



## LES NOUVEAUX CONSTRUCTEURS

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PRESS RELEASE - FOR IMMEDIATE RELEASE

# Les Nouveaux Constructeurs Quarterly Report for the Nine Months ended Sept. 30, 2010

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- Revenue: €345 million
  - Housing revenue in France up 7% on the first nine months of 2009
  - Impact of commercial real estate and block sales to Spanish banks in 2009
- Sales to individual homebuyers in France up 8% on the first nine months of 2009
- Backlog up 29% on December 31, 2009
- Land potential in France up 74% on September 30, 2009

**(PARIS - THURSDAY, NOVEMBER 4, 2010) - LES NOUVEAUX CONSTRUCTEURS**, a leading European residential and office real estate developer, today released its report for the nine months ended September 30, 2010.

KEY PERFORMANCE INDICATORS (in € millions)	Nine months ended Sept. 30, 2010	Nine months ended Sept. 30, 2009	% Change
<b>Net revenue</b>	<b>345</b>	<b>398</b>	<b>- 13%</b>
Orders (including VAT)	455	462	- 1%
Backlog, net	586	608	- 4%
Land potential, net	917	678	+ 35%

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

"Since the beginning of 2010, Les Nouveaux Constructeurs has steadily focused on building up its land potential, while stepping up deployment of its marketing drive. A large number of new programs were launched in the first nine months of the year, with satisfactory take-up over the period. Today, thanks to our financial capacity, we can continue to actively consolidate our land purchase agreements, while remaining carefully selective."

## REVENUE

Revenue for the nine months ended September 30, 2010 totaled €344.7 million, a decline of 13% from the prior-year period.

### REVENUE BY OPERATING SEGMENT

In € millions excl. VAT	Nine months ended Sept. 30, 2010	Nine months ended Sept. 30, 2009	% Change
<b>France</b>	<b>233.2</b>	<b>246.8</b>	<b>- 6%</b>
Of which housing	204.9	191.3	+ 7%
Of which commercial real estate	28.3	55.5	- 49%
<b>Spain</b>	<b>30.4</b>	<b>57.8</b>	<b>- 47%</b>
<b>Germany</b>	<b>79.2</b>	<b>89.9</b>	<b>- 12%</b>
Of which Concept Bau-Premier	23.7	36.3	- 35%
Of which Zapf*	55.5	53.6	+ 4%
<b>Other countries</b>	<b>1.9</b>	<b>3.4</b>	<b>- 44%</b>
<b>Total</b>	<b>344.7</b>	<b>397.9</b>	<b>- 13%</b>

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

In **France**, revenue amounted to €233.2 million, down 6% compared with the first nine months of 2009. The decline was mainly due to the reduction in **commercial real estate** revenue with the completion of the Copernic 2 program in late 2009.

**Housing** revenue on the other hand rose by 7% year-on-year, led by the consolidation of **Dominium** as from January 1, 2010. The new subsidiary contributed €11 million to nine-month 2010 revenue.

Revenue in **Spain** stood at €30.4 million for the period, down 47% year-on-year. The fall-off reflected the high basis of comparison for the first nine months of 2009, when five lots and 53 housing units were sold to banks in two transactions totaling €33.6 million. Excluding the impact of these transactions, which resulted in a gross loss, nine-month 2010 revenue was up 26% on the prior-year period.

In **Germany**, revenue from **Concept Bau-Premier** totaled €23.7 million, compared with €36.3 million in the first nine months of 2009, as the company delivered 74 homes over the period, versus 106 in 2009.

Revenue from **Zapf** amounted to €55.5 million, compared with €53.6 million in the first nine months of 2009, during which the company was 50% proportionally consolidated for four months.

## BUSINESS PERFORMANCE

Orders were down 1% in value and 2% in volume compared with the first nine months of 2009, when a large number of block sales were completed in France, Spain and Germany.

