



NEXITY'S INVESTOR DAY

NEW PROSPECTS FOR GROWTH BY 2021

Paris, Tuesday, 19 June 2018

Nexity will be holding its Investor Day today in Pantin to provide more details on its strategy as a real estate services platform and present its objectives for the period 2018–2021.

During this event, Nexity will be discussing the following points:

Nexity endeavours to be useful to each of its four types of Clients (Individual Clients, Commercial Clients, Local Authority Clients and Internal Clients), as well as to society and the world in which it operates, by:

- Creating social and economic value for all of its Clients;
- Promoting their well-being and quality of life while facilitating social connections in cities; and
- Jointly creating sustainable and resilient cities in which the impacts of climate change are anticipated.

This usefulness is the foundation of sustainable business performance.

Nexity's business targets for 2018–2021

- **Individual Clients:** strong market share gain for Residential real estate (up 3 percentage points between 2017 and 2021); growth in the number of units managed in Property Management to Individuals in the period 2019–2021; and strong development of serviced residences for students with Nexity Studéa and for elderly people with the acquisition of a majority stake in the capital of Ægide-Domitys, French market leader in senior independent living facilities;
- **Commercial Clients:** order intake doubled over the period 2018–2021 compared with prior years;
- **Local Authority Clients:** reinforce its position as the leading private planner in France, by developing new services, around the inclusive smart cities and new urban uses, and complete its offer by the forthcoming creation of a land bank company, a tool for local authorities' development, whose capital will be majority owned by third-party investors.

Nexity's medium-term financial targets

Nexity's Board of Directors, chaired by Alain Dinin, has confirmed the Group's guidance for 2018 and has also announced the following medium-term targets:

- Compound annual revenue growth of 10% (2017–2021)
- Compound annual EBITDA growth of 10% (2017–2021)

All of the Group's business lines will contribute to this growth, and especially its Services businesses, which are expected to account for 45% of the Group's total EBITDA by 2021.



This strong anticipated growth will go hand-in-hand with a controlled increase in the Group's debt (target level for net financial debt of about 2.5x EBITDA¹). This target level will allow Nexity to proceed with carefully selected external growth transactions in its different businesses.

It will be accompanied by an ever-watchful eye on profitability, the maintenance of a prudent risk profile and a strong solvency position. The Group's investments over the period will amount to around €65 million each year, including €30 million dedicated to digital initiatives, the balance being linked to business investments.

The dividend will be set at a minimum of €2.50 per share in respect of each financial year in the period 2018–2021. Furthermore, Nexity's Board of Directors has decided that the company will buy back shares each year, in the proportion necessary to offset the dilution caused by the acquisition of free shares by the Group's employees.

These financial targets will be supplemented by a full range of CSR initiatives, including the reduction of greenhouse gas emissions resulting from the projects developed by Nexity.

Financial calendar and practical information

2018 interim results (after market close)

Wednesday, 25 July 2018

Q3 2018 revenue and business activity (after market close)

Tuesday, 30 October 2018

The presentation accompanying this conference will be available on the Group's website on 20 June 2018.

Disclaimer

The information, assumptions and estimates that the Company could reasonably use to determine its targets are subject to change or modification, notably due to economic, financial and competitive uncertainties. Furthermore, it is possible that some of the risks described in Section 2 of the Registration Document filed with the AMF under number D.18-0272 on 5 April 2018 could have an impact on the Group's operations and the Company's ability to achieve its targets. Accordingly, the Company cannot give any assurance as to whether it will achieve its stated targets, and makes no commitment or undertaking to update or otherwise revise this information

AT NEXITY, WE AIM TO SERVE ALL OUR CLIENTS AS THEIR REAL ESTATE NEEDS EVOLVE

Nexity offers the widest range of advice and expertise, products, services and solutions for individuals, companies and local authorities, so as to best meet the needs of our clients and respond to their concerns.

Our business lines – real estate brokerage, management, design, development, planning, advisory and related services – are now optimally organised to serve and support our clients. As the benchmark operator in our sector, we are resolutely committed to all of our clients, but also to the environment and society as a whole.

