



LES NOUVEAUX CONSTRUCTEURS

CONCEVONS VOTRE ESPACE DE VIE

2012 Results

Thursday – March 28, 2013

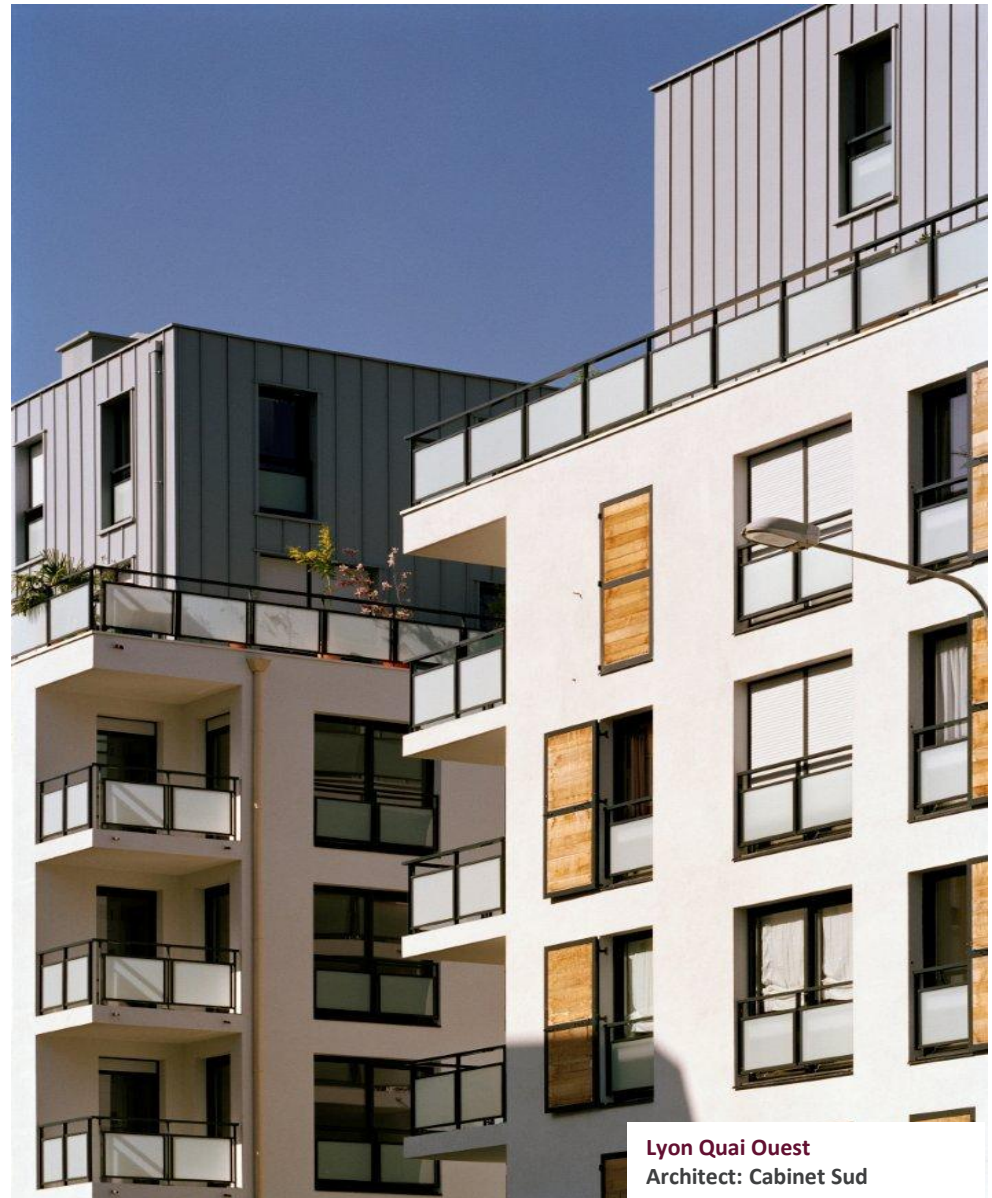


VILLEURBANNE Zac des Maisons Neuves
Architect: Atelier Hervé Vincent



Overview

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Olivier Mitterrand
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Paul-Antoine Lecocq
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Fabrice Desrez
Moïse Mitterrand
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Olivier Mitterrand



