



CONSOLIDATED ACCOUNTS

31st December 2007

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CONSOLIDATED INCOME STATEMENT

(in millions of Euros)	Notes	31/12/2007	31/12/2006
Earnings	3.1	1,481.8	1,327.2
Other operating income		9.4	10.5
Financial operating income		7.7	5.5
Income from operating activities		1,498.9	1,343.2
Purchases used		659.2	552.5
Outside services		262.0	246.2
Tax, duty and similar payments		48.9	50.4
Personnel charges, profit sharing and share incentive scheme		226.8	220.8
Other business related charges		11.1	11.0
Charges on operating activities		1,208.0	1,080.9
GROSS OPERATING PROFIT		290.9	262.3
Amortisation charges net of investment grants		(97.0)	(81.4)
Charges and reversals related to impairment of tangible, financial and other current assets		(0.3)	13.6
Profit/loss from disposals	4	139.3	125.0
Impairment of consolidated goodwill and intangible assets		0.7	-
OPERATING PROFIT/LOSS		333.6	319.5
Gross cost of indebtedness		(61.8)	(33.9)
Cash and cash equivalents		8.7	7.4
Net cost of indebtedness		(53.1)	(26.5)
Other financial income and charges		12.4	9.7
FINANCIAL PROFIT/LOSS	5	(40.7)	(16.8)
Share in profit/loss of companies consolidated by the equity method	36	0.3	(0.3)
Profit tax	6	(247.5)	(76.9)
Profit/loss from discontinued activities	2	-	-
NET PROFIT/LOSS		45.7	225.5
Net profit/loss : minorities' share		8.8	14.2
Net profit/loss : Group share		36.9	211.3
Net earnings per share, Group share (in €)	27	0.78	2.47(*)
Of which net earnings per share, group share, from discontinued activities		-	-
Number of shares used in the calculation		47,110,641	85,601,854
Net earnings per share, Group share, after dilution (in €)	27	0.78	2.47 (*)
Of which net earnings per share, group share, from discontinued activities		-	-
Number of shares used in the calculation		47,248,593	85,605,698

(*) On the basis of a comparable number of shares (divided by two), the earnings per share and diluted earnings per share amount to 4.95 Euros over 2006.

CONSOLIDATED BALANCE SHEET

(in millions of Euros)	Notes	31/12/2007	31/12/2006
ASSETS			
Net consolidated goodwill	7	140.7	131.9
Net intangible assets	8	46.6	7.5
Net tangible assets	9	243.3	112.7
Net investment properties	9	2,549.5	1,939.1
Non-current securities available for sale	10	61.9	88.7
Securities consolidated by the equity method	36	(0.1)	(0.3)
Other non-current financial assets	11-25	79.4	32.3
Deferred tax assets	6	23.0	31.0
TOTAL NON-CURRENT ASSETS		3,144.3	2,342.9
Stocks and goods in process	12	345.8	250.1
Trade debtors	13	370.6	322.2
Amounts due by customers (building contracts and off-plan sales)	14	124.6	195.6
Tax receivable		24.0	5.0
Miscellaneous receivables	15	689.4	638.8
Current securities available for sale	10	21.5	0.1
Other current financial assets	16-25	58.3	48.9
Cash and cash equivalents	17	585.8	670.2
TOTAL CURRENT ASSETS		2,220.0	2,130.9
Assets held for disposal	18	10.1	20.5
TOTAL ASSETS		5,374.4	4,494.3

(in millions of Euros)	Notes	31/12/2007	31/12/2006
LIABILITIES			
Capital		75.0	711.5
Premiums		1,139.7	519.2
Own shares		(38.2)	(0.7)
Revaluation reserves		(0.4)	(1.2)
Other reserves		206.8	151.6
Net profit/loss, Group share		36.9	211.3
Capital and reserves – Group share	19	1,419.8	1,591.7
Minority interests	20	8.2	194.5
CAPITAL AND RESERVES		1,428.0	1,786.2
Non-current provisions	21-28	53.2	50.9
Non-current financial accounts payable	22	1,765.1	974.4
Tax payable		122.0	-
Deferred tax liabilities	6	30.9	58.5
Miscellaneous non-current payables	24		42.2
Other non-current and derivative financial liabilities	25	55.2	2.3
TOTAL NON-CURRENT LIABILITIES		2,026.4	1,128.3
Current provisions	21	42.6	48.8
Current financial accounts payable	22	595.5	457.4
Tax payable		132.0	25.9
Trade creditors	23	433.3	367.6
Amounts due to customers (building contracts and off-plan sales)	14	81.6	17.8
Miscellaneous current payables	24	630.9	662.2
Other current financial liabilities	25	4.1	0.1
TOTAL CURRENT LIABILITIES		1,920.0	1,579.8
TOTAL LIABILITIES		5,374.4	4,494.3

