nexity

Paris La Défense, Tuesday, February 22, 2011

2010 Business Activity & Results

Business activity in 2010 exceeds targets

- **Residential: 14,885 net reservations (+13% compared to 2009), including 12,016 new homes, amounting to €2.57 billion incl. VAT (+19% compared to 2009)**
- **Commercial: €190 million excl. VAT order intake**
- **Backlog as of end-December: €2.7 billion, equivalent to 16 months' revenue from development activities[1], up 5% from year-end 2009 (+15% for Residential)**

Robust financial position and good visibility: dividend increase

- **Revenue: €2,747 million, decline limited to 3% compared to 2009**
- **Current operating profit: €201 million, corresponding to a Group margin of 7.3% (7.9% for the Residential division)**
- **Group share of net profit amounting to €120 million**
- **Low level of WCR (€359 million) resulting in a consolidated net cash position of €291 million**
- **Proposed dividend increase to €2 per share**

Outlook for 2011: upturn for Commercial order intake and operating margin improvement

- **Residential: market share target of 10% in a new home market estimated at around 105,000 units**
- **Commercial: order intake target of €500 million**
- **Consolidated revenue for 2011 expected to be around €2.7 billion, with a current operating margin target of above 8% in 2011, excluding expenses related to the Nexity Demain project**
- **Dividend policy maintained, in relation to the company's financial position**

[1] Revenue basis - previous 12-month period

ALAIN DININ, CHAIRMAN AND CEO OF NEXITY, COMMENTED:

"In spite of the stimulus measures adopted in early 2009, the French housing sector continued to experience tensions once again in 2010. The insufficient number of construction starts in the country's major urban centers forced prices higher, thus excluding many households from the market that might otherwise have contemplated a home purchase. Compounded by rising mortgage rates, this housing shortage now demands the adoption of a much more dynamic building policy founded upon the freeing up of land resources, the densification of cities, and the simplification of administrative processes.

For Nexity Group, 2010 was a very good year, with business activity and revenue both exceeding expectations. Given the interval between reservations and the recognition of revenue, the Group's operating margin in 2010 can be considered as a low point, as a consequence of the collapse in home sales in 2008. It is expected that this operating margin will gradually improve over the coming years.

The operating margin target we have set ourselves for 2011 is calculated before taking into account the cost for the launch of "Nexity Demain", the Group's new enterprise project, which will have a non-recurring impact on 2011 operating profit. This ambitious, multi-annual project aims to increase still further the integration of our various business activities, leveraging the benefits of a single brand, embodying the commitments of all of our businesses so as to be closer to our customers and even more attentive to their needs. By introducing new solutions and new products, perhaps even new business lines, our goal is to serve customers as their real estate needs evolve throughout their lives, making Nexity for a reflex choice to fulfill real estate requirements and the sector's leading brand in terms of customer service."

* * *

Nexity's Board of Directors convened on Tuesday, February 22, 2011. The meeting, which was chaired by Alain Dinin, reviewed and approved the consolidated financial statements for the year ended December 31, 2010. The consolidated income statement and balance sheet included on pages 13 to 15 of this press release were audited by the Company's Statutory Auditors.

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BUSINESS ACTIVITY IN 2010

Residential division

The French housing market was very active in 2010 (115,051 new homes sold by developers, i.e. up 8,6% compared to 2009), thanks in particular to mortgage rates at all-time lows (an average annual rate of 3.42% according to Crédit Logement) and to government stimulus measures in favor of private individuals (home-ownership assistance, encouragement of buy-to-let investment via the Scellier-Carrez scheme). The entry into effect in 2011 of the new PTZ+ (for *prêt à taux zéro renforcé*), a re-targeted zero-interest loan scheme that increases the borrowing capacity of customers in urban areas, is expected to support the market for first-time buyers. The continued availability of attractive tax benefits via the Scellier scheme (with a tax break now set at 22%), for new homes meeting BBC (Bâtiment Basse Consommation) certification criteria, should support the buy-to-let market. At the same time, the trend toward rising mortgage rates observed since the beginning of 2011 is expected to weigh upon the borrowing capacity of buyers.

Net new home and subdivision reservations booked by Nexity Group amounted to 14,885 units (including 162 in Italy), up 13% compared to 2009, representing a total value of €2,566 million (including €52 million in Italy).