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Introduction

Olivier Mitterrand



LNC in 2012

Increased contribution of French operations to revenue and earnings

- Revenue up 9% YoY to €572 million
- Slowdown in sales momentum
 - Orders down 31% YoY to €568 million
 - France: slowdown limited to 13% in a deeply depressed national market
- Operations outside France
 - Zapf: major operating difficulties in the construction business
 - Concept Bau: higher earnings contribution
 - Spain: firm margins on affordably priced programs
- Operating profit impacted by the major difficulties at Zapf Bau
- Net profit, Group share up 31% YoY to €19.9 million
- Clear visibility on 2013 business
 - Backlog of €738 million (down 6%), representing 16 months of business
 - Land potential of €1,800 million (up 25%), representing 3 years of business

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Financial Review

Paul Antoine Lecocq



Résidence Le Patio - Marseille
Architect: M2DC

2012 Financial highlights

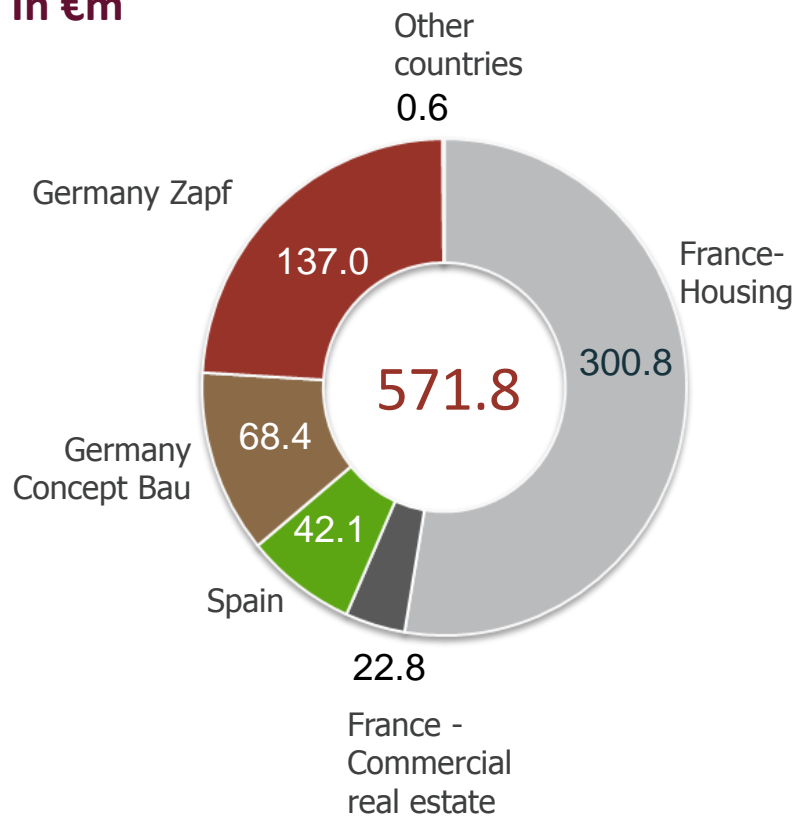
In € millions	2012	2011
Net revenue	571.8	524.1
Gross profit	127.5	128.7
<i>Gross margin</i>	22.3%	24.6%
Recurring operating profit	22.3	29.9
<i>Recurring operating margin</i>	3.9%	5.7%
Net profit, Group share	19.9	15.1

In € millions	12/31/2012	12/31/2011
Working capital requirement	223.9	161.0
Net debt	(21.6)	29.3
Consolidated equity	213.0	208.3

