



Smart real estate solutions for life

**NEXITY 2013
ANNUAL REPORT**





Outlook & challenges

- 04. Chairman's message
- 06. Strategy
- 13. Insights
- 16. Financial highlights
- 18. Governance
- 20. Shareholders



Residential real estate and Real Estate services to individuals

- 22. Responsibility to society
- 24. Supporting all our clients
- 26. Smart solutions for senior housing
- 28. Innovative approaches for our clients
- 29. Highlights of 2013



Commercial real estate and Real Estate services to companies

- 32. Win-win project designs
- 34. Commercial real Estate: Nexity's performance
- 36. The new Real Estate services to companies division
- 38. Innovative approaches
- 39. Some deliveries and projects in 2013



Major urban projects

- 42. A city, a river and Nexity
- 48. Building the cities of tomorrow
- 50. The birth of a heighbourhood



Corporate responsibility

- 52. Sustainable development: healthy city, healthy life
- 55. Find out more
- 56. Human resources: making everyday life easier for employees
- 59. Our three HR commitments in 2013



INNOVATING, GETTING INVOLVED, AND INVESTING FOR OUR CLIENTS

Whether you are a private individual, a company or a local authority, you can count on Nexity to offer you the widest range of advice and expertise, products, services and solutions to best meet your needs and respond to all your concerns.

Our business activities – transactions, management, design, development, planning, advisory and all related services – are now organised to serve and support you. As the benchmark operator in our sector, committed to all our clients but also to the environment and society as a whole, we strive to provide everyone with smart real estate solutions for life.

IN THE NEWS⁽¹⁾

“I’ve had enough of policy makers not listening to the economy and making decisions based purely on political criteria.”

Le Monde – 4 October 2013

“The market will be regulated by supply.”

La Tribune – 4 October 2013

“The government could launch a ‘building pact’, modelled on their ‘responsibility pact’ [job creation initiative]”.

Le Figaro – 20 February 2014

“[France’s former housing minister] Cécile Duflot didn’t approach the issue from the right angle. The right approach would have been to focus on supply, property prices and the VAT above all.”

Le Courrier du logement – 7 October 2013

(1) Statements by Alain Dinin,
Chairman and Chief Executive Officer of the Nexity Group.

**“In France,
people want to live
in urban centres because
they know these areas offer
work and the advantages
of community life.”**

Business Immo – 3 October 2013

**“Instead of
construction being
encouraged, it’s
being hampered.”**

Le Monde – October 2013

**“With 15% fewer
building permits, we won’t
even get to 300,000 homes
in 2014, let alone the
500,000 promised by [French
president] François Hollande.”**

Le Point – 17 October 2013

**“The [Paris stock] market
cheered [Nexity’s] better
than expected results, and
the company’s outlook is also
considered reassuring.”**

Les Échos – 20 February 2014

CHAIRMAN'S MESSAGE

ALAIN DININ

Chairman and
Chief Executive Officer
of the Nexity Group



2013 has been a big year for Nexity. In addition to posting strong results despite the weakened economy, we delivered fully on our strategic guidance of three years ago. Looking back, in early 2011, we decided to reorganise the Group around an ambitious, original strategy – to make Nexity the leading integrated real estate group in France. This would involve providing services as well as products to our entire client base (individuals, companies, investors) when they needed them most, i.e. when purchasing or renting property, but also wherever their real estate needs might take them. Services thus offered itself to us as a natural area for development and innovation.

This decision was based on our certainty that, as the business and private spheres evolved to incorporate digital technology and new family structures, so property and the real estate professions would have to become more flexible and innovative. This would apply to financing, inheritance, usage and mobility. More consideration would also have to be given to collective concerns such as urban planning, transport and sustainable development.

Our vision of the market follows **one goal: to provide all types of clients with smart real estate solutions for life.**

That means helping them take advantage of synergies and creating value for them as well as for the Group, its employees and shareholders. It means expanding our base and our sources of growth and profit, thereby ensuring stability and continuity. Our 2013 results show that we have accomplished this. Amidst a noticeable market downturn, our business was stable, showing that the Group increased its market share. Our net profit more than doubled, and both our overall financial position and order backlog remained particularly robust. This has enabled us to commit to a 2014 dividend of 2 euros, as in 2013.

The Group knows where it's heading, and we have what it takes to get there: strong innovations targeting different market segments and clients (which you can read about in this year's lively, engaging Annual Report), and the capacity to invest, acquire and grow. We plan to further strengthen our leading position as a company that outperforms, welcomes change and embraces its responsibilities.

Speaking of responsibilities, ours fit into a wider context that everyone is aware of. There's nothing new about that. In fact it is part of our strategy. To propose, defend and create better conditions for housing and real estate: a non-partisan, public interest cause, if ever there was one.

We believe that housing is key to the betterment of French society. We know that real estate is crucial to competitive business and that it has a decisive impact on economic activity, jobs and consumer morale. That is why, over the past two years, we have continued to lobby France's current government, as we did with the last one, to enact the reforms needed to restart the housing cycle.

We have launched initiatives that are having a local impact. We have developed an active dialogue, defended potential courses of action, and proposed an understanding between all stakeholders including the State and local government. We are ready to commit, as we already have done in some towns, to reducing our margins so we can deliver more affordably priced homes. We have been doing our part. Unequivocally. Are we disappointed? Yes, as we've already said. There was a virtual frenzy of legislation this year, on all of the issues we're talking about. And for what? Some limited progress, but no impelling change. We've seen too many social reforms, which were symbolically important but poorly timed. In the end, there has been more housing politics than housing policy.

The most important point got missed along the way. **Because restarting the housing market is first and foremost an issue of prices.** Of purchasing power. To get the market going again, you need to create the right conditions to turn today's enormous need for housing into demand of the kind that can actually exert itself. So you need prices and demand to coincide. Somehow, though, prices seem to have been left out of the recent reforms. But we are not giving up. At the start of 2014, we proposed a "building pact". A way to kick start the revival in real estate, necessary for any economic recovery.

So that is our mindset going into 2014. Determination, enthusiasm and the will to succeed. This year, we will bring new innovations to market for our different types of clients. We are investing and inventing. 2014 will also mark the tenth anniversary of Nexity's stock market flotation. We are proud of how far we've come. Nexity is a business leader; a corporate community; a wealth of skills, jobs and initiatives to keep us at the front of the pack. Unique in who we are and in what we seek to do. At Nexity, we have a very exciting future ahead of us.



Hervé DENIZE

Deputy Chief Executive Officer

“2013 was a year in which we effectively implemented a number of innovative projects for real estate services to individuals and to companies. We also completed two major external growth projects.”

In a number of fields, 2013 was a year that saw us make ideas into reality, for example with Blue Office and Weroom. The Group has invested a lot in this, and we naturally expect some tangible results. We also acquired Oralia, to strengthen our Real Estate services to individuals division. Our various business lines performed strongly in 2013. Commercial real estate had an exceptional year, confirming the relevance of our new business model. In property management, one of the year's highlights was the successful merger between the teams of Nexity and

La Française AM, which enabled us to bolster our selling positions. On a larger scale, we began building a dedicated Real Estate services to companies division to create additional value through knowledge synergies. In Residential real estate, we were able to make the most of a challenging market while fulfilling our profitability requirements. The organisation of our operations proved particularly effective in certain business lines and areas of the country. For example, our share of the Paris region social housing market was 18.9%, making us the foremost private developer in that segment. In managed residences, synergies between the development and management businesses enabled us to corner nearly 30% of the market. Following a period during which the Group proved its resilience, and despite a challenging economic climate, 2014 has us back on a path of growth. We are already paving the way for 2015, and have every reason to be confident about the future.



Laurent DIOT

Chief Financial Officer
.....

“Nexity’s financial performance in 2013 exceeded expectations, and we have a very solid balance sheet that will serve as a foundation for further development.”

In 2013, the Group’s consolidated revenue totalled €2,737 million, down a limited 3.3% from 2012. Our current operating profit was €192 million, yielding a stable operating margin of 7% (more than 9% for Residential real estate, in a challenging market). The Group share of consolidated net profit was €100 million. Through its different businesses, Nexity generated cash flow from operating activities (before financial and tax expenses) of €216 million, a level close to that of the previous year (€221 million). Nexity had a very healthy balance sheet at 31 December 2013, with consolidated net cash of €252 million and undrawn corporate credit facilities of €285 million. This strong financial position will enable the Group to implement its business development strategy without reconsidering its dividend policy.



Julien CARMONA

Deputy Managing Director,
Head of Finance and Strategy
.....

“External growth, including the financing and integration of new business activities, is a major agenda item for 2014.”

Nexity is known for its consistent financial performance and its solid balance sheet. At year end 2013, the Group posted a positive net cash position for the fifth year in a row. We also decided to take advantage of our strong financial position and borrowing capacity to seize growth opportunities, as illustrated by our acquisitions of Oralia and then PERL. For 2014, our finance team’s main priorities will be to drive performance, manage risk and ensure reliable reporting and tax accounting. In a challenging market and an uncertain environment, the quality of our forecasts will also be of capital importance.

STRATEGY



Bruno CORINTI

Chairman and
Senior Managing Director,
Residential real estate

“At Nexity, periods of uncertainty or doubt only motivate us to come up with even better ideas. We never stop moving forward.”

2013 was characterised by a complex market environment and a lack of visibility, notably due to the launch of the new Duflot buy-to-let tax incentives in the first quarter, and the controversy elicited starting in June by the ALUR bill on access to housing and new urban planning. Despite this, we beat our results predictions thanks to our locally anchored organisation, devoted teams and the multi-product, multi-channel strategy that we have been pursuing for several years, as well as our national network covering even the most strained markets where need is greatest. This is proof that our client-oriented approach, and our corporate culture of both flexibility and tenacity, are paying off. We will maintain this bearing in 2014 to hold on to our lead.



Jean-Philippe RUGGIERI

Senior Managing Director,
Residential real estate

“Besides offering the right products at the best possible prices, we are looking toward the future of housing, to offer new approaches and respond to new living patterns.”

In 2013, we reaffirmed our focus on affordable pricing through a public relations campaign entitled “Smart prices for life”. Nexity’s strategy has always been to offer affordable products that meet our clients’ real needs, whether they are looking to purchase a home for themselves, invest in a standard buy-to-let property, or find a managed residence that serves seniors or students. Today we are able to offer 18 different living solutions, and we want to go even further by exploring new residential usage patterns. This is what inspired us to launch a home-sharing website and develop ideas for car sharing, as well as to collaborate with PERL on solutions involving *démembrement*. This is a distinction in French property law that makes it possible to separate a property’s title (ownership) from its usufruct (the right to use or derive benefit from it).



Frédéric AUGIER

Managing Director,
Real Estate services to individuals

**“As service providers,
we have a responsibility
to offer reliable quality
and to be there when our
clients need us.”**

The work we do in Real Estate services to individuals is technical and heavily regulated, and it will be even more so in a few weeks when the ALUR Act begins to take effect. To meet the legitimate demands of our clients, we have now implemented specific tools to make two-way communication more efficient. The transformation of our models is already under way, with distinctive new offerings and strong price commitments. We will continue working to improve both the effective quality of our services and the satisfaction of our clients. Our current target to achieve is 90% of clients satisfied, including 50% very satisfied.



Frédéric MONSSU

Senior Managing Director,
Real Estate services to individuals

**“We have initiated a lot
of work to ensure that all
our clients benefit from
the expertise of our network,
the accessibility of our
local offices and the power
of the Nexity Group.”**

In 2013, we transformed our organisational structure across business lines, continued providing employee training programmes, integrated a multi-activity approach to managing our agency groups and created distinctive service offerings. By harmonising our methods, we have been able to improve the services we deliver, guarantee our clients greater flexibility and optimise the clarity of our offering. In 2014, we will continue the work begun in 2013, notably with regard to how we structure and manage our network. We will refocus our points of sale to work as closely as possible with Nexity's other business lines and to be near our clients, whom we seek to serve ever better.



