

9M 2010 Revenue & Business Activity

- Residential : 9,745 net reservations amounting to €1.7 billion incl. VAT (i.e. +12% compared to the first nine months of 2009)
- Commercial : €124 million excl. VAT order intake
- Backlog as of September 30, 2010: €2.7 billion, equivalent to 15 months' revenue from development activities,¹ up 5% from year-end 2009
- Revenue: €1,855 million, down 5% compared to the first nine months of 2009

Full-year guidance

- Residential division: market share target of 10% in a new home market now estimated at between 100,000 and 110,000 units
- Commercial division: order intake target of €150 million
- 2010 consolidated revenue expected to be around €2.5 billion, with a current operating margin target of 7% for 2010

ALAIN DININ, CHAIRMAN AND CEO OF NEXITY, COMMENTED:

"Changes announced by the French government relating to its home-ownership assistance programs will have a positive impact. Easier to comprehend and focused on the geographic areas most in need of aid, these new measures will strengthen the ability of households to finance their purchases. The government's continued support for buy-to-let investment is also a move in the right direction, since renters currently account for nearly 43% of French households and they often experience difficulty finding adequate housing in the country's large urban centers. In the Commercial division, the Group has booked new orders in the French provinces and is confident that the recovering trend in orders will be confirmed.

The upturn in existing property transactions and the confirmed recovery in Iselection's business are benefiting the Services and Distribution division, where revenue increased 10% compared to the same period last year.

The strong commercial performance in the third quarter means we can be confident that the Group will meet the full-year commercial targets that it set itself."

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¹ Revenue basis - previous 12-month period

9M 2010 REVENUE*

€ millions	9M 2010	9M 2009	Change %
Residential	1,166.2	1,224.3	-5%
Commercial	287.4	370.1	-22%
Services & Distribution	398.3	363.7	+10%
Other activities	2.8	3.6	-
Total Group revenue	1,854.9	1,961.7	-5%

* Revenue generated by the Residential (excluding Italy) and Commercial divisions is calculated using the percentage-of-completion method, on the basis of notarized sales pro-rated to reflect the progress of committed construction costs.

In the first nine months of 2010, Nexity Group recorded revenue of €1,855 million, a 5% decline compared to the same period in 2009.

- The **Residential** division posted revenue of €1,166 million, down 5% compared to the first nine months of 2009. Revenue from new home development activity in France fell by 7% to €1,058 million. This trend is due to the lower level of business activity in 2008, prior to the rebound seen in 2009. The subdivision business reported revenue of €98 million, growing by 7% compared to the first nine months of 2009. The Group's residential real estate development business in Italy, whose revenue and profit are recognized on completion, contributed €11 million to revenue, with delivery of a first operation in Turin.
- Revenue from the **Commercial** division came to €287 million, down 22% compared to the figure for the same period in 2009. This decline was due to a lower order backlog for the Group's Commercial division, which fell to €556 million as of December 31, 2009 from €970 million one year earlier, affecting revenue for logistic platforms as well as business outside France. With respect to the latter category, extremely challenging market conditions (especially in Spain and in Italy) led to the absence of significant new projects over the last two years, with a corresponding lack of revenue, while in 2009 this figure had benefited from the completion of office buildings projects delivered in Barcelona and Milan (€66m in revenue during the first nine months of 2009).
- The **Services and Distribution** division posted revenue of €398 million, an increase of 10% compared to the first nine months of 2009. In the Services business, revenue was stable at €318 million, while in the Distribution business revenue increased twofold (€81m compared to €43m in the first nine months of 2009), due in particular to the turnaround in the Iselection business (€56m versus €21m a year earlier), whose activity as an operator for new homes is making significant headway.

BUSINESS ACTIVITY

Residential division

The French market remained very buoyant in the first nine months of 2010, reaping the benefits of mortgage rates falling to record lows (3.30% on average in September 2010 according to Crédit Logement, as against a high point for the last few years of 5.07%, reached at year-end 2008). The market continued to benefit from government stimulus measures in favor of private individuals (home-ownership assistance, encouragement of buy-to-let investment via the Scellier-Carrez scheme). For 2011, the principal conditions of the main incentives have been maintained: the new PTZ+ (for *prêt à taux zéro renforcé*), a reshuffled zero-interest loan, will increase the borrowing capacity of first-time buyers in urban areas. The tax benefit offered under the Scellier scheme, currently corresponding to 25% of invested capital, subject to certain conditions, is expected to be set at 22%, according to the draft Budget Act, for new homes meeting BBC (*Bâtiment Basse Consommation*) certification criteria for low energy consumption, beginning in 2011.