CONSOLIDATED CASH FLOW STATEMENT

(in millions of Euros)	31/12/2007	31/12/2006
I] OPERATING ACTIVITIES		
Net overall profit	45.7	225.5
Net appropriations to amortisation and provisions	91.1	53.3
Unrealised gains or losses due to variations in fair value	(6.3)	-
Other calculated income and charges	4.3	2.1
Capital gains or losses on disposal of assets	(138.6)	(137.7)
Dilution capital gains or losses	5.8	2.4
Quota share of profit/loss of companies consolidated by the equity method	(0.3)	-
Dividends received	(1.0)	(4.1)
Cash flow from operating activities after cost of net financial debt and tax	0.7	141.5
Cost of net financial debt	53.1	27.1
Tax liability	252.5	85.5
Cash flow from operating activities before cost of net financial debt and tax	306.3	254.1
Interest paid	(68.7)	(25.3)
Tax paid	(76.3)	(45.6)
Variation in working capital requirement related to operating activities ⁽¹⁾	(8.9)	(63.2)
NET CASH FLOW GENERATED BY OPERATING ACTIVITIES	152.4	120.0
II] INVESTMENT ACTIVITIES		
Tangible and intangible assets and investment properties		
- acquisitions	(646.9)	(171.4)
- disposals	167.8	53.2
Investment grants received	-	0.1
Variation in deposits paid and received	(0.5)	1.3
Variation in customer financial accounts receivable	(20.4)	(187.4)
Operational investments	(500.0)	(304.2)
Securities available for sale		
- acquisitions	(82.4)	(38.8)
- disposals	67.8	30.3
Consolidated securities		
- acquisitions	(446.4)	(507.4)
- disposals	26.1	121.2
- impact of changes in the consolidation	(13.0)	(1.8)
Dividends received	1.0	4.1
Financial investments	(446.9)	(392.4)
NET CASH FLOW FROM OPERATING ACTIVITIES	(946.9)	(696.6)
III] FINANCING ACTIVITIES		
Sums received from shareholders on increases in capital:		
- paid by ICADE shareholders	-	707.0
- paid by minority shareholders of consolidated subsidiaries	0.3	(0.8)
Dividends paid during the year:		
- dividends (including deduction at source) and interims paid in the year by ICADE ⁽²⁾	(139.7)	(185.3)
- dividends and interims paid in the year to minority shareholders of consolidated subsidiaries	(7.7)	(10.2)
Merger costs	(6.4)	-
Buy-back of self-held securities	(46.7)	-
Variation in cash flow from capital transactions	(200.2)	510.7
Issues or subscriptions of borrowings and financial debts	924.1	406.4
Repayment of borrowings and financial debts	(118.5)	(144.1)
Acquisitions and disposals of current financial assets	22.1	7.1
Variation in cash flow from financing activities	827.7	269.4
NET CASH FLOW FROM FINANCING ACTIVITIES	627.5	780.1
NET VARIATION IN CASH POSITION (I+II+III)	(167.0)	203.5
NET CASH POSITION AT START OF YEAR	380.1	176.7
RESTATEMENT	(59.9)	-
CASH POSITION AT END OF YEAR	153.2	380.1
Operations not affecting variations in cash position:		
- investments is leasing	-	0.5
Cash and cash equivalents	585.8	670.2
Bank overdrafts	(432.6)	(290.1)
NET CASH POSITION	153.2	380.1

(1) Excluding customer financial accounts receivable

(2) Including dividends from BRS

TABLE OF VARIATIONS IN CONSOLIDATED CAPITAL AND RESERVES

(in millions of Euros)	Capital	Merger premium	Cash flow hedging net of Corp. Tax	Securities available for sale	Other reserves	Total capital and reserves. Group share	Minority interests	Total capital and reserves
As at 1st January 2007	711.5		0.8	(2.0)	881.4	1,591.7	194.5	1,786.2
Cash flow hedging instruments:								
- variations in value directly recognised under capital and reserves			5.0			5.0		5.0
- transfer to profit/loss of non-qualified hedging instruments as at 1 st January 2007			(6.0)			(6.0)		(6.0)
Fair value of securities available for sale								
- variation in fair value				6.5		6.5		6.5
- transfer to profit/loss for the period				(3.7)		(3.7)		(3.7)
Total variations directly recognised in reserve accounts (1)			(1.0)	2.8		1.8		1.8
Net profit/loss (2)					36.9	36.9	8.8	45.7
Total income and charges recognised (1) + (2)			(1.0)	2.8	36.9	38.7	8.8	47.5
Dividends for 2006					(130.0)	(130.0)	(4.0)	(134.0)
Variation in % interest					20.9	20.9	(6.8)	14.1
Impact of merger of property investment companies (1)	(636.5)	1 139.7			(414.3)	88.9	(88.9)	-
Additions to the consolidation							8.7	8.7
Increase in capital								
Reduction in capital								
BRS (2)					(135.9)	(135.9)	(108.8)	(244.7)
Other (3)				(1.0)	(53.5)	(54.5)	4.7	(49.8)
As at 31st December 2007	75.0	1,139.7	(0.2)	(0.2)	205.5	1,419.8	8.2	1,428.0

(1) As at 30th November 2007, mergers (cf. Outstanding features for description) had no significant impact on total capital and reserves.

The merger procedure used only generated movements inside ICADE's net overall position. Detailed explanations of changes in capital can be found in note 19.

(2) The impact of ICADE Foncière des Pimonts BRS on capital and reserves is described in note 19.

(3) This item includes 444,000 own shares to the value of 46.7 million Euros.

(in millions of Euros)	<i>Capital</i>	<i>Cash flow hedging net of Corp. Tax</i>	<i>Securities available for sale</i>	<i>Other reserves</i>	<i>Total capital and reserves. Group share</i>	<i>Minority interests</i>	<i>Total capital and reserves</i>
As at 1st January 2006	510.1	(9.4)	0.6	446.8	948.1	213.0	1,161.1
Cash flow hedging instruments:							
- variations in value directly recognised under capital and reserves		6.6			6.6	1.2	7.8
- transfer to profit/loss of non-qualified hedging instruments as at 1 st January 2006		3.6			3.6	0.2	3.8
Fair value of securities available for sale							
- variation in fair value			(1.9)		(1.9)		(1.9)
- transfer to profit/loss for the period			(0.7)		(0.7)		(0.7)
Total variations directly recognised in reserve accounts (1)		10.2	(2.6)		7.6	1.4	9.0
Net profit/loss (2)				211.3	211.3	14.2	225.5
Total income and charges recognised (1) + (2)		10.2	(2.6)	211.3	218.9	15.6	234.5
Dividends for 2005							
Variation in % interest				(185.3)	(185.3)	(8.8)	(194.1)
Increase in capital	201.4			514.4	715.8	(9.1)	(9.1)
Reduction in capital							715.8
BRS				(110.8)	(110.8)	(16.7)	(127.5)
Other				5.0	5.0	0.5	5.5
As at 31st December 2006	711.5	0.8	(2.0)	881.4	1,591.7	194.5	1,786.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