Nexity is listed on the SRD and on Euronext's Compartment A
Member of the indices SBF 80, SBF 120, CAC Mid 60, CAC Mid & Small and CAC All Tradable
Ticker symbol: NXI – Reuters: NXI.PA – Bloomberg: NXI:FP
ISIN code: FR0010112524

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¹ Excluding the impact of IFRS 16 for both aggregates.



ANNEX 1: 2017 RESTATED CONSOLIDATED INCOME STATEMENT

From 1 January 2018, Nexity implements new reporting standards IFRS 15 and IFRS 16. To facilitate measurement of the “real” operational performance of the Group, the following tables present the Group’s main indicators for 2017, restated from the impact of these new reporting standards.

As part of Nexity’s development strategy adopted in 2017, through which it will become a real estate services platform, the Group will henceforth be using its client-centred organisation in its financial communications (with two main divisions: Individual Clients and Commercial Clients).

As such, the following reclassifications have taken place:

- the former Services division has been broken down into two businesses (Real Estate Services to Individuals and Real Estate Services to Companies), reclassified under the Individual Clients and Commercial Clients divisions, respectively; and
- the Group’s business in the marketing and selling of residential developments on behalf of third parties, carried out under the iSelection brand; activities involving the division of ownership of existing property, carried out under the PERL brand; real estate brokerage activities, carried out by the Nexity Solutions Crédit subsidiary; and financial advisory activities, carried out by the Nexity Patrimoine subsidiary have all been transferred from Residential Real Estate to Real Estate Services to Individuals within the Individual Clients division.

In addition, the CVAE (French tax on value added by the business) is included in income tax expense as from 1 January 2018, in accordance with IAS 12, because it is considered as a tax based on profit.

Nexity also uses a new indicator to better reflect its operational performance per share: the net profit before non-current items.

Net profit before non-current items per share represents Group’s share of net profit restated to exclude any non-current items such as: repayment of the 3% tax on dividends claimed in 2017, and starting 2018, fair value of the ORNANE bonds or items included in the “non-current operating profit” (potential goodwill impairment, remeasurement of equity-accounted investments following assumption of control).

€ millions	31/12/2017 Operational reporting (restated)	30/06/2017 Operational reporting (restated)
Revenue	3,571.3	1,412.6
EBITDA	460.6	174.6
Current operating profit	337.9	120.8
Net financial income/(expenses)	(38.5)	(19.5)
Income taxes *	(112.8)	(40.8)
Attributable to non-controlling interests	(4.9)	(5.1)
Net profit before non-current items *	181.8	55.3
Attributable to non-controlling interests	6.0	1.9
Attributable to equity holders of the parent company	175.8	53.4
(in euros)		
Net profit before non-current items per share *	3.17	0.97

* restated from the repayment of the 3% tax on dividends



ANNEX 2: RECONCILIATION TABLES AND DETAILED INDICATORS

Income statement as of 31 December 2017

€ millions	31/12/2017 Operational reporting (reported)	Impact of IFRS 15	Estimated Impact of IFRS 16	Reclassification of CVAE	31/12/2017 Operational reporting (restated*)
Revenue	3,506.1	65.1	-	-	3,571.3
Operating expenses	(3,137.7)	(65.0)	79.5	12.5	(3,110.7)
Dividends received from equity-accounted investments	-	-	-	-	-
EBITDA	368.5	0.1	79.5	12.5	460.6
IFRS 16 amortisation	-	-	(74.7)	-	(74.7)
Depreciation, amortisation and impairment of fixed assets	(24.4)	-	-	-	(24.4)
Net change in provisions	(4.2)	-	-	-	(4.2)
Share-based payments	(14.3)	-	-	-	(14.3)
Borrowing costs directly attributable to property developments, transferred from inventory	(5.1)	-	-	-	(5.1)
Dividends received from equity-accounted investments	-	-	-	-	-
Current operating profit	320.5	0.1	4.8	12.5	337.9
Cost of net financial debt	(30.4)	-	(9.0)	-	(39.4)
Other financial income/(expenses)	0.9	-	-	-	0.9
Net financial income/(expenses)	(29.5)	-	(9.0)	-	(38.5)
Pre-tax recurring profit	291.0	0.1	(4.2)	12.5	299.4
Income taxes	(101.7)	(0.0)	1.4	(12.5)	(112.8)
Reimbursement of the 3% tax on dividends	6.9	-	-	-	6.9
Share of profit/(loss) from other equity-accounted investments	(4.9)	-	-	-	(4.9)
Consolidated net profit	191.3	0.1	(2.7)	-	188.6
Attributable to non-controlling interests	5.7	0.3	-	-	6.0
Attributable to equity holders of the parent company	185.6	(0.2)	(2.7)	-	182.7
<i>(in euros)</i>					
Earnings per share	3.35				3.30