Jean-Luc POIDEVIN

Managing Director,
Major Urban Projects

“Our role is to assist local authorities in the city-building process. We have chosen to go further with them into a risk-sharing approach.”

For local authorities, giving shape to their vision for their city has become more and more complex. More and more stakeholders are involved, and network operators now play an indispensable role. The needs of populations change as quickly as their patterns of living. The financial resources of single towns, intermunicipal boards, and even the State, are tending to decrease. For these reasons, local authorities have to find other ways of getting things done.

Sometimes they have to change models entirely. Nexity, with its ability to bring together all the trades needed to design and build a city, naturally stands out as a partner of choice. We help invent new neighbourhoods that embrace the many novel ways of living, working, getting around and communicating, so that the city itself makes sense to the people in it. But also, by owning land alongside our clients, we become stakeholders in these projects. Our size and strong financial position enable us, as urban planner, to share risk and thereby create value. In 2014, we will maintain this direction, pursue our land development activities and continue to transform our model.



Alexis PERRET

Managing Director,
Commercial real estate

“As far as Commercial real estate is concerned, in spite of inauspicious conditions, 2013 confirmed the relevance of our strategic development priorities.”

For Nexity’s Commercial real estate business, 2013 was a very good year in terms of both order intake, which tripled compared to 2012, and deliveries, with 14 very different buildings handed over successfully and on time. For 2014, we will focus on renewing our order book by taking up land positions to diversify our portfolio. Given the economic context, we will remain cautious, aiming to leverage market opportunities as well as our ability to offer all possible types of project arrangements. We will also remain attentive to investors as we continue to pursue an end-users strategy that allows them to capitalise on our knowledge of complex projects and technologically advanced buildings.



Laurent CASTELLANI

Chairman,
Real Estate services to companies

“By forming an actual division just for Real Estate services to companies, we are aiming to create added value for our clients and for each of our business lines.”

After 2013, when we revamped the processes, methods and team structures in property management and our related business lines, 2014 will witness the creation of a comprehensive, integrated offering targeted to investors and end users. Starting from a core group of three business lines – property management, brokerage and appraisals –, we will structure and supplement our existing expertise with new, complementary offerings: space planning and remodelling, and consulting. We will pursue both organic and external growth, with the aim of organising the interactions between these five business lines.

STRATEGY



Valérie MELLUL

Human Resources Director

“Being a preferred employer means high standards for managers and HR teams, who must dedicate themselves to serving every employee and making their lives easier.”

Providing our clients with smart real estate solutions for life also means offering a comprehensive range of property expertise. In order to help all the employees that make up that expertise develop their professional capital and be as satisfied as possible at work, our Human Resources department strives every day to provide support and guidance for all Nexity's employees and managers. In this spirit, we provide them with an online “personal HR account” that gives everyone personalised access to HR information and services such as holiday request forms, training, compensation reports and career development opportunities.



Catherine STEPHANOFF

Legal Affairs Director,
Company Secretary

“We work on a daily basis to fortify commitments and prevent risks, and we support the development of innovations and external growth operations.”

In Nexity's line of work, legal and regulatory compliance is of the utmost importance. That's why, in 2013, our department played a major role in making the necessary changes to the Group's legal documents, notably those affected by housing ordinances or the ALUR Act, and providing a secure legal framework for our innovative business activities. In response to the shift toward digital communication and paperless data, we reinforced our personal data security measures and appointed a Data Protection Officer. We also continued our risk prevention initiatives such as providing construction site safety training to our directors in real estate development.

INSIGHTS



Arnaud BOQUET

Director of Marketing,
Trade and Client Relations

“We have doubled the number of client brand ambassadors, which is a major achievement. Now we must live up to the trust they place in us, by ensuring their long-term satisfaction.”

Our clients appreciate the quality of our homes and services offerings, our one-of-a-kind guarantees, our commitment to household purchasing power through affordable financing solutions and the care and attentiveness of our locally based teams. Nexity’s clients are its premier ambassadors. The number of clients who recommended us to a friend, a family member or a colleague with a real estate project doubled in 2013. Every day in our agencies and at our points of sale, we listen to our clients, get to know them and exchange ideas.

Today, the number-one point of contact is digital. To meet our clients’ needs as they grow increasingly connected and mobile, we offer personalised online video chats, a convenient way for clients to “see” us from wherever they are.



Blandine CASTARÈDE

Director of Communications
and Brand Strategy

“Two years after its launch, the Nexity single brand has matured nicely, meeting the objectives we set for it and proving able to support our development strategy.”

Our communications policy since 2012 has been to emphasise the cross-disciplinary nature of Nexity’s business lines, offerings and services. This has anchored our positioning relative to target audiences and markets. It has also strengthened our brand image and reaffirmed our distinctiveness. What is more, we have made the brand more ubiquitous by clarifying its scope, giving us better visibility and a bigger name. In 2013, we employed the Nexity brand to still greater effect, showcasing the Group’s innovative new concepts and providing a communicative framework for external growth.

At the centre of it all, our communications teams will carry on in 2014, providing a common message for all the Group’s constituents and encapsulating the Nexity brand as it continues to develop.

INSIGHTS



Sabine DESNAULT

Sustainable Development Director

“More than just doing eco-design, we want to innovate in ways that will allow us to connect responsibly with new lifestyles. To keep our promise of sustainable cities and regions that deliver immediate benefits.”

In 2013, we built France’s first energy-plus wood-frame business park. We also generalised the use of carbon footprint assessments for residential buildings, published the “Eco-responsible Construction Sites” charter, made energy performance commitments and launched the first “Quality of Life and Well-being in Construction” innovation award. In 2014, Nexity aims to create even more value for clients through energy efficiency renovations and new models for real estate products and services. We hope to make their lives easier and encourage environmentally friendly choices.



Anne MOLLET

Strategic Marketing Director

“Our role is to help make Nexity an innovative, committed company that stays in tune with market trends and listens to its clients’ needs.”

How do new lifestyles influence the way homes and workplaces are designed and managed? How can we best meet the current and future real estate needs of our corporate, individual and public sector clients? For us, 2013 was about answering these questions critically as well as proactively. In 2014, we will continue to help the company innovate by developing homes optimised for shared living and expanding the Ywood product line. We also plan to step up our activities in support of affordable housing and our involvement in public policy.



Thomas de SAINT LÉGER

Director of Strategy
and Business Development

“In 2013, Nexity relaunched an ambitious external growth policy that will allow the Group to further secure its positions in key markets.”

Our strategy has two main thrusts. The first is to bolster services, which we have done by acquiring Oralia, France’s fifth largest property management group. This reaffirms Nexity’s standing as a key figure in a resilient market. The second thrust is to develop new ways for people to get housing. In this vein, we forged a partnership with PERL, a pioneer in social housing usufruct solutions (see Jean-Philippe Ruggieri’s piece above). Both of these major initiatives will be pursued in 2014, enabling the Nexity Group to keep growing while creating value.



Louis-Olivier de ROUX

Information Systems
and Organisation Director

“2013 was a pivotal year, with major developments in paperless business processes and preparation for important 2014 deadlines.”

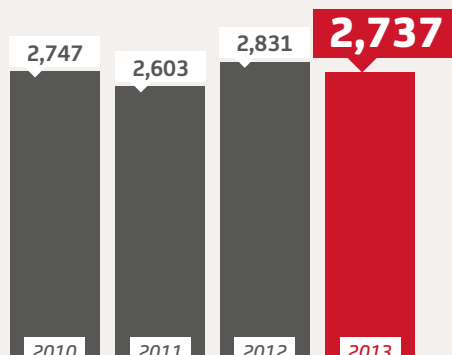
The Information Systems and Organisation Department is tasked essentially with ensuring the quality and continuity of IT services for all Group entities. It also organises and facilitates transformations by providing the necessary tools and methodological expertise, and by supporting the selection and follow-up of change management projects in accordance with available capabilities and Group strategy. Last but not least, we are responsible for anticipating new technological developments so that Nexity can take full advantage of them for the benefit of clients. In 2014, for example, we will be managing office moves, regulatory adjustments and the gradual equipping of all our sales teams with state-of-the-art mobile technology.

FINANCIAL HIGHLIGHTS

The results achieved in 2013 confirm the robustness of Nexity's model, our strong sales momentum and the quality of our management. In a challenging environment, order backlog at 31 December 2013 totalled €3.4 billion, up 8% from the preceding year and representing 18 months of development activity⁽¹⁾. Revenue came to €2,737 billion and current operating profit was €192 million. Our overall financial position is sound, having been made even stronger by a successful €200 million bond issue completed in January 2013.

REVENUE

[in € millions]



REVENUE BREAKDOWN IN 2013

[in € millions]

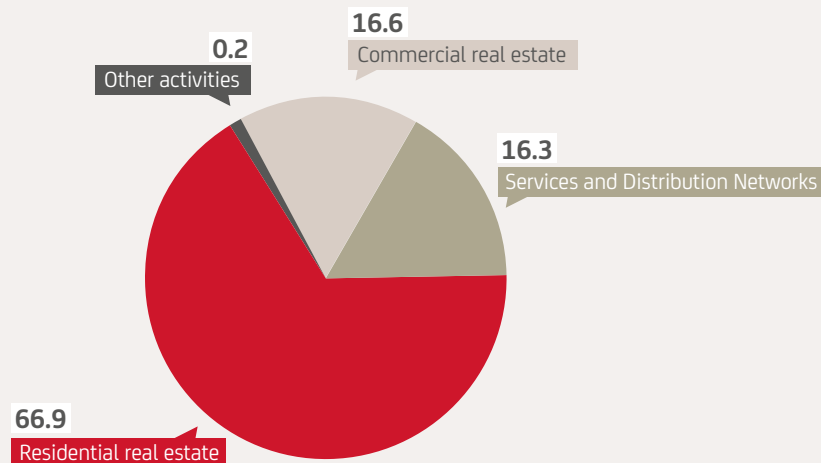
REVENUE ⁽¹⁾	2010	2011	2012	2013
Residential real estate ⁽²⁾	1,732	1,732	1,855	1,832
Commercial real estate ⁽²⁾	375	321	518	453
Services and Distribution Networks	609	547	453	446
Other activities	31	3	5	6
TOTAL	2,747	2,603	2,831	2,737

(1) For 2012 and 2013, Networks sales activity is reclassified under Residential real estate, and Client support solutions is reclassified under Other activities.

(2) Revenue for Residential real estate (excluding Italy) and for Commercial real estate is recognised using the percentage-of-completion method, i.e. on the basis of notarised sales pro-rated to reflect the progress of committed construction costs.

REVENUE BY DIVISION IN 2013

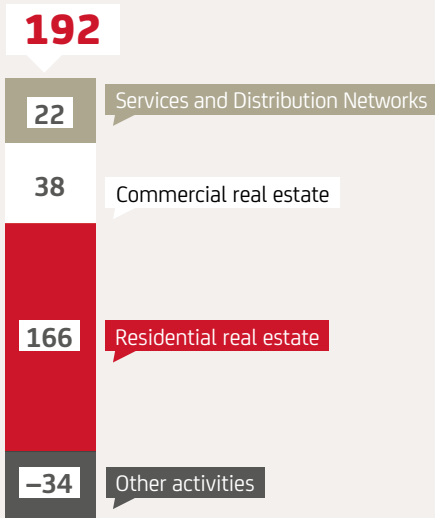
[as %]



(1) On the basis of revenue for the preceding 12 months.