New home and subdivision reservations - FRANCE (units and € millions)	**2010**	**2009**	**Change %**
New homes (number of units)	11,854	10,808	+10%
Subdivisions (number of units)	2,869	2,205	+30%
Total new home and subdivision reservations (number of units)	**14,723**	**13,013**	**+13%**
New home reservations (€m incl. VAT)	2,295	1,972	+16%
Subdivision reservations (€m incl. VAT)	219	141	+55%
Total new home and subdivision reservations (€m incl. VAT)	**2,514**	**2,113**	**+19%**

- The number of **new home** reservations in France came to 11,854 units, up 10% compared to 2009.

Breakdown of new home reservations by client - FRANCE	**2010**		**2009**		**Change %**
Home buyers (number of units)	2,802	24%	2,874	26%	-2%
o/w: - first-time buyers	*2,060*	*17%*	*2,139*	*20%*	*-4%*
- other home buyers	*742*	*7%*	*735*	*6%*	*+2%*
Private investors (number of units)	6,972	59%	5,691	53%	+22%
Institutional investors (number of units)	2,080	17%	2,243	21%	-7%
Total new home reservations (number of units)	**11,854**	100%	**10,808**	100%	**+10%**

Excluding block sales to institutional investors and Iselection sales[1], the average price including VAT of homes sold was €209 thousand for an average floor area of 58 sq.m. The rise in the average floor area of homes sold, combined with the growing proportion of sales in markets characterized by tight supply, has contributed to an increase in the average price of new homes. The increase in the average price per square meter (up 6% compared to 2009) is in line with the price increase recorded in 2010 in the French new home market as a whole.

*Average sale price & surface area**	**2010**	**2009**
Average home price incl. VAT per sq.m (€)	3,601	3,393
Average surface area per home (sq.m)	57.9	57.7
Average price incl. VAT per home (€k)	**208.6**	**195.8**

* excluding block sales and Iselection

The unsold completed stock held by the Group remains very low, amounting to 103 homes as of December 31, 2010. For the year as a whole, the level of pre-commercialization recorded at the time construction work was launched remained exceptionally high, reaching 77% on average.

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

The Group's efforts in the area of new program launches have come to fruition: 10,382 new homes were brought to the market during the year, a 44% increase compared to 2009. The business potential for new homes of the Group's Residential division[1] as of December 31, 2010 corresponded to the equivalent of 21,300 units[2], 12% higher that its level a year earlier. In the Paris region, land secured through options grew 57% year-on-year.

Subdivision reservations totaled 2,869 units, a 30% jump compared to the previous year. This increase was attributable to a 12% 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 €75 thousand. Business potential[1] for subdivisions amounted to 9,400 units, compared to 8,700 units a year earlier.

Commercial division

- The French investment market saw a clear upturn in 2010, with a total amount of €11 billion committed during the year (42% higher than in 2009), €4.6 billion[3] of which was committed in the fourth quarter. The strong preference for high-quality assets increased downward pressure on yields for prime office space (between 4.75% and 6% in the Paris central business district), and was also reflected in a higher proportion of investments in new or restructured buildings (50% of volumes). The limited supply of these types of assets helped spur a rise in VEFA (sale pending future completion) projects, with some of the larger projects involving speculative development. As a result of the limited number of new project launches since the crisis, the share of available new and restructured space in definite future supply continues to dwindle.

- Order intake recorded by Nexity in 2010 came to €189.6 million excluding VAT. Two new orders were booked in the fourth quarter, for a total of €65.9 million excluding VAT: a 16,000 sq.m office building adjacent to the Métro station in Gennevilliers (Hauts-de-Seine) and logistics platforms totaling nearly 5,000 sq.m in Le Coudray-Montceaux (Essonne). The stage of negotiations of some new projects allows the Group to set ambitious order intake targets for 2011, now expected to surge back to former highs for this business activity.

Services and Distribution division

In the **Services** business, the portfolio of units under condominium management saw significant erosion in 2010 (-8% in volume), and explain the Group decision to strengthen efforts and resources with the aim of improving service quality through the new enterprise project, "Nexity Demain". In rental management, the Group's portfolio grew slightly over the year ended December 31, 2010. Transaction volumes handled by the Group's agencies made a solid recovery during the year, in both rentals and sales. In the area of commercial real estate, total space under management amounted to just under 7 million square meters as of December 31, 2010.

