This document is a free translation into English of the original French *États financiers consolidés 31 décembre 2015*, reffered to as the "Consolidated financial statements 31 December 2015". It is not a binding document. In the event of a conflict in interpretation, reference should be made to the French version, which is the authentic text.

CONSOLIDATED FINANCIAL STATEMENTS 31 DECEMBER 2015

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Consolidated statement of financial position

ASSETS

(in thousands of euros)	Notes	31/12/2015	31/12/2014
Non-current assets			
Goodwill	8	1,148,836	1,115,883
Other intangible assets	9	61,388	61,313
Property, plant and equipment	9	49,003	41,400
Equity-accounted investments	10	30,527	45,990
Other financial assets	11	43,238	28,904
Deferred tax assets	33	7,907	5,135
Total non-current assets		**1,340,899**	**1,298,625**
Current assets			
Inventories and work in progress	13	1,326,851	1,328,737
Trade and other receivables	14	385,618	343,606
Tax accounts receivable	33	8,270	12,100
Other current assets	15	1,073,923	1,023,558
Other financial receivables	23	93,893	98,136
Cash and cash equivalents	24	744,267	595,060
Total current assets		**3,632,822**	**3,401,197**
Total assets		**4,973,721**	**4,699,822**

LIABILITIES AND EQUITY

(in thousands of euros)		31/12/2015	31/12/2014
Equity			
Share capital	17	270,945	270,905
Additional paid-in capital		915,255	1,036,325
Treasury shares	20	-	-
Reserves and retained earnings		269,377	215,752
Net profit for the period		123,521	35,731
Equity attributable to equity holders of the parent company		**1,579,098**	**1,558,713**
Non-controlling interests	18	2,279	20,134
Total equity		**1,581,377**	**1,578,847**
Non-current liabilities			
Long-term borrowings and financial debt	22	632,044	626,794
Employee benefits	27.2	28,541	30,732
Deferred tax liabilities	33	37,690	28,792
Total non-current liabilities		**698,275**	**686,318**
Current liabilities			
Short-term borrowings, financial and operating liabilities	22	309,955	239,283
Current provisions	27.1	100,418	98,573
Trade and other payables		710,978	695,926
Tax payable	33	339	6,053
Other current liabilities	16	1,572,379	1,394,822
Total current liabilities		**2,694,069**	**2,434,657**
Total liabilities and equity		**4,973,721**	**4,699,822**

Consolidated income statement

(in thousands of euros)	Notes	31/12/2015 12-month period	31/12/2014 12-month period
Revenue	28	2,875,898	2,370,191
Purchases		(1,926,265)	(1,491,556)
Personnel costs	29	(476,139)	(452,540)
Other operating expenses	30	(217,933)	(217,718)
Taxes (other than income tax)		(29,916)	(33,379)
Depreciation, amortisation and impairment		(25,003)	(19,627)
Current operating profit		**200,642**	**155,371**
Goodwill impairment	8	-	(49,979)
Operating profit		**200,642**	**105,392**
Share of profit from equity-accounted investments	10	15,454	27,682
Operating profit after share of profit from equity-accounted investments		**216,096**	**133,074**
Financial expense	32.1	(30,489)	(23,349)
Financial income	32.1	10,552	7,347
Net financial income/(expense)		**(19,937)**	**(16,002)**
Pre-tax recurring profit		**196,159**	**117,072**
Income taxes	33	(70,050)	(78,745)
Share of profit/(loss) from other equity-accounted investments	10	(547)	817
Net profit		**125,562**	**39,144**
Attributable to equity holders of the parent company		123,521	35,731
Attributable to non-controlling interests		2,041	3,413

(in euros)			
Basic earnings per share	34	**2.28**	**0.66**
Diluted earnings per share	34	**2.09**	**0.63**

Consolidated statement of comprehensive income

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Net profit	**125,562**	**39,144**
Remeasurement of derivative hedging instruments	1,821	3,407
Deferred tax	(627)	(1,283)
Foreign currency translation gains and losses	248	(19)
Gains and losses that may be recycled to net profit	**1,442**	**2,105**
Actuarial gains and losses on retirement benefits	1,081	(1,876)
Deferred tax on actuarial gains and losses	(372)	699
Gains and losses that may not be recycled to net profit	**709**	**(1,177)**
Total other comprehensive income (net of tax)	**2,151**	**928**
Total comprehensive income	**127,713**	**40,072**
Attributable to equity holders of the parent company	125,672	36,659
Attributable to non-controlling interests	2,041	3,413

Consolidated statement of changes in equity

(in thousands of euros)	Share capital	Additional paid-in capital	Treasury stock	Retained earnings and net profit	Other comprehensive income	Equity attributable to owners of the company	Non-controlling interests	Total equity
Movements in 2014								
1 January 2014	**267,883**	**1,039,347**	**-**	**307,143**	**(2,282)**	**1,612,091**	**20,703**	**1,632,794**
Proceeds from issuance of common stock	3,022	(3,022)				-		-
Treasury stock				53		53		53
Share-based payments				7,550		7,550		7,550
OCEANE equity component				10,582		10,582		10,582
Impact of acquisitions or disposals of minority interests after acquisition of control				(146)		(146)		(146)
Dividends paid by Nexity (€2.00 per share)				(108,076)		(108,076)		(108,076)
Total transactions with owners	**3,022**	**(3,022)**	**-**	**(90,037)**	**-**	**(90,037)**	**-**	**(90,037)**
Net profit for the period				35,731		35,731	3,413	39,144
Other comprehensive income					928	928		928
Total comprehensive income				**35,731**	**928**	**36,659**	**3,413**	**40,072**
Dividends paid by subsidiaries						-	(4,221)	(4,221)
Changes in scope						-	239	239
31 December 2014	**270,905**	**1,036,325**	**-**	**252,837**	**(1,354)**	**1,558,713**	**20,134**	**1,578,847**
Movements in 2015								
1 January 2015	**270,905**	**1,036,325**	**-**	**252,837**	**(1,354)**	**1,558,713**	**20,134**	**1,578,847**
Proceeds from issuance of common stock	40	(40)				-		-
Appropriation of 2014 earnings		(12,652)		12,652		-		-
Impact of IFRIC 21 adoption				1,333		1,333		1,333
Treasury stock				125		125		125
Share-based payments				10,789		10,789		10,789
Impact of acquisitions or disposals of minority interests after acquisition of control				(9,156)		(9,156)	(16,612)	(25,768)
Dividends paid by Nexity (€2.00 per share)		(108,378)				(108,378)		(108,378)
Total transactions with owners	**40**	**(121,070)**	**-**	**15,743**	**-**	**(105,287)**	**(16,612)**	**(121,899)**
Net profit for the period				123,521		123,521	2,041	125,562
Other comprehensive income					2,151	2,151		2,151
Total comprehensive income	**-**	**-**	**-**	**123,521**	**2,151**	**125,672**	**2,041**	**127,713**
Dividends paid by subsidiaries						-	(3,305)	(3,305)
Changes in scope						-	21	21
31 December 2015	**270,945**	**915,255**	**-**	**392,101**	**797**	**1,579,098**	**2,279**	**1,581,377**

Consolidated statement of cash flows

(in thousands of euros)	Notes	31/12/2015 12-month period	31/12/2014 12-month period
Net profit attributable to owners of the company		123,521	35,731
Net profit attributable to non-controlling interests		2,041	3,413
Consolidated net profit		125,562	39,144
Adjustments to reconcile net profit to cash flow from operating activities:			
Elimination of depreciation, amortisation and provisions		21,411	22,639
Elimination of goodwill impairment		-	49,979
Elimination of gains and losses on asset disposals		(5,532)	4,660
Elimination of the impact of changes in fair value		(3,802)	(1,994)
Elimination of net profit from equity-accounted investments		(15,454)	(27,682)
Elimination of net profit from other equity-accounted investments		547	(817)
Elimination of the impact of share-based payments		10,789	7,550
Cash flow from operating activities after financial and tax expenses		133,521	93,479
Elimination of net financial expense/(income)		22,220	16,699
Elimination of tax expense (including deferred taxes and tax credits)		61,563	68,949
Cash flow from operating activities before financial and tax expenses		217,304	179,127
Change in operating working capital	12	88,962	(107,209)
Dividends received from equity-accounted investments	10	15,435	47,573
Interest paid		(16,430)	(9,960)
Net tax paid		(56,781)	(73,825)
Net cash from operating activities		248,490	35,706
Acquisition of subsidiaries, net of cash acquired	3.6	(19,273)	(190,589)
Proceeds from sale of subsidiaries, net of cash divested	3.7	21,978	1,177
Other changes in scope		(2,628)	162
Purchase of property, plant, equipment and intangible assets		(19,821)	(29,456)
Purchase of financial assets		(4,922)	(9,452)
Proceeds from sale of property, plant, equipment and intangible assets		269	196
Proceeds from sale and redemption of financial assets		4,422	3,138
Net cash from/(used in) investing activities		(19,975)	(224,824)
Dividends paid to shareholders of the parent company		(108,378)	(108,076)
Dividends paid to minority shareholders of consolidated companies		(3,305)	(4,221)
Net disposal/(acquisition) of treasury stock		190	85
(Acquisitions)/disposals of minority interests with no gain or loss of control		(566)	-
Proceeds from issuance of bonds		75,413	442,817
Redemption of bonds		(62,274)	(36,311)
Increase in receivables and decrease in short-term financial debt		8,935	-
Decrease in receivables and increase in short-term financial debt		-	(12,684)
Net cash from/(used in) financing activities		(89,985)	281,610
Effect of foreign currency exchange rate changes on cash and cash equivalents		35	(18)
Change in cash and cash equivalents		**138,565**	**92,474**

Cash and cash equivalents, beginning of period		567,451	474,977
Cash and cash equivalents, end of period	24	706,016	567,451

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Information on the company and key developments

1.1 Information on the company

Nexity is an integrated real estate operator harnessing the entire spectrum of property know-how and skills to serve private individuals, companies, institutional investors and local authorities. Covering all segments of the property development and services markets, Nexity is one of the top players in French real estate and offers its clients a unique range of expertise and advice, products, services and solutions to meet their evolving needs.

Nexity is present throughout France and elsewhere in Europe.

The Group is organised around the following operating divisions:

Residential real estate, responsible for the development of new homes and subdivisions;

Commercial real estate, mainly focused on the development of new or rehabilitated office buildings, high-rises, business parks, logistics facilities, retail property and hotels;

Services and Distribution Networks, comprising services for individual clients (property management, student residence management) and for companies and investors (property management, real estate advisory and brokerage services), as well as the administration, coordination and development of real estate franchise networks; and

Other activities, which include in particular Nexity's urban regeneration business (Villes & Projets), investment activities, , innovative start-up ventures in the incubation phase, the main digital projects, the holding company and financial interests.

Nexity's shares are listed on Eurolist by NYSE Euronext Paris.

1.2 Key developments in the period

The following significant events took place in 2015:

in Residential real estate: with 11,741 reservations for new homes recorded in 2015 in France, in a revived market, Nexity saw a 13.3% rise in its reservations compared with 2014 (10,365 reservations), with an even more marked increase in expected revenue from reservations (up 18.8%);

in Commercial real estate: the total amount of new orders for 2015 was €403 million, surpassing the full-year order intake target of at least €200 million;

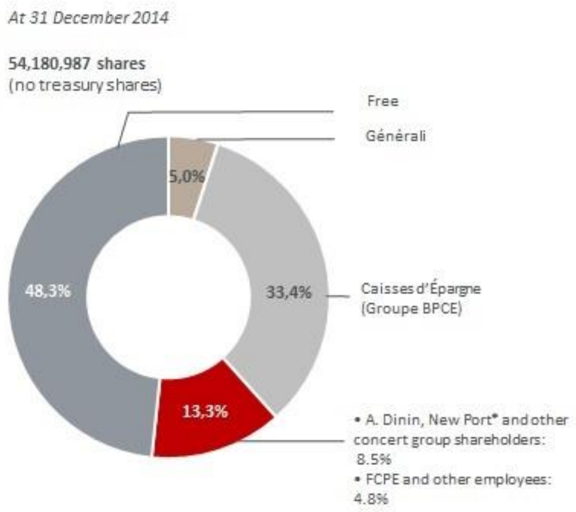
external growth: new individual property management firms were acquired for €20,368k (see Note 3.4);

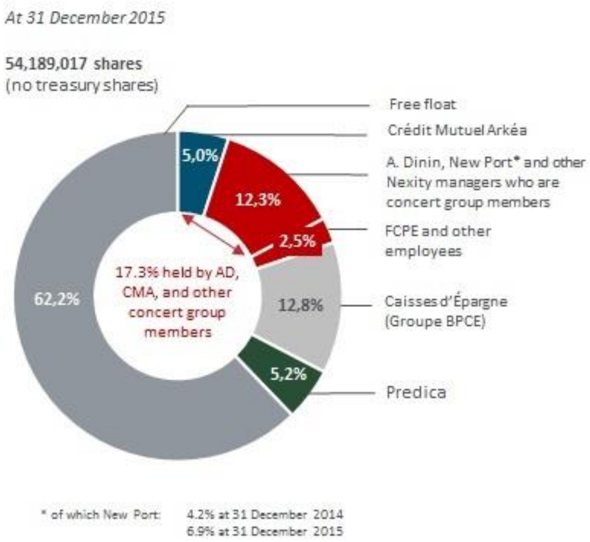
Nexity sold its stake in Ciloger (see Note 10), its individual property management operations in Switzerland (see Note 11), and 5 individual property management portfolios in the French regions;

BPCE reduced its equity holding in Nexity from 33.4% at 31 December 2014 to 12.8% at 31 December 2015, in line with its strategic plan. The four directors representing BPCE resigned (see Note 37.1). BPCE announced on 2 March 2016 that it had sold its remaining stake in Nexity to institutional investors; and

over the course of the financial year, four new directors were appointed, of which two are independent. The appointments of three directors (including Alain Dinin and Hervé Denize) were renewed for a term of 4 years ending at the approval of the 2018 financial statements.

Nexity's shareholder base changed as follows over the course of the financial year:





GENERAL INFORMATION

Note 2 Principles and policies

2.1 Statement of compliance

Nexity's consolidated financial statements for the year ended 31 December 2015 have been prepared in accordance with International Financial Reporting Standards (IFRSs) and IFRS Interpretations Committee (IFRIS IC) interpretations, as adopted by the European Union.

The accounting principles and methods used to prepare the consolidated financial statements for the year ended 31 December 2015 were the same as those applied for the previous accounting period ended 31 December 2014, except for the new standards, amendments and interpretations subsequently adopted by the European Union and mandatory in 2015.

For periods starting on or after 1 January 2015, the Group has adopted IFRIC 21 *Levies*, which applies to taxes other than corporate income tax. Under IFRIC 21, the obligating event for recognising a levy is the activity that makes that levy payable. In Nexity's case, this applies only to the C3S charge ("Contribution sociale de solidarité des sociétés). Previously, this charge was provisioned the year before it became payable; starting in 2015 it will be recognised as of 1 January of the relevant year. The impact in the opening balance sheet for 2015 (€1,333k net of tax) has been reclassified under equity as of 1 January 2015.

Nexity does not play to opt for early application of the standards and interpretations issued by the IASB as at 31 December 2015 and adopted by the European Union.

Nexity has begun an impact study on IFRS 15 and does not expect the application of this standard to pose a challenge to the principle of revenue and profit recognition based on percentage-of-completion for real estate development operations in France under VEFA off-plan agreements and CPI development contracts. In VEFA situations, control of the asset is passed to the client over time as it is completed, and in CPI arrangements the developer cannot make any alternative use of the asset and has an enforceable right to payment for performance completed to date. As the details of how this standard will be applied are not yet known, its potential impact on the rate of revenue and profit recognition has not been estimated as of this writing.

