NEXITY: 2020 ANNUAL RESULTS

REMARKABLE BUSINESS PERFORMANCE IN BOTH RESIDENTIAL AND COMMERCIAL REAL ESTATE

ROBUST FINANCIAL PERFORMANCE AND SIGNIFICANT REDUCTION IN DEBT

IMPROVED VISIBILITY THANKS TO A €21BN DEVELOPMENT PIPELINE

PROPOSED PAYMENT OF A DIVIDEND OF €2 PER SHARE

Paris, Wednesday, 24 February 2021, 5:45 p.m. CET

2020 FINANCIAL PERFORMANCE

- **Revenue up 8% from 2019, totalling €4,855 million**
- **Resilience of current operating profit at €285 million (close to 6% margin), thanks to a strong rebound in H2 2020**
- **Net financial debt** (before lease liabilities) **reduced by nearly 30% to €655 million**[1]

2020 BUSINESS ACTIVITY

- **New home reservations in France: equivalent level to 2019, with 21,077 units** worth **€4,515 million including VAT** (up 4%); strong growth in market share to almost 17% (up around 3.5 percentage points from 2019) in an overall market estimated to have declined 25%
- **Record level of order intake in commercial real estate: €1.5 billion excl. VAT** (nearly three times the 2019 level)

2021 GUIDANCE[2]

- **Residential real estate: around 20,000 new home reservations in France, despite a supply shortage**
- **Commercial real estate: order intake of €400 million excl. VAT**
- **Revenue at least in line with 2020 on a like-for-like basis**
- **Current operating profit expected to rise sharply, to at least €350 million, equating to an operating profit margin of over 7% in 2021**
- **Ægide-Domitys sale process underway, to refocus Nexity on its businesses enabling value creation and delivering organic growth in its services platform**
- **Proposed dividend of €2 per share in respect of 2020**[3]

CSR

- A certified **Great Place to Work** and a member of the **Bloomberg Gender-Equality Index** (GEI)
- **France's leading low-carbon developer** for the second year running, topping the 2020 BBCA ranking of project owners

NEXITY ASSERTS ITS CORPORATE PURPOSE: "LIVING TOGETHER"

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.

[1] Before reclassification under IFRS 5 to allow for comparison with guidance. Due to the sale process underway, the assets and liabilities of Ægide-Domitys are presented separately on a specific line in the balance sheet. Net debt after reclassification under IFRS 5 totalled €1,015 million, including €550 million in net financial debt and €465 million in lease liabilities (IFRS 16), down €945 million (48%) compared to year-end 2019 (€1,961 million)

[2] See press release of 4 January 2021

[3] Subject to approval by the Board of Directors and at the Shareholders' Meeting in May 2021 (compared with €2 per share paid in 2020)

Alain Dinin, Chairman and CEO of Nexity, commented:

“The public health, economic and social crisis meant 2020 was a very tough year for businesses and their clients. Nexity, hit hard by the crisis, was no exception.

This crisis will continue in varied and changing forms in 2021, and we are not at this stage expecting a rapid return to normal.

Nevertheless, in 2020 Nexity demonstrated its people’s high levels of motivation and commitment, and the Group’s business lines proved highly resilient. This enabled Nexity to post record expected revenue from reservations in residential real estate, an unprecedented level of order intake in commercial real estate and a record backlog. Performance was robust in all business lines. Revenue was up 8%, debt decreased significantly and the decline in operating profit as a result of the crisis was contained (down 19%). Profitability is expected to bounce back strongly in 2021.

The Group’s chosen real estate services platform model demonstrates its strategic relevance on a daily basis; the scope is as it should be and is unlikely to change beyond the disposals already underway (Ægide-Domitys, which needs a new partner to step up its growth in services for senior citizens, together with smaller entities that generate no synergies for Nexity’s clients). Nexity is pursuing an ambitious low-carbon trajectory, boosted by factors including growing demand from institutional investors (who need strong partners to help them build and manage housing portfolios), and in line with the expectations of new municipal governments elected in 2020.

Nexity has thus entered 2021 with vigilance, but above all with confidence, focused on its profitability targets and with its financial structure strengthened, enabling the Group to maintain its dividend policy. The Group now intends to accelerate development of its new offerings and seize opportunities to better meet its clients’ needs. 2021 is also an opportunity for Nexity to formally adopt its corporate purpose: ‘Living Together’. This purpose expresses the Group’s commitment to being useful to society and to the world around us; it gives meaning to our action and will serve as a catalyst in Nexity’s ongoing transformation.”

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At its meeting on Wednesday, 24 February 2021, 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 2020, 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.

KEY DEVELOPMENTS IN 2020

Amid a public health crisis, Nexity demonstrated its resilience by delivering a strong commercial and financial performance over the full year. After being hit hard by lockdown in the first half of the year, business was very buoyant in the second half despite the second lockdown, which did not affect progress on construction sites, the signing of notarial deeds of sale or the marketing of major projects for Commercial Real Estate Development.

- New home reservations were equivalent to 2019 levels (21,077 units in 2020, compared with 21,837 in 2019) in a French market expected to have declined by around 25%, with Nexity's marked shift towards bulk sales, and in particular reservations by institutional investors (up 38%).

- It was a record year for order intake in Commercial Real Estate Development, at €1.5 billion excluding VAT.

- The backlog stood at €6.8 billion, up 34% from year-end 2019 and up 53% over the past two years.

- Revenue grew to €4,855 million (up 8%), driven by order intake in Commercial Real Estate.

- Operating profit came in at €285 million (down 19%), giving a current operating margin of 5.9%. Strong business in the second half, with a current operating margin of 7.5%, made up for the weak contribution in the first half.

- Group share of net profit: €118 million at year-end 2020, compared with €161 million in 2019 (down 27%).

- Net debt (before lease liabilities) decreased significantly to €655 million[4] at year-end 2020, down from €918 million at year-end 2019, after peaking at €1,381 million at 30 June 2020, thanks to strict control over working capital (high volumes of notarial deeds of sale signed in the run-up to the year-end; down payments on commercial real estate contracts).

Governance

- The Group suffered the loss of its Chief Executive Officer, Jean-Philippe Ruggieri, at the beginning of the Covid-19 crisis. Alain Dinin resumed his position as Chairman and CEO. An expanded 13-member Executive Committee was put in place. 46% of its members are women.

International

- Operations were launched in Germany with the acquisition of a controlling stake in pantera AG.

Update to Nexity's strategic plan and business review[5]

- Confirmation of the Group's real estate services platform model combining development and services business lines, focusing on the drivers of Nexity's responsible, profitable growth for 2023, capitalising on its key strengths and accelerating initiatives connected to the major transformations underway in its main markets and business lines.

- Ægide-Domitys: sale process underway, which will include entering into a strategic partnership with the buyer in real estate development.

- Nexity's new development model driven by: partnerships with institutional investors; the creation of a competitive advantage based on the Group's CSR credentials; the strategy of operationally turning around services driven by a new management team; and the gradual development of international business.

In April 2020, the Group suspended all targets and guidance issued to the market as a result of the public health crisis. 2020 guidance was reissued on 28 October and clarified in a press release dated 4 January 2021. These forecasts were exceeded as business picked up in the run-up to the year-end:

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[4] Before reclassification under IFRS 5 to allow for comparison with guidance. Due to the sale process underway, the assets and liabilities of Ægide-Domitys are presented separately on a specific line in the balance sheet. After reclassification under IFRS 5, net debt before lease liabilities totalled €550 million
[5] See press release of 17 December 2020

	Guidance issued on 4 January 2021	2020 actuals	
New home reservations **Market share**	Equivalent to 2019 levels Significant increase	Down 3% by volume and up 4% by value Estimated at around 17% (up around 3.5 points)	✓
Commercial real estate order intake	€1.5 billion excluding VAT	€1.5 billion excluding VAT	✓
Revenue **Current operating margin**	Around €4,700 million Over 5%	€4,855 million 5.9%	✓
Net financial debt (before lease liabilities)	Less than €800 million	€655 million*	✓
Development pipeline at year-end 2020 (backlog + business potential)	Around €20 billion	€21.4 billion	✓

* Before applying IFRS 5 to allow for comparison with guidance. Due to the sale process underway, the assets and liabilities of Ægide-Domitys are presented separately on a specific line in the balance sheet

The Group has opted to show its business lines by separating out capital-intensive businesses (development) from those mostly relying on human capital (services). All information detailed below is shown using this new segmentation. Furthermore, with the same goal of providing greater clarity, current operating profit has been readopted as the key indicator of Nexity's financial performance, instead of EBITDA. In addition, free cash flow is presented after repayment of lease liabilities (previously presented within "Net cash from/(used in) financing activities").

Due to the process underway for the sale of Ægide-Domitys and the likelihood that it will be carried out within the next 12 months, the Group is applying IFRS 5 (on assets held for sale), which requires the assets and liabilities of Ægide-Domitys to be presented separately from other continuing operations in the balance sheet. The income statement has not been restated, but the contribution of Ægide-Domitys is presented in Annex 3.

2020 BUSINESS ACTIVITY

DEVELOPMENT

The "**Development**" division encompasses **Residential Real Estate Development** and **Commercial Real Estate Development**.

