

# BASSAC

## PRESS RELEASE

**BOULOGNE-BILLANCOURT, FRIDAY, JANUARY 29, 2021** - Bassac releases today its 2020 activity report.

## BASSAC – 2020 Activity report

KEY INDICATORS – In € m	31-12-2020	31-12-2019	Change
Revenues (excluding VAT)	986	976	+1%
Reservations (including VAT)	873	1,167	-25%
Order book (excl. VAT)	1,303	1,433	-9%
Land Portfolio (excl. VAT)	4,775	4,636	+3%

Thanks to the remarkable performance of its teams, **Bassac** is reporting 2020 annual revenues slightly higher than 2019, higher than anticipated when the first half 2020 results were published.

The impacts of the Covid-19 crisis are differentiated according to the geographical areas of activity:

In **France**, the two containment periods did not have the same impact on the **Les Nouveaux Constructeurs** activity:

- Construction sites were closed for a month and a half during the first confinement period (March 17 - May 11). However, they were able to continue during the second confinement period (October 30-December 15;
- The sales offices were closed during the two confinement periods, which had a negative impact on the level of spring sales. The progress made in the digitalization of reservations mitigated the impact of the closure of the sales offices during the second confinement period.

These health prevention measures, combined with the postponement of the municipal elections and changes in municipal teams, have resulted in longer lead times for obtaining administrative authorizations, thereby postponing the commercial launches and land acquisitions planned for 2020.

As final demand was perceived as healthy, the decision was made not to offset the decline in reservations with block sales, which would have a dilutive effect on the company's margins.

In addition, in a context of declining housing supply and stable or rising selling prices, land costs remain high. On the other hand, a slight decline in construction costs was observed in fiscal year 2020.

In **Spain**, the 15-day shutdown of construction sites during the first half of the year resulted in some postponements of deliveries initially scheduled for the fourth quarter of 2020. The outlook remains favorable thanks to an order book representing 29 months of activity.

In **Germany**, as regards **Concept Bau's** real estate development activity, construction sites remained open during the year and the sales pace is satisfactory. The increase in the order book provides good visibility of business activity. **Zapf's** industrial garage manufacturing activities were moderately affected by the effects of the health crisis.

## REVENUES

For **Property development activities**, it corresponds, in France and Germany (since 1 January 2020), to the total amount of sales signed before a notary at the year-end, weighted by the percentage of completion of the cost price (including land). In Spain, it is released on transfer of ownership, which takes place on delivery of the completed lot. It is expressed excluding tax.

For the **Prefabricated Garages business**, revenue is recognised upon delivery and installation of the garage.

In 2020, **Bassac's** consolidated revenues amounted to 986 million euros, up 1% compared to 2019, and can be broken down as follows:

In millions of euros (excluding VAT)	2020	2019	Change
Residential - France - <i>Les Nouveaux Constructeurs</i>	665	647	3%
Residential - Spain - <i>Premier</i>	128	113	13%
Residential - Germany - <i>Concept Bau (*)</i>	53	94	-43%
<b>RESIDENTIAL</b>	<b>846</b>	<b>854</b>	<b>-1%</b>
<b>CORPORATE REAL ESTATE</b> - <i>Les Nouveaux Constructeurs</i>	<b>33</b>	<b>23</b>	<b>42%</b>
<b>PREFABRICATED GARAGES</b> - <i>ZAPF</i>	<b>107</b>	<b>98</b>	<b>9%</b>
<b>TOTAL</b>	<b>986</b>	<b>976</b>	<b>1%</b>

(\*) from 1 January 2020, revenue from the German property development business, marketed under the *Concept Bau* brand, is recognised using the percentage of completion method, whereas it was previously recognised at completion (see below).

In **France**, revenues generated by **Les Nouveaux Constructeurs** residential real estate in 2020 amounted to 665 million euros, up 3% compared to 2019, mainly due to a slight increase in technical production over the year. After a decline in the first half of 2020 compared to the first half of 2019, this increase is due to a catch-up in the second half of the year in the backlog of technical production and commercial progress (number of notarized deeds signed).