Revenue

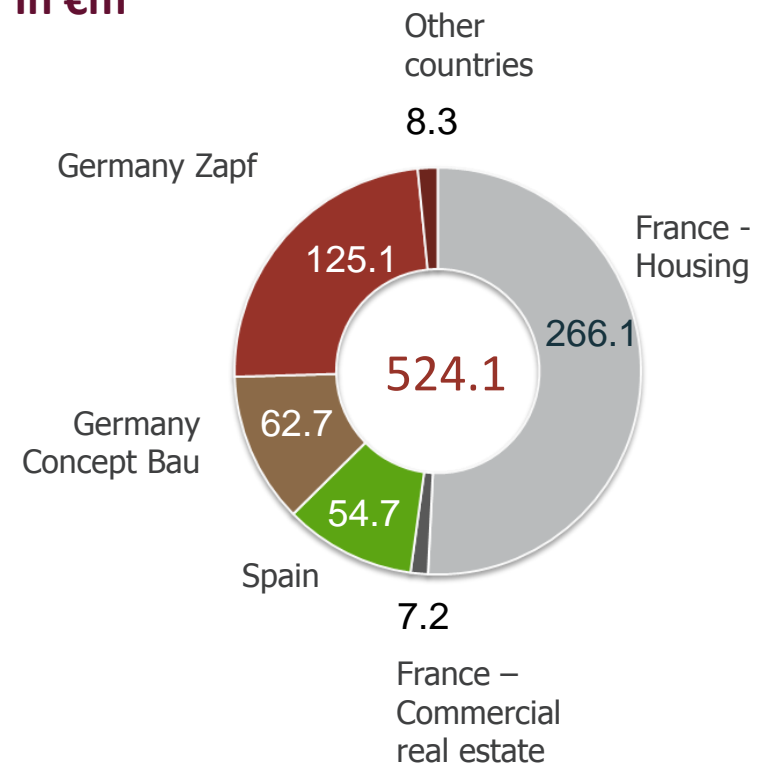
2012

In €m



2011

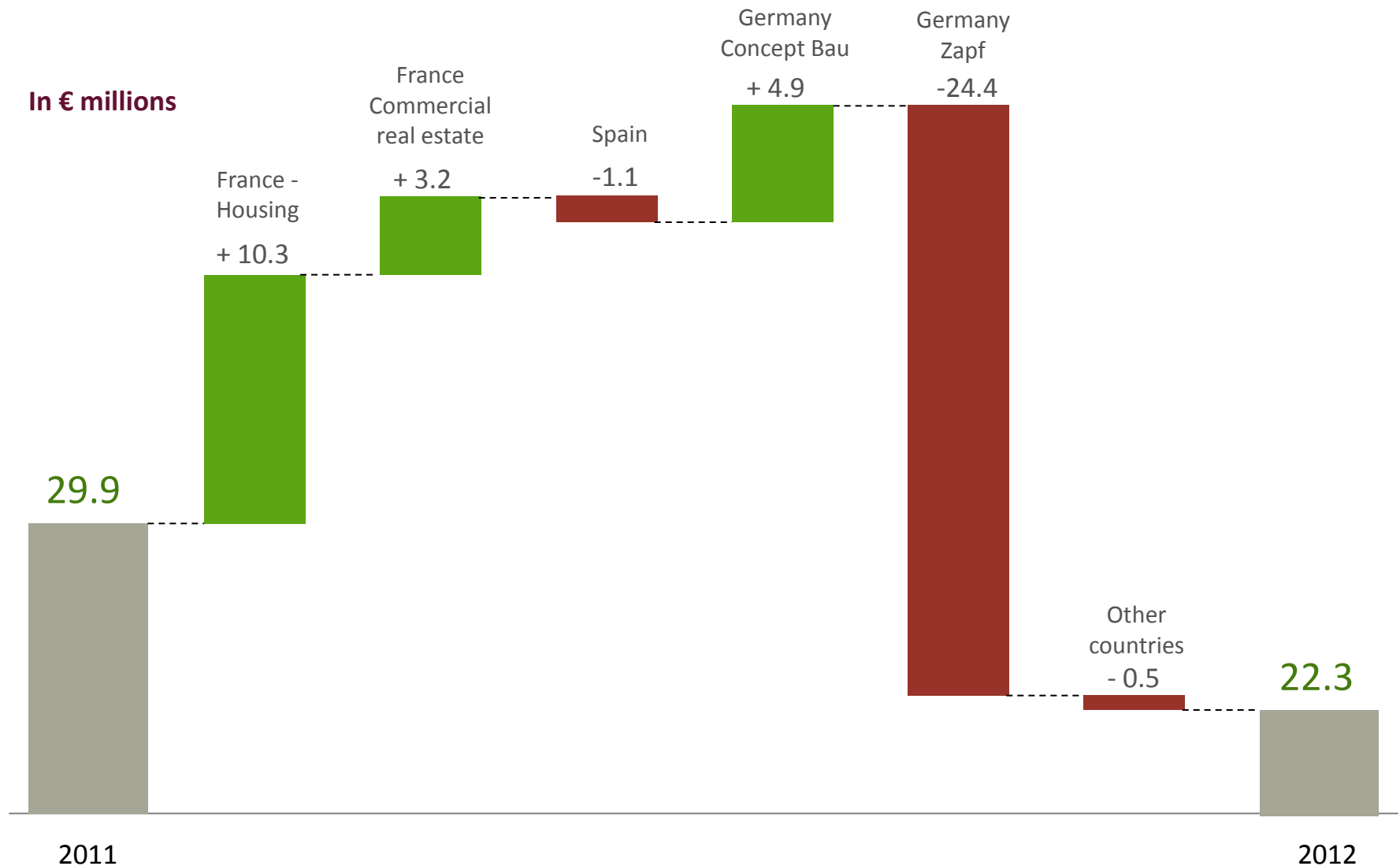
In €m



Profitability by region

	2012		2011		Change
	in €m	% of revenue	In €m	% of revenue	In €m
Gross profit	127.5	22.3%	128.7	24.6%	(1.2)
France - Housing	77.4	25.7%	63.1	23.7%	14.3
France – Commercial real estate	6,3	27.6%	3.0	41.7%	3.3
Spain	7.0	16.6%	7.9	14.4%	(0.9)
Germany Concept Bau	16.0	23.4%	13.6	21.7%	2.4
Germany Zapf	20.6	15.0%	39.2	31.3%	(18.6)
Other countries	0.2	33.3%	1.9	22.9%	(1.7)
Recurring operating profit/(loss)	22.3	3.9%	29.9	5.7%	(7.6)
France - Housing	25.4	8.4%	15.1	5.7%	10.3
France – Commercial real estate	3.7	16.2%	0.5	6.9%	3.2
Spain	3.9	9.2%	5.0	9.1%	(1.1)
Germany Concept Bau	8.8	12.9%	3.9	6.2%	4.9
Germany Zapf	(8.7)	-13.6%	5.7	4.6%	(24.4)
Other countries	(0.8)	NM	(0.3)	-3.6%	(0.5)