Within the **Distribution** business, transaction volume in the networks of agencies (1,343 agencies as of December 31, 2010 compared to 1,405 agencies as of December 31, 2009) remained high, thanks in particular to low mortgage rates. In addition, 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 2,039 units in 2010, thus in line with its performance in 2009.

[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 et Projets" operations portfolio
[3] Source: CBRE

Urban renewal division (Nexity Villes & Projets)

As of December 31, 2010, **Nexity Villes & Projets** had a non-commercialized **land development potential** of 835,000 square meters[1]. The year saw the release into the market of more than 130,000 sq.m in connection with programs initiated by Villes & Projets, at sites at Nantes Tripode (Loire-Atlantique), in Gennevilliers and Boulogne-Billancourt (Hauts-de-Seine), Ermont-Eaubonne (Val-d'Oise) and Nanteuil-le-Haudoin (Oise). Two new projects were added to the portfolio during the year, in Strasbourg (Bas-Rhin) for a total of 29,000 sq.m, and in Asnières (Hauts-de-Seine) for a total of 123,000 sq.m, the latter in keeping with the Group's strategy of occasional and opportunistic land acquisitions with high development potential.

As of December 31, 2010, 47% of space in the portfolio was earmarked for residential projects, with the remaining 53% intended for offices, retail, logistics platforms and other business premises.

Operations initiated by Villes & Projets generated revenue for the Group's real estate development activities totaling €154 million in 2010 (versus €238 million in 2009) and represented 70% of the amount of order intake for the Commercial division.

2010 CONSOLIDATED RESULTS

€ millions	2010	2009	Change %
Revenue	2,747.2	2,837.9	-3%
Current operating profit	**201.4**	**206.4**	**-2%**
Current operating margin	*7.3%*	*7.3%*	
Net financial expense	**(22.2)**	**(39.3)**	**-**
Income taxes	**(65.6)**	**(59.8)**	
Current profit after tax	**113.6**	**107.3**	**+6%**
Change in value of goodwill	(35.4)	(121.7)	
Profit (loss) from equity-accounted investments	43.9	(34.1)	-
Net profit (loss) attributable to minorities	(2.3)	(1.4)	
Group share of net profit (loss)	119.8	(49.9)	-
Earnings per share (€)	2.26	-	

[1] Surface areas provided for information purposes only and may be subject to adjustment once administrative authorisations have been obtained

Revenue

In 2010, Nexity Group recorded **revenue** of €2,747 million, a 3% decline compared to the previous year.

€ millions	2010	2009	Change %
Residential	1,731.7	1,827.1	-5%
Commercial	375.0	475.9	-21%
Services & Distribution	609.2	530.1	+15%
Other activities	31.3	4.8	-
Total Group revenue*	**2,747.2**	**2,837.9**	**-3%**

** 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.*

- The **Residential division** posted revenue of €1,731 million, with new home development activity in France generating €1,560 million in revenue, while the subdivision business accounted for €160 million, and the Group's residential real estate development business in Italy contributed €11 million, with the delivery of its first program in Turin. The 7% decline in revenue reported by the new home development activity in France compared to 2009 reflects the lower level of reservations booked in 2008, albeit to a lesser extent than anticipated thanks to a very good performance in the fourth quarter (€566 million, approaching the all-time high of €603 million recorded in the fourth quarter of 2009), during which 58% of the year's notarized deeds were signed.

- The 21% drop in revenue posted by the **Commercial division** compared to 2009 (€375 million) is attributable mainly to the absence of significant revenue outside France. Extremely challenging local market conditions (particularly in Spain and in Italy) have prevented the launch of any new significant programs for the last two years, whereas the completion of office buildings in Barcelona and Milan had contributed €70 million to revenue in 2009. Order intake targets set by the Group for 2011, greater than the amount of the residual Commercial division backlog as of December 31, 2010, should allow this division's order book to grow in 2011 for the first time since 2008.

- The 15% increase in revenue posted by the **Services and Distribution division** (€609 million) was primarily generated by the Distribution business, while revenue recorded in the Services business remained stable at €429 million. Revenue nearly doubled in the Distribution business (€180m compared to €97m the previous year), due to the rapid improvement in Iselection's business (€147m versus €65m). Iselection's activity as an operator for new homes made significant headway in 2010 and benefited from the surge in the number of definitive sales agreements concluded by the end of the year, which had a direct impact on revenue for the year (61% of notarized deeds recorded during the year were signed in the month of December alone).