In **Spain**, revenues - which are recognized upon delivery - amounted to 128 million euros, compared with 113 million euros in 2019. This revenue corresponds to the delivery of 497 housing units in 2020, compared with 480 in the previous year.

In **Germany**, **Concept Bau's** revenues amounted to 53 million euros in 2020, compared with 94 million euros in 2019. As of January 1, 2020, revenue from the German real estate development business, marketed under the *Concept Bau* brand, is recognized using the percentage of completion method, whereas it was previously recognized upon completion (i.e., upon delivery). This change is due to *Concept Bau's* alignment with the market position regarding the application of IFRS 15 to real estate development activities in Germany. Revenues for fiscal year 2020 are accounted for as if they had been determined using the percentage of completion method from the start of the projects (retrospective approach). 2019 consolidated revenues are not presented after retrospective restatement as the impact of this change is not material for fiscal year 2019.

Revenues from **Commercial Real Estate** amounted to 33 million euros, representing the progress of various projects in the Paris region and Bordeaux.

**Zapf's** revenues amounted to 107 million euros, up 9% from 98 million euros in 2019. In 2020, Zapf delivered nearly 16,000 garages compared with 15,700 last year.

## COMMERCIAL ACTIVITY

Reservations correspond to promises to purchase property lots signed by customers, for which a deposit has been paid and the withdrawal period has expired. Most of the time, they are made subject to the suspensive condition that the client has obtained financing. They are expressed including tax.

Total bookings amounted to 873 million euros (including tax) in 2020, down 25% compared to 2019. During the year, residential reservations included 3,165 apartments and houses, compared to 4,323 in 2019, down 27% in volume.

### AMOUNT OF ACCOMMODATION RESERVATIONS

In millions of euros (incl. tax)	2020	2019	Change
Residential - France - <i>Les Nouveaux Constructeurs</i>	674	906	-26%
<i>Of which individuals</i>	587	791	-26%
<i>Of which block sales</i>	87	115	-24%
Residential - Spain - <i>Premier</i>	137	156	-13%
Residential - Germany - <i>Concept Bau</i>	56	76	-26%
<b>RESIDENTIAL</b>	<b>867</b>	<b>1,138</b>	<b>-24%</b>
<b>CORPORATE REAL ESTATE</b> - <i>Les Nouveaux Constructeurs</i>	<b>6</b>	<b>29</b>	<b>-78%</b>
<b>TOTAL</b>	<b>873</b>	<b>1,167</b>	<b>-25%</b>

In **France**, residential real estate orders totaled 674 million euros including tax, representing 2,638 housing units, compared with 906 million euros including tax and 3,693 housing units in 2019, a decrease of 26% in value and 29% in volume.

This decrease in the number of homes sold is the result of a lower supply of homes for sale - a phenomenon linked to the delay in commercial launches in 2020 - and the closure of the sales offices, **Les Nouveaux Constructeurs'** main sales channel, for three and a half months.

In volume terms, sales to individuals accounted for 82% of bookings, with the remaining 18% being block sales, mainly to social landlords. This proportion of block sales is stable relative to its historical level, as it was decided not to offset the year's decline in reservations with block sales.

Within retail sales, individual investors accounted for 34% of retail sales in 2020, compared with 35% in 2019.

In **Spain**, reservations totaled 137 million euros, or 441 units sold, compared to 156 million euros and 519 units in 2019. The decline in the offer for sale and the slower pace of sales related to preventive health measures taken by the authorities accounted for most of this decline.

In **Germany**, at **Concept Bau**, orders totaled 56 million euro, or 86 units sold, compared to 76 million euro and 111 units in 2019. 76 million and 111 units in 2019. This decline in sales was due to a reduction in the offer for sale. Munich sales relate to homes with a high average unit price (close to €650,000) due to their central locations.