### ORDERS - HOUSING

In € millions incl. VAT	Nine months ended Sept. 30, 2010	Nine months ended Sept. 30, 2009	% Change
<b>France</b>	<b>289</b>	<b>284</b>	<b>+ 2%</b>
Of which individual homebuyers	243	225	+ 8%
Of which block sales	46	59	- 22%
<b>Spain</b>	<b>50</b>	<b>30</b>	<b>+ 66%</b>
<b>Germany</b>	<b>95</b>	<b>136</b>	<b>- 30%</b>
Of which Concept Bau-Premier	44	82	- 46%
Of which Zapf	51	54	- 5%
<b>Other countries</b>	<b>20</b>	<b>12</b>	<b>+ 73%</b>
<b>Total</b>	<b>455</b>	<b>462</b>	<b>- 1%</b>

In **France**, orders for the period were up 2% in value compared with the first nine months of 2009, but were down 11% in volume due, in part, to the larger number of block sales in the 2009 period (377 housing units versus 265 in 2010). Sales to individual homebuyers declined by 4% in volume, to 982 units from 1,018 units in the first nine months of 2009, but rose by 8% in value because of higher average unit prices.

Note that in early 2010, **LNC** changed the method of booking orders, which are now recognized only when financing arrangements are completed. Using the former method, orders would have stood at 1,597 housing units (corresponding to 1,247 orders and 350 pre-orders) in the first nine months of 2010, for a 14% gain over the prior-year period. Orders from individual homebuyers would have been up by 15% over the period, with 982 orders and 186 pre-orders.

Buy-to-let sales accounted for 46% of sales to private buyers in the first nine months of 2010, versus 55% for full-year 2009.

Since the beginning of the year, **LNC** has successfully pursued its sales drive, launching 22 new marketing programs over the period, compared with 13 in full-year 2009.

In **Spain**, the subsidiary had 13 programs on the market at September 30, 2010, compared with 12 a year earlier. Over the period, 245 units were sold to private buyers, a 200% increase over the 82 sold in the first nine months of 2009. This sharp increase reflected the success of affordable housing programs, which represented 160 units in Madrid. Other orders concerned 60 completed housing units and 25 units sold off-plan at market prices.

No block sales were carried out in the first nine months of 2010, compared with 48 in 2009.

**Premier España** had 152 completed homes that remained unsold as of September 30, 2010, compared with 181 units nine months earlier. Selling these homes remains the subsidiary's top priority.

In **Germany**, **Concept Bau-Premier** booked 103 orders during the first nine months of 2010, versus 149 during the prior-year period. The substantial decline primarily reflected the high basis of comparison due to the block sale in the first quarter of 91 units in Munich to an institutional investor for around €24 million.

**Zapf's** revenue declined to €51 million from €54 million in the first nine months of 2009, due to the gradual discontinuation of the company's property development business as part of the restructuring plan.

## BACKLOG

At September 30, 2010, net backlog amounted to €586 million, down 4% year-on-year but up by around 29% compared with the bottom reached on December 31, 2009.

Housing backlog totaled €578 million or 13 months of business based on housing revenue over the past 12 months, versus nine months of business at year-end 2009.

### BACKLOG AT SEPTEMBER 30

In € millions excl. VAT	2010	2009	% Change
<b>France</b>	<b>339</b>	<b>383</b>	<b>- 11%</b>
Of which housing	331	326	+ 2%
Of which commercial real estate	8	57	- 86%
<b>Spain</b>	<b>58</b>	<b>36</b>	<b>+ 61%</b>
<b>Germany</b>	<b>168</b>	<b>178</b>	<b>- 6%</b>
Of which Concept Bau-Premier	81	101	- 20%
Of which Zapf	87	77	+ 13%
<b>Other countries</b>	<b>21</b>	<b>11</b>	<b>+ 91%</b>
<b>Total</b>	<b>586</b>	<b>608</b>	<b>- 4%</b>

In **France**, backlog at end-September 2010 came to €339 million, €44 million lower than a year earlier but €40 million higher than the €299 million recorded at December 31, 2009.

Housing backlog was up by a slight €5 million year-on-year, but by a much stronger €66 million compared with December 31, 2009 (of which €27 million from the consolidation of **Dominium** since January 1, 2010).

With no new orders received since the completion of the Copernic 2 program, commercial real estate backlog was down €49 million compared with September 30, 2009.

In **Spain**, backlog amounted to €58 million at September 30, 2010, up 61% from a year earlier. The improvement was led by the successful orders for four affordable housing programs in Madrid, which totaled an aggregate €36 million at September 30.

