



## LES NOUVEAUX CONSTRUCTEURS

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PRESS RELEASE - FOR IMMEDIATE RELEASE

# Les Nouveaux Constructeurs Report for the nine months ended September 30, 2009

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- Continued strong business performance
  - Nine-month revenue: €398 million, up 10.5% compared with prior-year period
  - Orders higher:
    - Overall: up 35% in volume and 31% in value vs. 9-month 2008
    - In France: up 25% in volume and 14% in value vs. 9-month 2008
- Priority to land purchases to strengthen business development in 2010-2012

**(PARIS - THURSDAY, NOVEMBER 5, 2009)** - Les Nouveaux Constructeurs, a leading European residential real estate developer, today released its report for the nine months ended September 30, 2009.

KEY PERFORMANCE INDICATORS In € millions	Nine months to Sept. 30, 2009	Nine months to Sept. 30, 2008	Change
<b>Net revenue</b>	<b>397.9</b>	<b>360.2</b>	<b>+10.5%</b>
Orders (including VAT)	462	353	+31%
Backlog, net	608	655	-7%
Land potential, net	678	1,160	-42%

**Olivier Mitterrand**, Chairman of the Management Board, said:

*"The third quarter saw continued improvement in our key performance indicators, in line with the solid upswing in orders in the French housing market. We are currently focused on defending our margins and building up our land potential, especially in France, in order to strengthen our future business development."*

## REVENUE

Revenue for the nine months ended September 30, 2009 totaled €398 million, an increase of 10.5% over the prior-year period.

### REVENUE BY OPERATING SEGMENT

In € millions excl. VAT	Nine months to Sept. 30, 2009	Nine months to Sept. 30, 2008	Change
<b>France</b>	<b>246.8</b>	<b>216.0</b>	<b>+14%</b>
Of which housing	191.3	202.1	-5%
Of which commercial real estate	55.5	13.9	NM
<b>Spain</b>	<b>57.8</b>	<b>48.8</b>	<b>+18%</b>
<b>Germany</b>	<b>89.9</b>	<b>90.3</b>	<b>+0%</b>
Of which Concept Bau-Premier	36.3	18.2	+99%
Of which Zapf*	53.6	72.1	-26%
<b>Other countries</b>	<b>3.4</b>	<b>5.1</b>	<b>-33%</b>
<b>Total</b>	<b>397.9</b>	<b>360.2</b>	<b>+10.5%</b>

\*Zapf, which was 50% proportionally consolidated until April 30, 2009, has been fully consolidated since May 1.

**In France**, revenue for the first nine months of the year totaled €246.8 million, an increase of approximately €31 million (14%) over the prior-year period. The increase was due in large part to the nearly €42 million contribution from commercial real estate, led by progress on the Copernic 2 project. Housing revenue was down by €11 million, directly in line with the decline in sales in 2008.

**In Spain**, revenue for the first nine months of the year totaled €57.8 million, versus €48.8 million in the first nine months of 2008. It included two transactions with banks, one in the second quarter for €27.5 million involving the sale of four lots and 53 housing units and one in the third quarter for €6.1 million corresponding to the sale of one lot. The latter transaction generated a profit of around €1 million.

Together, the transactions reduced **Premier España's** debt by approximately €30 million.

**In Germany**, **Concept Bau-Premier's** revenue for the first nine months of 2009 increased substantially over the previous-year period. In all, 106 homes were delivered, compared with 50 during the first nine months of 2008.

**Zapf**, which has been fully consolidated since May 1, 2009, reported a decline in revenue, mainly because of high prior-period comparatives resulting from deliveries of the Netzaberg program in the first nine months of 2008, of which **LNC's** share amounted to €32 million for the period.

## BUSINESS PERFORMANCE

Net orders for the nine months ended September 30, 2009 were up 31% over the prior-year period. In terms of volume, orders totaled 2,139 housing units, an increase of 35%.