CURRENT OPERATING PROFIT IN 2013

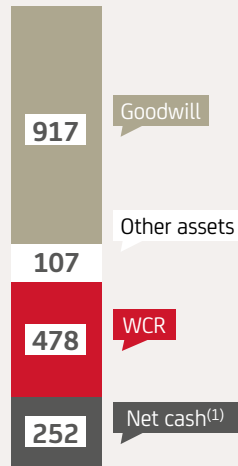
[in € millions]



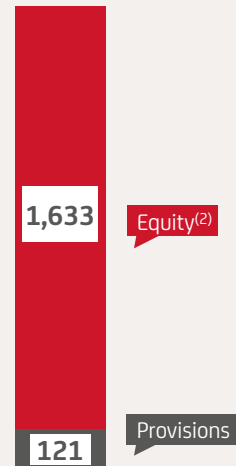
BALANCE SHEET AT 31 DECEMBER 2013

[in € millions]

ASSETS



LIABILITIES AND EQUITY

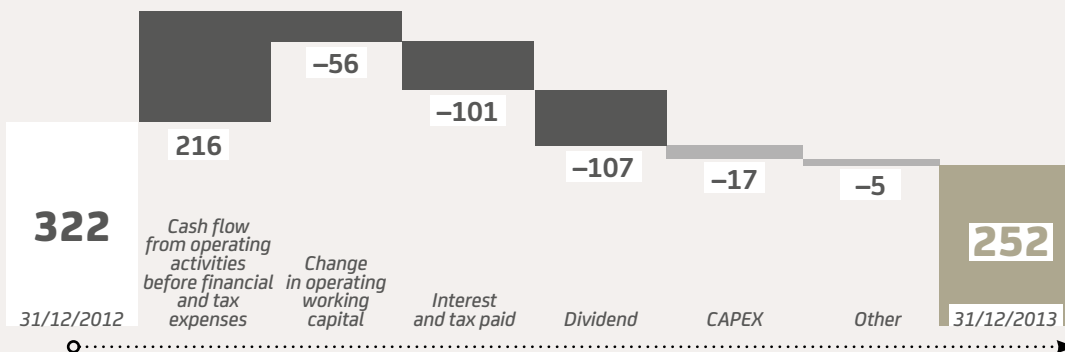


(1) Cash less financial debt.

(2) Including minority (non-controlling) interests.

CHANGE IN CASH POSITION IN 2013

[in € millions]



GOVERNANCE

In accordance with the internal rules and regulations of the Board of Directors, the Board may decide to establish one or more permanent or temporary committees, intended to facilitate the work of the Board of Directors and to contribute effectively to the preparation of its decisions. Committees established by the Board of Directors have a strictly consultative role.

The Board of Directors has full discretion as to how it may or may not act on their recommendations. Each Director is free to vote as he or she sees fit, regardless of any studies, investigations or reports, and is not bound by any recommendations from a Committee. There are three Committees: the Audit and Accounts Committee, the Compensation and Appointments Committee, and the Investment Committee.

BOARD OF DIRECTORS

The Board of Directors sets the Company's business objectives and oversees their implementation.

Except for certain powers expressly allocated to Shareholders' Meetings, and insofar as the scope of business allows, the Board of Directors addresses all issues pertaining to the running of the Company and votes on how to resolve matters concerning it. It performs any audits or verifications it deems warranted. Board members are appointed by the Ordinary Shareholders' Meeting for four-year terms. The Board of Directors met eight times in 2013.

Chairman and Chief Executive Officer

Alain Dinin

Deputy Chairman

Bernard Comolet

Deputy Chief Executive Officer

Hervé Denize

Members

Martine Carette

CE Holding Promotion

represented by Marguerite Bérard-Andrieu

Anne-Marie de Chalambert

Christine Fabresse

Luce Gendry

Daniel Karyotis

Miguel Sieler

Jacques Veyrat

Non-voting member

Charles-Henri Filippi

Employee representatives

Stanislas Augem

Évelyne Mistler

AUDIT AND ACCOUNTS COMMITTEE

The key duties of the Audit and Accounts Committee are to assist and submit observations to the Board in the areas of accounting policy, the preparation of parent company consolidated interim and annual financial statements, reporting, internal control, external audit, financial communication and risk management. The Audit and Accounts Committee is comprised of no fewer than three and no more than five Directors, appointed by the Board of Directors. The Audit and Accounts Committee met four times in 2013.

Chairman

Luce Gendry

Co-chairman

Daniel Karyotis

Member

Miguel Sieler

INVESTMENT COMMITTEE

The Investment Committee's duty is to render opinions on the acquisition or transfer of equity interest or assets in material amounts liable to modify the Company's balance sheet structure, including any acquisition or transfer of equity interest or assets amounting to a value of €50 million or more.

The Investment Committee is comprised of no fewer than six and no more than nine members, appointed by the Board of Directors. The Investment Committee met once in 2013.

Chairman

Alain Dinin

Deputy Chairman

CE Holding Promotion
represented by Marguerite Bérard-Andrieu

Members

Anne-Marie de Chalambert
Hervé Denize
Charles-Henri Filippi
Luce Gendry
Jacques Veyrat

COMPENSATION AND APPOINTMENTS COMMITTEE

The main tasks of the Compensation and Appointments Committee are to consider and make proposals on the remuneration of company officers, the overall amount and allocation of Directors' fees and the allocation of bonus shares. The Committee is also involved in appointing successors to company officers under the risk prevention plan.

The Compensation and Appointments Committee is comprised of no fewer than three and no more than five directors, appointed by the Board of Directors. The Committee met six times in 2013.

Chairman

Miguel Sieler

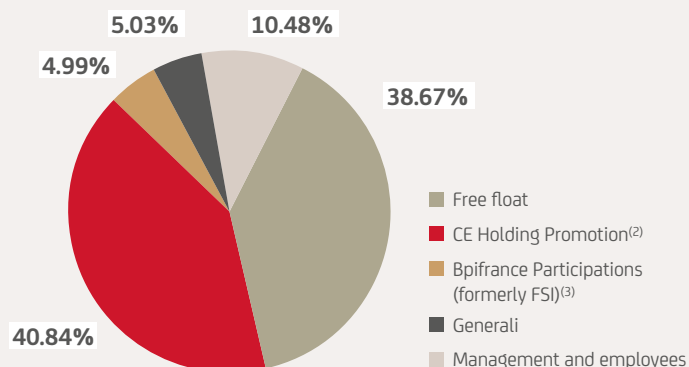
Members

CE Holding Promotion
represented by Marguerite Bérard-Andrieu
Anne-Marie de Chalambert
Jacques Veyrat

SHAREHOLDERS

OWNERSHIP STRUCTURE⁽¹⁾

[at 31 December 2013]



(1) Held on own account. Based on filings with the Company.

(2) Based on filings with the Company.

(3) On the basis of the declaration that a shareholding threshold was crossed dated 5 November 2013.

CHANGE IN NEXITY'S SHARE PRICE

Between 1 January and 31 December 2013 (in €)



SHAREHOLDERS' DASHBOARD


	2010	2011	2012	2013
Number of shares at 31 December	51,992,887	52,402,145	52,834,045	53,576,584
Highest share price (€)	36.00	36.93	26.09	30.02
Lowest share price (€)	21.07	15.44	16.42	22.30
Share price at 31 December (€)	34.16	17.52	25.53	27.41
Dividend per share (€)	6.00	2.00	2.00	2.00 ⁽¹⁾
Capitalisation at 31 December (€ millions)	1,776	918	1,349	1,469

(1) Proposed to the Shareholders' Meeting of 20 May 2014.

2013 KEY FIGURES

	2010	2011	2012	2013
Revenue	2,747	2,603	2,831	2,737
Current operating profit	201	202	200	192
Operating margin	7.3%	7.8%	7.1%	7.0%
Group share of net profit ⁽¹⁾	114	115	116	100

(1) Excluding non-recurring items.



SERVING OUR INDIVIDUAL CLIENTS EVERY STEP OF THE WAY

Providing real estate solutions to individuals naturally means offering them a complete range of products and services combined with quality client support and responsive follow up, whether they are buying, renting or investing.

But at Nexity, we go the extra mile. We seek first and foremost to understand our clients' needs and their expectations. We strive to innovate, to invent the property landscape of tomorrow by anticipating changing usage patterns.

That means always being there for our clients. In today's strained market, we have the power of our brand, the expertise of our teams, the strength of our network and the unique Nexity state of mind – all driving us to keep our promise of offering smart real estate solutions for life.





At Nexity, as a major real estate provider, we consider it our responsibility to innovate. To offer real world solutions for home ownership and other diverse housing needs.

.....

We are exploring a variety of new ways to meet the real estate needs of young professionals and families. We do a lot of work side by side with social housing operators, and are the number one private developer in France's ANRU urban regeneration zones, where we use the reduced VAT rate to offer more affordable housing.

Since the first ANRU zone, a total of 11,323 homes have been purchased in both retail and wholesale transactions. This includes 1,751 homes in 2013. This year, 36.3% of Nexity's clients buying their first home were able to benefit from the reduced VAT rate. Following a study on streamlined building processes, we rolled out Access Design to construct homes faster and more cheaply near city centres. Recently, we began exploring other possibilities by thinking about how to accommodate new lifestyles. Through partnerships with specialist firms, we are now able to offer home-sharing and social-housing usufruct solutions.

UP PARC (Arcueil – Paris region)





At Nexity, we know how confusing it can be to buy, sell or invest in property. We also know that any given situation requires its own clear, concrete answers. That's why we make a point of responding to the individual real estate needs of all our clients.

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To respond efficiently and effectively to the needs of our clients, whether they are looking for an investment or a home to live in, our offering covers the entire spectrum of real estate products – from new apartments in residential buildings, to buy-to-let assets, to detached houses, subdivisions and existing properties on the market. Our complementary areas of expertise in both residential development and real estate services to individuals allow us to continue assisting clients once they've found the right home. Our special guarantees – resale protection, 24 hour assistance and first occupancy – are a good illustration of this. Other examples include our support solutions, online calculators at nexity.fr and innovative offerings in areas such as condominium and rental property management. In 2012, Nexity launched a personalisable online client interface (EPC or "Espace Privé Client" at mynexity.fr). This is an essential tool for us to manage relationships with individual retail clients. By the end of 2013, 140,000 clients had activated their online accounts, with more than 40,000 logons per month. We also added new features to the EPC such as paperless accounting statements.





At Nexity, we consider senior housing an important challenge that calls for smart solutions. In less than ten years' time, one in four French people will be over the age of 60⁽¹⁾, and life expectancies continue to rise. We thus believe it is important to assist households at this stage in the property cycle as well.

.....

In order to meet seniors' housing expectations both now and in the future, we want to offer innovative, attractive, tailored solutions by designing collective accommodation that takes residents' health needs and levels of self sufficiency into account. This entails a permanent focus on comfort, safety and quality of life. Our offering covers the whole product range, including assisted living homes co-developed with Ægide Domitys; smaller Edénéa senior residences located in city centres and offering accessible, comfortable apartments at affordable rents of around €800 per month for a 45 sq.m (484 sq.ft) one bedroom unit; serviced residences for low-income inter-generational/ senior housing, sold to professional landlords; and long-term care facilities, developed on behalf of property managers or specialist landlords.

(1) INSEE projections.

INNOVATIVE APPROACHES FOR OUR CLIENTS

Nexity has always been committed to providing its clients with the best product or service at the right price. We aspire to meet all their housing needs, which include offering new approaches in tune with societal changes.

No. 1 developer

In 2013, Nexity was the leading French residential real estate developer, with business volumes totalling €2,135 million. We booked 10,121 net reservations for new homes and 2,104 for subdivision units.

804,800

This is how many residential units were under management in Real Estate services to individuals at 31 December 2013.

11.5%

is Nexity's market share in French residential real estate for 2013.

Offering new approaches

Wherever managing agent services for condominiums are provided, the same phenomenon crops up: rising fees (5% to 6% a year on average). One of the services condominium owners expect most from managing agents is to keep costs down. We have chosen to go even further by offering certain types of condominiums an **occupancy cost guarantee**. Since May 2013, we have promised to either reduce condominium management fees within three years or, if fees go up, to compensate the owners (see terms and conditions on nexity.fr).