- The strong growth in revenue for Other activities compared to 2009 is due to the non-recurring impact of the sale of a restructured office building in the 13th arrondissement of Paris held as a co-investment.

Current operating profit

In 2010, the Group's **current operating profit** was €201.4 million, corresponding to a **current operating margin** of 7.3%, stable compared to 2009.

€ millions		2010	2009	Change %
Residential		136.9	149.0	-8%
	% of revenue	*7.9%*	*8.2%*	
Commercial		15.7	35.1	-55%
	% of revenue	*4.2%*	*7.4%*	
Services & Distribution		58.9	34.0	+73%
	% of revenue	*9.7%*	*6.4%*	
Other activities		(10.0)	(11.8)	ns
Current operating profit		**201.4**	**206.4**	**-2%**
	% of revenue	***7.3%***	***7.3%***	

The **Residential division** attained a current operating margin of 7.9% in 2010 (versus 8.2% in 2009), in line with the Group's expectations. This performance is explained by the reduced margins achieved for reservations recorded in 2008, reflected in a low point for the Residential operating margin during the first half (7.2%). The increase in margins associated with reservations recorded as from 2009 is expected to result in a gradual improvement in the overall margin for the division.

The **Commercial division** had current operating profit of €15.7 million in 2010. The operating profit generated by the Group's businesses in France came to €24.7 million, representing 7% of revenue, due to the burden of programs negotiated during the crisis in 2008 and to less adequate coverage of overhead costs as a result of lower activity levels. Outside France, the extent of losses recognized is attributable to the inadequate coverage of overhead costs and an impairment charge related to a residual land parcel in Spain.

The **Services and Distribution division** posted current operating profit of €58.9 million, corresponding to an operating margin of 9.7%. The operating margin for the Services business came to 5.8%, negatively impacted by the erosion of the portfolio and low interest rates, which weighed upon financial income generated by the management of client working capital accounts. The Distribution business reported profit of €34.1 million, a sharp improvement compared to 2009: the confirmed recovery in Iselection's business, as an operator as well as a vendor on behalf of third-party real estate developers, is immediately reflected in the accounts (recognition of transactions in full at the signing of notarized deeds).

Other activities posted a current operating loss of €10.0 million, which comprises in particular holding company expenses, expenses incurred by Villes & Projets[1], expenses related to share-based payments, and Nexity-Reim's business.

The **net financial expense** came to €22.2 million (down from €39.3 million in 2009), of which €16.5 million reflects the net cost of borrowings. Hedging arrangements limit the advantage drawn from declining interest rates on gross debt outstanding, while the remuneration of short-term cash positions held by the Group has been very low. Net finance costs also include a net expense of €5.7 million in other financial income and expenses, comprised of the payment of financial charges on advances received from customers in the Commercial and Residential divisions (-€3.4 million), the income statement impact of ineffective hedges or derivatives no longer designated as hedging instruments (-€7.3 million), partially offset by the incorporation of borrowing costs (+€4.8 million).

[1] Revenue and operating profit stemming from operations initiated by Villes & Projets are recognized in the Residential and Commercial divisions

Current profit after tax, the most relevant measure to compare results from this year to the previous one, given the contrasting changes in equity-accounted companies' profitability performances and goodwill measurements**,** came to €113.6 million, up from €107.3 million in 2009.

The contribution of equity-accounted investments was €43.9 million. In this amount, Eurosic's contribution was €41.3 million (compared with a €32.4 million expense for 2009). This change essentially reflects the impact of the appreciation in the fair value of properties held by this real estate investment company over the period. For information, Nexity values its stake in Eurosic on the basis of the company's net asset value.

The **Group share of net profit** amounted to €119.8 million.

Consolidated cash flow

€ millions	2010	2009
Cash flow from operations before WCR, interest and tax	**213.7**	**207.2**
Changes in operating WCR	176.2	61.3
Tax payment and financial expenses	(43.1)	(69.1)
Net cash generated by operating activities	**346.8**	**199.4**
Operating capital expenditure	(10.1)	(8.1)
Free cash flow	**336.7**	**191.3**
Net cash (used in) generated by financial investment activities	(3.8)	517.1
o/w dividends from equity-accounted investments	*1.1*	*8.7*
o/w generated from disposal of Crédit Foncier de France shares	-	*539.6*
Dividends paid	(85.7)	(79.5)
Share repurchase program	(65.9)	
Net cash used in other financing activities	(37.4)	(466.4)
Net change in cash	**143.9**	**162.6**

Cash flow from operations (excluding dividends received from equity-accounted investments) before changes in WCR, tax and financial expenses amounted to €213.7 million and thus was stable compared to 2009 despite the decline in revenue.