### ORDERS - HOUSING

In € millions incl. VAT	Nine months to Sept. 30, 2009	Nine months to Sept. 30, 2008	Change
<b>France</b>	<b>284</b>	<b>250</b>	<b>+14%</b>
<b>Spain</b>	<b>30</b>	<b>15</b>	<b>+95%</b>
<b>Germany</b>	<b>136</b>	<b>72</b>	<b>+89%</b>
Of which Concept Bau-Premier	82	47	+77%
Of which Zapf*	54	25	+112%
<b>Other countries</b>	<b>12</b>	<b>16</b>	<b>-25%</b>
<b>Total</b>	<b>462</b>	<b>353</b>	<b>+31%</b>

\*Zapf was 50% proportionally consolidated in 2008 and is fully consolidated in 2009.

**In France**, orders for the period were up 25% in volume and 14% in value compared with the first nine months of 2008.

The individual homebuyer market, which tightened throughout 2008, has continued to improve considerably since the beginning of 2009. In volume, **LNC** sales to individual buyers for the first nine months rose by nearly 40% to 1,018 units, from 729 in the prior-year period. The market has mainly been driven by government measures, including a doubling of the ceiling on interest-free loans for first-time buyers and the Scellier tax incentive for private or individual investors. Sales to individual investors accounted for 54% of orders in the first nine months of 2009, compared with 31% for all of 2008.

In a market shaped by resilient demand and decreasing supply, the decision was made in the second quarter to focus sales initiatives on individual homebuyers. Since then the percentage of block sales has steadily declined, amounting to just 27% of the total in volume for the first nine months, compared with 46% for full-year 2008.

Excluding block sales, the average order price (including VAT) was down by 10% over the first nine months of the year due to several factors. These include the adjustment of selling prices to new market conditions, the decline in average surface areas for homes ordered, and the application in certain programs of a reduced 5.5% VAT rate for first-time buyers.

**In Spain**, the subsidiary had only 11 programs on the market at September 30, 2009, compared with 15 one year earlier. Excluding the block sale to a bank subsidiary, orders totaled 84 units for the nine months ended September 30, 2009, compared with 57 for the previous-year period. Of the 84 sales, 29 were for a new public housing program in Madrid and 42 were for completed apartments, of which 21 under lease with an option to buy.

**Premier España** had 176 completed homes that were unsold as of September 30, 2009. Selling these units remains the subsidiary's top priority.

**In Germany**, **Concept Bau-Premier's** sales performance improved sharply with 249 orders for the period, compared with 138 in the first nine months of 2008. The increase was partially due to the first-quarter block sale of 91 housing units in Munich to an institutional investor for approximately €24 million.

**Zapf** sold 235 units during the first nine months of 2009, when the company was fully consolidated, compared with 118 for the same period in 2008 when it was 50% proportionally consolidated. As a result, business was stable on a comparable basis.

## BACKLOG

At September 30, 2009, backlog totaled €608 million, excluding VAT, a decline of 7% from one year earlier but an increase of 12% compared with December 31, 2008. This represented approximately 13 months of business based on revenue over the past 12 months, on a par with the situation at year-end 2008.

### BACKLOG AT SEPTEMBER 30

In € millions excl. VAT	2009	2008	Change
<b>France</b>	<b>383</b>	<b>450</b>	<b>-15%</b>
Of which housing	326	332	-2%
Of which commercial real estate	57	118	-52%
<b>Spain</b>	<b>36</b>	<b>82</b>	<b>-56%</b>
<b>Germany</b>	<b>178</b>	<b>107</b>	<b>+66%</b>
Of which Concept Bau-Premier	101	64	+59%
Of which Zapf*	77	43	+77%
<b>Other countries</b>	<b>11</b>	<b>15</b>	<b>-25%</b>
<b>Total</b>	<b>608</b>	<b>655</b>	<b>-7%</b>

\*Zapf was 50% proportionally consolidated in 2008 and is fully consolidated in 2009.

**In France**, backlog was down €67 million compared with September 30, 2008, due to the significant decline in commercial real estate, with no new orders booked since mid-May 2008. Housing backlog, which was down by €6 million from one year earlier, has increased by €34 million since the beginning of 2009.

**In Spain**, where deliveries continued to outpace orders, backlog stood at €36 million at September 30, a decline of 56% from one year earlier but relatively stable compared with June 30, 2009.

**In Germany**, backlog totaled €178 million at September 30, 2009, with an increase of €37 million for **Concept Bau-Premier**. **Zapf**, which was 50% proportionally consolidated in 2008, has been fully consolidated in 2009.