In **Germany**, total backlog stood at €168 million at end-September 2010. Backlog for **Concept Bau-Premier** was €20 million lower than at September 30, 2009 but €21 million higher than at year-end 2009. **Zapf's** backlog was up €10 million compared with December 31, 2009, of which 30% in the garage business and 70% in the construction business.

## LAND POTENTIAL

At September 30, 2010, **LNC**'s housing land potential amounted to €917 million (excluding VAT). This represents the equivalent of 4,405 housing units, an increase of 49% from the 2,948 units reported a year earlier. Based on housing revenue over the past 12 months, the potential represents 1.7 years of business.

### CONFIRMED LAND POTENTIAL AT SEPTEMBER 30 - HOUSING

In € millions excl. VAT	2010	2009	% Change
<b>France</b>	<b>619</b>	<b>355</b>	<b>+ 74%</b>
<b>Spain</b>	<b>97</b>	<b>138</b>	<b>- 30%</b>
<b>Germany</b>	<b>186</b>	<b>169</b>	<b>+ 10%</b>
Of which Concept Bau-Premier	186	132	+ 41%
Of which Zapf	0	37	- 100%
<b>Other countries</b>	<b>15</b>	<b>16</b>	<b>- 6%</b>
<b>Total</b>	<b>917</b>	<b>678</b>	<b>+ 35%</b>

In **France**, the successful drive to build up land potential expanded the portfolio by 83% over the period, to 3,333 housing units from 1,826 at September 30, 2009.

In **Spain**, the land potential stood at 395 housing units at September 30, 2010, versus 513 units a year earlier. The portfolio has declined by 107 units since June 30, 2010, thanks to the very fast take-up of the last two affordable housing programs marketed since July 2010.

At September 30, 2010, only four lots were intentionally being kept off the market, compared with five a year earlier.

In **Germany**, **Concept Bau-Premier**'s land potential rose by 56% over the period, to 507 housing units from 326 at September 30, 2009. In the third quarter, an agreement was signed to purchase a major tract of land representing 141 housing units in Munich.

**Zapf** no longer has any land potential due to the discontinuation of its property development business.

## OUTLOOK

The product portfolio expanded considerably in the first nine months of 2010, as the pace of marketing launches accelerated over the period. This trend is expected to continue through the rest of the year. **Les Nouveaux Constructeurs** remained focused on the priority objective set in early 2009 of rebuilding its land potential. In this respect, the company intends to develop new projects, while diligently complying with its land acquisition criteria. For the full year, **Les Nouveaux Constructeurs** expects to report a profit despite the ongoing impact of low-margin sales in 2008.

## FINANCIAL CALENDAR

- Fourth-quarter 2010 revenue: Thursday, February 3, 2011 (before start of trading on 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 France and abroad. It has an extensive presence in France, where its operations in five of the country's largest metropolitan areas and high-quality programs have made **Les Nouveaux Constructeurs** one of the most well known names in the industry.

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

All **LNC** press releases are posted on its website at: <http://www.lesnouveauxconstructeurs.fr/fr/communiques>

## CONTACTS

### Investor Relations

#### Les Nouveaux Constructeurs

Ronan Arzel

Vice President

Tel: +33 (0)1 45 38 45 29

E-mail: [rarzel@lncsa.fr](mailto:rarzel@lncsa.fr)

### LT Value

Investor Relations

Nancy Levain / Maryline Jarnoux-Sorin

Tel: +33 (0)1 44 50 39 30

E-mail: [nancy.levain@ltvalue.com](mailto:nancy.levain@ltvalue.com)

E-mail: [maryline.jarnoux-sorin@ltvalue.com](mailto:maryline.jarnoux-sorin@ltvalue.com)

### Media

#### Cap & Cime

*Financial Media*

Capucine de Fouquières

Tel: +33 (0)6 09 46 77 33

E-mail: [capucine@capetcime.fr](mailto:capucine@capetcime.fr)

*Real Estate Media*

Virginie Hunzinger

Tel: +33 (0)1 55 35 08 18

+ 33 (0)6 10 34 52 81

E-mail: [vhunzinger@capetcime.fr](mailto:vhunzinger@capetcime.fr)