OUTSTANDING FEATURE OF THE YEAR : MERGERS WITH EXTENSION OF THE SIIC REGIME

On 30th November 2007, the meetings of the companies ICADE (“ICADE”), ICADE Foncière des Pimonts (“Foncière des Pimonts”), ICADE Patrimoine (“Patrimoine”) and the Chairman of SASU ICADE Foncière Publique (“Foncière Publique”) approved the principle of their Merger – Absorption (the “Mergers”) by ICADE EMGP (“EMGP”).

Prior to the mergers, ICADE held 86.2% of the capital of ICADE EMGP, 92.9% of ICADE Foncière des Pimonts, 99.6% of ICADE Patrimoine and 100.0% of ICADE Foncière Publique.

After the mergers, ICADE EMGP was renamed ICADE.

Against this background, the Caisse des Dépôts et Consignations saw its percentage holding in the capital and voting rights of ICADE fall from 64.7% to 61.6% post mergers.

The “exit tax” calculated on the value of the assets as at 1st January 2007 and payable over four years amounts to 228.7 million Euros in updated value as at 30th November 2007. It will be fully recognised over the current financial year as the merger operations are carried out at book value.

The advantages and conditions for the SIIC tax regime are as follows:

In return for tax exemption on the profits resulting from the property leasing business, capital gains on disposals in the property investment business as well as the dividends of subsidiaries subject to the SIIC tax regime, the companies must distribute:

- 85% of their profits from leasing activities,
- 50% of their capital gains on disposals and
- 100% of the dividends paid by their subsidiaries having opted to being subject to corporation tax.

Following the Mergers, the capital was increased by 35.7 million shares to a total of 49.2 million shares carrying a single voting right. They were admitted for trading on the Euronext Paris S.A.

Against this background, the merger/absorption by ICADE EMGP (renamed ICADE) of its three sister companies ICADE Foncière Publique, ICADE Patrimoine and ICADE Foncière des Pimonts as well as the parent company ICADE, is analysed as an internal regrouping of fully consolidated companies mechanically entailing the transfer of the minority interests of the subsidiaries taking part in the merger operations to ICADE.

As IFRS 3 does not apply to business combinations under joint control and given the absence of any IFRS rule covering this type of operation, reference is made to § 10 of IAS 8 which provides that management uses its judgement to apply an accounting method enabling relevant and reliable information to be provided for users, i.e. presenting a true picture of the financial position and translating the economic reality of the operations and not simply their legal form.

On that basis:

- the post merger consolidated statements of ICADE as at 31st December 2007 are presented by comparison with the ICADE consolidated accounts as at 31st December 2006;
- the assets and liabilities are transferred at cost, thus reflecting the absence of any economic change with the Group;
- the consolidated goodwill accounted for by ICADE on the acquisition of the merged subsidiaries is maintained.

1 ACCOUNTING POLICIES

1.1 Standards applied

The consolidated accounts of the ICADE Group (“the Group”) are produced as at 31st December 2007 in accordance with International Accounting Standards (IFRS) as adopted by the European Union pursuant to European Regulation No. 1606/2002 of 19th July 2002. They were drawn up by the Board of Directors Meeting of ICADE of 13th February 2008. The last consolidated annual accounts published by the Group as at 31st December 2006 were drawn up in accordance with the same principles and methods.

The International Accounting Standards are published by the IASB (International Accounting Standards Board) and adopted by the European Union. They comprise IFRS (International Financial Reporting Standards) and IAS (International Accounting Standards) as well as their compulsory application interpretations on the closing date.

Where applicable, the options used are indicated in the following sections.

IFRIC 7 “Application of the restatement approach within the framework of IAS 29 “Financial Information in hyperinflationary economies””, IFRIC 8 “Area of application of IFRS 2”, IFRIC 9 “Revaluation of embedded derivatives” and IFRIC 11 “Own shares and intra-Group transactions” have been applied in advance for 2006 but have had no impact on the 2006 consolidated financial statements.

IFRIC 10 “Intermediate financial information and impairment”, which must be applied with effect from 1st January 2007, had no impact on the 2007 consolidated financial statements.

The information required by IFRS 7 “Financial instruments: information to be supplied” and by amendment IAS 1 “Presentation of financial statements”, which must be applied from 1st January 2007, is presented in the attached notes.

1.2 Bases of assessment, judgements and use of estimates

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments which are accounted for under the fair value convention.

The preparation of the financial statements necessitates the use of estimates and assumptions to determine the value of assets and liabilities, assess any positive or negative unanticipated unknowns on the closing date and income and charges for the year.

The significant estimates made by the Group in producing the financial statements primarily relate to assessing the result of the progress of building contracts, off-plan sales and certain service contracts as indicated in note 1.4, the recoverable value of tangible and intangible assets and investment properties as indicated in note 1.11, and the assessment of provisions and personnel benefits as indicated in notes 1.21, 1.22, 21 and 28.

Due to the uncertainties inherent in any assessment process, the Group reviews its estimates on the basis of regularly updated information. It is possible that the future results of the activities concerned may differ from those estimates.

In addition to using estimates, the Group’s management makes judgements to define the appropriate accounting treatment for certain activities and transactions where current IFRS interpretations do not specifically deal with the accounting problems concerned. In particular, management has exercised its judgement in classifying leases (ordinary lease and direct financing lease) and in determining the accounting treatment of certain activities for which IFRS do not provide any specific details (accounting for the acquisition of minority interests, particularly within the framework of the buyout of minority interests as a result of the merger operations in the year, and bonds redeemable in shares issued by the Group...).

