# ▪ NEXITY EXCEEDS ITS TARGETS IN 2019
# ▪ 16% OF 2019 REVENUE GENERATED BY INTEGRATED DEVELOPMENT / SERVICES SOLUTIONS (€725 MILLION)
# ▪ EBITDA EXPECTED TO GROW BY 10% IN 2020 AND 2021

Paris, Tuesday, 25 February 2020, 5:45 p.m. CET

## FINANCIAL RESULTS[1] AHEAD OF TARGETS

- **Revenue: €4,499 million (up 9%)**
- **EBITDA: €573 million (up 10%), equating to an EBITDA margin of 12.7%**
- **Group share of net profit before non-recurring items:[2] €163 million** (down 18%)
- **Net financial debt** (before lease liabilities):[3] **€918 million** (i.e. 2.3x EBITDA)[4]

## VERY BRISK BUSINESS ACTIVITY

- **New home reservations in France:[1] 21,837 units** worth **€4,362 million** (up 11% by volume and by value), with an increased market share estimated at 14.2% (up 1.8 points relative to 2018)
- **21 openings** in serviced residences
- **Commercial Real Estate order intake: €521 million**
- **Development backlog: €5.1 billion (up 14%)**
- **Nexity wins** many high-profile calls for proposals, including the athletes' village in Saint-Ouen (Seine-Saint-Denis)
- **Nexity ranked as France's number-one low-carbon developer by BBCA in 2019**

## OUTLOOK FOR 2020

- **Revenue expected to grow by over 10%**
- **EBITDA and current operating profit expected to grow by 10%**
- **Proposed dividend[5] per share of €2.70 in respect of 2019**

## 2021 TARGETS CONFIRMED

- **Revenue of at least €5.3 billion** (up 10% on average since 2017)
- **EBITDA of at least €680 million** (up 10% on average since 2017), around **45%** of which to be generated by services businesses
- Dividend **at least equal to the current level**

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The financial data and indicators used in this press release – including forward-looking information – are based on Nexity's operational reporting, with joint ventures proportionately consolidated, and take into account the impact of two new reporting standards, IFRS 15 and IFRS 16, which the Group has applied from 1 January 2018.

[1] Like-for-like figures (i.e. based on a constant scope of consolidation – see glossary on page 26) are indicated in this press release
[2] Non-recurring items were negative for €2 million, giving Group share of net profit of €161 million
[3] Net debt totalled €1,826 million, including €908 million in lease liabilities (IFRS 16)
[4] EBITDA after leases
[5] Subject to approval by Nexity's Board of Directors and at its Shareholders' Meeting, and compared to a dividend of €2.50 per share paid in 2019

Alain Dinin, Nexity's Chairman, commented:

"As expected, Nexity has published very good annual results, and for the first time we can quantify the benefits of integrated solutions between development and services, which totalled 16% of our revenue and margins.

Our Service platform, combined with our leadership positions in nearly all our businesses, have placed our Company ahead of schedule with respect to our 2017–2021 strategic plan.

With 26% revenue growth and 24% EBITDA growth over the past two years, Nexity expects some 10% growth in its revenue, its EBITDA and its current operating profit for each of the next two years, while maintaining a dividend of at least €2.70 per share and a shareholder return of more than 6%, based on the current share price.

In addition to these strong financial results, Nexity is clearly positioned:

- In low-carbon construction, ranked as France's number-one low-carbon developer by BBCA in 2019;
- As one of the 12 French companies selected by Bloomberg as the most committed to gender equality;
- As a key provider of housing in family shelters for highly underprivileged individuals, with the goal of securing around 1,000 units in 2020.

Decisively focused on the future and on all our drivers of growth, profitability and sharing, the Executive Management team will continue to build our client-oriented Service Platform."

Jean-Philippe Ruggieri, Nexity's Chief Executive Officer, commented:

"Nexity delivered yet another year of very solid performance, beating its targets. This performance was particularly impressive in our development business lines:

- Residential Real Estate, where our diversification strategy has paid off, with nearly 22,000 new home reservations and 3 points of market share gained since 2017. We expect the market to pick up again starting in H2 2020. On a less high-profile note, the Group recorded 2,100 reservations for subdivisions and 640 reservations outside France; while maintaining our prudent approach, we expect to see growth in this business and expansion in Germany;
- Commercial Real Estate, where the Group recorded more than €500 million in orders, in the lead-up to what will probably be a record-breaking year in 2020, with the selling of the Engie eco-business park in La Garenne-Colombes.

The Group's performance also stood out in Real Estate Services, where Nexity's business model combines recurring activities (like Property Management for Individuals) with high-growth segments (like senior residences and coworking).

Our financial results were also very good, with revenue and EBITDA growth of about 10%. The Group saw a slight dip in its operating margin, mainly due to investments in our services businesses and our digital tools, as well as an undeniable – but currently controlled – increase in construction costs.

In addition to our financial targets for 2020, which reflect our growing synergies, we also want to step up the pace of our CSR initiatives – in particular the ambitious carbon trajectory target we have set for ourselves, but we also want to focus our efforts on the quality of the services we offer our Clients to meet and exceed their expectations.

I would like to thank all of the Group's employees, who have worked hard to achieve these good results."

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At its meeting on Tuesday, 25 February 2020, chaired by Alain Dinin, Nexity's Board of Directors reviewed and approved the Group's consolidated financial statements for the financial year ended 31 December 2019, which can be found in the annexes to this press release. Audit procedures have been performed. The audit report will be issued after the verification of the information presented in the Management Report.

# NEXITY EXCEEDS ITS TARGETS IN 2019[6]

| | 2019 (Actual) | 2019 (Guidance) | |
|---|---|---|---|
| Nexity's Residential Real Estate market share growth | 14.2% | Growth (12.4% in 2018) | ✓ |
| Commercial Real Estate order intake | €521m | €350m | ✓ |
| New serviced residences opened | 21 | 20 | ✓ |
| Revenue growth | 9% | >7% | ✓ |
| EBITDA growth | 10% | >7% | ✓ |

✓ : Target exceeded ✗: Target not met

# 2019 BUSINESS ACTIVITY

## INDIVIDUAL CLIENTS

### *Residential Real Estate*

The French market for new homes[7] is expected to total 154,000 reservations in 2019 (down around 2% year-on-year). Growth was mainly held back by a one-off supply issue linked to the approaching spring 2020 local elections in France, which should subside thereafter.

Financial conditions in the residential mortgage market[8] – where interest rates were historically low (averaging 1.13% in December 2019) – fuelled very strong demand. In addition, sales price growth offset the inflationary trend in construction costs, which should ease in 2020.

With double-digit growth in its reservations, Nexity once again substantially outperformed the market. The Group's market share[7] is expected to increase by 1.8 points to 14.2% (compared with 12.4% at end-2018). For full-year 2020, Nexity expects the market to pick up again starting in the second half, and anticipates that the Group will continue to gain market share.

Nexity's strong outperformance relative to the French market reflected the success of its multi-product, multi-service and multi-brand strategy; its geographical positioning, which is concentrated in Greater Paris and major cities, where underlying demand is very buoyant; and its unrivalled offering of products and services, which enables the Group to meet demand throughout the entire country.

At end-2019, net new home reservations in France totalled 21,837 units for €4,362 million including VAT, up 11% by volume and by value with respect to 2018 (see table in annexes). Excluding changes in scope (acquisition of a controlling stake in the Ægide-Domitys group in June 2018), they totalled at end-December 2019, 21,195 units for €4,231 million including VAT, up 8% by volume and by value relative to 2018. This growth was well balanced across the entire country, up 14% in the Paris region and up 10% elsewhere in France, and 86% of reservations were generated in supply-constrained areas.

In the fourth quarter of 2019 alone, net new home reservations in France were up 18% by volume and 15% by value at 7,794 units, corresponding to €1,529 million, reflecting very brisk business activity in the last few months of the financial year.

This increase in reservations was mainly concentrated among individual investors (up 19% relative to 2018) and professional landlords (up 11% relative to 2018), driven in particular by strong growth in reservations in serviced residences (up 53%), which made up 29% of total reservations. Reservations by homebuyers remained nearly stable in volume even though their percentage as a proportion of the total decreased.

[6] Guidance issued on 19 February 2019 and partially revised upward on 23 July 2019 and 24 October 2019
[7] See glossary on page 26
[8] Source: Observatoire Crédit Logement, December 2019

The average price including VAT of new homes reserved by Nexity's individual clients at end-December 2019 totalled €231 thousand, up 3% compared with 2018. Nexity, whose strategy is to offer affordable housing, does not rely on assumed steady inflation in selling prices.

The average level of pre-selling booked at the start of construction work remained high at 73% at end-2019, compared with 69% at end-2018.

The supply of homes for sale dropped back 2% from its end-2018 level to stand at 8,859 units at end-2019, due to a particularly swift absorption rate of 4.9 months[9] (compared with 5.5 months in 2018). Unsold completed stock (104 units) as a proportion of the total supply for sale remained very low.

