

2009 Revenue and Business Activity

Fiscal year 2009

- Revenue: €2,838 million, up 6% compared to 2008
- Residential division: net reservations totaled 13,211 units in 2009, comprising 10,808 new homes in France, 198 new homes in Italy and 2,205 subdivision units, representing 46% year-on-year growth in volume terms
- Commercial division: limited net order intake (€57 million excl. VAT)
- Backlog at end-December: €2.6 billion, equivalent to 14 months' development revenue¹
- Current operating margin expected over 7%

Outlook for 2010

- Residential division: 10% market share based on an anticipated total market of around 90,000 new homes
- Commercial division: orders expected to pick up progressively in 2010
- Consolidated revenue for 2010 expected to be around €2.5 billion

ALAIN DININ, CHAIRMAN AND CEO OF NEXITY COMMENTED:

"Nexity's revenue for 2009 was 6% higher than in 2008. This good result was achieved thanks to growth in residential business, driven by the upturn in business activity and the exceptionally high number of deeds of sale signed at the end of the year, as well as the anticipated growth in revenue from commercial property business, given the extent of the backlog at year-end 2008.

After the fall-off in demand in 2008, the new home market in France bounced back quite remarkably in 2009, supported by government stimulus measures and falling mortgage rates. The Group was able to reap the benefits of the upturn in demand from individual investors and first-time buyers thanks to its diversified offer, perfectly aligned with demand and focusing primarily on modest-sized housing in large urban areas.

Demand for new housing in 2010 is likely to be supported by underlying structural factors, the continuation of stimulus measures and low interest rates. This demand will be chasing a limited supply: following the decision to abandon certain projects in 2008, along with the significantly reduced number of program launches, the time needed to develop new programs will limit availability of new homes for sale in the first half of 2010. The market is therefore likely to experience a dip with around 90,000 sales compared to an estimated 100,000 sales in 2009.

1. Based on revenue for the last 12 months.

In the Commercial real estate market, investments started to pick up gradually after grinding to a halt at the beginning of the year, although this reversal has not yet extended to speculative development projects. Forecasts of rent stabilization, lower yields and improved availability of bank credit, make us confident that orders will pick up in 2010. This is all the more true since fewer new office buildings, conforming to the new environmental standards, are set to be delivered from 2011–2012.

Services and Distribution should benefit from the recovery in the market for existing properties in 2010.

As a logical consequence of the slump in business activity recorded by the Residential division in 2008 and by the Commercial division in 2009, Group revenue should be around €2.5bn in 2010."

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Revenue recorded by Nexity Group (NXI.PA) came to €2,838 million in 2009, representing a 6% increase on 2008. Revenue from property development activities increased for the Residential and Commercial divisions, remained stable for Services and declined for Distribution.

Business in the Group's residential division grew significantly compared to 2008. New home reservations in France and subdivision reservations came to 13,013 units,¹ up 44% compared to the previous year. Aggregate gross orders booked by the Commercial division stood at €146 million excluding VAT, including a new order for €100 million excluding VAT. Taking into account the cancellation of an €89 million order, net aggregate orders for the year totaled €57 million excluding VAT. Business activity within the Services division remained stable. In Distribution, the Group's franchise networks enjoyed a recovery in transactions, and Iselection activity increased sharply at the end of the year.

The order backlog amounted to €2,600 million at end-December, representing almost 14 months' development revenue.²

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1. Including Iselection and excluding Italy.
2. Based on revenue for the last 12 months.

FISCAL YEAR 2009 REVENUE*

<i>In millions of euros</i>	2009	2008	Change %
Residential	1,827.1	1,781.5	+3%
Commercial	475.9	344.3	+38%
Services & Distribution	530.1	551.7	-4%
Other activities	4.8	5.4	ns
Total Group revenue	2,837.9	2,682.9	+6%

* Revenue generated by the Residential and Commercial divisions is calculated using the percentage-of completion method, on the basis of notarized sales pro-rated to reflect committed construction costs. The revenue figure essentially mirrors the degree of completion of the various construction projects in progress.