1.3 Consolidation methods

The consolidation methods used by the Group are full consolidation, proportional consolidation and consolidation by the equity method:

- Subsidiaries (companies in which the Group has the power to direct financial and operational policies in order to secure economic benefits) are fully consolidated.
- Companies in which the Group exercises joint control are proportionally consolidated.
- Consolidation by the equity method is applied to associate companies in which the Group exercises a significant influence, which is presumed when the Group holds 20% or more of the voting rights. According to this method, the Group records the “share in profit of companies consolidated by the equity method” on a specific line of the consolidated income statement.

All internal transactions and positions are eliminated in the consolidation, totally in respect of fully consolidated companies and up to the Group’s percentage interest in respect of proportionally consolidated companies or those consolidated by the equity method.

A list of the fully and proportionally consolidated companies and companies consolidated by the equity method is set out in note 37 "Companies in the consolidation".

1.4 Earnings, other operating income, financial operating income

➤ Earnings

The Group's earnings comprise four types of income:

- rental income, including financial rent
- building contracts and off-plan sales
- sale of goods
- provision of services

Rental income, including financial rent

Rental income from ordinary leases includes rent from housing, office blocks, warehouses and business premises.

Rental income is recorded by the straight line method over the firm terms of the leases. Consequently, any particular provisions or benefits specified in the leases (exemptions, payment holidays, key money) are spread over the firm term of the lease, without taking indexation into account. The reference period used is the first firm term of the lease.

Tenants' charges invoiced to tenants are deducted from the corresponding charges accounts and excluded from earnings.

Income from finance leases includes financial rent from property assets leased within the framework of operations conducted with public partners. Financial rent is accounted for on the basis of a formula translating a constant periodic rate of return on the lessor's net investment in the finance lease contract.

Building contracts and off-plan sales

Earnings are recognised in line with progress.

Earnings accounted for during the year correspond to the estimated final forecast earnings for the operation recorded pro rata to the progress of works, accrued at the end of the year, less any earnings accounted for in previous years in respect of operations already in the construction phase at the beginning of the year.

Recognition of earnings in line with progress relates only to plots sold and commences on signature of the notarised deed.

Sales of goods

Sales of goods relate essentially to property agent transactions.

Provision of services

- Surveys and assistance to clients : earnings are accounted for in line with the progress of the services;
- Services and technical functions (management, building maintenance, general services...) : earnings are accounted for when the service is provided;
- Property administration (management, managing agent...) : commission and fees are recorded as income when the service is provided.

Reinvoiced tenants' charges and expenses incurred on behalf of third parties are deducted from the corresponding charges if the Group does not bear any risk in respect of those services.

➤ Other operating income

Other operating income includes income of a non-recurrent nature or not directly related to the operations described in the paragraph entitled "Earnings".

➤ Financial operating income

Financial operating income includes financial income earned on funds received in respect of mandate operations and other financial income related to operating activities.

1.5 Earnings per share

The non-diluted earnings per share (basic earnings per share) are the Group share of net earnings attributable to the ordinary shares compared to the average weighted number of shares in circulation during the period. The average number of shares in circulation during the period is the number of ordinary shares

in circulation at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the period.

In calculating the diluted earnings per share, the average number of shares in circulation is adjusted to take into account the diluting effect of equity instruments issued by the company and likely to increase the number of shares in circulation.

1.6 Sector report

The sector report, as presented, matches the new organisation of internal reporting introduced by the management of ICADE with effect from 3rd December 2007.

ICADE has adopted a position as “Developer REIT” and has structured itself in relation to the different businesses. Activities are segmented into three businesses which each have specific risks and benefits:

- Property investment (holding property assets with a view to leasing and arbitraging those assets);
- Property development (essentially building property assets with a view to selling them);
- Services (property administration, property facilities management, developer assistance for public customers).

Within each business, performance is analysed by asset allocation centres, for which specific features exist in terms of their nature and customer requirements. Three divisions are thus identified:

- Housing for individual customers;
- Business parks, for corporate and investor customers with a distinction between business parks and offices in terms of the property investment business;
- Healthcare and public amenities for local authority, administration and public service customers.

The primary sector report is therefore organised by business and division corresponding to specific asset allocations. Operations carried out between divisions of one and the same business and between divisions of different businesses are presented in the sector report in the same way as operations carried out with third parties. Eliminations and reclassifications relating to those operations appear under separate columns.

Furthermore, a secondary sector report is provided by geographic sector : France and the rest of Europe, in view of the Group’s limited presence outside France (the rest of Europe encompasses Spain, Italy, Germany and Benelux).

1.7 Business combinations and acquisition of assets

An analysis is first carried out in order to ascertain whether it is a matter of an acquisition of securities, falling within the area of application of business combinations or the acquisition of an isolated asset.

- The acquisition of the securities of legal entities, holding one or more investment properties as the principal asset, is accounted for in accordance with IFRS 3, in line with the principles described below.
- The acquisition of isolated assets, meeting the definition of investment properties, by a legal entity, is accounted for in accordance with IAS 40.
The method of accounting for investment properties and how to depreciate them is described in note 1.9.

According to IFRS 3, all business combinations must be accounted for using the acquisition method. Only business combinations involving entities under joint control, excluded from the area of application of IFRS 3, are accounted for at cost.

According to the acquisition method, the acquirer must, on the date of acquisition, account for the identifiable assets, liabilities and potential liabilities of the acquired entity (with the exception of non-current assets held for sale) at their fair value on that date. Any residual discrepancy between the acquisition cost of the securities and the Group’s percentage interest in the fair value of the identifiable assets and liabilities on the date of acquisition constitutes consolidated goodwill. On that date, it is recorded under the acquirer’s assets if positive and accounted for immediately in the income statement if negative.

