

1ST QUARTER 2013 RESULTS

(UNAUDITED AND NOT APPROVED BY THE BOARD OF DIRECTORS)

- **Stable sales activity overall**
 - ✓ Total revenues: €205.0 million (excl. VAT) vs €215.3 million (excl. VAT) in Q1 2012
 - ✓ Housing orders in volume: 1,083 orders, +5.0%
 - ✓ Average monthly take-up rate of new programs: 31.9%
- **Unchanged gross margin rate and continued deleveraging**
 - ✓ Gross margin rate: 19.2% vs 19.3% in Q1 2012
 - ✓ Net financial debt: €39.9 million vs €81.2 million at November 30, 2012
- **Good outlook for future business**
 - ✓ Property portfolio: 16,434 housing units, nearly three years of business
 - ✓ Housing backlog in value: €1,059 million (excl. VAT), nearly 13 months of business
- **Outlook for 2013: continued solid financial performance in a challenging economy**

Paris, April 24, 2013 - Kaufman & Broad S.A. today announces its results for the first quarter of 2013 (from December 1, 2012 to February 28, 2013).

Key consolidated data

<i>(€ million)</i>	1st quarter 2013	1st quarter 2012	Change
Revenues (excluding VAT)	205.0	215.3	-4.8%
Gross margin	39.3	41.5	-5.3%
<i>Gross margin rate</i>	19.2%	19.3%	-0.1pt
Current operating profit	13.2	14.2	-6.8%
<i>Current operating margin</i>	6.5%	6.6%	-0.1pt
Attributable net income	8.3	9.0	-7.9%

Commenting on these results, Guy Nafilyan, Chairman and Chief Executive Officer of Kaufman & Broad S.A., stated: *"In the first quarter of 2013, in a more challenging economic environment, Kaufman & Broad saw orders grow by 5% in volume while at the same time new program launches declined by more than 30% (11 new programs launched in 2013 compared to 16 in 2012).*

The average monthly take-up rate of new programs introduced during the first quarter of 2013 was nearly 32%.

Financial indicators remain strong, with gross margin rate still unchanged and at high levels and a continued decline of net financial debt, which has decreased more than threefold in one year.

The property portfolio remained at a high level for nearly three years of business, and backlog accounted for nearly 13 months of business.

As announced at the beginning of the year, Kaufman & Broad will keep developing homes in 2013 that are designed for first-time buyers who can take advantage of the new Zero-interest Plus Loan program and investors through the new incentive that was implemented in January 2013. Moreover, Kaufman & Broad will continue to grow by offering homes designed for students and seniors, who continue to benefit from the Censi-Bouvard incentive.

As regards commercial property, Kaufman & Broad has filed in the first quarter a building permit on a project in Boulogne-Billancourt and will file, during 2013, the building permits on three others projects in Île-de-France – all large-scale – in Paris and Hauts-de-Seine. These four projects represent approximately 62.000 sq.m of office space.

Over the entire fiscal year 2013, Kaufman & Broad wants to keep its financial performance at the same level as 2012 by bringing its operating expenses under control and continuing to pay off its debt."

➤ **Relatively stable total revenues**

Total revenues for the first quarter of 2013 amounted to €205.0 million (excluding VAT). It was €215.3 million (excluding VAT) in the first quarter of 2012.

Housing revenues, which represents 97.0% of total revenues, amounted to €198.7 million (excluding VAT) compared with €210.3 million (excluding VAT) in the first quarter of 2012. Île-de-France share of Housing revenues was 41.8%.

Apartments revenues totaled €190.8 million. **Single-family homes in communities** revenues came in at €8.0 million.

Over the same period, **Commercial Property** achieves revenues of €4.6 million and **Showroom** revenues totaled €1.4 million.

Deliveries during the first quarter of 2013 were 1,117 equivalent home units (EHUs), versus 1,151 EHUs in the same quarter of 2012.

➤ **Increase of Housing orders in volume**

In the first quarter of 2013, housing orders increased **in volume** by 5.0% (1,083 housing units ordered). **In value**, they totaled €194.0 million (including VAT), down 5.7% compared to the first quarter of 2012. This decline can be attributed for the most part to the decrease in average prices of housing orders, which is in line with Kaufman & Broad's strategy to adjust its offer to market conditions.