Analysis of recurring operating profit

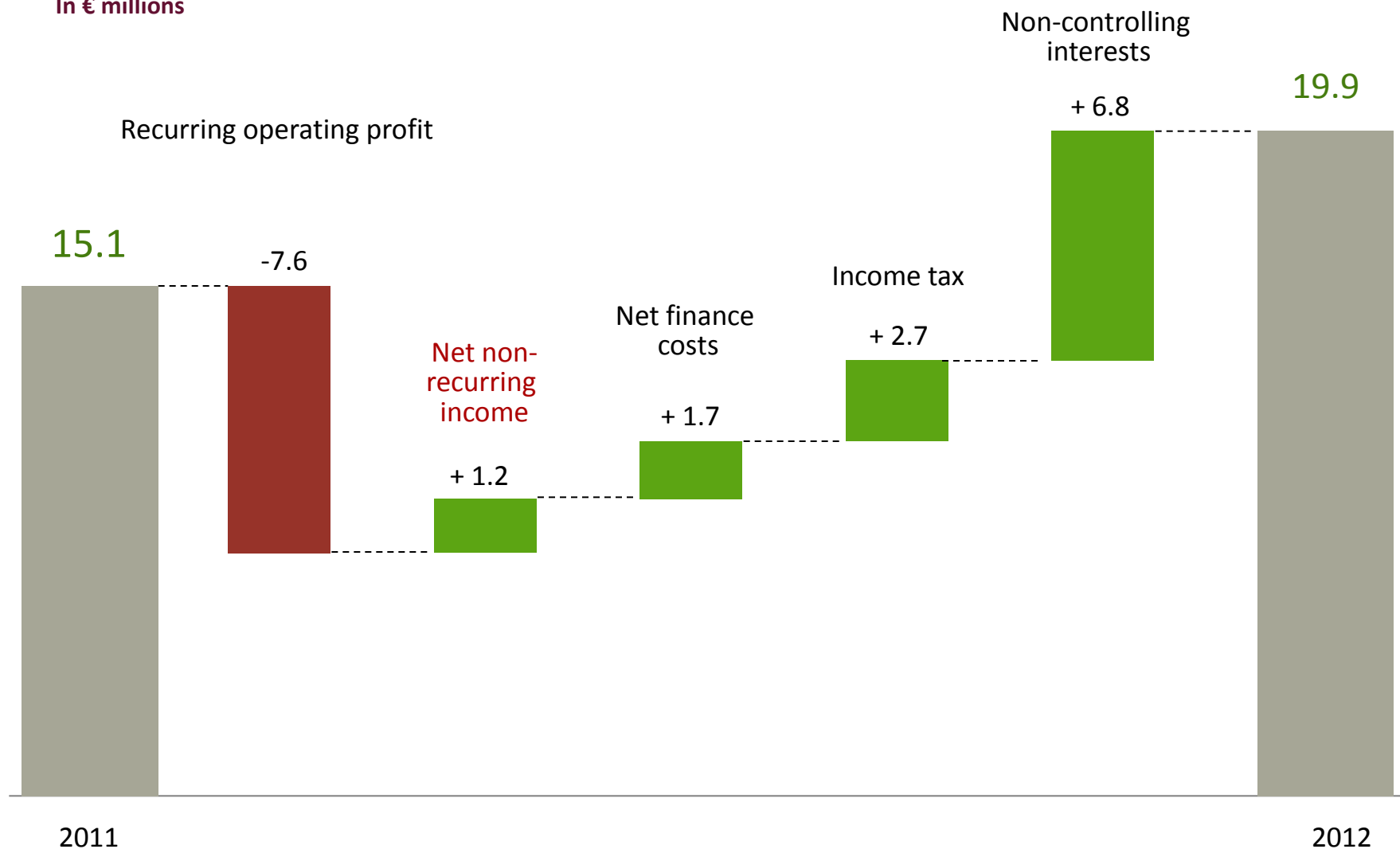


Analysis of cost of debt

In € millions	2012	2011
Cost of gross debt	3.2	5.5
Capitalized interests (IAS 23)	3.4	2.9
Total interest paid	6.6	8.4
Average gross debt	128	146
Average interest rate in gross debt	5.2%	5.8%
Average 3-month Euribor	0.6%	1.4%