Net new home and subdivision reservations booked by Nexity Group amounted to 9,745 units (including 111 in Italy), up 5% compared to the first nine months of 2009, representing a total value of €1,698 million (including 31 in Italy).

<i>New home and subdivision reservations - FRANCE (units and € millions)</i>	9M 2010	9M 2009	Change %
New homes (number of units)	7,812	7,810	-
Subdivisions (number of units)	1,822	1,378	+32%
Total new home and subdivision reservations (number of units)	9,634	9,188	+5%
New home reservations (€m incl. VAT)	1,534	1,411	+9%
Subdivision reservations (€m incl. VAT)	133	82	+61%
Total new home and subdivision reservations (€m incl. VAT)	1,667	1,493	+12%

- The number of **new home** reservations in France came to 7,812 units, stable compared to the first nine months of 2009.

<i>Breakdown of new home reservations by client - FRANCE</i>	9M 2010		9M 2009		Change %
Home buyers (number of units)	2,158	28%	2,199	28%	-2%
<i>o/w: - first-time buyers</i>	1,618	21%	1,615	21%	-
<i>- other home buyers</i>	540	7%	584	7%	-8%
Private investors (number of units)	4,377	56%	3,996	51%	+10%
Institutional investors (number of units)	1,277	16%	1,615	21%	-21%
Total new home reservations (number of units)	7,812	100%	7,810	100%	-

Excluding block sales to institutional investors and Iselection sales,¹ the average price including VAT of homes sold was €208 thousand for an average floor area of 58 sq.m. The rise in the average floor area of homes sold, combined with a geographic mix factor, has contributed to an increase in the average price of new homes.

<i>Average sale price & surface area*</i>	9M 2010	9M 2009
Average home price incl. VAT per sq.m (€)	3,574	3,380
Average surface area per home (sq.m)	58.1	56.9
Average price incl. VAT per home (€)	207.6	192.4

* excluding block sales and Iselection

The unsold completed stock held by the Group remains very low, amounting to 156 homes as of September 30, 2010. In the first nine months of 2010, the level of pre-commercialization recorded at the time construction work was launched was exceptionally high, reaching 80% on average. The Group launched 89 residential programs during the first nine months of 2010, corresponding to nearly 7,300 units. However, the Group's available supply remains limited, close to its level at year-end 2009, due to very rapid pace of transactions.

- **Subdivision** reservations totaled 1,822 units, a 32% jump compared to the first nine months of 2009. This increase was attributable to a 9% rise in sales to individuals as well as the sharp turnaround in net grouped sales to developers. The average price of net reservations from individuals amounted to €74 thousand.

The Residential division's **business potential for new homes**² as of September 30, 2010 corresponded to the equivalent of 19,600 units,³ 3% higher than its level as of December 31, 2009. Business potential for subdivisions amounted to 9,600 units, compared to 8,700 units as of December 31, 2009.

Commercial division

- The past few months have confirmed the upturn in the investment market, with a total amount of €2.4 billion committed in France in the third quarter, representing a year-on-year increase of 52%⁴. Low bond yields encourage investment in commercial real estate, and foreign investment funds are becoming more active in this market. In spite of a recent trend towards greater diversification, most investors still prefer the safest investments as far as office premises are concerned. Yields in the Paris central business district are currently between 4.85% and 6%⁴. As a result of few new project launches since the crisis, availability of new and restructured space is becoming scarce in the definite future office supply.

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

² 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

³ Excluding Villes et Projets operations portfolio

⁴ Source: CBRE

- Order intake recorded by Nexity in the first nine months of 2010 came to €123.7 million excluding VAT. Two new orders were booked in the third quarter, for a total of €50.2 million excluding VAT. These related to two office buildings located at the Tripode site in Nantes, as part of a project initiated by Villes & Projets, the Group's urban renewal division. Negotiations for a number of other projects are currently in the advanced stage.

