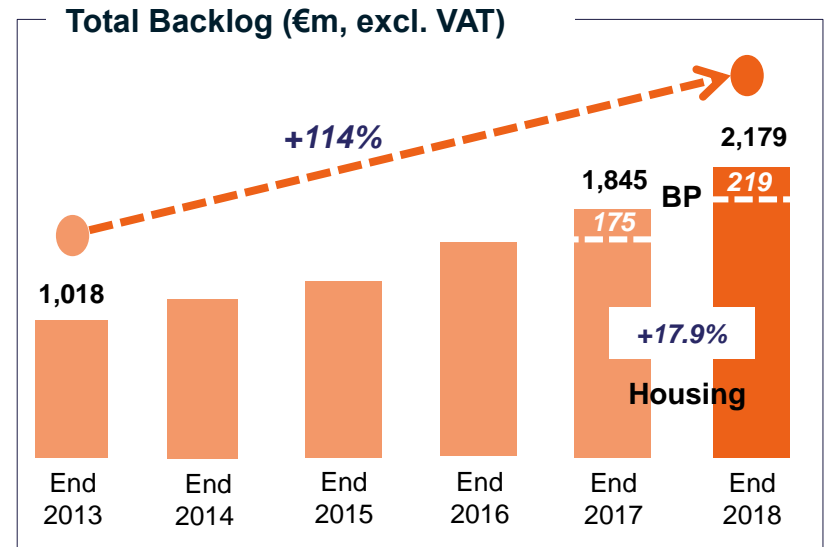
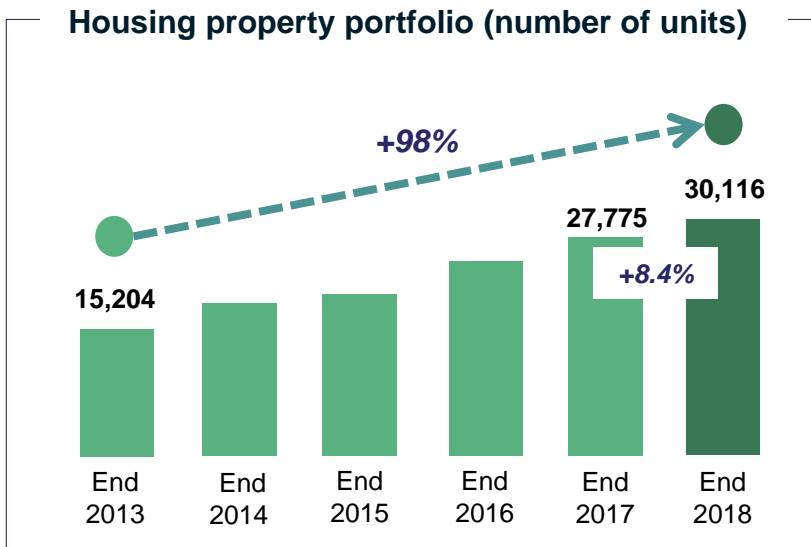
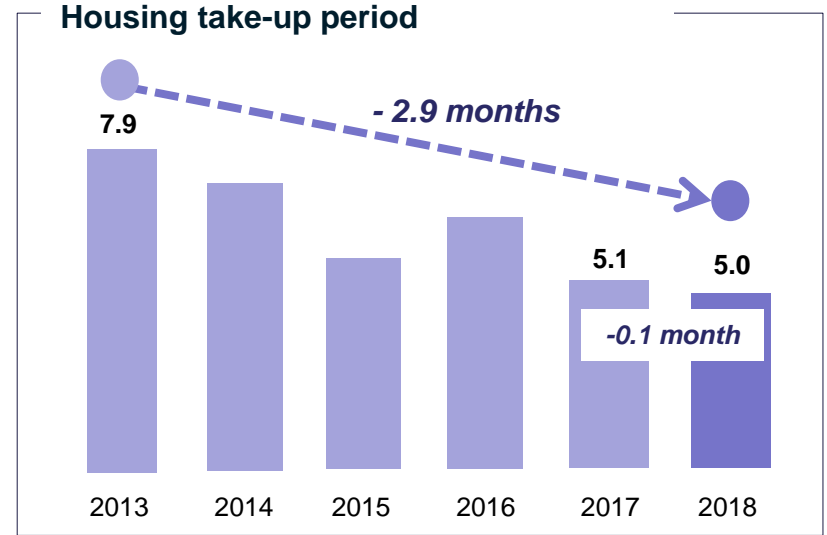
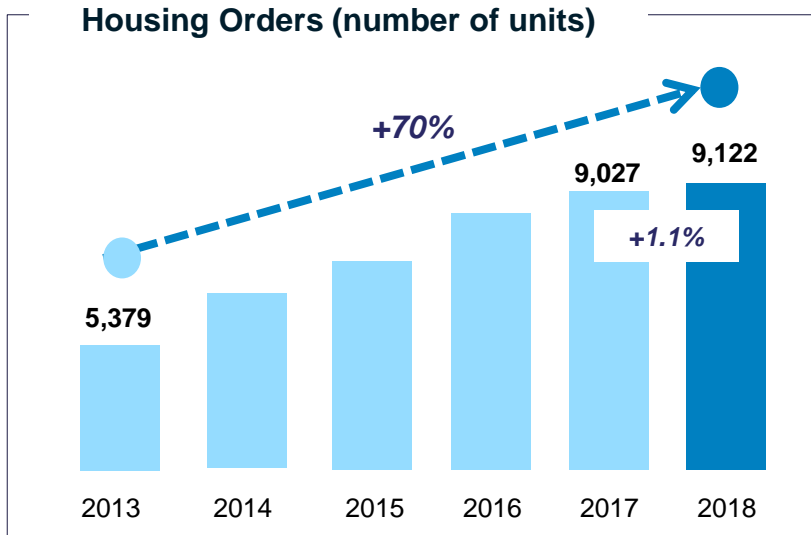


**2018 RESULTS
AND OUTLOOK**

January 31, 2019

CONTINUING THE GROWTH DYNAMIC





KAUFMAN & BROAD

HOUSING BUSINESS

OUR VISION OF THE NEW HOUSING MARKET (1/2)

Points of tension

- } Decrease in social housing providers' financing capacity
 - } End of the PTZ and PINEL tax incentives in zones B2 and C
 - } Stable household financing capacity
 - } Psychological impact of changes in French income tax withholding system
 - } Decline in consumer confidence
- } Demand
- } Municipal elections; decrease in the number of building permits granted
 - } Project abandonment rate at 27.3% in December 2018 (compared with 19.1% long-term average), linked to continuing discrepancies between the price of supply and spending power
 - } Rising construction and property costs
- } Supply

Favorable factors

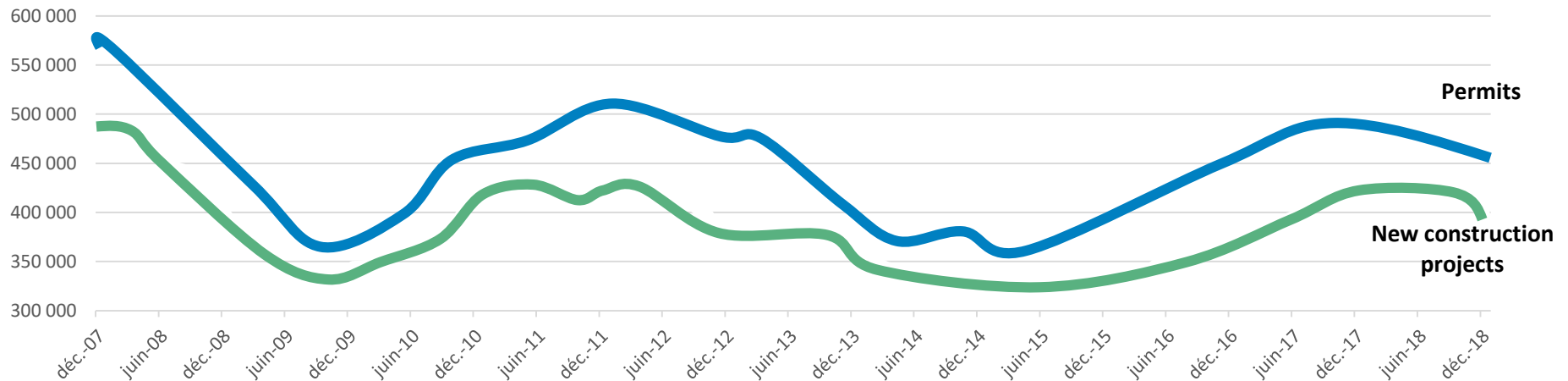
- } 1.5% increase in consumer spending power in 2019
- } Bank policy favorable to getting mortgages. Extension of mortgage terms to 226 months (+10 months in 2018) and loosening of conditions for getting a mortgage (average income for getting a mortgage -20% in 2 years)
- } Long-term interest rates expected to remain at historic lows in the coming quarters (1.60% to 1.70% over 20 years)
- } Falling unemployment rate
- } Demographic factors: according to INSEE, there should be at least 7 million more residents and 6 million more households in the next 20 years (population growth, trend towards living alone, increasing life expectancy, etc.), meaning a need for more than 400,000 new housing units each year.
- } Stable tax incentive plans (Pinel, PTZ) in high-demand, low-supply areas

NEW CONSTRUCTION PROJECTS AND PERMITS

- Market:
 - Permits: - 7.1% in 2018 vs. 2017
 - New construction projects: - 7.0% in 2018 vs. 2017
 - Decrease factors: Municipal elections, supply-demand price discrepancy
- Kaufman & Broad:
 - 6,865 new construction projects in 2018, +1.25% vs. 2017