When buying out minority interests of companies already controlled by the Group, the whole of the difference between the acquisition price and percentage interest acquired in the fair value of the identifiable assets and liabilities on the acquisition date is posted to consolidated goodwill.

The acquirer has 12 months from the date of acquisition to definitively determine the fair value of the assets and liabilities acquired.

Goodwill is not amortised but tested for impairment at the end of the year or more frequently if there are identified signs of impairment. The procedures for carrying out the depreciation tests are set out in note 1.11.

1.8 Intangible assets

An intangible asset is a non-monetary element with no physical substance, which must be both identifiable and controlled by the company as a result of past events which may bring future economic benefits. An intangible asset is identifiable if it can be separated from the acquired entity or if it stems from legal or contractual rights. Intangible assets whose useful lives can be determined are amortised by the straight line method over their forecast useful lives.

Intangible assets	Useful life	Method of amortisation
Contracts and customer relations acquired	Duration of contracts	Straight line
Other*	1 to 3 years	Straight line

* Other intangible assets consist primarily of software.

1.9 Tangible assets and investment properties

Tangible assets primarily consist of office furniture depreciated by the straight line method over five years and fixed assets under construction (essentially buildings under construction).

Investment properties are properties held in order to earn rent, increase capital, or both, rather than to use them in the production and provision of goods and services or for administrative purposes or to sell them within the framework of ordinary business activities.

Buildings under construction or development with a view to future use as investment properties, as well as advances paid on those properties, are classified under tangible assets. Once construction or development is terminated the building is classified as an investment property.

In accordance with the option offered by IAS 40, investment properties are accounted for at cost less accrued depreciation and any impairment. (cf. note 1.11).

The cost of investment properties consists of:

- the purchase price stated on the deeds or the construction price, including non-recoverable taxes, after deducting any rebates, trade or payment discounts;
- the cost of refurbishment works;
- all directly attributable costs incurred in order to put the investment property in a condition to be leased in accordance with the use intended by management. Thus, conveyance charges, fees, commission and document costs related to the acquisition and commission related to leasing are included in the cost;
- costs relating to bringing the property in line with safety and environmental regulations;
- capitalised loan costs (cf. note 1.13).

Any investment grants received are deducted from the value of the corresponding assets. These are therefore accounted for as income over the useful life of the asset depreciable by means of a reduction in the depreciation charge.

The gross value is split into separate components which have their own useful lives.

Investment properties are depreciated by the straight line method over periods which correspond to their expected useful life. Land is not depreciated. The depreciation periods used (in years) are as follows:

Components	Offices		Housing	Warehouses and business premises
	“Hausmann” Building	Other properties		
Roads, networks, distribution	100	40 – 60	50	40
Fabric, structure	100	60	50	30
External structures	30	30	25	30
General and technical installations	20 – 25	10 – 25	25	10 - 15
Internal fittings	10 – 15	10 – 15	15 – 25	10 - 15
Specific amenities	10 – 30	10 – 30	15 – 25	10

The useful lives are revised at the end of each year, particularly in respect of investment properties which are the subject of a refurbishment decision.

In accordance with IAS 36, where events, changes in the market environment or internal factors indicate a risk of impairment of investment properties, they are tested for impairment (cf. note 1.11).

1.10 Assets intended to be sold

In accordance with IFRS 5, if the Group decides to dispose of an asset or group of assets, it classifies it as an asset held for sale if:

- the asset or group of assets is available for immediate sale in its current condition, subject only to customary conditions regarding the sale of such assets;
- it is likely to be sold within one year.

For the Group, only properties meeting the above criteria and subject to a formal disposal decision at the appropriate management level, or failing that the General Meeting, are classified as non-current assets held for sale. The accounting consequences are as follows:

- the asset (or group of assets) intended to be sold is valued at its book value or fair value less selling costs, whichever is lower;
- the asset stops being depreciated with effect from the date of transfer.

1.11 Procedures for conducting asset impairment tests

IAS 36 provides that goodwill and intangible assets with an indeterminate lifespan must be tested at least once a year and other long term assets such as investment properties must be checked to see if there is any indication that they may have become impaired.

An indication of impairment may be:

- a substantial reduction in the market value of the asset,
- a change in the technological, economic or legal environment.

Impairment of an asset is accounted for where the recoverable value is less than the book value.

➤ Procedures for depreciation of investment properties

The recoverable value of investment properties is the fair value less disposal costs or the going value, whichever is higher. The fair value is the market value excluding rights, determined by independent surveyors. The going value is the present value of expected rental income from those assets.

If there is an indication of impairment, and where the recoverable amount is less than the net book value, the difference between those two figures is accounted for as impairment. Accounting for impairment entails a review of the basis of depreciation and possibly the depreciation plans of the investment properties concerned.

Impairments relating to investment properties may subsequently be reversed if the recoverable value again becomes higher than the net book value. The value of the asset after reversal of the impairment is capped at the book value which would have been determined net of depreciation if no impairment had been accounted for in previous years.

➤ **Procedures for depreciation of goodwill, intangible assets and other tangible assets**

These assets are tested individually or combined with other assets if they do not generate any cash flow independently of other assets.

Impairment relating to intangible and tangible assets may subsequently be reversed if the recoverable value again becomes higher than the net book value.

Impairment relating to goodwill cannot be reversed.

Goodwill and intangible asset impairment tests are carried out per cash generating unit on the basis of future discounted cash flows stemming from medium term plans (four year forecasts following that of the closing).

The discount rates used are determined before tax.

1.12 Leases

Within the framework of its business activities, the Group uses assets taken or given under leases.