Net profit before non-current items per share

Net profit before non-current items *	184.4	0.1	(2.7)	-	181.8
Attributable to non-controlling interests	5.7	0.3	-	-	6.0
Attributable to equity holders of the parent company	178.7	(0.2)	(2.7)	-	175.8
<i>(in euros)</i>					
Net profit before non-current items per share *	3.22				3.17

* restated from the repayment of the 3% tax on dividends



Income statement as of 30 June 2017

	30/06/2017 Operational reporting (reported)	Impact of IFRS 15	Estimated Impact of IFRS 16	Reclassification of CVAE	30/06/2017 Operational reporting (restated)
<i>€ millions</i>					
Revenue	1,464.5	(51.9)	-	-	1,412.6
Operating expenses	(1,325.6)	40.8	41.2	5.6	(1,238.0)
Dividends received from equity-accounted investments	-	-	-	-	-
EBITDA	138.9	(11.1)	41.2	5.6	174.6
IFRS 16 amortisation	-	-	(38.7)	-	(38.7)
Depreciation, amortisation and impairment of fixed assets	(11.1)	-	-	-	(11.1)
Net change in provisions	3.5	-	-	-	3.5
Share-based payments	(5.4)	-	-	-	(5.4)
Borrowing costs directly attributable to property developments, transferred from inventory	(2.0)	-	-	-	(2.0)
Dividends received from equity-accounted investments	-	-	-	-	-
Current operating profit	123.9	(11.1)	2.4	5.6	120.8
Cost of net financial debt	(14.3)	-	(4.6)	-	(18.9)
Other financial income/(expenses)	(0.6)	-	-	-	(0.6)
Net financial income/(expenses)	(14.9)	-	(4.6)	-	(19.5)
Pre-tax recurring profit	108.9	(11.1)	(2.2)	5.6	101.3
Income taxes	(39.7)	4.0	0.8	(5.9)	(40.8)
Reimbursement of the 3% tax on dividends	(5.1)	-	-	-	(5.1)
Consolidated net profit	64.1	(7.0)	(1.4)	(0.3)	55.3
Attributable to non-controlling interests	2.1	(0.2)	-	-	1.9
Attributable to equity holders of the parent company	62.0	(6.8)	(1.4)	(0.3)	53.4
<i>(in euros)</i>					
Earnings per share	1.13				0.97
Net profit before non-current items per share					
Net profit before non-current items	64.1	(7.0)	(1.4)	(0.3)	55.3
Attributable to non-controlling interests	2.1	(0.2)	-	-	1.9
Attributable to equity holders of the parent company	62.0	(6.8)	(1.4)	(0.3)	53.4
<i>(in euros)</i>					
Net profit before non-current items per share	1.13				0.97



Revenue

€ millions	Operational reporting (reported)	Reclassification of Services (Individual, Commercial)	Reclassification of operational segments	Operational reporting after new segmentation	Impact of IFRS 15	Impact of IFRS 16	Reclassification of CVAE	Operational reporting (restated)
As of 30 June 2017								
Individual Clients	1,073.6	216.5	-	1,290.1	(37.4)	-	-	1,252.7
Residential Real Estate ²	1,073.6	-	(151.1)	922.5	(36.2)	-	-	886.3
Services to Individuals	-	216.5	151.1	367.6	(1.2)	-	-	366.4
Commercial Clients	142.4	29.1	-	171.5	(14.5)	-	-	157.0
Commercial Real Estate ²	142.4	-	-	142.4	(14.4)	-	-	128.0
Services to Companies	-	29.1	-	29.1	(0.1)	-	-	29.0
Services	245.6	(245.6)	-	-	-	-	-	-
Other activities	2.8	-	-	2.8	-	-	-	2.8
Revenue	1,464.5	-	-	1,464.5	(51.9)	-	-	1,412.6
As of 31 December 2017								
Individual Clients	2,597.5	443.5	-	3,041.0	119.5	-	-	3,160.4
Residential Real Estate ²	2,597.5	-	(369.3)	2,228.2	121.9	-	-	2,350.0
Services to Individuals	-	443.5	369.3	812.8	(2.4)	-	-	810.4
Commercial Clients	397.2	63.7	-	460.9	(54.3)	-	-	406.6
Commercial Real Estate ²	397.2	-	-	397.2	(54.1)	-	-	343.1
Services to Companies	-	63.7	-	63.7	(0.3)	-	-	63.4
Services	507.2	(507.2)	-	-	-	-	-	-
Other activities	4.3	-	-	4.3	-	-	-	4.3
Revenue	3,506.1	-	-	3,506.1	65.1	-	-	3,571.3