## LAND POTENTIAL

LNC's land potential totaled 2,948 equivalent housing units at September 30, 2009, representing total value of €678 million excluding VAT. This currently represents only 1.4 years of business based on housing revenue over the past 12 months.

### CONFIRMED LAND POTENTIAL AT SEPTEMBER 30 - HOUSING

In € millions excl. VAT	2009	2008	Change
<b>France</b>	<b>355</b>	<b>597</b>	<b>-40%</b>
<b>Spain</b>	<b>138</b>	<b>197</b>	<b>-30%</b>
<b>Germany</b>	<b>169</b>	<b>202</b>	<b>-16%</b>
Of which Concept Bau-Premier	132	152	-13%
Of which Zapf*	37	50	-26%
<b>Other countries</b>	<b>16</b>	<b>164</b>	<b>-90%</b>
<b>Total</b>	<b>678</b>	<b>1,160</b>	<b>-42%</b>

\*Zapf was 50% proportionally consolidated in 2008 and is fully consolidated in 2009

**In France**, given the sharp business slowdown in 2008, **LNC** intentionally reduced its land potential, canceling a large number of land purchases and sharply limiting new additions to the confirmed land potential. Since the second quarter, in a more favorable business context, the priority has been on building up land potential that is adapted to new market conditions while continuing to pay close attention to the criteria for acquiring lots in a competitive environment.

Following a steady decline throughout 2008 and first-half 2009, **LNC's** land potential at September 30 was up slightly at 1,826 housing units, compared with 1,613 three months earlier.

**In Spain**, initiatives launched in mid-2007 to reduce the land potential were pursued. Following the sale of five lots to banks, **LNC's** land potential was comprised of only five lots intentionally kept off the market, compared with ten at year-end 2008.

The decline in **other countries** was due to the suspension of operations in Poland, where the land potential totaled €103 million at September 30, 2008.

## **STRATEGIC ACTIONS AND OUTLOOK**

**LNC** is actively pursuing the strategic initiatives introduced in 2008, giving priority to development in France, its core market, where the fundamentals are sound and demand remains strong.

Following the intentional reduction in land potential in 2008 and the solid first-half business performance, the Company has decided that replenishing its land potential in France is the top priority. It is continuing its efforts to reduce debt and is diligently managing its operations outside France.

## **FINANCIAL CALENDAR**

- Fourth-quarter 2009 revenue report: Thursday, February 4, 2010 (before the opening of the NYSE-Euronext Paris stock exchange)

## LES NOUVEAUX CONSTRUCTEURS

Les Nouveaux Constructeurs, founded by **Olivier Mitterrand**, is a leading developer of new housing, as well as offices, in France and two other European countries.

Since 1972, **Les Nouveaux Constructeurs** has delivered nearly 60,000 apartments and single-family homes in approximately 200 cities in France and abroad. Its operations in France's four largest metropolitan areas and high-quality programs have made **Les Nouveaux Constructeurs** one of the most well known names in the industry.

Building on its solid footprint in France, the Company is deploying an innovative development strategy, with operations in two other European Union countries.

**Les Nouveaux Constructeurs** has been listed on the NYSE Euronext Paris, compartment C, since November 16, 2006 (code LNC; ISIN code: FR0004023208).

All **LNC** press releases are posted on its website at:

<http://www.lesnouveauxconstructeurs.fr/finances/communiqués>

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## APPENDIXES

### QUARTERLY REVENUE - BY COUNTRY

In € millions excl. VAT	2009				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France (Housing)	46.7	76.4	68.2		68.7	66.9	66.4	88.9
France (Commercial real estate)	14.5	22.4	18.7		2.6	4.5	6.9	9.3
Spain	7.0	37.1	13.6		8.5	30.5	9.7	15.2
Germany (Concept Bau-Premier)	10.3	14.9	11.2		2.6	8.9	6.7	18.8
Germany (Zapf)	5.3	17.9	30.4		7.0	28.0	37.1	25.8
Other countries	0.8	1.8	0.8		3.2	0.5	1.5	2.3
<b>Total</b>	<b>84.6</b>	<b>170.4</b>	<b>142.9</b>		<b>92.6</b>	<b>139.3</b>	<b>128.3</b>	<b>160.3</b>