At end-2019, the business potential for new homes[10] rose 3% from end-2018 to 55,354 units, i.e. 2.5 years of development operations. This represented potential revenue of €10.6 billion excluding VAT. This high potential, which ensures that future supply will be replenished, was accompanied by a high level of vigilance with regard to land prices amidst an inflationary trend in construction costs.

At end-2019, including subdivisions (2,088 plots) and international sales (641 reservations, 1.8 times higher than in 2018), Residential Real Estate's business activity (24,566 units reserved, for €4,639 million including VAT) was up 11% by volume and 13% by value (on a like-for-like basis: up 9% by volume and 10% by value).

### *Real Estate Services to Individuals*

#### Property Management for Individuals

In **Property Management for Individuals, excluding Franchises** (condominium management, rental management, lettings and brokerage), the portfolio of units under management totalled over 880,000 units at 31 December 2019, down 1.4% at current scope[11]. In a brokerage market that hit record highs (with more than one million sales of existing homes), Nexity's **brokerage** business and the Century 21 **franchise** network delivered a very strong performance.

#### Serviced residences

Nexity Studéa had **124 student residences** under management at 31 December 2019, totalling more than 15,000 units. The rolling 12-month occupancy rate increased to 94.7% at end-2019 (versus 92.9% at end-2018).

The Domitys-branded **senior independent living facilities** business posted strong growth. 17 new residences have been opened since the beginning of the year, increasing its portfolio of serviced residences to 100, corresponding to over 10,000 residential units. At end-2019, the 58 residences that were opened more than two years ago had an average occupancy rate of 95%.

#### Distribution activities

**iSelection and PERL** recorded 4,670 reservations in 2019 (up 9% compared with 2018). This reflects the continuing strong appeal of buy-to-let investment products among clients as well as the very good commercial performance of Nexity's networks. Around half of these reservations were homes distributed on behalf of third-party developers or through the division of ownership of existing property, with the rest made up of homes produced by the Group.

## COMMERCIAL CLIENTS – NEXITY ENTERPRISE SOLUTIONS[12]

### *Commercial Real Estate*

In a French commercial real estate investment market that remained buoyant (with nearly €36 billion invested in 2019, higher than in 2018), the Group recorded €521 million excluding VAT in order intake for 2019, versus €349 million in 2018, which broke down as follows:

- €305 million in orders in the Paris region (59% of total new orders), including the Évidence development in Saint-Ouen (Seine-Saint-Denis), the Deloitte business park in Bailly-Romainvilliers (Seine-et-Marne), and three turnkey development contracts (CPI) in central Paris; and

[9] Absorption rate: Available market supply / Reservations for the last 12 months, expressed in months
[10] See glossary on page 26
[11] On a like-for-like basis, the churn rate was 1.5% in 2019
[12] Source of market data: CBRE MarketView: France Investment – Q4 2019

- €216 million in orders outside the Paris region (41% of total new orders), including the Lyon Vaise development (Rhône) and the 45ème Parallèle development at Bordeaux Mérignac (Gironde).

Business potential in Commercial Real Estate[13] totalled nearly €3 billion at end-2019 (up 6% relative to end-2018).

A purchase contract subject to conditions precedent was signed with Swiss Life Asset Managers in the fourth quarter of 2019 for the eco business park in La Garenne-Colombes (Hauts-de-Seine), developed in partnership with Engie (135,000 sq.m). In 2020, subject to planning permissions, the VEFA off-plan agreement to be signed for the project (Nexity's share of which is just under €1 billion) will have a significant impact on the Group's revenue.

### *Real Estate Services to Companies*

Floor area under management – after including 1 million sq.m in respect of Accessite, a retail space management firm acquired in January 2019 – totalled 19 million sq.m at end-2019.

Morning Coworking – a leading player in the Paris coworking space market – continued to grow and at end-2019 operated 22 coworking spaces totalling more than 60,000 sq.m (up 35% from end-December 2018) and corresponding to around 6,700 workstations.

## LOCAL AUTHORITY CLIENTS

With its broad range of expertise, Nexity is able to win complex calls for proposals with strong commitments to social and environmental responsibility:

- "Inventer Bruneseau", as part of a consortium, for a development linking Ivry-sur-Seine (Val-de-Marne) with central Paris;
- "Dessine-moi Toulouse", as a member of two different consortia, for the Jolimont and Halle Amouroux projects;
- Transforming the Porte de Montreuil district of central Paris as part of a consortium; winner of a competition held by the C40 (a network of the world's biggest cities); and
- Building part of the athletes' village in Saint-Ouen (Seine-Saint-Denis) as part of a consortium.

## CSR

Nexity's most valuable asset is its people. The Group has become one of the 325 companies around the world (including 12 in France) that have been selected for the 2020 Bloomberg Gender-Equality Index (GEI), recognising Nexity's initiatives in this area, such as its "Being Inclusive Together" Charter, signed by the Strategy Committee and approved by 400 managers in September 2019, based on the fundamental principles of gender equality and diversity.

Nexity is a pioneer in timber-frame developments, with 120,000 sq.m delivered since 2011 and 19% of commercial space delivered in 2019 featuring a timber-frame design, and was ranked the number-one low-carbon developer by BBCA in 2019.

Nexity issued a green bond in December 2019. The issuance of this green bond complies with the eligibility criteria set out in the Group's Green Bond Framework. The proceeds of the issuance will be used to finance and/or refinance the development and construction of residential real estate projects in France that meet several criteria, including the alignment with European NZEB ("Nearly Zero-Energy Buildings") standards. The allocation of funds to projects will be subject to a specific traceability process and annual reporting that will be audited and published on the Group's website.

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[13] See glossary on page 26

# 2019 CONSOLIDATED RESULTS – OPERATIONAL REPORTING[14]

| *(in millions of euros)* | 2019 | 2018 | Change in €m |
|---|---|---|---|
| **Consolidated revenue** | **4,498.8** | **4,135.0** | **363.8** |
| **EBITDA** | **572.9** | **523.0** | **49.8** |
| *% of revenue* | *12.7%* | *12.6%* | |
| **Current operating profit** | **353.2** | **372.7** | **(19.5)** |
| Remeasurement of Ægide-Domitys following acquisition of control | - | 79.2 | (79.2) |
| **Operating profit** | **353.2** | **451.9** | **(98.8)** |
| Net financial income/(expense) | (80.2) | (51.7) | (28.6) |
| Income tax | (103.6) | (113.1) | 9.6 |
| Share of profit/(loss) from equity-accounted investments | - | (4.7) | 4.7 |
| **Net profit** | **169.4** | **282.4** | **(113.0)** |
| Non-controlling interests | (8.7) | (5.5) | (3.1) |
| **Net profit/(loss) attributable to equity holders of the parent company** | **160.7** | **276.9** | **(116.2)** |
| **Net profit attributable to equity holders of the parent company before non-recurring items** | **162.7** | **197.7** | **(35.0)** |
| *(in euros)* | | | |
| Net earnings per share | 2.90 | 4.95 | (2.05) |
| **Net earnings per share before non-recurring items** | **2.92** | **3.53** | **(0.61)** |

In 2019, non-recurring items included the fair value adjustment of the ORNANE bond issue for a negative impact of €2 million. In 2018, they included the remeasurement of the investment in Ægide previously accounted for using the equity method following the acquisition of a controlling interest in the company for €79.2 million.

[14] See glossary on page 26

## REVENUE

Nexity posted **revenue** of €4,499 million for 2019, a €364 million increase, up 9% at current scope relative to end-2018, and up 4% on a like-for-like basis, including a €220 million scope effect (due in particular to the consolidation of Ægide-Domitys over an additional half-year period). Revenue growth in Residential Real Estate (up €323 million) substantially exceeded the decrease in revenue for Commercial Real Estate (down €128 million), in line with the Group's forecasts.

| *(in millions of euros)* | **2019 Actual** | ***2019 LFL*** | **2018 Reported** | **% Change Actual** | ***% Change LFL***** |
|---|---|---|---|---|---|
| **Individual Clients** | **4,014.2** | ***3,837.1*** | **3,550.1** | **+13.1%** | ***+8.4%*** |
| Residential Real Estate* | 3,049.0 | *2,971.7* | 2,648.4 | +15.1% | *+12.2%* |
| Real Estate Services to Individuals | 965.2 | *865.4* | 901.6 | +7.1% | *-3.0%* |
| *Property Management for Individuals (including franchises)* | *358.8* | *358.8* | *359.8* | *-0.3%* | *+2.5%* |
| *Serviced residences* | *316.3* | *216.4* | *182.8* | *+73.0%* | *+18.4%* |
| *Distribution activities* | *290.1* | *290.1* | *359.0* | *-19.2%* | *-19.2%* |
| **Commercial Clients** | **483.7** | ***440.9*** | **580.7** | **-16.7%** | ***-21.6%*** |
| Commercial Real Estate* | 384.4 | *384.4* | 512.0 | -24.9% | *-24.9%* |
| Real Estate Services to Companies | 99.3 | *56.4* | 68.7 | +44.6% | *+12.2%* |
| **Other Activities** | **0.9** | ***0.8*** | **4.3** | **-79.7%** | ***-80.3%*** |
| **Revenue** | **4,498.8** | ***4,278.8*** | **4,135.0** | **+8.8%** | ***+4.2%*** |

* Revenue generated by Residential Real Estate and Commercial Real Estate 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 all inventoriable costs.
** See glossary on page 25. 2018 data used to calculate the like-for-like (LFL) change in revenue have been adjusted to reflect the disposal of Guy Hoquet l'Immobilier at 31 March 2019, in the amount of €9.6 million (in the "Property Management for Individuals (including franchises)" segment), and the disposal of Nexity Conseil et Transaction at 1 January 2019, in the amount of €18.3 million (in the "Real Estate Services to Companies" segment).