² Revenue generated by the Residential real estate and Commercial real estate divisions from VEFA off-plan sales and CPI development contracts is recognised using the percentage-of-completion method, i.e. on the basis of notarised sales and pro-rated to reflect the progress of incurred costs



EBITDA

€ millions	Operational reporting (reported)	Reclassification of Services (Individual, Commercial)	Reclassification of operational segments	Operational reporting after new segmentation	Impact IFRS 15	Impact IFRS 16	Reclassement CVAE	Operational reporting (restated)
As of 30 June 2017								
Individual Clients	91.6	25.6	-	117.2	(6.4)	37.2	4.7	152.7
% of revenue	8.5%			9.1%				12.2%
Residential Real Estate	91.6		(15.6)	75.9	(6.4)	6.4	2.3	78.2
% of revenue	8.5%			8.2%				8.8%
Services to Individuals	-	25.6	15.6	41.3	-	30.8	2.4	74.5
% of revenue				11.2%				20.3%
Commercial Clients	30.8	(1.8)	-	29.1	(4.7)	1.5	0.7	26.6
% of revenue	21.6%			17.0%				16.9%
Commercial Real Estate	30.8	-	-	30.8	(4.7)	0.5	0.3	27.0
% of revenue	21.6%			21.6%				21.1%
Services to Companies	-	(1.8)	-	(1.8)		1.0	0.3	(0.4)
% of revenue				-6.0%				-1.4%
Services	23.9	(23.9)		-	-	-	-	-
% of revenue	9.7%			-	-	-	-	-
Other activities	(7.4)	-	-	(7.4)	-	2.4	0.2	(4.7)
EBITDA as of 30 June 2017	138.9	-	-	138.9	(11.1)	41.2	5.6	174.6
% of revenue	9.5%			9.5%				12.4%
As of 31 December 2017								
Individual Clients	263.8	59.8	-	323.7	10.4	72.0	10.4	416.5
% of revenue	10.2%			10.6%				13.2%
Residential Real Estate	263.8		(53.8)	210.0	10.4	13.7	5.1	239.2
% of revenue	10.2%			9.4%				10.2%
Services to Individuals	-	59.8	53.8	113.7		58.3	5.3	177.2
% of revenue				14.0%				21.9%
Commercial Clients	70.7	2.1	-	72.9	(10.3)	3.0	1.6	67.2
% of revenue	17.8%			15.8%				16.5%
Commercial Real Estate	70.7	-	-	70.7	(10.3)	1.0	0.8	62.2
% of revenue	17.8%			17.8%				18.1%
Services to Companies	-	2.1	-	2.1		2.0	0.8	4.9
% of revenue				3.3%				7.8%
Services	62.0	(62.0)		-	-	-	-	-
% of revenue	12.2%			-	-	-	-	-
Other activities	(28.1)	-	-	(28.1)	-	4.5	0.5	(23.0)
EBITDA as of 31 December 2017	368.5	-	-	368.5	0.1	79.5	12.5	460.6
% of revenue	10.5%			10.5%				12.9%