Nexity does not expect any material impact from the application of IFRS 9, mainly because there are no derivatives designated as hedging instruments in its financial statements.

The consolidated financial statements were approved by the Board of Directors on 16 February 2016 and will be submitted to the shareholders for approval at the Annual General Meeting of 31 May 2016.

2.2 Estimates and assumptions

The preparation of the consolidated financial statements requires Nexity's management to make estimates and assumptions based on forecasts for the results of real estate operations. Estimates and assumptions are used to measure Nexity's operating margin, non-current assets, provisions for risks and charges, inventory impairment, and accrued expenses. Other items also requiring the use of estimates based on assumptions regarding business plans, or changes in the rates applied, include provisions for risks and charges, employee benefit obligations, goodwill, and put options granted to minority shareholders.

These assumptions or estimates are established and reviewed regularly on the basis of information available and the actual position of the company on the date the financial statements are prepared, taking into consideration past experience and other relevant factors. Actual results may differ significantly from these estimates if assumptions and actual conditions vary.

The assumptions, estimates or other forms of judgement used in the preparation of the financial statements for the period ended 31 December 2015 were made in a context of recovering real estate markets in France, expected to continue into 2016 despite persistently weak economic indicators (unemployment) preventing a full recovery to pre-crisis profit margins.

2.3 Date of the financial statements

Group companies are consolidated on the basis of their financial statements for the 12-month period ended 31 December 2015.

Note 3 Scope of reporting and business combinations

3.1 Consolidation and reporting

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has power over the entity, has rights to variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity.

In assessing control, potential voting rights that the Group is able in practice to exercise are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates and joint ventures

Associates are entities in which the Group has significant influence, but not control, over financial and operating policies.

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

The consolidated financial statements include the Group's share of the total recognised gains and losses of associates and joint ventures on an equity-accounted basis, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Transactions eliminated on consolidation

The following are eliminated:

- intragroup receivables and payables;
- intragroup balances and transactions (purchases, sales, dividends, profit, provisions recorded against consolidated companies, etc.).

3.2 Scope of reporting

The Group comprises 2,230 consolidated and equity-accounted companies: In its residential and commercial division operations, the Group generally creates a new vehicle for each development, which explains the high number of entities in the reporting scope.

Basis of reporting	Residential real estate	Commercial real estate	Services and Distribution Networks	Other activities	Total at 31/12/2015
Fully consolidated	**1,905**	**76**	**63**	**30**	**2,074**
Joint ventures	134	14	-	6	154
Associates	1	-	-	1	2
Equity-accounted	**135**	**14**	**-**	**7**	**156**
Total scope of reporting	**2,040**	**90**	**63**	**37**	**2,230**

The number of entities in the reporting scope increased by 182 between 31 December 2014 and 31 December 2015.

The 207 additions to the scope consisted of 194 entities set up mainly as vehicles for the Group's real estate developments, and 13 entities acquired in external growth operations (see Note 3.6).

The 25 exits from the scope are primarily vehicles associated with completed projects or, occasionally, entities sold to the client upon delivery of the project. The Group also disposed of an individual property management subsidiary in Switzerland and Ciloger (accounted for using the equity method).

The list of the main entities in the reporting scope is given in Note 39.

3.3 Business combinations and goodwill

The Group recognises the identifiable assets acquired and liabilities assumed, measured at fair value, at the date on which control is transferred to the acquirer. The purchase price corresponds to the fair value, at the date of exchange, of the assets acquired and liabilities assumed. Purchase price adjustments are measured at fair value at each balance sheet date. After 12 months have elapsed from the acquisition date, any subsequent changes to this fair value are recognised in profit or loss.

The purchase price is allocated by recognising the acquiree's identifiable assets and liabilities assumed at their fair value at that date. The positive difference between the purchase price and the fair value of the identifiable assets acquired and liabilities assumed constitutes goodwill. Where applicable, the purchase price may include the fair value of non-controlling interests if the Group has opted to apply the full goodwill method.

The Group has a period of twelve months from the acquisition date to finalise the recognition of operations relating to the companies acquired.

Costs that are directly attributable to the acquisition are expensed as they are incurred.

3.4 Additions to the scope

Following Oralia in 2014, the Group acquired more individual property management firms in France in 2015, totalling a purchase price of €20,368k and generating goodwill of €29,793k after the allocation of a client relationship net of deferred tax of €2,549k. The goodwill amount for the firms added since 1 July 2015 is still provisional given the recent date of acquisition.

The companies acquired represent nearly €14 million in full-year revenue (8,700 condominium units under management; 8,100 rental units under management) and provide €6.4 million of revenue in the Group's 2015 consolidated financial statements.

3.5 Detail of acquisitions reported in the consolidated statement of cash flows

(in thousands of euros)	Acquisitions in 2015 (12-month period)	Acquisitions in 2014 (12-month period)
Purchase price	20,368	198,535
Cash of subsidiaries acquired	(1,095)	(7,946)
Acquisition of consolidated companies, net of cash acquired	**19,273**	**190,589**

The Group's acquisitions in 2014 included PERL, Oralia and Tereneo.

3.6 Detail of disposals reported in the consolidated statement of cash flows

(in thousands of euros)	Disposals in 2015 (12-month period)	Disposals in 2014 (12-month period)
Sale price	21,978	1,177
Less cash of subsidiaries sold	-	-
Proceeds from sale of consolidated companies, net of cash divested	**21,978**	**1,177**

The disposal amount of €21,978k mainly reflects the sale of the stake in Ciloger in June 2015 for €19,900k.

Note 4 Recognition of revenue and operating profit

Consolidated revenue comprises the Group's aggregate revenue from sales of real estate and the provision of services, after elimination of intragroup transactions.

Services and Distribution Networks and other activities:

Revenue from services is recognised over the duration of service provision and when transactions are entered into.

Residential and commercial real estate development:

Revenue and profit from real estate development operations undertaken in the form of VEFA (off-plan) or CPI (development) contracts are recognised on sold products using the percentage-of-completion method in relation to construction costs. Partially completed operations at the end of the period are recorded using the percentage-of completion method on the basis of the most updated estimates of the results of operations, discounted at year-end. The percentage of completion is determined on the basis of estimated progress at the date of the financial statements.

If results on completion cannot be determined reliably, revenue is only recognised on recoverable costs.

The operating margin for the Group's development activities includes all costs directly attributable to contracts:

- land acquisition costs;
- site development and construction costs;
- urban planning taxes and duties;
- preliminary contract costs, which are capitalised only if the probability of obtaining the contract is high;
- internal fees for operations contracting;
- direct marketing and selling costs (in-house and external sales commissions, etc.); and
- financial expenses directly attributed to real estate development operations.

When the contract of sale results from the transfer of a VEFA contract acquired from a third-party developer, or from sales on pre-existing buildings, the proceeds are recognised at the time of the notarised deed. The development operations of PERL and Iselection mainly take this form.

Revenue and profit from real estate development operations undertaken in Italy and Poland are recognised at the time of sale, which cannot be prior to completion.

Current operating profit:

Current operating profit includes all operating profit items with the exception of items resulting from unusual, abnormal and infrequently occurring transactions. In particular, impairments of goodwill are not included in current operating profit.

Note 5 Alternative performance measures

EBITDA is used to measure operating cash flow generation (see Note 31 and Note 6.2 on operational reporting). EBITDA is equal to current operating profit before depreciation, amortisation and impairment of fixed 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.

The Group uses "working capital requirement" (abbreviated as WCR; see Note 12 and Note 7.4 on operational reporting) and net debt (see Note 21 and Note 7.3 on operational reporting) to analyse its financial structure.

Note 6 Segment information

6.1 Definition of segments

Operating segments (hereafter "divisions") are subgroups of companies or activities for which separate financial information is available, reviewed on a regular basis by company management with a view to allocating resources and assessing their economic performance.

The organisational structure for Nexity's business activities (as presented to the Group's company officers, who are the chief operating decision makers) consists of the following divisions:

Residential division

This division chiefly includes Nexity Logement, Foncier Conseil, Iselection, Nexity Holding Italia, Nexity Polska, project-specific entities, and PERL (since 1 July 2014). Its areas of operation are as follows:

- residential real estate development;
- development of subdivisions.

Commercial division

This division is mainly made up of Nexity Immobilier d'Entreprise, Ywood, Téréneo (since 31 December 2014) and project-specific entities. Its primary areas of operation are:

- development of offices (new or rehabilitated), high-rise buildings, shopping centres and hotels;
- development of logistics and other commercial facilities.

Services and Distribution Networks division

Services mainly comprises Nexity Lamy and its subsidiaries, Oralia and its subsidiaries (since 1 April 2014) and LFP Nexity Services Immobiliers and its subsidiaries; Networks comprises the subsidiaries of Nexity Franchises. The principal activities of the division are as follows:

- property management services for individuals and companies: rental management, managing agent services and student residence management, transactions, consulting, and commercial property management;
- management, operation and development of agency franchises under the trade names Century 21 France and Guy Hoquet l'Immobilier.

Other activities

This division mainly includes the following activities:

- Villes & Projets and pre-development urban regeneration projects;
- equity interests in investment vehicles;
- the Nexity holding company;
- innovative start-up businesses in the incubation phase (Weroom, Nexity Blue Office, Nexity E-GERANCE) and the Group's main digital projects.

Operational Reporting

Segment reporting is based on the operational reporting that the Group uses for management purposes. In its operational reporting, Nexity applies proportionate consolidation to its joint ventures, which in its view provides a more accurate reflection of the Group's performance and risks as measured by revenue, operating profit, working capital and debt. Note 7 presents the condensed financial statements based on operational reporting data, with a reconciliation to the full statements.

Operating reporting data are analysed and commented on in the management report and the press release on annual results.

6.2 Income statement broken down by segment

31 DECEMBER 2015

(in thousands of euros)	Residential real estate	Commercial real estate	Services and Distribution Networks	Other activities	Operational Reporting Total
Total revenue	2,161,698	379,150	507,593	12,611	3,061,052
Revenue from other divisions	-	-	(3,835)	(85)	(3,920)
Revenue	**2,161,698**	**379,150**	**503,758**	**12,526**	**3,057,132**
Operating expenses	(1,972,398)	(340,382)	(457,415)	(27,164)	(2,797,360)
EBITDA	**189,300**	**38,768**	**46,343**	**(14,639)**	**259,772**
Depreciation, amortisation and impairment	(1,194)	(60)	(11,101)	(12,375)	(24,731)
Net change in provisions	4,404	594	171	(2,790)	2,379
Share-based payments	-	-	-	(10,789)	(10,789)
Borrowing costs directly attributable to property developments, transferred from inventory	(6,234)	(298)	-	-	(6,532)
Current operating profit/(loss)	**186,275**	**39,004**	**35,413**	**(40,593)**	**220,099**
Goodwill impairment	-	-	-	-	-
Operating profit/(loss)	**186,275**	**39,004**	**35,413**	**(40,593)**	**220,099**
Net financial income/(expense)	**(4,555)**	**(1,336)**	**(4,759)**	**(9,646)**	**(20,297)**
Pre-tax recurring profit/(loss)	**181,720**	**37,668**	**30,654**	**(50,239)**	**199,802**
Income taxes	(67,024)	(13,893)	(11,306)	18,529	(73,693)
Share of profit/(loss) from equity-accounted investments	(1,342)	-	-	795	(547)
Net profit/(loss)	**113,355**	**23,775**	**19,348**	**(30,915)**	**125,562**
Attributable to equity holders of the parent company	**110,333**	**23,775**	**19,289**	**(29,875)**	**123,521**
Attributable to non-controlling interests	**3,022**	**-**	**59**	**(1,039)**	**2,041**

31 DECEMBER 2014

(in thousands of euros)	Residential real estate	Commercial real estate	Services and Distribution Networks	Other activities	Operational Reporting Total
Total revenue	1,832,660	267,650	486,529	47,235	2,634,074
Revenue from other divisions	-	-	(2,120)	(32)	(2,152)
Revenue	**1,832,660**	**267,650**	**484,409**	**47,203**	**2,631,922**
Operating expenses	(1,680,252)	(226,470)	(448,270)	(56,263)	(2,411,255)
EBITDA	**152,408**	**41,180**	**36,139**	**(9,060)**	**220,667**
Depreciation, amortisation and impairment	(1,280)	(45)	(11,057)	(6,968)	(19,349)
Net change in provisions	(4,456)	4,511	1,692	(7,826)	(6,079)
Share-based payments	-	-	-	(7,550)	(7,550)
Borrowing costs directly attributable to property developments, transferred from inventory	(3,830)	(18)	(104)	-	(3,952)
Current operating profit/(loss)	**142,843**	**45,628**	**26,670**	**(31,403)**	**183,737**
Goodwill impairment	-	-	(49,979)	-	(49,979)
Operating profit/(loss)	**142,843**	**45,628**	**(23,309)**	**(31,403)**	**133,758**
Net financial income/(expense)	**(5,878)**	**(1,128)**	**(5,662)**	**(3,901)**	**(16,570)**
Pre-tax recurring profit/(loss)	**136,964**	**44,499**	**(28,971)**	**(35,304)**	**117,189**
Income taxes	(64,613)	(20,992)	(9,911)	16,655	(78,861)
Share of profit/(loss) from equity-accounted investments	(531)	-	-	1,348	817
Net profit/(loss)	**71,820**	**23,507**	**(38,881)**	**(17,301)**	**39,144**
Attributable to equity holders of the parent company	**68,488**	**23,507**	**(39,175)**	**(17,088)**	**35,731**
Attributable to non-controlling interests	**3,333**	**-**	**294**	**(214)**	**3,413**

6.3 Balance sheet items broken down by segment

31 DECEMBER 2015

(in thousands of euros)	Residential real estate	Commercial real estate	Services and Distribution Networks	Other activities	Inter-division eliminations and not segmented	Operational Reporting Total
Assets						
Non-current division assets	438,745	60,240	766,511	80,817	(36,576)	1,309,738
Deferred tax assets					10,038	10,038
Total non-current assets	**438,745**	**60,240**	**766,511**	**80,817**	**(26,538)**	**1,319,775**
Current division assets	2,042,345	521,818	891,203	895,982	(549,659)	3,801,688
Tax receivable					8,598	8,598
Total current assets	**2,042,345**	**521,818**	**891,203**	**895,982**	**(541,061)**	**3,810,286**
Total assets	**2,481,089**	**582,058**	**1,657,714**	**976,799**	**(567,599)**	**5,130,061**
Liabilities and equity						
Total equity					**1,581,374**	**1,581,374**
Non-current division liabilities	12,353	6,023	81,112	579,581	(18,480)	660,589
Deferred tax liabilities					39,494	39,494
Total non-current liabilities	**12,353**	**6,023**	**81,112**	**579,581**	**21,014**	**700,083**
Current division liabilities	1,422,385	466,922	1,129,155	397,361	(567,755)	2,848,067
Tax payable					538	538
Total current liabilities	**1,422,385**	**466,922**	**1,129,155**	**397,361**	**(567,218)**	**2,848,605**
Total liabilities and equity	**1,434,738**	**472,945**	**1,210,267**	**976,942**	**1,035,171**	**5,130,063**
Working capital requirement	**588,941**	**(9,617)**	**(63,870)**	**9,559**	**8,061**	**533,072**

31 DECEMBER 2014

(in thousands of euros)	Residential real estate	Commercial real estate	Services and Distribution Networks	Other activities	Inter-division eliminations and not segmented	Total Operational Reporting
Assets						
Non-current division assets	433,423	60,494	730,125	99,584	(48,652)	1,274,974
Deferred tax assets					5,892	5,892
Total non-current assets	**433,423**	**60,494**	**730,125**	**99,584**	**(42,760)**	**1,280,865**
Current division assets	2,008,893	341,458	861,762	892,858	(600,737)	3,504,234
Tax receivable					12,370	12,370
Total current assets	**2,008,893**	**341,458**	**861,762**	**892,858**	**(588,367)**	**3,516,604**
Total assets	**2,442,316**	**401,952**	**1,591,887**	**992,442**	**(631,127)**	**4,797,470**
Liabilities and equity						
Total equity					**1,578,847**	**1,578,847**
Non-current division liabilities	13,740	6,026	99,761	571,473	(33,470)	657,531
Deferred tax liabilities					32,341	32,341
Total non-current liabilities	**13,740**	**6,026**	**99,761**	**571,473**	**(1,129)**	**689,871**
Current division liabilities	1,493,127	272,145	1,059,884	306,406	(615,919)	2,515,644
Tax payable					13,108	13,108
Total current liabilities	**1,493,127**	**272,145**	**1,059,884**	**306,406**	**(602,811)**	**2,528,752**
Total liabilities and equity	**1,506,868**	**278,171**	**1,159,645**	**877,880**	**974,907**	**4,797,470**
Working capital requirement	**632,791**	**(12,339)**	**(52,963)**	**59,944**	**(738)**	**626,696**

ASSET ACQUISITION COSTS AT 31 DECEMBER 2015

(in thousands of euros)	Residential real estate	Commercial real estate	Services and Distribution Networks	Other activities	Operational Reporting Total
Property, plant and equipment and intangible assets	3,088	41	9,157	7,535	19,821
Total	**3,088**	**41**	**9,157**	**7,535**	**19,821**

ASSET ACQUISITION COSTS AT 31 DECEMBER 2014

(in thousands of euros)	Residential real estate	Commercial real estate	Services and Distribution Networks	Other activities	Operational Reporting Total
Property, plant and equipment and intangible assets	4,230	-	11,457	13,700	29,387
Total	**4,230**	**-**	**11,457**	**13,700**	**29,387**

6.4 Revenue by geographic region

The Group operates internationally in Europe (Italy, Belgium, Poland and Switzerland). The Group's revenue from international operations in 2015 was only 1.8% of its total revenue (2014: 2.7%).

