Press Release

Paris, April 15, 2015

RESULTS FOR FIRST QUARTER 2015

UNAUDITED AND NOT APPROVED BY THE BOARD OF DIRECTORS

Key sales activity items

- **Housing orders:** 1,183 housing units: +9.0%
- Orders in value, including Commercial Property: €223.5 M (incl. VAT), +2.0%

Key financial items

- **Revenues:** €210.9 M vs. €205.2 M in Q1 2014
- **Gross margin** €40.1 M vs. €38.5 M in Q1 2014
- Attributable net income: €6.4 M vs. €6.2 M in Q1 2014
- **Net cash flow :** €29.3 M vs. €2.1 M at end-2014

Key growth indicators

- Total backlog: €1,136.5 M (+13.3% vs. Q1 2014) including Housing: €991.5 M (+3.9% vs. Q1 2014)
- **Housing property portfolio:** 19,219 lots (+8.6% vs. end-2014)

• Housing portfolio: +8.6%

- Total backlog: +13.3%
- Clear signs that private investors are coming back
- The KB-SNI partnership is taking shape with over 400 intermediate housing units under option

Kaufman & Broad S.A. today announces its results for the first quarter of 2015 (December 1, 2014 to February 28, 2015) and Nordine Hachemi, Chairman and Chief Executive Officer of Kaufman & Broad SA, made the following statement:

"Our first quarter results confirm the robust growth that Kaufman & Broad undertook to pursue 18 months ago.

In the Housing segment, the property portfolio grew to 19,200 lots, close to 9% compared to end-November 2014. As announced at the end of January, commercial launches continued at a steady pace with a take-up rate exceeding 35% and orders in volume growing 9%.

The share of orders in volume by private investors rose from 33% to 50%, underscoring the efficacy of the "Pinel" incentive in an environment of very attractive interest rates.

Moreover, Kaufman & Broad confirmed its ability to adapt its offer to market trends by signing a partnership agreement on Intermediate housing with the SNI group (a subsidiary of Caisse Des Dépôts); the agreement has created the potential for more than 400 orders to date.

In the Commercial Property business, Kaufman & Broad won a sizeable competitive bid for a 70,000 sq.m office and retail space complex in the Paris Rive Gauche district. The results of the Logistics business are in line with the objectives set.

The financial structure continued to improve with, among other things, a €27 million increase in positive net cash flow.

At the beginning of this new accounting year, the trends observed are confirming our annual projections."

· Sales activity

- Housing segment

In the first quarter of 2015, housing orders in volume totaled 1,183 housing units, a 9.0% increase compared to the first quarter of 2014.

In value, housing orders totaled €189.4 million (including VAT); they were down 13.1% compared to the same period in 2014 due to the rise in the share of managed accommodation in housing orders. However, this decline should not be representative of the business evolution throughout the year.

During the first quarter of 2015, 1,158 apartments were ordered, for a total of \in 182.1 million (including VAT), an increase of 10.1% in volume. Orders of single-family homes in communities totaled 25 units, compared to 33 units in the first quarter of 2014 (\in 7.3 million (including VAT) versus \in 10.2 million (including VAT) in the first quarter of 2014).

Structure of the customer-base

For the entire first quarter of 2015, orders in value from investors rose 16.6 points compared to the first quarter of 2014 to 50.0% (of which 41.3% were made under the "Pinel" incentive). Orders from homebuyers were 32.3% including 22.6% from first-time homebuyers, and 9.7% from second-time homebuyers. Block orders totaled 17.7% compared to 20.1% in the first quarter of 2014 due to managed accommodation.

- Commercial Property segment

In the first quarter of 2015, the Commercial Property segment recorded revenues of €34.1 million (including VAT).

Construction works are in progress on the "YOU" building (9,300 sq.m), located in the EcoQuartier - Île Seguin - Rives de Seine in Boulogne-Billancourt and sold before completion at end-2013 to Boursorama for its future headquarters.

Kaufman & Broad also obtained building permits for projects of significant size in Paris and Hauts-de-Seine, representing more than 32,000 sq.m of office space.

Moreover, Kaufman & Broad won a sizeable competitive bid for a 70,000 sq.m office and retail space complex in the Paris Rive Gauche district.

As regards the Logistics business, 43,000 sq.m are currently in the marketing phase and a construction permit to develop a platform of more than 100,000 sq.m was obtained in the first quarter.

- Forward indicators of sales activity and development

At February 28, 2015, Housing backlog totaled €991.5 million (excluding VAT), or 13 months of business. The Commercial Property backlog totaled €145.0 million (excluding VAT).