Residential Real Estate Development

In the first nine months of 2020, the French market for new homes (or MALONE[6]) totalled 89,211 reservations, down 23% with respect to end-September 2019. Beyond the impact of the public health crisis and economic uncertainties, market trends were mainly held back by a supply deficit aggravated by the review of local urban planning policies following the shift in power that took place after the second round of local elections in France, which resulted in building permits taking longer to be obtained. This extension exacerbates the shortage of supply and price increases for new homes. In this context, Nexity demonstrated its resilience and its market share at end-September 2020 surged to 15.3%, 3.2 points higher than at 30 September 2019 (12.1%).

For full-year 2020, Nexity expects a sharp downturn in the market (around 125,000 units, down around 25% compared to 2019), with a sharp decline in the retail sales sector due to the lockdown period and the ongoing public health crisis, while bulk sales are expected to continue to grow, spurred on by institutional investors' appetite for residential property.

At year-end 2020, Nexity's net new home reservations in France totalled 21,077 units for €4,515 million including VAT, down 3% by volume and up 4% by value with respect to year-end 2019. In the fourth quarter alone, reservations were down 5% by volume and up 2% by value at 7,442 units and €1,566 million including VAT.

Bulk sales were 38% higher than in 2019, for the first time accounting for over half (51%) of Nexity's new home reservations. This was due to an increase in sales to institutional investors (which doubled relative to 2019), reflecting

[6] French market for new homes, including bulk sales. Source: ECLN for retail sales and FPI for bulk sales

Nexity's ability to adapt its offering in response to this demand. Demand for social housing remained strong, but there was a limited decline in reservations placed by social housing operators (down 15%) due to fewer building permits being issued.

CDC Habitat is the Group's main institutional client and in 2020 it extended its investments to the entire range of products (social, intermediate and free housing), with around 5,000 reservations, the vast majority of which for intermediate and free housing. In 2021, firm commitments entered into with CDC will also represent a significant volume. The Group also entered into a partnership with Gecina in early October 2020[7] to develop 4,000 new homes in supply-constrained areas over a four-year period.

Nexity believes that demand for new homes expressed by institutional investors constitutes not just a circumstantial but a structural factor, and intends to leverage that demand (currently mainly directed towards France's main developers) for competitive advantage, both in real estate development and in its services business.

Conversely, retail sales were 27% lower than in 2019 against the backdrop of the public health crisis, economic uncertainty and a supply shortage:

- First-time buyers (down 26%) were affected by stricter mortgage approval conditions in 2020, despite attractive financing terms (with interest rates averaging 1.17% in December 2020). France's High Council for Financial Stability (HCSF) eased these lending conditions towards the end of 2020 (allowing mortgage terms of up to 27 years and raising the maximum affordability ratio to 35%); this should support demand from first-time buyers in 2021.
- Individual investors (down 27%) showed a certain wait-and-see attitude in view of the current economic situation. The extension of the Pinel scheme in its current form until the end of 2022 (passed as part of the 2021 budget bill) nevertheless provides these investors with a degree of stability and visibility.

Retail sales in the fourth quarter of 2020 were only 22% lower than in Q4 2019.

After including subdivisions (1,561 units, down 25% compared to 2019, in line with the change observed in the individual client market) and international sales (935 reservations, up 46% from 2019, with strong growth in Poland), business activity in Residential Real Estate Development at year-end 2020 came to 23,573 units reserved and €4,802 million including VAT, down 4% by volume and up 4% by value relative to 2019.

The average price including VAT of new homes reserved by Nexity's individual clients at end-December 2020 was €239 thousand, up 3% compared to end-December 2019, due to the increase in both the average floor area per home (up 1%) and the average price per square metre (up 2%), amid a context of lower volumes and supply shortage.

The average level of pre-selling booked at the start of construction work was very high (74% at end-December 2020). The supply of homes for sale dropped back 18% from its level at end-December 2019 to stand at 7,242 units at year-end 2020, due to a particularly swift absorption rate of 4.1 months[8] (compared with 4.9 months at year-end 2019), and to a lower level of renewed offerings. Unsold completed stock (95 units) as a proportion of the total supply of homes for sale remained very low. The Paris region accounted for 35% of the supply of new homes for sale, with the other 65% outside the Paris region, consistent with the breakdown of reservations (32% and 68% respectively), and reflecting Nexity's strong positions in regional markets.

At end-December 2020, the business potential[9] for new homes in France was down 3% from year-end 2019 and came to 53,434 units. This represented potential revenue of €10.5 billion excluding VAT. This change reflected the impact of the spring 2020 lockdown and changes in political leadership at the local government level with respect to project structuring. Given this shortage of buildable land, the fact that reservations remained nearly stable in 2020 compared to 2019 constitutes a very strong performance. In light of this market situation, which is likely to continue for much of 2021, Nexity is expecting modest growth in its supply for sale and is working on new products (office-to-residential conversion, renovation, "coliving", managed build-up of its land bank, etc.) to leverage land usage.

The Group is continuing with its CSR efforts, adapting its products to meet clients' expectations by offering more sustainable solutions: making more use of outside living spaces (balconies, loggias and terraces) to ensure that everyone has access to nature and including green spaces in all its residential developments so all occupants have access to private or communal planted areas right where they live.

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[7] See press release of 1 October 2020
[8] Absorption rate: Available market supply / Reservations for the last 12 months, expressed in months
[9] See glossary on page 27

Including subdivisions and international operations, the business potential of Residential Real Estate Development represented €12.8 billion in potential revenue excluding VAT. International housing potential totalled €1.1 billion (double the amount in 2019), including €0.3 billion for pantera AG in Germany, which was acquired in 2020 and is growing satisfactorily.

Commercial Real Estate Development[10]

Take-up of office space in the Paris region and the overall amount of investment in commercial real estate in France in the period to end-December 2020 decreased sharply as a result of the public health crisis (down 45% and 32%, respectively, relative to 2019). Given the economic crisis, which is affecting employment and thus user demand for space, current thinking on remote working and a wait-and-see attitude on the part of investors, this reduced level of activity is likely to continue for at least another year.

Conscious of changes affecting the office real estate market (a huge increase in working from home, renegotiation of leases/reduction in space requirements, etc.), from the onset of the crisis Nexity introduced a comprehensive, tailored office use offering supported by its investments in coworking companies Morning and Hiptown. Offerings were also put together to help clients organise workspaces in accordance with public health requirements, reorganise zoning and space, and provide real estate strategy advice. Nexity thus intends to position itself as a key player in transforming real estate and working arrangements.

To go even further with its CSR commitments, Nexity has shifted its product range towards exclusively low-carbon, flexible and reversible office space. The Group now offers four major product lines: wood-frame office buildings (of which Nexity is France's leading operator), renovated office buildings, reversible office buildings and energy-efficient office buildings to more effectively combat climate change.

Thanks to a high level of business potential[11] at the beginning of 2020, with nearly €3 billion in commercial real estate, Nexity was able to convert these projects into confirmed new orders thanks to the quality of its locations, lessees and investors. Business potential remained high at the end of 2020, representing €1.9 billion in revenue.

Business was very buoyant toward the end of 2020, boosted by the market launch of major developments – including the sale to Swiss Life Asset Managers France of the Engie green business park in La Garenne-Colombes (Hauts-de-Seine) for around €1 billion, and the sale of Network II in Bagneux (Hauts-de-Seine) – enabling the Group to achieve its highest-ever volume of order intake, at €1,472 million (of which €1,244 million was booked in the fourth quarter alone).

Last year's unprecedented crisis has prompted businesses to rethink their working arrangements and their space needs. For example, Engie's planned green business park – located near Greater Paris' new Nanterre-La Folie rail station, extending outward from Paris' La Défense business district – was downsized to 94,000 sq.m (compared with 135,000 sq.m as originally planned). Nexity also acquired full control over project companies originally set up in partnership with Engie, which was keen to refocus on its role as a lessee. Nexity will continue to develop the remaining 5.5 hectares, for commercial use and housing.

The sale to Aviva Investors of the Reiwa project in Saint-Ouen (Seine-Saint-Denis) is not included in 2020 order intake, given that the resolutory condition had not been lifted at 31 December (the deadline for meeting objections to the building permit), but will be included in 2021.

Nexity delivered 15 developments in 2020, representing a total of 166,400 sq.m, including in particular the Palazzo Meridia development – the head office for Nexity staff in Nice – delivered in February 2020. This development – France's tallest timber-frame office building at 35 metres over nine stories, with a total floor area of 7,860 sq.m – has already won a number of awards (France's first commercial building to achieve E3C2 certification, and the Fibois regional award for timber-frame construction in the "Work and Welcome" category, with a distinction for its height).

SERVICES

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[10] Source of market data: CBRE MarketView: Q4 2020 Paris region office space and Q4 2020 France investment

[11] See glossary on page 27

The **Services** division is made up of three segments:

- **Property Management**: includes property management for individuals and companies, management of student residences (Studéa) and shared office space (Morning)
- **Personal services** through Domitys: senior independent living facilities
- **Distribution**: includes marketing of new homes on behalf of other developers (iSelection) and with divided property ownership (PERL)

Property Management

Property Management

For individual clients, the portfolio of units under management amounted to over 876,000 units at 31 December 2020 (down 0.9% from end-December 2019). Brokerage activities (lettings and sales by Nexity agencies and Century 21 franchises) gradually returned to a satisfactory level of business activity, continuing the strong recovery observed starting in June 2020.