Revenue growth in **Residential Real Estate** – which for the first time ever recorded over €3 billion euros in revenue (€3,049 million, up 15.1%) – reflected the increase in the backlog observed over previous quarters, buoyant business at Edouard Denis, and the consolidation of Ægide's development business over an additional half-year period.

Revenue growth in **Real Estate Services to Individuals** (€965 million, up 7%) was made up of several elements:

- Revenue growth on a like-for-like basis in the Property Management for Individuals and franchises business;
- Robust growth in the contribution of the Domitys serviced residence business (up €130 million) due to its consolidation over an additional half-year period (€100 million) and organic growth over the year (€30 million);
- Revenue growth in the Studéa serviced residence business; and
- A marked (but largely one-off) decline in revenue from distribution activities (with fewer notarial deeds of sale signed).

The decrease in revenue in **Commercial Real Estate** (down 25%) arose, as expected, from a low backlog at 31 December 2018, the inherent volatility of this business arising from the phasing of developments, and lastly a major project (regional council premises located in Saint-Ouen) that was very close to delivery at end-2019 and should be completed in 2020, as an exception to Nexity's standard development model.

Revenue from **Real Estate Services to Companies** increased €31 million due to external growth (primarily Morning Coworking and Accessite) and its own organic growth over the year (€6 million).

### *Revenue by business line*

To offer an additional tool for analysing its operational performance, the Group also provides a breakdown of its revenue by business line, separating its Real Estate Development activities from its Services businesses.

In 2019, both business lines saw revenue growth: 9% for development activities and 10% for services with respect to 2018.

The main financial aggregates under this segmentation are presented in Annex 2 (revenue, EBITDA, current operating profit and capital employed).

Revenue arising from integrated solutions between the development and services business lines came to €725 million in 2019 (€680 million for the serviced residence business and €45 million for Property Management for Individuals and sales activities directly generated by development), representing 16% of the Group's total revenue. This revenue should continue to grow given the increasing level of collaboration across business lines, and make an even greater contribution to the Group's revenue growth.

### *Revenue under IFRS*

In IFRS terms, revenue in 2019 totalled €4,201 million, up 7% relative to 2018. On a like-for-like basis, revenue totalled €3,981 million, up 1% from 2018. This figure excludes revenue from joint ventures, in accordance with IFRS 11, which requires joint ventures – proportionately consolidated in the Group's operational reporting – to be accounted for using the equity method.

## EBITDA[15]

Nexity generated EBITDA of €573 million in the period to end-December 2019 (compared with €523 million in 2018), representing growth of 10% and an EBITDA margin of 12.7% (up 0.1 points from 2018). Like-for-like EBITDA came in at €525 million, giving an EBITDA margin of 12.3%. This increase reflected robust growth in EBITDA from Individual Clients (up 13%), while EBITDA from Commercial Clients fell 14%.

| | 2019 | | 2018 | |
|---|---|---|---|---|
| *In millions of euros* | EBITDA | *Margin rate in % of revenue* | EBITDA | *Margin rate in % of revenue* |
| **Individual Clients** | **539.7** | ***13.4%*** | **477.4** | ***13.4%*** |
| Residential Real Estate | 303.6 | *10.0%* | 283.6 | *10.7%* |
| Real Estate Services to Individuals | 236.1 | *24.5%* | 193.8 | *21.5%* |
| *Property Management for Individuals (incl. franchises)* | *84.8* | *23.6%* | *67.4* | *18.7%* |
| *Serviced residences* | *119.9* | *37.9%* | *70.0* | *38.3%* |
| *Distribution activities* | *31.4* | *10.8%* | *56.3* | *15.7%* |
| **Commercial Clients** | **61.8** | ***12.8%*** | **71.7** | ***12.3%*** |
| Commercial Real Estate | 42.8 | *11.1%* | 64.8 | *12.7%* |
| Real Estate Services to Companies | 18.9 | *19.1%* | 6.9 | *10.0%* |
| **Other activities** | **-28.6** | ***na*** | **-26.0** | ***na*** |
| **TOTAL Group** | **572.9** | *12.7%* | **523.0** | *12.6%* |

The increase in EBITDA for **Residential Real Estate** (up €20 million) reflected tight control over operating budgets despite pressure on construction costs, explaining the relative drop in the margin (down 0.7 points in 2019 compared to 2018), which nevertheless, at 10%, outperformed the market.

EBITDA growth in **Real Estate Services to Individuals** (up €42 million) was driven by the serviced residence business (up €50 million, €34 million of which was due to a scope effect), offset by a €25 million decrease in EBITDA from distribution activities, caused by a temporarily lower number of notarial deeds of sale. Growth in EBITDA from Property Management for Individuals included the capital gains on the disposal of the Guy Hoquet l'Immobilier franchise network.

[15] See glossary on page 26

EBITDA from **Commercial Real Estate** was down €22 million due to lower revenue and a slightly lower margin (11.1%). As expected, this margin gradually approached its normal margin of 9% to 10%. This change notably reflected higher construction costs.

EBITDA from **Real Estate Services to Companies** rose €12 million, including a €9 million scope effect (Accessite, Morning Coworking).

More generally, the increase in Real Estate Services confirmed these businesses' potential for growth and profitability, generating 45% of the Group's EBITDA in 2019.

## OPERATING PROFIT

**Current operating profit**[16] came to €353 million at 31 December 2019, compared with €373 million at 31 December 2018 (down 5%). On a like-for-like basis, **current operating profit** was €360 million, equating to a margin of 8.4%.

The difference between EBITDA and current operating profit (a negative impact of €220 million) mainly resulted from the depreciation of right-of-use assets (under IFRS 16) in the amount of €154 million (compared with €94 million in 2018), which increased to a greater extent than EBITDA.

The change in current operating profit (down €20 million compared with 2018) contrasted with the growth in EBITDA in 2019, and mainly reflected:

- The temporarily negative contribution made by Domitys in the amount of €8 million, attributable to losses reported by residences opened less than two years ago; and
- The amortisation of the client relationship (PPA), and the smoothing of a portion of development margins over the term of leases (leasebacks under IFRS 16) for €16 million.

Ægide-Domitys – which has a similar business model to Studéa – is expected to generate a medium-term operating margin of around 7%.

## OTHER INCOME STATEMENT ITEMS

The **net financial expense** was €80 million, versus €52 million in 2018; it included interest expenses on lease liabilities under IFRS 16 for €25 million in 2019 (versus €16 million in 2018). Restated for this item, the €19 million decline in net financial expense with respect to 2018 arose from:

- A moderate increase in net financial debt (up €2 million) resulting from the increase in average net debt, partly offset by a lower average cost of borrowing (2.3% compared with 2.6% in 2018);
- An increase in "Other financial income/(expenses)" including in particular a discount expense on non-current trade payables for €7 million and non-inventoriable borrowing costs for €6 million (IFRS IC regarding IAS 23); and
- A €2 million expense in respect of the change in fair value of the ORNANE bond issue.

The **effective corporate income tax rate** (excluding the CVAE[17]) was 33.7% in 2019, compared with 31.7% in 2018. The tax expense (including the CVAE), which was €104 million at 31 December 2019 (versus €113 million in 2018), reflected a lower tax base.

Restated to exclude non-recurring items (change in fair value of the ORNANE bond issue), the **Group share of net profit before non-recurring items** was €163 million, compared with €198 million at end-2018 (down 18%). This change mainly resulted from the decrease in operating profit and the increase in "Other financial income/(expenses)", which were significantly higher than in 2018, as well as a higher effective tax rate and an increase in non-controlling interests.

[16] See glossary on page 26

[17] *Cotisation sur la Valeur Ajoutée des Entreprises* (French business value-added tax)

## CASH FLOWS AND WORKING CAPITAL REQUIREMENT (WCR)

| *(in millions of euros)* | 2019 | 2018 |
|---|---|---|
| **Cash flow from operating activities before interest and tax expenses** | **544.5** | **507.8** |
| **Cash flow from operating activities after interest and tax expenses** | **376.6** | **350.0** |
| Change in operating working capital (excluding tax) | (98.2) | (102.3) |
| Changes in tax-related working capital, dividends from equity-accounted investments and other | 10.9 | 22.3 |
| **Net cash from/(used in) operating activities** | **289.3** | **270.0** |
| Net cash from/(used in) operating investments | (59.6) | (47.9) |
| **Free cash flow** | **229.7** | **222.1** |
| Net cash from/(used in) financial investments | 5.8 | (73.4) |
| Repayment of lease liabilities | (169.9) | (103.9) |
| Dividends paid by Nexity SA | (138.2) | (140.3) |
| Net cash from/(used in) financing activities, excluding dividends | 413.8 | 45.7 |
| **Change in cash and cash equivalents** | **341.2** | **(49.8)** |

Cash flow from operating activities before interest and tax expenses totalled €544 million at end-2019, up €37 million relative to 2018, mainly as a result of the increase in EBITDA over the financial year.