Nexity Group's revenue for 2009 came to €2,838 million, a 6% increase from the previous year.

- The **Residential** division posted revenue of €1,827 million, a 3% increase compared to the previous year. This increase, which follows a brutal collapse in new home and subdivision reservations in 2008, can be attributed among other factors to the exceptionally high number of deed signings recorded by the Group at the end of the year, spurred by uncertainty until mid-December as to how long the Scellier-Carrez scheme for buy-to-let investments would last. These signings were for housing units in advanced stages of completion. Revenue for the fourth quarter thus reached €603 million, a record level for the division, up 28% on the fourth quarter of 2008, while aggregate revenues for the Residential division for the first three quarters declined by almost 7% compared to the same period in 2008. The highly unusual level of activity in the fourth quarter reflects a flurry of deed signings at the end of the year: some 44% of notarized sale agreements for new homes executed in 2009 were signed in the final three months of 2009, including 1,932 sale agreements for new homes sold to private individuals in December 2009, compared to 804 in December 2008 and 1,087 in December 2007. Over the year as a whole, revenue from new home development activities (€1,683 million) rose by 5% whereas the subdivision business posted an 18% decrease to €144 million.
- In the **Commercial** division, revenue came to €476 million, up 38% compared to 2008. This sharp rise was attributable to the high backlog reached at the end of 2008 (€970 million) and the progress made on major construction projects in France, such as the Basalte building (Société Générale) in La Défense. It was also due to the increase in revenue generated outside France (€70 million, up from €40 million in 2008), due to the delivery of construction programs in Barcelona and Milan.
- Revenue for the **Services and Distribution** division amounted to €530 million. Revenue for Services was stable at €433 million; revenue for Distribution decreased (€97 million versus €115 million in 2008) due to a decline in franchise network and Iselection activities, particularly during the first half. Nevertheless, Iselection recorded much improved activity in the fourth quarter, buoyed by an increase in the number of deed signings at the end of the year, with a notable increase in Scellier-Bouvard buy-to-let investments.

BUSINESS ACTIVITY

Residential division

The market enjoyed a strong recovery in 2009, with reservations growing by an estimated 25% (at a minimum) following the sharp downturn suffered in 2008 (down 38% compared to 2007). This upturn can be attributed to low mortgage rates and the various measures and incentives introduced by the French government at the end of 2008 to bolster new homes sales, including the doubling of zero-interest loans for first-time buyers and tax reductions for buy-to-let investments under the Scellier-Carrez law.

Against this backdrop, Nexity Group recorded net reservations for new homes and subdivision of 13,211 units, up 46% compared to 2008.

- In France, the Group recorded a total of 13,013 new home and subdivision reservations, an increase of 44% in volume terms compared to 2008. Business volumes during the fourth quarter soared by 77%, partly due to the very small number of reservations recorded in the same period of 2008. Over the year, reservations increased by 43% in value terms.

<i>New home and subdivision reservations - France (units and millions of €)</i>	2009	2008	Change %
New homes (number of units)	10,808	7,307	+48%
Subdivisions (number of units)	2,205	1,754	+26%
Total new home and subdivision reservations (number of units)	13,013	9,061	+44%
New home reservations (€m incl. VAT)	1,972	1,361	+45%
Subdivision reservations (€m incl. VAT)	141	114	+24%
Total new home and subdivision reservations (€m incl. VAT)	2,113	1,475	+43%

- The number of **new home** reservations came to 10,808 units, up 48% compared to 2008.

Sales to first-time buyers rose sharply (59% higher than in 2008) owing to the doubling of zero-interest loans and the extension of the PassFoncier® scheme to apartment purchases. Reservations by second-time buyers and buyers of second homes were low (735 reservations versus 1,016 in 2008). Sales to individual investors, mainly under the Scellier-Carrez tax scheme, more than doubled, bringing them back into line with historic averages, i.e., around 50%. Block sales to institutional investors – primarily social housing operators – accounted for 628 units in the fourth quarter, versus 1,392 in the same period of 2008.