Property management has a major part to play in responding to current challenges, notably in terms of energy efficiency upgrades, sustainable management and neighbourhood development, and is at the heart of the Group's services platform strategy. A new management team has been appointed to accelerate growth, boost customer satisfaction and strengthen local relationships focused on quality of service, offering solutions tailored to each client profile, leveraging our digital tools and maximising internal synergies.

For commercial clients, floor area under management totalled 19.7 million sq.m at end-December 2020, slightly higher than at year-end 2019 (up 1%). At the beginning of 2021, Perial Asset Management selected Nexity Property Management to manage a portfolio totalling nearly 300,000 sq.m for the next three years.

Studéa student residences

Nexity Studéa had 125 student residences under management at 31 December 2020, totalling more than 15,500 units. Despite the public health crisis, occupancy rates remained very satisfactory. The marketing campaign for the 2020/2021 university year yielded the usual occupancy rates: 94% at end-December 2020 (compared with 94.7% at year-end 2019).

Shared office space

At end-December 2020, Morning – a leading player in the Paris coworking space market – operated 25 coworking spaces totalling more than 56,000 sq.m and corresponding to around 6,500 workstations. Given the length of lease terms, and in line with the Group's expectations, the occupancy rate came in at 69% (stable relative to September 2020), a satisfactory level in view of public health conditions and the widespread adoption of remote working.

Personal services – Domitys

Domitys opened 13 new residences in 2020, bringing its portfolio to 113 serviced residences, totalling over 13,000 residential units. At end-December 2020, the rolling 12-month occupancy rate was 85%, representing a slight increase relative to end-December 2019 (84%). Domitys will continue to implement its development plan in 2021. Six new residences opened in January, with more than 20 set to open over the course of the year.

In its press release of 17 December 2020, the Group confirmed its desire to keep growing in the serviced residences market and to consolidate Ægide-Domitys' position as a leading operator of senior residences. To this end, Nexity has begun the process of seeking a partner better positioned to support the growth of Ægide-Domitys in France and abroad, and to ensure the operational excellence of its residences offering personal services. When this subsidiary is sold, which is planned for 2021, Nexity will enter into a strategic real estate development partnership with the buyer.

Distribution

The public health crisis had a major impact on distribution activities, with very low reservation volumes during the lockdown period due to closures of banks, the leading distribution channel in this sector.

In the period to end-December 2020, **iSelection and PERL** recorded 3,869 reservations (down 17% compared to 2019). This decrease, which was less pronounced than in the overall market for sales to individual clients, reflected the relatively strong performance of these distribution networks.

DEVELOPMENT PIPELINE AT 31 DECEMBER 2020

The development pipeline reached €21 billion in revenue at year-end 2020 (up 5% compared with year-end 2019), corresponding to around six years of business activity, providing the Group with good visibility on its future business levels.

This pipeline includes:

- Backlog: €6.8 billion (up 34% compared to 2019), mainly due to the good level of order intake in both residential and commercial real estate; and
- Business potential: €14.6 billion, the stabilisation of which at a high level illustrated the Group's capacity to move forward with its expansion despite the public health crisis.

NEXITY'S CORPORATE SOCIAL RESPONSIBILITY (CSR) AND CORPORATE PURPOSE

Nexity has disclosed its new corporate purpose – "Living Together" – illustrating its desire to design ideal working and living environments that reflect the aspirations and lifestyles of their users, and connect them with their neighbourhood, their city or their company.

In addition to obtaining the Great Place To Work certification in 2020, Nexity confirmed its position in the 2021 Bloomberg Gender-Equality Index, among the 380 companies worldwide (11 of them French) committed to gender equality and equity. For example, women account for 46% of the members of the Executive Committee.

Employees and managers hold 18% of the Company's share capital, making them the Group's leading shareholder.

Nexity has also consolidated its position as France's leading low-carbon developer for the second year in a row, topping the 2020 BBCA ranking of project owners in three out of four categories: number of projects of this type started since the creation of the BBCA certification in 2016, number of projects started in 2020, and total sq.m of projects started in 2020.

Nexity's solidarity initiatives

During the year, Nexity demonstrated its solidarity with an exceptional donation of €3 million in aid of non-profit organisations that help the homeless and funds that support healthcare personnel. These actions supplemented those of the Nexity Foundation, which focuses specifically on social inclusion through housing, training, education and employment.

2020 CONSOLIDATED RESULTS – OPERATIONAL REPORTING[12]

The financial highlights presented below take into account the new segmentation applied beginning with the financial statements for the year ended 31 December 2020. Information concerning the previous segmentation is presented in Annex 2 of this press release.

In addition, due to the process underway for the sale of Ægide-Domitys and the likelihood that it will be carried out within the next 12 months, the Group is applying IFRS 5 (on assets held for sale), which requires the assets and liabilities of Ægide-Domitys to be presented separately from other continuing operations in the balance sheet. The income statement has not been restated.

The tables presenting these reclassifications are included in Annex 3 of this press release.

[12] See glossary on page 27

(in millions of euros)	2020	2019	Change
Consolidated revenue	**4,854.6**	**4,498.8**	**8%**
EBITDA	**549.7**	**572.9**	**-4%**
% of revenue	*11.3%*	*12.7%*	
Current operating profit	**285.3**	**353.2**	**-19%**
% of revenue	*5.9%*	*7.9%*	
Net financial income/(expense)	(85.5)	(80.2)	
Income tax	(73.6)	(103.6)	
Share of profit/(loss) from equity-accounted investments	(1.9)	-	
Net profit	**124.3**	**169.4**	**-27%**
Non-controlling interests	(6.2)	(8.7)	
Net profit attributable to equity holders of the parent company	**118.1**	**160.7**	**-27%**
o/w: Fair value adjustment of ORNANE bonds	2.0	(2.0)	
Net profit attributable to equity holders of the parent company before non-recurring items	**116.1**	**162.7**	**-29%**
(in euros)			
Net earnings per share	2.14	2.90	-26%
Net earnings per share before non-recurring items	**2.10**	**2.92**	**-28%**

REVENUE

Revenue for 2020 was €4,855 million, up €356 million or 7.9% compared to 2019. This revenue growth resulted from the very strong increase in revenue generated by Commercial Real Estate Development (2.4 times higher than in 2019) and the large number of notarial deeds of sale signed at the end of the year in Residential Real Estate Development. The revenue shortfall during the first lockdown (about €430 million) was not recouped in the second half of the year, instead being postponed. Construction site activity returned to more normal levels beginning in September 2020.

(in millions of euros)	2020	2019	% Change
Development*	**3,809.5**	**3,431.4**	**+11.0%**
Residential Real Estate Development	2,914.7	3,055.2	-4.6%
Commercial Real Estate Development	894.8	376.2	x2.4
Services	**1,045.1**	**1,066.5**	**-2.0%**
Other Activities	**0.0**	**0.9**	
Revenue	**4,854.6**	**4,498.8**	**+7.9%**

* Revenue generated by development 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.

Overall revenue from **Development** amounted to €3,810 million in 2020, up 11% from 2019.

Revenue from *Residential Real Estate Development* was down €140 million or 5% relative to 2019. This change was mainly due to the negative impact of the public health crisis. Revenue generated starting in June (up 5% in H2 2020 compared to H2 2019) offset this trend, with the sharp upturn in activity on construction sites and a highly satisfactory number of deeds signed. Revenue generated outside France rose sharply to €74 million (six times its level in 2019), with business growth in Poland. The contribution of the German subsidiary pantera AG, acquired in March 2020, was not very significant in 2020.

Revenue growth in Commercial Real Estate Development (up €519 million or 2.4 times its level in 2019) mainly arose from the sale of the completed Influence 2.0 building in Saint-Ouen (Seine-Saint-Denis), occupied by the Paris Regional Council, for €210 million (with all of the revenue for this programme recognised upon the sale in April 2020), and the end-of-year signing for Engie's planned green business park in La Garenne-Colombes (Hauts-de-Seine), whose sale enabled the recognition of revenue on a percentage-of-completion basis (€370 million).

Services posted 2020 revenue of €1,045 million, a limited decrease of 2% compared with 2019. The effects of the public health crisis on the property management and distribution businesses (down €45 million), with the decline in brokerage fees and additional services (renovation work in particular), were slightly offset by growth in the number of serviced senior residences (up €23 million).

Revenue under IFRS

In IFRS terms, revenue in 2020 totalled €4,512 million, up 7% relative to 2019. 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[13]

Nexity generated EBITDA of €550 million in 2020 (compared with €573 million in 2019), representing an EBITDA margin of 11.3% (down 1.4 points from 2019). It declined to a lesser extent than current operating profit, given the significant growth in lease payments in the serviced residences businesses (including Ægide-Domitys, which is to be sold).

After lease payments, EBITDA totalled €343 million, down 15% from €403 million in 2019, giving an EBITDA margin of 7.1% (down 1.9 points relative to 2019).

OPERATING PROFIT

Current operating profit[14] came to €285 million at 31 December 2020, compared with €353 million at 31 December 2019, a decline attributable to the first lockdown's considerable impact on the Group's business activity, providing less coverage of overhead costs, particularly for services with a larger proportion of fixed costs.

The change in current operating profit (down €68 million compared with 2019) was in line with the decrease in EBITDA after lease payments (down €60 million).