Services and Distribution division

In the **Services** business, the number of residential units managed as of September 30, 2010 came to almost 916,000, including 80,000 units outside France (in Germany, Belgium, Poland and Switzerland). The portfolio consists of 710,000 units in condominium management (down from 758,000 as of December 31, 2009) and 206,000 units in rental management (down from 209,000 as of December 31, 2009). The recovery in the market for existing property is reflected in a significant upturn in the volume of transactions handled by agencies. In the area of commercial real estate, total space under management amounted to 7.8 million square meters as of September 30, 2010, compared to 8.4 million as of December 31, 2009.

Within the **Distribution** business, activity in the networks of agencies (1,345 agencies as of September 30, 2010 compared to 1,405 agencies as of December 31, 2009) maintained its strong pace of growth, thanks in particular to low mortgage rates. 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 1,631 units during the first nine months of 2010, versus 1,522 in the first nine months of 2009.

BACKLOG - ORDER BOOK AS OF SEPTEMBER 30, 2010

<i>€ millions (excluding VAT)</i>	Sep. 30, 2010	Dec. 31, 2009	Change %
New homes *	2,074	1,807	+15%
Subdivisions	249	237	+5%
Residential division backlog	2,323	2,044	+14%
Commercial division backlog	403	556	-28%
Total Group backlog	2,726	2,600	+5%

** including Italy*

As of September 30, 2010, the Group's total order backlog amounted to €2,726 million, increasing by 5% compared to December 31, 2009, and represented 15 months of revenue from real estate development activities for Nexity.¹ In the Residential division, the order backlog came to €2,323 million, up 14% compared to year-end 2009.

¹ Revenue basis - previous 12-month period.

OUTLOOK FOR 2010

- Residential division: 10% market share based on an expected market of between 100,000 and 110,000 new homes
- Commercial division: 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

FINANCIAL CALENDAR & PRACTICAL INFORMATION

- 2010 Business activity and annual Results - Tuesday, February 22, 2011 market close
- A conference call on 9M 2010 Revenue and Business Activity will be accessible in English at 3:00 p.m. CET on Thursday, October 28, 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 (0) 480 629 97 25	Access code: Nexity

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

+44 (0) 20 79 59 67 20 (code: 4376815#)

The presentation accompanying this conference can be accessed at the following address:

<http://www.thomson-webcast.net/uk/dispatching/nexity101028>.

This presentation will be available on the Group's Web site as of 9 a.m. CET on October 28, 2010.

DISCLAIMER

The information, assumptions and estimates that the Company could reasonably use 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 real estate group in France, Nexity uses its comprehensive range of sector-specific 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, warehouses and distribution centers, hotels and other businesses), real estate services for private individuals and companies, franchise networks, property management and turnkey urban development, 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

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

ISIN code: FR0010112524

NEXITY CONTACTS

Analysts/Investors

Olivier SEUX +33 (0)1 71 12 15 49
Investor Relations Director
investorrelations@nexity.fr

Press

Guillaume IDIER +33 (0)1 71 12 15 52
Communications Director
gidier@nexity.fr

Appendices

REVENUE BY DIVISION

RESIDENTIAL

<i>€ millions</i>	9M 2010	9M 2009	Change %
New homes	1,057.7	1,133.0	-7%
Subdivisions	97.7	90.9	+7%
International	10.8	0.4	-
Residential	1,166.2	1,224.3	-5%

COMMERCIAL

<i>€ millions</i>	9M 2010	9M 2009	Change %
Office buildings	278.5	276.6	+1%
Logistic platforms and other business premises	9.0	27.3	-67%
International	-	66.3	-
Commercial	287.4	370.1	-22%

SERVICES & DISTRIBUTION

<i>€ millions</i>	9M 2010	9M 2009	Change %
Services	317.7	320.5	-1%
Distribution	80.6	43.2	X 1.9
Services & Distribution	398.3	363.7	+10%

QUARTERLY PROGRESSION OF REVENUE BY DIVISION

<i>€ millions</i>	2009				2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Residential	329.0	477.4	417.9	602.8	342.9	442.9	380.4	
Commercial	123.7	140.0	106.4	105.8	81.7	102.1	103.6	
Services & Distribution	112.4	127.8	123.5	166.4	130.3	134.4	133.6	
Other activities	0.9	1.1	1.6	1.2	1.0	0.9	1.1	
Revenue	566.0	746.3	649.4	876.2	555.9	680.3	618.7	