<i>Changes in new home reservations by client</i>	2009	2008	Change %
Home buyers (number of units)	2,874	2,363	+22%
<i>o/w first-time buyers</i>	2,139	1,347	+59%
<i>o/w other home buyers</i>	735	1,016	-28%
Private investors (number of units)	5,691	2,425	X 2
Institutional investors (number of units)	2,243	2,519	-11%
Total new home reservations (number of units)	10,808	7,307	+48%

In value terms, new home reservations rose by 45% to €1,972 million incl. VAT, an increase in step with the change in volume of reservations. In the fourth quarter alone, new home reservations increased in value terms by 119%, as against 72% in volume terms. This was primarily due to a sharp fall in sales to institutional investors in volume terms, and the fact that institutional investors acquire properties at lower average prices.

The average price incl. VAT of new homes sold, excluding block sales to institutional investors and lselection sales,¹ was €196 thousand, 2% lower than the average price in 2008. This was largely caused by a 2.7 sq.m reduction in the average size of new homes.

<i>Average sale price & floor area</i>	2009	2008	Change
Average price of new homes per sq.m (€incl. VAT)*	3,393	3,306	+3%
Average size of new homes (sq.m)*	57.7	60.4	-2.7 sq.m
Average price of new homes (per unit, €incl. VAT)*	195.8	199.6	-2%

* Excluding block sales and lselection.

The Group's stock of completed new homes remains very low, with 236 units at the end of 2009, of which 135 (or 57%) correspond to units delivered during the last quarter of 2009. In the period under review, the level of pre-commercialization recorded at the time construction work was launched remained high (77% on average over the year).

- **Subdivision** reservations came to 2,205 units, up 26% compared to 2008. The fourth quarter saw a sharp upturn in sales (827 units compared to an average of 460 units per quarter from the beginning of the year). Net reservations by private individuals grew by 32% compared to 2008, thanks to the Pass-Foncier® home purchase scheme, the doubling of zero-interest loans and low mortgage rates. The average price of net reservations from individual buyers came to €65 thousand, remaining stable compared to 2008. Grouped sales to developers improved sharply during the second half of the year.
- As of December 31, 2009, Nexity Logement's residential business potential in France amounted to the equivalent of **27,700 units²** (compared to 33,800 units at end-2008), comprising 19,000 units for new homes and 8,700 units for subdivisions. This potential, which represents approximately two years of Nexity Logement reservations, includes the Group's current commercial supply, its future supply corresponding to as yet non-commercialized project tranches of land acquired for development, and projects not yet launched relating to land plots secured through options.
- In northern Italy, Nexity Residenziale accounted for 125 options to purchase (*proposte d'acquisto*) and 198 purchase agreements (*compromessi*) in 2009, corresponding to revenue figures including VAT of €27 million and €37 million respectively.

1. Sales of new homes as an operator, excluding commercialization on behalf of third parties.

2. Excluding Villes et Projets operations portfolio.

Commercial division

- The commercial investment market in France hit a record low in 2009, with €7.6 billion invested versus €12.5 billion in 2008 and €27 billion in 2007. It did, however, show signs of a gradual recovery, with close to €3.5 billion euros invested during the fourth quarter, compared to €1.7 billion in the third quarter, €1.6 billion in the second quarter and €700 million in the first quarter.¹ Investors mainly focused on well-located, let assets, for which bank financing was easier to obtain. However, up until now, financial institutions have been reluctant to fund speculative new developments. Renewed signs of investor interest were demonstrated as yields for prime assets fell to around 5.50%–6.50% in Paris CBD,¹ with prime yields dropping by 75 basis points over the last 9 months.

