

Revenue and business activity in Q1 2010

- Revenue: Residential division revenue came to €343 million, up 4% from Q1 2009, Services and Distribution division revenue grew by 16% to €130 million, and Commercial division revenue declined by 34% to €82 million. The Group posted consolidated revenue of €556 million, down 2% compared from Q1 2009
- Residential division: 2,881 net reservations, including 2,201 new homes in France, in line with the forecast of around 9,000 new home reservations in 2010
- Commercial division: negotiations in progress for new orders
- Backlog as of March 31, 2010: €2.6 billion, equivalent to 14 months of revenue from development activities¹

Outlook for 2010

- Residential: 10% market share based on an anticipated total market of around 90,000 new homes
- Commercial: new order intake target of €150 million
- 2010 consolidated revenue expected to be around €2.5 billion
- Current operating margin target of 7%

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ALAIN DININ, CHAIRMAN AND CEO OF NEXITY, COMMENTED:

"The change in Nexity's sales of new homes during the first quarter reflects two trends: persistently strong demand, with attractive mortgage interest rates, effective government support measures, and our particularly well positioned offer for first-time home buyers and investors. But this demand is encountering limited supply, due to the decision in the second half of 2008 to cancel numerous projects at the height of the crisis and the timeframes required to launch new programs. These factors support our forecast for a French new home market of around 90,000 units in 2010.

In the medium term, the new measures to be implemented by the announced reform of home buying incentives will be decisive. This initiative, a welcome measure to clarify the various schemes offered, will have to take into account the likely rise in mortgage interest rates in order to maintain household solvency levels.

In the commercial real estate sector, renewed interest from investors in the new-build segment accompanied by the gradual improvement of bank financing conditions confirms the outlook for orders to pick up gradually over the year.

¹ Based on revenue for the last 12 months.

Lastly, in services we are working on implementing our move to a single brand, which will cement the commitments we have made with regard to service quality for the benefit of our clients, as it will in all of our other business lines."

Nexity Group (NXI.PA) recorded consolidated revenue of €556m in the first quarter of 2010, representing a 2% decline compared to the same period in 2009. Revenue for the Residential division was up 4%. Revenue for the Commercial division fell by 34% compared to the first quarter of 2009, due to the drop in the order backlog recorded in 2009. Revenue was stable for Services, but was sharply higher for Distribution.

Reservations recorded by the Residential division posted a 4% drop in volume compared to the first quarter of 2009, with demand still strong but limited by low available supply. The factors sustaining demand were still in place: low mortgage interest rates, government incentives to support home buying and buy-to-let investment under the Scellier scheme. In the Commercial division, the resurgence of interest from investors for new projects as well as negotiations in progress confirmed the Group's outlook for a gradual recovery in orders over the year. Business activity for Services was very stable, while the Distribution segment benefited from the turnaround in transaction volume.

The Group's order backlog amounted to €2,627m, equivalent to 14 months of revenue from development activities.¹

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Q1 2010 REVENUE*

<i>In millions of euros</i>	Q1 2010	Q1 2009	Change %
Residential real estate	342.9	329.0	+4%
Commercial real estate	81.7	123.7	-34%
Services & Distribution	130.3	112.4	+16%
Other activities	1.0	0.9	-
Group revenue	555.9	566.0	-2%

* 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.

In the first quarter of 2010, Nexity Group recorded revenue of €556 million, a 2% decline compared to the first quarter of 2009.

- The Residential division posted revenue of €343 million, an increase of €14 million (+4%) over the first quarter of 2009. Revenue from new home development activity grew by 4% to €318 million. This growth in the first quarter does not reflect the trend for 2010. It is attributable in particular to a higher average rate of progress on deeded homes under construction. The subdivision business reported revenue of €25 million, remaining stable in relation to the first quarter of 2009.
- Revenue from the Commercial division came to €82 million, 34% lower than the figure recorded during the same period in 2009. This decline was attributable to a lower volume of progress on

¹ Based on revenue for the last 12 months.

works than in the first quarter of 2009 due to the decline in the Group's order backlog for commercial real estate (€556 million at end-2009 versus €970 million the previous year). In the first quarter of 2009, the Group saw progress on major construction projects in France that have now been delivered, such as the C1 buildings in Saint-Ouen or the Onyx building in Clichy. Outside France, the lack of significant new operations during the year was reflected in the revenue level for the first quarter, while this figure had benefited from progress made on office building operations in Barcelona and Milan delivered in 2009 (€1m in revenue for Q1 2010 versus €24m a year earlier).