Net profit, Group share

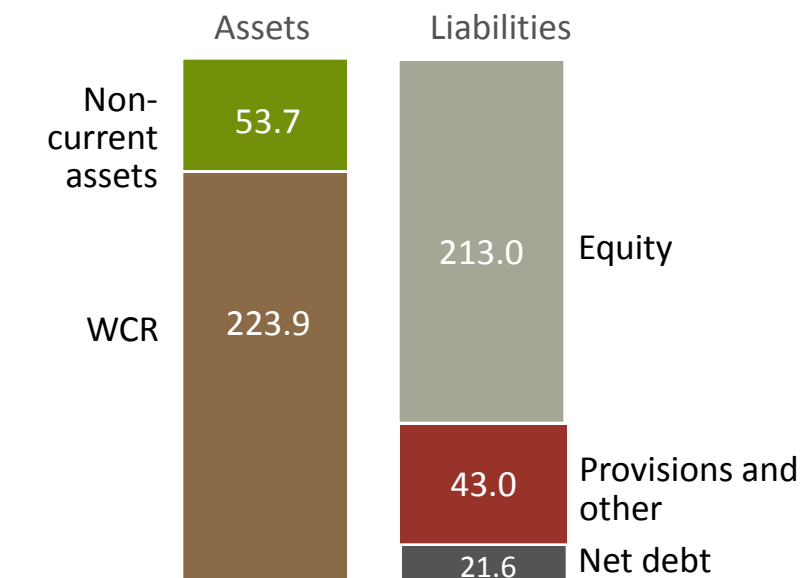
In € millions



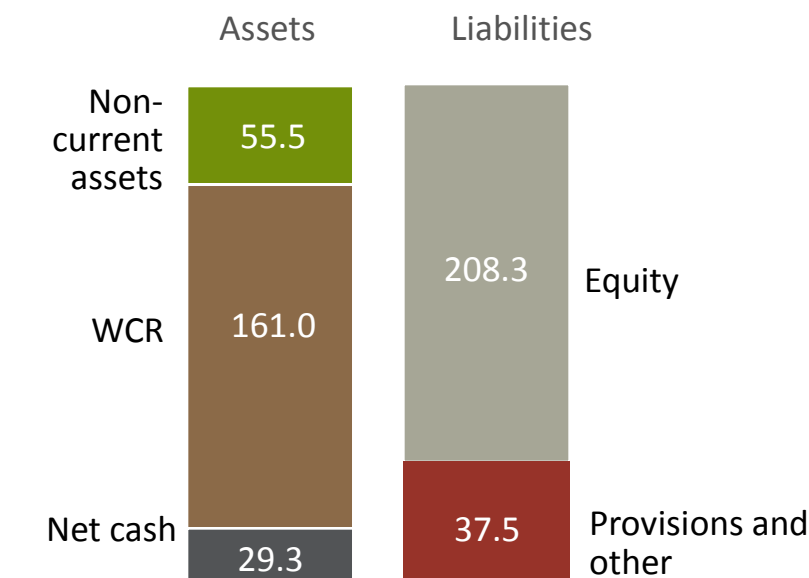
Summary balance sheet structure

In € millions

Balance sheet at Dec. 31, 2012



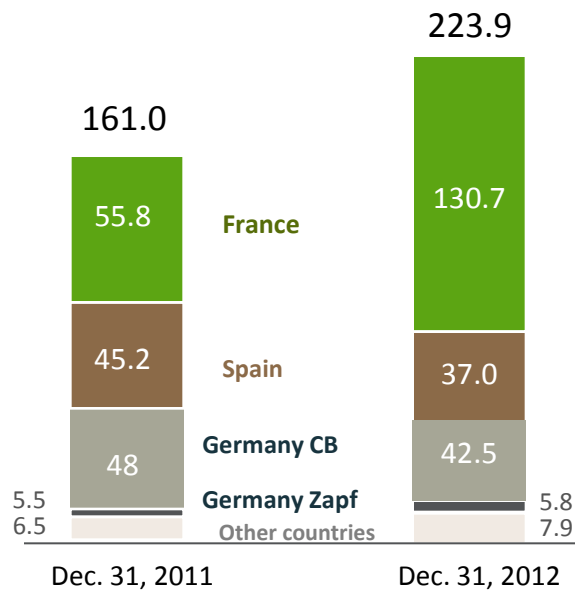
Balance sheet at Dec. 31, 2011



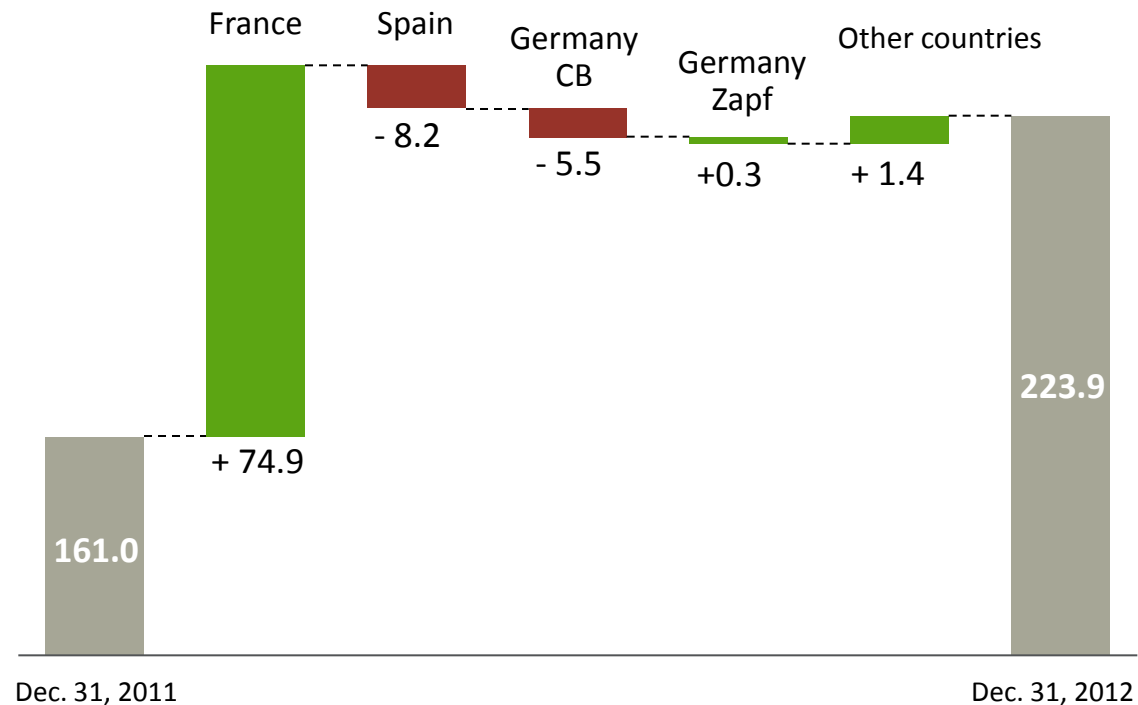
Working capital requirement

In € millions

WCR by country



Analysis of WCR



Cash position by country



Financial structure

In € millions	Dec. 31, 2012	Dec. 31, 2011	Change
Non-current debt	(89.1)	(71.1)	(18.0)
Current debt	(64.5)	(63.3)	(1.2)
Adjustment of developer contributions	18.0	12.1	5.9
Gross debt	(135.6)	(122.3)	(13.3)
Cash	114.0	151.6	(37.6)
Net (debt)/cash	(21.6)	+29.3	(50.9)
Equity	213.0	208.3	4.7
Net debt/Equity	10%	NM	

Equity at Dec. 31, 2012	€m	%
France	178.4	84%
Spain	5.4	3%
Germany - Concept Bau	33.4	16%
Germany - ZAPF	8.0	4%
Portugal-Poland-Indonesia	(12.2)	-6%

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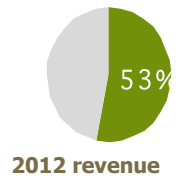
LNC in its markets

*Fabrice Desrez
Moïse Mitterrand*



LNC in France

Housing – Satisfactory sales performance



- Sales slowdown limited in a market that fell by 28%
 - Orders down 13% to €438 million from €505 million in 2011
 - 1,872 housing units sold vs. 2,247 in 2011, down 17%
- An expanded product portfolio
 - 66 programs on the market at December 31, 2012 vs. 57 a year earlier