When acquiring new real estate, our clients may buy off-plan and sometimes find it hard to picture themselves in their future home. To set their minds at ease, we are currently developing a **home design simulator**. This new marketing tool will let clients visualise all the options available to personalise their future home and provide an immediate, transparent estimate of the cost of work.

Close support and a local presence are key to the relationships we strive to build with each and every client. That includes being there from the very start of their decision making process, which is why we have developed **two assessment tools**. The first is a property appraisal for clients wishing to sell their home. Using a database containing the details of more than 200,000 sales, Nexity's asset valuation tool provides an substantiated initial appraisal. The second tool is a calculator made available through each client's online Nexity account that allows buyers or sellers to estimate the cost of the work they want done.

Exploring new usage patterns

In France, as in the rest of Europe, **home sharing** is a growing practice that has

moved beyond its traditional core audience of students and young graduates. Home sharers are motivated by financial considerations, of course, but also by the desire to meet new people or enjoy a better quality of life. At Nexity, we have chosen to add this solution to our range of offerings by acquiring a majority stake in Weroom.

A pioneer of the sharing economy, Weroom is a social networking site that connects a like minded tenants and landlords. Weroom offers all types of home sharing for all generations. We are also developing a range of new housing units specifically designed to meet the needs of home sharers.

Nexity has always paid close attention to housing issues, especially those faced by lower income segments of the population. While home sharing may be an initial solution for some, it is generally not suited to families. We have therefore chosen to join forces with PERL, a specialist in sharing between **bare ownership and usufruct**. This new approach, which is more than just a financial distinction, taps into the noticeable societal shift towards use over ownership. It financially empowers middle-class working families by offering them affordable homes that fill the gap between social housing and traditional ownership strategies.

In France today, 95% of the population lives in or around cities. As patterns of living evolve, so do ways of commuting, which are being profoundly affected by the combined force of lifestyle changes and environmental constraints. It is also the role of companies like Nexity to offer new mobility solutions. That's why we will be developing **car-sharing** opportunities that can be implemented at our new build residential programmes in areas of the country where the housing market is stretched thin.

HIGHLIGHTS OF 2013

BUILDING LOYALTY AND CUSTOM SOLUTIONS

Along the lines of our “smart prices for life” campaign (see below), and to incentivise loyal clients, we set up a preferred pricing policy for new signings. It has applied since June 2013 to new build contracts and since December to existing real estate, including rental property management, lettings, purchases and sales. Another way in which we provide our clients with the best support money can buy is through a wide selection of service solutions. In Real Estate services to individuals, we rolled out a new range of unique and exclusive rental property management contracts in September 2013, offering 6 months commitment free, price discounts based on rent, occupancy guarantees and more. This way, our clients can choose the contract that works best for them, depending on the services they need and the type of property they have.

May 2013 “SMART PRICES FOR LIFE”

In 2013, Nexity aired its first prime time television advert, a bold campaign covering the world of real estate, on all major French terrestrial channels and DTT. We chose to place prices at the heart of the campaign, while setting ourselves apart through a focus on pricing philosophy rather than specific amounts. Using the motto “Smart prices for



life”, the three adverts send the message that Nexity can adapt to people’s individual situations, whatever their purchasing capability, to encourage and empower them with innovative guarantees.

June 2013 STRONG SALES AT NEW PORT IN PANTIN

The New Port in Pantin development, on the banks of the Ourcq canal, right next to a metro station, will offer a total of 20,000 sq.m of homes for sale, 5,000 sq.m of social housing and 3,000 sq.m of retail and business premises. The initial stage of the development, consisting of 206 homes at an average price of €5,312/sq.m, went to market successfully, with 104 reservations signed during the first weekend. All the remaining homes have since been sold. 71.5% of clients purchased homes to use as their main residence, and 40% of them already live in the area. These figures confirm that Nexity’s offering is well suited to the needs of French homebuyers at the local level.



NEW PORT (Pantin, Paris region)

September 2013

A STRONGER ORGANISATION

The Residential real estate division assigned three deputy managing Directors to three strategic areas: construction cost control, foresight and innovation, and future land development. This was done while keeping in place everything that already makes the division strong, such as autonomy for the executive management of subsidiaries.



LISTENING TO WHAT OUR CLIENTS WANT

Every month, Nexity measures the satisfaction of its individual clients by surveying a sample group of landlords, condominium owners, home buyers, sellers and tenants, as well as potential new-build clients. In total for 2013, nearly 10,000 people were surveyed. 81% of clients in Real Estate services to individuals and 84% of clients in Residential real estate said they were satisfied with Nexity. These results are encouraging but insufficient, because we want 100% of our clients to be satisfied.

A satisfied client is an effective ambassador for the Nexity brand. Evidence of this can be seen in the figures for our sales of new homes via client referrals: up from 4% to 5% in 2012, and up to 13% in 2013. Our target is 20% by 2015.

December 2013

ACQUISITION OF THE ORALIA PROPERTY MANAGEMENT GROUP

With this acquisition, we are building on Nexity's position as the number one fully-integrated real estate group in France, and the country's second largest property manager. Among French property managers, Oralia is fifth in size, with 25 agencies (mostly within the cities of Paris and Lyon) and a portfolio of more than 165,000 units under management in 2013, including about 31,000 units under rental management agreements. Oralia's geographic coverage is perfectly in line with our business development strategy and our aim of refocusing our agency network locations on France's major metropolitan areas. The goal is total proximity to the properties we manage rent and sell for our clients.



HELPING OUR CORPORATE CLIENTS CREATE VALUE

The role of real estate in business has continued to evolve. Once a secondary concern, it is gaining strategic importance not only with the adoption of new accounting rules⁽¹⁾ but also as human resources become a bigger factor.

The tougher the economic climate, the more real estate is challenged and called upon to strengthen balance sheets and reduce costs. Our teams in Commercial real estate and Real Estate services to companies bring their experience, expertise and know-how to bear in helping investors as well as end users implement a robust real estate strategy.

(1) International Financial Reporting Standards (IFRS).





At Nexity, we secure revenue for our development clients by reaching out to major end users in advance. This makes us particularly efficient, simultaneously serving investors who need high performance, value-creating assets, and large corporate end users who want the right employee-friendly buildings for their business.

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Despite a challenging environment and a weakened economy, Nexity Commercial real estate tripled its order intake in 2013 compared to 2012, to €544 million, beating its initial target (€350 million) by a wide margin. This year featured the Éco Campus development in Châtillon with Orange as future end user and Predica as investor, the Le Nuovo project in Clichy for L'Oréal, and the renovation of an office building in the 8th arrondissement of Paris on behalf of Deka. We also recorded new orders in the 4th quarter, including an office development in Pantin for Havas BETC and the In Situ project in Boulogne-Billancourt.

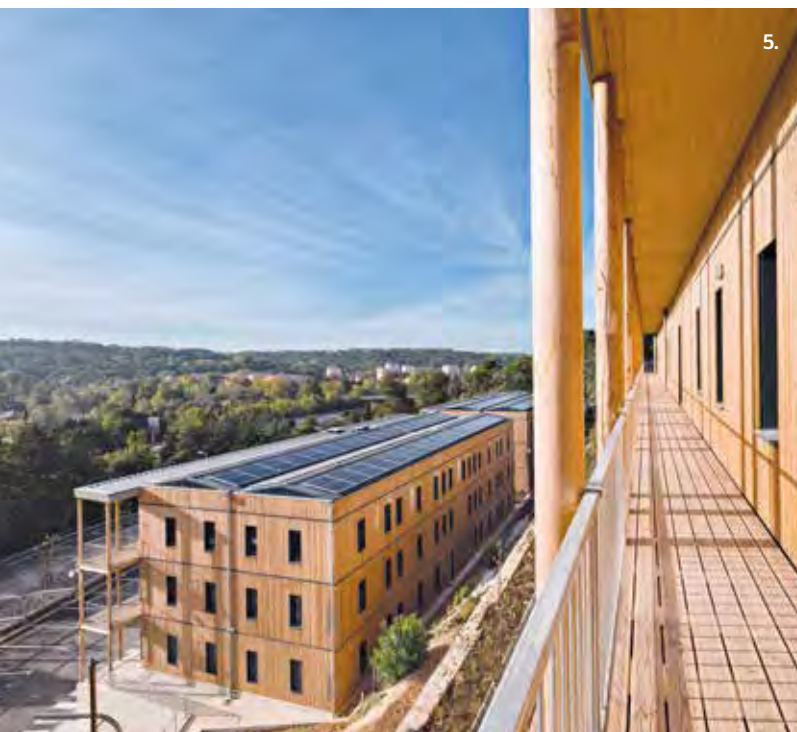
ÉCO CAMPUS (Châtillon – Paris region)



1.



2.



5.

1. BASALTE
42,850 sq.m;
180 metres long,
50 metres high
and 35 metres
wide;
7 below ground
levels;
9 above ground
levels.

**2. MAGASINS
GÉNÉRAUX**
16,000 sq.m of
offices, services
and retail.

3. ACCINOV BUILDING
6,500 sq.m, with
24 type P2 analysis
laboratories (ISO 8)
and 3 GMP-certified
biomanufacturing
laboratories.

4. ATHÉNA TOWER
38,000 sq.m (ground
floor + 21 levels).

5. AIX L'ENSOLEILLÉE
Construction of
4 Ywood Business
office buildings
centrally located
in Aix-en-Provence.



4.



When it comes to efficient buildings and environmental certification, Nexity Commercial real estate has always been a step ahead. What sets us apart is our ability to design and deliver complex, technologically-advanced projects, and to manage major refurbishments.

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Good examples would be the 5 developments currently ongoing or delivered in 2013. The **Basalte** building is a true “horizontal tower”, designed to sit entirely above ground, astride the RN314 motorway tunnel in Paris’ La Défense business district. It houses the trading floors of the bank Société Générale. The **Ywood Business park** built for Orange in Aix-en-Provence is France’s first energy plus business park to use solid wood frame structures. It won the Pyramide d’Argent innovation prize. The **Accinov** building is home to offices and cleanrooms that make up the biomanufacturing and bioanalysis facilities of the Accinov association, part of the Lyonbiopôle global competitiveness cluster for research against infectious diseases and cancer. The **Athéna** tower, which is being heavily refurbished for Allianz, is the first such tower rehabilitation project to seek HQE Rénovation environmental certification and the BBC Rénovation energy efficiency label. The former **Magasins Généraux** warehouses along the Ourcq canal in Pantin are going to be completely renovated, with their 1930’s architecture serving as design inspiration for the whole neighbourhood.



THE NEW REAL ESTATE SERVICES TO COMPANIES DIVISION

This new Real Estate services to companies division, serving both investors and end users, emerges from our strategy of supporting clients wherever their real estate needs may take them.

1 DIVISION, 5 COMPLEMENTARY BUSINESS LINES

Rather than a post crisis recovery, what we have been seeing is an economic paradigm shift to which real estate markets must adapt. In this uncertain environment, many real estate companies are evolving to take advantage of new opportunities. At Nexity, to enhance our B2B offering along the entire value chain, we have inaugurated a division dedicated specifically to real estate services to companies, based on our model of supporting clients wherever their real estate needs may take them. Our clients thus stand to benefit from the most comprehensive range of products and services the market has to offer. Be they end users, property owners or institutional investors, we now provide even stronger coverage of all their needs, in five areas: property management, advisory and brokerage services, space planning and remodelling, consulting and appraisals.