Orders in Île-de-France accounted for 47.6% in volume and 52.8% in value for all housing orders, compared to 42.9% and 45.9% for the first quarter of 2012.

Quarter on quarter, the share of orders from investors under the Scellier/Duflot incentives declined from 32% to 21%, while block orders rose from 19% to 26%.

Commercial offer totaled 2,888 housing units versus 2,838 housing units as of February 29, 2012.

The average monthly take-up rate of new programs launched during the first quarter of 2013 was 31.9%, still at a high level.

➤ **Unchanged gross margin rate and current operating margin**

Gross margin was €39.3 million, compared to €41.5 million in the first quarter of 2012. **Gross margin rate** remained unchanged, at 19.2% compared to 19.3% in the same quarter of 2012.

Current operating profit came to €13.2 million. It accounted for 6.5% of revenues in the first quarter of 2013 versus 6.6% in the first quarter of 2012. Current operating expenses expressed as a percentage of revenues remained unchanged at 12.7%.

The **cost of net financial debt** showed financial income of €0.5 million compared to financial expense of €0.8 million in the first quarter of 2012. This change of €1.3 million can be attributed for the most part to the decline in the cost of hedging instruments.

Attributable net income came in at €8.3 million, compared with €9.0 million in the first quarter of 2012, a decline of 7.9%.

➤ **Continued debt reduction**

At February 28, 2013, **cash and cash equivalents** (available cash and investment securities) totaled €195.3 million, an increase of €41.6 million compared to November 30, 2012.

Working capital requirements stood at €114.4 million at February 28, 2013 and accounted for 11.2% of revenues based on a 12-month rolling period, versus 14.0% at end-November 2012.

Net financial debt declined by half compared to November 30, 2012 and totaled €39.9 million. The continued deleveraging may be explained by good control over working capital requirements resulting from the group's selective policy applied to the launching of new programs in the last eighteen months.

➤ **Continued positive outlook for future business**

At February 28, 2013, the **Housing property portfolio** represented 16,434 lots, of which 5,795 were in Île-de-France and 10,639 in the Regions, for potential revenues corresponding to nearly three years of business.

The **Housing backlog** totaled €1,058.7 million (excluding VAT), versus €1,091.1 million (excluding VAT) at November 30, 2012, down 3.0%. It represents nearly 13 months of business for the group.

As of the same date, Kaufman & Broad had 157 **housing programs on the market**, of which 40 were in Île-de-France and 117 in the Regions, compared to 160 programs at February 29, 2012.

In the next quarter, the group expects to introduce **36 new programs** representing 1,714 housing units (16 new programs in Île-de-France, representing 980 housing units, and 20 new programs in the Regions, representing 734 housing units).

➤ **Next regular publication:** 2013 first-half results on July 12, 2013.

Glossary

Orders: measured in volume (Units) and in value, orders reflect the group's commercial activity. Orders are recognized in revenue based on the time necessary for the "conversion" of an order into a signed and notarized deed, which is the point at which income is generated. In addition, apartment programs that include mixed-use buildings (apartments/business premises/retail space/offices), all floor space is converted into housing equivalents.

Units: are used to define the number of housing units or equivalent housing units (for mixed programs) of any given program. The number of equivalent housing units is calculated as a ratio of the surface area by type (business premises/retail space/offices) to the average surface area of the housing units previously obtained.

EHU: EHUs (Equivalent Housing Units delivered) directly reflect sales. The number of EHUs is a function of multiplying (i) the number of housing units of a given program for which the notarized sales deeds have been signed, by (ii) the ratio between the group's property expenses and construction expenses incurred on the said program and the total expense budget for said program.

Take-up rate: the number of orders in relation to the average commercial offer for the period.

Commercial offer: the total inventory of properties available for sale as of the date in question, i.e. all unordered housing units as of this date (less the programs that have not entered the marketing phase).

Gross margin: corresponds to revenues less cost of sales. Cost of sales consists of the price of land parcels, the related property costs and construction costs.

Backlog: a summary at any given moment, which enables a forecast of future revenues for the coming months.

Property portfolio: all real estate for which a deed or commitment to sell has been signed.