FINANCIAL YEAR 2015

(in thousands of euros)	France	International	Operational Reporting Total
New homes	1,970,650	40,616	2,011,266
Subdivisions	150,432	-	150,432
Residential real estate	**2,121,082**	**40,616**	**2,161,698**
Commercial real estate	**378,249**	**901**	**379,150**
Services	458,152	12,507	470,659
Franchise networks	33,099	-	33,099
Services and Distribution Networks	**491,251**	**12,507**	**503,758**
Other activities	**12,526**	**-**	**12,526**
Total revenue	**3,003,108**	**54,024**	**3,057,132**

FINANCIAL YEAR 2014

(in thousands of euros)	France	International	Operational Reporting Total
New homes	1,632,863	55,988	1,688,851
Subdivisions	143,809	-	143,809
Residential real estate	**1,776,672**	**55,988**	**1,832,660**
Commercial real estate	**267,430**	**220**	**267,650**
Services	439,985	14,019	454,004
Franchise networks	30,405	-	30,405
Services and Distribution Networks	**470,390**	**14,019**	**484,409**
Other activities	**47,203**	**-**	**47,203**
Total revenue	**2,561,695**	**70,227**	**2,631,922**

Note 7 Condensed financial statements based on operational reporting

7.1 Statement of financial position based on operational reporting at 31 December 2015

ASSETS (in thousands of euros)	31/12/2015	Restatement of joint ventures	31/12/2015 Operational Reporting	31/12/2014 Operational Reporting
Non-current assets				
Goodwill	1,148,836	-	1,148,836	1,115,883
Other intangible assets	61,388	-	61,388	61,313
Property, plant and equipment	49,003	-	49,003	41,400
Equity-accounted investments	30,527	(20,273)	10,254	27,474
Other financial assets	43,238	(2,982)	40,256	28,904
Deferred tax assets	7,907	2,131	10,038	5,892
Total non-current assets	1,340,899	(21,124)	1,319,775	1,280,866
Current assets				
Inventories and work in progress	1,326,851	104,172	1,431,023	1,387,149
Trade and other receivables	385,618	26,055	411,673	368,587
Tax receivable	8,270	328	8,598	12,370
Other current assets	1,073,923	27,535	1,101,458	1,048,268
Other financial receivables	93,893	(73,470)	20,423	22,033
Cash and cash equivalents	744,267	92,844	837,111	678,197
Total current assets	3,632,822	177,464	3,810,286	3,516,604
TOTAL ASSETS	**4,973,721**	**156,340**	**5,130,061**	**4,797,470**

LIABILITIES AND EQUITY (in thousands of euros)	31/12/2015	Restatement of joint ventures	31/12/2015 Operational Reporting	31/12/2014 Operational Reporting
Equity				
Share capital	270,945	-	270,945	270,905
Additional paid-in capital	915,255	-	887,854	1,036,325
Treasury shares	-	-	-	-
Reserves and retained earnings	269,377	-	296,777	215,752
Net profit for the period	123,521	-	123,521	35,731
Equity attributable to equity holders of the parent company	1,579,098	-	1,579,097	1,558,713
Non-controlling interests	2,279	-	2,279	20,134
Total equity	1,581,377	-	1,581,376	1,578,847
Non-current liabilities				
Long-term borrowings and financial debt	632,044	3	632,047	626,798
Employee benefits	28,541	-	28,541	30,732
Deferred tax liabilities	37,690	1,806	39,494	32,341
Total non-current liabilities	698,275	1,809	700,082	689,871
Current liabilities				
Short-term borrowings, financial and operating liabilities	309,955	17,833	327,790	239,965
Current provisions	100,418	719	101,137	99,109
Trade and other payables	710,978	61,396	772,375	741,015
Tax payable	339	199	538	13,108
Other current liabilities	1,572,379	74,384	1,646,763	1,435,555
Total current liabilities	2,694,069	154,531	2,848,603	2,528,752
TOTAL LIABILITIES AND EQUITY	**4,973,721**	**156,340**	**5,130,061**	**4,797,470**
Working capital requirement before tax	**503,035**	**21,982**	**525,016**	**627,434**
Working capital requirement after tax	**510,966**	**22,111**	**533,076**	**626,696**

7.2 Income statement based on operational reporting at 31 December 2015

(in thousands of euros)	31/12/2015	Restatement of joint ventures	31/12/2015 Operational Reporting	31/12/2014 Operational Reporting
Revenue	2,875,898	181,234	3,057,132	2,631,922
Purchases	(1,926,265)	(159,459)	(2,085,724)	(1,723,557)
Personnel costs	(476,139)	(21)	(476,160)	(452,558)
Other operating expenses	(217,933)	(1,678)	(219,611)	(217,964)
Taxes (other than income tax)	(29,916)	(891)	(30,807)	(34,757)
Depreciation, amortisation and impairment	(25,003)	272	(24,731)	(19,349)
Current operating profit	200,642	19,457	220,099	183,737
Goodwill impairment	-	-	-	(49,979)
Operating profit	200,642	19,457	220,099	133,758
Share of profit/(loss) from equity-accounted investments	15,454	(15,454)	-	-
Operating profit after share of profit from equity-accounted investments	216,096	4,003	220,099	133,758
Financial expense	(30,489)	(142)	(30,631)	(24,418)
Financial income	10,552	(218)	10,334	7,848
Net financial income/(expense)	(19,937)	(360)	(20,297)	(16,570)
Pre-tax recurring profit	196,159	3,643	199,802	117,188
Income taxes	(70,050)	(3,643)	(73,693)	(78,861)
Share of profit/(loss) from other equity-accounted investments	(547)	-	(547)	817
Net profit	**125,562**	**-**	**125,562**	**39,144**
Attributable to equity holders of the parent company	**123,521**	**-**	**123,521**	**35,731**
Attributable to non-controlling interests	**2,041**	**-**	**2,041**	**3,413**
Basic earnings per share	**2.28**		**2.28**	**0.66**
Diluted earnings per share	**2.09**		**2.09**	**0.63**

7.3 Breakdown of net debt based on operational reporting at 31 December 2015

(in thousands of euros)	31/12/2015	Restatement of joint ventures	31/12/2015 Operational Reporting	31/12/2014 Operational Reporting
Bond issues	538,757	-	538,757	534,885
Long-term borrowings and financial debt	97,306	2	97,308	95,946
Short-term borrowings and financial debt	214,854	38,059	252,913	176,031
Loans and borrowings	850,916	38,062	888,978	806,862
Current accounts held as liabilities and related payables	52,831	(20,696)	32,135	26,557
Current accounts held as assets and related receivables	(93,893)	73,470	(20,423)	(22,033)
Other financial borrowings and other financial receivables	(41,061)	52,774	11,712	4,524
Cash and cash equivalents	(744,267)	(92,844)	(837,111)	(678,197)
Bank overdraft facilities	38,251	472	38,723	33,341
Net cash	(706,016)	(92,372)	(798,388)	(644,856)
Total net debt/(cash)	**103,839**	**(1,537)**	**102,302**	**166,530**

7.4 Breakdown of working capital requirement based on operational reporting at 31 December 2015

(in thousands of euros)	31/12/2015	Restatement of joint ventures	31/12/2015 Operational Reporting	31/12/2014 Operational Reporting
Current assets				
Inventories and work in progress	1,326,851	104,172	1,431,023	1,387,149
Trade and other receivables	385,618	26,055	411,673	368,587
Other current assets	1,073,923	27,535	1,101,458	1,048,268
Current liabilities				
Trade and other payables	(710,978)	(61,396)	(772,375)	(741,015)
Other current liabilities	(1,572,379)	(74,384)	(1,646,763)	(1,435,555)
Working capital requirement before tax	503,034	21,982	525,016	627,434
Tax receivable	8,270	328	8,598	12,370
Tax payable	(339)	(199)	(538)	(13,108)
Total working capital requirement	**510,966**	**22,111**	**533,076**	**626,696**

7.5 Breakdown of net financial income/expense based on operational reporting at 31 December 2015

(in thousands of euros)	31/12/2015 12-month period	Restatement of joint ventures	31/12/2015 Operational Reporting	31/12/2014 Operational Reporting
Interest expense	(29,578)	(607)	(30,185)	(22,347)
Interest income and income from sale of marketable securities	7,358	(227)	7,131	4,970
Cost of debt, net	**(22,220)**	**(834)**	**(23,054)**	**(17,377)**
Other financial income and expenses	(2,011)	5	(2,006)	(4,409)
Transfer of borrowing costs to inventories	4,294	470	4,763	5,216
Other financial income/(expense), net	**2,282**	**475**	**2,757**	**808**
Total financial income/(expense)	**(19,937)**	**(360)**	**(20,297)**	**(16,570)**

7.6 Statement of cash flows based on operational reporting at 31 December 2015

(in thousands of euros)	31/12/2015 12-month period	Restatement of joint ventures	31/12/2015 Operational Reporting	31/12/2014 Operational Reporting
Net profit attributable to owners of the company	123,521	-	123,521	35,731
Net profit attributable to non-controlling interests	2,041	-	2,041	3,413
Consolidated net profit	125,562	-	125,562	39,144
Adjustments to reconcile net profit to cash flow from operating activities:				
Elimination of depreciation, amortisation and provisions	21,411	(90)	21,321	21,541
Elimination of goodwill impairment	-	-	-	49,979
Elimination of gains and losses on asset disposals	(5,532)	-	(5,532)	1,456
Elimination of the impact of changes in fair value	(3,802)	-	(3,802)	(1,994)
Elimination of net profit from equity-accounted investments	(15,454)	15,454	-	-
Elimination of net profit from other equity-accounted investments	547	-	547	(817)
Elimination of the impact of share-based payments	10,789	-	10,789	7,550
Cash flow from operating activities after financial and tax expenses	133,521	15,364	148,885	116,859
Elimination of net financial expense/(income)	22,220	834	23,054	17,377
Elimination of tax expense, including deferred taxes	61,563	3,643	65,206	69,067
Cash flow from operating activities before financial and tax expenses	217,304	19,841	237,145	203,303
Change in operating working capital	88,962	(1,957)	87,005	(79,146)
Dividends received from equity-accounted investments	15,435	(12,767)	2,668	219
Interest paid	(16,430)	(834)	(17,264)	(10,288)
Net tax paid	(56,781)	(12,696)	(69,477)	(76,294)
Net cash from/(used in) operating activities	248,490	(8,413)	240,077	37,794
Acquisition of subsidiaries, net of cash acquired	(19,273)	-	(19,273)	(190,589)
Proceeds from sale of subsidiaries, net of cash divested	21,978	(212)	21,766	1,177
Other changes in scope	(2,628)	858	(1,770)	119
Purchase of property, plant, equipment and intangible assets	(19,821)	-	(19,821)	(29,481)
Purchase of financial assets	(4,922)	84	(4,838)	(9,452)
Proceeds from sale of property, plant, equipment and intangible assets	269	-	269	196
Proceeds from sale and redemption of financial assets	4,422	(46)	4,376	3,138
Net cash from/(used in) investing activities	(19,975)	684	(19,291)	(224,892)
Dividends paid to shareholders of the parent company	(108,378)	-	(108,378)	(108,076)
Dividends paid to minority shareholders of consolidated companies	(3,305)	-	(3,305)	(4,221)
Net disposal/(acquisition) of treasury stock	190	-	190	85
(Acquisitions)/disposals of minority interests with no gain or loss of control	(566)	-	(566)	-
Proceeds from issuance of bonds	75,413	24,895	100,308	447,268
Redemption of bonds	(62,274)	(4,542)	(66,816)	(75,462)
Increase in receivables and in short-term financial debt	8,935	2,343	11,278	-
Decrease in receivables and increase in short-term financial debt	-	-	-	(7,378)
Net cash from/(used in) financing activities	(89,985)	22,696	(67,289)	252,216
Effect of foreign currency exchange rate changes on cash and cash equivalents	35	-	35	(18)
Change in cash and cash equivalents	**138,565**	**14,967**	**153,532**	**65,100**
Cash and cash equivalents, beginning of period	567,451	77,405	644,856	579,756
Cash and cash equivalents, end of period	706,016	92,372	798,388	644,856

ANALYSIS OF THE FINANCIAL STATEMENTS

NON-CURRENT ASSETS

Note 8 Goodwill

Goodwill reflects the know-how and synergies expected from acquired companies.

Goodwill is tested for impairment at least once a year and when there is an indication of impairment loss. To test for impairment, goodwill is broken down into cash generating units (CGUs), which are groups of similar assets generating identifiable cash flows. An impairment test involves comparing the net carrying amount of each CGU with the recoverable amount. The recoverable amount corresponds to the value in use, determined on the basis of the present value of expected future cash flows, which is the most suitable method considering the lack of recent comparable transactions. In the event of impairment the corresponding amount is recognised as an expense in the income statement.

An impairment loss recognised for a CGU is first allocated to the carrying amount of the goodwill associated with the CGU and then to the other non-monetary assets of the CGU in proportion to their carrying amounts.

An impairment loss of goodwill may not be reversed.

Goodwill is allocated to the following cash-generating units (CGUs): Residential real estate, Commercial real estate, Services, and Franchise networks.

(in thousands of euros)	31/12/2014	Acquisitions	Disposals	Adjustments during the allocation period	31/12/2015
Residential real estate	403,747	-	-	3,916	407,663
Commercial real estate	59,664	-	-	(319)	59,345
Services	607,235	29,793	(437)	-	636,591
Franchise networks	45,237	-	-	-	45,237
Total goodwill	**1,115,883**	**29,793**	**(437)**	**3,597**	**1,148,836**

Acquisitions for the period, which generated goodwill of €29,793k, are described in Note 3.4.