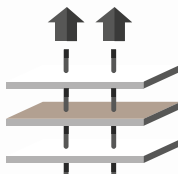
71

MILLION EUROS
IN REVENUE FOR 2013



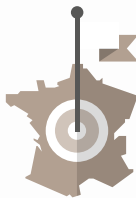
680

EMPLOYEES AT YEAR END 2013



11.3

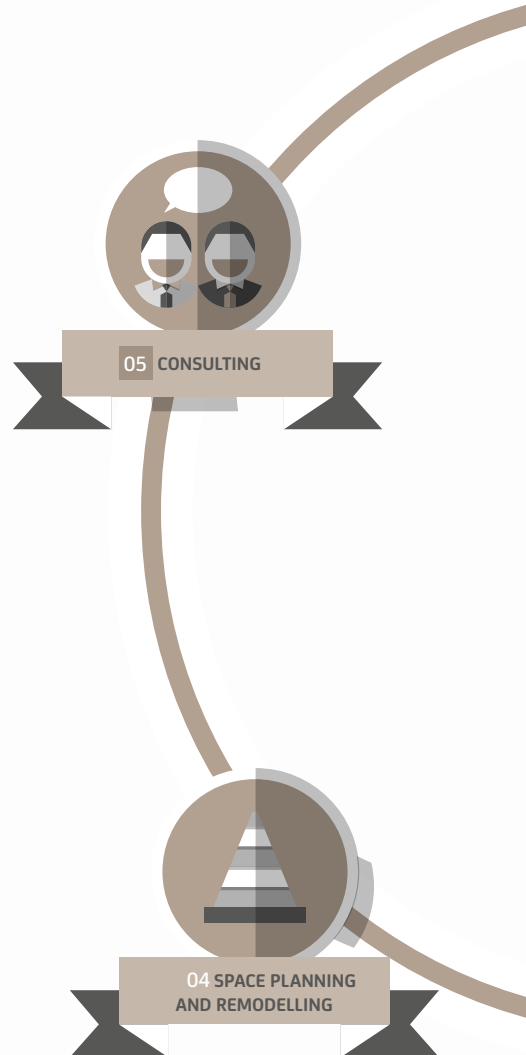
MILLION SQ.M UNDER MANAGEMENT

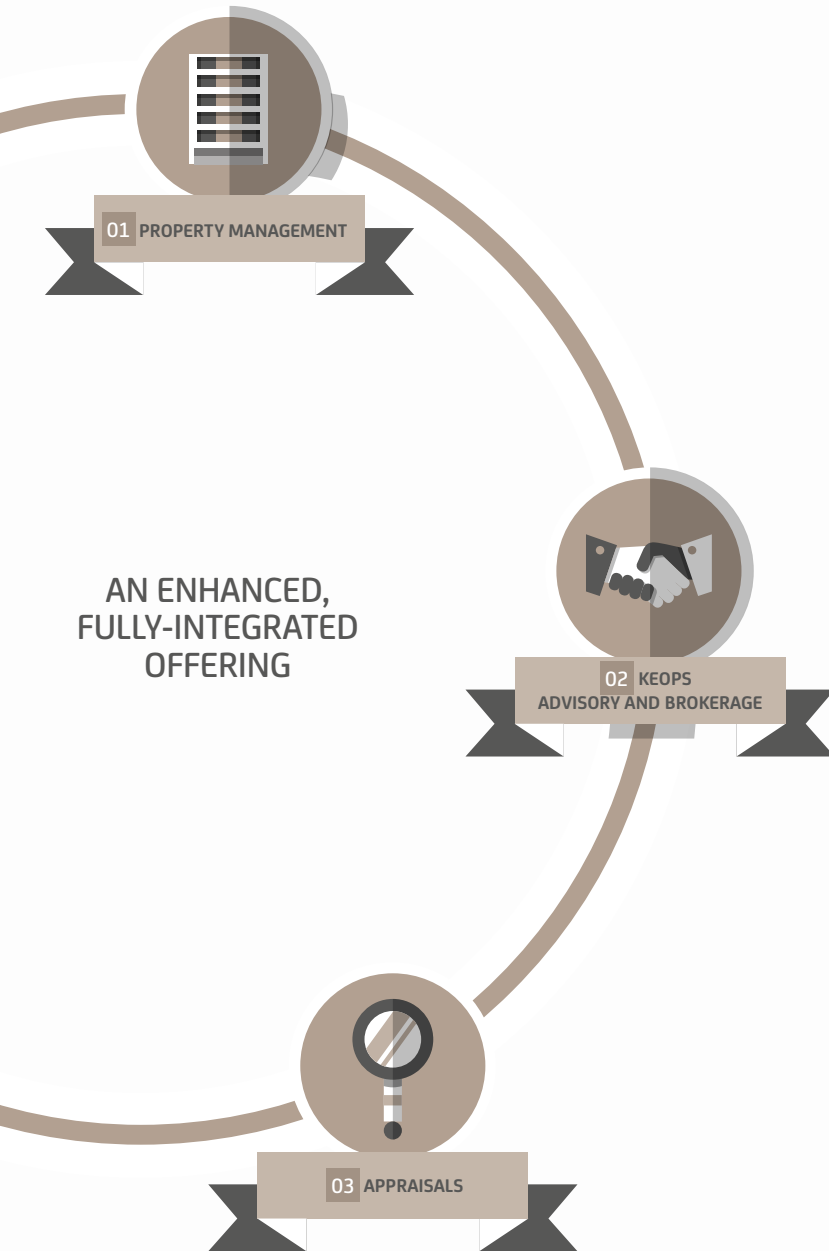


18

LOCATIONS IN FRANCE

Paris, Pontoise, Guyancourt, Montrouge, Montreuil, Lille, Nancy, Strasbourg, Lyon, Toulon, Marseille, Montpellier, Toulouse, Bordeaux, Clermont-Ferrand, Nantes, Orléans, Rouen





01 PROPERTY MANAGEMENT

Our property management teams use all their know-how, methods and experience to help a business enhance the value of its assets, regardless of contract size or ownership strategy.

02 KEOPS ADVISORY AND BROKERAGE

When it comes to leasing, selling or optimising real estate assets, our 160 advisory and brokerage specialists are there to help business owners with transactions in office space, commercial and industrial premises, warehouses or other logistics facilities, retail space and land. In 2013, Keops brokered 550 transactions covering nearly 500,000 sq.m of office space and other business premises taken up by end users in France.

03 APPRAISALS

For all building types and asset portfolios, our experts at Nexity Real Estate services to companies carry out appraisals that help clients analyse the value of their properties in France and across Europe.

04 SPACE PLANNING AND REMODELLING

When our clients want to move, redesign or otherwise optimise their current offices, we work with them to ensure that the result is well thought out, ergonomic, cost efficient, on budget and on time, as well as appropriately suited to their needs and corporate culture.

05 CONSULTING

The consulting teams at Nexity Real Estate provide upstream services to companies provide upstream advice and assistance to large corporate clients, helping them develop their basic real estate policies as well as manage and implement strategy.

INNOVATIVE APPROACHES FOR OUR CLIENTS

Our expertise along the entire real estate value chain and our extensive knowledge of investors' as well as end-users' needs mean we can offer our clients made-to-measure solutions in both real estate development and services.

900,000 sq.m

Nexity's commercial real estate portfolio contains nearly 900,000 sq.m of projects under way or in development (including urban regeneration projects).

550

This is the number of transactions brokered by Keops advisory and brokerage teams in 2013.

Implementing an occupancy cost guarantee

With the combined know-how of our teams in Commercial real estate and Real Estate services to companies, Nexity is one of the few providers offering packaged solutions that cover the entire real estate value chain. Our clients are extremely receptive to this integrated capability. But we have chosen to go even further in our innovation. In September 2013, we signed the **first property management contract** with an **occupancy cost guarantee** and an **energy performance guarantee**. Our professionals redesigned the traditional property management process to establish the organisational model and basic commitments necessary for a functional occupancy cost guarantee. The resulting guarantee (which excludes corporate dining facilities) was defined and implemented right from the building design phase, managed by our Commercial real estate teams.

Rolling out Blue Office

We have decided to move forward with Blue Office because people in France are approaching work differently, and they show a growing interest in enhancing their quality of life. We also want to help facilitate local economic development. Recent studies show that telecommuting increases companies' productivity by 22% on average. This is thanks to reduced absence rates, improved efficiency and time savings.⁽¹⁾ Considering that 32% of people who work in the Paris region spend more than an hour and a half commuting⁽²⁾, and that 73% of sedentary workers say they would like to telecommute⁽¹⁾, we thought it was time to develop a **new way of working**. One that would provide a win-win for companies as well as their employees: work better, live better. The first Blue Office locations will cover the Paris region, in residential areas. They will be designed and managed by Nexity as places where telecommuters can come to enjoy a structured remote office

setting. Users will be able to stay connected to their employers while benefitting from Blue Office services in a friendly, comfortable work environment. Because it gives employees a place to work without their company having to own, rent or manage extra property, Blue Office is a next-generation telecommuting solution. It will allow companies and their staff to enjoy greater freedom and individualisation by adapting to the cost of real estate, commuters' place of residence and line of work, and the type of business engaged in.

Extending the Ywood product range

Ywood Business offices are innovative and socially responsible, using **solid wood structures** to guarantee high environmental performance. They have half the carbon footprint of conventional concrete buildings and comply with France's RT 2012 10% thermal regulation, at no additional cost. They also meet the business community's need for fast delivery, e.g. within the six months it takes to terminate an existing commercial lease. A total of 10 buildings have already been delivered, with some 15 more under construction or nearing the end of the project set-up phase. Ywood Business construction techniques are a perfect fit for the commercial real estate market, with the potential to be used for more than just offices and industry. That is why we are currently working on extending the Ywood product range to include medical facilities and childcare centres.

(1) Source: Tour de France du télétravail.

(2) Source: INSEE – IDF-april 2011.

SOME DELIVERIES AND PROJECTS IN 2013

Fourteen developments totalling floor area of around 173,400 sq.m were delivered in 2013. Nexity also continued its existing property management contracts and won new ones, strengthening its leading position in the market.



SOLSTYS – Paris, 8th arrondissement

Architect: Jean-Jacques Ory; investor: Deka Immobilien GmbH

The Solstys development is a shining example of Nexity's know-how. It measures 24,000 sq.m, spread out over two buildings of 6 and 7 storeys, located on Rue du Rocher and Rue de Vienne, at the heart of Paris' highly accessible 8th arrondissement. There are common areas with numerous services including a corporate dining room, a cafeteria, lounges, as well as a conference room and parking places for cars, motorcycles and bicycles.



32 BLANCHE – Paris, 9th arrondissement

Rental and building management contract for Carlyle

5 commercial sites and corporate dining facilities totalling 98,000 sq.m, in the Paris region.

In December 2013, Nexity was awarded a property management contract for 4 buildings owned by Carlyle Europe Real Estate Partners (CEREP), the European property investment subsidiary of The Carlyle Group. The contract includes the regular rental and building management duties, as well as the handling of *dommages-ouvrages* structural defects insurance and the implementation of both modules of the FM'UP Global user management Web platform.





T8 – Paris, 13th arrondissement
Architect: Rudy Ricciotti Architecte
Investor: City of Paris and Deka Immobilien GmbH

The T8 mixed-use development, designed by architect Rudy Ricciotti, encompasses 20,000 usable sq.m of office space, 70 residential units and 7,200 sq.m of ground floor retail, divided into 13 independent commercial lots. It is located on the corner of Avenue de France and Rue Neuve-Tolbiac, across from the François-Mitterrand library.