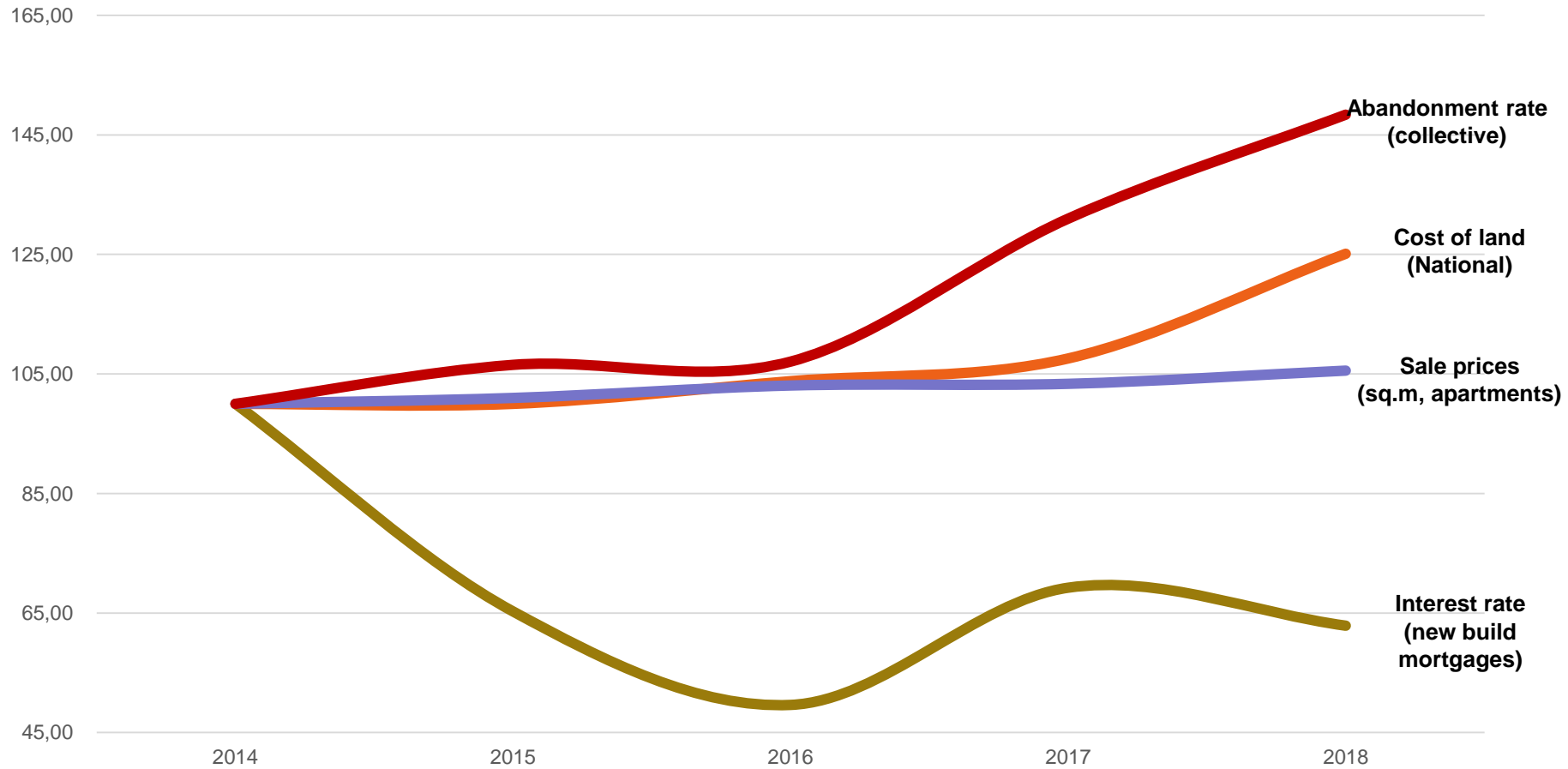
Housing units

Permits and new construction projects: 12-month total



CONSTRUCTION COSTS AND MARKET

Market cost of land, apartment sale price, interest rates and cancellation rates – base 100 in 2014

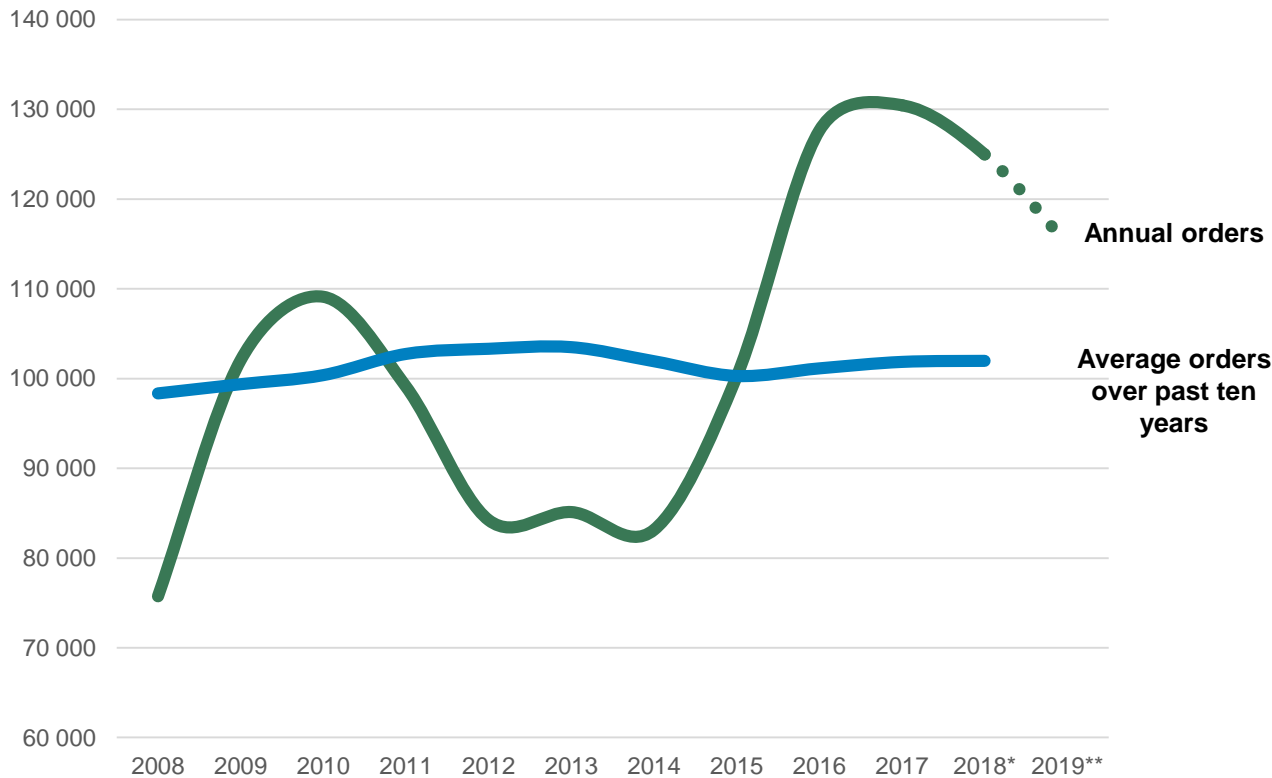


Sources: MEEM/SOeS/EPTB survey, Notaires de France, Kaufman & Broad, ECLN, FPI

ANNUAL ORDERS AND AVERAGE FOR PAST TEN YEARS

Annual orders and average for past ten years

Housing units



- Despite being in decline, the new housing market remains above the average level of the past ten years.

Source: ECLN (New Housing Marketing Survey),

* Estimates based on data from September 2018

** Kaufman & Broad estimates

• PINEL incentive:

- Zone A, A bis, and B1: extended until 31/12/2021
- End of PINEL in Zone B2 at 31/12/2018

• PTZ incentive in new housing:

- Zone A, A bis, and B1: extended until 31/12/2021
- Zone B2 and C: extended until 31/12/2019 but mortgage percentage reduced by law from 40% to 20%

• Censi-Bouvard incentive:

- Extended until 2021
- No changes before 2021

• Denormandie incentive: (formerly PINEL)

- The 2019 budget is set to extend the Pinel incentive to existing home purchases.
- 12 to 21% deduction of the investment from income tax. Rental for 6, 9, or 12 years.
- Renovation represents at least 25% of the transaction, capped at €300,000.

MARKET - FIRST NINE MONTHS OF 2018 (JAN - SEPT)

- Orders in volume over first 9 months 2018 vs. first 9 months 2017:
 - Market: -2.4%
 - Kaufman & Broad: +1.7%

| Zone | Market orders at end September 2018 | | Market change 9m 2018 vs. 9m 2017 | Change Kaufman & Broad* 9m 2018 vs. 9m 2017 |
|--------|-------------------------------------|------|-----------------------------------|---|
| A+Abis | 43,136 | 46% | +3.9% | +4.7% |
| B1 | 35,302 | 38% | -11.5% | -7.5% |
| B2+C | 14,502 | 16% | +4.9% | n/a |
| Total | 92,940 | 100% | -2.4% | +1.7% |

Source: ECLN (new housing marketing survey), estimates based on data from end September 2018,

*Kaufman & Broad financial year

NEW HOUSING MARKET: ORDERS 2018 vs. 2017

Orders (number of units)

Market

130,457



2017

122 / 125,000*



2018

Est. approx.
115,000
housing units*



2019(e)



+1.1%



9,027



2017

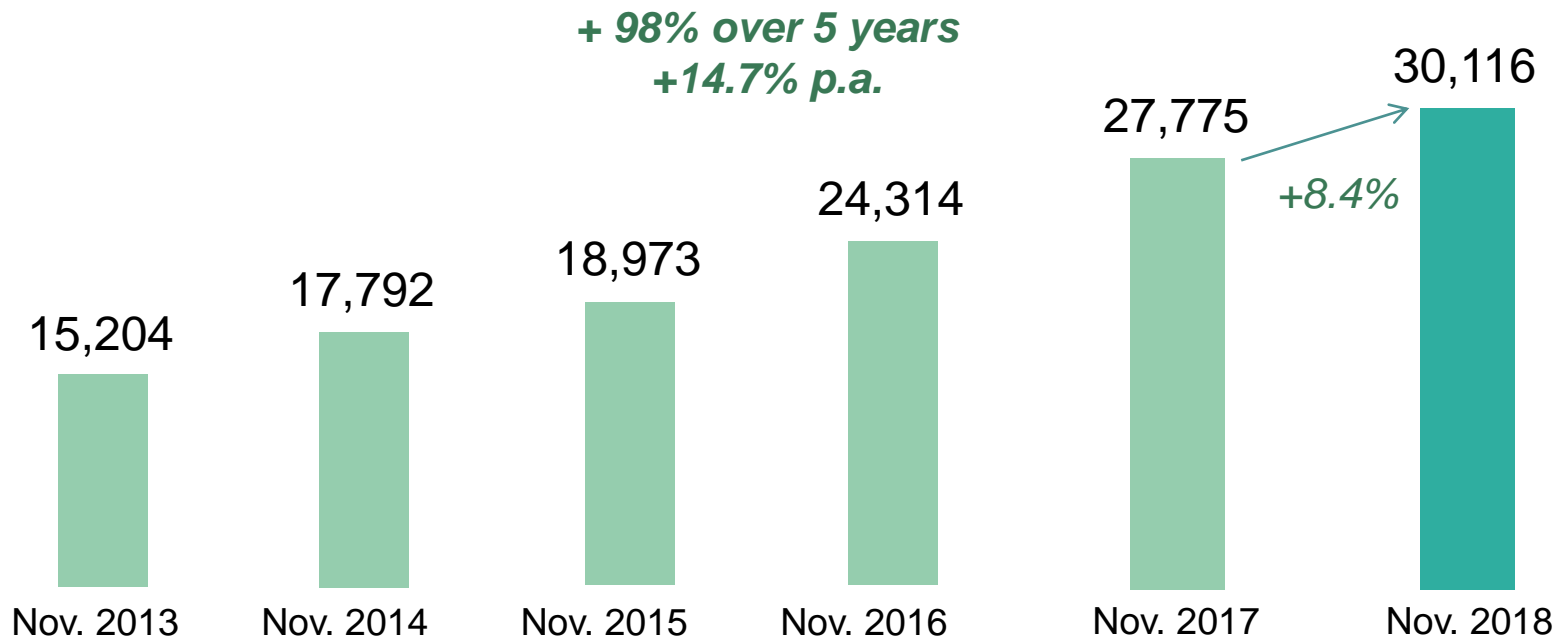
9,122



2018

*Kaufman & Broad estimates based on figures at end September 2018 (ECLN - New Housing Marketing Survey) and based on the Adéquation study dated December 2018