After testing at the 2015 balance sheet date, no impairment losses were recognised. Impairment losses totalling €49,979k were recognised in 2014 in respect of the Services and Franchise networks CGUs.

The main assumptions used for testing are as follows:

The discount rate applied to future cash flows was calculated for each CGU by the same independent expert as in 2014. This rate corresponds to the weighted average cost of capital after tax, which takes into account the cost of equity and the cost of debt. The income tax rate applied to debt takes into account the deduction limitation rule for financial expenses. As in 2014, the cost of equity was determined by taking into account average financial market performance in 2015.

DISCOUNT RATE (WACC AFTER TAX)

	Residential real estate	Commercial real estate	Services	Franchise networks
Rate used in 2015	6.2%	7.1%	5.9%	6.0%
Rate used in 2014	5.9%	7.2%	6.3%	7.2%

The impairment tests use the five-year business plan set out by Executive Management and presented to the Board of Directors in December 2015. This business plan involves differing growth assumptions depending on the business activity involved. These assumptions take into account current market conditions and foreseeable developments (given the overall economic environment, which should continue to bear out the improvement seen in 2015 in the Group's different real estate market segments) as well as the Group's assumptions about changes in the regulatory environment and competitive pressures on the markets where Nexity operates. Budgeted margin levels are consistent with the margin targets set by the Commitments Committee for commercial and residential real estate development projects, and with the margin improvement target for the business activities of the Services and Distribution Networks division.

Beyond the five-year plan, the perpetuity growth rate used to calculate the terminal value is 1.5% (thus the same rate as at 31 December 2014). This rate is lower than the average growth rate for business activities over the period of the business plan.

A sensitivity analysis of the preceding assumptions was conducted to measure the impact of the new criteria used for calculation, on the basis of changes deemed possible by Executive Management, within a reasonable range:

- Discount rate: +0.5 points;
- Growth rate: -0.5 points in the perpetuity growth rate;
- Operating margin: -1 point in the margin on the terminal cash flow.

Given the wide discrepancy between the DCF value and the value to be tested, no impairment is indicated for the Residential real estate and Commercial real estate CGUs, using these pessimistic assumptions (reaching the threshold for an indication of impairment by DCF would require an 81% decrease in the terminal cash flow for Residential real estate, and 93% for Commercial real estate).

For the Services and Franchise networks CGUs, in which an impairment loss was recognised in 2014 (€26,334k in Services and €23,645k in Franchise networks), there is also no indication of impairment based on these pessimistic assumptions.

- For the Services CGU, reaching the threshold at which the DCF value would indicate an impairment would require a decrease of 21% in the terminal cash flow, equal to a drop of 2 points in the operating margin on revenue, or a discount rate of more than 6.7%.
- For the Franchise networks CGU, reaching the threshold at which the DCF value would indicate an impairment would require a decrease of 49% in the terminal cash flow, equal to a drop of 8 points in the operating margin on revenue, or a discount rate of more than 9.0%.

Note 9 Other intangible assets and property, plant and equipment

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses. They consist mainly of software, including purchased packages as well as tools developed for internal use, and client relationships that may be recognised when accounting for business combinations in the Services business.

Amortisation is calculated on a straight-line basis over the estimated useful lives of the intangible assets: between 1 and 7 years for software purchased or developed; between 6 and 20 years for client relationships.

Property, plant and equipment is stated at acquisition or production cost less accumulated depreciation and impairment losses.

Property, plant and equipment is mainly composed of fixtures and fittings, office and computer equipment, and furniture.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, generally between 3 and 10 years.

(in thousands of euros)	Gross	Depreciation, amortisation and impairment	31/12/2015	Gross	Depreciation, amortisation and impairment	31/12/2014
Other intangible assets	118,435	(57,047)	61,388	108,011	(46,698)	61,313
Property, plant and equipment	149,987	(100,984)	49,003	135,754	(94,354)	41,400
Total non-current assets	**268,422**	**(158,031)**	**110,391**	**243,765**	**(141,052)**	**102,713**

CHANGES IN THE PERIOD

(in thousands of euros)	31/12/2014	Movements, acquisitions and disposals	Net charges for the period	Changes in scope and other	31/12/2015
Other intangible assets	61,313	8,099	(11,516)	3,493	61,388
Property, plant and equipment	41,400	11,241	(13,506)	9,867	49,003
Total non-current assets	**102,713**	**19,340**	**(25,023)**	**13,360**	**110,391**

Changes in scope affecting intangible assets mainly include a client relationship in connection with an external growth transaction (see Note 3.5) in the amount of €3,824k before tax. This asset will be amortised on a straight-line basis over a period of 20 years.

Changes in scope and other items affecting property, plant and equipment mainly reflect the requalification of the basic operating leases used for computer hardware into finance agreements totalling €9,791k.

Note 10 Equity-accounted investments

The Group's equity-accounted investments are initially recorded at acquisition cost including any goodwill generated. Their carrying amount is then increased or decreased to take into account the Group's share in any profit and loss generated after the acquisition date.

If the Group's share of the losses of an associate or joint venture exceeds the carrying amount of the investee, the carrying amount is reduced to nil and the recognition of further losses is discontinued unless the Group has a legal or constructive obligation to cover the losses or make payments in respect of the investee.

If there is an indicator of impairment, a test is performed which compares the carrying amount of the investee to its recoverable amount.

CHANGE IN THE PERIOD

(in thousands of euros)	31/12/2015	31/12/2014
Value of investments at beginning of period	45,990	64,906
Change in scope and foreign exchange gains and losses	(14,735)	(878)
Change in equity of equity-accounted investments	(200)	1,036
Share of profit/(loss) from investments with activities that are an extension of the Group's operating activities	15,454	27,682
Group share of profit/(loss) from other investments	(547)	817
Dividends paid net	(15,435)	(47,573)
Value of investments at period-end	**30,527**	**45,990**
o/w investees with activities that are an extension of the Group's operating activities	20,273	18,516
o/w other investees	10,254	27,474

"Investments with activities that are an extension of the Group's operating activities" are joint ventures. Most joint ventures are property developments (residential or commercial) undertaken with another developer (co-developments).

"Other investees" are associates (38.15% stake in Aegide and 20% stake in Lexin Alfortville, an investment operation in Alfortville (Val de Marne)).

On 30 June 2015, Nexity finalised the disposal of its 45% stake in Ciloger (which manages €4.5 billion in real estate assets on behalf of fifteen SCPI real estate investment vehicles invested in retail premises, offices and housing, and thirteen OPCI real estate investment funds) to La Banque Postale. The sale of this investment does not have a significant impact on Nexity's 2015 financial statements and is the main change in scope for the period.

Note 11 Other financial assets

(in thousands of euros)	31/12/2014	Movements, acquisitions and disposals	Net charges for the period	Changes in scope and other	31/12/2015
Start-up investments	4,468	3,164	-	-	7,632
Companies in the process of being acquired or sold	-	-	-	5,608	5,608
Companies soon to be dissolved	2,079	-	(52)	57	2,084
Cash allocated to the liquidity contract	4,681	1,194	-	-	5,875
Deposits and guarantees	8,628	460	12	(57)	9,042
Investments in property developments	3,665	3,864	-	2,385	9,914
Loans for property acquisitions from Crédit Financier Lillois	1,786	952	30	-	2,768
Other	3,596	(3,237)	(51)	7	315
Total other financial assets	**28,902**	**6,397**	**(61)**	**8,000**	**43,238**

"Startup investments" are investments in FPCIs (French private equity funds for professional investors) or direct investments in private companies, in business sectors such as digital technology that may offer future synergies or growth opportunities.

"Companies in the process of being acquired or sold" particularly includes the fair value remeasurement of the Swiss subsidiary in property management for individuals, which was in the process of being sold and is no longer consolidated as of 1 April 2015. The sale was completed on 18 January 2016.

"Companies soon to be dissolved" means investments in private companies that have been used as vehicles for property developments that have been delivered, or which own property assets.

"Cash allocated to the liquidity contract" designates the financial resources made available to the Investment Services Provider (ISP) contracted to manage the liquidity of Nexity's publicly-traded shares in accordance with the authorisations voted by the shareholders. An additional contribution of €1 million was made during the period.

"Deposits and guarantees" are held by third parties, and mainly include security deposits on the office buildings leased and occupied by the Group and on the surety bonds obtained for property management and brokerage practices in real estate services. Deposits and guarantees relating to the completion of property developments are included in the calculation of working capital.

"Investments in property developments" refers to medium-term financing contributed by the Group to its equity-accounted investees.

"Loans for property acquisitions from Crédit Financier Lillois" includes €283k maturing in less than one year as of 31 December 2015 and €280k maturing in less than one year as of 31 December 2014.

"Other" financial assets mainly mature in more than one year.

WORKING CAPITAL REQUIREMENT

Note 12 Breakdown of working capital requirement

(in thousands of euros)	Notes	31/12/2015	31/12/2014
Current assets			
Inventories and work in progress	13	1,326,851	1,328,737
Trade and other receivables	14	385,618	343,606
Other current assets	15	1,073,923	1,023,558
Current liabilities			
Trade and other payables		(710,978)	(695,925)
Other current liabilities	16	(1,572,379)	(1,394,822)
Working capital requirement before tax		**503,034**	**605,153**
Tax receivable	33	8,270	12,100
Tax payable	33	(339)	(6,053)
Total working capital requirement		**510,966**	**611,201**

CHANGE IN THE PERIOD

(in thousands of euros)	Change in the period
Working capital requirement before tax at 31/12/2014	**605,153**
Change in working capital requirement as per cash flow statement	(88,962)
Impact of changes in scope	(7,731)
Change in receivables and payables for fixed assets and similar items (included in trade payables)	(5,427)
Working capital requirement before tax at 31/12/2015	**503,034**

Note 13 Inventories and work in progress

“Inventories and work in progress” includes land recorded at acquisition cost, construction in progress (site development and construction costs), selling expenses assignable to contracts (in-house and external commissions) and finished products, recorded at production cost. Borrowing costs that may be allocated to real estate development projects are included in the cost of inventories.

Preliminary contract costs for real estate development programmes are included in the cost of inventories if the probability of securing the contract is high. If the contract is not obtained, the related costs are expensed.

When the net realisable value of inventories and work in progress is less than their cost, impairment losses are recorded.

(in thousands of euros)	Gross	Impairment	31/12/2015	Gross	Impairment	31/12/2014
Total inventories and work in progress	**1,375,923**	**(49,072)**	**1,326,851**	**1,374,156**	**(45,419)**	**1,328,737**

At 31 December 2015, inventories included borrowing costs of €2,702k, compared to €4,642k at 31 December 2014 (see Note 32.2).

Note 14 Trade and other receivables

Construction work in progress

Construction work in progress is stated at cost plus profit recognised to date, (less a provision for foreseeable losses) and progress billings issued.

Trade and other receivables

Trade and other receivables are stated at fair value upon initial recognition, then at amortised cost less allowances for uncollectible items.

(in thousands of euros)	Gross	Impairment	31/12/2015	Gross	Impairment	31/12/2014
Total trade and other receivables	**402,466**	**(16,848)**	**385,618**	**361,280**	**(17,674)**	**343,606**

The Group believes that its credit risk is not material as it essentially operates in a regulated business environment, which secures the payment of trade receivables.

Note 15 Other current assets

The Real estate services business enters into agreements with clients to perform services on their behalf as authorised agents. For this purpose, the Group holds client working capital accounts. As the authorised agent, the Group manages these client working capital accounts and reports them as separate accounts in its balance sheet under the line items “Other current assets” and “Other current liabilities”.

When client working capital accounts are not managed in separate accounts, the financial income generated by this business is directly recognised as revenue in the consolidated financial statements.

(in thousands of euros)	Gross	Impairment	31/12/2015	Gross	Impairment	31/12/2014
Suppliers: advances & down payments	55,775	(187)	55,588	30,131	(187)	29,944
Government receivables	284,859	-	284,859	259,649	-	259,649
Prepaid expenses	17,479	-	17,479	15,893	-	15,893
Other receivables	34,874	(2,986)	31,888	66,902	(4,083)	62,819
Cash held in client working capital accounts	684,109	-	684,109	655,252	-	655,252
Total other current assets	**1,077,096**	**(3,173)**	**1,073,923**	**1,027,828**	**(4,270)**	**1,023,558**

Note 16 Other current liabilities

(in thousands of euros)	31/12/2015	31/12/2014
Tax payables and social security contributions	258,064	245,259
Prepaid income & other accruals	42,164	44,576
Clients – advances and deposits received	564,732	424,970
Client working capital accounts	684,110	655,252
Reservation deposits held in escrow	23,308	24,766
Total other current liabilities	**1,572,379**	**1,394,822**

EQUITY

Note 17 Share capital

At 31 December 2015, the share capital of the parent company comprised 54,189,017 shares with a par value of €5 per share, compared with 54,180,987 shares at 31 December 2014. The capital increase in 2015 corresponds to the allocation of 8,030 free shares to Group employees.

Outstanding authorisations to the Board of Directors to increase the share capital are as follows:

Purpose of the authorisation	Date and duration of the authorisation	Maximum nominal amount of capital increase	Amount used and decision to use
ISSUE OF SHARES			
1. Issue with pre-emptive subscription rights Capital increase, with pre-emptive subscription rights, through the issue of shares or other securities providing access to the share capital	Shareholders' Meeting of 20 May 2014 (18th resolution) 26 months, to 19 July 2016	€70 million(1)(5)(6)	Not used
2. Public issue without pre-emptive subscription rights Capital increase through the issue of shares or other securities providing access to the share capital	Shareholders' Meeting of 20 May 2014 (19th resolution) 26 months, to 19 July 2016	€60 million(2)(3)(5)(7)	Not used
3. Private placement, without pre-emptive subscription rights, open to qualified investors (as described in Section II of Article L. 412-2 of the French Monetary and Financial Code) Capital increase through the issue of shares or other securities providing access to the share capital	Shareholders' Meeting of 20 May 2014 (20th resolution) 26 months, to 19 July 2016	€60 million (3)(4)(5)(7) not to exceed 20% of the Company's share capital in each 12-month period following the initial use of this authorisation	On 12 and 13 June 2014, 4,153,207 bonds were issued that may be converted and/or exchanged for new or existing Nexity shares (OCEANE). The total amount issued was €179,999,991.38. The initial conversion ratio of 1 share per OCEANE bond was adjusted to 1.053 shares per OCEANE bond following the distribution approved at the Shareholders' Meeting of 19 May 2015 (see Note 22.1).
4. Private placement, without pre-emptive subscription rights, open to qualified investors (as described in Section II of Article L. 412-2 of the French Monetary and Financial Code) Capital increase through the issue of shares or other securities providing access to the share capital	Shareholders' Meeting of 19 May 2015 (30th resolution) 14 months, to 18 July 2016	€67 million(8) (9) (10) not to exceed 20% of the Company's share capital in each 12-month period following the initial use of this authorisation	Not used
5. Capitalisation of reserves, earnings, premiums or other accounts	Shareholders' Meeting of 20 May 2014 (22nd resolution) 26 months, to 19 July 2016	€70 million (6)	Not used
6. Issue in exchange for contributions of equity securities or other securities providing access to share capital through a public exchange offer initiated by the Company	Shareholders' Meeting of 20 May 2014 (23rd resolution) 26 months, to 19 July 2016	€60 million (4)(7)	Not used
7. Issue of shares or other securities in exchange for contributions in kind granted to the Company comprising equity securities or securities conferring access to the share capital	Shareholders' Meeting of 20 May 2014 (24th resolution) 26 months, to 19 July 2016	10% of share capital at date authorisation used(4)	Not used
8. Capital increase during the course of a public offer Authorisation to use Authorisations 1, 2, 3, 5, 6 and 7 as per this table during the course of a public offer under the reciprocity exception	Shareholders' Meeting of 20 May 2014 (25th resolution) 18 months, to 19 November 2015	Ceilings set forth under the applicable authorisations in effect	Not applicable as of 1 July 2014