Current operating profit

€ millions	Operational reporting (reported)	Reclassification of Services (Individual, Commercial)	Reclassification of operational segments	Operational reporting after new segmentation	Impact of IFRS 15	Impact of IFRS 16	Reclassification of CVAE	Operational reporting (restated)
As of 30 June 2017								
Individual Clients	86.4	21.8	-	108.2	(6.4)	2.1	4.7	108.6
% of revenue	8.0%			8.4%				8.7%
Residential Real Estate	86.4		(13.4)	73.0	(6.4)	0.5	2.3	69.4
% of revenue	8.0%			7.9%				7.8%
Services to Individuals	-	21.8	13.4	35.2		1.7	2.4	39.2
% of revenue				9.6%				10.7%
Commercial Clients	30.4	(3.0)		27.4	(4.7)	0.1	0.7	23.5
% of revenue	21.4%			16.0%				15.0%
Commercial Real Estate	30.4			30.4	(4.7)	0.0	0.3	26.1
% of revenue	21.4%			21.4%				20.4%
Services to Companies	-	(3.0)		(3.0)		0.1	0.3	(2.6)
% of revenue				-10.5%				-9.1%
Services	18.7	(18.7)		-	-	-	-	-
% of revenue	7.6%			-				-
Other activities	(11.7)			(11.7)	-	0.2	0.2	(11.3)
Current operating profit	123.9	-	-	123.9	(11.1)	2.4	5.6	120.8
% of revenue	8.5%			8.5%				8.6%
As of 31 December 2017								
Individual Clients	247.0	48.4	-	295.4	10.4	4.4	10.4	320.6
% of revenue	9.5%			9.7%				10.1%
Residential Real Estate	247.0		(48.7)	198.3	10.4	0.9	5.1	214.8
% of revenue	9.5%			8.9%				9.1%
Services to Individuals	-	48.4	48.7	97.1		3.5	5.3	105.8
% of revenue				11.9%				13.1%
Commercial Clients	70.4	(1.3)		69.0	(10.3)	0.2	1.6	60.5
% of revenue	17.7%			15.0%				14.9%
Commercial Real Estate	70.4			70.4	(10.3)	0.1	0.8	61.0
% of revenue	17.7%			17.7%				17.8%
Services to Companies	-	(1.3)		(1.3)		0.1	0.8	(0.4)
% of revenue				-2.1%				-0.7%
Services	47.0	(47.0)		-	-	-	-	-
% of revenue	9.3%			-				-
Other activities	(43.9)			(43.9)	-	0.3	0.5	(43.2)
Current operating profit	320.5	-	-	320.5	0.1	4.8	12.5	337.9
% of revenue	9.1%			9.1%				9.5%



Balance sheet restated as of 31 December 2017

ASSETS € millions	31/12/2017 Operational reporting (reported)	Impact of IFRS 15	Estimated Impact of IFRS 16	31/12/2017 Operational reporting (restated)
Goodwills	1,213.4	-	-	1,213.4
Other non-current assets	170.2	-	300.1	470.4
Equity-accounted investments	24.2	-	-	24.2
Total non-current assets	1,407.8	-	300.1	1,707.9
Net WCR	773.6	43.0	-	816.6
Total de l'actif	2,181.4	43.0	300.1	2,524.5

LIABILITIES AND EQUITY € millions	31/12/2017 Operational reporting (reported)	Impact of IFRS 15	Estimated Impact of IFRS 16	31/12/2017 Operational reporting (restated)
Share capital and reserves	1,452.9	27.1	-	1,480.0
Net profit for the period	185.6	(0.2)	(2.7)	182.7
Equity attributable to equity holders of the parent company	1,638.6	26.9	(2.7)	1,662.7
Non-controlling interests	4.9	1.2	-	6.0
Total equity	1,643.4	28.1	(2.7)	1,668.8
Net debt	342.7	-	304.3	647.0
Provisions	132.8	-	-	132.8
Net deferred taxes	62.5	14.9	(1.4)	75.9
Total liabilities and equity	2,181.4	43.0	300.1	2,524.5