These leases are subject to analysis in the light of the situations described and indicators provided in IAS 17 in order to determine whether they are ordinary leases or direct financing leases.

Direct financing leases are leases which transfer virtually all the risks and benefits of the asset concerned to the lessee. All leases which do not match the definition of a direct financing lease are classified as ordinary leases.

➤ **From the lessee's point of view**

- Direct financing lease

When first accounted for, assets used within the framework of direct financing leases are accounted for under tangible assets with a financial debt as the counterpart entry. The asset is accounted for at the fair value of the leased asset on the start date of the lease or the discounted value of minimum payments if that is lower.

- Ordinary lease

Payments made under ordinary leases (other than service costs such as insurance and maintenance) are accounted for under charges on the income statement on a straight line basis over the term of the lease.

➤ **From the lessor's point of view**

- Direct financing lease

When first accounted for, assets held by virtue of a direct financing lease are presented as accounts receivable for an amount equal to the net investment in the lease. These accounts receivable, including initial direct costs, are presented under "Trade debtors" on the asset side of the balance sheet.

After being accounted for for the first time, financial income is spread over the term of the lease on a systematic and rational basis. This appropriation is made on the basis of a scheme reflecting a constant regular return on the net investment in the direct financing lease. Payments received under the lease corresponding to the period, excluding cost of services, are charged to the gross investment resulting from the lease to reduce both the principal and financing income not acquired. The initial direct costs are included in the initial valuation of the account receivable and reduce the revenue accounted for over the rental period.

- Ordinary lease

Leases signed by the Group with its customers in the housing and commercial property markets are ordinary leases. Some leases concluded with healthcare-public customers are also ordinary leases. In these leases, rental income is recorded on a straight line basis over the firm terms of the leases. Consequently, any particular provisions and benefits specified in the leases (exemptions, payment holidays, key money) are spread over the firm term of the lease, without taking indexation into account. The reference period used is the first firm term of the lease. Any expenses directly incurred and paid to third parties for setting up a lease are recorded under the assets, under "investment properties" and amortised over the firm term of the lease.

1.13 Borrowing costs

The Group has elected to include borrowing costs directly attributable to construction or production in the cost of the corresponding asset.

Borrowing costs are deducted from financial charges and included in the cost of construction up to the completion date of the works.

The borrowing costs incorporated into the value of assets are determined as follows:

- where funds are borrowed in order to construct an individual building, the borrowing costs that can be incorporated are the actual costs incurred over the year less any financial income from investing the borrowed funds temporarily;
- where the borrowed funds are used to construct several buildings, the borrowing costs that can be incorporated into the cost of the building are determined by applying a capitalisation rate to the building costs. This capitalisation rate is equal to the weighted average of current borrowing costs for the year other than the costs of borrowings specifically taken out for the construction of specific buildings. The capitalised amount is limited to the amount of costs actually borne.

1.14 Securities available for sale

Securities available for sale are accounted for at their fair value on the closing date. For shares of listed companies, the fair value is determined on the basis of the stock market quotation on the closing date in question. For unlisted companies, the fair value is determined using recognised valuation techniques (reference to recent transactions, discounting of future cash flows). Exceptionally, certain securities, which do not have a price quoted on an active market and whose fair value cannot be assessed reliably, are valued at cost.

Potential gains and losses in relation to the acquisition price are routinely accounted for under capital and reserves, revaluation reserves, up to the date of disposal. However, where an impairment test leads to the recognition of a potential capital loss in relation to the acquisition cost and this is similar to a significant or lasting impairment, that impairment is accounted for in the income statement. It cannot subsequently be reversed in the income statement in respect of shares and other variable income securities.

Securities available for sale are depreciated individually if there is an objective indication of lasting depreciation as a result of one or more events which have occurred since acquisition. With regard to variable income securities listed on an active market, a prolonged or significant fall in price below its acquisition cost constitutes an objective indication of depreciation.

1.15 Other financial assets

Other financial assets essentially consist of:

- UCITS which do not meet the criteria for classification as cash equivalents, accounted for at fair value by result,
- receivables associated with investments, loans, deposits and guarantees paid, term deposits, accounted for at amortised cost.

Depreciation is set up on other financial assets held to maturity if there is an objective indication of measurable impairment related to an event occurring after the setting up of the loan or acquisition of the asset. Depreciation is analysed on an individual basis as the difference between the book value before depreciation and the estimated recoverable value. This depreciation is accounted for in the income statement as an unrealised capital loss.

1.16 Stocks

Stocks and works in progress are accounted for at their acquisition or production cost. At each close, they are valued at their production cost or net realisation value whichever is lower.

The net realisation value represents the estimated selling price in the normal course of business, less expected costs to complete them or realise the sale.

Stocks primarily consist of land, property reserves and unsold plots from the housing development business (under way or finished).

1.17 Building contracts and off-plan sales

The Group applies the progress method to determine earnings from and costs related to building contracts and off-plan sales to be accounted for in the income statement for each period.

Building contracts and off-plan sales costs are production costs directly assignable to the contract as well as borrowing costs incurred up to the date of completion of the works.

Marketing fees and management expenses are recorded under charges.

If it is likely that the total cost of the contract will be higher than the total income, the Group recognises a termination loss under charges for the period.

Part payments received on these contracts, before the corresponding work has been carried out, are accounted for on the liabilities side under advances and payments on account received.

Costs incurred plus profits accounted for, less losses accounted for as well as intermediate invoices are determined on a contract by contract basis. If this figure is positive, it is accounted for on the asset side under "amount due by customers in respect of building contracts and off-plan sales". If it is negative, it is accounted for on the liabilities side under "amount due to customers in respect of building contracts and off-plan sales".