Purpose of the authorisation	Date and duration of the authorisation	Maximum nominal amount of capital increase	Amount used and decision to use
ISSUES RESERVED FOR EMPLOYEES OR ELIGIBLE COMPANY OFFICERS			
9. Allocation of free shares	Shareholders' Meeting of 20 May 2014 (26th resolution) 14 months, to 19 July 2015 Superseded by the authorisation below	1% of share capital at date allocation decided by Board of Directors	Allocation of 331,000 free shares at Board of Directors' meeting of 17 December 2014 and 92,000 free shares at Board of Directors' meeting of 28 April 2015
10. Allocation of free shares	Shareholders' Meeting of 19 May 2015 (23rd resolution) 14 months, to 19 July 2016	1% of share capital at date allocation decided by Board of Directors	Allocation of 11,000 free shares at Board of Directors' meeting of 27 October 2015 and 240,360 free shares at Board of Directors' meeting of 16 December 2015.
11. Issues reserved for participants in Group company savings plans	Shareholders' Meeting of 19 May 2015 (32nd resolution) 14 months, to 18 July 2016 Superseded the previous authorisation given at the Shareholders' Meeting of 20 May 2014 (27th resolution)	1% of diluted share capital at date of Shareholders' Meeting of 19 May 2015	Not used
SHARE REPURCHASE AND REDUCTION IN SHARE CAPITAL			
12. Repurchase of treasury shares by the Company	Shareholders' Meeting of 19 May 2015 (21st resolution) 18 months, to 18 November 2016 Superseded the previous authorisation given at the Shareholders' Meeting of 20 May 2014 (16th resolution)	10% of the share capital, adjusted to reflect transactions affecting the share capital after 19 May 2015	See Note 20
13. Reduction in share capital via the retirement of treasury shares	Shareholders' Meeting of 19 May 2015 (22nd resolution) 18 months, to 18 November 2016 Superseded the previous authorisation decided by the Shareholders' Meeting of 20 May 2014 (17th resolution)	10% of the share capital, adjusted to reflect transactions affecting the share capital after 19 May 2015, for each 24-month period	Not used

(1) Where debt instruments are issued with pre-emptive rights, the amount of debt issued may not exceed €300 million and may not result in the Company's share capital increasing by a nominal amount of more than €70 million.

(2) This amount is counted against the maximum total nominal amount of €70 million for issues with pre-emptive rights.

(3) Where debt instruments are issued without pre-emptive rights, the amount of debt issued may not exceed €250 million, is counted against the maximum amount of €300 million above (see Note 1), and may not result in the Company's share capital increasing by a nominal value of more than €60 million, allocated from the maximum amount of €70 million (see Note 2).

(4) This amount is counted against the maximum total amount of €60 million for issues without pre-emptive rights (see Note 2), which itself is counted against the maximum total nominal value of €70 million for issues of shares with pre-emptive rights (see Note 1).

(5) Overallotment option: the Board of Directors may increase the number of securities to be issued within thirty days of the subscription period end, within the limit of 15% of the original issue and at the same price as the original issue. The nominal amounts of any potential increases in share capital will be counted against the maximum amount or amounts that apply to the issue in question.

(6) Equal to 26% of the share capital, based on a total number of 54,037,984 shares constituting the share capital at the date of the Shareholders' Meeting of 20 May 2014.

(7) Equal to 22% of the share capital, based on a total number of 54,037,984 shares constituting the share capital at the date of the Shareholders' Meeting of 20 May 2014.

(8) Equal to 25% of the share capital, based on a total number of 54,189,017 shares constituting the share capital at 28 April 2015.

(9) Separate ceiling from the ceilings set at the Shareholders' Meeting of 20 May 2014 - Where debt instruments are issued without pre-emptive rights, the amount of debt issued may not exceed €280 million and may not result in the Company's share capital increasing by a nominal amount of more than €67 million.

(10) Overallotment option: the Board of Directors may increase the number of securities to be issued within thirty days of the subscription period end, within the limit of 15% of the original issue and at the same price as the original issue. The nominal amounts of any potential increases in share capital will be counted against the maximum amount or amounts that apply to the 30th resolution.

Note 18 Non-controlling interests

Non-controlling interests are mainly minority interest in the subsidiaries that are not wholly-owned by the Group.

For certain entities, the Group has made undertakings to purchase the remaining stake that it does not own. In such cases, the minority stake is reclassified as a financial liability (see Note 22.2), the non-controlling interest is no longer recorded, and the entity's profit or loss is fully consolidated in the Group's financial statements.

At 31 December 2015, the Group made an undertaking to purchase the remaining interest in LFP Nexity Services Immobiliers, giving the Group whole ownership of its operations in commercial real estate services. The acquisition was completed on 3 February 2016.

Note 19 Free share award plans

Free shares may be granted to Group employees and senior executives by the Board of Directors, as authorised by the General Meeting. Employee incentive plans offering free share awards, ongoing or ended in the period, are as follows:

Nexity plans (in number of shares)	Awarded	Cancelled	Vested	Awarded, not cancelled and not vested	Vesting period end
Adjustment / plans ended in prior periods	2,030	-	2,030	-	-
May 2012 plan	6,000	-	6,000	-	First quarter 2015
December 2012 plan	342,000	20,000	-	322,000	First quarter 2016
December 2013 plan 1	283,000	20,000	-	263,000	First quarter 2016
December 2013 plan 2	217,000	21,000	-	196,000	First quarter 2017
February 2014 plan	7,000	-	-	7,000	First quarter 2016
December 2014 plan	331,000	-	-	331,000	First quarter 2017
April 2015 plan	92,000	-	-	92,000	First quarter 2018
October 2015 plan	11,000	-	-	11,000	First quarter 2018
December 2015 plan	240,360	-	-	240,360	Fourth quarter 2017
Total Nexity plans	**1,531,390**	**61,000**	**8,030**	**1,462,360**	

In addition, the Shareholders' Meeting has granted the Board the right until 18 July 2016 to allocate 1% of the share capital for the granting of free shares (conditional and with a minimum two-year vesting period). 251,360 free shares have already been awarded under this authorisation.

The maximum potential dilution (as a percentage of equity ownership) is 2.6% in the event of the vesting of all free shares that have been or may be granted, and is 3.1% including the free shares that may be granted (as a percentage of equity ownership).

No free shares have been awarded to Nexity's company officers.

Valuation of Nexity's free share plans

Share-based payments are recognised at the grant date at their fair value. Changes in value after the grant date have no effect on the initial measurement.

The estimated value of the shares is recognised as a payroll expense on a straight-line basis over the vesting period with a corresponding increase in equity.

The aggregate value is modulated to take into account the probability of the allocation conditions being met for each plan, based on the following criteria:

- length of service in the company at plan termination; and
- where applicable, performance criteria (target for accumulated operating margin attained over the duration of the plan).

The aggregate value of Nexity's free share plans was €32,362k in 2015, representing an expense of €10,790k.

(in thousands of euros)	Dec. 2012 plan	Dec. 2013 plan 1	Dec. 2013 plan 2	Feb. 2014 plan	Dec. 2014 plan	Apr. 2015 plan	Oct. 2015 plan	Dec. 2015 plan
Aggregate value	5,851	5,527	3,688	180	7,424	2,507	381	6,803
2015 expenses	2,190	2,878	1,286	96	3,712	627	-	-
Assumptions								
Share price at grant date (in euros)	25.8	25.0	25.0	29.9	29.1	37.7	38.8	39.6
Duration of option (number of years)	3	2	3	2	2	3	2	2
Dividend rate [1]	7.4%	8.0%	8.0%	6.8%	6.9%	5.3%	5.0%	5.0%

[1] Based on changes in the price of the underlying Nexity shares

Note 20 Treasury shares

As authorised by the Shareholders' Meeting, the Group may find it necessary to hold treasury shares under a liquidity contract entered into with an investment services provider (ISP).

Nexity treasury shares are recognised at cost and presented as a deduction from equity. Any gains or losses from the disposal of treasury shares, determined using the first-in, first-out (FIFO) method, are directly recognised in equity and have no effect on profit or loss for the period.

(in number of shares)	Authorised	Held
Treasury shares held at 31 December 2014	5,418,099	-
Purchase of treasury shares:		-
Implementation of arrangements agreed at Shareholders' Meeting of 19 May 2015	10% of the share capital adjusted for changes	
Treasury shares held at 31 December 2015	**5,418,902**	-

At 31 December 2015, the Group did not hold any treasury shares.

DEBT AND FINANCIAL RISK FACTORS

Note 21 Breakdown of net debt

(in thousands of euros)	Notes	31/12/2015	31/12/2014
Bond issues	22	538,757	534,885
Long-term borrowings and financial debt	22	97,306	95,943
Short-term borrowings and financial debt	22	214,854	160,159
Loans and borrowings		**850,916**	**790,987**
Current accounts held as liabilities and related payables	22	52,831	47,481
Current accounts held as assets and related receivables	23	(93,893)	(98,136)
Other financial borrowings and other financial receivables		**(41,061)**	**(50,655)**
Cash and cash equivalents	24	(744,267)	(595,060)
Bank overdraft facilities	24	38,251	27,609
Net cash		**(706,016)**	**(567,451)**
Total net debt/(cash)		**103,839**	**172,881**

Note 22 Borrowings and financial liabilities

Borrowings are broken down into:

- long-term loans and borrowings (long-term portion of borrowings for non-current assets), which are classified as non-current liabilities; and
- short-term loans and financial and operating liabilities, which are classified as current liabilities.

Borrowings are stated at amortised cost, less attributable issuance costs, which are recognised gradually in net financial income or expense over the borrowing period on an effective interest basis.

Financial liabilities also include derivative instruments recognised as liabilities. Derivatives recognised as assets appear in Other financial receivables.

	31/12/2015		31/12/2014	
(in thousands of euros)	Non-current	Current	Non-current	Current
Bond issues	534,739	4,018	530,851	4,034
Loans and borrowings	97,306	214,854	95,943	160,159
Current account and equivalent liabilities	-	52,831	-	47,481
Bank overdraft facilities	-	38,251	-	27,609
Total borrowings and financial liabilities	**632,045**	**309,954**	**626,794**	**239,283**

22.1 Bond issues

At 31 December 2015, the reported nominal amount of bond issues (€551 million) differed from their consolidated value (€538.8 million), as a result of the restatement of the OCEANE equity component and the phasing of arrangement costs.

EURO PP NOTES

Issue date	Nominal amount (in millions of euros)	Annual interest rate	Maturity
24/01/2013	200.0	3.749%	27/12/2018
05/05/2014	25.0	3.252%	05/05/2020
05/05/2014	146.0	3.522%	05/05/2021

Under the terms of these issues, the Group is required to comply with the following covenants, which are calculated every six months on a twelve month basis:

	Year-on-year position every 6 months
Consolidated net debt / consolidated equity	≤ 2
Consolidated net debt excluding programme-related debt[1] / covenant EBITDA[2]	≤ 3
Covenant EBITDA[2] / cost of net debt	≥ 2.5

[1] Programme-related debt is debt linked to commercial real estate developments marketed for lease or sale, and debt linked to real estate assets, taken out by Nexity or one of its subsidiaries, with no possibility of recourse against other members of the Group.

[2] Covenant EBITDA is equal to operating profit after neutralising the impact of borrowing costs transferred from inventory, cancelling out goodwill write-downs, adding back net operating charges to depreciation, amortisation and provisions, and subtracting reversals of operating provisions.

All ratios were met at 31 December 2015.

OCEANE convertible bond issue

OCEANE convertible bonds (the French acronym stands for "bonds that may be converted or exchanged for new or existing shares") are booked as follows:

Under IAS 32 *Financial Instruments: Presentation*, if a financial instrument has both a liability and an equity component, the issuer must account for these components separately according to their nature.

The liability component is measured on the issue date on the basis of contractual future cash flows discounted at the market rate (taking into account the issuer's credit risk) for an instrument that is similar but not convertible/redeemable for shares.

The value of the conversion option is calculated as the difference between the issue price of the bonds and the fair value of the liability component. This amount is recognised under consolidated reserves in equity.
Following initial measurement of the liability and equity components, the liability component is measured at amortised cost. The interest expense relating to the liability is calculated using the effective interest method and recognised in net profit or loss. The equity component is not revalued.

OCEANE CONVERTIBLE BOND ISSUE

Issue date	Nominal amount (in millions of euros)	Annual interest rate	Maturity	Number of bonds
19/06/2014	180.0	0.625%	01/01/2020	4,153,207

The nominal unit value per convertible bond was set at €43.34.

The rate was adjusted following the dividend distribution in May 2015. It is 1.053 shares for one bond (as opposed to one share for one bond initially).

In the event that all convertible bonds are converted, the maximum potential dilution would be 7.47% (as a percentage of share capital ownership).

At 31 December 2015, the equity component of this instrument amounted to €12,671k and its debt component to €167,329k.

22.2 Credit facilities

AUTHORISATIONS AND DRAWDOWNS

	31/12/2015				31/12/2014	
(in millions of euros)	Non-current borrowings	Current borrowings	Total drawn	Authorised	Drawn	Authorised
Non-allocated credit facility – Residential real estate	-	-	-	300.0	-	300.0
Non-allocated credit facility – Services	-	42.0	42.0	42.0	42.0	42.0
Facilities for the acquisition of companies and non-current assets – Real estate services	48.7	7.2	55.9	55.9	60.3	60.3
Put options granted to minority shareholders	48.7	26.5	75.2	75.2	44.0	44.0
Total corporate loans	**97.4**	**75.8**	**173.1**	**473.1**	**146.3**	**446.3**
Project-related loans	-	139.1	139.1	303.1	106.7	320.5
Total credit facilities	**97.4**	**214.9**	**312.2**	**776.2**	**253.0**	**766.8**

At 31 December 2015, the amount of put options granted to minority shareholders and credit drawdowns totalled €312.2 million out of total authorised credit facilities of €776.2 million negotiated with banks.

The Group has non-allocated credit facilities and credit facilities earmarked to fund real estate development programmes. Borrowings and financial liabilities are mainly denominated in euros and are at floating rates indexed to Euribor.

Generally, credit agreements require the borrower to comply with a number of covenants, particularly of a financial nature, as summarised below:

Non-allocated Residential real estate credit facility

For the Residential division, Nexity Logement and Foncier Conseil have access to an unallocated credit facility taken out with a syndicate of banks and with a maximum amount of €300 million until December 2018. At 31 December 2015, no drawdowns had been made on this line of credit.

The credit agreement prescribes when early repayment is mandatory, which would be the case, for instance, if the Group's equity shareholding in Nexity Logement and/or Foncier Conseil were to fall below 85%.

Under the terms of this facility, the Group must maintain the same financial ratios as for its Euro PP issues, and Nexity Logement must comply with the following consolidated financial ratios measured every six months on a twelve-month basis:

	Year-on-year position every 6 months
Nexity Logement consolidated net debt / Nexity Logement consolidated equity	≤ 2
Nexity Logement consolidated net debt / Nexity Logement consolidated EBITDA[1]	≤ 3
Nexity Logement consolidated EBITDA[1] / Nexity Logement cost of net debt	≥ 2.5

[1] Nexity Logement consolidated EBITDA is equal to operating profit after neutralising the impact of borrowing costs transferred from inventory, cancelling out goodwill write-downs, adding back net operating charges to depreciation, amortisation and provisions, and subtracting reversals of operating provisions (same definition as for covenant EBITDA in Note 22.1).