Following the drop in the current operating margin to 2.9% in H1 2020, the recovery in business activity from early June fuelled a strong improvement to 7.5% in H2 2020, resulting in a full-year current operating margin of 5.9% for Nexity.

	2020		2019	
(in millions of euros)	Current operating profit	*Margin as % of revenue*	Current operating profit	*Margin as % of revenue*
Development	**286.4**	**7.5%**	**305.9**	**8.9%**
Residential Real Estate Development	214.2	7.3%	263.2	8.6%
Commercial Real Estate Development	72.3	8.1%	42.7	11.4%
Services	***32.1***	***3.1%***	***94.0***	***8.8%***
Other Activities	**(33.3)**	**N/A**	**(46.7)**	**N/A**
Current operating profit	**285.3**	**5.9%**	**353.2**	**7.9%**

Current operating profit for **Residential Real Estate Development** was €214 million, equating to a decline of 1.3 points in the margin. This decline resulted from the lockdown in the first half of the year (with revenue pushed back as a result of the halt in construction site activity and sales, meaning that management costs were less able to be included in operating inventories). The margin for the second half was high, amounting to 10.5% of revenue (versus 9.9% in H2 2019). The full-year margin came to 7.3%, reaching a low point, and is expected to improve and return to its more normal level from 2021 onwards.

The gross margin (before taking non-inventory expenses into account) declined only slightly (down 0.4 points) relative to 2019, in spite of the shift in the client mix toward bulk sales (which offer lower normal margins) and the adjustment in the cost price of programmes linked to the additional costs of restarting work. This gross margin is expected to remain stable in 2021.

Current operating profit for **Commercial Real Estate Development** improved strongly by €30 million from its level in 2019, mainly due to the sale of the Influence 2.0 building. The current operating margin of 8.1%, down 3.3 points from 2019, confirms the return of margins to more normal levels of around 9%, in line with Group forecasts. The operating

[13] See glossary on page 27
[14] See glossary on page 27

margin was lower for the green business park in La Garenne-Colombes (Hauts-de-Seine), which is in the start-up phase, given the high level of contingencies.

Current operating profit for **Services** was down €62 million, about three-quarters of which was due to the drop in revenue from property management and distribution activities, and the rest from a high basis of comparison, as 2019 included the capital gains generated from the disposal of the Guy Hoquet l'Immobilier franchise network. This profit also includes a substantial negative contribution of €14 million by Domitys residences in 2020, compared with a loss of €9 million in 2019.

The decrease in revenue from brokerage fees and additional services had a direct impact on the margin, given the business's high fixed-cost structure. The financial year was also affected by the implementation of social distancing measures (particularly in residences), and by restructuring expenses related to the change in management for Real Estate Services to Individuals.

The division's current operating margin was 3.1%, as compared with 8.8% in 2019. This margin is expected to improve significantly in coming years. The margin for Distribution remained satisfactory (7.9%), despite decreasing by 5 points relative to 2019.

Other Activities (including head office expenses) posted a current operating loss of €33 million in 2020, compared with a loss of €47 million in 2019. This improvement reflects the success of cost-cutting efforts and good control of overhead costs.

OTHER INCOME STATEMENT ITEMS

The **net financial expense** was €86 million, versus €80 million in 2019, due to the increase in average debt.

The tax expense (including the CVAE[15] levy), which was €74 million at 31 December 2020 (versus €104 million in 2019), declined significantly, due to a lower tax base. The **effective tax rate** (excluding the CVAE levy) was 30.0% in 2020, compared with 33.7% in 2019, mainly due to the decrease in the statutory tax rate.

The **Group share of net profit** came to €118 million in 2020, versus €161 million in 2019.

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 €116 million, compared with €163 million in 2019. This change was mainly due to the impact of the lockdown on earnings in the first half of the year, whereas performance in the second half demonstrated the resilience of the Group's business activities.

RECLASSIFICATIONS IN ACCORDANCE WITH IFRS 5 (assets held for sale)

Due to the process underway for the sale of Ægide-Domitys and the likelihood that it will be carried out within the next 12 months, the Group is applying IFRS 5 (on assets held for sale), which requires the assets and liabilities of Ægide-Domitys to be presented separately from other continuing operations in the balance sheet. The income statement has not been restated.

Assets held for sale in the amount of €955 million mainly include goodwill for €185 million and right-of-use assets for €707 million.

Liabilities associated with assets held for sale in the amount of €882 million mainly include net financial debt for €105 million and lease liabilities for €772 million.

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

CASH FLOWS

(in millions of euros)	2020	2019
Cash flow from operating activities before interest and tax expenses	**532.2**	**544.5**
Repayment of lease liabilities	(206.8)	(169.9)
Cash flow from operating activities after lease payments but before interest and tax expenses	**325.4**	**374.6**
Change in operating working capital (excluding tax)	393.7	(98.2)
Interest and tax paid	(87.3)	(157.0)
Net cash from/(used in) operating activities	**631.8**	**119.4**
Net cash from/(used in) operating investments	(73.4)	(59.6)
Free cash flow	**558.5**	**59.8**
Net cash from/(used in) financial investments	(47.1)	5.8
Reclassification under IFRS 5	(62.5)	-
Dividends paid by Nexity SA	(109.8)	(138.2)
Net cash from/(used in) financing activities, excluding dividends	(91.1)	413.7
Change in cash and cash equivalents	**247.9**	**341.1**

Cash flow from operating activities before interest and tax expenses totalled €532 million in 2020, down €12 million relative to 2019, mainly as a result of the decrease in EBITDA over the period (down €23 million).

The change in WCR (excluding the change in scope related to the acquisition of pantera AG) came to €394 million, which reflected the €353 million decrease in WCR for commercial real estate, due to favourable client payment schedules for orders signed at the end of the year.

Operating investments rose to €73 million (versus €60 million in 2019), with most of this increase due to IT investments (€33 million) and investments in Domitys senior residences (€19 million).

Nexity's free cash flow[16] in 2020 was €558 million, compared with €60 million in 2019. The high level in 2020 reflected substantial cash inflows for commercial real estate.

Net cash used in financial investments totalled €47 million in 2020, mainly due to the acquisition of pantera AG in Germany. In 2019, the net inflow of €6 million included the disposals of Guy Hoquet l'Immobilier and Nexity Conseil et Transaction, net of the acquisition of Accessite.

Net cash from/(used in) financing activities (an outflow of €91 million) comprised the change in financial receivables and payables (a net outflow of €25 million), the cost of share buybacks (an outflow of €22 million) and payments to minority shareholders (an outflow of €43 million).

[16] See glossary on page 27

WORKING CAPITAL REQUIREMENT (WCR)

(in millions of euros)	31 December 2020	31 December 2019	Change in €m
Development	**725**	**949**	**(224)**
Residential Real Estate Development	994	865	129
Commercial Real Estate Development	(269)	84	(353)
Services	**(14)**	**16**	**(30)**
Other Activities	**(63)**	**24**	**(87)**
Total WCR excluding tax	**648**	**989**	**(341)**
Corporate income tax	(22)	30	(52)
Working capital requirement (WCR) before reclassification under IFRS 5	**626**	**1,019**	**(393)**
Reclassification under IFRS 5	56		56
Working capital requirement (WCR)	**682**	**1,019**	**(338)**

The decrease in WCR in 2020 came to €393 million (before reclassification under IFRS 5).

For **Residential Real Estate Development**, the increase in WCR (€129 million) was driven by the growth in WCR outside France, which came to €81 million (including €76 million for Germany, with the acquisition of pantera AG). WCR for this business increased in line with growth linked to the brisk pace of reservations in previous years (which reflects future revenue), but this increase was limited by the large number of notarial deeds of sale signed in the fourth quarter of 2020. The WCR-to-backlog ratio came in at 17%, below its historical levels.

Commercial Real Estate Development saw a very significant improvement in WCR (down €353 million from 2019), due to the first receipts following the marketing of major programmes at the end of the year, including Reiwa in Saint-Ouen (Seine-Saint-Denis) and the green business park for Engie in La Garenne-Colombes (Hauts-de-Seine). The negative WCR of €269 million is expected to return close to zero, following payments for VAT and construction work.

For **Other Activities**, WCR was down €87 million due to land sales by Villes & Projets, which comprises most of the Group's land bank.[17]

Tax-related WCR was negative at €22 million, after taking into account tax payables that will be settled after corporate tax returns are filed in the second quarter of 2021.

WCR came to €682 million at 31 December 2020, following the reclassification of WCR for assets held for sale.

RIGHT-OF-USE ASSETS

Right-of-use assets amounted to €431 million at 31 December 2020, sharply lower than at 31 December 2019 (€963 million).

This decrease arose from the reclassification of €707 million corresponding to commitments for Domitys senior residences following the application of IFRS 5 (on assets held for sale), net of the €175 million increase (as the amount of new leases exceeded depreciation and impairment).

The amount at 31 December 2019 was increased by €135 million to account for the IFRS IC's decision on the enforceable period of a lease (with this change mainly concerning the Studéa student residences segment, as half of those facilities are under automatically renewable leases).

GOODWILL

Goodwill decreased to €1,484 million at 31 December 2020, compared with €1,598 million at 31 December 2019 (down €114 million).

[17] See glossary on page 27

The change in goodwill mainly reflected the acquisition of pantera AG, a German real estate developer (up €68 million), and the application of IFRS 5 (on assets held for sale), which led to the reclassification of €185 million.