1.18 Trade debtors

Trade debtors primarily consist of short term receivables. Depreciation is established where the book debt is higher than the amount recoverable. Trade debtors are depreciated on a case by case basis according to various criteria such as collection problems, litigation or the debtor's situation.

1.19 Cash and cash equivalents

Cash includes liquid assets in current and at-sight deposit bank accounts. Cash equivalents consist of cash UCITS and investments maturing in less than three months, easily convertible into a known amount of cash and subject to a negligible risk of change in value, held in order to meet short term cash commitments.

Overdrafts are excluded from the notion of cash and cash equivalents and are accounted for as current financial debts.

1.20 Treatment of property brokerage activities

Under their brokerage contracts, the Group's property administration companies (housing and commercial property markets) and healthcare-public market services hold principals' funds. As agent, the Group keeps the principals' accounts and presents them in its own balance sheet. Specific balance sheet accounts are used under the headings "miscellaneous debtors" and "miscellaneous creditors". The principals' accounts on the balance sheet thus represent the position of managed funds and accounts.

1.21 Provisions

A provision is accounted for as soon as there is a probable Group obligation, resulting from past events, the extinction of which should result in an outflow of resources for the Group without at least an equivalent counterpart, the value of which can be estimated reliably. If the date of realisation of that obligation is beyond one year, the amount of the provision is subject to a discounting calculation, the effects of which are recorded under financial income.

All kinds of identified risks, particularly operational and financial risks, are monitored on a regular basis, which enables the amount of provisions considered necessary to be decided.

1.22 Staff benefits

➤ Pension liabilities and long-service bonuses

Pension schemes, similar payments and other welfare benefits, which are analysed as defined benefits schemes (scheme in which the Group undertakes to guarantee a defined amount or level of benefit), are accounted for on the balance sheet on the basis of an actuarial assessment of the liability on the closing date, less the fair value of the assets of the related scheme which are dedicated to them. Contributions paid under schemes which are analysed as defined contribution schemes, in other words where the Group has no obligation other than to pay the contributions, are accounted for under charges for the year.

The provision appearing in the consolidated accounts is calculated according to the projected credit units method and takes the related social security charges into account.

Actuarial discrepancies are due to distortions between the assumptions used and reality or changes in the assumptions used to calculate commitments and the assets assigned to cover them:

- ⇒ Staff turnover rates
- ⇒ Rate of wage increases
- ⇒ Discount rate
- ⇒ Mortality tables
- ⇒ Rate of return on assets

The actuarial discrepancies are accounted for in the income statement in the year in which they are noted. Bonuses paid for long-service during the working life of employees are covered by a provision. This is assessed taking into account the likelihood that the employees will reach the required length of service for each stage and is discounted at the end of each year.

➤ **Employee profit sharing scheme**

The provision for the employee profit sharing scheme is determined in accordance with a current Group agreement.

1.23 ICADE share subscription option plans

Pursuant to IFRS 2 relating to payments based on shares, share subscription or purchase option plans give rise to the registration of a charge in respect of the fair value of the services to be rendered over the acquisition period. For plans subject to acquisition conditions, this charge is spread in a straight line over the acquisition period of the rights in return for an increase in reserves.

1.24 Financial debts and rate hedging

➤ **Financial debts**

Borrowings and other interest bearing financial liabilities are valued by the depreciated cost method using the effective interest rate of the loan. Expenses and issue premiums affect the opening value and are spread over the life of the loan via the effective interest rate.

In the case of financial debts resulting from accounting for direct financing leases, the financial debt recorded as the counterpart of the asset is initially accounted for at the fair value of the leased asset or the discounted value of minimum payments under the lease if that is lower.

➤ **Derivatives and hedge accounting**

The Group uses financial derivatives to hedge its exposure to the market risk stemming from interest rate fluctuations. Derivatives are used within the framework of a Group rates risk management policy. The financial risk management strategies and methods used to determine the fair value of financial derivatives are set out in note 26 "Financial risk management".

Financial derivatives are recorded on the balance sheet at their fair value.

The Group uses derivatives to hedge its variable rate debts against rate risks (hedging future cash flows) and applies hedge accounting where the documentation and effectiveness conditions (beforehand and retrospectively) are fulfilled. In this case, changes in the fair value of the financial derivative are accounted for net of tax under capital and reserves (revaluation reserves) until the hedged transaction occurs in respect of the effective part of the hedging. The ineffective part is recorded immediately in the income statement for the period. Accrued gains and losses in capital and reserves are reclassified in the income statement under the same heading as the hedged item for the same time that the hedged cash flow affects the result.

Where the financial derivatives do not satisfy the conditions laid down by the standard for using hedge accounting, they are classified under the category of transaction assets and any changes in fair value are accounted for directly in the income statement for the period.

The fair value of derivatives is calculated by commonly accepted models (future discounted cash flow method, Black and Scholes method...) and based on market data.

1.25 Hybrid financial instruments

Hybrid financial instruments issued by the Group are analysed according to the substance of the contractual agreements. Their various components are presented under debt and/or capital and reserves respectively. The capital and reserves component is the one for which there is no possibility of cash repayment. The debt component includes bonds redeemable in shares (BRS) which are the subject of a cash buy-back option by ICADE and interest payments certain to be discounted at the market rate.

1.26 Tax

Following the merger-absorption of ICADE SA, ICADE Foncière des Pimonts, ICADE Patrimoine and ICADE Foncière Publique by ICADE EMGP, a company which had opted for the SIIC regime from 2003, the portion of business activities eligible for the SIIC regime has expanded.

This regime, provided by Article 208 C of the General Tax Code, is applicable with effect from 1st January 2007 in respect of the newly eligible companies in the Group.

The ICADE Group thus has two separate taxable sectors :

- an SIIC sector exempt from tax on current earnings, capital gains on disposals and dividends received from subsidiaries subject to the SIIC regime;
- a sector taxable under common law in respect of other activities.

