

# OFFER RESERVED FOR EMPLOYEES KB SHARES 2019

Kaufman & Broad will launch shortly the offer "KB Shares 2019" reserved for employees of the group. Kaufman & Broad's main objective is to involve employees more closely in the future of the company through the subscription of shares under preferred terms. Employees are currently the largest shareholder of Kaufman & Broad. A strong employee shareholding policy contributes to ensure independence and stability for the company, as well as the opportunity for all to benefit from its growth.

## ISSUER

Kaufman & Broad SA

Listing: Euronext Paris

ISIN Code: FR0004007813 KOF

## CONTEXT OF THE TRANSACTION - SECURITIES OFFERED

The offer is implemented in accordance with articles L. 3332-18 et seq. of the French Labor Code, within the framework of the Group Savings Plan (PEG) of Kaufman & Broad.

Subscription of shares is based on the 25th resolution of the General Shareholders' Meeting of May 2, 2019, which authorized the Board of Directors to proceed with issuance of shares for the benefit of members of company or group savings plan, with cancellation of the shareholders' preferential subscription rights.

Pursuant to this authorization, at its meeting of May 2, 2019, the Board of Directors decided upon the principle of the share offering reserved for members of the PEG and the main terms and conditions of the capital increase.

The final terms and conditions of share issuance, in particular the opening of the subscription period and the subscription price, will be decided at a later date by the Chairman and Chief Executive Officer acting pursuant to the powers delegated to him by the Board of Directors.

The volume of the offering shall be set by corporate decision within the limit of 3% of the share capital, as it will be acknowledged following the payment of the dividend for the fiscal year ended on November 30, 2018 approved by the Annual Shareholders' Meeting of May 2, 2019, for which shareholders will have an option of payment of dividend in new shares.

Newly issued shares will be ordinary shares having a par value of € 0.26 each. They will carry current dividend entitlement and will be fully assimilated to the existing shares upon their issuance.

## CONDITIONS OF SUBSCRIPTION:

### Beneficiaries:

The offer is open to employees of Kaufman & Broad group entities, members of the PEG, who have accumulated at least three months of service on the last day of the subscription / revocation period (scheduled for October 31, 2019), retirees or pre-retirees who have retained assets in the PEG.

#### Subscription Price:

The subscription price for the offered shares will be set by the Chairman and Chief Executive Officer, acting pursuant to the powers delegated to him by the Board of Directors. The subscription price will be equal to the average of the opening prices of the Kaufman & Broad share on 20 trading days preceding the date of the decision of the Chairman and Chief Executive Officer fixing the opening of the subscription period, reduced by a discount of 20 %.

#### Subscription formula:

Under the offer "KB Shares 2019", the beneficiaries have the possibility to invest in a leveraged formula which provides for a guarantee of their investment and a performance based on the increase of the Kaufman & Broad share price, or, as the case may be, a minimum return.

Shares will be subscribed through the compartment "KB Actions 2019" of the company shareholding vehicle (fonds commun de placement d'entreprise or FCPE) "KB ACTIONS " which has been approved by the French Financial Markets Authority (Autorité des Marchés Financiers or AMF), AMF registration number FCE20190058.

#### Lock-up:

Units of the compartment "KB ACTIONS 2019" subscribed in this offering will be subject to lock-up until July 1<sup>st</sup>, 2024, except in the case of occurrence of early release events provided for under French regulations.

#### Exercise of voting rights:

The voting rights at the general shareholders meetings of Kaufman & Broad relating to the shares issued in the context of this offer will be exercised by the supervisory board of the FCPE "KB ACTIONS ".

#### Investment threshold:

The total of investments made in a savings plan during a year is limited to 25% of the gross annual remuneration (in this offer, the calculation shall be made taking into account the shares subscribed with the contribution of the bank). In addition, the investment in the offer is capped at €10,000 during the reservation period. This ceiling is reduced if the beneficiary has not reserved.

### **INDICATIVE CALENDAR OF THE OFFER**

Reservation period: from September 9 to September 23, 2019 inclusive

Fixing of the subscription price: scheduled for October 29, 2019

Subscription / revocation period: scheduled from October 30 to October 31, 2019 inclusive

Capital increase: scheduled for November 21, 2019

These dates are indicative and may be subject to change. Dates will be definitively fixed at a later stage by the decision of the Chairman and Chief Executive Officer.

### **LISTING**

The admission of the new Kaufman & Broad shares to trading on the Euronext Paris stock exchange (ISIN code: FR0004007813 KOF) will be requested upon completion of the capital increase.

### **HEDGING TRANSACTIONS**

The implementation of the leveraged formula may generate, on the part of the financial institution that is the counterparty of the swap agreement, hedging transactions prior to the implementation of the offering and during the entire period of the offering.

This press release is available at [www.kaufmanbroad.fr](http://www.kaufmanbroad.fr)

## Contacts

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**About Kaufman & Broad** - Kaufman & Broad has been designing, building, and selling single-family homes in communities, apartments, and offices on behalf of third parties for more than 50 years. Kaufman & Broad is one of the leading French developers-builders due to the combination of its size and profitability, and the strength of its brand.

*This press release is prepared pursuant to Article 1.4(i) and 1.5(h) of the Regulation Prospectus (EU) 2017/1129, Articles 212-4, 5° and 212-5, 6° of the AMF General Regulations and Article 19 of AMF Instruction DOC-2016-14 of October 21, 2016, as amended on January 15, 2018.*