Property portfolio - Number of units

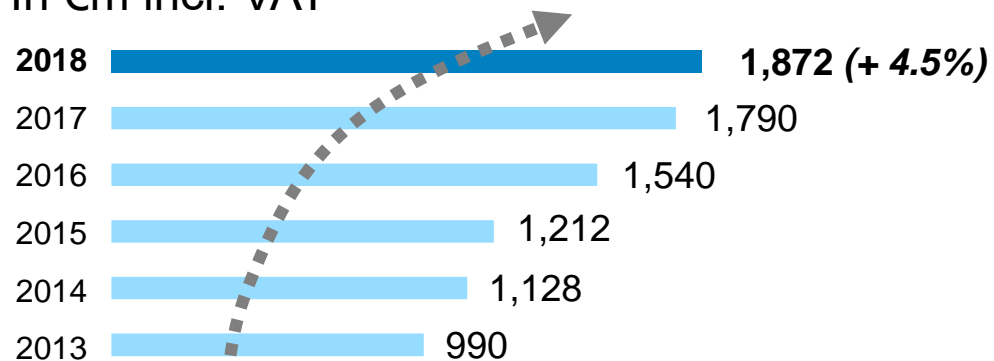


Kaufman & Broad land reserve

at end November 2018: 96% in high-demand, low-supply areas

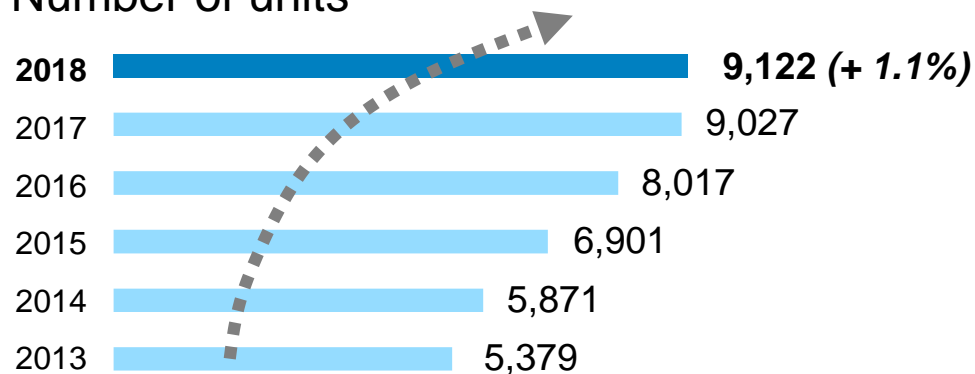
Orders in €m incl. VAT in number of units

In €m incl. VAT



+ 89% over 5 years
+ 13.6% p.a.

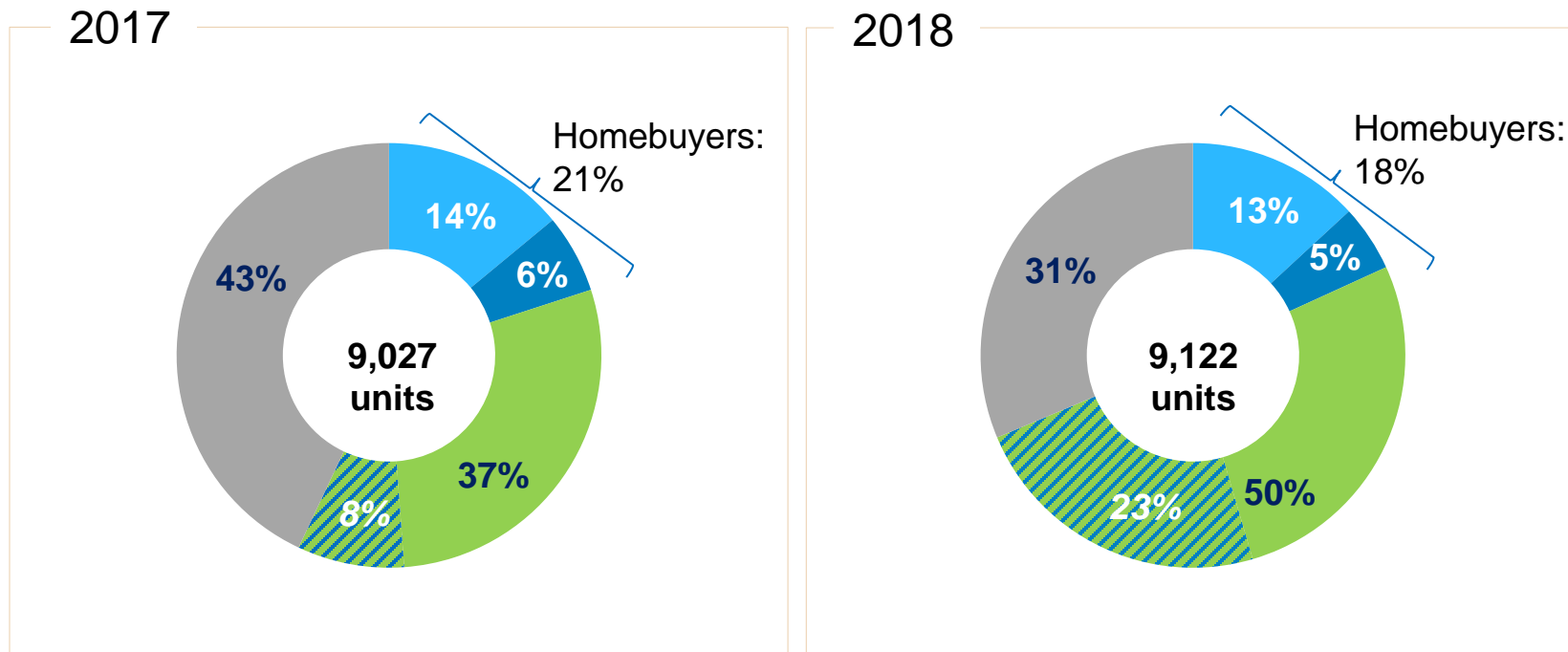
Number of units



+ 70% over 5 years
+ 11.2% p.a.