All ratios were met at 31 December 2015.

Non-allocated Services credit facility

For the Services division, Oralia and its subsidiaries have credit facilities totalling €42 million, maturing in more than four years, to finance operating requirements. Term deposits are pledged as collateral for these facilities.

Facilities for the acquisition of companies and non-current assets within the Services business

These loans include the following:

- an €8 million loan, maturing in June 2018 and amortising annually, intended to refinance acquisition debt and IT development in Commercial real estate services;
- loans in the amount of €47.9 million at 31 December 2015, used to partially finance certain acquisitions of individual property management firms by Services (in particular at Oralia).

Put options granted to minority shareholders

- If minority shareholders have been granted put options covering their investment, their share in the net assets of subsidiaries is reclassified from non-controlling interests to financial debt in the consolidated balance sheet, whereby the amount recognised corresponds to the present value of the exercise price of the option.
- The Group recognises price fluctuations as adjustments to equity. The valuation of the options had no impact on the consolidated income statement.
- The liability is estimated on the basis of the price or price formulas specified in the agreements. When price formulas are based on a multiple of an income statement item after subtracting this liability, the amount of the option is estimated on the basis of projected income statement items and the value of the liability at the most likely date for the exercise of options.
- The maturity schedule of non-controlling interest put option liabilities is based on the probable date of performance of the contractual obligations. At 31 December 2015 they amounted to €75.2 million, mostly concerning PERL, Tereneo and LFP Nexity Services Immobiliers.

Loans for real estate development programmes

Residential real estate division

Programmes that generate revenue in excess of €20 million including VAT are financed by specific loans generally granted by members of the syndicate of banks having entered into the non-allocated credit facility for the Residential division. Co-developments, foreign developments and developments by Iselection or PERL may also be financed by specific loans.

Commercial real estate division

In the Commercial division, specific bank loans are set up for programmes that are not financed in instalments by the investor. The loans are usually secured by the transfer of investor receivables and the assignment of the associated bank guarantees.

Other activities

Project loans are set up to finance fixed assets or property assets acquired in connection with the Group's investment activities, and, where applicable, with the urban regeneration business (Villes & Projets).

22.3 Liquidity risk

AMORTISATION SCHEDULE

(in millions of euros)	Drawn 31/12/2015	Amortisation 2016	2017	2018	2019	2020	> 5 yrs
Bond issues	551.0	-	-	200.0	-	205.0	146.0
Non-allocated credit facility – Services	42.0	10.6	1.8	17.0	-	12.7	-
Put options and deferred payments in connection with acquisitions	75.2	30.7	0.2	1.9	38.6	3.8	-
Facilities for the acquisition of companies and non-current assets – Real estate services	55.9	11.2	13.2	9.5	5.8	6.8	9.4
Total corporate loans	**724.1**	**52.5**	**15.2**	**228.5**	**44.4**	**228.2**	**155.4**
Project-related loans	139.1	24.3	81.4	31.5	2.0	-	-
Total amortisation		**76.7**	**96.6**	**259.9**	**46.4**	**228.2**	**155.4**
Total credit facilities drawn down	**863.2**	**786.5**	**689.9**	**430.0**	**383.6**	**155.4**	**-**

The other components of net debt shown in Note 21 are short-term items.

At 31 December 2015, 91% of loans drawn down will mature in more than one year, with 18% maturing in more than 5 years. The average term to maturity of debt outstanding at 31 June 2015 was 3.7 years.

22.4 Derivatives

The Group is exposed to market risk, particularly in terms of interest rates. The Group may use a number of derivative financial instruments to manage such risk (swaps, caps, collars). The purpose is to reduce, where appropriate, the fluctuations in cash flows arising from changes in interest rates.

Derivative financial instruments are recognised at fair value in the balance sheet, based on external appraisals. The gain or loss on remeasurement of the derivative instruments to fair value is recognised in the income statement, unless the instruments are used for hedging purposes.

As of 31 December 2015 the Group had no interest rate hedging derivatives in place.

Of the €3.0 million change in fair value for the instruments that matured during the period, €1.4 million was recognised through profit and loss for the period and €1.6 million through equity.

In the second half of 2015, the Group entered into caps at a rate of 1.5% against Euribor 3-month on a portion (€150 million) of the €300 million unallocated Residential credit facility, ending 31 December 2018. At 31 December 2015 these instruments were not effective. The fair value is €0.1 million and flows through net financial income and expense.

Note 23 Other financial receivables

(in thousands of euros)	Gross	Impairment	31/12/2015	Gross	Impairment	31/12/2014
Current accounts – assets and similar receivables	93,761	(143)	93,618	98,232	(96)	98,136
Total other financial receivables	**94,036**	**(143)**	**93,893**	**98,232**	**(96)**	**98,136**

Note 24 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and highly liquid investments, generally with maturities of three months or less, with immaterial risk of changes in value. This item includes reservation deposits held in escrow for clients of the Residential division.

Highly liquid investments are measured to fair value at the date of the financial statements. They are recognised at the transaction date, with subsequent changes in value recorded under financial income or expense.

Cash held in client working capital accounts by the Services division is recorded as a separate item under “Other current assets”.

(in thousands of euros)	31/12/2015	31/12/2014
Marketable securities – cash equivalents	613,363	486,718
Cash	107,596	83,576
Reservation deposits held in escrow	23,308	24,766
Total cash and cash equivalents	**744,267**	**595,060**

Residential real estate reservation deposits are placed in escrow accounts at the time of reservation (line item “Reservation deposits held in escrow”). The deposits are released when the property deeds are signed and witnessed by a notary.

Cash and cash equivalents are invested in floating-rate UCITS-type funds or deposited in fixed-rate demand deposit accounts.

Aggregate cash and cash equivalents at the reporting date were as follows:

(in thousands of euros)	31/12/2015	31/12/2014
Cash and cash equivalents	744,267	595,060
Bank overdraft facilities	(38,251)	(27,609)
Cash and cash equivalents	**706,016**	**567,451**
of which, available cash	682,708	500,685
of which, unavailable cash	23,308	66,766

Note 25 Financial risk factors

25.1 Interest rate risk

Exposure to interest rate risk

Bonds pay a fixed rate. The majority of the Group's bank borrowings are at floating interest rates.

The Group's cash is invested in UCITS funds applying a "standard money-market management" approach with portfolios favouring liquidity and a high level of security, as well as in demand deposit and term deposit accounts with leading banks offering immediate or short-notice access to liquidity.

The cost of financing on debt drawn down by the Group was 3.3% in 2015 (3.3% in 2014).

The Group may set up interest rate hedging instruments using hedge accounting (where effective) to mitigate the effects of severe interest rate movements. Such instruments are entered into with top-ranking financial institutions.

Interest rate sensitivity analysis

At 31 December 2015, the portion of fixed-rate or hedged debt was approximately 74% of total debt.

The Group's exposure to interest rate risk excludes fixed-rate debt and debt hedged by financial instruments (swaps), but relates to:

- Net interest income arising from the following items:
  - in terms of borrowings, all floating-rate loans and borrowings, whether or not hedged by interest rate caps and floors, and held-for-trading instruments;
  - in terms of financial income, cash and cash equivalents and demand deposit accounts; and
  - in terms of revenue generated by Services and Distribution Networks, the interest on cash held in client working capital accounts (except for separate accounts).
- Equity impacted by the following items:
  - fair value measurement of hedging instruments.

The Group is not exposed to long-term interest rate risk as regards its net financial expense because its floating-rate debt is mostly indexed to 3-month Euribor.

The following tables provide a simulation sensitivity analysis of a 50 basis point instantaneous rise in short-term interest rates (and symmetrically a 50 basis point instantaneous decrease in short-term interest rates) on the various items described above based on the Group's financial structure at 31 December 2015.

The simulation merely reflects the purely mathematical impact of a change in interest rates on the Group's financial assets and liabilities. It does not show the more pervasive influence of interest rate movements on the borrowing capacity of the Group's clients and the potential impact of such movements on the Group's business activity and performance.

INTEREST RATE SENSITIVITY ANALYSIS OF FLOATING-RATE DEBT INSTRUMENTS WITHIN NET DEBT AFTER HEDGING AND OF CASH AND CASH EQUIVALENTS HELD IN CLIENT WORKING CAPITAL ACCOUNTS

(in millions of euros)	Income statement impact after tax	Equity impact after tax
Sensitivity analysis at 31 December 2015		
Impact of a 50 bp increase in short-term interest rates	1.7	-
Impact of a 50 bp decrease in short-term interest rates	(1.7)	-
Sensitivity analysis at 31 December 2014		
Impact of a 50 bp increase in short-term interest rates	2.6	0.2
Impact of a 50 bp decrease in short-term interest rates	(2.6)	(0.2)

25.2 Currency risk

The Group's exposure to currency risk is not material because it has no material operations outside the euro zone.

25.3 Bank insolvency risk

The Group maintains ongoing relationships with major banking groups, with respect to its financing arrangements (those for its operating activities as well as its corporate credit facilities), guarantees given or received, cash investments made, or the financial instruments used in the context of hedging strategies. For this reason, and despite the fact that the Group spreads responsibilities for its banking needs among a number of banks, the Group may be exposed to counterparty risk in the event of default by a bank with which it maintains a relationship, particularly as the result of a systemic event. This risk is mitigated by raising funding on the bond market.

25.4 Equity risk

The Group's portfolio does not include any listed securities. However, within the scope of an existing liquidity agreement, the Group may hold a small percentage of treasury shares. The Group held no treasury shares at 31 December 2015, and thus currently deems itself not exposed to any material equity risk.

Note 26 Fair value of financial instruments by category

POSITION AT 31 DECEMBER 2015

		Accounting categories						Fair value measured on the basis of			
Balance sheet items (in millions of euros)	Notes	Assets and liabilities at fair value through profit and loss	Derivative hedging instruments	Available-for-sale financial instruments	Loans and receivables	Liabilities at amortised cost	**Total carrying amount**	Prices quoted on an active market Level 1	Internal model using directly observable market data Level 2	Internal model without observable market data Level 3	**Total fair value**
Unconsolidated investments	11			8.2			**8.2**		8.2		**8.2**
Capitalised receivables	11				33.8		**33.8**		33.8		**33.8**
Derivative instruments held for trading	22.4	0.1					**0.1**	0.1			**0.1**
Derivative hedging instruments	22.4		0.2				**0.2**	0.2			**0.2**
Current accounts and other financial receivables	23				93.6		**93.6**	93.6			**93.6**
Cash and reservation deposits	24				130.9		**130.9**	130.9			**130.9**
Marketable securities	24	613.4					**613.4**	613.4			**613.4**
Total financial assets		**613.5**	**0.2**	**8.2**	**258.3**	**-**	**880.2**	**838.2**	**42.0**	**-**	**880.2**
Credit facilities	22					312.2	**312.2**		312.2		**312.2**
Bonds	22					538.8	**538.8**		526.9		**526.9**
Current accounts held as liabilities	22					52.8	**52.8**		52.8		**52.8**
Bank overdraft facilities	22					38.3	**38.3**	38.3			**38.3**
Total financial liabilities		**-**	**-**	**-**	**-**	**942.0**	**942.0**	**38.3**	**891.9**	**-**	**930.1**

In the absence of an active market, the fair value of bonds has been determined using the risk-free interest rate and a stable risk premium.

At 31 December 2015, non-performance risk (debit value adjustment or DVA) and counterparty risk (credit value adjustment or CVA) on derivatives did not represent significant amounts for the Group and have not been recognised.

POSITION AT 31 DECEMBER 2014

		Accounting categories						Fair value measured on the basis of			
Balance sheet items (in millions of euros)	Notes	Assets and liabilities at fair value through profit and loss	Derivative hedging instruments	Available-for-sale financial instruments	Loans and receivables	Liabilities at amortised cost	**Total carrying amount**	Prices quoted on an active market Level 1	Internal model using directly observable market data Level 2	Internal model without observable market data Level 3	**Total fair value**
Unconsolidated investments	11			2.6			**2.6**		2.6		**2.6**
Capitalised receivables	11				26.3		**26.3**		26.3		**26.3**
Derivative hedging instruments	22.4						**-**				**-**
Current accounts and other financial receivables	23				98.1		**98.1**	98.1			**98.1**
Cash and reservation deposits	24				108.3		**108.3**	108.3			**108.3**
Marketable securities	24	486.7					**486.7**	486.7			**486.7**
Total financial assets		**486.7**	**-**	**2.6**	**232.8**	**-**	**722.1**	**693.2**	**28.9**	**-**	**722.1**
Derivative instruments held for trading	22.4	3.1					**3.1**		3.1		**3.1**
Credit facilities	22					253.0	**253.0**		253.0		**253.0**
Bonds	22					534.9	**534.9**		577.0		**577.0**
Current accounts held as liabilities	22					47.5	**47.5**		47.5		**47.5**
Bank overdraft facilities	22					27.6	**27.6**	27.6			**27.6**
Total financial liabilities		**3.1**	**-**	**-**	**-**	**863.0**	**866.1**	**27.6**	**880.6**	**-**	**908.2**

PROVISIONS

Note 27 Current and non-current provisions

27.1 Provisions for risks and charges

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle that obligation.

If the effect of the time value of money is material, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

CHANGES IN PROVISIONS

(in thousands of euros)	31/12/2014	Allocations	Reversals: used	Reversals: unused	Changes in scope and other	31/12/2015
Employee benefits	30,732	2,524	(1,466)	(2,461)	(788)	28,541
Total non-current provisions	**30,732**	**2,524**	**(1,466)**	**(2,461)**	**(788)**	**28,541**
Litigation	42,829	16,499	(6,321)	(7,189)	406	46,225
Tax and investment risk	2,223	260	(65)	(19)	(102)	2,297
Rental payment commitments	10,153	1,706	(3,975)	-	713	8,597
Employee benefits (short-term portion)	1,628	-	(119)	(180)	(126)	1,203
Provisions for risks and charges	41,740	16,759	(15,012)	(3,327)	1,936	42,096
Total current provisions	**98,573**	**35,225**	**(25,492)**	**(10,715)**	**2,827**	**100,418**
Total provisions	**129,305**	**37,749**	**(26,958)**	**(13,176)**	**2,039**	**128,959**

ANALYSIS BY TYPE OF EXPENSE

(in thousands of euros)	31/12/2014	Net change for operations	Net change for financing	Net change for tax	Changes in scope and other	31/12/2015
Employee benefits	30,732	(1,403)	-	-	(788)	28,541
Total non-current provisions	**30,732**	**(1,403)**	**-**	**-**	**(788)**	**28,541**
Litigation	42,829	2,989	-	-	406	46,225
Tax and investment risk	2,223	-	(84)	260	(102)	2,297
Rental payment commitments	10,153	(2,269)	-	-	713	8,597
Employee benefits (short-term portion)	1,628	(299)	-	-	(126)	1,203
Provisions for risks and charges	41,740	(1,580)	-	-	1,936	42,096
Total current provisions	**98,573**	**(1,158)**	**(84)**	**260**	**2,827**	**100,418**
Total provisions	**129,305**	**(2,561)**	**(84)**	**260**	**2,039**	**128,959**

Provisions are divided into current and non-current provisions:

- Non-current provisions include the long-term portion of provisions for employee benefits (see Note 27.2);
- Current provisions include:
  - provisions for disputes ongoing at the date of the financial statements. They are assessed based on the status of the legal proceedings under way and the estimated risk at the reporting date;
  - provisions for tax to cover liabilities resulting from tax audits. Any additional tax due is expensed in the period the reassessment is accepted. If contested the liability may be provisioned;
  - provisions for risks relating to rental payment commitments for leases with an initial term of nine years, given in respect of the student residence management business. This amount is determined on the basis of the historical occupancy rates of each residence;
  - the portion of non-current provisions due within one year; and
  - provisions for risks and charges including payables mainly related to ordinary operations.

