



FINANCIAL PRESS RELEASE

Paris, 21 November 2018

Nexity calls to the attention of its investors the underlying elements that are announced today on the occasion of a press conference challenging the French government on its lack of strategic vision concerning the major issue of demographic changes and the resulting obligation to produce more than 400,000 new homes per year over the next 20 years. On this occasion, Alain Dinin, Nexity's Chairman and CEO, and Jean-Philippe Ruggieri, Deputy CEO in charge of Individual Clients, aim to demonstrate that the various positions taken by the government will automatically lead to a drop in production from 2019, while demand remains extremely high and the issue of affordable housing continues to be inadequately addressed.

France's entire new homes sector (single-family homes, social housing and residential housing) has been contracting since the beginning of the year. In the third quarter of 2018 alone, the number of building permits granted fell by 10.2%, and housing starts were down 7.9% with respect to the third quarter of 2017.

Against this backdrop and given its specific positioning, Nexity expects an increase in its business activity in 2018, while total reservations in the residential housing segment are expected to be down around 8%, as forecast since the beginning of the year. The other two segments (single-family homes and social housing), which are more affected by government policies, should see a sharper decline.

This should lead to a total of around 360,000 housing starts in 2019, far below the 417,000 housing starts recorded in 2017 as well as the threshold of 400,000 new homes per year, which is the minimum level required to meet demand.

Assuming that the regulatory environment does not change and given the expected continued decrease in supply (building permits), Nexity expects that in 2019 the French residential market (including bulk sales) will be down slightly, with around 5,000 fewer reservations (i.e. around 165,000 in 2017, 152,000 in 2018 and 147,000 in 2019).

Backed by its strategy and its capacity to outperform the market, Nexity once again confirms all of its own short- and medium-term commercial and financial targets, in particular a 3-point increase in its market share in Residential Real Estate between 2017 and 2021, with a first milestone from 2018.

Lastly, Nexity endeavours to be useful to its clients, society and the world in which it operates. Faced with the historic need for housing in France, and in order to respond to the country's demographic and social challenges, Nexity has today made specific proposals to the government, with a list of 22 measures that could bring down housing prices and speed up production, by taking action on both taxes and land prices to trigger a "supply shock".

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 our clients, as well as to the environment and society as a whole.

Nexity is listed on the SRD and on Euronext's Compartment A

Nexity is included in the following indices: SBF 80, SBF 120, CAC Mid 60, CAC Mid & Small and CAC All Tradable

Ticker symbol: NXI – Reuters: NXI.PA – Bloomberg: NXIFP

CONTACT

Domitille Vielle – Head of Investor Relations / +33 (0)1 85 55 19 34 – investorrelations@nexity.fr

Géraldine Bop – Deputy Head of Investor Relations / +33 (0)1 85 55 18 43 – investorrelations@nexity.fr