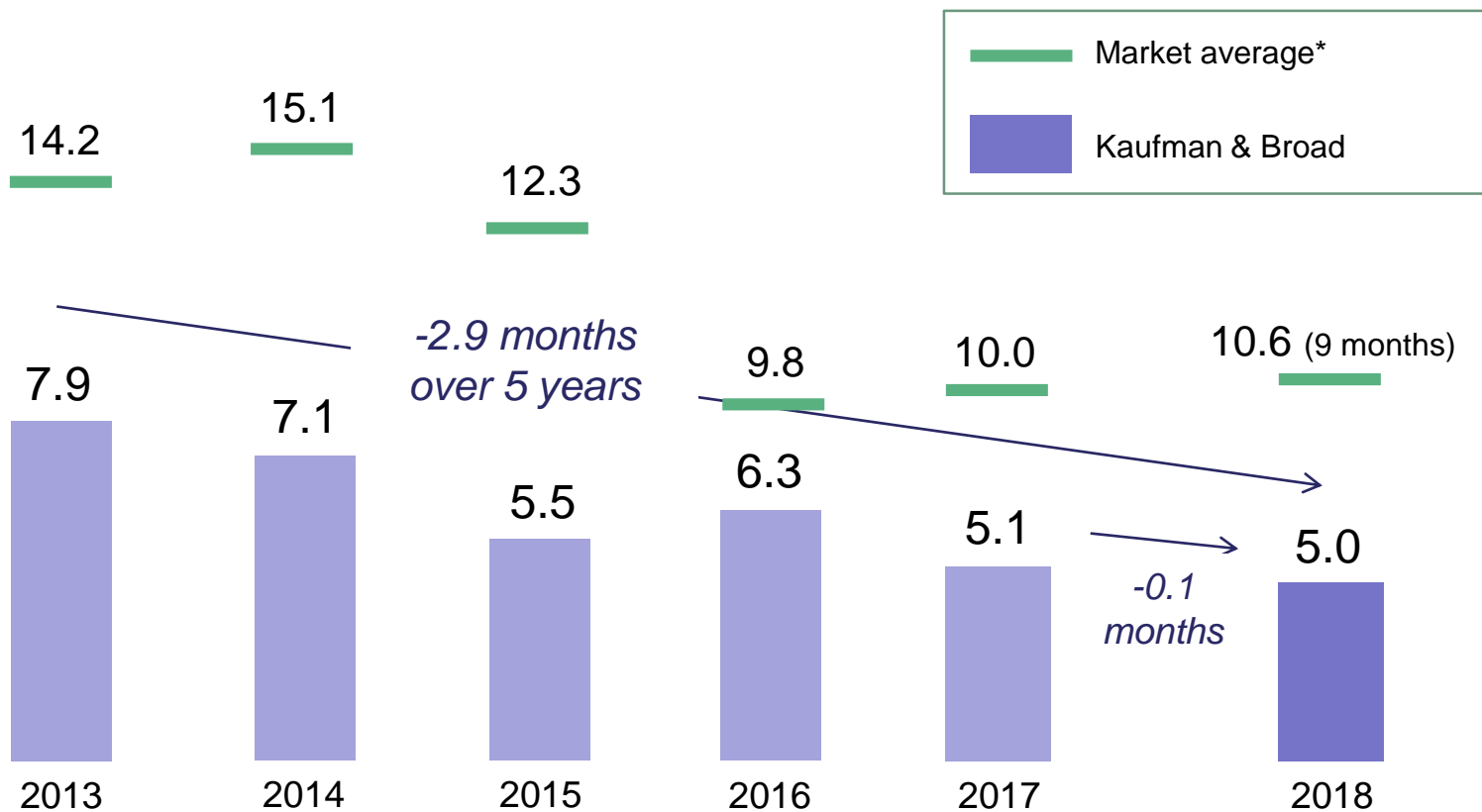
HOUSING ORDERS IN VOLUME: CHANGE IN BREAKDOWN OF CUSTOMER BASE

Orders in number of units

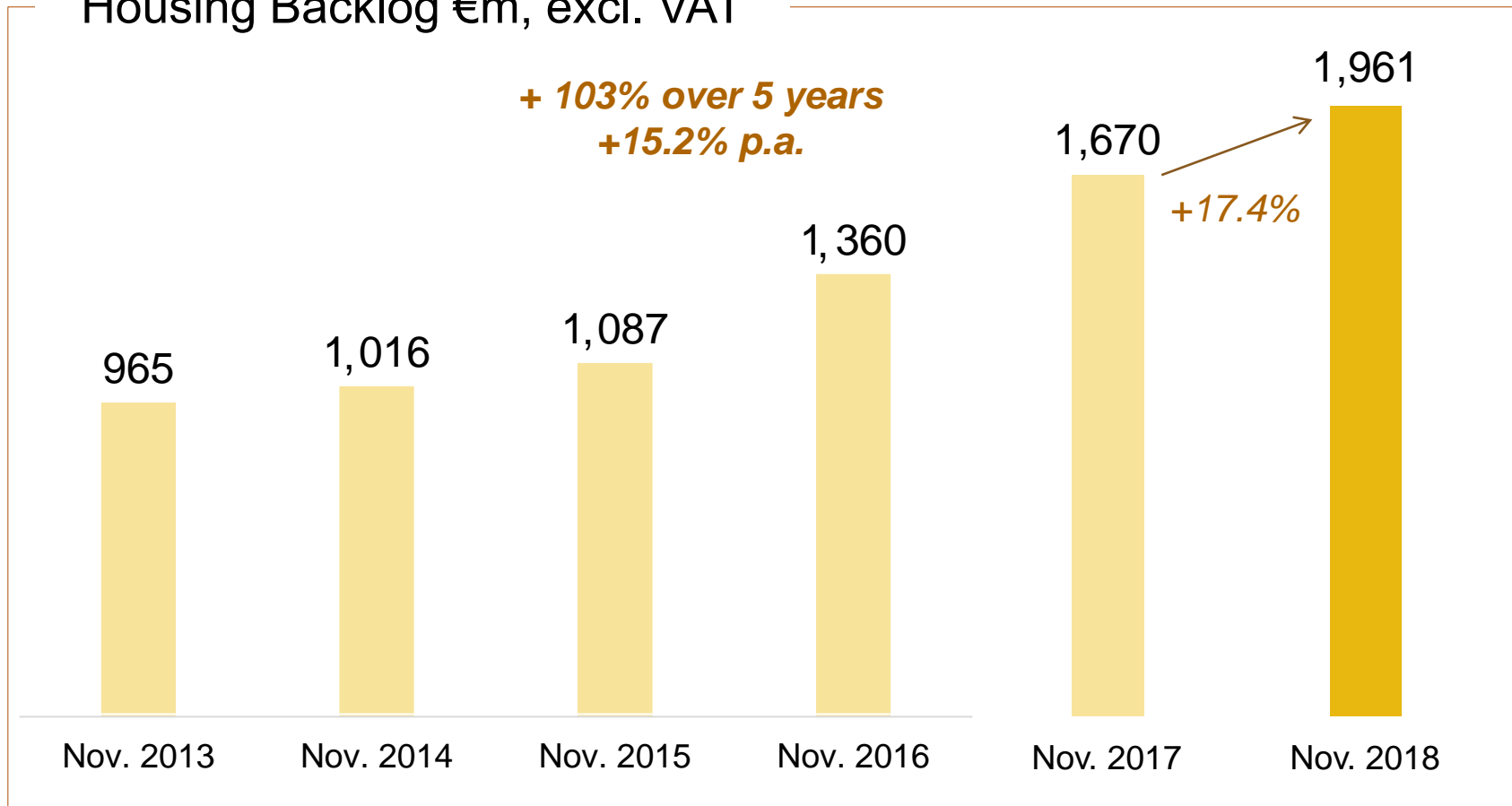


REDUCTION IN THE TAKE-UP PERIOD

Take-up period in months



Housing Backlog €m, excl. VAT



STRONG SALES ACTIVITY IN 2018

At November 30, 2018, there were 203 projects on the market, representing 3,781 housing units

2019: sales activity comparable to 2018








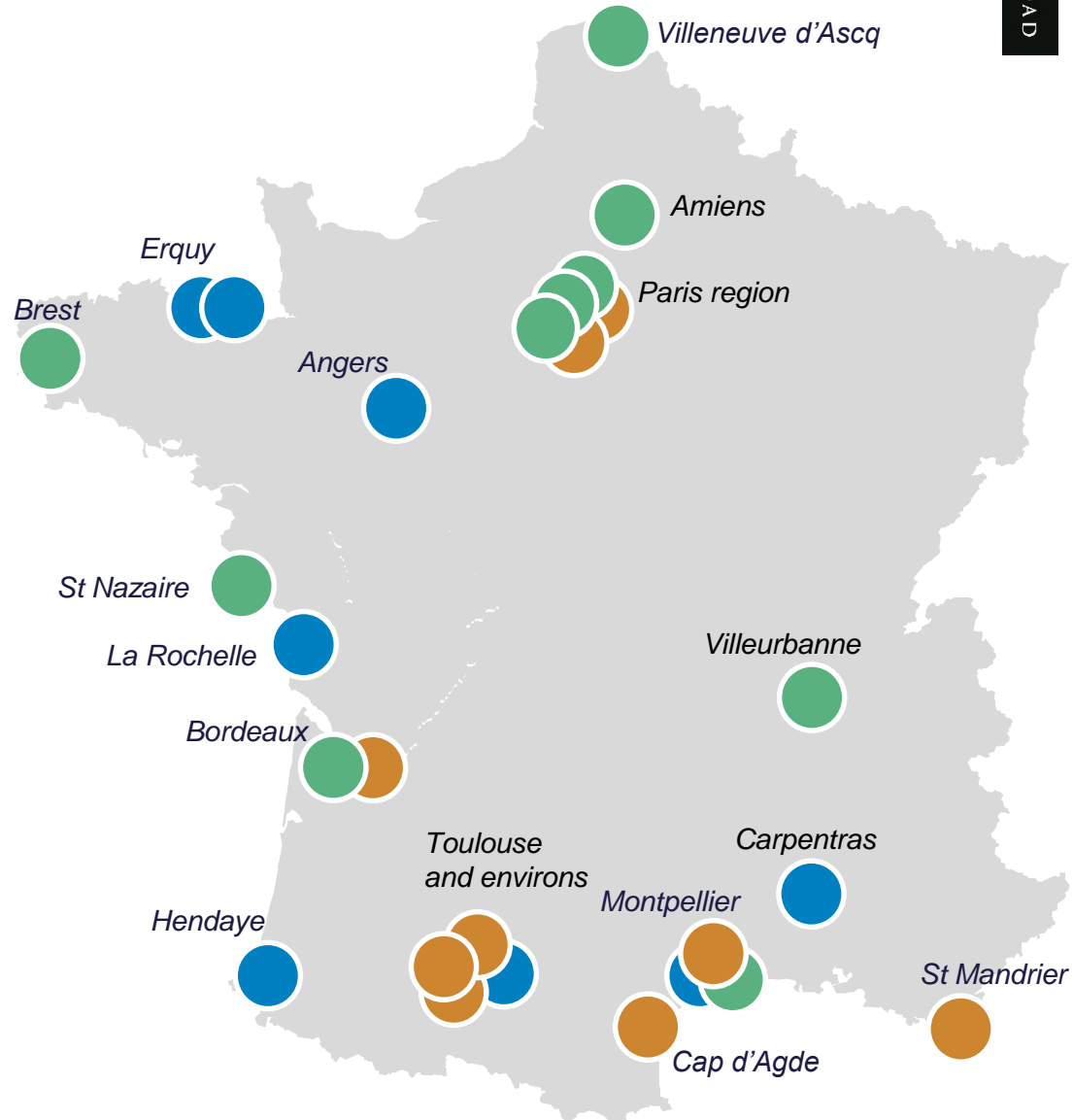
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MANAGED HOUSING

MANAGED HOUSING: PLANNED DEVELOPMENTS

-  Tourist / Corporate Housing
-  Senior Housing
-  Student Housing

- In 2018, there were 6,051 units being planned or studied (vs. 3,100 units in 2017)**
 - including 28 senior housing complexes, with around 2,840 units
 - including 22 projects being studied by Cosy Diem*
- 2019: 21 projects on the market**





KAUFMAN  BROAD

**COMMERCIAL
BUSINESS**

Market

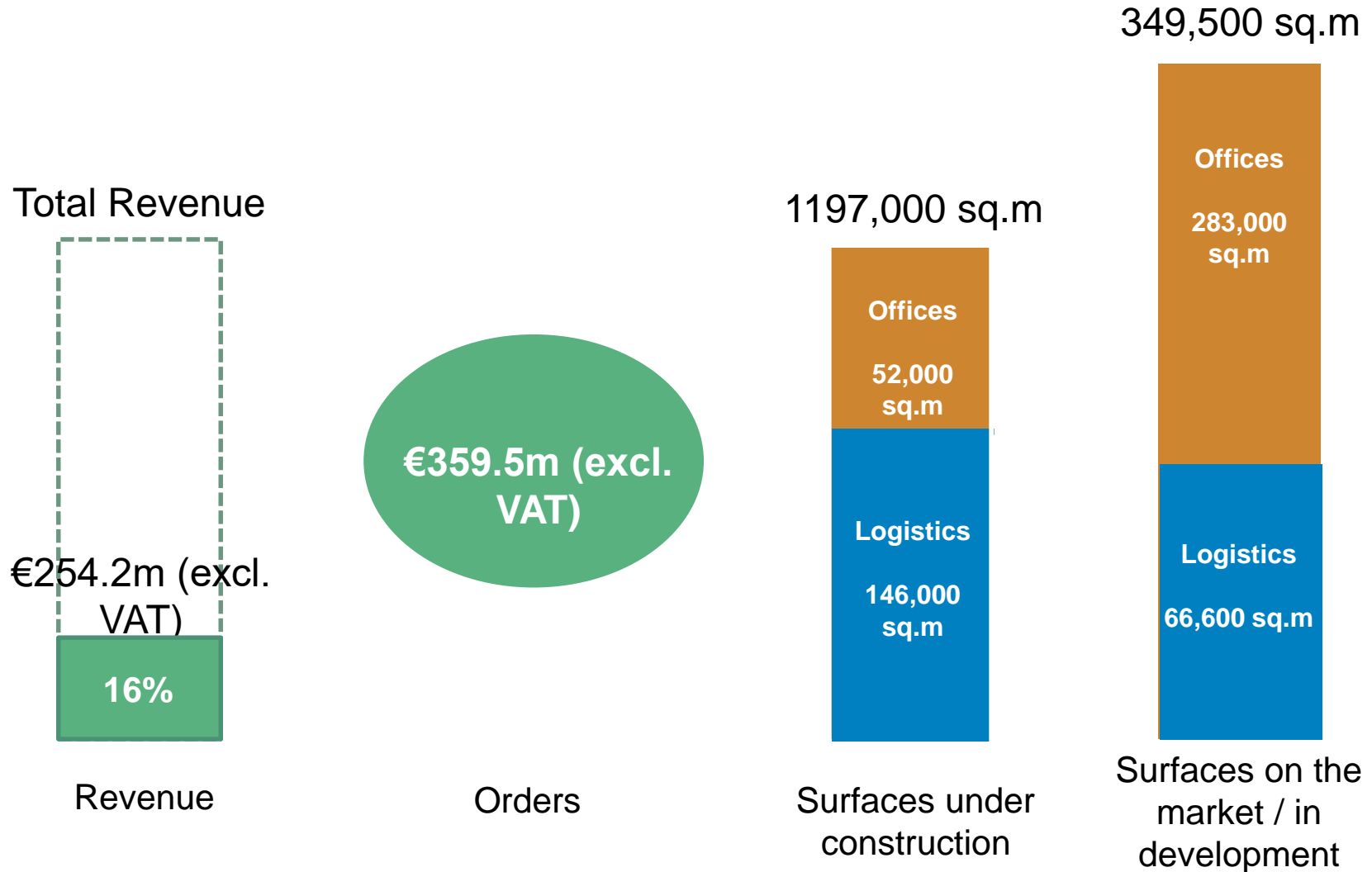


Maintaining high investment volumes:

- VEFA volume signed in Paris region: €3.4bn excl. VAT
- VEFA volume signed outside Paris region: €0.8 billion excl. VAT
- +35% vs. 2017

- €359.5m excl. VAT in orders in 2018
- 2.5x more than 2017

(Source: BNP Paribas Real Estate, KBSA estimates)



HIGHLIGHT PROJECT IN COURBEVOIE

- Major restructuring of a commercial campus, made up of three office buildings (24,000 sq.m total) and a 216-room hotel residence (6,300 sq.m)
- Delivery planned for 2021
- Offices purchased in VEFA (sale before completion) by Eurazéo Patrimoine
- Main building (17,300 sq.m):
 - High-rise building
 - NF Bâtiment “New” HQE certification, “Label Effenergie +”
 - Level targeted: HQE excellent passport
 - BREEAM “Very Good” certification
- Hotel residence: 12-year firm lease signed with STAY CITY