- The **Services and Distribution** division posted revenue of €130 million, representing a 16% increase compared to the same period in 2009. This performance is the result of two trends: revenue from the Services business (€103m) was stable, whereas first quarter revenue for Distribution rose significantly (€27m compared to €9m in Q1 2009) due to the turnaround in the lselection business (€19m compared to €3m in Q1 2009). Its performance as a new home operator has improved markedly and reflects the increase in reservations recorded for this portion of its business in the fourth quarter of 2009, sustained by the Scellier-Bouvard scheme for buy-to-let investments.

BUSINESS ACTIVITY

Residential division

Activity in this market was strong in the first quarter of 2010, supported by robust demand amid an environment characterized by low mortgage interest rates and effective government support measures. However, new homes were in short supply, as expected, due to the decision in 2008 to cancel a large number of operations after the collapse of new home sales, which contributed to the decline in reservations.

Net new home and subdivision reservations recorded by Nexity Group thus amounted to 2,881 units, a 4% decline compared to the first quarter of 2009 against the backdrop of limited supply.

- **In France**, the Group recorded 2,852 new home and subdivision reservations, representing a 4% drop in volume compared to the first quarter of 2009. The decline in sales of new homes (-14%) was in part offset by the strong growth in subdivision reservations (+58%).

<i>New home and subdivision reservations (units and millions of €)</i>	Q1 2010	Q1 2009	Change %
New homes (number of units)	2,201	2,569	-14%
Subdivisions (number of units)	651	411	+58%
Total new home and subdivision reservations (number of units)	2,852	2,980	-4%
New home reservations (€m incl. VAT)	455	466	-2%
Subdivision reservations (€m incl. VAT)	46	19	+142%
Total new home and subdivision reservations (€m incl. VAT)	501	485	+3%

- The number of **new home** reservations came to 2,201 units, down 14% compared to the first quarter of 2009, in a limited-supply environment.

Sales to first-time home buyers totaled 597 units and represented 27% of total reservations, compared to 25% a year earlier. This segment continues to benefit from the doubling of the maximum amount of zero-interest loans. Sales to private investors, mainly in connection with the Scellier-Carrez scheme, were practically at the same level as during the first quarter of 2009, with 1,075 reservations compared to 1,098 in 2009. Block sales to institutional investors, primarily social housing operators, were down sharply: they represented 368 units, or 17% of the total. In 2009, 626 units had been reserved during the first quarter, which included a portion of the block sales negotiated at year-end 2008 as part of the government's decision at the time to launch a plan to have 30,000 homes purchased by social housing operators.

<i>New home reservations by type of client</i>	Q1 2010	Q1 2009	Change %
Home buyers (number of units)	758	845	-10%
<i>o/w: - first-time buyers</i>	597	634	-6%
<i>- other home buyers</i>	161	211	-24%
Private investors (number of units)	1,075	1,098	-2%
Institutional investors (number of units)	368	626	-41%
Total new home reservations (number of units)	2,201	2,569	-14%

In value terms, new home reservations amounted to €455 million including VAT, representing a 2% decline. Excluding block sales to institutional investors and lselection sales,¹ the average price including VAT of homes sold was €216 thousand for an average floor area of 60 sq.m. The increase in average floor area (up by 2 sq.m over one year) resulted, amongst other factors, from the limited supply of smaller units and improved household solvency fuelled by the continued decline in mortgage interest rates (decline of 160 basis points over 16 months).

<i>Average sale price & floor area</i>	Q1 2010	Q1 2009
Average price of new homes per sq.m (€ incl. VAT)*	3,621	3,336
Average floor area of new homes (sq.m)*	59.8	57.8
Average price of new homes (per unit, € incl. VAT)*	216.5	192.7

* Excluding block sales and lselection

Unsold completed stock held by the Group remains very low, amounting to 196 homes as of March 31, 2010. In the period under review, the level of pre-commercialization recorded at the time construction work was launched remained high (78% on average).

- **Subdivision** reservations totaled 651 units, a 58% jump compared to the first quarter of 2009. This increase was attributable to a 32% increase in sales to individuals, thanks to the Pass Foncier® scheme, the doubling of the maximum amount of zero-interest loans ("PTZ"), and the decline in mortgage rates. The growth in subdivision reservations is also due to the sharp turnaround in net grouped sales to developers. The development sector sought land in order to resume building operations for new homes. The average price of net reservations from individuals amounted to €69 thousand versus €52 thousand during the first quarter of 2009, when the average price level was still affected by significant cancellations.