### AVERAGE UNIT PRICE – HOUSING ORDERS

In € thousands incl. VAT	Nine months to Sept. 30, 2009	Nine months to Sept. 30, 2008	Change
France – including block sales <sup>(1)</sup>	204	225	-9%
France – excluding block sales <sup>(1)</sup>	221	247	-10%
Spain <sup>(2)</sup>	232	271	-15%
Germany <sup>(3)</sup>	281	260	+8%
Other countries <sup>(4)</sup>	90	101	-11%
<b>LNC</b>	<b>216</b>	<b>223</b>	<b>-3%</b>

(1) Including VAT of 5.5% or 19.6% (2) Including VAT of 7% for first-time home buyers (3) No VAT (4) Including 10% sales tax in Indonesia

### NUMBER OF HOUSING ORDERS, NET

Number of units	Nine months to Sept. 30, 2009	Nine months to Sept. 30, 2008	Change
France	1,395	1,112	+25%
Spain	130*	57	+128%
Germany (Concept Bau-Premier)	249	138	+80%
Germany (Zapf)	235	118	+100%
Other countries	130	156	-17%
<b>Total</b>	<b>2,139</b>	<b>1,581</b>	<b>+35%</b>

\*Of which 48 units through the sale to a bank subsidiary

### QUARTERLY HOUSING ORDERS BY COUNTRY

In € millions incl. VAT	2009				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	113	94	78		104	90	56	72
Spain	6	17	7		19	(2)	(1)	(19)
Germany (Concept Bau-Premier)	44	23	15		21	14	11	9
Germany (Zapf)	14	24	16		12	6	8	6
Other countries	3	4	4		6	4	5	3
<b>Total</b>	<b>180</b>	<b>162</b>	<b>120</b>		<b>161</b>	<b>112</b>	<b>79</b>	<b>71</b>

**BACKLOG BY QUARTER (period end)**

In € millions excl. VAT	2009				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France (Housing)	338	334	326		352	360	332	292
France (Commercial real estate)	95	74	57		130	125	118	110
Spain	48	40	36		130	96	83	49
Germany (Concept Bau-Premier)	89	98	101		55	62	64	55
Germany (Zapf)	34	80	77		74	63	43	26
Other countries	10	11	11		13	14	15	12
<b>Total</b>	<b>614</b>	<b>637</b>	<b>608</b>		<b>754</b>	<b>720</b>	<b>655</b>	<b>544</b>

**LAND POTENTIAL AT SEPTEMBER 30**

Number of units	2009	2008	Change
France	1,826	2,917	-37%
Spain	513	701	-27%
Germany (Concept Bau-Premier)	326	468	-30%
Germany (Zapf)	104	140	-26%
Other countries	179	1,425	-87%
<b>Total</b>	<b>2,948</b>	<b>5,651</b>	<b>-48%</b>

Excluding commercial real estate

**LAND POTENTIAL BY QUARTER (period end)**

In € millions excl. VAT	2009				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	365	311	355		762	694	597	451
Spain	173	145	138		359	168	197	184
Germany (Concept Bau-Premier)	158	146	132		188	165	152	223
Germany (Zapf)	27	47	37		68	53	50	38
Other countries	21	17	16		283	169	164	22
<b>Total</b>	<b>744</b>	<b>666</b>	<b>678</b>		<b>1,659</b>	<b>1,249</b>	<b>1,160</b>	<b>918</b>

Excluding commercial real estate

**DISCLAIMER**

The statements on which the Company objectives are based may contain forward-looking statements. Such forward-looking statements involve risks and uncertainties regarding economic, financial, competitive, and regulatory environment and the completion of investment programs and asset transfers. In addition, the occurrence of certain risks, (see chapter 4 in the Document de Base registered at AMF under number I.06-155), could affect the business of the Company and its financial performance. Moreover, the achievement of the objectives supposes the success of the marketing strategy of the Company, (see chapter 6 in the Document de Base). Therefore the Company hereby makes no commitment nor gives any guarantee as to the fulfillment of objectives. The Company does not undertake to update any forward-looking statement subject to the respect of the principles of the permanent information as provided by articles 221-1 et seq. following of the General Regulation of the French Stock exchange Commission (AMF).