In **Commercial Real Estate**, the year's reservations mainly represent retail sales for the Chessy program.

## ORDER BOOK

For the **property development business**, it corresponds, in France and Germany (since 1 January 2020), to the sum of (1) the portion of Revenue not yet recognised in the accounts from sales of homes signed before a notary and (2) the expected Revenue from homes reserved and not yet signed. In Spain, the order book represents the expected revenue from reserved housing units not yet delivered. It is expressed excluding tax.

For the **Prefabricated Garages business**, the order book corresponds to revenue from garages booked but not yet delivered.

The order book at December 31, 2020 was euro 1,303 million, down 9% from December 31, 2019.

Based on revenues over the last twelve months, the backlog represents approximately 16 months of activity, an indicator down 3 months from its level at the end of 2019.

## ORDER BOOK

In millions of euros (excl. tax)	31-12-2020	31-12-2019 restated (*)	31-12-2019 published	Change
Residential - France - <i>Les Nouveaux Constructeurs</i>	855	964	964	-11%
Residential - Spain - <i>Premier</i>	304	307	307	-1%
Residential - Germany - <i>Concept Bau (*)</i>	52	47	93	10%
<b>RESIDENTIAL</b>	<b>1,210</b>	<b>1,318</b>	<b>1,364</b>	<b>-8%</b>
<b>CORPORATE REAL ESTATE</b> - <i>Les Nouveaux Constructeurs</i>	<b>39</b>	<b>67</b>	<b>67</b>	<b>-42%</b>
<b>PREFABRICATED GARAGES</b> - <i>ZAPF</i>	<b>54</b>	<b>48</b>	<b>48</b>	<b>12%</b>
<b>TOTAL</b>	<b>1,303</b>	<b>1,433</b>	<b>1,479</b>	<b>-9%</b>

(\*) as from 1 January 2020, revenue from the German property development business, marketed under the Concept Bau brand, is recognised using the percentage of completion method, whereas it was previously recognised at completion (see Revenue section). The cumulative impact of this change resulted in a restatement of the opening order book.

In **France, Les Nouveaux Constructeurs** residential real estate order book decreased by 11% to 855 million euro.

In **Spain, Premier's** order book amounted to 304 million euro. This amount represents the price of 1,163 reserved housing units not yet delivered.

In **Germany, Concept Bau's** order book amounted to 52 million euro.

The **Commercial Real Estate** backlog mainly represents the revenues not yet generated by four buildings located in Paris 13ème, Champs sur Marne, Chessy and Bordeaux, respectively.

**Zapf's** order book stood at 54 million euros as of December 31, 2020, representing approximately 8,500 garages to be delivered.

## LAND PORTFOLIO

*The land portfolio corresponds to land held in the form of a promise to sell that gives Bassac, subject to the lifting of conditions precedent, visibility over its future business. This portfolio is measured in terms of the number of housing units not yet reserved and is estimated in terms of forecast sales excluding tax.*

As of December 31, 2020, **Bassac's** land portfolio amounted to 4,775 million euros, up 3% compared to the end of 2019.

The residential real estate portfolio amounted to 4,455 million euros as of December 31, 2020, compared to 4,311 million euros at year-end 2019. Based on residential revenue over the last twelve months, the land portfolio represents just over five years of activity, a stable indicator compared to its level at year-end 2019.

### CONTROLLED LAND PORTFOLIO

In millions of euros excl. tax	31-12-2020	31-12-2019	Change
Residential - France - <i>Les Nouveaux Constructeurs</i>	3,868	3,640	6%
Residential - Spain - <i>Premier</i>	210	247	-15%
Residential - Germany - <i>Concept Bau (*)</i>	377	424	-11%
<b>RESIDENTIAL</b>	<b>4,455</b>	<b>4,311</b>	<b>3%</b>
<b>CORPORATE REAL ESTATE</b> - <i>Les Nouveaux Constructeurs</i>	<b>320</b>	<b>325</b>	<b>-2%</b>
<b>TOTAL</b>	<b>4,775</b>	<b>4,636</b>	<b>3%</b>

In **France**, the residential property portfolio amounted to 3,868 million euros, up 6% compared with December 31, 2019, thanks to good results in land development. It represented 18,361 housing units, compared with 17,708 units at December 31, 2019.