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

Programs launched during the first quarter represented twice the number of programs launched in the first quarter of 2009. However, most of the launches planned for the year are due to occur in subsequent quarters. Nevertheless, launches completed during the first quarter allowed the Group to maintain a high residential business potential¹ as of March 31, 2010, representing the equivalent of 18,200 units.² Business potential for subdivisions amounted to 8,800 units.

- Outside France, Nexity Residenziale in northern Italy signed 12 options to purchase (*proposte d'acquisto*) and 29 purchase agreements (*compromessi*) during the first quarter, for total revenue including VAT of €3 million and €6 million, respectively.

Commercial division

- With €1.4 billion invested in the first quarter of 2010, the French commercial real estate investment market did not reach the level of €3.5 billion invested in the fourth quarter of 2009.³ Investors with significant liquidity seeking yield and limited risk continued to turn mainly to well-located leased assets. The collective focus by investors on a limited number of assets meeting their requirements for security and liquidity, pushed yields from prime assets downwards: to between 5.50% and 6.50% in Paris CBD.³ Yields for the most attractive buildings were down by close to 75 basis points over a twelve-month period.

The rental market maintained its wait-and-see approach, with take-up of office space in the Paris region of close to 470,000 square meters (up 7% compared to the first quarter of 2009, but down 23% compared to the fourth quarter of 2009). However, the market for large office units began to see noteworthy improvement: 15 deals for units larger than 5,000 sq.m were signed, and users started to position themselves ahead of deliveries of new buildings in order to head off the anticipated scarcity of good quality larger units.

The vacancy rate was stable in the Paris region at 6.8%, while immediate supply stalled (3.6 million sq.m as of March 31, 2010). Definite future supply of units larger than 5,000 sq.m continued to drop due to the low level of speculative project launches (-36% over one year), confirming the outlook for scarce new-build supply in 2011-2012. Average rents for new-build or refurbished space in the Paris region posted a decline of 3% over 12 months, with an upward trend in Paris in the first quarter.³

- Against this backdrop, Nexity did not record any new significant orders during the first quarter of 2010 (order intake was limited to €7 million excluding VAT). However, several projects were in advanced negotiations, including some that could materialize in the second quarter of 2010.

¹ The business potential includes current supply for sale, future supply corresponding to project tranches not yet commercialized on acquired land, and supply not yet launched associated with land secured through options.

² Excluding Villes & Projets operations portfolio.

³ Source: CBRE.

Services and Distribution division

The Services business continued to hold up well in the first quarter. The number of residential units managed as of March 31, 2010 was stable at close to 1 million, 78,000 units of which were outside France (in Germany, Belgium, Poland and Switzerland). As for commercial real estate, total space under management registered a slight decline compared to year-end 2009 (-2%) and amounted to 8.2 million square meters.

<i>Residential housing and commercial units under management</i>	March 31, 2010	Dec. 31, 2009	Change %
Rental management (number of units)	207,700	208,900	-
Condominium management (number of units)	748,400	758,500	-1%
RESIDENTIAL: property under management	956,100	967,400	-1%
COMMERCIAL: Rental management (sq.m)	8,230,000	8,440,000	-2%

Within the Distribution segment, activity in the networks of agencies continued to turn around, thanks in particular to the decline in mortgage interest rates (3.6% on average in March 2010 according to Crédit Logement). The first quarter of 2010 thus saw growth of 38% in reported transactions in the Century 21 network compared to the first quarter of 2009 (which marked a low point for this network's activity). However, the number of franchise network agencies registered a limited decline (-1.5%), with 1,383 agencies as of March 31, 2010 compared to 1,405 as of December 31, 2009.

<i>Franchise networks (number of agencies)</i>	March 31, 2010	Dec. 31, 2009	Change
Century 21 France	857	872	-15
Guy Hoquet l'Immobilier	526	533	-7
Total number of agencies	1,383	1,405	-22

Iselection continued to benefit from the extension of the Scellier tax benefits to 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 sold 621 units during the first quarter of 2010, thus 255 more units than in the first quarter of 2009.

Urban renewal division (Nexity Villes & Projets)

As of March 31, 2010, Nexity Villes & Projets had a non-commercialized land potential of 826,000 sq.m,¹ unchanged compared to December 31, 2009. The share of space intended for residential projects amounted to 49% of the total, compared to 51% intended for offices, retail and activity facilities.