27.2 Employee benefits

As regards the Group, employee benefits are provided through defined benefit and defined contribution plans. Obligations relating to these plans involve retirement and long-service benefits, less the fair value of any qualifying plan assets (defined benefit plans). Estimates for these obligations, which are discounted to present value, are calculated annually on the basis of actuarial assumptions for life expectancy and rates of employee turnover and salary increases. The values obtained are subject to verification by an actuary using the projected unit credit method. Actuarial gains and losses on retirement benefits are recognised directly in other comprehensive income. Actuarial gains and losses on long-service benefits are recognised in profit or loss.

EMPLOYEE BENEFIT OBLIGATIONS

(in thousands of euros)	31/12/2015	31/12/2014
Measurement of obligations		
Obligations at beginning of year	32,624	27,402
Net current service cost	2,278	2,214
Interest cost	484	777
Employee benefits paid	(1,226)	(1,244)
Plan amendment	(2,641)	-
Disposals	-	(237)
Acquisitions	168	1,852
Expected obligation at year-end	**31,687**	**30,764**
of which, fair value at year-end	30,017	32,624
of which, actuarial (gains)/losses	1,670	(1,860)
Changes in assumptions	457	(3,008)
Experience adjustments	1,213	1,148
Changes in fair value of plan assets		
Fair value of assets at beginning of year	264	260
Return on plan assets and additional payments	9	4
Employee benefits paid	-	-
Benefits due in the following year	-	-
Obligations at year-end	**273**	**264**
of which, fair value at year-end	273	264
of which, actuarial (gains)/losses	-	-
Reconciliation of financial position at year-end		
Present value of benefit obligation	30,017	32,624
Fair value of plan assets	(273)	(264)
Net benefit liability recognised in the balance sheet	**29,744**	**32,360**
Assumptions relating to obligations		
Discount rate at year-end	1.90%	1.75%
Salary increase rate at year-end	1.75%	1.75%

The plan assets are contributed in full when the contracts are signed. They mainly comprise shares in SICAVs, FCPs and listed shares.

The main assumptions used in calculating employee benefits are a retirement age of 62 for non-management staff and 64 for management staff, at the employee's initiative, an average staff turnover rate of 10% and a social security contribution rate of 45%. The mortality table applied is the INSEE 2008/2010 table. The discount rate is determined on the basis of the index rate for AA-rated corporate bonds in the euro zone.

At 31 December 2015, a reversal of a provision amount of €2,641k was recognised in respect of an amendment to the long-service award plan for some employees.

EXPENSES IN THE PERIOD

(in thousands of euros)	31/12/2015	31/12/2014
Expense for the year		
Net current service cost	2,278	2,214
Interest cost	484	777
Plan amendment	(2,641)	-
Amortisation of unrecognised actuarial gains and losses	(590)	(15)
Return on plan assets and additional payments	(9)	(4)
Total expense recognised under operating profit	**(478)**	**2,972**
of which, net expense recognised for employee benefits	(1,704)	1,728
of which, expenses included under personnel costs	1,226	1,244
Change in gains and losses recognised directly in other comprehensive income	**(1,080)**	**1,875**
Actuarial gains and losses on retirement benefits	(1,080)	1,875
of which, changes in assumptions		
of which, experience adjustments	(1,080)	1,875

CHANGE IN THE PERIOD

(in thousands of euros)	31/12/2014	Gains and losses recognised directly in other comprehensive income	Recognised in the income statement	Changes in scope	31/12/2015
Employee benefits	32,360	(1,080)	(1,704)	168	29,744

SENSITIVITY OF PROVISIONS FOR EMPLOYEE BENEFITS TO RATE ASSUMPTIONS

(in thousands of euros)	Provisions for employee benefits
Provisions for employee benefits at 31 December 2015	**29,744**
Sensitivity analysis at 31 December 2015	
Impact of a 50 bp increase in the discount rate	(1,507)
Impact of a 50 bp decrease in the discount rate	1,635
Impact of a 50 bp increase in the salary increase rate	1,555

INCOME

Note 28 Revenue

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Revenue before PPA	2,896,885	2,449,135
PPA	(20,987)	(78,944)
Total revenue	**2,875,898**	**2,370,191**

The adjustment generated by the PPA (purchase price allocation) reflects the elimination of the portion of revenue arising on the fair value measurement of inventory for which deeds or promises of sale are entered into. The adjustment was applied to the opening balance sheets of recently acquired companies (PERL as of July 2014 and Tereneo as of December 2014). The adjustment is spread over the time it takes the inventory to be sold down (12 to 24 months).

Note 29 Personnel costs

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Salaries and withholdings	(463,824)	(442,888)
Tax credit on remuneration (CICE, etc.)	7,717	7,304
Employee profit-sharing	(9,243)	(9,406)
Expense related to share-based payments	(10,789)	(7,550)
Total personnel costs	**(476,139)**	**(452,540)**

The change in personnel costs includes changes in scope of €14,913k with Oralia and PERL (subsidiaries acquired in 2014).

The Group's average full-time-equivalent workforce was 6,857 people for the year ended 31 December 2015, versus 6,696 for the year ended 31 December 2014.

Note 30 Other operating expenses

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Leases and rental expenses	(58,305)	(56,030)
Fees and commissions	(40,128)	(33,616)
Other external services	(127,410)	(122,855)
Other income	3,612	4,713
Other expenses	(3,962)	(8,740)
Gain/(loss) on disposal of consolidated shares	8,259	(1,191)
Total other operating expenses	**(217,933)**	**(217,718)**

Note 31 Breakdown of EBITDA

EBITDA is defined in Note 5 "Alternative performance measures".

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
EBITDA	**252,874**	**240,735**
Depreciation, amortisation and impairment	(25,003)	(19,627)
Net change in provisions	2,560	(6,899)
Share-based payments	(10,789)	(7,550)
Borrowing costs directly attributable to property developments, transferred from inventory	(6,234)	(3,934)
Dividends received from equity-accounted operating entities	(12,767)	(47,354)
Current operating profit	**200,642**	**155,371**

Note 32 Financial income and expenses

32.1 Analysis of financial income/(expense)

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Interest expense	(29,578)	(21,613)
Interest income and income from sale of marketable securities	7,358	4,914
Cost of debt, net	**(22,220)**	**(16,699)**
Other financial expense	(912)	(1,736)
Other financial income	3,194	2,433
Other financial income/(expense), net	**2,282**	**697**
Total financial expense	**(30,489)**	**(23,349)**
Total financial income	**10,552**	**7,347**
Total financial income/(expense)	**(19,937)**	**(16,002)**

32.2 Analysis of other financial income/(expense) by type

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Other net financial expenses	(677)	(702)
Other net financial income	458	189
Net gain/(loss) on derivative instruments	(1,797)	(3,934)
Net financial impairment and provisions	5	50
Transfer of borrowing costs to inventories	4,294	5,094
Other financial income/(expense), net	**2,282**	**697**

The percentage of borrowing costs to be included in the cost of assets is determined on the basis of the interest rates on the loans used to finance those assets (see Note 25.1).

ANALYSIS OF CHANGE IN INVENTORY VALUE OF BORROWING COSTS

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Inventory value of borrowing costs at the start of the period	**4,642**	**3,329**
Transfer of borrowing costs to inventories	4,294	5,094
Borrowing costs transferred from inventory to operating profit and loss	(6,234)	(3,934)
Changes in scope	-	153
Inventory value of borrowing costs at the end of the period	**2,702**	**4,642**
As % of total inventories and work in progress	0.2%	0.4%

Note 33 Income taxes

33.1 Income taxes

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Income taxes	(63,720)	(64,211)
Deferred taxes	(5,976)	(9,419)
Additional tax on dividends	(95)	(3,325)
Net change in tax provisions	(260)	(1,790)
Total income taxes	**(70,050)**	**(78,745)**

33.2 Changes in balance sheet tax items

(in thousands of euros)	31/12/2014	Expense	Additional tax on dividends	Tax credits	Not recognised in the income statement	Net settlements	31/12/2015
Current tax							
Tax receivable	12,100						8,270
Tax payable	(6,053)						(339)
Total current tax	**6,048**	**(63,720)**	**(95)**	**8,227**	**691**	**56,781**	**7,931**
Deferred tax							
Assets	5,135						7,907
Liabilities	(28,792)						(37,690)
Total deferred tax	**(23,657)**	**(5,976)**	**-**	**-**	**(150)**	**-**	**(29,783)**

33.3 Tax analysis

Reconciliation of theoretical and actual tax rates in the consolidated income statement

(in thousands of euros)	31/12/2015	31/12/2014
Theoretical tax base		
Net profit	123,521	35,730
Goodwill impairment	-	49,979
Share of profit/(loss) from investments with activities that are an extension of the Group's operating activities	(15,454)	(27,682)
Share of profit/(loss) from other equity-accounted investments	547	(817)
Attributable to non-controlling interests	2,041	3,413
Income taxes	70,050	78,745
Pre-tax profit on activities	**180,705**	**139,368**
Theoretical tax rate used by the Group	38.0%	38.0%
Theoretical tax liability	**(68,668)**	**(52,960)**
Difference between theoretical tax and actual income tax	**(1,382)**	**(25,785)**
The difference is due to:		
Tax on equity-accounted flow-through entities	(3,183)	(10,873)
Effect of tax rates	7,106	1,559
Tax on non-taxable net income for the period	6,760	7,608
Tax on non-deductible or uncapitalised net expenses for the period	(12,847)	(22,279)
Impact of derecognition of bases for prior periods	782	(1,800)
Net difference	**(1,382)**	**(25,785)**

The differences observed between the tax expense based on the theoretical tax rate in France and the tax expense recognised for the financial year exist mainly for the following reasons:

as most equity-accounted investments are tax-transparent, their contribution to the income statement is presented pre-tax. The matching tax expense is included in the Group's tax expense;

the tax rate effect for 2015 mostly reflects the deferred tax impact of the end of the 10.7% exceptional contribution in 2016;

non-taxable net income comes mainly from tax credits (particularly the CICE);

non-deductible net expenses come mainly from share-based payments, the additional dividend tax and uncapitalised losses of foreign subsidiaries.

The Group's income tax rate (excluding tax on equity-accounted flowthrough entities) was 37.0% as opposed to 48.7% in 2014. The rate for 2014 was higher than the theoretical rate, mainly on account of the impact of uncapitalised foreign subsidiary losses. The rate for 2015 is lower than the theoretical rate on account of the tax rate effect described above and the fact that the dividend paid in May 2015 was not subject to the 3% contribution.

33.4 Deferred tax assets and liabilities by nature

Deferred taxes are generally recorded for all timing differences between the tax value and book value of assets and liabilities on the consolidated balance sheet, and are determined based on the liability method. The effects of changes in the tax rate are recorded in the income statement in the financial year in which the rate change is enacted by the French parliament.

Deferred tax assets resulting from these temporary differences, tax losses and tax credits that can be carried forward are only recognised if their future use is probable. This likelihood is assessed at the end of the financial year based on the forecast results of the tax entities concerned.

Deferred taxes are reported net on the balance sheet at Group tax consolidation level, and in the asset and liability columns of the consolidated balance sheet.

(in thousands of euros)	31/12/2015	31/12/2014
Employee benefits	8,281	9,768
Loss carryforwards	2,071	1,710
Portion of contract revenues earned	(44,114)	(35,068)
Other deferred provisions, income and expenses	3,980	(66)
Net deferred taxes	**(29,783)**	**(23,656)**
Of which deferred tax assets	7,907	5,135
Of which deferred tax liabilities	(37,690)	(28,792)

33.5 Tax amounts by type without tax base

(in thousands of euros)	31/12/2015	31/12/2014
Loss carryforwards	65,547	57,207
Other deferred provisions, income and expenses	53,918	53,962
Total amounts without tax base	**119,465**	**111,169**

Deferred taxes have not been calculated for these amounts as it is unlikely that they will be used and the timing of their use cannot be estimated reliably or is too distant in the future.

Note 34 Earnings per share

The calculation of basic earnings per share (EPS) is based on the net profit attributable to shareholders of the parent company and the average number of shares outstanding during the year, less the average number of treasury shares held during the year.

As regards free share allocations, the calculation of diluted earnings per share is based on the treasury stock method assuming that all dilutive options and other dilutive potential ordinary shares are exercised. Dilution is attributable to the free share award plans described in Note 19. The average number of shares is calculated as the weighted average number of shares outstanding, which reflects the grant dates of plans during the period. The numbers of potentially dilutive shares only take into account plans valued at a price lower than the average share price during the period.

OCEANE bonds have a dilutive effect on diluted earnings per share when the interest expense recorded (net of tax) on the bonds is lower per bond than basic earnings per share. The weighted average number of shares is then increased by the weighted average number of convertible bonds and the profit or loss attributable to owners of the Company is adjusted for OCEANE-related financial expense (net of tax).

(in number of shares)	31/12/2015	31/12/2014
Number of shares at period-end	54,189,017	54,180,987
Weighted average number of shares outstanding during the period	54,173,236	53,980,601
Dilutive effect of share plans using the treasury stock method	1,020,909	597,772
Dilutive effect of OCEANE bond issue	4,373,327	2,230,215
Weighted average number of shares (diluted)	59,567,472	56,808,588

ADDITIONAL INFORMATION

Note 35 Off balance sheet commitments

35.1 Off balance sheet commitments related to the Group's scope of reporting

LIABILITY GUARANTEES

(in thousands of euros)	Total at 31/12/2015	Total at 31/12/2014
Liability guarantees received	172,680	171,884
Liability guarantees given	5,190	6,390

Liability guarantees received are related to the acquisition of companies.

35.2 Off balance sheet commitments related to Group financing

The amount of granted credit facilities is indicated in Note 22.2

Guarantees, collateral and pledges granted to banks in connection with certain lines of credit are described below:

Type of guarantee (in thousands of euros)	Inception date	Maturity date	Amount guaranteed	Total consolidated balance sheet item	% of item posted
Intangible assets:			**-**	**1,210,224**	
Property, plant and equipment:			**-**	**49,003**	
Financial assets:			**-**	**43,238**	
Inventories:			**38,143**	**1,326,851**	**2.9%**
First lien mortgages on residential land and buildings in Italy		NA	6,614		
Guarantee of syndicated bank loans and commitments granted to Nexity Logement and Foncier Conseil through the pledge of Foncier Conseil securities		NA	0		
Bank mortgage on building on Rue des Acacias	02/06/2014	31/03/2018	2,529		
Guarantee of loan granted to Neximmo 89 via a lender's lien over a building	13/06/2013	30/06/2017	11,000		
Guarantee of loan granted to Neximmo 65 via a lender's lien over a building	22/12/2015	22/12/2018	18,000		
Cash and cash equivalents:			**42,000**	**744,267**	**5.6%**
Oralia term account pledges	26/11/2014	04/01/2021	42,000		
Ratio of total guarantees to total consolidated statement of financial position assets			**80,143**	**4,973,721**	**1.6%**

NA: Not Applicable (according to completion of real estate development programmes)

35.3 Off balance sheet commitments relating to operating activities

The commitments given and received listed below include activities related to co-development projects and reflect operational reporting.

Commitments received

COMMITMENTS RECEIVED FOR RECURRING OPERATIONS

(in thousands of euros)	Total at 31/12/2015	Total at 31/12/2014
Payment guarantees in respect of development contracts received from clients	538,423	503,779
Other commitments	6,737	4,900
Total commitments received	**545,160**	**508,679**

Payment guarantees in respect of development contracts primarily relate to the Commercial division. They are issued by financial institutions and are calculated every six months on the basis of the aggregate outstanding amount still due from clients.