In **Spain**, the property portfolio amounted to €210 million, compared with €247 million at 31 December 2019. It represents 659 housing units, compared with 862 at the beginning of the year.

In **Germany**, **Concept Bau's** land portfolio amounted to 377 million euros, representing 681 housing units, compared with 424 million euros and 768 housing units at year-end 2019.

The **commercial real estate** portfolio amounted to 320 million euros. It represents the potential revenue from six Paris Region programs not yet sold, including one on the Paris 13e Bruneseau site, three in the inner suburbs and two in Marne la Vallée.

## INFORMATION ON THE PARTICIPATION OF BASSAC IN BAYARD HOLDING (ACCOUNTED FOR BY THE EQUITY METHOD)

*It is reminded that, since November 14, 2018, Bassac is shareholder up to 60% of the real estate development company Marignan, through the joint venture Bayard Holding.*

The Covid-19 crisis has had a significant impact on the indicators of **Marignan** for the year 2020:

- the revenue generated is in the order of 430 million euros, a decrease of approximately 22% compared to fiscal year 2019, which amounted to 548 million euros;
- 1,940 housing units were reserved in fiscal year 2020, compared to 2,691 in 2019, a decrease of 28%;
- 2,006 deeds were signed over the period, compared to 2,820 in 2019, a decrease of 29%.

Nevertheless, the company remains profitable and has significantly reduced its debt over the year 2020. Marignan has also decided not to use block sales to offset the decline in its bookings.

## PERSPECTIVES

Benefiting from a strong order book, **Bassac** retains good visibility for the coming half-years, in a market context disrupted by health prevention measures.

**Bassac** had a robust balance sheet at the beginning of the crisis. As of June 30, 2020, the company had a net debt position of €135.5 million and an equity level of €502 million. Its balance sheet was further strengthened in the second half of 2020 as a result of strong cash generation, enabling the company to record a zero net debt position at the end of 2020.

**Bassac** therefore has significant room for maneuver, enabling it to face an unprecedented economic environment.

### FINANCIAL COMMUNICATION CALENDAR

- 2020 FY Results: Thursday 18 March 2021 (after the close of Euronext Paris)

## BASSAC

Founded by Olivier Mitterrand in 1972, **Bassac** (formerly **Les Nouveaux Constructeurs**) is a company that mainly owns property development subsidiaries that build new housing and offices in France, Spain and Germany. Since its creation, Bassac and its subsidiaries have delivered nearly 90,000 flats and single-family homes in France and abroad.

The Bassac share has been listed on Euronext Paris since 2006 (compartment B - mnemonic "BASS" - ISIN: FR0004023208). Find all the company's press releases on its website: <https://www.bassac.fr/>

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## GLOSSARY

### Revenues

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### Reservations

Reservations correspond to promises to purchase property lots signed by customers, for which a deposit has been paid and the withdrawal period has expired. Most of the time, they are made subject to the suspensive condition that the client has obtained financing. They are expressed including tax.

### Order book

For the **property development business**, it corresponds, in France and Germany (since 1 January 2020), to the sum of (1) the portion of Revenue not yet recognised in the accounts from sales of homes signed before a notary and (2) the expected Revenue from homes reserved and not yet signed. In Spain, the order book represents the expected revenue from reserved housing units not yet delivered. It is expressed excluding tax.

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### Land portfolio

The land portfolio corresponds to land held in the form of a promise to sell that gives Bassac, subject to the lifting of conditions precedent, visibility over its future business. This portfolio is measured in terms of the number of housing units not yet reserved and is estimated in terms of forecast sales excluding tax.