HÔTEL RADISSON BLU in Nantes
(western France)

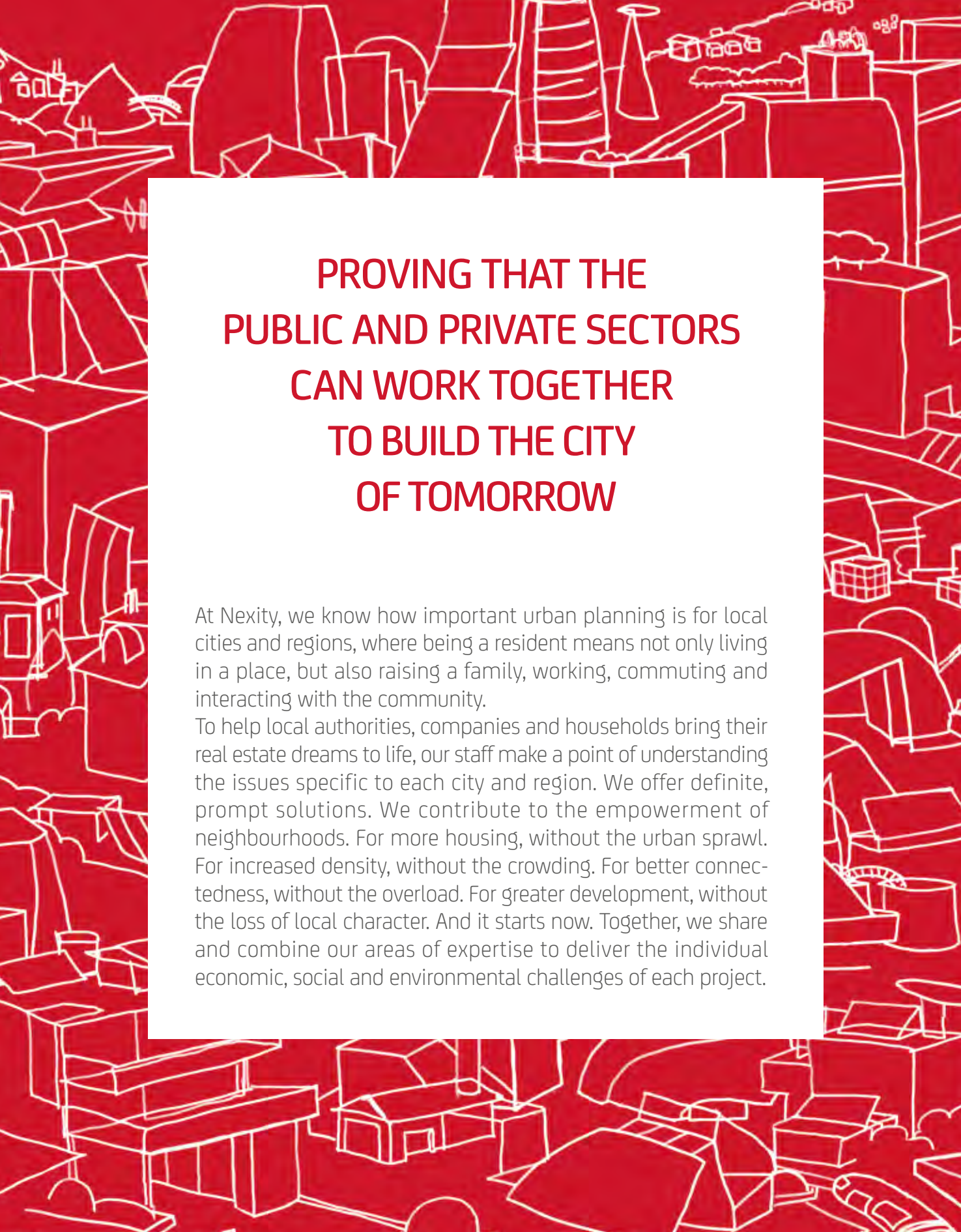
In the space formerly occupied by the city's courts (*Palais de Justice*) – rental and building management contract for AXA REIM. 41 commercial assets totalling more than 205,000 sq.m of offices and hotels, and 1,883 residential units nationwide.



BALI ET CAP VERT – Ermont-Eaubonne
(north of Paris)
Architects: Studio 135; HTA Architectes
Investor: UNOFI

Two new office buildings built according to a VEFA off-plan investor contract in a mixed use development (offices, homes, shops) near Ermont-Eaubonne's train station, which is served by the SNCF national rail and RER C commuter lines. Both buildings are occupied by GMF Vie.





PROVING THAT THE PUBLIC AND PRIVATE SECTORS CAN WORK TOGETHER TO BUILD THE CITY OF TOMORROW

At Nexity, we know how important urban planning is for local cities and regions, where being a resident means not only living in a place, but also raising a family, working, commuting and interacting with the community.

To help local authorities, companies and households bring their real estate dreams to life, our staff make a point of understanding the issues specific to each city and region. We offer definite, prompt solutions. We contribute to the empowerment of neighbourhoods. For more housing, without the urban sprawl. For increased density, without the crowding. For better connectedness, without the overload. For greater development, without the loss of local character. And it starts now. Together, we share and combine our areas of expertise to deliver the individual economic, social and environmental challenges of each project.

A city, a river and Nexity

Bringing the Saint-Ouen Docks back to life (2004-20...)

in 2004, Nexity bought 18 hectares of land (about 45 acres) from Alstom, in the Paris suburb of Saint-Ouen, along an industrial-era waterfront known as the “Docks”. Ten years later, a new eco-district is emerging there on the banks of the Seine. It is the outcome of a decade-long process of taking chances, planning, negotiating and overcoming unexpected hurdles, in close collaboration with the Saint-Ouen city government. This is the story of a true real estate adventure.

Spring 2014. Sunset over the Grand Parc in Saint-Ouen, near Paris. In the distance, the lights of the Sacré-Cœur and the Eiffel Tower shed their faint glow over the city. The evening is quiet, except for the sound of children playing, under the watchful gaze of a dozen red construction cranes. At the worksite below, fresh building foundations poke up around a gigantic covered structure of stone and iron. Difficult to say what the place will look like one year from now. But at Nexity, we’ve been thinking about it for nearly ten.

To tell this tale properly, though, we’ll need to go back much further in time. The rebirth of the Saint-Ouen Docks is more than a “real estate adventure”. It’s the story of a city and a river, just a stone’s throw from Paris.

...

Even in the Paris region, very few people are aware that, during the French Revolution, Saint-Ouen was called Bains-sur-Seine (literally “baths on the Seine”). At that time, it was no more than a village and a château, where the Countess of Cayla, Louis XVIII’s confidante, would soon lend her name to a variety of rose. Then came another revolution, this one industrial. Because it was linked to Paris by the river, Saint-Ouen focused on supplying the booming capital. Little by little, factories and warehouses sprang up all along the banks of the Seine. Meanwhile, the grounds of the château became a racecourse, where Parisians would come out for a good time. This part of the river continued to be used for recreational swimming all the way up until 1914.

However, the miracle of electricity had already begun to conquer Europe, along with its ally the railway, and towns and cities started turning their backs on inland waterways. In 1917, the Thomson-Houston company (which would later become Alstom) bought the land under the racecourse to build electrical transformers. Thomson-Houston erected three gigantic buildings there, 200 metres long by 65 metres wide, dominating an area of 20 hectares. At the height of its activity in 1950, the site housed close to three thousand workers, who enjoyed the use of playing fields built by Alstom and community gardens to improve their day-to-day quality of life. But industrial activity went into sharp decline after the 1960s. Although the Docks managed to resist for a few decades longer, the dawn of the twenty-first century sounded their death knell. As more and more companies opened new headquarters not far away in Saint-Ouen, sites closed one after another along the Seine... and the land went up for sale.

...

Enter Nexity in 2004. We bought the land occupied by Alstom, at the western tip of the Docks. In doing so, we were really betting on the future, because there were no immediate prospects for development. The Docks were not a pretty sight. Over an area of 18 hectares between the town hall and the Seine, Alstom shared its activities with Areva. By this time, the two companies employed no more than a few hundred people, working on unsuitable premises. The factories were earmarked for closure, the football pitches had fallen into disuse, and nothing could be done in the short term. Cleaning up the site looked like a mammoth project. Demolition permits still had to be obtained and agreements signed with each occupant of the community gardens. It takes more than a mechanical shovel to wipe away a century of industrial history.

The first clean-up operations began in 2004. In the end, it would take five years to remove all the hydrocarbons, solvents, heavy metals (left over from a former foundry) and polychlorinated biphenyls. Excavating 400,000 cubic metres of earth required five years of hard work and led to some surprises along the way. During that time, history showed its face on numerous occasions. For example, we uncovered air defence posts that had protected the factory during the Second World War, as well as tunnels used to store artillery shells. The anti-aircraft posts were donated to the war museum, and the tunnels were destroyed – though breaking up concrete designed to withstand bombardment from the air was no easy task!

Another project that demanded immediate attention was the office building we had promised to build when we purchased the site. It was intended to house Alstom's service activities and maintain employment there. The first problems arose when trying to find a suitable location for the building. Early in 2006, it became apparent that the only possible location would eat into the gardens. There was an immediate outcry from the gardeners in protest, supported by several local associations. The rumour spread that a tough minded property developer wanted to drive the gardeners out. Jean-Luc Poidevin and the team in charge of the project kept calm. They were familiar with situations like this, where people's imaginations run away with them, and so they took it in stride. They also knew that the only way to resolve the issue was through frank, direct dialogue.

In April 2006, a meeting at Nexity's head office was proposed. However, flyers soon popped up all over Saint-Ouen asking people to come out and demonstrate at La Défense in solidarity with the gardeners! When the day of the meeting arrived, the tension was palpable... but our determination to speak openly paid off. Only a handful of demonstrators turned up. Jean-Luc Poidevin and his team received both gardeners and militants in the Nexity building's auditorium, and a pragmatic dialogue took place. We laid out a clear approach: every gardener who could prove a direct link with Alstom or Areva (in keeping with the gardens' original purpose) would get to keep their plot. In the end, this applied to 60 gardeners.

The first building permit was signed on 21 December 2006. It didn't take long for the Alstom building to go up on Avenue Dalhenne, which leads to the town hall. Not far away, another building was being erected more slowly. We had taken the daring step of developing a second site "on spec", planning to promote it later to attract businesses. A bold move, perhaps, but it worked. Things started to move more quickly in 2007. In the midst of a reorganisation, Alstom decided to relocate its entire Transport division to Saint-Ouen, with a transfer of activities from its Meudon site. We had to pull out all the stops to finish the second building on time. This challenge fell to one of our subsidiaries, Nexity Entreprises, which marshalled all its resources to push the project forward in the middle of a soggy autumn.

The two buildings were delivered in June and December 2009. There was still much to be done, but finally we had something to celebrate!

...

Five hundred metres away at the town hall, Saint-Ouen's new mayor, Jacqueline Rouillon, also had cause for celebration. The transfer of activities from Alstom's Meudon site brought 300 new jobs to the area, just as the subprime crisis was making itself felt.

She, too, had risen to a challenge in 2004, just after being elected, along with Michel Bentolila, deputy mayor in charge of urban planning. Theirs was to realise the dream of a "popular town, accessible to everyone". They talked about "bringing the hundred hectares of the Docks back to life by opening the town up to the river, and building a mix of homes and offices, while respecting the area's industrial heritage".

A hundred hectares: almost a quarter of the surface area of a town of 50,000 people. And all of it would have to undergo a complete facelift in the space of a few years! Although the council did not own any of the land at the Docks, the mayor had everything she needed to see this monumental project through: a clear vision, strong nerves and, since the resolution of the community gardens issue, the certainty that Nexity was a partner she could trust.

In 2005, the Docks were classified as a ZAC mixed-use development zone, and the overall redevelopment project was awarded to Sequano.

The architects and urban planners Makan Rafatdjou and Bernard Reichen also worked on the project. As the site filled with cranes and the clean-up work got underway, the area began to come to life. This was thanks in large part to people like Rafatdjou and Reichen, able to look at a two-dimensional drawing and visualise an entire town.

Following the inauguration of Alstom Transport's new headquarters, 2009 was a year of renewed progress towards achieving mayor Rouillon's vision of the city. The plans for the site now included a 12-hectare (30-acre) park along the banks of the Seine – a breath of fresh air for an over-urbanised area. That spring, the site was opened to the public for the first time, for a Springfest picnic. Bastille Day was also celebrated there, on the former Alstom lot. The Docks had come a long way since 2004.