The public health crisis, though exceptional and severe, has not called into question Nexity's business models. The impairment tests carried out at 31 December 2020 showed that the discounted future cash flows (DCF method) are much higher than the value of the cash-generating units (CGUs).

FINANCIAL STRUCTURE

Nexity's consolidated equity (attributable to equity holders of the parent company) was €1,730 million at year-end 2020, virtually stable with respect to end-December 2019 (€1,747 million).

(in millions of euros)	31 December 2020	31 December 2019 (restated)	Change in €m
Bond issues (incl. accrued interest and arrangement fees)	997	1,018	(21)
Loans and borrowings	917	1,002	(85)
Net cash and cash equivalents	(1,364)	(1,102)	(262)
Net financial debt before lease liabilities	**550**	**918**	**(368)**
Reversal of reclassification under IFRS 5	105	-	105
Net financial debt before lease liabilities and before IFRS 5	**655**	**918**	**(263)**

Net financial debt before lease liabilities (IFRS 16) and before the application of IFRS 5 (assets held for sale) decreased substantially to €655 million (down €263 million compared to 31 December 2019).

The Group's cash position remains very strong, with €1,364 million in total cash at 31 December 2020, plus €455 million in confirmed undrawn credit lines.

Lease liabilities (IFRS 16) amounted to €465 million, versus €1,043 million at 31 December 2019, with this substantial decrease mainly due to the reclassification under IFRS 5 of the Ægide-Domitys business (€772 million).

Net debt amounted to €1,015 million at 31 December 2020, compared with €1,961 million at 31 December 2019 (down €945 million).

Nexity was in compliance with all of its bank and bond covenants at 30 June and 31 December 2020. As a precaution, given the high level of uncertainty as to when the public health crisis will end, the Group's bank lenders and bondholders agreed to waive the commitment not to exceed a leverage ratio of 3.5 at the end of the six-month periods ending in June 2020, December 2020 and June 2021.

At 31 December 2020, the average maturity of the Group's debt was 2.7 years and the average cost of borrowing was 2.2%, compared with 2.3% at year-end 2019.

2021 GUIDANCE[18]

- **Residential real estate: around 20,000 new home reservations in France, despite a supply shortage**
- **Commercial real estate: order intake of €400 million excl. VAT**
- **Revenue at least in line with 2020 on a like-for-like basis**
- **Current operating profit expected to rise sharply, to at least €350 million, equating to an operating profit margin of over 7% in 2021**
- **Ægide-Domitys sale process underway to refocus Nexity on its businesses enabling value creation and delivering organic growth in its services platform**
- **Proposed dividend of €2 per share in respect of 2020[19]**

[18] See press release of 4 January 2021
[19] Subject to approval by the Board of Directors and at the Shareholders' Meeting in May 2021 (compared with €2 per share paid in 2020)

FINANCIAL CALENDAR & PRACTICAL INFORMATION

Q1 2021 revenue and business activity (after market close)	Wednesday, 28 April 2021
2021 Shareholders' Meeting	Wednesday, 19 May 2021
2021 interim results (after market close)	Wednesday, 28 July 2021
Q3 2021 revenue and business activity (after market close)	Thursday, 28 October 2021

A **conference call** on full-year 2020 revenue and business activity will be held in English today at 6:30 p.m. CET, which may be joined using access code 3961130 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 9125
- Calling from the United States +1 720 452 9217

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=1422414&tp_key=7c61288c3f

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 Universal Registration Document filed with the AMF under number D.20-0280 on 9 April 2020, as revised by an amendment filed with the AMF on 28 April 2020, 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
With more than 11,000 employees and €4.9 billion in revenue in 2020, Nexity is France's leading integrated real estate group, with a nationwide presence and business operations in all areas of real estate development and services for individuals, companies and local authorities.
Our services platform is designed to serve all our clients as their real estate needs evolve.
Firmly committed to focusing on people and how they are connected with each other, their cities and the environment, Nexity was named the number-one low-carbon project owner in France among real estate developers ranked by BBCA in 2020, is a member of the Bloomberg Gender-Equality Index (GEI) and obtained Great Place to Work certification in 2020.
Nexity is listed on the SRD, Euronext's Compartment A and the SBF 120.

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ANNEX 1: OPERATIONAL REPORTING

Reservations – Residential Real Estate Development

Reservations (units and €m)	2020	2019	% Change
New homes (France)	21,077	21,837	-3.5%
Subdivisions	1,561	2,088	-25.2%
International	935	641	+45.9%
Total reservations *(number of units)*	**23,573**	**24,566**	**-4.0%**
New homes (France)	4,515	4,362	+3.5%
Subdivisions	131	177	-26.2%
International	156	100	+56.4%
Total reservations *(€m incl. VAT)*	**4,802**	**4,639**	**+3.5%**

Breakdown of new home reservations by client – France	2020		2019	
Homebuyers	3,163	15%	4,248	19%
o/w: - First-time buyers	*2,703*	13%	*3,654*	17%
- Other homebuyers	*460*	2%	*594*	3%
Individual investors	7,086	34%	9,719	45%
Professional landlords	10,828	51%	7,870	36%
o/w: - Institutional investors	*6,545*	*31%*	2,833	13%
- Social housing operators	*4,283*	*20%*	5,037	23%
Total	**21,077**	**100%**	**21,837**	**100%**

Services

	December 2020	December 2019	Change
Property Management for Individuals – Portfolio of units under management			
- Condominium management	703,000	709,000	-0.8%
- Rental management	173,000	175,000	-1.1%
Student residences			
- Number of residences in operation	125	124	+1
- Rolling 12-month occupancy rate	94.0%	94.7%	-0.7 pts
Property Management for Companies			
- Assets under management (in millions of sq.m)	19.7	19.5	+1.0%
Shared office space			
- Number of sites opened	25	22	+3
- Rolling 12-month occupancy rate	69%	85%	-16.0 pts
Senior residences – Domitys			
- Total number of residences in operation	113	100	+13
o/w: Number of residences opened more than 2 years ago	72	58	+14
- Rolling 12-month occupancy rate	84.8%	84.2%	+0.6 pts
Distribution			
- Total reservations	3,869	4,670	-17.2%
- Reservations on behalf of third parties	2,188	2,528	-13.4%

QUARTERLY FIGURES

Reservations – Residential Real Estate Development

	2020				2019				2018			
Number of units	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
New homes (France)	7,442	4,184	5,794	3,657	7,794	4,557	5,603	3,883	6,600	4,757	4,634	3,618
Subdivisions	660	244	297	360	836	435	559	258	812	336	576	339
International	503	193	74	165	307	161	137	36	170	80	75	40
Total *(number of units)*	**8,605**	**4,621**	**6,165**	**4,182**	**8,937**	**5,153**	**6,299**	**4,177**	**7,582**	**5,173**	**5,285**	**3,997**
Value (€m incl. VAT)												
New homes (France)	1,566	925	1,231	792	1,529	909	1,150	773	1,327	922	951	715
Subdivisions	57	19	25	30	76	35	46	20	63	28	51	28
International	91	29	11	26	47	37	13	3	15	7	6	4
Total *(€m incl. VAT)*	**1,713**	**973**	**1,267**	**847**	**1,652**	**981**	**1,209**	**797**	**1,405**	**956**	**1,008**	**747**

Revenue*

	2020				2019				2018			
(in millions of euros)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Development	**1,804.2**	**751.5**	**706.0**	**547.8**	**1,357.8**	**712.1**	**714.1**	**647.5**	**1,275.3**	**699.1**	**656.5**	**512.3**
Residential Real Estate Development	1,273.7	690.5	459.3	491.2	1,256.4	616.3	629.7	552.8	1,134.4	546.0	524.6	445.7
Commercial Real Estate Development	530.5	61.0	246.7	56.6	101.4	95.8	84.4	94.7	140.9	153.1	131.9	66.6
Services	**313.4**	**269.5**	**223.3**	**239.0**	**336.2**	**252.4**	**244.9**	**233.1**	**362.3**	**239.5**	**210.3**	**175.6**
Property Management	138.4	*141.9*	*121.3*	*134.1*	146.0	*141.9*	*139.0*	*134.4*	*142.5*	*135.7*	*135.7*	*125.5*
Personal services – Domitys	67.5	*62.8*	*55.0*	*59.5*	67.4	*54.0*	*51.2*	*48.7*	*44.3*	*47.1*		
Distribution	107.5	*64.8*	*47.0*	*45.3*	122.8	*56.5*	*54.7*	*50.0*	*175.5*	*56.7*	*74.6*	*50.1*
Other Activities	**-**	**-**	**-**	**-**	**-**	**-**	**0.4**	**0.5**	**0.9**	**1.5**	**1.4**	**0.5**
Revenue	**2,117.6**	**1,021.0**	**929.3**	**786.8**	**1,694.0**	**964.4**	**959.4**	**881.1**	**1,638.5**	**940.1**	**868.1**	**688.3**

* Historic data have been restated according to the new Development/Services segmentation applied beginning with the financial statements for the year ended 31 December 2020