¹ Indicative floor areas, which may be adjusted following the attribution of administrative authorizations.

ORDER BACKLOG AS OF MARCH 31, 2010

<i>In millions of euros, excl. VAT</i>	March 31, 2010	Dec. 31, 2009	Change %
New homes *	1,892	1,807	+5%
Subdivisions	249	237	+5%
Residential division backlog	2,141	2,044	+5%
Commercial division backlog	486	556	-13%
Total Group backlog	2,627	2,600	+1%

* Including Italy

The Group's order backlog as of March 31, 2010 totaled €2,627 million, stable compared to December 31, 2009, representing the equivalent of 14 months of revenue from Nexity's development activities.¹ The Residential order backlog grew by 5% compared to December 31, 2009 and represented 14 months of revenue from this division's activities;¹ the order backlog for the Commercial division corresponded to 13 months of revenue from its activities.¹

OUTLOOK FOR 2010

- Residential : 10% market share based on an anticipated total market of around 90,000 new homes
- Commercial: new order intake target of €150 million
- Consolidated revenue for 2010 expected to be around €2.5 billion
- Current operating margin target of 7%
- Objective of proposing a dividend payment of €1.60 per share in respect of fiscal year 2010

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¹ Revenue basis over 12-month period.

FINANCIAL CALENDAR & PRACTICAL INFORMATION

- Shareholders' Meeting Wednesday, May 12, 2010
- Ex-dividend date Friday, May 14, 2010
- Record date Tuesday, May 18, 2010
- Payment date Wednesday, May 19, 2010

- H1 2010 revenue and results Wednesday, July 28, 2010 after the market close

- A conference call on Q1 2010 Revenue and Business Activity will be accessible in English at 3:00 p.m. CET on Wednesday, May 12, 2010, by dialing the following numbers:
 - Dial-in number (France) +33 (0)1 70 99 35 14 Access code: Nexity
 - Dial-in number (rest of Europe) +44 (0)207 153 20 27 Access code: Nexity
 - Dial-in number (United States) +1 480 629 9726 Access code: Nexity

Playback will be available by phone after the conference call by dialing the following number:

+44 (0)207 959 67 20 (Access code: 142863#)

The presentation accompanying this conference can be accessed at the following address: <http://www.thomson-webcast.net/uk/dispatching/?nexity120510>. This presentation will be available on the Group's website starting at 9:00 AM CET on May 12, 2010.

DISCLAIMER

The information, assumptions and estimates that were used as a reasonable basis to determine these objectives are subject to change or modification due notably 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. 10-0398 on May 3, 2010 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.

This press release is considered to be a Quarterly Financial Report as defined in the Transparency Directive transposed by the AMF.

About Nexity

The largest fully integrated provider of real estate solutions 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 well as being a leader across the entire spectrum of real estate businesses - development (homes, offices, logistics platforms, hotels and activity facilities), real estate services for private individuals and companies, franchise networks, urban renewal projects, and real estate asset management - Nexity is today able to provide global responses to the needs of its customers. Nexity is present throughout France, and in other European countries.

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

Index membership: SBF80, SBF120, CACmid100, Next150 and MSCI SmallCap France

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

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Appendices

REVENUE BY DIVISION

RESIDENTIAL DIVISION

<i>In millions of euros</i>	Q1 2010	Q1 2009	Change %
New homes	317.8	304.3	+4%
Subdivisions	25.1	24.8	+1%
New homes and subdivisions	342.9	329.0	+4%

COMMERCIAL

<i>In millions of euros</i>	Q1 2010	Q1 2009	Change %
Office buildings	77.1	90.2	-15%
Logistics platforms and activity facilities	4.1	9.2	-55%
International	0.5	24.3	ns
Commercial	81.7	123.7	-34%

SERVICES & DISTRIBUTION

<i>In millions of euros</i>	Q1 2010	Q1 2009	Change %
Services	103.4	103.1	0%
Distribution	26.9	9.3	× 3
Services & Distribution	130.3	112.4	+16%

QUARTERLY PROGRESSION OF REVENUE BY DIVISION

<i>In millions of euros</i>	2009				2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Residential	329.0	477.4	417.9	602.8	342.9			
Commercial	123.7	140.0	106.4	105.8	81.7			
Services & Distribution	112.4	127.8	123.5	166.4	130.3			
Other activities	0.9	1.1	1.6	1.2	1.0			
Revenue	566.0	746.3	649.4	876.2	555.9			