- More than 90,000 sq.m
 - Offices: 50,000 sq.m
 - Shops and services: 20,000 sq.m
 - Housing and student accommodation: 11,500 sq.m
- SNCF premises: 4,500 sq.m
- Public car park: >500 parking spaces
- 4-star hotel with 210 rooms
- 8,000 sq.m of landscaped gardens and terraces



AUSTERLITZ PROJECT - BLOCK A7A8



AUSTERLITZ PROJECT - BLOCK A7A8: PATIO VIEW



AUSTERLITZ PROJECT - BLOCK A7A8: LAND HOLD

The last opportunity for building a 50,000 sq.m complex on the Left Bank of Paris, where the 5th arrondissement meets the 13th



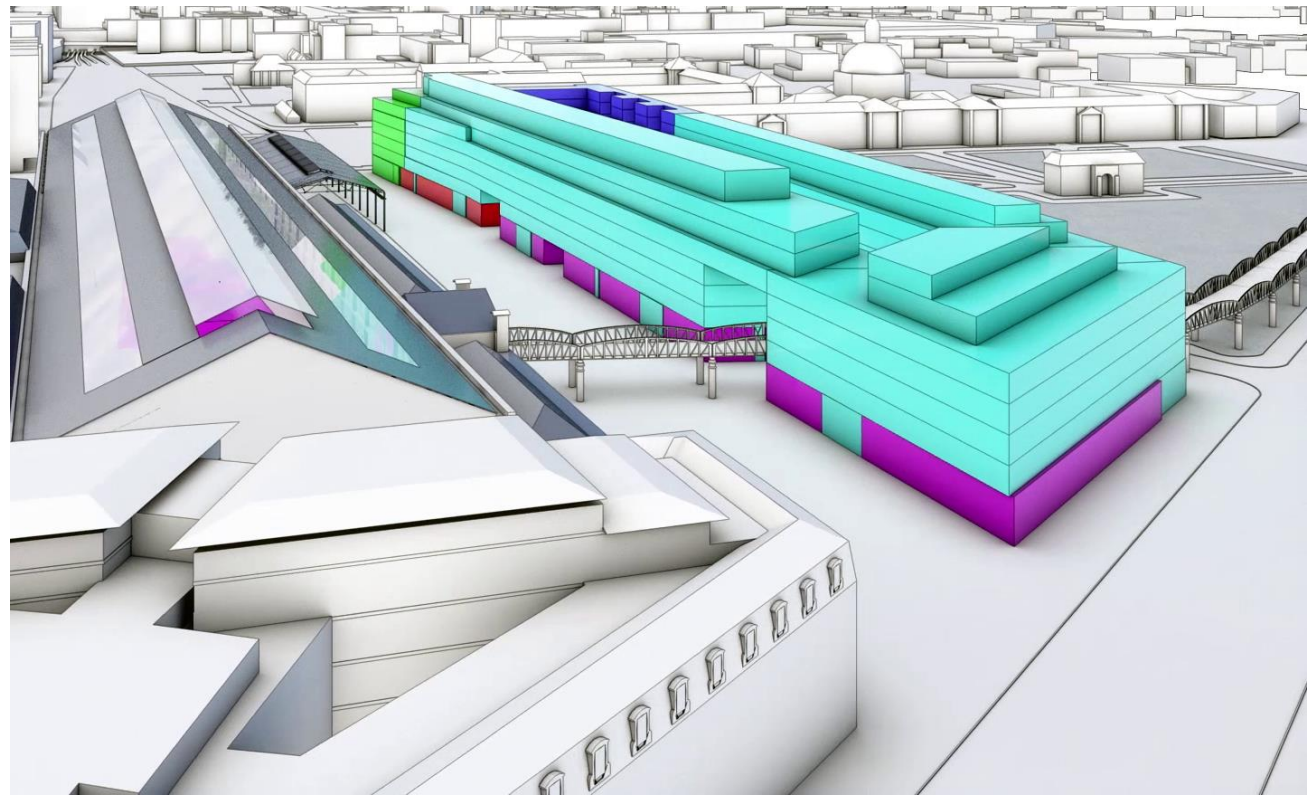
AUSTERLITZ PROJECT - BLOCK A7A8: AXONOMETRY

Office space

Retail

Hotel

Housing



- A SMART GRID on the block's scale to optimize consumption
- 3,400 sq.m in solar panels for one of the largest solar roofs in Paris
- Certifications:
 - HQE Excellent
 - BREEAM Excellent
 - WELL label

| | |
|-----------------------------------|------------|
| Announcement of the A7 A8 winner: | early 2015 |
| Consultation with the architects: | Q2 2015 |

*Winning team: DFA – AZC – TVK – INSPACE – HENKE
SCHREIECK*

| | |
|---------------------------------------|-------------|
| Feasibility and project optimization: | 2016 - 2017 |
| Permit studies: | 2018 |
| Permit filing: | H1 2019 |
| Construction: | 2020 - 2024 |
| Delivery: | 2024 |

- Signature of a lease-before-completion contract (BEFA) with the Lapeyre Group for a latest-generation, XXL logistics platform in Mer (Loir-et-Cher), with a total surface area of 74,000 sq.m
- Signature of a sale-before-completion contract (VEFA) with the DWS (Deutsche Asset Management) group



OFFICE DEVELOPMENTS IN ILE-DE-FRANCE AND OUTSIDE THE PARIS REGION



- Courbevoie
- Highlight building
- 23,000 sq.m Offices, 6,000 sq.m Hotel residence



- Bordeaux Euratlantique
- 26,000 sq.m



- Nancy
- SEQUOIA'H
- 6,500 sq.m Offices, Housing, and Retail



- Toulouse
- Andromède Building
- 15,000 sq.m Offices
- Building permit filed in Q1 2019



- Arcueil
- Green Oak Building
- 10,000 sq.m Offices



- Bordeaux
- Tour Silva
- 20,000 sq.m Offices, Housing, and Retail



- Strasbourg
- Starlette Building
- 20,000 sq.m Offices, 15,000 sq.m Housing



- Austerlitz
- Paris Rive Gauche
- ~90,000 sq.m
- Permit filing: H1 2019



- Vélizy
- 37,000 sq.m Offices
- Building permit filed in Q4 2018



- Lille Eurasanté
- 7,000 sq.m

2019

2020

2021

2022



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**INNOVATIVE USE OF
WOOD IN
COMMERCIAL
PROPERTY AND
HOUSING**

TOUR SILVA IN BORDEAUX: THE LARGEST WOODEN BUILDING IN EUROPE

- June 2015: Request for projects launched by EPA Bordeaux Euratlantique
- Objective: surpassing the current technical, regulatory, and building limitations for wooden construction
- Delivery Q4 2021
- 20,000 sq.m in three different buildings
 - Offices: 5,700 sq.m
 - 198 housing units: 14,000 sq.m
 - Retail space: 300 sq.m
 - 204 parking spaces
- Proportion of wood in the project as a whole: 55.7%
- Proportion of wood in the tallest building: 80.6%
- Wooden beam-post structure
- BREEAM Very Good label
- NF HQE 9-star label for housing



- An office building measuring 10,706 sq.m at 32-34 avenue Aristide Briand
- Delivery planned for 2021
- The load-bearing facade is made of wood and recycled glass
- NF Bâtiment HQE “New Build” certification paired with the “Effinergie” and “Bâtiment Biosourcé” labels.
Level targeted: HQE excellent passport
- BREEAM “Very Good” certification
- Acoustic insulation on the avenue ≥ 35 dB
- Landscaped roof, with 50 solar panel modules
- VEFA signed with MATA Capital



SYCOMORE ECO-DISTRICT IN BUSSY-SAINT-GEORGES

- 14 houses + 66 multi-occupancy housing units:
 - 5 single-family houses
 - 9 wooden-frame grouped houses
- 66 multi-occupancy housing units
 - Wooden attics
- The houses' structures are wooden, but the facades are coated in plaster



GREEN LODGE IN VILLEPREUX

- Complex with 930 housing units, including 355 houses
- A complete neighborhood with a school, green spaces, shops, a medical center, a gymnasium, a school, roundabouts, a park, and playgrounds
- Under study: 12 wooden-framed houses and a multi-occupancy building (32 units)
 - Wooden framed building and houses, with the BePOS positive energy label, for housing that produces more energy than it consumes
 - Thinking about solutions for storing energy produced by the building; later consumption and/or mobility (electric vehicles)






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PERCEPTION STUDY

KAUFMAN & BROAD IS THE LEADING REFERENCE IN TECHNICAL EXCELLENCE AND PRESTIGE

Source: **KANTAR TNS**
Image survey – October 2018

| |  | lowest / highest score of other real estate developers* |
|---|---|---|
| Prestigious brand | 1 st 75 | 48 / 70 |
| Excellent architectural savoir-faire | 1 st 75 | 56 / 72 |
| Irreproachable technical quality | 1 st 72 | 54 / 72 |
| Listens to its customers' needs | 2 nd 72 | 56 / 75 |
| Inspires confidence and trust | 2 nd 71 | 52 / 74 |
| I would recommend it to friends and family | 2 nd 64 | 50 / 65 |
| Innovative | 2 nd 70 | 56 / 74 |
| Support at every stage of the buying process | 2 nd 70 | 54 / 71 |
| Respects deadlines | 3 rd 68 | 54 / 73 |
| Builds housing that respects the environment | 3 rd 67 | 53 / 73 |

* Altarea Cogedim, Bouygues Immobilier, BPD Marigan, Icade, Eiffage, Emerige, Les Nouveaux Constructeurs, Nexity, Pichet, Promogim, Vinci

NON-FINANCIAL INDEXES

- Created in 2004 by Ethifinance, the Gaia-Index evaluates the non-financial performance of French small- and medium-sized companies.
- The index lists an annual ranking of the 70 best companies among a panel of 230 companies studied.
- Kaufman & Broad was number **14 out of 230** in this ranking.

Résultat de la campagne Gaia Rating 2018
Classement Global : **14/230**
Classement au sein de la catégorie de chiffre d'affaires > 500 millions d'euros : **12/85**

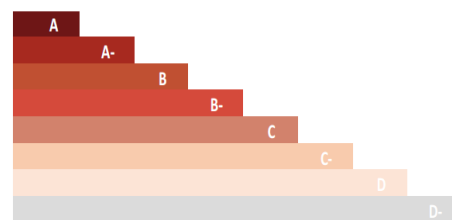
KAUFMAN & BROAD
Est intégrée à l'indice Gaia 2018

Gaia Rating, agence de notation ESG d'ETHIFINANCE, mène une campagne annuelle de collecte de données couvrant l'essentiel des PME-ETI cotées en France. Sur la base de ces informations, les sociétés sont notées sur leur niveau de transparence et de performance. Des classements ont été établis par catégorie de chiffre d'affaires afin de récompenser les meilleurs acteurs à partir d'un panel restreint de 230 PME-ETI cotées à la bourse de Paris respectant 3 critères de taille et un critère de liquidité. Les notations sont utilisées par des sociétés de gestion de premier plan dans leur processus de gestion et décisions d'investissement.

- The CDP (Carbon Disclosure Project) is a non-financial index that evaluates companies' performance in terms of their impact on the environment.
- The questionnaire Climate Change evaluates companies' environmental performance and their carbon strategy.