Working capital requirements by segments

€ millions	Operational reporting (reported)	Reclassification of Services (Individual, Commercial)	Reclassification of operational segments	Operational reporting after new segmentation	Impact of IFRS 15	Impact of IFRS 16	Reclassification of CVAE	Operational reporting (restated)
As of 31 December 2017								
Individual Clients	826.0	(45.6)	-	780.5	25.4	-	-	805.9
Residential Real Estate	826.0		(116.5)	709.5	25.4	-	-	734.9
Services to Individuals	-	(45.6)	116.5	71.0	-	-	-	71.0
Commercial Clients	(44.0)	5.6	-	(38.4)	17.5	-	-	(20.9)
Commercial Real Estate	(44.0)			(44.0)	17.5	-	-	(26.5)
Services to Companies	-	5.6		5.6	-	-	-	5.6
Services	(40.0)	40.0		-	-	-	-	-
Other activities	28.4			28.4		-	-	28.4
Corporate income tax	3.2			3.2	-	-	-	3.2
WCR	773.6	-	-	773.6	43.0	-	-	816.6



Backlog

€ millions	Operational reporting (reported)	Reclassification of operational segments	Operational reporting after new segmentation	Impact of IFRS 15	Impact of IFRS 16	Reclassification of CVAE	Operational reporting (restated)
As of 30 June 2017							
Residential Real Estate - New homes	3,489	(129)	3,359	(317)			3,042
Residential Real Estate - Subdivisions	255		255	(55)			200
Backlog Residential Real Estate	3,744	(129)	3,615	(372)			3,243
Backlog Commercial Real Estate	482		482	(137)			345
Total Group Backlog as of 30 June 2017	4,226	- (129)	4,096	(509)		-	3,588
As of 31 December 2017							
Residential Real Estate - New homes	3,945	(136)	3,810	(475)			3,335
Residential Real Estate - Subdivisions	246	-	246	(55)			191
Backlog Residential Real Estate	4,191	(136)	4,056	(530)			3,526
Backlog Commercial Real Estate	562	-	562	(97)			465
Total Group Backlog as of 30 June 2017	4,754	(136)	4,618	(627)			3,991



GLOSSARY

Property Management for Individuals (PMI): management of rented properties on behalf of individual clients (management for the owner of all relations with the tenant, management of the sale of the property if applicable) as well as the management of the common areas of apartment buildings (as a managing agent) on behalf of condominium owners

Development backlog: corresponds to the Group's already secured future revenue, expressed in euros, for its Residential Real Estate and Commercial Real Estate businesses. The backlog includes reservations for which notarised agreements have not yet been signed and the portion of revenue remaining to be generated on units for which notarised agreements have already been signed (portion remaining to be built)

Joint ventures: entities over whose activities the Group has joint control, established by contractual agreement. Most joint ventures are Residential or Commercial property developments undertaken with another developer (co-developments)

EBITDA: defined by Nexity as equal to current operating profit before depreciation, amortisation and impairment of fixed assets (including lease payments restated under IFRS 16), net changes in provisions, share-based payment expenses and the transfer from inventory of borrowing costs directly attributable to property developments, plus dividends received from equity-accounted investees whose operations are an extension of the Group's business

Business potential for new homes: corresponds to the total volume of potential business at any given moment, expressed as a number of units, within future projects validated by the Group's Committee, in all structuring phases, including the programmes of the Group's urban regeneration business (Villes & Projets). This business potential includes the Group's current supply for sale, its future supply corresponding to project phases not yet marketed on purchased land, and projects not yet launched associated with land secured under options

Business potential for Commercial Real Estate: corresponds to the total volume of potential business at any given moment, expressed as estimated revenue excluding VAT, within future projects validated by the Group's Committee, under options or purchased land, in all structuring phases, including the programmes of the Group's urban regeneration business (Villes & Projets). This business potential includes the Group's current supply for sale as well as its future supply

Order intake – Commercial Real Estate: the total of selling prices excluding VAT as stated in definitive agreements for commercial real estate programmes, expressed in euros for a given period (notarised agreements or development contracts)

Operational reporting: according to IFRS but with joint ventures proportionately consolidated. This presentation is used by management as it better reflects the economic reality of the Group's business activities.

Reservations by value (or expected revenue) – Residential Real Estate: the net total of selling prices including VAT as stated in reservation agreements for development programmes, expressed in euros for a given period, after deducting all reservations cancelled during the period

Net profit before non-current items: represents Group's share of net profit restated to exclude any non-current items such as: repayment of the 3% tax on dividends claimed in 2017, and starting 2018, fair value of the ORNANE bonds or items included in the "non-current operating profit" (potential goodwill impairment, remeasurement of equity-accounted investments following assumption of control).