Backlog

	2020				2019				2018			
(in millions of euros, excluding VAT)	12M	9M	H1	Q1	12M	9M	H1	Q1	12M	9M	H1	Q1
Residential Real Estate Development	5,789	5,397	5,285	4,796	4,640	4,510	4,493	4,269	4,161	4,253	3,924	3,634
Commercial Real Estate Development	1,032	321	373	398	456	401	269	222	308	379	332	409
Total Group backlog	**6,820**	**5,719**	**5,659**	**5,194**	**5,095**	**4,911**	**4,762**	**4,491**	**4,469**	**4,632**	**4,256**	**4,042**

HALF-YEAR / FULL-YEAR FIGURES[20]

REVENUE

	2020			2019			2018		
(in millions of euros)	12M	H2	H1	12M	H2	H1	12M	H2	H1
Development	**3,809.5**	**2,555.7**	**1,253.9**	**3,431.4**	**2,069.9**	**1,361.5**	**3,143.1**	**1,974.4**	**1,168.8**
Residential Real Estate Development	2,914.7	1,964.2	950.5	3,055.2	1,872.7	1,182.5	2,650.7	1,680.4	970.3
Commercial Real Estate Development	894.8	591.5	303.3	376.2	197.2	179.0	492.4	294.0	198.5
Services	**1,045.1**	**582.9**	**462.2**	**1,066.5**	**588.6**	**477.9**	**987.6**	**601.8**	**385.8**
Property Management	535.8	280.3	255.4	561.3	287.9	273.5	539.5	278.3	261.2
Personal services – Domitys	244.8	130.3	114.5	221.3	121.4	99.9	91.4	91.4	0.0
Distribution	264.6	172.3	92.3	283.9	179.3	104.6	356.7	232.1	124.6
Other Activities	**(0.0)**	**(0.0)**	**0.0**	**0.9**	**(0.0)**	**0.9**	**4.3**	**2.4**	**1.9**
GROUP	**4,854.6**	**3,138.6**	**1,716.1**	**4,498.8**	**2,658.4**	**1,840.4**	**4,135.0**	**2,578.5**	**1,556.4**

EBITDA

	2020			2019			2018		
(in millions of euros)	12M	H2	H1	12M	H2	H1	12M	H2	H1
Development	**321.6**	**242.5**	**79.2**	**347.2**	**230.8**	**116.4**	**347.2**	**222.0**	**125.1**
Residential Real Estate Development	248.2	224.1	24.1	302.4	207.0	95.4	283.6	195.6	88.1
Commercial Real Estate Development	73.5	18.4	55.1	44.8	23.8	21.0	63.5	26.5	37.1
Services	**239.3**	**148.0**	**91.3**	**254.2**	**134.8**	**119.4**	**201.9**	**137.9**	**64.0**
Property Management	135.5	83.5	52.0	149.0	72.7	76.3	115.9	67.9	47.9
Personal services – Domitys	78.7	46.1	32.6	72.6	38.8	33.8	29.8	29.8	0.0
Distribution	25.1	18.4	6.7	32.6	23.3	9.3	56.2	40.2	16.1
Other Activities	**(11.2)**	**(4.2)**	**(7.0)**	**(28.6)**	**(19.1)**	**(9.5)**	**(26.0)**	**(23.1)**	**(2.9)**
GROUP	**549.7**	**386.2**	**163.5**	**572.9**	**346.5**	**226.4**	**523.0**	**336.8**	**186.2**

Current operating profit

	2020			2019			2018		
(in millions of euros)	12M	H2	H1	12M	H2	H1	12M	H2	H1
Development	**286.4**	**225.7**	**60.8**	**305.9**	**208.3**	**97.6**	**308.4**	**197.2**	**111.2**
Residential Real Estate Development	214.2	207.2	6.9	263.2	185.4	77.8	246.4	172.4	74.0
Commercial Real Estate Development	72.3	18.4	53.8	42.7	22.9	19.8	62.0	24.8	37.2
Services	**32.1**	**25.8**	**6.4**	**94.0**	**49.8**	**44.2**	**109.0**	**72.7**	**36.3**
Property Management	25.0	14.7	10.4	66.9	29.4	37.5	56.9	35.1	21.9
Personal services – Domitys	(13.8)	(4.2)	(9.6)	(9.1)	(7.8)	(1.3)	(1.4)	(1.4)	0.0
Distribution	20.9	15.3	5.6	36.2	28.2	8.0	53.4	39.0	14.4
Other Activities	**(33.3)**	**(16.4)**	**(16.9)**	**(46.7)**	**(30.2)**	**(16.5)**	**(44.7)**	**(33.0)**	**(11.6)**
GROUP	**285.3**	**235.0**	**50.2**	**353.2**	**227.8**	**125.4**	**372.7**	**236.9**	**135.8**

[20] Historic data have been restated according to the new Development/Services segmentation applied beginning with the financial statements for the year ended 31 December 2020

CONSOLIDATED INCOME STATEMENT – 31 DECEMBER 2020

(in millions of euros)	**31/12/2020 IFRS**	**Restatement of joint ventures**	**31/12/2020 Operational reporting**	**Restatement of non-recurring items***	**31/12/2020 Operational reporting before non-recurring items**	**31/12/2019 Operational reporting before non-recurring items**
Revenue	4,511.6	343.0	4,854.6	-	4,854.6	4,498.8
Operating expenses	(3,997.0)	(307.9)	(4,304.9)	-	(4,304.9)	(3,926.0)
Dividends received from equity-accounted investments	17.8	(17.8)	-	-	-	-
EBITDA	532.5	17.3	549.7	-	549.7	572.9
Lease payments	(206.8)	-	(206.8)			(169.9)
EBITDA after lease payments	325.7	17.3	343.0	-	549.7	403.0
Restatement of lease payments	206.8	-	206.8			169.9
Depreciation of right-of-use assets	(196.0)	-	(196.0)	-	(196.0)	(166.4)
Depreciation, amortisation and impairment of non-current assets	(50.6)	-	(50.6)	-	(50.6)	(45.2)
Net change in provisions	(6.6)	0.3	(6.2)	-	(6.2)	8.0
Share-based payments	(11.7)	-	(11.7)	-	(11.7)	(16.1)
Dividends received from equity-accounted investments	(17.8)	17.8		-	-	-
Current operating profit	249.8	35.4	285.3	-	285.3	353.2
Operating profit	249.8	35.4	285.3	-	285.3	353.2
Share of net profit from equity-accounted investments	28.7	(28.7)			-	-
Operating profit after share of net profit from equity-accounted investments	278.6	6.7	285.3	-	285.3	353.2
Cost of net financial debt	(49.5)	(2.3)	(51.8)	-	(51.8)	(41.6)
Other financial income/(expenses)	(3.6)	(0.7)	(4.3)	(2.0)	(6.3)	(11.7)
Interest expense on lease liabilities	(29.5)	-	(29.5)		(29.5)	(24.9)
Net financial income/(expense)	(82.5)	(3.0)	(85.5)	(2.0)	(87.5)	(78.2)
Pre-tax recurring profit	196.0	3.7	199.8	(2.0)	197.8	275.0
Income tax	(69.9)	(3.7)	(73.6)	-	(73.6)	(103.6)
Share of profit/(loss) from other equity-accounted investments	(1.9)	-	(1.9)	-	(1.9)	-
Consolidated net profit	124.3	0.0	124.3	(2.0)	122.3	171.4
Attributable to non-controlling interests	6.2	0.0	6.2	-	6.2	8.7
Attributable to equity holders of the parent company	**118.1**	**0.0**	**118.1**	**(2.0)**	**116.1**	**162.7**
(in euros)						
Net earnings per share	**2.14**		**2.14**		**2.10**	**2.92**

* Non-recurring items at 31 December 2020 included the fair value adjustment of the ORNANE bond issue for a positive impact of €2 million

SIMPLIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – 31 DECEMBER 2020

ASSETS (in millions of euros)	31/12/2020 IFRS	Restatement of joint ventures	31/12/2020 Operational reporting	31/12/2019 Operational reporting (restated)
Goodwill	1,484.0	-	1,484.0	1,598.0
Other non-current assets	666.4	0.7	667.1	1,249.6
Equity-accounted investments	57.8	(56.8)	1.0	1.5
Total non-current assets	2,208.2	(56.1)	2,152.1	2,849.1
Net WCR	591.3	90.5	681.8	1,019.4
Net assets held for sale	73.3		73.3	
Total assets	**2,872.8**	**34.4**	**2,907.2**	**3,868.5**

LIABILITIES AND EQUITY (in millions of euros)	31/12/2020 IFRS	Restatement of joint ventures	31/12/2020 Operational reporting	31/12/2019 Operational reporting (restated)
Share capital and reserves	1,611.7	(0.0)	1,611.7	1,586.0
Net profit for the period	118.1	0.0	118.1	160.7
Equity attributable to equity holders of the parent company	1,729.7	0.0	1,729.7	1,746.7
Non-controlling interests	9.2	(0.0)	9.2	10.6
Total equity	1,739.0	0.0	1,739.0	1,757.3
Net debt	991.3	24.1	1,015.4	1,960.8
Provisions	104.8	1.7	106.5	102.2
Net deferred tax	37.7	8.6	46.3	48.3
Total liabilities and equity	**2,872.8**	**34.4**	**2,907.2**	**3,868.5**