Operating investments rose to €60 million (versus €48 million in 2018), with most of this increase due to the integration of Ægide-Domitys and Morning Coworking, whose business requires investments in refitting and maintenance of the premises managed.

Nexity's free cash flow[18] at end-2019 was a net inflow of €230 million, compared with a net inflow of €222 million at end-2018, substantially exceeding the dividend paid in 2019 (€138 million).

Net cash from financial investments (€6 million) arose from the disposals of Guy Hoquet l'Immobilier and Nexity Conseil et Transaction, net of the acquisition of Accessite.

Net cash from financing activities (€414 million) comprised new borrowings (primarily a green bond for €240 million and the arrangement of a Negotiable European Commercial Paper (NEU CP) programme for €120 million) less the cost of share buybacks (€20 million) and minority buyouts (€27 million over the period).

| *(in millions of euros)* | 31 December 2019 | 31 December 2018 | Change in €m |
|---|---|---|---|
| **Individual Clients** | **875** | **762** | **113** |
| Residential Real Estate | 862 | 747 | |
| Real Estate Services to Individuals | 12 | 15 | |
| **Commercial Clients** | **90** | **87** | **3** |
| Commercial Real Estate | 84 | 86 | |
| Real Estate Services to Companies | 6 | 1 | |
| **Other Activities** | **24** | **51** | **(28)** |
| **Total WCR excluding tax** | **989** | **900** | **89** |
| Corporate income tax | 30 | -4 | 34 |
| **WCR** | **1,019** | **896** | **123** |

Operating WCR at 31 December 2019 was €989 million, up €89 million from its level in December 2018.

For **Individual Clients**, the rise in WCR reflects the expansion of the Group's business in Residential Real Estate (WCR up €116 million), in line with this segment's strong activity levels and the increase in the backlog, which points to higher revenue in the upcoming quarters. The WCR to backlog ratio is stable compared to its historical levels.

[18] See glossary on page 26

For **Commercial Clients**, the overall WCR remained virtually stable, with changes in WCR for Commercial Real Estate (down €1 million) offset by WCR for Real Estate Services to Companies (up €5 million).

For **Other Activities**, WCR was down €28 million, mainly due to a high level of sales of development rights by the urban regeneration business (Villes & Projets).

As part of the Group's controlled land banking strategy, the amount of land positions secured totalled €120 million at 31 December 2019. In addition, in order to boost its land sourcing capacity, in July 2019 Nexity took part in launching the Terrae Optimae 1 alternative investment fund for land with strong redevelopment potential, in which it holds a minority stake. At end-2019, the fund had already acquired its first parcel of land.

Tax-related WCR saw a one-off increase at 31 December 2019 (up €34 million) due to an adverse effect of tax instalments that were higher than the effective tax expense due for 2019.

## RIGHT-OF-USE ASSETS

Right-of-use assets amounted to €828 million at 31 December 2019 (up €71 million compared with end-2018). This increase arose from new leases for €246 million, including €170 million in the Domitys senior independent living facilities business, which were higher than depreciation, amortisation and impairment for the financial year, reflecting growth in the portfolio of serviced residences.

## FINANCIAL STRUCTURE

Nexity's consolidated equity (attributable to equity holders of the parent company) was €1,747 million at end-December 2019, stable with respect to end-December 2018 (€1,755 million).

| *(in millions of euros)* | **31 December 2019** | **31 December 2018** | **Change in €m** |
|---|---|---|---|
| Bond issues (incl. accrued interest and arrangement fees) | 1,018 | 806 | 211 |
| Loans and borrowings | 1,002 | 723 | 280 |
| Net cash and cash equivalents | (1,102) | (772) | (330) |
| **Net financial debt before lease liabilities** | **918** | **757** | **161** |
| | | | |
| Lease liabilities | 908 | 810 | 98 |
| Total net debt | 1,826 | 1,567 | 259 |

The increase in **net financial debt before lease liabilities (IFRS 16)** mainly resulted from the increase in WCR (up €98 million).

In the fourth quarter of 2019, Nexity set up a Negotiable European Commercial Paper (NEU CP) programme with a maximum amount of €300 million, the balance of which was €120 million at 31 December 2019. The amount of this programme is covered by available cash and the Group's undrawn authorised bank borrowing facilities.

In December 2019, Nexity issued its first green bond for €240 million, including an €84 million tranche maturing in 7 years (December 2026) with an annual coupon rate of 2.257%, and a €156 million tranche maturing in 8 years (December 2027) with an annual coupon rate of 2.464%.

Lease liabilities (IFRS 16) amounted to €908 million (versus €810 million at 31 December 2018) and increased due to growth in the portfolio of serviced residences.

**Net debt** amounted to €1,826 million at 31 December 2019, compared with €1,567 million at 31 December 2018 (up €259 million). It equated to 3.2x EBITDA for the past 12 months.

The Group's net debt before lease liabilities totalled €918 million, compared with €757 million at 31 December 2018, i.e. 2.3x EBITDA after leases (€403 million at 31 December 2019), below the average target level of 2.5x EBITDA that the Group has set for itself, which may be temporarily exceeded in 2020 due to rapid business growth, particularly in Residential Real Estate.

At 31 December 2019, the average maturity of the Group's debt was 3.7 years and the average cost of borrowing was 2.3%, compared with 2.6% in 2018. At 31 December 2019, Nexity was in compliance with the financial covenants attached to its borrowings. At 31 December 2019, Nexity had €555 million in authorised and undrawn corporate credit lines.

## BACKLOG AND BUSINESS POTENTIAL AT 31 DECEMBER 2019

The Group's backlog at end-December 2019 stood at €5,095 million (€4,640 million for Residential Real Estate and €456 million for Commercial Real Estate), equivalent to 18 months' revenue from Nexity's development activities (revenue on a rolling 12-month basis), and increasing 14% relative to 31 December 2018.

Furthermore, the development business potential at end-December 2019 totalled more than €15 billion in potential revenue (€12 billion for Residential Real Estate and €3 billion for Commercial Real Estate), providing the Group with high visibility on its future business levels. This business potential, which amounts to more than 4 years of revenue from Nexity's development activities (revenue on a rolling 12-month basis), increased by 7% year-on-year.

# OUTLOOK FOR 2020

- **Revenue expected to grow by over 10%**
- **EBITDA and current operating profit expected to grow by 10%**
- **Proposed dividend[19] per share of €2.70 in respect of 2019**

# 2021 TARGETS CONFIRMED

- **Revenue of at least €5.3 billion** (up 10% on average since 2017)
- **EBITDA of at least €680 million** (up 10% on average since 2017), around **45%** of which to be generated by services businesses
- Dividend of **at least €2.70 per share** in respect of financial years 2020 and 2021

[19] Subject to approval by Nexity's Board of Directors and at its Shareholders' Meeting, and compared to a dividend of €2.50 per share paid in 2019

# FINANCIAL CALENDAR & PRACTICAL INFORMATION

| | |
|---|---|
| Q1 2020 revenue and business activity (after market close) | Tuesday, 28 April 2020 |
| 2020 Shareholders' Meeting | Tuesday, 19 May 2020 |
| Dividend payment | Wednesday, 27 May 2020 |
| 2020 interim results (after market close) | Tuesday, 28 July 2020 |
| Q3 2020 revenue and business activity (after market close) | Wednesday, 28 October 2020 |

A **conference call** on full-year 2019 revenue and business activity will be held in English today at 6:30 p.m. CET, which may be joined using access code 3058736 by calling one of the following numbers:

- Calling from France +33 (0)1 70 72 25 50
- Calling from elsewhere in Europe +44 (0)330 336 91 25
- Calling from the United States +1 720 543 0214

The presentation accompanying this conference will be available on the Group's website from 6:15 p.m. CET and may be viewed at the following address:
https://orange.webcasts.com/starthere.jsp?ei=1282165&tp_key=0687d1ea50

The conference call will be available on replay at https://www.nexity.fr/en/group/finance from the following day.