## APPENDIXES

### QUARTERLY REVENUE - BY COUNTRY

In € millions excl. VAT	2010				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France (Housing)	52.7	76.4	75.8		46.7	76.4	68.2	116.3
France (Commercial real estate)	6.5	10.3	11.4		14.5	22.4	18.7	27.0
Spain	16.0	10.9	3.6		7.0	37.1	13.6	6.3
Germany (Concept Bau-Premier)	12.6	2.5	8.7		10.3	14.9	11.2	54.0
Germany (Zapf)	10.2	20.7	24.5		5.3	17.9	30.4	44.0
Other countries	0.4	0.8	0.7		0.8	1.8	0.8	3.4
<b>Total</b>	<b>98.4</b>	<b>121.6</b>	<b>124.7</b>		<b>84.6</b>	<b>170.4</b>	<b>142.9</b>	<b>251.1</b>

### AVERAGE UNIT PRICE – HOUSING ORDERS

In € thousands incl. VAT	Nine months ended Sept. 30, 2010	Nine months ended Sept. 30, 2009	% Change
France - Including block sales <sup>(1)</sup>	232	204	+ 15%
France – Excluding block sales <sup>(1)</sup>	248	221	+ 13%
Spain <sup>(2)</sup>	204	232	+ 0%
Germany <sup>(3)</sup>	222	281	- 15%
Other countries <sup>(4)</sup>	111	90	+ 18%
<b>LNC</b>	<b>217</b>	<b>216</b>	<b>+ 3%</b>

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

### NUMBER OF HOUSING ORDERS, NET

Number of units	Nine months ended Sept. 30, 2010	Nine months ended Sept. 30, 2009	% Change
France	1,247	1,395	- 11%
Spain	245	130*	+ 88%
Germany (Concept Bau-Premier)	103	249	- 59%
Germany (Zapf)	326	235	+ 39%
Other countries	179	130	+ 38%
<b>Total</b>	<b>2,100</b>	<b>2,139</b>	<b>- 2%</b>

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

### QUARTERLY HOUSING ORDERS BY COUNTRY

In € millions incl. VAT	2010				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	76	119	95		113	94	78	69
Spain	15	14	21		6	17	7	7
Germany (Concept Bau-Premier)	13	17	14		44	23	15	12
Germany (Zapf)	9	19	23		14	24	16	7
Other countries	3	8	9		3	4	4	6
<b>Total</b>	<b>116</b>	<b>178</b>	<b>161</b>		<b>180</b>	<b>162</b>	<b>120</b>	<b>101</b>

**BACKLOG BY QUARTER (PERIOD END)**

In € millions excl. VAT	2010				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France (Housing)	297	322	331		338	334	326	265
France (Commercial real estate)	28	19	8		95	74	57	34
Spain	42	43	59		48	40	36	38
Germany (Concept Bau-Premier)	60	75	81		89	98	101	60
Germany (Zapf)	57	78	87		68	80	77	51
Other countries	10	15	21		10	11	11	8
<b>Total</b>	<b>494</b>	<b>552</b>	<b>586</b>		<b>648</b>	<b>637</b>	<b>608</b>	<b>455</b>

**LAND POTENTIAL AT SEPTEMBER 30**

Number of units	2010	2009	% Change
France	3,333	1,826	+ 83%
Spain	395	513	- 23%
Germany (Concept Bau-Premier)	507	326	+ 56%
Germany (Zapf)	0	104	- 100%
Other countries	170	179	- 5%
<b>Total</b>	<b>4,405</b>	<b>2,948</b>	<b>+ 49%</b>

Excluding commercial real estate

**LAND POTENTIAL BY QUARTER (PERIOD END)**

In € millions excl. VAT	2010				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
France	617	684	619		365	311	355	568
Spain	116	116	97		173	145	138	134
Germany (Concept Bau-Premier)	162	142	186		158	146	132	141
Germany (Zapf)	2	1	0		54	47	37	3
Other countries	12	15	15		21	17	16	12
<b>Total</b>	<b>909</b>	<b>958</b>	<b>917</b>		<b>770</b>	<b>666</b>	<b>678</b>	<b>858</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 the 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 with the French Stock Exchange Commission (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 of 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. of AMF's general regulations.