The total take-up of office space in the Paris region fell in 2009 to 1.8 million square meters, equivalent to a 24% decrease on 2008.¹ Despite its increase, the vacancy rate remains low in the Paris region at 6.8%, with an immediate supply of 3.6 million square meters. The decrease in the definite future supply available within the year (down 14% compared to January 1, 2009) due to the postponement of a significant number of projects, suggests that there will be a supply shortage of new office space by 2011–2012. Average rents for new-builds and refurbished space declined by 6% over the 12-month period.¹

- Following a record number of orders in 2008 (€579 million excl. VAT), Nexity recorded gross orders worth €146 million excluding VAT in 2009. This total included a new order for €100 million excluding VAT registered in July for the refurbishment of a high-rise building in Levallois on the outskirts of Paris. Further orders recorded over the year were mainly for logistic platforms and activity facilities. In June the Group withdrew from its backlog an order worth €89 million for a building in Paris, following its cancellation by the investor due to longer than expected administrative procedures. In total, aggregate net orders over the year came to €57 million excluding VAT. At end-December 2009, 96% of the Commercial division's backlog related to projects already under construction.

Services & Distribution division

In the Services division, the number of residential units managed came to some 970,000 units at the end of 2009, of which more than 200,000 units were under rental management. A total of 8.4 million square meters of commercial property space was managed as of December 31, 2009. Commercial property transaction activity was affected by the sharp market slowdown at the beginning of the year but improved significantly during the second half.

The fact that Services revenue was stable year-on-year is particularly noteworthy given that revenue from transactions in the property management business (Lamy, Saggel, Richardière) and revenue from Keops (commercial transactions) were together down 13% compared to 2008.

1. Source: CBRE.

<i>Residential housing and commercial sq.m under management</i>	Dec. 31, 2009	Dec. 31, 2008	Change %
Rental management (number of units)	208,900	216,000	-3%
Condominium management (number of units)	758,500	791,000	-4%
RESIDENTIAL: Property under management (units)	967,400	1,007,000	-4%
COMMERCIAL: Rental management (sq.m)	8,440,000	8,804,000	-4%

Activity in the **Distribution** division began to recover. At the franchise networks, provisional sale agreements rose by 25% in the fourth quarter compared to the same period in 2008. This followed a 7% rise in the third quarter and a 5% fall in the second quarter. The number of network agencies stabilized: after 118 net franchise agency closures in the Century 21 and Guy Hoquet l'Immobilier networks in the first half of the year, there were only 26 net closures of franchise agencies in the second half. The number of franchise network agencies led by the Group thus totaled 1,405 after taking into account the disposal of the Keops Résidentiel network (34 agencies) during the fourth quarter.

<i>Franchise networks – Number of agencies</i>	Dec. 31, 2009	Dec. 31, 2008	Change
Century 21 France agencies	872	917	-45
Guy Hoquet l'Immobilier agencies	533	632	-99
Total number of agencies	1,405	1,549	-144

Iselection business activity benefited fully from the extension of the Scellier tax benefits for investments made under the LMNP scheme for non-professional landlords of furnished property. As a vendor of real estate savings products on behalf of third-party real estate developers, Iselection commercialized 2,037 units in 2009, almost 950 units more than in 2008.

Including new home operations activities, Iselection recorded a total of almost 2,600 reservations in 2009.

Urban renewal division (Nexity Villes & Projets)

As of December 31, 2009 Nexity Villes & Projets had a non-commercialized land potential of 823,000 square meters.¹ Within the portfolio, 50% of this total area corresponded to residential properties, 44% to offices and related activities, and 6% to retail. The Group won a new project at the end of the year in Nanteuil le Haudoin (Oise) to develop a 70,000 sq.m logistics and activity center. Furthermore, over 19,000 square meters were commercialized, notably in Saint-Priest (near Lyon) and La Baule on land stemming from operations developed by Villes & Projets.

1. Surface areas provided for information purposes only and may be subject to adjustment once administrative authorizations have been obtained.