Free cash flow amounted to €336.7 million, corresponding mainly to cash flow from operations, together with the impact of sharply lower operating working capital requirements (down €176 million year-on-year). Net interest paid amounted to €14 million and the tax expense effectively paid was €29 million, given the reimbursement during in 2010 of a tax receivable in the amount of €27.4 million recognized as of December 31, 2009.

Net cash used in financial investment activities (€3.8 million) included in particular an additional investment in the share capital of Aegide (a company specializing in the management of non-medicalized homes for the elderly).

Net cash used in the financing of the Group's share repurchase plan amounted to €65.9 million. The dividend payment in respect of 2009 profit amounted to €85.7 million. Net cash used in other financing operations mainly included the repayment of debt net of new borrowings and financial liabilities (net outflow of €48.2 million), the impact of share capital increase reserved for employees or related to stock-options exercise (€13.5 million) and dividends paid to minorities (€2.7 million).

Working capital requirements by division

€ millions	Dec. 31, 2010	Dec. 31, 2009	Change in €m
Residential	383.6	559.5	(175.9)
Commercial	(81.1)	(48.8)	(32.3)
Services & Distribution	5.1	(18.5)	23.6
Other activities & tax	51.2	84.7	(33.5)
Total WCR	**358.7**	**576.9**	**(218.2)**

The Group's **working capital requirements,** including taxes payable, were down to a low of 358.7 million euros, a drop of 218.2 million euros compared to 31 December 2009.

The decrease of 176 million euros, over the year, in the **Residential Division**'s WCR was due to the high take-up rate of programs recorded in 2010.

The **Commercial Division**'s negative WCR remains at an unusual level given the time-lag between the payment schedule and the performance of work on projects under construction.

The change in the **Services & Distribution Division**'s WCR compared to end-2009 mainly reflected the rebound in Iselection's business. WCR of **Other activities & Tax** (€51.2 million) mainly comprises the capital employed in an Investment activity operation as well as land held by the Villes & Projets business, undergoing urban regeneration.

Moreover, as of December 31, 2010, the Group held in its current assets and on behalf of its customers, an outstanding cash balance of €550.9 million in connection with its property management business. This position did not impact the Group's WCR, since it was offset by a debt of the same amount.

Goodwill

€ millions	Dec. 31, 2010	Dec. 31, 2009
Residential	227.1	226.8
Commercial	51.9	51.9
Services	524.5	560.8
Franchises	89.9	91.1
Distribution through networks	128.4	116.3
Total goodwill	**1,021.8**	**1,046.9**

An adjustment of €35.4 million was recognized in respect of goodwill for the Services business. This accounting adjustment mainly reflects a revised timing of the profitability improvement of this division, which is expected to be slower than previously anticipated.

Equity-accounted investments

Equity-accounted investments amounted to €219.7 million, compared to €179.1 million as of December 31, 2009. The change mainly relates to the increase in value of Nexity's equity stake in

Eurosic, valued on the basis of the property company's Net Asset Value. The revaluation of Eurosic's assets performed by independent appraisers as of December 31, 2010 accounts for a significant proportion of recorded gain of €41.3 million for the year.

The Group's equity stake in the property company has, moreover, been increased to 32.1%, up from 31.7% as of December 31, 2009, following the option exercised by Nexity to receive the dividend paid by Eurosic for 2009 in shares rather than in cash.

Group financial structure

The Group share of consolidated **equity** as of December 31, 2010 totaled €1,880.8 million, versus €1.891.4 million at end-December 2009. The difference is mainly due to the profit for year (+€119.8 million), the payment of the dividend in respect of 2009 (impact of -€85.7 million) and to the repurchase of shares between June and November 2010, with the purpose of retiring them (impact of -€65.9 million), which led to 2,420,490 shares being cancelled on November 24, 2010 (i.e. 4.5% of the company's share capital as of May 31, 2010).

As of December 31, 2010, the Group had a **positive net cash position of €291.1 million**.