NET DEBT – 31 DECEMBER 2020

(in millions of euros)	31/12/2020 IFRS	Restatement of joint ventures	31/12/2020 Operational reporting	31/12/2019 Operational reporting (restated)
Bond issues (incl. accrued interest and arrangement fees)	997.0	-	997.0	1,017.8
Loans and borrowings	877.6	39.6	917.2	1,002.3
Loans and borrowings	**1,874.7**	**39.6**	**1,914.2**	**2,020.1**
Other financial receivables and payables	**(95.0)**	**87.6**	**(7.3)**	**6.5**
Cash and cash equivalents	(1,305.1)	(122.3)	(1,427.5)	(1,203.2)
Bank overdraft facilities	51.7	19.2	71.0	94.6
Net cash and cash equivalents	**(1,253.4)**	**(103.1)**	**(1,356.5)**	**(1,108.6)**
Total net financial debt before lease liabilities	**526.3**	**24.1**	**550.4**	**918.0**
Reversal of reclassification under IFRS 5	89.6	15.2	104.8	
Total net financial debt before lease liabilities and IFRS 5	**615.9**	**39.3**	**655.2**	**918.0**
Total lease liabilities	**465.0**	**-**	**465.0**	**1,042.8**
Reversal of reclassification under IFRS 5	772.5		772.5	
Lease liabilities before IFRS 5	**1,237.5**	**-**	**1,237.5**	**1,042.8**
Total net debt	**991.3**	**24.1**	**1,015.4**	**1,960.8**
Total net debt before IFRS 5	**1,853.4**	**39.3**	**1,892.7**	**1,960.8**

The balance sheet at 31 December 2019 was restated following the decision by the IFRS IC on the enforceable period of a lease (IFRS 16).

SIMPLIFIED STATEMENT OF CASH FLOWS – 31 DECEMBER 2020

(in millions of euros)	31/12/2020 IFRS (12-month period)	Restatement of joint ventures	31/12/2020 Operational reporting	31/12/2019 Operational reporting
Consolidated net profit	124.3	0.0	124.3	169.4
Elimination of non-cash income and expenses	227.9	28.4	256.3	207.2
Cash flow from operating activities after interest and tax expenses	352.2	28.4	380.6	376.6
Elimination of net interest expense/(income)	78.9	2.3	81.2	66.5
Elimination of tax expense, including deferred tax	66.6	3.7	70.4	101.4
Cash flow from operating activities before interest and tax expenses	497.7	34.4	532.2	544.5
Repayment of lease liabilities	(206.8)	-	(206.8)	(169.9)
Cash flow from operating activities after lease payments but before interest and tax expenses	291.0	34.4	325.4	374.6
Change in operating working capital	340.0	53.7	393.7	(98.2)
Dividends received from equity-accounted investments	17.8	(17.8)	-	-
Interest paid	(33.9)	(1.6)	(35.6)	(25.1)
Tax paid	(50.2)	(1.5)	(51.7)	(131.9)
Net cash from/(used in) operating activities	**564.7**	**67.1**	**631.8**	**119.4**
Net cash from/(used in) net operating investments	(73.4)	0.0	(73.4)	(59.6)
Free cash flow	**491.3**	**67.1**	**558.5**	**59.8**
Acquisitions of subsidiaries and other changes in scope	(39.3)	(0.6)	(39.9)	15.3
Reclassification in accordance with IFRS 5	(59.7)	(2.8)	(62.5)	
Net cash from/(used in) investing activities	**(106.2)**	**(3.4)**	**(109.6)**	**5.8**
Capital increase	0.0	(0.0)	(0.0)	(0.0)
Dividends paid to equity holders of the parent company	(109.8)	-	(109.8)	(138.2)
Other payments to/(from) minority shareholders	(43.5)	-	(43.5)	(33.6)
Net disposal/(acquisition) of treasury shares	(22.2)		(22.2)	(19.1)
Change in financial receivables and payables (net)	(1.6)	(22.9)	(24.5)	466.2
Net cash from/(used in) financing activities	**(177.1)**	**(22.9)**	**(200.0)**	**275.3**
Impact of changes in foreign currency exchange rates	(1.0)	-	(1.0)	0.2
Change in cash and cash equivalents	**207.0**	**40.9**	**247.9**	**341.1**

CAPITAL EMPLOYED

(in millions of euros)			2020			
	Total excl. right-of-use assets	Total incl. right-of-use assets	Non-current assets	Right-of-use assets	WCR	Goodwill
Development	**762**	**808**	35	46	728	
Services	**161**	**1,236**	178	1,075	(17)	
Other Activities and not attributable	**1,681**	**1,699**	97	18	(85)	1,669
Capital employed before IFRS 5	**2,604**	**3,743**	**310**	**1,138**	**626**	**1,669**
Reclassification under IFRS 5	**(248)**	**(955)**	(119)	(707)	56	(185)
Group capital employed	**2,356**	**2,787**	**190**	**431**	**682**	**1,484**

(in millions of euros)			2019 (restated)			
	Total excl. right-of-use assets	Total incl. right-of-use assets	Non-current assets	Right-of-use assets	WCR	Goodwill
Development	**982**	**1,027**	33	45	949	-
Services	**200**	**1,082**	184	882	16	-
Other Activities and not attributable	**1,723**	**1,759**	71	36	54	1,598
Group capital employed	**2,905**	**3,868**	**288**	**963**	**1,019**	**1,598**

ANNEX 2: SEGMENTATION BY CLIENT – OPERATIONAL REPORTING

Half-yearly revenue

	2020			2019			2018		
(in millions of euros)	12M	H2	H1	12M	H2	H1	12M	H2	H1
Individual Clients	**3,851.2**	**2,489.4**	**1,361.8**	**4,014.2**	**2,403.3**	**1,611.0**	**3,550.1**	**2,234.6**	**1,315.4**
Residential Real Estate	2,913.6	1,963.7	949.9	3,049.0	1,867.1	1,181.9	2,648.4	1,679.1	969.3
Real Estate Services to Individuals	937.7	525.7	411.9	965.2	536.2	429.0	901.6	555.5	346.1
Property Management (incl. franchises)	*331.5*	*173.2*	*158.3*	*358.8*	*180.2*	*178.6*	*359.8*	*183.1*	*176.7*
Serviced residences	*340.4*	*179.8*	*160.6*	*316.3*	*171.1*	*145.2*	*182.8*	*139.0*	*43.8*
Distribution activities	*265.7*	*172.8*	*92.9*	*290.1*	*184.9*	*105.2*	*359.0*	*233.4*	*125.6*
Commercial Clients	**1,003.4**	**649.1**	**354.3**	**483.7**	**255.2**	**228.5**	**580.7**	**341.5**	**239.1**
Commercial Real Estate	901.4	596.5	304.9	384.4	198.1	186.3	512.0	303.7	208.3
Real Estate Services to Companies	102.0	52.6	49.4	99.3	57.1	42.2	68.7	37.8	30.9
Other Activities	**(0.0)**	**(0.0)**	**0.0**	**0.9**	**(0.0)**	**0.9**	**4.3**	**2.4**	**1.9**
GROUP	**4,854.6**	**3,138.6**	**1,716.1**	**4,498.8**	**2,658.4**	**1,840.4**	**4,135.0**	**2,578.5**	**1,556.4**

Half-year EBITDA

	2020			2019			2018		
(in millions of euros)	12M	H2	H1	12M	H2	H1	12M	H2	H1
Individual Clients	**471.4**	**361.8**	**109.6**	**539.7**	**330.8**	**208.9**	**477.4**	**326.2**	**151.2**
Residential Real Estate	249.0	222.1	26.9	303.6	205.8	97.8	283.6	194.7	88.9
Real Estate Services to Individuals	222.4	139.7	82.7	236.1	125.0	111.1	193.8	131.5	62.3
Property Management (incl. franchises)	*52.4*	*28.2*	*24.2*	*84.8*	*36.6*	*48.1*	*67.4*	*38.5*	*28.9*
Serviced residences	*145.8*	*91.1*	*54.6*	*119.9*	*63.9*	*56.0*	*70.0*	*51.9*	*18.1*
Distribution activities	*24.2*	*20.4*	*3.9*	*31.4*	*24.4*	*7.0*	*56.3*	*41.1*	*15.2*
Commercial Clients	**89.5**	**28.7**	**60.8**	**61.8**	**34.8**	**27.0**	**71.7**	**33.8**	**37.9**
Commercial Real Estate	69.7	16.3	53.4	42.8	21.5	21.3	64.8	27.4	37.4
Real Estate Services to Companies	19.8	12.3	7.5	18.9	13.2	5.7	6.9	6.4	0.5
Other Activities	**(11.2)**	**(4.2)**	**(7.0)**	**(28.6)**	**(19.1)**	**(9.5)**	**(26.0)**	**(23.1)**	**(2.9)**
GROUP	**549.7**	**386.2**	**163.5**	**572.9**	**346.5**	**226.4**	**523.0**	**336.8**	**186.2**

