1: OPERATIONAL REPORTING

QUARTERLY FIGURES

Reservations: Residential Real Estate

	2019	2018				2017			
Number of units	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
New homes (France)	3,883	6,600	4,757	4,634	3,618	5,736	4,821	4,288	3,506
o/w Ægide (excluding co-developments with Nexity)	*285*	*172*	*377*	-	-	-	-	-	-
Subdivisions	258	812	336	576	339	920	522	680	479
International	36	170	80	75	40	208	69	106	37
Total (number of units)	**4,177**	**7,582**	**5,173**	**5,285**	**3,997**	**6,864**	**5,412**	**5,074**	**4,022**
Value (€m incl. VAT)									
New homes (France)	773	1,327	922	951	715	1,135	915	858	655
o/w Ægide (excluding co-developments with Nexity)	*59*	*46*	*70*	-	-	-	-	-	-
Subdivisions	20	63	28	51	28	72	42	53	35
International	3	15	7	6	4	22	6	14	9
Total (€m incl. VAT)	**797**	**1,405**	**956**	**1,008**	**747**	**1,229**	**964**	**925**	**699**

Revenue by division[14]

	2019	2018				2017 (restated)			
(in millions of euros)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Individual Clients	**761.6**	**1,470.3**	**764.3**	**712.3**	**603.1**	**1,173.9**	**733.9**	**689.3**	**563.3**
o/w Residential Real Estate	552.5	1,133.8	545.3	524.2	445.1	915.7	548.0	498.4	387.9
o/w Real Estate Services to Individuals	209.1	336.5	219.0	188.1	158.0	258.2	185.9	190.9	175.4
Commercial Clients	**118.9**	**167.3**	**174.2**	**154.4**	**84.7**	**165.5**	**84.0**	**60.4**	**96.7**
o/w Commercial Real Estate	98.3	146.1	157.6	138.7	69.6	145.6	69.5	45.2	82.8
o/w Real Estate Services to Companies	20.6	21.2	16.6	15.8	15.1	19.8	14.5	15.2	13.9
Other Activities	**0.5**	**0.9**	**1.5**	**1.4**	**0.5**	**0.8**	**0.7**	**1.7**	**1.1**
Revenue	**881.1**	**1,638.5**	**940.1**	**868.1**	**688.3**	**1,340.2**	**818.6**	**751.4**	**661.1**

Backlog[14]

	2019	2018				2017 (restated)			
(in millions of euros, excluding VAT)	Q1	FY	9M	H1	Q1	FY	9M	H1	Q1
Residential Real Estate – New homes	4,109	3,979	4,065	3,724	3,451	3,335	3,236	3,042	2,918
Residential Real Estate – Subdivisions	160	182	188	201	182	191	188	200	185
Residential Real Estate backlog	**4,269**	**4,161**	**4,253**	**3,924**	**3,634**	**3,526**	**3,425**	**3,243**	**3,103**
Commercial Real Estate backlog	222	308	379	332	409	465	349	345	313
Total Group backlog	**4,491**	**4,469**	**4,632**	**4,256**	**4,042**	**3,991**	**3,774**	**3,588**	**3,416**

[14] 2017 data has been restated to reflect the new segmentation and the application of IFRS 15, the new standard governing revenue recognition.

GLOSSARY

Business potential for Commercial Real Estate: corresponds to the total volume of potential business at any given moment, expressed as estimated revenue excluding VAT, within future projects validated by the Group's Committee, under options or purchased land, in all structuring phases, including the programmes of the Group's urban regeneration business (Villes & Projets); this business potential includes the Group's current supply for sale as well as its future supply

Business potential for new homes: corresponds to the total volume of potential business at any given moment, expressed as a number of units, within future projects validated by the Group's Committee, in all structuring phases, including the programmes of the Group's urban regeneration business (Villes & Projets); this business potential includes the Group's current supply for sale, its future supply corresponding to project phases not yet marketed on purchased land, and projects not yet launched associated with land secured under options

Current operating profit: current operating profit includes all operating profit items with the exception of items resulting from unusual, abnormal and infrequently occurring transactions; in particular, impairment of goodwill is not included in current operating profit

Development backlog: corresponds to the Group's already secured future revenue, expressed in euros, for its Residential Real Estate and Commercial Real Estate businesses; the backlog includes reservations for which notarised agreements have not yet been signed and the portion of revenue remaining to be generated on units for which notarised agreements have already been signed (portion remaining to be built)

EBITDA is defined by Nexity as equal to current operating profit before depreciation, amortisation and impairment of non-current assets, net changes in provisions, share-based payment expenses and the transfer from inventory of borrowing costs directly attributable to property developments, plus dividends received from equity-accounted investees whose operations are an extension of the Group's business; depreciation and amortisation includes rights of use calculated in accordance with IFRS 16, together with the impact of neutralising internal margins on disposal of an asset by development companies, followed by take-up of a lease by a Group company

Free cash flow: corresponds to cash generated by operating activities after taking into account tax paid, financial expenses, changes in WCR, dividends received from companies accounted for under the equity method and net investments in operating assets

Gearing: corresponds to net debt divided by consolidated equity

Joint ventures: entities over whose activities the Group has joint control, established by contractual agreement. Most joint ventures are Residential or Commercial Real Estate developments undertaken with another developer (co-developments)

Land bank: represents the amount of projects in France for which the Group has acquired development rights, before obtaining a building permit and in some cases planning permissions, expressed as an amount recognised within the working capital requirement

Net profit before non-recurring items: reflects the Group share of net profit restated for non-recurring items such as the refund of the 3% dividend tax recognised in 2017 and, with effect from 2018, change in fair value adjustments in respect of the ORNANE bond issue and items included in non-current operating profit (any goodwill impairment losses, remeasurement of equity-accounted investments following the assumption of control)

Order intake – Commercial Real Estate: the total of selling prices excluding VAT as stated in definitive agreements for Commercial Real Estate programmes, expressed in euros for a given period (notarised agreements or development contracts)

Operational reporting: according to IFRS but with joint ventures proportionately consolidated. This presentation is used by management as it better reflects the economic reality of the Group's business activities

Property Management for Individuals (PMI): management of rented properties on behalf of individual clients (management for the owner of all relations with the tenant, management of the sale of the property if applicable) as well as the management of the common areas of apartment buildings (as a managing agent) on behalf of condominium owners

Reservations by value (or expected revenue from reservations) – Residential Real Estate: the net total of selling prices including VAT as stated in reservation agreements for development programmes, expressed in euros for a given period, after deducting all reservations cancelled during the period

Serviced residences "at cruising speed": residences with an occupancy rate of 90% or higher at 1 January. The occupancy rate is the number of housing units billed divided by the total number of units.