€ millions	Dec. 31, 2010	Dec. 31, 2009	Change in €m
Bank borrowings	459.0	500.9	(41.9)
Other financial borrowings / other financial receivables	8.3	9.3	(1.0)
Term deposit accounts	(100.8)	(101.5)	0.7
Net cash and cash equivalents, bank overdrafts	(657.7)	(513.8)	(143.9)
Net debt (net cash)	**(291.1)**	**(105.1)**	**(186.0)**
Equity*	1,885.7	1,896.6	(10.9)

** Including minority interests*

As of December 31, 2010 the Group had **€262 million** in undrawn and available corporate lines of credit.

The Group was in compliance with all of the financial covenants attached to its lines of credit as of December 31, 2010.

BACKLOG – ORDER BOOK AS OF DECEMBER 31, 2010

€ millions (excluding VAT)	Dec. 31, 2010	Dec. 31, 2009	Change %
Residential division*	2,098	1.807	+16%
Subdivisions	246	237	+4%
Residential division backlog	**2,344**	**2,044**	**+15%**
Commercial division backlog	390	556	-30%
Total Group backlog	**2,734**	**2,600**	**+5%**

** including Italy*

As of December 31, 2010, the Group's total order backlog amounted to €2,734 million, a 5% rise compared to December 31, 2009: the large increase in the Residential backlog (+15%) was partially offset by the decrease in the Commercial division's backlog. The Group's total order backlog represented 16 months of revenue from Nexity's real estate development activities[1].

OUTLOOK FOR 2011

- Residential: 10% target market share based on an expected market of around 105,000 new homes.
- Commercial: order intake target of €500 million
- Consolidated revenue for 2011 expected to be around €2.7 billion
- Current operating margin for 2011 expected to be higher than 8%, excluding expenses related to the "Nexity Demain" project
- Proposed dividend payment of €2 per share in respect of 2010

FINANCIAL CALENDAR & PRACTICAL INFORMATION

- Revenue and Business Activity for Q1 2011 -	Tuesday, May 10, 2011 market close
- Shareholders' Meeting	Wednesday, May 11, 2011
- Ex dividend	Friday, May 13, 2011
- Dividend payment	Wednesday, May 18, 2011

- A **conference call** on the 2010 Business Activity & Results will be held in English at 3:00 p.m. CET on Wednesday, February 23, 2011, 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 (USA)	+ 1 (0) 480 629 97 26	access code: Nexity

Playback will be available after the conference call by dialing the following number:
+44 (0) 20 79 59 67 20 (code: 4403704#)

The presentation accompanying this conference can be followed at the following address:
http://www.thomson-webcast.net/uk/dispatching/?nexity110223

This presentation will be available on the Group website from 9:00 a.m. CET on February 23, 2011.

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. 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.

[1] Revenue basis - previous 12-month period

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

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CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2010

IN THOUSANDS OF EUROS	**31/12/2010**	**31/12/2009**
Revenue	**2,747,206**	**2,837,915**
Purchases	(1,860,083)	(1,978,299)
Personnel costs	(414,862)	(396,308)
Other operating expenses	(223,372)	(211,217)
Taxes (other than income tax)	(33,713)	(32,015)
Depreciation and amortization	(13,767)	(13,683)
Current operating profit	**201,409**	**206,393**
Change in value of goodwill	(35,400)	(121,700)
Operating profit	**166,009**	**84,693**
Financial expense	(31,850)	(51,641)
Financial income	9,670	12,320
Net financial expense	**(22,180)**	**(39,321)**
Pre-tax recurring profit	**143,829**	**45,372**
Income taxes	(65,611)	(59,775)
Share of profits (loss) from equity-accounted associates	43,919	(34,088)
Consolidated net profit	**122,137**	**(48,491)**
Net profit (loss) - Group share	**119,758**	**(49,858)**
Net profit (loss) - Minority interests	2,379	1,367

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED DECEMBER 31, 2010

ASSETS (IN THOUSANDS OF EUROS)	31/12/2010	31/12/2009
Non-current assets		
Goodwill	1,021,802	1,046,935
Other intangible assets	12,493	12,479
Property, plant and equipment	25,954	31,114
Equity-accounted investments	219,739	179,113
Other financial assets	28,279	28,151
Deferred tax assets	47,522	38,550
Total non-current assets	**1,355,789**	**1,336,342**
Current assets		
Inventories and work in progress	970,547	1,107,988
Trade and other receivables	403,651	390,747
Tax accounts receivable	2,023	29,402
Other current assets (1)	995,796	995,999
Other financial receivables	119,361	118,417
Cash and cash equivalents	702,941	575,068
Total current assets	**3,194,319**	**3,217,621**
TOTAL ASSETS	**4,550,108**	**4,553,963**
(1) *of which cash held in client working capital accounts (Services division)*	*550,866*	*581,421*