- Portfolio adjusted to new market conditions
- Decline in sales office traffic and the pace of new orders

Trappes Les Terrasses de Neauphle

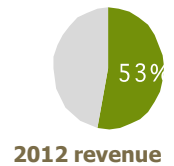


118 units
Offered for sale in Nov. 2011
107 orders
€2,760/sq.m
including deeded parking space

Architect: Architectonia / Hugues Jirou

LNC in France

Housing – Product portfolio

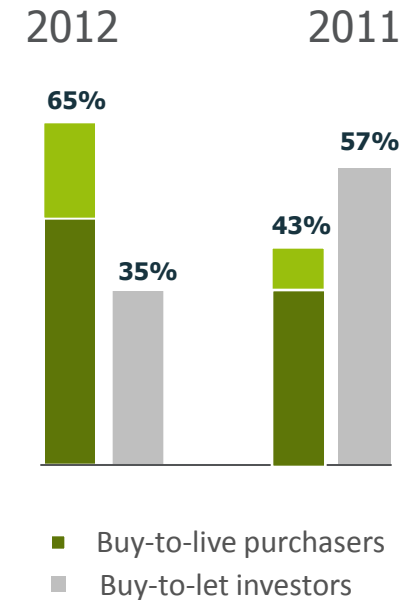


■ Shifting customer profile

- Clear majority of buy-to-live purchasers: 65% vs. 43%
- First-time buyers: 36% ⇨ 50%
- Move-up buyers: 7% ⇨ 15%

■ Product portfolio aligned with consumer solvency

- Average price, one bedroom: €142,000
- Average price, two bedroom: €175,000
- Average price, three bedroom: €212,000



Stains Cœur de Ville



Architect: Agence Militat

102 units
Offered for sale in Oct. 2012
40 orders
€2,730€/sq.m
including deeded parking space

Marseille La Sérane Les Bastides Borély

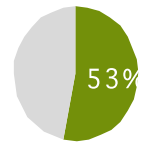


Architect: Manevalla et Logaro

50 units
Offered for sale in March 2012
20 orders
€5,500/sq.m
including deeded parking space

LNC in France

Housing – Development



2012 revenue

- Development of more affordable housing units
- Increase in land potential, up 22% vs. Dec. 31, 2011 to €1,332m
 - 6,536 units at Dec. 31, 2012 vs. 5,497 at Dec. 31, 2011
 - 84% of the consolidated housing land potential
- First-quarter 2013 market trends