CLIMATE CHANGE 2018 CDP SCORE REPORT



YOUR CDP SCORE

MANAGEMENT B

Sector average: **B-**

Regional average: **B-**

Understanding your CDP score. Your Scoring Level (Disclosure, Awareness, Management, Leadership) demonstrates your company's level of environmental stewardship, and your actions and approaches in managing climate change.

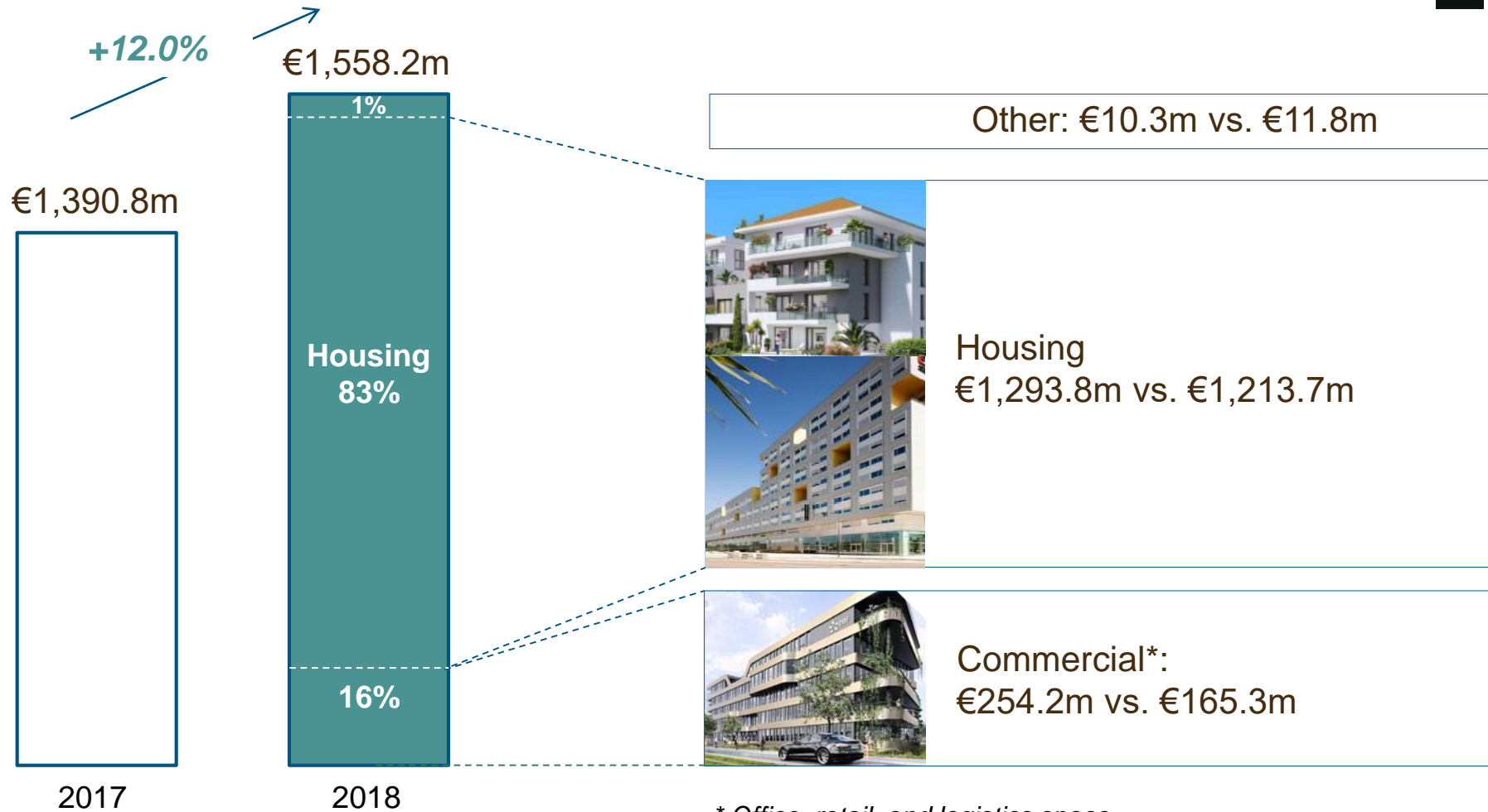
Kaufman & Broad Sa has received a score of B which is within the MANAGEMENT band. This is HIGHER than the General average of B-, and HIGHER than the Europe regional average of B-.



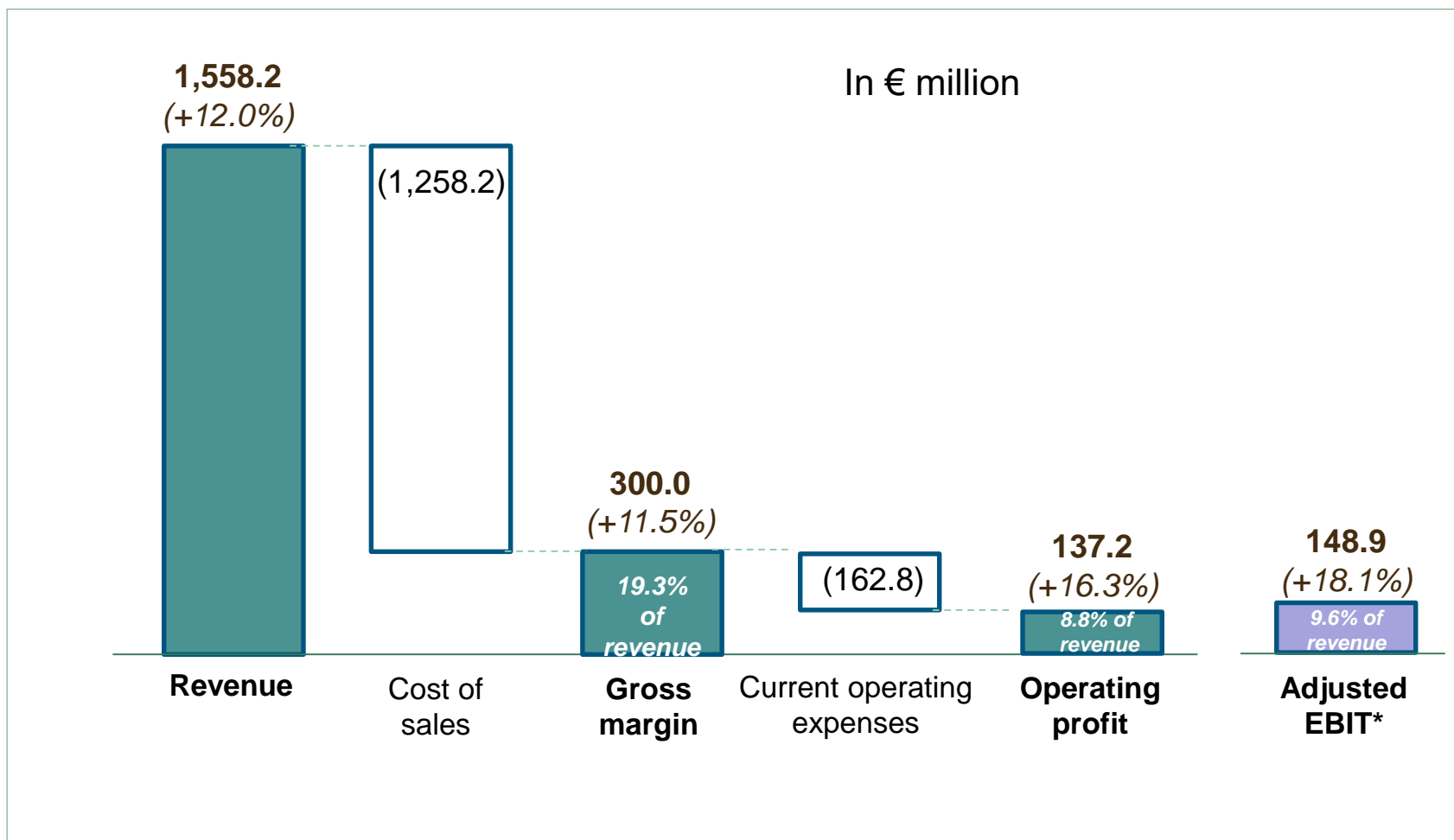
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FINANCIAL RESULTS

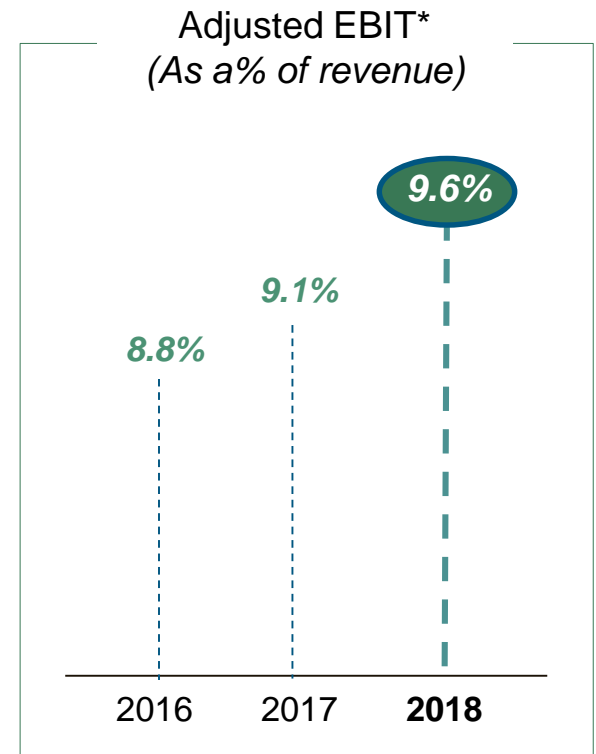
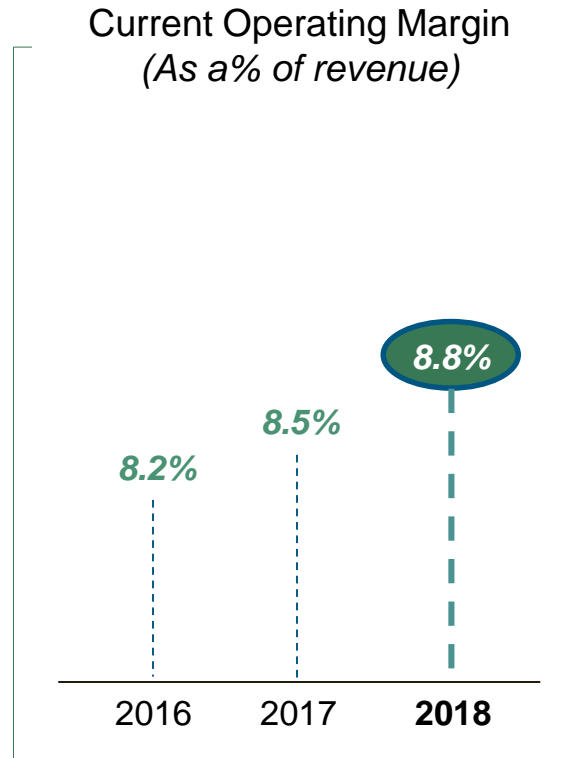
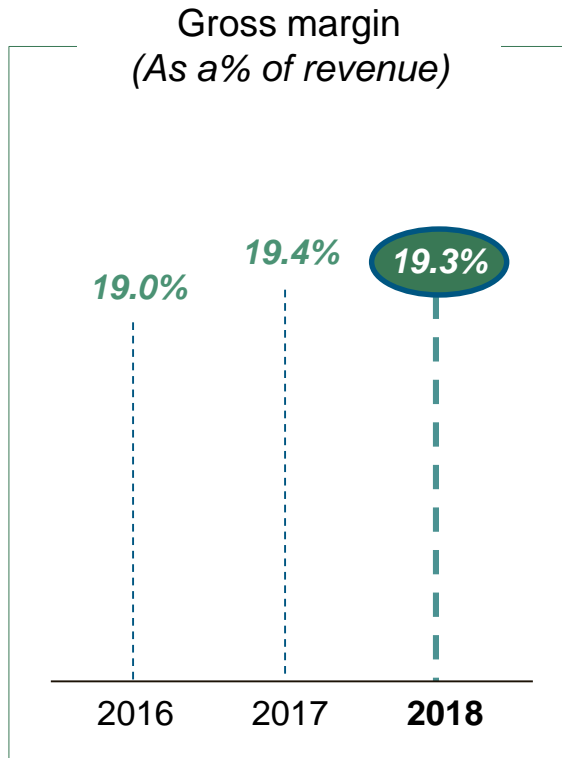
REVENUE