But doubts still surrounded the project. The municipality had yet to enact its new local zoning plan, and the opposition was growing stiffer ahead of the upcoming elections. At Nexity, the clock was ticking. It is a fact of life in real estate that developers must work closely with elected officials – sharing projects and investing based on mutual trust. But when it is time to sign the actual contracts, money can be a sore subject, especially when it comes to an issue urban planners are all too familiar with: taxes. Landowners have to help finance the public utilities that keep their properties viable, such as heating, roads, sanitation and schools, so the city and Sequano asked Nexity to chip in. There's nothing unusual about that – but Nexity's allotment was by far the densest, and the company still had no assurance that it could actually derive value from it. Tensions ran high. Mutual trust dwindled and glances were avoided.

A temporary disagreement is one thing. Deadlocked negotiations are another. But that line was never crossed, because although relations got tense, the dialogue was kept open. At Nexity, we had our culture of action and the wisdom of experience on our side. Jean-Luc Poidevin and his Deputy Managing Director, Bénédicte Crozon, knew such problems were inevitable in a project of this size. They also knew that it was no use trying to manoeuvre or force their way out of the situation. As in the case of the community gardens, they chose honesty. No cooked up stories, just plain facts and a clear statement of the sticking points to overcome. In a world where political posturing sometimes turns life into a game of chess, the truth can be surprisingly effective. People may find it harsh, but in the end it is the only way to effect change and grow cities.

It would still take more than a year's worth of meetings and phone calls to move the situation along. The main issue was the city's local zoning plan, which had to be dealt with before anything else could happen. To address the ongoing housing shortage, mayor Rouillon wanted to erect apartment buildings up to 16 storeys high, which was too high for many at the city council. This offered us the sort of opportunity we relish at Nexity: to work with elected officials in a close support role. Finally, the town hall agreed on a 10 storey height limit. This was a bit of a jolt to the project's budget projections, but it meant that work could move on at last. Right away, another agreement was reached on the issue of public utility taxes, and on the park, for which Nexity conceded 6 hectares (15 acres). In January 2011, a three-way agreement was signed between Nexity, the city of Saint-Ouen and Sequano. It provided for the development of a certified eco-district with 127,000 sq.m of residential real estate (including 40% rent-controlled housing), 116,000 sq.m of offices and 37,000 sq.m of retail and other businesses.

In 2020, that is expected to add up to 6,000 residents and 4,000 jobs. A small city unto itself!

Now, this episode might seem almost over... but mayor Rouillon wanted to include one last item in the agreement. True to her vision of a “popular” city, she refused to let her jurisdiction fall victim to the sky-high property prices currently suffocating Paris. “We cannot stress this enough,” she said; “housing is not a privilege to be bought and sold, but an inalienable right”. And so she proposed capping property prices. Business wise, this might seem like it was a setback for Nexity, but in fact the courage displayed by Jacqueline Rouillon reflected our shared ambition to set an example at the Docks. We were on board with affordable prices, so we agreed to the municipal government’s course of action. Once again, talks were held, numbers were laid on the table and potential repercussions were considered (such as an influx of speculators jumping on every available square metre, drawn by the low property prices). Basically, what was needed was a middle ground where policy and pragmatism could meet. On 22 February 2012, at long last, a two-way agreement was reached.

The result of these discussions was a historic compromise – a Charter valid for all of Saint-Ouen and all participating developers, requiring prices to be almost 20% under the market. And although the city government was keeping a close watch on its budget, it promised it would not hesitate to selectively exercise its right to pre-empt speculators looking for loopholes in the Charter. For this achievement, mayor Rouillon was awarded the *Légion d’Honneur*, France’s highest civilian honour, in December 2012.

But down at the Docks, there was still much work to be done.

...

Flashback to 2010. It had taken six years of designing, planning and debating to get to the point of action. The guiding principles were in place. The orchestra of architectural firms conducted by Nexity (Roland Castro, TVK, Atelier Dupont et Lepenuel, Reichen, Michelin, Rafatdjou) could finally begin drafting the cityscape, pencilling block plans and building models. At this crucial stage, the layperson tends to concentrate on the buildings. But the professional knows it’s the empty spaces, not the filled-in ones, that provide structure to a project. Much thought was given to height, volume and perspective. The architects looked forward in time at what it would be like to stand at the foot of each building. The choice was made to group these into loosely structured “open” blocks, with façades visible from every angle. It was also decided that one of the large edifices originally used to house power transformers, at the centre of the development, would be kept in memory of the site’s industrial past. It would eventually be occupied by Saguez & Partners and their “*Cité du design*” incubator. One area of the site, designated for the construction of 900 residential units and some shops, was started.

The first ground was broken in March 2013. Bit by bit, the abstract terms of the development agreements became reality in the architects’ drawings. All the elements, from environmental efficiency to the mixture of uses and sharing of space, began to fall into place. The energy flows between businesses and households were designed so that one’s leftover resources could be recovered to heat the other, in a sort of “virtuous cycle”. Wastewater management was

optimised. Public car parks were planned, to be used during the day by area employees and at night by residents. A fitness centre was included for everyone to use. Nexity provided for some other innovative services as well. Each block would have its own caretaker's lodge, something not seen in decades. Other novel ideas included the ground-floor guest room (available to all Docks residents) and rooftop community gardens: the perfect combination of shared comfort and energy efficiency!

The Docks made the Saint-Ouen headlines again in December 2012, when the old transformer building was opened to the public for the first time. Inside, the city's inhabitants could visit a scale model of the development and see the first apartments put up for sale. Via our subsidiaries Grand Paris and Paris Val-de-Seine, Nexity had developed four different projects to cater to buyers' priorities – park views, city views, proximity to the town centre, etc.

The apartments sold out in a matter of months. Delivery is planned for summer 2015, but future residents have already launched a blog called *Mon voisin des Docks* ("my neighbour at the Docks") to share news about the construction project and the city. The countdown has officially begun! As the cranes and construction crews continued their work, the Grand Parc opened to the public in December 2013. The community gardens were arranged around a greenhouse and an educational beekeeping centre, with trees growing along a walkway beside the Seine, and a children's playground with a giant seesaw.

During that time, our team was already collaborating with deputy mayor Paul Planque, Alain Bentolila's successor, to give form to the final hectares between the transformer building and the town hall. Together, we imagined what the city would look like in 2020 – sixteen years after the adventure at the Docks began. We pictured someone getting off the new number 14 metro at the Saint-Ouen town hall and strolling by the downtown shops before heading over to the Seine. If you were that person, you would see the new buildings and flower covered balconies, but you might not know that thousands of workers were responsible for writing this page of the city's history. The clues, however, would be there – in the long, narrow streets, the old transformer building with its lofts, and the nearby chimney stack that once belonged to a municipal heating plant. Sixteen years is half a generation in the lives of Saint Ouen's inhabitants, or three terms in office for Jacqueline Rouillon. But at Nexity, it's just the time it takes to complete one project.

Continuing your walk, you'll come to the new Clé-des-Champs street and soon thereafter the Grand Parc with its amphitheatre, skate park and seesaw – not to mention the rainbow sculpture by artist Philippe Berry, overlooking the Seine and the Île des Vannes. To the right, you'll see the old château, where, perhaps, an upcoming concert is being announced. Maybe further down you'll hear glasses clinking and people dancing at an old-timey neighbourhood café. Standing just a few feet away from the community gardens, you'll have no idea what the Docks looked like sixteen years ago, and yet the memory of that time will hang on the air. Sixteen years isn't so long after all, for a city and its river.

BUILDING THE CITIES OF TOMORROW TOGETHER WITH OUR CLIENTS

When we take part in major urban projects alongside local authorities, we are guided by a commitment to support our clients through the transformation of their communities and regions, and to successfully establish new districts by integrating all the useful functions of the city.

No. 1

Through its site development business, Nexity is France's No. 1 subdivider. In 2013, we marketed 2,104 units.

8

urban projects were developed this year by Nexity Aménagement Villes & Projets, for a land development potential of 556,850 sq.m.

55,600 sq.m

were marketed in 2013, in addition to the 606,900 sq.m already brought to market since Aménagement Villes & Projets was founded.

Planning and advance work

Since consultation began in 2008 on the Greater Paris project (Grand Paris), for which Nexity teamed up with the architectural firm Castro Denissof & Associés, we have continued to imagine tangible solutions to housing and planning issues in the Paris region. In March 2013, we responded to the request issued by the Greater Paris project office to its 15 architectural and urban planning consultant firms for ideas on "Living in Greater Paris". Our proposal was entitled "Beautifying, remodelling and developing local urban potential."

Alongside these advance planning projects, we answer calls for bids where our specific urban design and renewal know-how can be a major asset. This is how we were selected, for example, to be part of the advance planning partnership initiated by EPA ORSA in collaboration with the town of Vitry-sur-Seine for the Ardoines site. Among the six providers chosen to help develop the urban projects they will be a part of, only Nexity

offers equally extensive expertise in both residential and commercial real estate. The Ardoines site covers 300 hectares (about 740 acres) on the banks of the Seine river, designated for the eventual construction of 13,000 residential units and the creation of 45,000 jobs, which will make it one of the Paris region's major urban hubs (*pôles urbains*).

Our nationwide leading site development and subdivisions subsidiary, Aménagements et Terrains à Bâtir, has submitted bids to 41 planning projects, comprising a total of 4,600 units.

Since 2004, this subsidiary's environmental management system has been ISO 14001 certified for all site development activities. In 2012, following a routine annual audit, its performance rating was increased from B+ to A- (on a scale from A to D), which is a "very satisfactory/exemplary" level of performance. It maintained this enhanced performance level in 2013 and the certification was renewed for 3 years.

ÎLOT GRACIAS (Joué-lès-Tours – 37)





LES DOCKS (Saint-Ouen – 93)

Production and selling

After the advance planning phases come the operational production phases, where land is acquired and building rights are marketed to Nexity's development subsidiaries or other developers. The main portfolio exits in 2013 included the last stages to be marketed of the Renault-Boulogne-Billancourt project (16,600 sq.m of housing and 6,200 sq.m of offices and retail), which signalled the end of an iconic operation initiated in 2000. We also resold 23,900 sq.m of residential land charges to the Group's Residential real estate developers in Saint-Priest, and rolled out a new stage of the Îlot Gracias project in Joué-lès-Tours, totalling 4,500 sq.m.

(Montreuil – 93)



LES DOCKS LIBRES (Marseille – 13)

Giving shape to the city

When erecting new neighbourhoods, we work closely with Nexity's development teams to build ties with local residents. The Docks Libres project in Marseille is a good example of this. Located in an ANRU urban regeneration zone in one of the city's lowest income districts, it covers 70,000 sq.m and will involve the construction of social, intermediate or student housing, a social purpose apartment hotel, shops and offices, including Nexity's future regional headquarters. We chose to set up a somewhat unusual sales location there, called the "Maison des Projets", which feels more like a comfy living room than a place of business. We have also initiated close working partnerships with neighbourhood

associations, organised meetings to tell people about the development, and held a children's drawing contest, the results of which are now proudly displayed on the fences around the worksite.

THE BIRTH OF A NEIGHBOURHOOD

In Asnières-sur-Seine, in an extension of the finished Bords de Seine ZAC and the Parc d’Affaires ZAC mixed-use development zones, Nexity is redeveloping the 7-hectare (17-acre) former Peugeot PSA factory site that makes up the Seine-Est district. Our challenge is to turn this brownfield land into a vibrant new neighbourhood where economic progress and quality of life can coexist with the area’s industrial legacy. We have been working closely with the Asnières-sur-Seine city authorities on a predominantly commercial mixed-use development that will help create jobs locally.