Half-yearly current operating profit

	2020			2019			2018		
(in millions of euros)	12M	H2	H1	12M	H2	H1	12M	H2	H1
Individual Clients	**255.6**	**236.9**	**18.7**	**357.8**	**232.8**	**124.9**	**353.4**	**241.4**	**112.0**
Residential Real Estate	214.7	205.0	9.7	264.6	184.4	80.1	246.4	171.5	74.8
Real Estate Services to Individuals	40.9	31.9	9.0	93.2	48.4	44.8	107.0	69.9	37.1
Property Management (incl. franchises)	*23.6*	*12.5*	*11.2*	*54.3*	*19.6*	*34.7*	*44.8*	*25.6*	*19.2*
Serviced residences	*(3.0)*	*1.9*	*(5.0)*	*4.1*	*(0.3)*	*4.4*	*8.9*	*4.4*	*4.4*
Distribution activities	*20.3*	*17.6*	*2.8*	*34.8*	*29.1*	*5.7*	*53.4*	*39.9*	*13.5*
Commercial Clients	**62.9**	**14.5**	**48.4**	**42.2**	**25.2**	**16.9**	**64.0**	**28.5**	**35.5**
Commercial Real Estate	68.2	16.1	52.0	40.5	20.5	20.0	62.9	25.5	37.5
Real Estate Services to Companies	(5.2)	(1.6)	(3.6)	1.6	4.7	(3.1)	1.1	3.0	(2.0)
Other Activities	**(33.3)**	**(16.4)**	**(16.9)**	**(46.7)**	**(30.2)**	**(16.5)**	**(44.7)**	**(33.0)**	**(11.6)**
GROUP	**285.2**	**235.0**	**50.2**	**353.2**	**227.8**	**125.4**	**372.7**	**236.9**	**135.8**

ANNEX 3: ASSETS HELD FOR SALE

Reclassifications in accordance with IFRS 5

Due to the process underway for the sale of Ægide-Domitys and the likelihood that it will be carried out within the next 12 months, the Group is applying IFRS 5 (on assets held for sale), which requires the assets and liabilities of Ægide-Domitys to be presented separately from other continuing operations in the balance sheet.

These reclassifications are presented in the table below:

(in millions of euros)	**Ægide-Domitys 2020**
Assets	
Goodwill	185
Right-of-use assets	707
Other non-current assets	85
Net deferred tax	34
Non-current assets	**1,011**
Net WCR	(56)
Total assets held for sale	**955**
Net assets held for sale	**73**

(in millions of euros)	**Ægide-Domitys 2020**
Liabilities	
Other non-current liabilities	3
Provisions	2
Net financial debt	105
Lease liabilities	772
Total net debt	**877**
Total liabilities held for sale	**882**

Ægide-Domitys simplified income statement

(in millions of euros)	Development	Serviced residences	Other Activities	**Ægide-Domitys 2020**
Revenue	**156.0**	**244.8**	**0.0**	**400.8**
EBITDA	14.5	78.7	(3.6)	89.6
EBITDA after lease payments	13.8	(11.5)	(5.1)	(2.8)
Operating profit	**15.4**	**(13.8)**	**(4.9)**	**(3.4)**
Net financial income/(expense)	**(0.9)**	**(19.2)**	**(2.3)**	**(22.4)**
Pre-tax recurring profit	**14.5**	**(33.0)**	**(7.2)**	**(25.7)**

ANNEX 4: IFRS

CONSOLIDATED INCOME STATEMENT – 31 DECEMBER 2020

(in millions of euros)	31/12/2020 IFRS	31/12/2019 IFRS
Revenue	4,511.6	4,200.7
Operating expenses	(3,997.0)	(3,665.4)
Dividends received from equity-accounted investments	17.8	19.9
EBITDA	532.5	555.3
Lease payments	(206.8)	(169.9)
EBITDA after lease payments	325.7	385.4
Restatement of lease payments	206.8	169.9
Depreciation of right-of-use assets	(196.0)	(166.4)
Depreciation, amortisation and impairment of non-current assets	(50.6)	(45.2)
Net change in provisions	(6.6)	8.0
Share-based payments	(11.7)	(16.1)
Dividends received from equity-accounted investments	(17.8)	(19.9)
Current operating profit	249.8	315.8
Operating profit	249.8	315.8
Share of net profit from equity-accounted investments	28.7	25.0
Operating profit after share of net profit from equity-accounted investments	278.6	340.8
Cost of net financial debt	(49.5)	(39.7)
Other financial income/(expenses)	(3.6)	(9.8)
Interest expense on lease liabilities	(29.5)	(24.9)
Net financial income/(expense)	(82.5)	(74.4)
Pre-tax recurring profit	196.0	266.4
Income tax	(69.9)	(97.0)
Share of profit/(loss) from other equity-accounted investments	(1.9)	0.0
Consolidated net profit	124.3	169.4
Attributable to non-controlling interests	6.2	8.7
Attributable to equity holders of the parent company	**118.1**	**160.7**
(in euros)		
Net earnings per share	**2.14**	**2.90**

SIMPLIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – 31 DECEMBER 2020

ASSETS *(in millions of euros)*	31/12/2020 IFRS	31/12/2019 IFRS (restated)
Goodwill	1,484.0	1,598.0
Other non-current assets	666.4	1,249.2
Equity-accounted investments	57.8	39.9
Total non-current assets	2,208.2	2,887.2
Net WCR	591.3	842.8
Net assets held for sale	73.3	
Total assets	**2,872.8**	**3,729.9**

LIABILITIES AND EQUITY *(in millions of euros)*	31/12/2020 IFRS	31/12/2019 IFRS (restated)
Share capital and reserves	1,611.7	1,586.0
Net profit for the period	118.1	160.7
Equity attributable to equity holders of the parent company	1,729.7	1,746.7
Non-controlling interests	9.2	10.6
Total equity	1,739.0	1,757.3
Net debt	991.3	1,835.3
Provisions	104.8	100.0
Net deferred tax	37.7	37.3
Total liabilities and equity	**2,872.8**	**3,729.9**

CONSOLIDATED NET DEBT – 31 DECEMBER 2020

(in millions of euros)	31/12/2020 IFRS	31/12/2019 IFRS (restated)
Bond issues (incl. accrued interest and arrangement fees)	997.0	1,017.8
Loans and borrowings	877.6	941.5
Loans and borrowings	**1,874.7**	**1,959.3**
Other financial receivables and payables	**(95.0)**	**(120.4)**
Cash and cash equivalents	(1,305.1)	(1,116.7)
Bank overdraft facilities	51.7	70.4
Net cash and cash equivalents	**(1,253.4)**	**(1,046.3)**
Total net financial debt before lease liabilities	**526.3**	**792.5**
Lease liabilities	**465.0**	**1,042.8**
Total net debt	**991.3**	**1,835.3**

The balance sheet at 31 December 2019 was restated following the decision by the IFRS IC on the enforceable period of a lease (IFRS 16).

SIMPLIFIED STATEMENT OF CASH FLOWS – 31 DECEMBER 2020

(in millions of euros)	31/12/2020 IFRS	31/12/2019 IFRS
Consolidated net profit	124.3	169.4
Elimination of non-cash income and expenses	227.9	182.2
Cash flow from operating activities after interest and tax expenses	352.2	351.5
Elimination of net interest expense/(income)	78.9	64.6
Elimination of tax expense, including deferred tax	66.6	94.8
Cash flow from operating activities before interest and tax expenses	497.7	510.9
Repayment of lease liabilities	(206.8)	(169.9)
Cash flow from operating activities after lease payments but before interest and tax expenses	291.0	341.0
Change in operating working capital	340.0	(34.8)
Dividends received from equity-accounted investments	17.8	19.9
Interest paid	(33.9)	(23.2)
Tax paid	(50.2)	(124.6)
Net cash from/(used in) operating activities	**564.7**	**178.4**
Net cash from/(used in) net operating investments	(73.4)	(59.6)
Free cash flow	**491.3**	**118.8**
Acquisitions of subsidiaries and other changes in scope	(39.3)	14.9
Reclassification in accordance with IFRS 5	(59.7)	-
Other net financial investments	(7.2)	(9.5)
Net cash from/(used in) investing activities	**(106.2)**	**5.3**
Capital increase	0.0	0.0
Dividends paid to equity holders of the parent company	(109.8)	(138.2)
Other payments to/(from) minority shareholders	(43.5)	(33.6)
Net disposal/(acquisition) of treasury shares	(22.2)	(19.1)
Change in financial receivables and payables (net)	(1.6)	410.1
Net cash from/(used in) financing activities	**(177.1)**	**219.3**
Impact of changes in foreign currency exchange rates	(1.0)	0.2
Change in cash and cash equivalents	**207.0**	**343.6**

GLOSSARY

Property Management: Management of residential properties (rentals, brokerage), common areas of apartment buildings (as managing agent on behalf of condominium owners), commercial properties, and services provided to users. The Group's business activities in the management and operation of student residences as well as flexible workspaces are included in this segment.

Development backlog (or order book): The Group's already secured future revenue, expressed in euros, for its real estate development businesses (Residential Real Estate Development and Commercial Real Estate Development). 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)

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

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

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 lease payments: EBITDA net of expenses recorded for lease payments that are restated to reflect the application of IFRS 16 *Leases*

Gearing: Net debt divided by consolidated equity

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)

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 Development (New homes, Subdivisions and International) as well as Commercial Real Estate Development, 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 (project phases not yet marketed on purchased land, and projects not yet launched associated with land secured through options)

Order intake – Development for Commercial Real Estate: The total of selling prices excluding VAT as stated in definitive agreements for Commercial Real Estate Development 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

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

Land bank: The amount corresponding to acquired land development rights for projects in France carried out before obtaining a building permit or, in some cases, planning permissions

Residences open for more than 2 years (Domitys): Residences opened before 1 January 2019

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

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)