As of the same date, Kaufman & Broad had 170 housing programs on the market with 3,728 housing units compared to 175 programs with 3,507 housing units at end-February 2014.

The property portfolio represented 19,450 lots, i.e., potential revenue corresponding to more than three years of business. It rose 7.9% compared to the result at end-November 2014.

The group plans to launch 37 new programs in the second quarter of 2015, including 13 launches in Île-de-France, representing 1,149 lots and 24 launches in the Regions, representing 1,832 lots.

Financial results

- Operating activities

Total revenues stood at €210.9 million (excluding VAT), up 2.8% compared to the first quarter of 2014.

Housing revenues totaled €181.4 million (excluding VAT), compared to €198.4 million (excluding VAT) in the first quarter of 2014. This represents 86.0% of group revenues.

Revenues from the Apartments business was down 5.0% compared to the first quarter of 2014 to \in 167.8 million (excluding VAT). Revenues generated by the Single-Family homes in the communities segment totaled \in 13.6 million (excluding VAT), compared to \in 21.9 million (excluding VAT) in the first quarter of 2014.

Commercial Property revenues recorded an increase of €22.7 million to €28.0 million (excluding VAT) in the first quarter of 2015. Revenues generated by the other business activities were unchanged compared to the first quarter of 2014 at €1.5 million (excluding VAT).

- Profitability indicators

Gross margin totaled €40.1 million compared to €38.5 million in the first quarter of 2014. The gross margin rate was 19.0%, versus 18.7% for the same period in 2014.

Current operating expenses amounted to \in 27.2 million (12.9% of revenues) versus \in 27.3 million in the first quarter of 2014 (13.3% of revenues).

Current operating income totaled €12.9 million, compared to €11.2 million in the first quarter of 2014. The current operating margin was 6.1% versus 5.5% in the first quarter of 2014.

Attributable net income was €6.4 million, slightly up compared to the first quarter of 2014 (€6.2 million).

- Financial structure and liquidity

Net financial debt was reduced by €96.0 million compared to end-February 2014 and, accordingly, net cash flow was €29.3 million at February 28, 2015.

At February 28, 2015, active cash (available cash and investment securities) was €177.7 million, compared to €150.0 million at November 30, 2014.

Working capital requirements totaled €90.9 million (8.3% of revenues over 12 months rolling), compared to €108.4 million at November 30, 2014 (10.0% of revenues).

An interim dividend of €0.68 per share on the €1.36 dividend to be proposed to the Shareholders' Meeting on April 16 was paid on March 18, for a total amount of €12.5 million.

This press release is available from the website www.ketb.com

Next regular publication date:

July 8, 2015: Results for the first half-year 2015 (after the market close)

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About Kaufman & Broad - For more than 40 years, Kaufman & Broad has been designing, building and selling single-family
homes in communities, apartments and offices on behalf of third parties. Kaufman & Broad is a leading French property builder and
developer measured by its size, earnings and the strength of its brand.

Warning: This document contains forward-looking information. This information is liable to be affected by known or unknown factors that KBSA cannot easily control or forecast which may render the results materially different from those stated, implied or projected by the company. These risks specifically include those listed under "Risk Factors" in the Registration Document filed with the AMF on March 31, 2015 under number D.15-0258.

Glossary

Orders: measured in volume (Units) and in value, orders reflect the group's sales activity. Orders are recognized in revenue based on the time necessary for the "conversion" of an order into a signed and notarized deed, which is the point at which income is generated. In addition, for apartment programs that include mixed-use buildings (apartments/business premises/retail space/offices), all floor space is converted into housing equivalents.

Units: Units are used to define the number of housing units or equivalent housing units (for mixed programs) of any given program. The number of equivalent housing units is calculated as a ratio of the surface area by type (business premises/retail space/offices) to the average surface area of the housing units previously obtained.

EHU: EHUs (Equivalent Housing Units delivered) directly reflect sales. The number of EHUs is a function of multiplying (i) the number of housing units of a given program for which notarized sales deeds have been signed by (ii) the ratio between the group's property expenses and construction expenses incurred on said program and the total expense budget for said program.

Take-up rate: the number of orders in relation to the average commercial offer for the period.

Commercial offer: the total inventory of properties available for sale as of the date in question, i.e., all unordered housing units as of such date (less the programs that have not entered the marketing phase).

Gross margin: corresponds to revenues less cost of sales. Cost of sales consists of the price of land, the related property costs and construction costs.

Backlog: a summary at any given moment used for forecasting future revenues for the coming months.

Property portfolio: all real estate for which a deed or commitment to sell has been signed.