### *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.19-0272 on 4 April 2019 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 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: NXI:FP
ISIN code: FR0010112524

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# ANNEX 1: OPERATIONAL REPORTING

## Reservations: Residential Real Estate

| *Reservations (units and €m)* | **2019** | **2018** | **% Change** |
|---|---|---|---|
| New homes (France) | 21,837 | 19,609 | +11.4% |
| *o/w Ægide (excluding co-developments with Nexity)** | 1,486 | 549 | - |
| Subdivisions | 2,088 | 2,063 | +1.2% |
| International | 641 | 365 | x1.8 |
| **Total reservations (number of units)** | **24,566** | **22,037** | **+11.5%** |
| New homes (France) | 4,362 | 3,915 | +11.4% |
| *o/w Ægide (excluding co-developments with Nexity)** | 330 | 116 | - |
| Subdivisions | 177 | 169 | +4.8% |
| International | 100 | 32 | x3.1 |
| **Total reservations (€m incl. VAT)** | **4,639** | **4,116** | **+12.7%** |

* Development projects undertaken without Nexity's involvement. Co-development projects undertaken with Nexity are included in the Group's "Residential Real Estate" reporting.

| *Breakdown of new home reservations by client – France* | **2019** | | **2018** | |
|---|---|---|---|---|
| Homebuyers | 4,248 | 19% | 4,312 | 22% |
| *o/w: - First-time buyers* | *3,654* | *17%* | *3,492* | *18%* |
| *- Other homebuyers* | *594* | *3%* | *820* | *4%* |
| Individual investors | 9,719 | 45% | 8,191 | 42% |
| Professional landlords | 7,870 | 36% | 7,106 | 36% |
| *o/w: - Institutional investors* | *2,833* | | *2,500* | |
| *- Social housing operators* | *5,037* | | *4,606* | |
| **Total** | **21,837** | **100%** | **19,609** | **100%** |

## Real Estate Services to Individuals

| **Property Management for Individuals – Portfolio of units under management** | **December 2019** | **December 2018** | **Change** |
|---|---|---|---|
| *- Condominium management* | 709,000 | 721,000 | -1.7% |
| *- Rental management* | 175,000 | 175,000 | +0.4% |
| **Franchise networks – Century 21** | | | |
| *- Number of agencies* | 898 | 867 | +3.6% |
| **Serviced residences – Students – Studéa** | | | |
| *- Number of residences in operation* | 124 | 122 | +2 |
| *- Rolling 12-month occupancy rate* | 94.7% | 92.9% | +1.8 pts |
| **Serviced residences – Seniors – Domitys** | | | |
| *- Total number of residences in operation* | 100 | 83 | +17 |
| *o/w: Number of residences opened more than 2 years ago (France)* | 58 | 51 | +7 |
| *- Rolling 12-month occupancy rate* | 84.2% | 82.5% | +1.7 pts |
| **Distribution activities – iSelection and PERL** | | | |
| *- Total reservations* | 4,670 | 4,293 | +8.8% |
| *- Reservations on behalf of third parties* | 2,528 | 2,301 | +9.9% |

# QUARTERLY FIGURES*

## Reservations: Residential Real Estate

| | 2019 | | | | 2018 | | | | 2017 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *Number of units* | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| New homes (France) | 7,794 | 4,557 | 5,603 | 3,883 | 6,600 | 4,757 | 4,634 | 3,618 | 5,736 | 4,821 | 4,288 | 3,506 |
| *o/w Ægide (excluding co-developments with Nexity)* | *450* | *394* | *357* | *285* | 172 | 377 | - | - | - | - | - | - |
| Subdivisions | 836 | 435 | 559 | 258 | 812 | 336 | 576 | 339 | 920 | 522 | 680 | 479 |
| International | 307 | 161 | 137 | 36 | 170 | 80 | 75 | 40 | 208 | 69 | 106 | 37 |
| **Total (number of units)** | **8,937** | **5,153** | **6,299** | **4,177** | **7,582** | **5,173** | **5,285** | **3,997** | **6,864** | **5,412** | **5,074** | **4,022** |

| *Value (€m incl. VAT)* | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| New homes (France) | 1,529 | 909 | 1,150 | 773 | 1,327 | 922 | 951 | 715 | 1,135 | 915 | 858 | 655 |
| *o/w Ægide (excluding co-developments with Nexity)* | 87 | 113 | 72 | 59 | 46 | 70 | - | - | - | - | - | - |
| Subdivisions | 76 | 35 | 46 | 20 | 63 | 28 | 51 | 28 | 72 | 42 | 53 | 35 |
| International | 47 | 37 | 13 | 3 | 15 | 7 | 6 | 4 | 22 | 6 | 14 | 9 |
| **Total (€m incl. VAT)** | **1,652** | **981** | **1,209** | **797** | **1,405** | **956** | **1,008** | **747** | **1,229** | **964** | **925** | **699** |

## Revenue

| | 2019 | | | | 2018 | | | | 2017 (restated)* | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *(in millions of euros)* | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| **Individual Clients** | **1,562.0** | **840.8** | **849.4** | **761.6** | **1,470.3** | **764.3** | **712.3** | **603.1** | **1,173.9** | **733.9** | **689.3** | **563.3** |
| Residential Real Estate | 1,251.9 | 615.2 | 629.4 | 552.5 | 1,133.8 | 545.3 | 524.2 | 445.1 | 915.7 | 548.0 | 498.4 | 387.9 |
| Real Estate Services to Individuals | 310.1 | 225.6 | 219.9 | 209.1 | 336.5 | 219.0 | 188.1 | 158.0 | 258.2 | 185.9 | 190.9 | 175.4 |
| *Property Management for Individuals (incl. franchises)* | *90.2* | *90.0* | *91.7* | *86.9* | *91.5* | *91.6* | *91.8* | *84.9* | *89.8* | *90.1* | *88.5* | *84.5* |
| *Serviced residences* | *92.5* | *78.5* | *73.3* | *71.9* | *68.9* | *70.1* | *21.3* | *22.5* | *23.8* | *22.1* | *20.1* | *22.2* |
| *Distribution activities* | *127.3* | *57.1* | *54.9* | *50.3* | *176.1* | *57.3* | *75.0* | *50.6* | *144.6* | *73.6* | *82.4* | *68.7* |
| **Commercial Clients** | **132.0** | **123.2** | **109.6** | **118.9** | **167.3** | **174.2** | **154.4** | **84.7** | **165.5** | **84.0** | **60.4** | **96.7** |
| Commercial Real Estate | 102.0 | 96.1 | 88.0 | 98.3 | 146.1 | 157.6 | 138.7 | 69.6 | 145.6 | 69.5 | 45.2 | 82.8 |
| Real Estate Services to Companies | 30.0 | 27.1 | 21.6 | 20.6 | 21.2 | 16.6 | 15.8 | 15.1 | 19.8 | 14.5 | 15.2 | 13.9 |
| **Other Activities** | **0.0** | **(0.0)** | **0.4** | **0.5** | **0.9** | **1.5** | **1.4** | **0.5** | **0.8** | **0.7** | **1.7** | **1.1** |
| **GROUP** | **1,694.0** | **964.0** | **959.4** | **881.1** | **1,638.5** | **940.1** | **868.1** | **688.3** | **1,340.2** | **818.6** | **751.4** | **661.1** |

## Backlog

| | 2019 | | | | 2018 | | | | 2017 (restated)* | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *(in millions of euros, excluding VAT)* | 12M | 9M | H1 | Q1 | 12M | 9M | H1 | Q1 | 12M | 9M | H1 | Q1 |
| Residential Real Estate – New homes | 4,455 | 4,328 | 4,321 | 4,109 | 3,979 | 4,065 | 3,724 | 3,451 | 3,335 | 3,236 | 3,042 | 2,918 |
| Residential Real Estate – Subdivisions | 185 | 182 | 172 | 160 | 182 | 188 | 201 | 182 | 191 | 188 | 200 | 185 |
| **Residential Real Estate backlog** | **4,640** | **4,510** | **4,493** | **4,269** | **4,161** | **4,253** | **3,924** | **3,634** | **3,526** | **3,425** | **3,243** | **3,103** |
| Commercial Real Estate backlog | 456 | 401 | 269 | 222 | 308 | 379 | 332 | 409 | 465 | 349 | 345 | 313 |
| **Total Group backlog** | **5,095** | **4,911** | **4,762** | **4,491** | **4,469** | **4,632** | **4,256** | **4,042** | **3,991** | **3,774** | **3,588** | **3,416** |

* 2017 restated under IFRS 15

# HALF-YEAR / FULL-YEAR FIGURES

## EBITDA

| | 2019 | | | 2018 | | | 2017 (restated)* | | |
|---|---|---|---|---|---|---|---|---|---|
| *(in millions of euros)* | 12M | H2 | H1 | 12M | H2 | H1 | 12M | H2 | H1 |
| **Individual Clients** | **539.7** | **330.8** | **208.9** | **477.4** | **326.2** | **151.2** | **416.5** | **263.8** | **152.7** |
| Residential Real Estate | 303.6 | 205.8 | 97.8 | 283.6 | 194.7 | 88.9 | 239.2 | 161.0 | 78.2 |
| Real Estate Services to Individuals | 236.1 | 125.0 | 111.1 | 193.8 | 131.5 | 62.3 | 177.2 | 102.8 | 74.5 |
| *Property Management for Individuals (including franchises)* | *84.8* | *36.6* | *48.1* | *67.4* | *38.5* | *28.9* | *74.8* | *40.5* | *34.3* |
| *Serviced residences* | *119.9* | *63.9* | *56.0* | *70.0* | *51.9* | *18.1* | *45.6* | *21.9* | *23.7* |
| *Distribution activities* | *31.4* | *24.4* | *7.0* | *56.3* | *41.1* | *15.2* | *56.9* | *40.4* | *16.5* |
| **Commercial Clients** | **61.8** | **34.8** | **27.0** | **71.7** | **33.8** | **37.9** | **67.2** | **40.6** | **26.6** |
| Commercial Real Estate | 42.8 | 21.5 | 21.3 | 64.8 | 27.4 | 37.4 | 62.2 | 35.3 | 27.0 |
| Real Estate Services to Companies | 18.9 | 13.2 | 5.7 | 6.9 | 6.4 | 0.5 | 4.9 | 5.3 | (0.4) |
| **Other Activities** | **(28.6)** | **(19.1)** | **(9.5)** | **(26.0)** | **(23.1)** | **(2.9)** | **(23.1)** | **(18.4)** | **(4.7)** |
| **GROUP** | **572.9** | **346.5** | **226.4** | **523.0** | **336.8** | **186.2** | **460.5** | **286.0** | **174.6** |