Other commitments mainly concern guarantees on various indemnity payments.

In the course of its ordinary business in France, the Group also receives retention guarantees from contractors (up to 5% of contract amount).

Commitments given

COMMITMENTS GIVEN FOR RECURRING OPERATIONS

(in thousands of euros)	Total at 31/12/2015	Total at 31/12/2014
Counter-guarantees for performance bonds	1,454,995	1,346,602
Counter-guarantees for deposit payment bonds	32,815	31,825
Other commitments given	308,306	396,604
Total commitments given	**1,796,116**	**1,775,031**

Completion bonds are issued on a case-by-case basis by financial institutions to clients buying property. In exchange, Nexity grants the financial institutions an irrevocable promise to mortgage the property to their benefit and a commitment not to transfer or sell its shares in the company set up for the development project.

The value of completion bonds is measured internally on a quarterly basis, before being reconciled and adjusted to the values set by the financial institutions based on changes in their commitments.

Deposit payment bonds are bank guarantees that may substitute cash payments on reacquisition agreements and promises to buy land and involve counter guarantees offered by Nexity to the banks issuing the guarantees (see paragraph on bilateral commitments below).

Other commitments given include guarantees on deferred payments relating to land purchases and planning taxes.

Bilateral commitments

In the course of its normal business, the Group enters into the following agreements:

- in order to secure land for future housing and land development, the Group signs unilateral and bilateral pre-acquisition agreements with land owners:
  - under unilateral pre-acquisition agreements, the land owner agrees to sell the land and the Group agrees to pay an indemnity, which the land owner may retain if the transaction falls through,
  - under bilateral sales agreements, the land owner agrees to sell the land, and the Group agrees to buy it if the conditions precedent are fulfilled. The Group also agrees to pay an indemnity or penalty if it decides not to buy the land, despite the fulfilment of the conditions precedent,
  - when the pre-acquisition agreements are signed, the indemnities are either paid by the Group and kept in escrow by the notary or are given as bank guarantees;

- in order to market its real estate development and subdivision programmes, the Group signs reservation or pre-acquisition agreements with its clients:
  - the pre-acquisition agreements become deeds of sale if the conditions precedent are fulfilled (particularly if clients obtain financing to buy the property),
  - to reserve property, clients pay a deposit (or guarantee), which is returned if the sale falls through.
- Real estate agents and intermediaries from the Services division are also required to provide guarantees pursuant to the Hoguet Act, which sets forth regulations governing the profession, particularly with regard to the management of client working capital accounts. At 31 December 2015, the amount guaranteed came to €866,565k.

35.4 Schedule of contractual obligations

		At 31 December 2015		
(in thousands of euros)	Total at 31/12/2015	Less than 1 year	Between 1 and 5 years	More than 5 years
Long-term borrowings and financial debt	632,044	8,210	484,735	139,099
Operating loans and borrowings	218,872	72,522	146,350	-
Operating leases - Premises occupied by Nexity	170,606	50,338	91,681	28,587
Operating leases - Premises managed by Nexity	157,959	47,448	93,615	16,896
Performance bonds	1,454,995	743,094	706,624	5,277
Other off balance sheet commitments	308,306	170,056	131,699	6,551
Total contractual obligations	**2,942,782**	**1,091,668**	**1,654,704**	**196,410**

Operating leases for premises managed by Nexity are held by Nexity Studea (residential management leases for student housing) and Nexity Blue Office (shared office leases).

Note 36 Statutory audit fees

Financial years: 2015 and 2014 [1]	KPMG				Mazars			
	Amount excluding VAT		%		Amount excluding VAT		%	
(in thousands of euros)	2015	2014	2015	2014	2015	2014	2015	2014
Audit								
Statutory audit, certification, audit of individual and consolidated financial statements (2)								
Issuer: Nexity SA	468	366	18%	16%	430	282	37%	26%
Fully consolidated subsidiaries	1,890	1,888	74%	81%	722	705	61%	66%
Other work and services directly related to the statutory audit (3)								
Issuer: Nexity SA	145	54	6%	2%	25	83	2%	8%
Fully consolidated subsidiaries	55	29	2%	1%	-	-	-	-
Subtotal	**2,558**	**2,337**	**100%**	**100%**	**1,177**	**1,070**	**100%**	**100%**
Other services provided by auditors for fully consolidated subsidiaries (4)								
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**2,558**	**2,337**	**100%**	**100%**	**1,177**	**1,070**	**100%**	**100%**

Financial years: 2015 and 2014 [1]	Conseil Audit & Synthèse (Ernst & Young network)				Other audit firms			
	Amount excluding VAT		%		Amount excluding VAT		%	
(in thousands of euros)	2015	2014	2015	2014	2015	2014	2015	2014
Audit								
Statutory audit, certification, audit of individual and consolidated financial statements [2]								
Issuer: Nexity SA	-	253	-	70%	-	-	-	-
Fully consolidated subsidiaries	-	-	-	-	345	301	80%	100%
Other work and services directly related to the statutory audit [3]								
Issuer: Nexity SA	-	54	-	15%	-	-	-	-
Fully consolidated subsidiaries	-	55	-	15%	86	-	20%	-
Subtotal	**-**	**362**	**-**	**100%**	**431**	**301**	**100%**	**100%**
Other services provided by auditors for fully consolidated subsidiaries [4]								
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**-**	**362**	**-**	**100%**	**431**	**301**	**100%**	**100%**

[1] Services provided during the accounting period and expensed in the income statement.

[2] Including the services of independent experts and members of the audit firm's network, who were called upon in connection with the statutory audit.

[3] Work and services directly related to the statutory audit provided to the issuer and subsidiaries:
- by the statutory auditor in compliance with the provisions of Article 10 of the code of ethics,
- by a member of the audit firm's network in compliance with the provisions of Articles 23 and 24 of the code of ethics.

[4] Non-audit services provided in compliance with the provisions of Article 24 of the code of ethics, by a member of the audit firm's network to the subsidiaries of the issuer whose financial statements were certified.

Note 37 Information on related parties

37.1 Services between related parties

BPCE

In 2015, BPCE, which owned 33.4% of Nexity at 31 December 2014, gradually reduced its holding to a 12.8% interest in Nexity at 31 December 2015, and is no longer represented on the company's Board of Directors. The four directors representing BPCE resigned from the Board during the year. BPCE announced on 2 March 2016 that it had sold its remaining stake in Nexity to institutional investors.

BPCE is no longer considered a related party.

Aegide

The Group has a 38.15% stake in Aegide, a company specialising in the development and management of serviced residences for seniors. The Group is co-developing several serviced residences for senior citizens with Aegide.

Co-development projects

The Group engages in numerous co-developments via special-purpose entities. In accordance with IFRS 11, those entities are accounted for using the equity method. Their results are reflected in the column entitled "Restatement of joint ventures" in Note 7.

37.2 Compensation of directors and executive officers

Compensation of directors and executive officers reflects the remuneration of the executives responsible for running Nexity's business.

(in thousands of euros)	31/12/2015 12-month period	31/12/2014 12-month period
Short-term benefits	3,069	3,077
Post-employment benefits	NA	NA
Long-term benefits	NA	NA
Termination benefits (capped for 100% of the criteria)	5,921	6,024
Share-based payments	NA	NA

NA: not applicable

Company officer of Nexity are not included in any free share award plans.

Note 38 Subsequent events

No significant events occurred between 31 December 2015 and the Board of Directors' meeting of 16 February 2016 convened to approve the financial statements for the period ended 31 December 2015.

Note 39 Main entities in the scope of reporting at 31 December 2015

FULLY CONSOLIDATED ENTITIES

Company name	Activity	SIREN	Legal Form
NEXITY	**Holding company**	**444346795**	**SA**
AIX DURANNE	Residential property development vehicle	792160566	SCI
ALLEES DE L'EUROPE (LES)	Residential property development vehicle	350227112	SAS
ASNIERES OLYMPE DE GOUGES	Residential property development vehicle	792407462	SCI
ATHIS MONS QUAI DE L INDUSTRIES	Residential property development vehicle	751068313	SCI
BALLAINVILLIERS CHATEAU DOMAINES	Residential property development vehicle	789987476	SNC
BORDEAUX ACHARD	Residential property development vehicle	483193405	SNC
BORDEAUX LE MILLESIME	Residential property development vehicle	528594146	SCI
BORDEAUX LUCIEN FAURE	Residential property development vehicle	750180838	SCI
BORDEAUX RUE BLANQUI	Residential property development vehicle	525328795	SCI
BOUCICAUT LOT G	Residential property development vehicle	794332858	SNC
BOULOGNE PARC AA	Residential property development vehicle	537375388	SCI
BOULOGNE PARC AA	Residential property development vehicle	537375388	SCI
CARRIERES CENTRALITE ILOT S3	Residential property development vehicle	438724163	SCI
CENTURY 21 FRANCE	Franchise networks - Real estate agencies	339510695	SAS
CHELLES DOMAINES	Residential property development vehicle	539327155	SCI
COLOMBES EUROPE GAGARINE	Residential property development vehicle	753538537	SCI
CREDIT FINANCIER LILLOIS	Financial institution	455500868	SA
EMILE DUCLEAUX	Residential property development vehicle	794388850	SCI
ERMONT GENERAL DE GAULLE	Residential property development vehicle	517544227	SCI
FINANCIERE GUY HOQUET L'IMMOBILIER	Franchise networks holding company	478793698	SAS
FINAPERL	Residential real estate development	500752415	SNC
FLEURY MEROGIS JONCS MARINS DOMAINES	Residential property development vehicle	788805786	SCI
FONCIER CONSEIL	Site development and subdivisions	732014964	SNC
FONTENAY DOMAINES	Residential property development vehicle	799167481	SCI
GABRIEL HUSSON ROMAINVILLE	Residential property development vehicle	414718387	SCI
GCE SERVICES IMMOBILIERS	Commercial real estate services holding company	412974875	SAS
GENTILLY RUE DE LA DIVISION	Residential property development vehicle	749893475	SCI
GEORGE V GESTION	Nominal partnership	327256947	SAS
GUY HOQUET L'IMMOBILIER	Franchise networks - Real estate agencies	389011537	SA
HERBLAY ALOUETTES	Residential property development vehicle	539954065	SCI
HERBLAY LES BAYONNES	Residential property development vehicle	751063710	SCI
I INVEST	Residential real estate development	479020893	SAS
ILOT SUD OUEST	Residential property development vehicle	539063495	SCI
ISELECTION	Marketing and selling of residential developments	432316032	SAS
LE PRE SAINT GERVAIS RUE CARNOT	Residential property development vehicle	495273138	SCI
LFP NEXITY SERVICES IMMOBILIERS	Commercial real estate services holding company	533982815	SAS
LOOS BIGO DANIEL	Residential property development vehicle	751646142	SNC
MARSEILLE DOCKS LIBRES	Residential property development vehicle	538133539	SNC
MERY SUR OISE DOMAINES	Residential property development vehicle	752128777	SNC
MESNIL EN THELLE LOGISTIQUE	Commercial property development vehicle	509816971	SNC
NEXIMMO 39	Franchise networks holding company	488710567	SAS
NEXIMMO 65	Commercial property development vehicle	513636142	SAS
NEXIMMO 73	Commercial property development vehicle	530495449	SAS
NEXIMMO 86	Commercial property development vehicle	752524405	SAS

FULLY CONSOLIDATED ENTITIES (CONT.)

Company name	Activity	SIREN	Legal Form
NEXIMMO 87	Commercial property development vehicle	752286484	SAS
NEXIMMO 90	Commercial property development vehicle	752307413	SAS
NEXITY BELGIUM	Holding company for Belgian operations	Belgium - Brussels 872 755 619	SA
NEXITY BLUE OFFICE	Innovation ventures - Management of shared offices	488285834	SAS
NEXITY CONSEIL ET TRANSACTION	Real estate services to companies	431315159	SAS
NEXITY E-GERANCE	Innovation ventures - Online rental management	810964643	SAS
NEXITY FRANCHISES	Franchise networks holding company	488710740	SAS
NEXITY HOLDING ITALIA	Holding company for Italian operations	Italy - Turin 495 089 0964	SARL
NEXITY IMMOBILIER D'ENTREPRISE	Nominal partnership	332335769	SA
NEXITY LAMY	Real estate services to individuals - Individual property management	487530099	SAS
NEXITY LOGEMENT	Residential division holding company	399381821	SAS
NEXITY PARTICIPATIONS	Holding company for financial investments	502070097	SAS
NEXITY POLSKA	Holding company for Polish operations	Poland - Warsaw 281 618	SARL
NEXITY PROPERTY MANAGEMENT	Real estate services to companies	732073887	SA
NEXITY STUDEA	Real estate services to individuals - Student residence management	342090834	SA
NEXITY TORINO TAZZOLI	Residential property development vehicle	Italy - Turin 1041 480 0012	SARL
NICE AVENUE DE FABRON	Residential property development vehicle	532671377	SCI
ORALIA INVESTISSEMENTS	Holding company for real estate services to individuals	395329113	SA
ORALIA MANAGEMENT	Holding company for real estate services to individuals	395190051	SARL
ORALIA PARTENAIRES	Holding company for real estate services to individuals	397581984	SAS
PANTIN ZAC DU PORT	Residential property development vehicle	495063000	SNC
PARIS 14 GARE DE MONTROUGE	Residential property development vehicle	752670141	SCI
PARIS 17 BATIGNOLLES LOT 08	Residential property development vehicle	798952644	SCI
PARIS BOUCICAUT LOT D	Residential property development vehicle	790325955	SCI
PERL	Residential real estate development	438411035	SAS
POISY LA COULOUTTE	Residential property development vehicle	503208449	SCI
PUTEAUX VALMY	Residential property development vehicle	792625469	SCI
REZE AUGUSTA	Residential property development vehicle	752670182	SCI
RICHARDIERE	Real estate services to individuals	682009121	SAS
SAGGEL HOLDING	Commercial real estate services holding company	425039922	SA
SAINT NAZAIRE LES PORTES DE L'ATLANTIQUE	Residential property development vehicle	529827750	SCI
SAINT OUEN PARC ILOT I1	Residential property development vehicle	538850157	SCI
SAINT OUEN PARVIS DES BATELIERS	Residential property development vehicle	507740371	SCI
SAINT PRIEST REVAISON	Residential property development vehicle	792810814	SCI
SERRIS SCANDINAVES LE PARC	Residential property development vehicle	791043391	SCI
SOFIPERL	Residential real estate development	533779021	SNC
STAINS 3 RIVIERES	Residential property development vehicle	537972275	SCI
STRASBOURG RUE COLETTE	Residential property development vehicle	502310964	SCI
TERENEO	Development of wood-frame offices	502931777	SAS
URBAN EAST EDEN	Commercial property development vehicle	522873017	SNC
VILLES & PROJETS	Urban regeneration	409260775	SNC
VIRY FAGOTIN	Residential property development vehicle	539063511	SCI
WAMBRECHIES PETIT PARADIS	Residential property development vehicle	499525673	SCI
WEROOM	Innovation ventures - Flatsharing website	752533356	SAS
YWOOD GESTION	Nominal partnership	752288399	SAS

ENTITIES ACCOUNTED FOR UNDER THE EQUITY METHOD

Company name	Activity	SIREN	Legal Form	% held
Associates				
AEGIDE	Development and management of serviced residences for seniors	501081491	SA	38.15
LEXIN ALFORVILLE	Investments project vehicle	401397765	SAS	20.00
Joint ventures				
BOULOGNE VILLE A4 EST A	Commercial property development vehicle	383288305	SCI	43.80
MERCEDES	Commercial property development vehicle	533600748	SAS	50.00
PALAISEAU LES GRANGES	Residential property development vehicle	752510834	SCI	80.00