ORDER BACKLOG AS OF DECEMBER 31, 2009

<i>In millions of euros (excl. VAT)</i>	Dec. 31, 2009	Dec. 31, 2008	Change %
New homes*	1,807	1,865	-3%
Subdivisions	237	265	-11%
Residential division backlog	2,044	2,130	-4%
Commercial division backlog	556	970	-43%
Total Group backlog	2,600	3,100	-16%

* Excluding Iselection, including Italy from 2009.

As of end- December 2009, the Group's order book amounted to €2,600 million, accounting for roughly 14 months' development revenue for Nexity¹ (13 months for the Residential division and 14 months for the Commercial division).

OUTLOOK FOR 2010

- Residential: 10% market share based on an anticipated total market of around 90,000 new homes
- Commercial: orders expected to pick up progressively in 2010
- Consolidated revenue for 2010 expected to be around €2.5 billion

1. Based on revenue for the last 12 months.

FINANCIAL CALENDAR & PRACTICAL INFORMATION

- Fiscal year 2009 results - Tuesday, February 23, 2010 - Market close
- Shareholders' Meeting - Wednesday, May 12, 2010

- 2009 Revenue and Business Activity will be reviewed during a conference call at 3:00 p.m. CET on Friday, February 5, 2010. If you wish to participate, please dial one of 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 9726 access code: Nexity

You can listen to a recording of this conference call by dialing the following number:
+44 (0)207 959 67 20 (access code: 142555#)

You can access the presentation accompanying this conference at the following address:
<http://www.thomson-webcast.net/uk/dispatching/?nexity050210>. This presentation will be available on the Group's website as of 9:00 a.m. CET on February 5, 2010.

DISCLAIMER

The information, assumptions and estimates that were used to determine these objectives are subject to change or modification due 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.09-0398 on May 6, 2009 could have an impact on the company's ability to achieve these 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.

About Nexity

The largest fully integrated real estate group in France, Nexity uses its comprehensive range of sector-specific skills and expertise to serve the private individuals, companies and local authorities that make up its customer base. As an established leader across the entire spectrum of real estate businesses, spanning property development (homes, offices, retail and other businesses), real estate services for private individuals and companies, franchise networks, turnkey urban development and property management, Nexity can provide global responses to the needs of its customers. Nexity is present throughout France and elsewhere in Europe.

Nexity is listed on the SRD and on Euronext's Compartment A

Member of the Indices: SBF80, SBF120, CACmid100, Next150 and MSCI SmallCap France

Ticker: NXI – Reuters: NXI.PA – Bloomberg: NXI FP

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Appendices

REVENUE BY DIVISION

NEW HOMES

<i>In millions of euros</i>	2009	2008	Change %
New homes	1,683.3	1,606.3	+5%
Subdivisions	143.8	175.2	-18%
New homes and subdivisions	1,827.1	1,781.5	+3%

COMMERCIAL

<i>In millions of euros</i>	2009	2008	Change %
Office buildings	377.3	274.6	+37%
Logistic platforms and activity facilities	28.4	30.2	-6%
International	70.3	39.6	+78%
Commercial	475.9	344.3	+38%

SERVICES & DISTRIBUTION

<i>In millions of euros</i>	2009	2008	Change %
Services	433.5	436.9	-1%
Distribution	96.6	114.8	-16%
Services & Distribution	530.1	551.7	-4%

QUARTERLY PROGRESSION OF REVENUE BY DIVISION

<i>In millions of euros</i>	2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
New homes	421.0	483.0	407.7	469.8	329.0	477.4	417.9	602.8
Commercial	60.3	81.8	87.3	114.9	123.7	140.0	106.4	105.8
Services & Distribution	128.5	131.2	141.0	151.0	112.4	127.8	123.5	166.4
Other activities	0.9	1.9	1.2	1.4	0.9	1.1	1.6	1.2
Revenue	610.7	697.9	637.2	737.1	566.0	746.3	649.4	876.2