## Current operating profit

| | 2019 | | | 2018 | | | 2017 (restated)* | | |
|---|---|---|---|---|---|---|---|---|---|
| *(in millions of euros)* | 12M | H2 | H1 | 12M | H2 | H1 | 12M | H2 | H1 |
| **Individual Clients** | **357.8** | **232.8** | **124.9** | **353.4** | **241.4** | **112.0** | **320.6** | **212.0** | **108.6** |
| Residential Real Estate | 264.6 | 184.4 | 80.1 | 246.4 | 171.5 | 74.8 | 214.8 | 145.4 | 69.4 |
| Real Estate Services to Individuals | 93.2 | 48.4 | 44.8 | 107.0 | 69.9 | 37.1 | 105.8 | 66.5 | 39.2 |
| *Property Management for Individuals (including franchises)* | *54.3* | *19.6* | *34.7* | *44.8* | *25.6* | *19.2* | *45.4* | *24.2* | *21.2* |
| *Serviced residences* | *4.1* | *(0.3)* | *4.4* | *8.9* | *4.4* | *4.4* | *10.3* | *5.7* | *4.5* |
| *Distribution activities* | *34.8* | *29.1* | *5.7* | *53.4* | *39.9* | *13.5* | *50.2* | *36.9* | *13.3* |
| **Commercial Clients** | **42.2** | **25.2** | **16.9** | **64.0** | **28.5** | **35.5** | **60.5** | **37.0** | **23.5** |
| Commercial Real Estate | 40.5 | 20.5 | 20.0 | 62.9 | 25.5 | 37.5 | 61.0 | 34.8 | 26.1 |
| Real Estate Services to Companies | 1.6 | 4.7 | (3.1) | 1.1 | 3.0 | (2.0) | (0.4) | 2.2 | (2.6) |
| **Other Activities** | **(46.7)** | **(30.2)** | **(16.5)** | **(44.7)** | **(33.0)** | **(11.6)** | **(43.2)** | **(31.9)** | **(11.3)** |
| **GROUP** | **353.2** | **227.8** | **125.4** | **372.7** | **236.9** | **135.8** | **337.9** | **217.1** | **120.8** |

* 2017 restated under IFRS 15 and IFRS 16

## Capital employed

| *In millions of euros* | | 2019 | | | |
|---|---|---|---|---|---|
| | **Total** | **Non-current assets** | **Right-of-use assets** | **WCR** | **Goodwill** |
| Individual Clients | **1,822** | 199 | 748 | 875 | - |
| Commercial Clients | **153** | 18 | 45 | 90 | - |
| Other activities and not attributable | **1,759** | 71 | 36 | 54 | 1,598 |
| **GROUP** | **3,734** | **288** | **828** | **1,019** | **1,598** |

| *In millions of euros* | | 2018 | | | |
|---|---|---|---|---|---|
| | **Total** | **Non-current assets** | **Right-of-use assets** | **WCR** | **Goodwill** |
| Individual Clients | **1,617** | 198 | 657 | 762 | - |
| Commercial Clients | **153** | 15 | 51 | 87 | - |
| Other activities and not attributable | **1,724** | 48 | 49 | 48 | 1,579 |
| **GROUP** | **3,494** | **261** | **757** | **896** | **1,579** |

# CONSOLIDATED INCOME STATEMENT – 31 DECEMBER 2019

| *(in millions of euros)* | 31/12/2019 IFRS | Restatement of joint ventures | 31/12/2019 Operational reporting | Restatement of non-recurring items | 31/12/2019 Operational reporting before non-recurring items | 31/12/2018 Operational reporting before non-recurring items |
|---|---|---|---|---|---|---|
| Revenue | 4,200.7 | 298.1 | 4,498.8 | - | 4,498.8 | 4,135.0 |
| Operating expenses | (3,665.4) | (260.6) | (3,926.0) | - | (3,926.0) | (3,612.0) |
| Dividends received from equity-accounted investments | 19.9 | (19.9) | - | - | - | - |
| EBITDA | 555.3 | 17.6 | 572.9 | - | 572.9 | 523.0 |
| Leases | (169.9) | - | (169.9) | - | (169.9) | (105.2) |
| EBITDA after leases | 385.4 | 17.6 | 402.9 | | 402.9 | 417.8 |
| Restatement of leases | 169.9 | - | 169.9 | - | 169.9 | 105.2 |
| Depreciation of right-of-use assets | (166.4) | - | (166.4) | - | (166.4) | (103.3) |
| Depreciation, amortisation and impairment of non-current assets | (45.2) | - | (45.2) | - | (45.2) | (31.6) |
| Net change in provisions | 8.0 | (0.1) | 8.0 | - | 8.0 | 5.4 |
| Share-based payments | (16.1) | - | (16.1) | - | (16.1) | (14.3) |
| Borrowing costs directly attributable to property developments, transferred from inventory | - | - | - | - | - | (6.5) |
| Dividends received from equity-accounted investments | (19.9) | 19.9 | | - | - | - |
| Current operating profit | 315.8 | 37.4 | 353.2 | - | 353.2 | 372.7 |
| Remeasurement of equity-accounted investments following acquisition of control | - | - | - | - | - | |
| Operating profit | 315.8 | 37.4 | 353.2 | - | 353.2 | 372.7 |
| Share of net profit from equity-accounted investments | 25.0 | (25.0) | | | - | - |
| Operating profit after share of net profit from equity-accounted investments | 340.8 | 12.4 | 353.2 | - | 353.2 | 372.7 |
| Cost of net financial debt | (39.7) | (1.9) | (41.6) | - | (41.6) | (39.6) |
| Other financial income/(expenses) | (9.8) | (3.9) | (13.7) | 2.0 | (11.7) | 3.6 |
| Interest expense on lease liabilities | (24.9) | - | (24.9) | - | (24.9) | (15.6) |
| Net financial income/(expense) | (74.4) | (5.8) | (80.2) | 2.0 | (78.2) | (51.7) |
| Pre-tax recurring profit | 266.4 | 6.6 | 272.9 | 2.0 | 274.9 | 321.1 |
| Income tax | (97.0) | (6.6) | (103.6) | - | (103.6) | (113.1) |
| Share of profit/(loss) from other equity-accounted investments | 0.0 | - | 0.0 | - | 0.0 | (4.7) |
| Consolidated net profit | 169.4 | 0.0 | 169.4 | 2.0 | 171.4 | 203.2 |
| Attributable to non-controlling interests | 8.7 | 0.0 | 8.7 | - | 8.7 | 5.5 |
| **Attributable to equity holders of the parent company** | **160.7** | **0.0** | **160.7** | **2.0** | **162.7** | **197.7** |
| *(in euros)* | | | | | | |
| Net earnings per share | 2.90 | | 2.90 | | 2.93 | 3.53 |

In 2019, non-recurring items included the fair value adjustment of the ORNANE bond issue for a negative impact of €2 million. In 2018, they included the remeasurement of the investment in Ægide previously accounted for under the equity method following the acquisition of a controlling interest in this company for €79.2 million.

## SIMPLIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2019

| **ASSETS** *(in millions of euros)* | **31/12/2019 IFRS** | **Restatement of joint ventures** | **31/12/2019 Operational reporting** | **31/12/2018 Operational reporting** |
|---|---|---|---|---|
| Goodwill | 1,598.0 | - | 1,598.0 | 1,579.1 |
| Other non-current assets | 1,114.3 | 0.3 | 1,114.6 | 1,016.1 |
| Equity-accounted investments | 39.9 | (38.4) | 1.5 | 2.0 |
| Total non-current assets | 2,752.3 | (38.1) | 2,714.2 | 2,597.2 |
| Net WCR | 842.8 | 176.6 | 1,019.4 | 896.4 |
| **Total assets** | **3,595.0** | **138.6** | **3,733.6** | **3,493.6** |

| **LIABILITIES AND EQUITY** *(in millions of euros)* | **31/12/2019 IFRS** | **Restatement of joint ventures** | **31/12/2019 Operational reporting** | **31/12/2018 Operational reporting** |
|---|---|---|---|---|
| Share capital and reserves | 1,586.0 | 0.0 | 1,586.0 | 1,478.0 |
| Net profit for the period | 160.7 | 0.0 | 160.7 | 276.9 |
| Equity attributable to equity holders of the parent company | 1,746.7 | 0.0 | 1,746.7 | 1,754.9 |
| Non-controlling interests | 10.6 | (0.0) | 10.6 | 8.9 |
| Total equity | 1,757.3 | 0.0 | 1,757.3 | 1,763.8 |
| Net debt | 1,700.4 | 125.5 | 1,825.9 | 1,566.7 |
| Provisions | 100.0 | 2.1 | 102.2 | 112.1 |
| Net deferred tax | 37.3 | 11.0 | 48.3 | 51.0 |
| **Total liabilities and equity** | **3,595.0** | **138.6** | **3,733.6** | **3,493.6** |

## NET DEBT AT 31 DECEMBER 2019

| *(in millions of euros)* | **31/12/2019 IFRS** | **Restatement of joint ventures** | **31/12/2019 Operational reporting** | **31/12/2018 Operational reporting** |
|---|---|---|---|---|
| Bond issues (incl. accrued interest and arrangement fees) | 1,017.8 | - | 1,017.8 | 770.2 |
| Loans and borrowings | 941.5 | 60.8 | 1,002.3 | 758.8 |
| **Loans and borrowings** | **1,959.3** | **60.8** | **2,020.1** | **1,529.0** |
| **Other financial receivables and payables** | **(120.4)** | **126.9** | **6.5** | **(5.1)** |
| Cash and cash equivalents | (1,116.7) | (86.5) | (1,203.2) | (797.0) |
| Bank overdraft facilities | 70.4 | 24.3 | 94.6 | 29.6 |
| **Net cash and cash equivalents** | **(1,046.3)** | **(62.2)** | **(1,108.6)** | **(767.4)** |
| **Total net financial debt before lease liabilities** | **792.5** | **125.5** | **918.0** | **756.5** |
| **Lease liabilities** | **907.9** | **-** | **907.9** | **810.2** |
| **Total net debt** | **1,700.4** | **125.5** | **1,825.9** | **1,566.7** |

# SIMPLIFIED STATEMENT OF CASH FLOWS AT 31 DECEMBER 2019

| *(in millions of euros)* | **31/12/2019 IFRS** | **Restatement of joint ventures** | **31/12/2019 Operational reporting** | **31/12/2018 Operational reporting** |
|---|---|---|---|---|
| Consolidated net profit | 169.4 | 0.0 | 169.4 | 282.4 |
| Elimination of non-cash income and expenses | 182.2 | 25.1 | 207.2 | 67.6 |
| Cash flow from operating activities after interest and tax expenses | 351.5 | 25.1 | 376.6 | 350.0 |
| Elimination of net interest expense/(income) | 64.6 | 1.9 | 66.5 | 55.2 |
| Elimination of tax expense, including deferred tax | 94.8 | 6.6 | 101.4 | 102.6 |
| Cash flow from operating activities before interest and tax expenses | 510.9 | 33.6 | 544.5 | 507.8 |
| Change in operating working capital | (34.8) | (63.5) | (98.2) | (102.3) |
| Dividends received from equity-accounted investments | 19.9 | (19.9) | - | (0.0) |
| Interest paid | (23.2) | (1.9) | (25.1) | (25.5) |
| Tax paid | (124.6) | (7.3) | (131.9) | (110.0) |
| **Net cash from/(used in) operating activities** | **348.3** | **(59.0)** | **289.3** | **270.0** |
| Net cash from/(used in) net operating investments | (59.6) | - | (59.6) | (47.9) |
| Free cash flow | 288.7 | (59.0) | 229.7 | 222.1 |
| Acquisitions of subsidiaries and other changes in scope | 14.9 | 0.5 | 15.3 | (71.3) |
| Other net financial investments | (9.5) | (0.0) | (9.5) | (7.0) |
| **Net cash from/(used in) investing activities** | **5.3** | **0.5** | **5.8** | **(78.4)** |
| Capital increase | 0.0 | (0.0) | (0.0) | (0.0) |
| Dividends paid to equity holders of the parent company | (138.2) | - | (138.2) | (140.3) |
| Other payments to/(from) minority shareholders | (33.6) | - | (33.6) | (35.4) |
| Net disposal/(acquisition) of treasury shares | (19.1) | - | (19.1) | (19.8) |
| Repayment of lease liabilities | (169.9) | - | (169.9) | (103.9) |
| Change in financial receivables and payables (net) | 410.1 | 56.1 | 466.2 | 105.9 |
| **Net cash from/(used in) financing activities** | **49.3** | **56.1** | **105.4** | **(193.4)** |
| Impact of changes in foreign currency exchange rates | 0.2 | (0.0) | 0.2 | (0.1) |
| **Change in cash and cash equivalents** | **343.6** | **(2.5)** | **341.2** | **(49.8)** |

# ANNEX 2: BREAKDOWN INTO DEVELOPMENT AND SERVICES

To offer an additional tool for analysing its operational performance, the Group also provides a breakdown of its revenue by business line, separating its Real Estate Development activities (Residential and Commercial Real Estate) from its Services businesses (Proprerty management for individuals including franchises, serviced residences, distribution activities and Real Estate services to companies), detailed below.

## Revenue

| *(in millions of euros)* | 2019 | 2018 | % Change |
|---|---|---|---|
| **Development*** | **3,433.4** | **3,160.4** | **+8.6%** |
| Residential Real Estate | 3,049.0 | 2,648.4 | +15.1% |
| Commercial Real Estate | 384.4 | 512.0 | -24.9% |
| **Services** | **1,064.5** | **970.3** | **+9.7%** |
| Property Management for Individuals, Franchises, Commercial Property Management | 426.4 | 428.5 | -0.5% |
| Serviced Residences, Shared Office Space | 348.0 | 182.8 | +90.4% |
| Distribution | 290.1 | 359.0 | -19.2% |
| **Other Activities** | **0.9** | ***4.3*** | **-79.1%** |
| **GROUP** | **4,498.8** | ***4,135.0*** | **+8.8%** |

* Revenue generated by Residential Real Estate and Commercial Real Estate 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 all inventoriable costs.

## EBITDA

| | 2019 | | 2018 | |
|---|---|---|---|---|
| *En millions d'euros* | EBITDA | *Margin rate in % of revenue* | EBITDA | *Taux de marge en % du CA* |
| **Development** | **346.4** | ***10.1%*** | **348.4** | ***11.0%*** |
| Residential Real Estate | 303.6 | *10.0%* | 283.6 | *10.7%* |
| Commercial Real Estate | 42.8 | *11.1%* | 64.8 | *12.7%* |
| **Services** | **255.0** | ***24.0%*** | **200.7** | ***20.7%*** |
| Property Management for Individuals, Franchises, Commercial Property Management | 91.8 | *21.5%* | 74.3 | *17.3%* |
| Serviced Residences, Shared Office Space | 131.8 | *37.9%* | 70.0 | *38.3%* |
| Distribution | 31.4 | *10.8%* | 56.3 | *15.7%* |
| **Other Activities** | **(28.6)** | ***na*** | **(26.0)** | ***na*** |
| **GROUP** | **572.9** | *12.7%* | **523.0** | *12.6%* |

## Current operating profit

| *(in millions of euros)* | | 2019 | 2018 | % Change |
|---|---|---|---|---|
| **Development** | | **305.1** | **309.3** | **-1.3%** |
| | ***% of revenue*** | ***8.9%*** | ***9.8%*** | |
| Residential Real Estate | | 264.6 | 246.4 | |
| | *% of revenue* | *8.7%* | *9.3%* | |
| Commercial Real Estate | | 40.5 | 62.9 | |
| | *% of revenue* | *10.5%* | *12.3%* | |
| **Services** | | **94.8** | **108.1** | **-12.3%** |
| | ***% of revenue*** | ***8.9%*** | ***11.1%*** | |
| Property Management for Individuals, Franchises, Commercial Property Management | | *56.6* | 45.8 | |
| | *% of revenue* | *13.3%* | *10.7%* | |
| Serviced Residences, Shared Office Space | | *3.4* | *8.9* | |
| | *% of revenue* | *1.0%* | *4.8%* | |
| Distribution | | *34.8* | *53.4* | |
| | *% of revenue* | *12.0%* | *14.9%* | |
| **Other Activities** | | **(46.7)** | **(44.7)** | **N/A** |
| **Current operating profit** | | **353.2** | **372.7** | **-5.2%** |
| *% of revenue* | | *7.9%* | *9.0%* | |
| Remeasurement of Ægide-Domitys following acquisition of control | | - | 79.2 | |
| **Operating profit** | | **353.2** | **451.9** | **-21.9%** |
| *% of revenue* | | *7.9%* | *10.9%* | |