For more than 40 years, Kaufman & Broad has been designing, building and selling single-family homes in communities, apartments and offices on behalf of third parties. Kaufman & Broad is a leading French property builder and developer in view of its size, earnings and power of its brand.

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This document contains forward-looking information. This information is liable to be affected by known or unknown factors that KBSA cannot easily control or forecast, which may render the results materially different from those stated, implied or projected by the company. These risks specifically include those listed under "Risk Factors" in the Registration Document filed with the AMF under number D.13-0247 on April 2, 2013.

KAUFMAN & BROAD S.A.

Consolidated income statement*

(in € thousands)

*Unaudited and not approved by the Board of Directors

	Q1 2013	Q1 2012
Revenues	204,988	215,314
Cost of sales	(165,731)	(173,850)
Gross margin	39,256	41,464
Selling expenses	(6,567)	(6,365)
General and administrative expenses	(14,485)	(15,691)
Technical and customer service expenses	(4,700)	(3,978)
Other income and expenses	(280)	(1,248)
Current operating profit	13,224	14,182
Other non-recurring income and expenses	(7)	(2)
Operating income	13,217	14,180
Cost of net financial debt	522	(808)
Other financial income and expenses	-	850
Income tax (expenses)/income	(3,118)	(2,359)
Share of income (loss) of equity affiliates and joint ventures	211	(136)
Income attributable to shareholders	10,832	11,727
Minority interest	2,523	2,709
Attributable net income	8,308	9,018
Earnings per share (€)	0.38	0.42

Kaufman & Broad S.A.
Consolidated balance sheet*

(in € thousands)

*Unaudited and not approved by the Board of Directors

ASSETS	Feb. 28, 2013	Nov. 30, 2012
Goodwill	68,511	68,511
Intangible assets	84,552	84,897
Property, plant and equipment	5,772	5,604
Equity affiliates and joint ventures	7,319	4,373
Other non-current financial assets	1,294	1,262
Non-current assets	167,448	164,647
Inventories	269,189	284,469
Accounts receivable	247,838	268,189
Other receivables	140,327	180,141
Cash and cash equivalents	195,325	153,763
Prepaid expenses	1,485	1,008
Current assets	854,164	887,570
TOTAL ASSETS	1,021,612	1,052,217
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EQUITY AND LIABILITIES	Feb. 28 2013	Nov. 30, 2012
Capital stock	5,612	5,612
Additional paid-in capital	133,834	135,910
Interim dividends	-	(48,455)
Attributable net income	8,308	47,624
Attributable shareholders' equity	147,754	140,691
Minority interest	9,743	8,420
Shareholders' equity	157,497	149,111
Non-current provisions	24,455	24,510
Borrowings and other non-current financial liabilities (> 1 year)	234,702	234,535
Deferred tax liabilities	59,648	55,586
Non-current liabilities	318,805	314,631
Current provisions	285	1,000
Other current financial liabilities (< 1 year)	541	458
Accounts payable	469,955	473,624
Other liabilities	72,795	111,776
Deferred income	1,734	1,616
Current liabilities	545,310	588,474
TOTAL EQUITY AND LIABILITIES	1,021,612	1,052,217

Kaufman & Broad S.A.

Additional information

	Single-family homes in communities		
	Q1 2013	Q1 2012	Q1 2011
Net orders (in units)	58	41	9
Net orders (in € thousands, including VAT)	14,943	8,032	4,125
Backlog (in € thousands, excluding VAT)	58,894	32,340	49,918
Backlog (in months of business) *	26.3	8.7	5.3
Deliveries (in EHUs)	39	15	76

	Apartments		
	Q1 2013	Q1 2012	Q1 2011
Net orders (in units)	1,025	990	1,255
Net orders (in € thousands, including VAT)	179,086	197,689	272,243
Backlog (in € thousands, excluding VAT)	999,844	1,090,481	955,590
Backlog (in months of business) *	12.5	14.2	13.6
Deliveries (in EHUs)	1,078	1,136	1,289

	Commercial Property		
	Q1 2013	Q1 2012	Q1 2011
Net orders (in sq.m)	92	64	11,489
Net orders (in € thousands, including VAT)	158	136	41,910
Backlog (in € thousands, excluding VAT)	26,357	37,723	35,926

* calculated in relation to 12-month rolling revenues