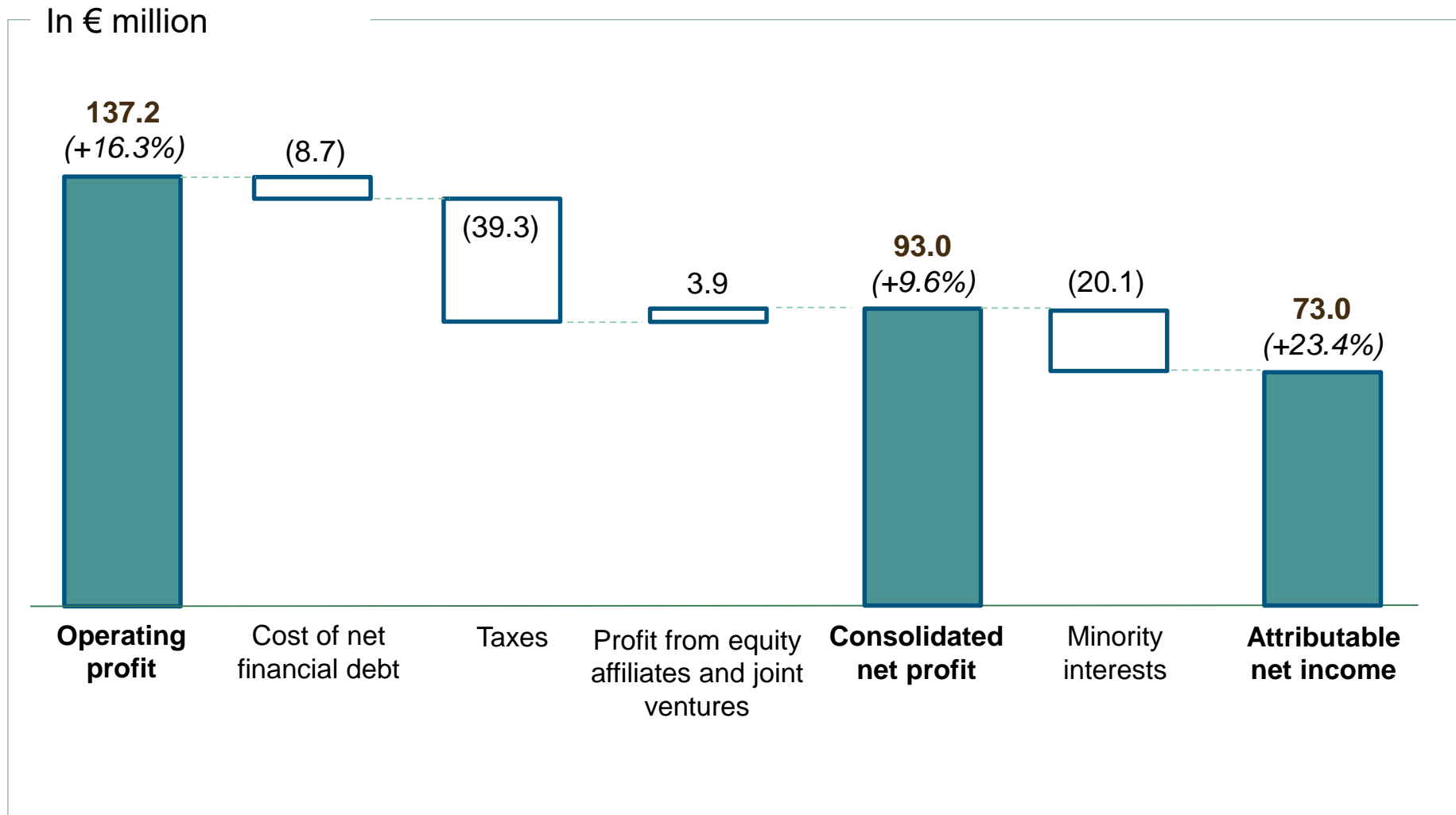
FROM REVENUE TO OPERATING PROFIT



OPERATING MARGIN

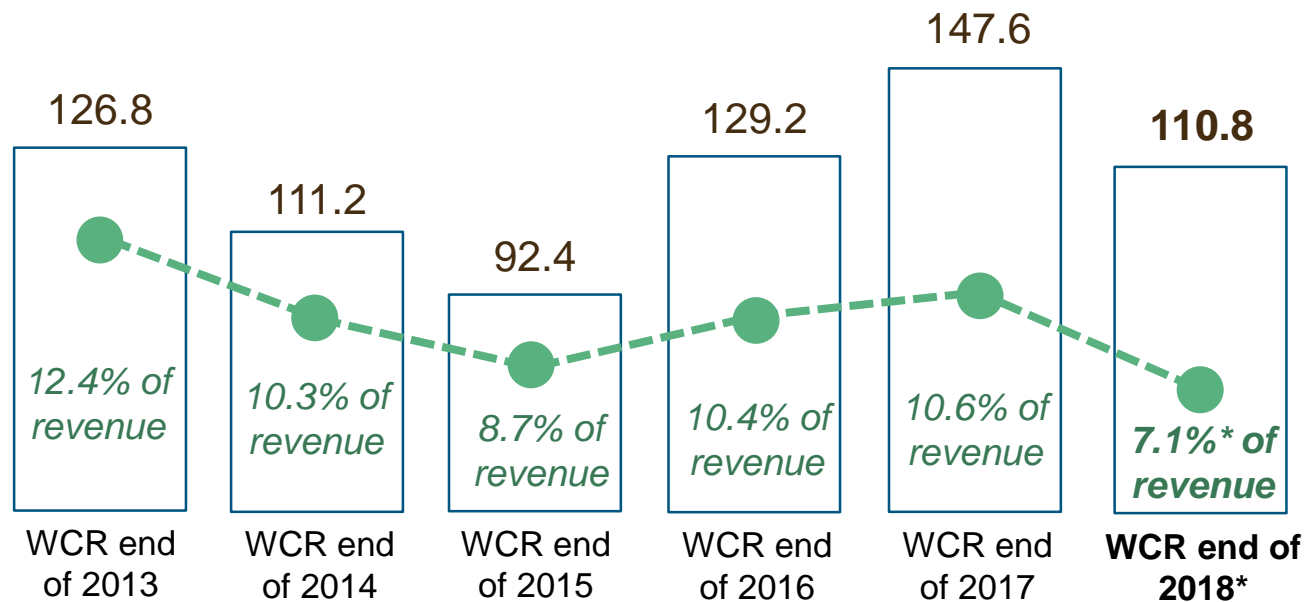


FROM OPERATING PROFIT TO NET PROFIT



CHANGE IN WORKING CAPITAL REQUIREMENT

In € million



* Significantly lower than “standard” levels (take-up period for Housing at a historic low; favorable operating conditions in 2018 for commercial projects: production, office, and logistics space.)

SIMPLIFIED BALANCE SHEET - END 2018

In € million

ASSETS

LIABILITIES

Non-current assets

179.3

261.8

Equity
(vs. €215.4m
at end 2017)

Working capital
requirement

110.8

78.3

Non-current liabilities

Net cash

50.0

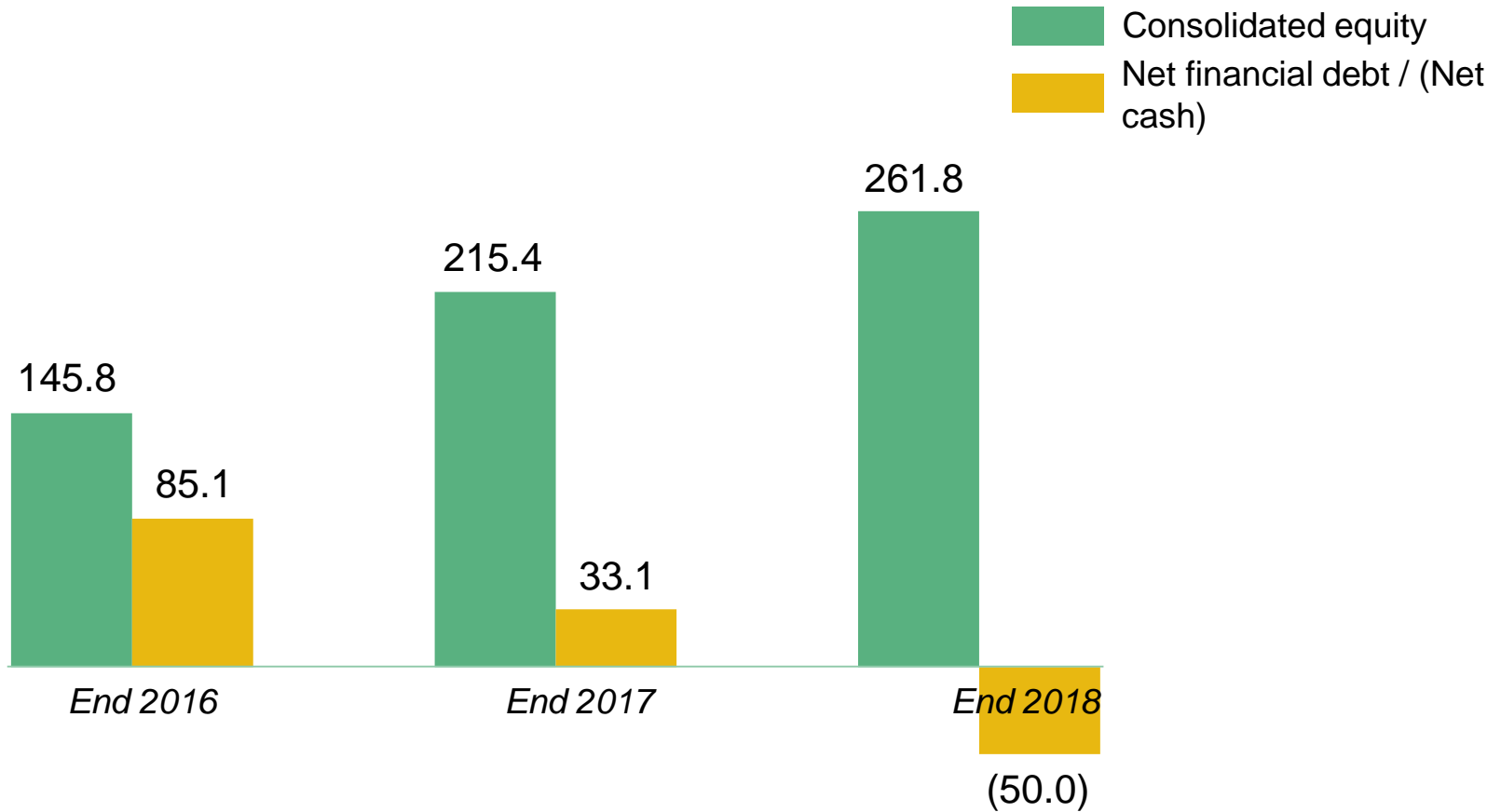
340.1

340.1

| <i>In € million</i> | Nov. 30, 2018 | Nov. 30, 2017 |
|---|---------------|---------------|
| Shareholders' equity | 261.8 | 215.4 |
| Financial debt* | 203.4 | 254.2 |
| of which financial debt maturing in < 1 year | 3.7 | 4.5 |
| of which financial debt maturing in > 1 year | 199.7 | 249.7 |
| Maturity | 5.2 years | 5.6 years |
| * of which: | | |
| <i>Loan arrangement costs</i> | (0.4) | (0.5) |
| <i>Bilateral credit lines/hedging instruments/other</i> | 3.8 | 4.7 |
| <i>Bond</i> | 150.0 | 150.0 |
| <i>Senior B + C</i> | 50.0 | 100.0 |
| Cash and cash equivalents | 253.4 | 221.1 |
| Financing capacity | 353.4 | 321.1 |