HIGH PARK (Asnières – 92)

In terms of residential real estate, the town wants to use the project to achieve the 25% social housing quota imposed by the SRU urban regeneration act, and to support social diversity by making 17% of the housing price-controlled. Construction work began in 2013, after the three years of administrative procedures needed to get the site cleaned up using bioremediation and other ecologically friendly methods. There will be 78,000 sq.m of offices organised as a business park, in addition to 450 to 500 residential units. Public improvements will include a 40-cot day-care centre, five extra classrooms for the nearby school, and shops, making the new neighbourhood a great place to live and work. The big factory building, which dates back to the 1910s, will be kept and converted to house all the amenities for the companies in the business park: an auditorium, concierge services, a restaurant, a fitness centre, etc. Nexity has selected Ateliers Lion Associés to plan out the neighbourhood around a huge 1.5-hectare (3.7-acre) landscaped park. The park will be a public showcase for the region’s biodiversity.

To help stakeholders and future residents learn more about the development, we have given it its own maison des projets information centre. The centre also serves as a sales office and demo space featuring a scale model of the future neighbourhood. The boundaries of the worksite have also been converted into a street-side display. And last but not least, we have started a website for the development, as well as a half-yearly newsletter distributed to local residents and available at the information centre.

The first residential units will be delivered in 2016, and the entire ZAC should be completed by the end of 2017.



FIRMLY COMMITTED TO BUILDING STRONG TIES WITH OUR EMPLOYEES AND SOCIETY

We want to set an example for the real estate sector, which is why we have chosen to take a pro-active approach to social and environmental responsibility. Our sustainable development policy is both ambitious – preparing for the future of cities and regions – and pragmatic – delivering immediate results. Nexity strives to be an employer of choice. Just as we are committed to our clients, we are committed to our employees and managers, with whom we share a corporate culture based on collective performance and a sense of belonging.

Sustainable development

HEALTHY CITY, HEALTHY LIFE

Cities are the focal points of our economies and societies. As a fully-integrated real estate provider, it is our responsibility to build the sustainable cities and regions of tomorrow, today. Sustainable not just environmentally, but in terms of how people inhabit them: how they live, work, get around, interact, shop and share public spaces. We view our sustainable development policy as an important driver of progress towards meeting society's challenges and creating value for its members, starting now. In keeping with our achievements in cost reduction, value enhancement, resource preservation and biodiversity, as well as long-term access to housing, we are now working on new ways to improve quality of life and well-being, and to integrate new physical and digital mobility solutions. The next two pages give an overview of what we are doing to provide sustainable development with immediate benefits.



10:30am AT 20 RUE BEAUREGARD, A CONDOMINIUM OWNERS' MEETING WAS JUST ENDED

THEIR BUILDING WILL BE COVERED BY AN ENERGY PERFORMANCE CONTRACT, WHICH COMES WITH THE ECO-RENOVATION PACKAGE AND IS SUPPOSED TO REDUCE HEATING COSTS OVER THE NEXT 6 YEARS



THAT ECO-DISTRICT UNDERCONSTRUCTION WILL EVEN HAVE A COLLECTIVE HEATING NETWORK THAT RUNS ON RENEWABLE ENERGIES!



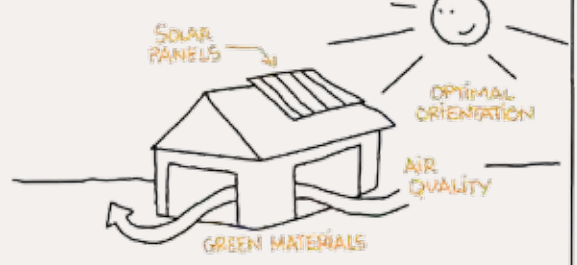
WHEN IT DEVELOPS A NEW DISTRICT OR UPGRADES A BROWNFIELD SITE, NEXITY IS CAREFUL TO USE RESOURCES WISELY AND TO PRESERVE THE BIOLOGICAL QUALITY OF THE LANDSCAPE



IT SOUNDS LIKE NEXITY IS REALLY COMMITTED TO PROTECTING THE ENVIRONMENT, WHICH IS GREAT, BUT HOW WILL THAT AFFECT OUR DAILY LIVES?

NEXITY HAS LOTS OF IDEAS FOR MAKING EVERYDAY LIFE BETTER, AND THEY ALWAYS FOCUS ON PROVIDING IMMEDIATE BENEFITS TO CLIENTS

NEXITY DEVELOPS WAYS TO INCREASE THE COMFORT AND WELL-BEING OF BUILDING OCCUPANTS



WE THINK OF NEW WAYS TO FINANCE HOMES AND PROVIDE AFFORDABLE HOUSING FOR LOWER-INCOME FAMILIES

WE BUILD COMFORTABLE RESIDENCES FOR SENIOR CITIZENS



NEXITY CREATES ULTRA-CONNECTED OFFICES FOR MOBILE WORKING



WE PROMOTE BIKES PATHS, CAR SHARING AND COMMUNAL PARKING



CAR SHARING



IT'S GOOD TO KNOW SOMEONE'S LOOKING OUT FOR US AND THE ENVIRONMENT



SUSTAINABLE DEVELOPMENT WITH IMMEDIATE BENEFITS: NEXITY MAKES IT POSSIBLE

FIND OUT MORE

11,323

Access to housing for all is one of Nexity's top priorities. Since 2005, we have built 11,323 homes in ANRU urban regeneration zones.

1,216 sq.m

is the area covered by solar panels on the roofs of France's first energy-plus business park built from solid wood structures: Ywood l'Ensoleillée (Bouches-du-Rhône, in the Provence-Alpes-Côte d'Azur region).

No. 1

Nexity has continued to innovate, signing the first property management contract to include an occupancy cost guarantee and an energy performance guarantee for a nine-year term.

NEXITY INNOVATION AWARD

Underscoring our company-wide commitment to well-being and quality of life as applied to real estate, in 2013 we presented the first ever Nexity Innovation Prize entitled "Well-being and quality of life in construction". The competition was open to researchers, entrepreneurs, inventors and manufacturers. Winners had to show the best initiatives in sustainably improving well-being and comfort for the occupants of new or refurbished buildings (homes or offices). Five awards were given out by an independent panel of experts on allergology, architecture, environmental science, energy and air quality control, hygiene, microbiology and toxicology.

A PIONEERING LOW-CARBON APPROACH



LES DOCKS DE RIS (Ris-Orangis – 91)

Between 2010 and 2012, we organised an experimental greenhouse gas emissions reporting process with the ADEME (France's environmental agency), covering 20 pilot real estate projects. In 2013, we decided to spread the use of carbon footprint assessments to all our residential real estate developments. We implemented a tool that lets operational teams assess greenhouse gas emissions for the entire life cycle of their real estate projects, from design to construction, use and demolition.

GOOD NON-FINANCIAL PERFORMANCE

Carbon Disclosure Project

In 2013, Nexity was among the top French companies rated by the Carbon Disclosure Project (CDP), with a score of 89/100 for our sharing of data on greenhouse gas emissions with institutional investors, and a score of B (on a scale of A to E) for our carbon policy performance. We are one of the few real estate companies in France to have done this. Participation in the CDP is an integral part of our strategy for addressing climate change and energy dependency.



YWOOD (Aix-en-Provence – 13)

Gaïa Index

For the third consecutive year, Nexity has been included in the Gaïa Index. Once again, we rank among the top 70 French mid-caps (from a total of 230) for our commitment to sustainable development.



QUARTIER DU LAC (Strasbourg – 67)

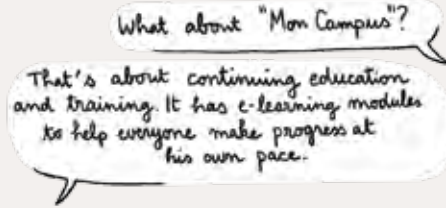
MAKING EVERYDAY LIFE EASIER FOR OUR EMPLOYEES

In 2013, we enhanced our HR policy as part of the Nexity Ensemble project, to help our employees build even greater expertise in their fields. Our ambition to make Nexity an employer of choice translates into three high priority HR commitments. The first is to develop talent within our current employee pool. Because we believe that our success as a team depends on the success of each individual, we empower our staff to actively manage their careers. This year again, new job specific and industry specific training courses were developed and offered as part of our continuing education policy.

Our second priority is to build a true community within the company by fostering attentiveness to others and two-way communication. This means increasing the number of opportunities for people to meet and exchange with one another via shared events and specific tools.

Our Nexity Ensemble project is also about creating win-win situations through an equitable, collaborative compensation policy.





Tiffany Cooper

OUR THREE HR COMMITMENTS IN 2013

6,252

is the number of Nexity employees as of 31 December 2013.

26 October 2013

As of this date, our employees own the bonus shares allotted to them via the agreement signed in 2011, when the Group decided to involve them more closely in creating and sharing added value.

PROMOTING THE PROFESSIONAL DEVELOPMENT OF EACH EMPLOYEE

As a driving force behind transformation within the Group, training was central to our human resources policy in 2013. Organised around Nexity's "mutual commitment interview" (EER), our training offerings include cross-disciplinary courses for all employees and their line managers, courses for specific professions or areas of expertise, and independent courses.

Since September 2013, in addition to in-person training, Nexity has offered more than 20 online professional training modules including courseware, rapid learning sessions, learning games and serious games. Several vocational academies are also being finalised to provide additional structured learning opportunities, and should be operational starting in 2014.



DEPLOYING A COMPREHENSIVE SYSTEM FOR INFORMATION AND EXCHANGE

Designed to support Nexity's growth, our two-way communication policy harnesses a system of shared events and specific tools. Shared events are opportunities for exchange that help staff take full ownership of Nexity's corporate mission and objectives.

A key example of this came at the beginning of 2013, with the video broadcast of our "strategic priorities for the year", presenting road maps for each business line and the Group as a whole. The *Universités Managériales* ("management universities"),

organised in September and then rolled out locally as "Nexity Ensemble" days, are also an occasion to update employees on the achievement of our targets, share information on upcoming steps and focus on our plans for innovation. Our system has now been expanded to help Group culture trickle down to employees in their individual positions. The *Actus du Jeudi* ("Thursday update") covers business news. A newsletter, *Notre Mag*, provides inside information on trends, performance, and the implementation of ongoing projects. Local information is supplemented via job-specific bulletins. All this material is accessible on Nexit'in, our corporate Intranet, which is the cornerstone of Nexity's internal communication system.



REWARDING PERFORMANCE FAIRLY WHILE PROMOTING SOLIDARITY

Our 2013 compensation policy is yet another illustration of the win-win commitment inherent in Nexity's corporate vision. In addition to their fixed and variable individual compensation, our employees may receive extra-collective rewards and shared fringe benefits. A Group-wide annual review process ensures that assessments are fact-based and objective, and that our compensation principles are applied uniformly and fairly. This year, a significant effort was once again made with regard to the lowest salaries.

WHERE TO FIND INFORMATION ABOUT NEXITY

ON OUR WEBSITE: WWW.NEXITY.FR

Our website provides an overview of Nexity and its business lines, clients, current events, key indicators and organisational structure.

Visit the "Finance" tab within the "Group" page to view or download all our financial releases and regulated disclosures, including our Annual Report and Reference Document.

For further information, you can send an e-mail to: directiondelacommunication@nexity.fr or investorrelations@nexity.fr.

IN OUR FINANCIAL PUBLICATIONS

Copies of the Annual Report and Reference Document are available upon request.

AGENDA 2014

29 April	Release of Q1 2014 business activity and revenue figures
20 May	Annual Shareholders' Meeting
27 May	Dividend payment date
24 July	Release of H1 2014 business activity and results
29 October	Release of business activity and revenue figures for the first nine months of 2014

This Annual Report was produced by Nexity's Lead Communications and Brand Strategy Department.
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Photo credits

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