## Capital employed

| *In millions of euros* | | 2019 | | | |
|---|---|---|---|---|---|
| | **Total** | **Non-current assets** | **Right-of-use assets** | **WCR** | **Goodwill** |
| Developement | **1,071** | 34 | 45 | 992 | - |
| Services | **949** | 183 | 748 | 19 | - |
| Other activities and not attributable | **1,714** | **71** | 36 | 9 | 1,598 |
| **GROUP** | **3,734** | **288** | **828** | **1,019** | **1,598** |

| *In millions of euros* | | 2018 | | | |
|---|---|---|---|---|---|
| | **Total** | **Non-current assets** | **Right-of-use assets** | **WCR** | **Goodwill** |
| Developement | **973** | 39 | 43 | 891 | - |
| Services | **855** | 174 | 665 | 16 | - |
| Other activities and not attributable | **1.666** | 48 | 49 | (10) | 1,579 |
| **GROUP** | **3,494** | **261** | **757** | **896** | **1,579** |

# ANNEX 3: IFRS

## CONSOLIDATED INCOME STATEMENT – 31 DECEMBER 2019

| *(in millions of euros)* | 31/12/2019 IFRS | 31/12/2018 IFRS |
|---|---|---|
| Revenue | 4,200.7 | 3,939.6 |
| Operating expenses | (3,665.4) | (3,442.8) |
| Dividends received from equity-accounted investments | 19.9 | 11.8 |
| EBITDA | 555.3 | 508.6 |
| Leases | (169.9) | (105.2) |
| EBITDA after leases | 385.4 | 403.4 |
| Restatement of leases | 169.9 | 105.2 |
| Net change in provisions | 8.0 | 6.7 |
| Share-based payments | (16.1) | (14.3) |
| Borrowing costs directly attributable to property developments, transferred from inventory | - | (6.5) |
| Dividends received from equity-accounted investments | (19.9) | (11.8) |
| Current operating profit | 315.8 | 347.8 |
| Remeasurement of equity-accounted investments following acquisition of control | - | 79.2 |
| Operating profit | 315.8 | 427.0 |
| Share of net profit from equity-accounted investments | 25.0 | 17.9 |
| Operating profit after share of net profit from equity-accounted investments | 340.8 | 444.9 |
| Cost of net financial debt | (39.7) | (38.7) |
| Other financial income/(expenses) | (9.8) | 5.0 |
| Interest expense on lease liabilities | (24.9) | (15.6) |
| Net financial income/(expense) | (74.4) | (49.4) |
| Pre-tax recurring profit | 266.4 | 395.5 |
| Income tax | (97.0) | (108.4) |
| Share of profit/(loss) from other equity-accounted investments | 0.0 | (4.7) |
| Consolidated net profit | 169.4 | 282.4 |
| Attributable to non-controlling interests | 8.7 | 5.5 |
| | | |
| **Attributable to equity holders of the parent company** | **160.7** | **276.9** |
| *(in euros)* | | |
| **Net earnings per share** | **2.90** | **4.95** |

## SIMPLIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2019

| ASSETS<br>*(in millions of euros)* | 31/12/2019<br>IFRS | 31/12/2018<br>IFRS |
|---|---|---|
| Goodwill | 1,598.0 | 1,579.1 |
| Other non-current assets | 1,114.3 | 1,015.8 |
| Equity-accounted investments | 39.9 | 35.3 |
| Total non-current assets | 2,752.3 | 2,630.2 |
| Net WCR | 842.8 | 799.9 |
| **Total assets** | **3,595.0** | **3,430.1** |

| LIABILITIES AND EQUITY<br>*(in millions of euros)* | 31/12/2019<br>IFRS | 31/12/2018<br>IFRS |
|---|---|---|
| Share capital and reserves | 1,586.0 | 1,478.0 |
| Net profit for the period | 160.7 | 276.9 |
| Equity attributable to equity holders of the parent company | 1,746.7 | 1,754.9 |
| Non-controlling interests | 10.6 | 8.9 |
| Total equity | 1,757.3 | 1,763.8 |
| Net debt | 1,700.4 | 1,511.0 |
| Provisions | 100.0 | 110.1 |
| Net deferred tax | 37.3 | 45.2 |
| **Total liabilities and equity** | **3,595.0** | **3,430.1** |

## CONSOLIDATED NET DEBT AT 31 DECEMBER 2019

| *(in millions of euros)* | 31/12/2019<br>IFRS | 31/12/2018<br>IFRS |
|---|---|---|
| Bond issues (incl. accrued interest and arrangement fees) | 1,017.8 | 770.2 |
| Loans and borrowings | 941.5 | 713.7 |
| **Loans and borrowings** | **1,959.3** | **1,483.9** |
| **Other financial receivables and payables** | **(120.4)** | **(80.3)** |
| Cash and cash equivalents | (1,116.7) | (720.8) |
| Bank overdraft facilities | 70.4 | 18.1 |
| **Net cash and cash equivalents** | **(1,046.3)** | **(702.7)** |
| **Total net financial debt before lease liabilities** | **792.5** | **700.9** |
| **Lease liabilities** | **907.9** | **810.2** |
| **Total net debt** | **1,700.4** | **1,511.0** |

# SIMPLIFIED STATEMENT OF CASH FLOWS AT 31 DECEMBER 2019

| *(in millions of euros)* | **31/12/2019 IFRS** | **31/12/2018 IFRS** |
|---|---|---|
| Consolidated net profit | 169.4 | 282.4 |
| Elimination of non-cash income and expenses | 182.2 | 48.5 |
| Cash flow from operating activities after interest and tax expenses | 351.5 | 330.9 |
| Elimination of net interest expense/(income) | 64.6 | 54.3 |
| Elimination of tax expense, including deferred tax | 94.8 | 97.8 |
| Cash flow from operating activities before interest and tax expenses | 510.9 | 483.1 |
| Change in operating working capital | (34.8) | (79.0) |
| Dividends received from equity-accounted investments | 19.9 | 11.8 |
| Interest paid | (23.2) | (24.6) |
| Tax paid | (124.6) | (109.0) |
| **Net cash from/(used in) operating activities** | **348.3** | **282.2** |
| Net cash from/(used in) net operating investments | (59.6) | (47.8) |
| Free cash flow | 288.7 | 234.4 |
| Acquisitions of subsidiaries and other changes in scope | 14.9 | (71.3) |
| Other net financial investments | (9.5) | (5.5) |
| **Net cash from/(used in) investing activities** | **5.3** | **(76.8)** |
| Dividends paid to equity holders of the parent company | (138.2) | (140.3) |
| Other payments to/(from) minority shareholders | (33.6) | (35.4) |
| Net disposal/(acquisition) of treasury shares | (19.1) | (19.8) |
| Repayment of lease liabilities | (169.9) | (103.9) |
| Change in financial receivables and payables (net) | 410.1 | 78.4 |
| **Net cash from/(used in) financing activities** | **49.3** | **(221.0)** |
| Impact of changes in foreign currency exchange rates | 0.2 | (0.1) |
| **Change in cash and cash equivalents** | **343.6** | **(63.5)** |

# GLOSSARY

**Business potential:** The total volume of potential business at any given moment, expressed as a number of units and/or revenue excluding VAT, within future projects in Residential Real Estate (New homes, Subdivisions and International) as well as Commercial Real Estate, 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

**Current operating profit:** Includes all operating profit items with the exception of items resulting from unusual, abnormal and infrequently occurring transactions. In particular, impairment of goodwill is not included in current operating profit

**Development backlog:** 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 notarial deeds of sale have not yet been signed and the portion of revenue remaining to be generated on units for which notarial deeds of sale have already been signed (portion remaining to be built)

**EBITDA:** Defined by Nexity as equal to current operating profit before depreciation, amortisation and impairment of non-current assets, 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. Depreciation and amortisation includes right-of-use assets calculated in accordance with IFRS 16, together with the impact of neutralising internal margins on disposal of an asset by development companies, followed by take-up of a lease by a Group company

**EBITDA after leases:** EBITDA minus leases recognition and restated under the application of IFRS 16 Leases

**Free cash flow:** Cash generated by operating activities after taking into account tax paid, financial expenses, changes in WCR, dividends received from companies accounted for under the equity method and net investments in operating assets, and before repayment of lease liabilities

**Gearing:** Net debt divided by consolidated equity

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

**Land bank:** The amount of projects in France for which the Group has acquired development rights, before obtaining a building permit and in some cases other planning permissions, expressed as an amount recognised within the working capital requirement

**Like-for-like basis:** Restatement of information without equivalent during the comparative period (for acquisitions, deduction from the current period; for disposals, deduction from the comparative period)

**MALONE (*Marché du Logement Neuf*):** New home market in France, calculated by adding together the number of retail sales (source: French Commissioner-General for Sustainable Development – CGDD) and bulk sales (source: French Federation of Real Estate Developers – FPI).

**Net profit before non-recurring items**: Group share of net profit restated for non-recurring items such as change in fair value adjustments in respect of the ORNANE bond issue and items included in non-current operating profit (any goodwill impairment losses, remeasurement of equity-accounted investments following the assumption of control)

**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 (notarial deeds of sale 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

**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

**Reservations by value (or expected revenue from reservations) – 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