APPENDICES

♦ Financial data

Key consolidated data

$in \in thousands$	Q1 2015	Q1 2014 restated **
Revenues	210,905	205,197
- of which Housing	181,356	198,372
- of which Commercial Property	28,033	5,323
- of which Other	1,517	1,502
Gross margin	40,053	38,453
Gross margin rate (%)	19.0%	18.7%
Current operating income	12,885	11,199
Current operating margin (%)	6.1%	5.5%
Attributable net income	6,443	6,180
Attributable net income per share (€/share) *	0.30	0.29

^{*} Based on the number of shares composing the capital of Kaufman & Broad SA, i.e., 21,584,658 shares

Consolidated income statement*

in ϵ thousands	Q1 2015	Q1 2014 restated **
Revenues	210,905	205,197
Cost of sales	(170,852)	(166,743)
Gross margin	40,053	38,453
Selling expenses	(5,766)	(6,602)
Administrative expenses	(12,571)	(12,134)
Technical and customer service expenses	(4,398)	(4,444)
Development and program expenses	(4,433)	(4,074)
Current operating income	12,885	11,199
Other non-recurring income and expenses	-	135
Operating income	12,885	11,335
Cost of net financial debt	(139)	236
Other income and expenses	-	-
Income tax	(3,093)	(3,238)
Share of income (loss) of equity affiliates and joint ventures	630	305
Income (loss) attributable to shareholders	10,283	8,637
Minority interests	3,840	2,457
Attributable net income	6,443	6,180

^{*} Unaudited and not approved by the Board of Directors

^{**} Financial statements restated following a change in accounting method: recognition under operating expenses of the marketing costs of sales offices and model areas previously recognized under cost of sales.

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Consolidated balance sheet*

in € thousands	Feb. 28, 2015	Nov. 30, 2014 restated **
ASSETS		
Goodwill	68,511	68,511
Intangible Assets	84,221	85,075
Property, plant and equipment	5,154	4,323
Equity affiliates and joint ventures	9,182	11,376
Other non-current financial assets	2,146	1,843
Non-current assets	169,214	171,127
Inventories	303,175	320,540
Accounts receivable	291,711	336,561
Other receivables	127,556	176,606
Cash and cash equivalents	177,696	149,993
Prepaid expenses	1,414	1,437
Current assets	901,551	985,135
TOTAL ASSETS	1,070,765	1,156,262
EQUITY AND LIABILITIES		
Capital stock	5,612	5,612
Additional paid-in capital	200,771	163,410
Attributable net income	6,443	37,930
Attributable shareholders' equity	212,826	206,952
Minority interests	10,528	8,667
Shareholders' equity	223,354	215,620
Non-current provisions	21,581	21,486
Borrowings and other non-current financial liabilities (> 1 year)	136,042	135,815
Deferred tax liabilities	43,593	42,303
Non-current liabilities	201,216	199,604
Current provisions	883	2,168
Other current financial liabilities (< 1 year)	12,351	12,101
Accounts payable	558,359	618,201
Other payables	72,753	106,858
Deferred income	1,848	1,709
Current liabilities	646,194	741,038
TOTAL EQUITY AND LIABILITIES	1,070,765	1,156,262

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^{**} Financial statements restated following a change in accounting method: recognition under operating expenses of the marketing costs of sales offices and model areas previously recognized under cost of sales.

· Operational data

Housing	1 st quarter 2015	1 st quarter 2014
Revenues (€m, excluding VAT)	181.4	198.4
- of which Apartments	167.8	176.5
- of which Single-Family homes in communities	13.6	21.9
Deliveries (EHUs)	1,142	1,212
- of which Apartments	1,090	1,135
- of which Single-Family homes in communities	52	77
Net orders (number)	1,183	1,085
- of which Apartments	1,158	1,052
- of which Single-Family homes in communities	25	33
Net orders (€m, including VAT)	189.4	218.1
- of which Apartments	182.1	207.9
- of which Single-Family homes in communities	7.3	10.2
Commercial offer at period end (number)	3,728	3,507
Backlog at period end		
- In value (€m, excluding VAT)	991.5	954.6
• of which Apartments	947.9	873.5
 of which Single-Family homes in communities 	43.6	81.1
- In months of business	13.1	11.8
Property portfolio at period end	19,219	18,233

Commercial Property	1 st quarter 2015	1 st quarter 2014
Revenues (€m, excluding VAT)	28.0	5.3
Net orders (€m, including VAT)	34.1	0.6
Backlog at period end (€m, excluding VAT)	145.0	47.6