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED DECEMBER 31, 2010

LIABILITIES AND EQUITY (IN THOUSANDS OF EUROS)	31/12/2010	31/12/2009
Share capital	259,964	267,909
Additional paid-in capital	1,254,510	1,365,732
Treasury shares	(2,075)	(2,101)
Reserves and retained earnings	248,659	309,718
Net profit for the period	119,758	(49,858)
Equity – Group share	**1,880,816**	**1,891,400**
Minority interests	4,847	5,214
Consolidated equity	**1,885,663**	**1,896,614**
Non-current liabilities		
Long-term borrowings and financial debt	214,635	242,271
Employee benefits	16,993	18,562
Deferred tax liabilities	302	292
Total non-current liabilities	**231,930**	**261,125**
Current liabilities		
Short-term borrowings, financial and operating cycle debt (1)	316,545	346,096
Current provisions	102,645	102,857
Trade and other payables	664,162	670,949
Current tax liabilities	28,836	9,793
Other current liabilities (2)	1,320,327	1,266,529
Total current liabilities	**2,432,515**	**2,396,224**
TOTAL LIABILITIES and EQUITY	**4,550,108**	**4,553,963**
(1) *of which bank overdrafts*	*45,273*	*61,252*
(2) *of which client working capital accounts (Services division)*	*550,866*	*581,421*

Appendices

Revenue by division

Residential

€ millions	2010	2009	Change %
New homes	1,560.1	1,682.7	-7%
Subdivisions	160.2	143.8	+11%
International	11.3	0.6	-
Residential	**1,731.7**	**1,827.1**	**-5%**

Commercial

€ millions	2010	2009	Change %
Office buildings	345.8	377.3	-8%
Logistics platforms and other business premises	28.4	28.4	-
International	0.8	70.3	-
Commercial	**375.0**	**475.9**	**-21%**

Services & Distribution

€ millions	2010	2009	Change %
Services	429.0	433.5	-1%
Distribution	180.2	96.6	X 1.9
Services & Distribution	**609.2**	**530.1**	**+15%**

Quarterly progression of revenue by division

	2009				2010			
€ millions	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Residential	329.0	477.4	417.9	602.8	342.9	442.9	380.4	565.5
Commercial	123.7	140.0	106.4	105.8	81.7	102.1	103.6	87.6
Services & Distribution	112.4	127.8	123.5	166.4	130.3	134.4	133.6	210.9
Other activities	0.9	1.1	1.6	1.2	1.0	0.9	1.1	28.3
Revenue	**566.0**	**746.3**	**649.4**	**876.2**	**555.9**	**680.3**	**618.7**	**892.3**

CURRENT OPERATING PROFIT BY DIVISION

RESIDENTIAL

€ millions	**2010**	**2009**	**Change %**
New homes	125.3	142.3	-12%
% of revenue	*8.0%*	*8.5%*	
Subdivisions	12.2	8.2	+49%
% of revenue	*7.6%*	*5.7%*	
International	(0.6)	**(1.5)**	ns
Residential	**136.9**	**149.0**	**-8%**
% of revenue	***7.9%***	***8.2%***	

COMMERCIAL

€ millions	**2010**	**2009**	**Change %**
Office buildings	22.0	36.5	-40%
% of revenue	*6.4%*	*9.7%*	
Logistics platforms and other business premises	2.7	0.5	ns
% of revenue	*9.6%*	*1.8%*	
International	(9.0)	(1.9)	ns
Commercial	**15.7**	**35.1**	**-55%**
% of revenue	***4.2%***	***7.4%***	

SERVICES & DISTRIBUTION

€ millions	**2010**	**2009**	**Change %**
Services	24.8	26.7	7%
% of revenue	*5.8%*	*6.2%*	
Distribution	34.1	7.3	X 4.7
% of revenue	*18.9%*	*7.6%*	
Services & Distribution	**58.9**	**34.0**	**+73%**
% of revenue	***9.7%***	***6.4%***	

OTHER ACTIVITIES

€ millions	**2010**	**2009**	**Change %**
Other activities	**(10.0)**	**(11.8)**	**ns**