## APPENDICES

### REVENUE BY DIVISION

In millions of euros excl. tax	2020		2019	
	H2	H1	H1	H2
Residential - France	412.0	251.8	293.6	353.7
Residential - Spain	64.1	63.8	35.5	77.9
Residential - Germany	23.2	30.1	51.6	42.1
Corporate Real Estate - France	21.7	11.6	15.1	8.3
Prefabricated garages - Germany	66.7	40.3	38.5	59.3
<b>Total</b>	<b>587.6</b>	<b>397.6</b>	<b>434.3</b>	<b>541.3</b>

### AVERAGE UNIT PRICES OF BOOKINGS - RESIDENTIAL

In thousands of euros (incl. VAT)	2020	2019	Change
France <sup>(1)</sup>	256	245	+4%
Spain <sup>(2)</sup>	310	301	+3%
Germany <sup>(3)</sup>	649	681	-5%

(1) including VAT of 20% or 10% or 5.5% (2) including VAT Accession of 10% (3) no VAT

### NUMBER OF NET BOOKINGS - RESIDENTIAL

En nombre de logements	2020	2019	Change
France	2,638	3,693	-29%
Spain	441	519	-15%
Germany	86	111	-23%
<b>Total</b>	<b>3,165</b>	<b>4,323</b>	<b>-27%</b>

### SERIES OF NET BOOKINGS BY DIVISION PER HALF YEAR

In millions of euros (incl. VAT)	2020		2019	
	H1	H2	H1	H2
Residential - France	277	397	509	397
Residential - Spain	67	70	90	66
Residential - Germany	31	25	23	53
Corporate Real Estate - France	5	1	7	22
<b>Total</b>	<b>380</b>	<b>493</b>	<b>629</b>	<b>538</b>



**ORDER BOOK PER HALF YEAR** (at the end of the period)

In millions of euros excl. tax	2019			2020	
	H1	H2 Published	H2 Restated	H1	H2
Residential - France	1,009	964	964	947	855
Residential - Spain	325	307	307	305	304
Residential - Germany	82	93	47	48	52
Corporate Real Estate - France	57	67	67	59	39
Prefabricated garages - Germany	57	48	48	61	54
<b>Total</b>	<b>1,530</b>	<b>1,479</b>	<b>1,433</b>	<b>1,419</b>	<b>1,303</b>

**LAND PORTFOLIO - RESIDENTIAL**

In number of dwellings	31-12-2020	31-12-2019	<i>Change</i>
France	18,361	17,708	+4%
Spain	659	862	-24%
Germany	681	768	-11%
<b>Total</b>	<b>19,701</b>	<b>19,338</b>	<b>+2%</b>

**LAND PORTFOLIO BY SEMESTER** (AT THE END OF THE PERIOD)

In millions of euros excl. tax	2020		2019	
	H1	H2	H1	H2
Residential - France	3,643	3,868	3,172	3,640
Residential - Spain	201	210	268	247
Residential - Germany	393	378	416	424
Corporate Real Estate - France	321	320	219	325
<b>Total</b>	<b>4,558</b>	<b>4,775</b>	<b>4,075</b>	<b>4,636</b>

**WARNING**

The data, assumptions and estimates on which the company has reasonably based its objectives are likely to change or be modified due to uncertainties related in particular to the economic, financial, competitive and regulatory environment and the implementation of investment and disposal programmes. In addition, it cannot be excluded that certain risks described on pages 136-143 of the 2019 Annual Financial Report may have an impact on Bassac's activities and its ability to achieve its financial prospects. The company does not make any commitment or give any guarantee that it will achieve its objectives and does not undertake to publish or communicate any corrections or updates on these items, subject to compliance with the principles of continuous disclosure provided for in articles 221-1 et seq. of the AMF's General Regulations.