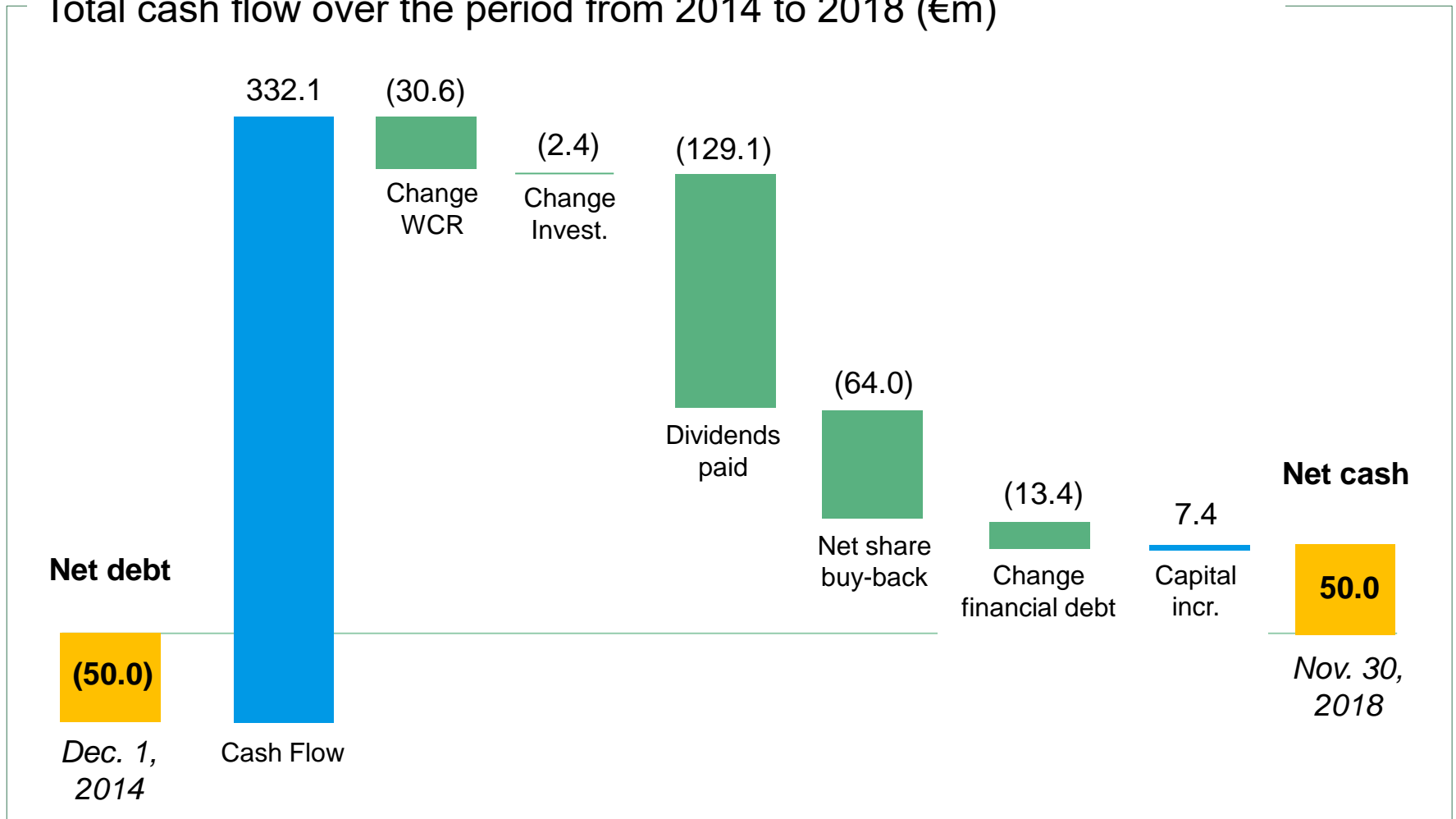
CHANGE IN EQUITY AND FINANCIAL DEBT

In € million



STRONG CAPACITY TO GENERATE CASH

Total cash flow over the period from 2014 to 2018 (€m)

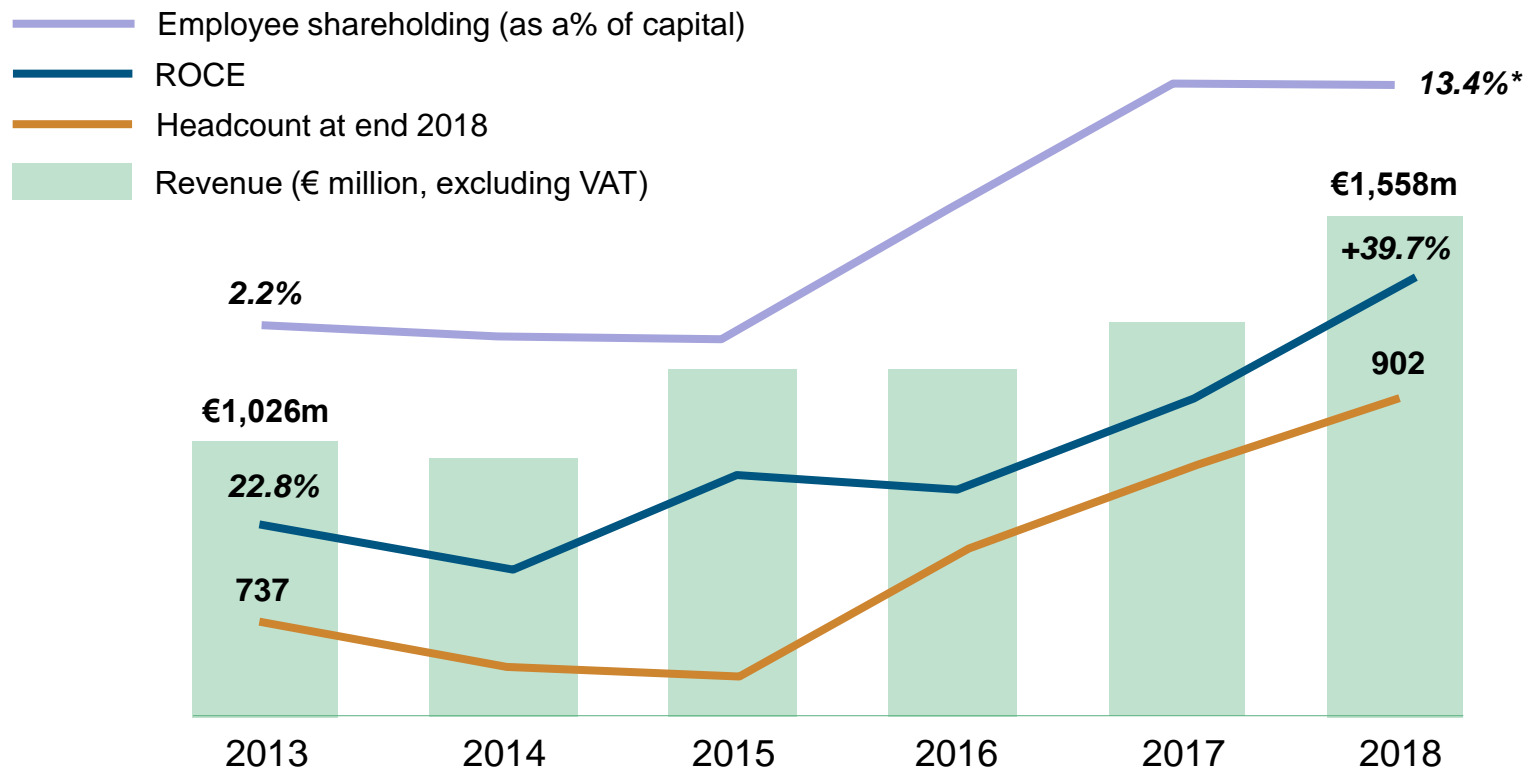




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OUTLOOK

Value creation in terms of volume, profits, and jobs



* SBF 120: 3.2%

CHANGE IN TRANSACTION VOLUME 2016-2018

| Kaufman & Broad SA | 2016 | 2018 | Δ |
|---------------------------------|------------|------------|-----------|
| Total Volume | 12,492,047 | 25,847,963 | X2 |
| Daily Volume | 49,000 | 100,000 | X2 |
| <i>of which Euronext</i> | 32% | 34% | = |
| <i>of which other platforms</i> | 68% | 66% | = |

Total Shareholder Return 2016-2018: +43.44%

- New housing market around 115,000 housing units
- Consolidated revenue stable compared with 2018
 - In H1, a projected decline given the brisk activity in Business Property in H1 2018
 - In H2, the increase should offset the decline in H1
- Gross margin ratio: $\approx 19\%$
- Adjusted EBIT ratio*: $> 9\%$
- Payment of a dividend of €2.50 per share in 2019 for the 2018 fiscal year (ended on November 30, 2018), subject to approval by the Shareholders' Meeting of May 2, 2019
 - The dividend may be paid in shares, in cash, or in cash and shares

- *The Kaufman & Broad Registration Document was filed with the French Financial Markets Authority (“AMF”) under No. D.180226 on March 29, 2018. It is available on the AMF (www.amf-france.org) and Kaufman & Broad (www.kaufmanbroad.fr) websites. It contains a detailed description of Kaufman & Broad’s business activities, results, and outlook, as well as the associated risk factors. Kaufman & Broad specifically draws attention to the risk factors set out in Chapter 1.2 of the Registration Document. The occurrence of one or more of these risks might have a material adverse impact on the Kaufman & Broad group’s business activities, net assets, financial position, results, and outlook, as well as on the price of Kaufman & Broad’s shares.*
- *This document does not amount to, and cannot be construed as amounting to a public offering, a sale offer or a subscription offer, or as intended to seek a purchase or subscription order in any country.*