

Availability of the 2015 Registration Document Outlook of the group for the 2016 financial year and the medium term

1. Availability of the 2015 Registration Document

Kaufman & Broad, a general real estate developer in France, filed its 2015 Registration Document with the *Autorité des Marchés Financiers* (AMF) on March 9, 2016. The Registration Document is available free of charge and upon request at the office of Kaufman & Broad SA (127 Avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France) and on the websites of the Company (www.kaufmanbroad.fr) and the AMF (www.amf-france.org). The Registration Document includes in particular:

- The annual financial report;
- The report of the Chairman of the Company;
- The resolutions to be submitted to the approval of the Annual General Meeting to be held on April, 15, 2016;
- The fees of the statutory auditors.

2. Outlook of the Group for the 2016 financial year

In the context of the release of its 2015 Registration Document, **the Group confirms its outlook for the 2016 financial year**, in line with its strategic orientation and market estimates to date.


Over the 2016 financial year, the increase **in the volume of the new housing market is expected to be around 5%, mainly driven by the rise of the "PTZ" scheme for first-time buyers. The good performance of the commercial property market** seen in 2015, particularly on the premium Parisian market, should also continue over the 2016 financial year.

Consequently, for the 2016 financial year, the Group's target is to generate a **growth in its consolidated revenues in the range of 7% to 10%**, depending on confirmation by some of the Group's customers of orders expected in 2016.

The Group also aims to achieve a **gross margin of approximately 19% of consolidated revenues** for the financial year 2016, with an **adjusted EBIT margin¹ of approximately 8.5%** of consolidated revenues.

In addition, the **Group's net debt would have amounted to approximately € 100 million** as at November, 30, 2016 after taking into account the completion of the refinancing transactions

¹ Adjusted EBIT corresponds to EBIT adjusted for borrowing costs ("Revised IAS 23"), which are capitalized and removed in the gross margin.



concurrent to the partial sale of its stake by Financière Gaillon 8 and the buy-back of its own shares by the Company for a maximum amount of € 50 million in the context of the transaction.

Finally, the Group plans to **pay in 2017 a dividend per share of €1.85 with respect to the year ended November 30, 2016**, subject to the approval of the annual general meeting of shareholders of the Company.

3. Outlook of the Group for the medium term

With the commercial and financial performance recorded in recent years and the dynamics of its development, Kaufman & Broad aims to **pursue its development** by:

- consolidating its **leadership** in the 10 majors cities where it has historically been based;
- remaining attentive to **growth opportunities** that could enable it to strengthen its geographical coverage and its territorial network;
- strengthening its **development in the field of Commercial property in the French regions**, targeting major regional cities with medium size products designed for "key accounts"; and
- developing **its capacity to respond to tenders in the context of large urban projects** that should enable it to have access to a significant land reserve, especially in Île-de-France.

This strategy has led the Group to aim to generate **consolidated revenues above €1.3 billion for the 2019 financial year**, of which approximately 15% would be derived from the activity of the Commercial property division.

In addition, over the 2017 - 2019 period, the Group's ambition is to maintain a **gross margin above 18% of its consolidated revenues**, with an **adjusted EBIT margin above 8% of consolidated revenues**, anticipating an increase in the share of revenues derived from Commercial property sales in the Group's consolidated revenues.

The Group's dividend policy target is to **distribute a dividend amounting to approximately 75% of its net income, Group share, for the financial years 2017 to 2019**.

Finally, the cash generation capacity of the Group should allow it to contemplate a **strengthening of its financial position for 2019**, after taking into account the dividend payout target.

This press release is available on www.kaufmanbroad.fr

Next regular publication date:

March 29, 2016: Q1-2016 results (after market close)

April 15, 2016: Annual Shareholders' Meeting



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About Kaufman & Broad - For almost 50 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.

Disclaimer: The objectives presented in this document are based on data, assumptions and estimates that the group regarded as reasonable on the date of this document. These data and assumptions may change or be adjusted, particularly as a result of changes in the economic, financial, competitive, regulatory or tax environment or as a result of other factors of which the group was not aware on the date of this document. In addition, were certain risks described in section 1.2 "Risk Factors" of the registration document filed with the AMF on 9 March 2016 under number D.16-0125 (the "Registration Document") to materialize, they could have an impact on the group's activities, financial position, results or outlook, and therefore threaten its ability to attain the objectives set out herein. In addition, the attainment of objectives also assumes that the group's strategy set out in section 2.1.4 "Outlook" of the Registration Document will be successful. As a result, the group makes no representation and gives no warranty regarding the attainment of objectives presented in this document.

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