Villiers le Bel Avenue des Erables



Architect: Atelier Arago

82 units

Offered for sale in Dec. 2012

17 orders

€2,903/sq.m including deeded parking space

Villefranche-sur-mer Royal Bay



Architect: Renaud d'Hautesserre

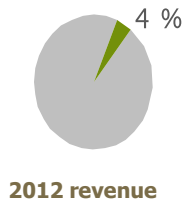
53 units + 22 public housing units

Offered for sale in June 2013

€10,800/sq.m including deeded parking space

LNC in France

Commercial real estate



- **Boulogne - 92: construction underway**
 - Offices - 7,000 sq.m
 - Delivery scheduled for Q4 2013
- **Projects being brought to market**
 - Montrouge White – 92 24,500 sq.m
In association with AG Real Estate
 - Châtenay-Malabry Trisalys – 92 1,000 sq.m
First tranche launched: 3,500 sq.m
 - Montrouge Dialog - 92 & Champs sur Marne -77:
Purchase options signed
- **Major projects under consideration**
 - Achères Osmose - 78 & Bagnolet - 93
- **Land potential**
 - Up 57% to €220 million from €140 million at Dec. 31, 2011
 - 12% of consolidated land potential

Montrouge White



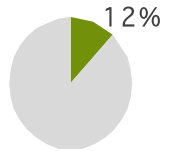
Architects: Emmanuel Combarel and
Dominique Marrec

LNC in Germany: Concept Bau-Premier

Operating margin doubled



Wir bauen Werte



2012 revenue

- Revenue up 9% YoY to €68.4 million
 - 149 units delivered in 2012
 - Premium apartments
 - Cosimastrasse: delivery of 53 apartments in Q4
- Fewer programs on the market in 2012
 - 8 programs being marketed vs. 11 in 2011
 - Orders: 133 units vs. 274 in 2011
- Land potential doubled
 - Now refocused on Munich
 - 409 units at Dec.31, 2012 vs. 260 at Dec. 31, 2011

Munich Isar Tor



Allmann Sattler Wappner Architekten
Alexandra Wagner

Munich Olching

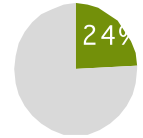


Reinhart Architekten

LNC in Germany: Zapf

Losses in the construction division

ZAPF



2012 revenue

ZAPF BAU: OPERATING DIFFICULTIES WORSE THAN INITIALLY IDENTIFIED

- Major overruns in construction costs and deadlines in small apartment complexes but also in prefabricated row houses
- Implementation of a turnaround action plan in second-half 2012
 - New management team and introduction of a redundancy plan
 - Comprehensive technical audit, with budgets analyzed program by program
 - Business resized with order-taking suspended in the second half
- Significant drop in operating margin
 - 233 units delivered vs. 313 in 2011
 - 165 units sold in 2012 vs. 401 in 2011
 - Operating loss: €(21) million

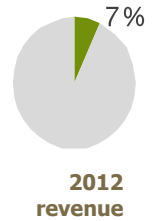
PREFABRICATED GARAGES: GROWTH IN REVENUE

- German market leader: 20% share of prefabricated garages
- 16,469 units delivered in 2012, up 8% on 2011
- Margins maintained



LNC in Spain

A good performance in a very depressed environment



- Revenue: €42.1 million
 - 238 units delivered
- Strong demand for affordably priced apartments
 - Orders: €52 million, up 18% on 2011
 - 295 units ordered in 2012
 - Backlog: €62 million, up 13% vs. Dec. 31, 2011
- Steady reduction in debt and decline in the number of unsold completed housing units
 - 19 units at Dec.31, 2012 vs. 46 at Dec. 31, 2011
 - €1.7-million in write-downs on undeveloped land lots

Barcelone Hospitalet II



Architects: Arata Isozaki & Asociados España y SOB

Madrid Las Rosas



Architects: Paramos



LES NOUVEAUX CONSTRUCTEURS
CONCEVONS VOTRE ESPACE DE VIE

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Conclusion

Olivier Mitterrand



Puteaux – Bas Roger
Architect: Lionel de Segonzac

Conclusion

Adjusting to the market in 2013

- France: rebuilding margins
 - France: 86% of land potential at Dec. 31, 2012
 - Operations in high-potential French metropolitan areas
- Commercial real estate: launch of 2 programs
- Backlog represents 16 months of business
- Zapf: priority focus on restoring Zapf Bau to health in 2013
- Robust financial structure
- Annual Shareholders Meeting
 - Recommended dividend: €0.60 per share – reinvestment option