SIIC tax regime

In return for tax exemption and specific obligations with regard to distribution, the adoption of the SIIC regime entails immediate payment of an exit tax, at a rate of 16.5% calculated on the unrealised capital gains relating to investment properties and partnerships not subject to corporation tax. This tax is payable in four instalments with the last payable on 15th December 2010 in respect of assets eligible in 2007.

The exit tax debt is discounted according to its payment schedule on the basis of a market rate plus a premium.

The debt and tax liability initially accounted for are reduced by the impact of discounting; at each close and up to maturity, a financial charge is accounted for in return for non-discounting.

Common law regime

➤ Tax payable

The tax liability payable is determined on the basis of current rules and rates applicable to Group companies not falling within the SIIC sector.

➤ Deferred tax

In accordance with IAS 12, deferred tax is recorded on short term differences between the book values of assets and liabilities and their values for tax purposes. According to the variable carry-over method, they are calculated on the basis of the expected tax rate for the year in which the asset will be realised or the liability paid off. The effects of changes in tax rates from one year to the next are recorded in the result for the year in which the change occurs.

Deferred tax relating to items accounted for directly under capital and reserves is itself accounted for under capital and reserves. With regard to short term differences relating to investments in subsidiaries consolidated by the equity method or proportionally consolidated, a deferred tax liability is accounted for unless:

- the Group is in a position to control the date on which the short term difference will be reversed or
- if the short term difference does not reverse within the foreseeable future.

Deferred tax assets resulting from short term differences, tax deficits and tax credits which can be carried over are limited to the estimated value of the recoverable tax.

This is assessed at the close of the year according to the forecast taxable results of the entities concerned. Deferred tax assets and liabilities are not discounted.

2 CHANGES IN THE CONSOLIDATION

2.1. Year 2007

2.1.1. PROPERTY INVESTMENT

➤ Acquisition of SIICInvest in the first half of 2007

Pursuing its policy of development in the property investment sector, ICADE took control of SIICInvest, a property investment company listed on Eurolist C which opted for the SIIC regime in 2006.

In accordance with an agreement concluded in November 2006 between CFF and ICADE, Locindus, a subsidiary of CFF, sold to ICADE, on 23rd April 2007, a “controlling block” representing 15,130,092 shares, i.e. 51% of the capital and voting rights in SIICInvest for a purchase price of 42.1 million Euros (2.78 Euros per share).

A price guarantee on the balance of the SIICInvest securities was initiated by ICADE from 22nd May to 4th June 2007 inclusive, on the same price basis, i.e. 2.78 Euros per share.

At the end of the guarantee, ICADE acquired an additional 10,551,610 securities at a purchase price of 29.3 million Euros and therefore held 86.57% of the capital and voting rights in SIICInvest.

As at 31st December 2007, following the acquisition under market conditions of additional blocks of 409,64 shares in the first half and 505,156 shares in the second half of 2007, ICADE held 26,596,622 SIICInvest shares representing 89.65% of the capital and voting rights.

The company is fully consolidated with effect from 30th April 2007.

The fair value of the identifiable assets and liabilities of SIICInvest on the acquisition date and corresponding book values are given below:

(in millions of Euros)	Fair value	Book value
Tangible fixed assets	113.8	103.2
Other assets	12.9	12.2
Cash	2.3	2.3
Liabilities	44.9	42.8

The net cash flow relating to the acquisition amounts to 70.8 million Euros.

The acquisition cost amounts to 74.5 million Euros financed by a bank loan, including 0.7 million Euros of direct acquisition related expenses.

SIICInvest’s contribution to the net result for the year, since its acquisition date, corresponds to a profit of 1.5 million Euros.

If SIICInvest had been acquired on 1st January 2007, the result would have been included in ICADE’s consolidated accounts as follows:

(in millions of Euros)	2007
Earnings	8.1
Operating profit before disposals	3.7
Operating profit	3.7
Financial loss	-1.2
Net profit	2.3
Of which : minorities’ share	0.2
Of which : ICADE Group share	2.1

The negative goodwill of 0.5 million Euros was accounted for in the earnings statement.

➤ SCI Rue des Martinets

SCI ICADE Rue des Martinets was formed for the acquisition of an office block in Rueil (Hauts-de-Seine), which was ESSO’s head office, for a price of 95.3 million Euros.

SCI ICADE Rue des Martinets, wholly owned by ICADE, is fully consolidated with effect from 1st January 2007.

➤ SAS ICADE Tour Descartes

SAS ICADE Tour Descartes was formed to accommodate the Tour Descartes Building (la Défense), 33% owned as at 31st December 2006 the balance of which was acquired on 3rd July 2007 for 256 million Euros.

SAS ICADE Tour Descartes is fully consolidated with effect from 1st January 2007.

➤ Acquisition of clinics:

During 2007, the Group acquired the premises of five clinics, via the acquisition of three companies, including one from the Harpin Group and two from the Vedici Group.

- **Acquisition of three clinics from the HARPIN Group**

SAS Brau Tapie, holding the lease on the Marzet clinic, was acquired on 5th July 2007 for 12.1 million Euros including 0.2 million Euros of acquisition expenses.

At the same time, two further clinics were acquired, either by buying out leases (Esquirol Saint Hilaire and Marzet clinics), or by purchasing premises ("Les Chênes" clinics).

In total, the financial investment comes to an overall figure of 75 million Euros.

These clinics are covered ordinary leases with practitioners.

SAS Brau Tapie is fully consolidated with effect from 1st July 2007.

- **Acquisition of two clinics from the VEDICI Group:**

On 30th November, ICADE acquired all the shares in SCI du Larry and 2 Rue Buthier relating to the premises of two clinics (Archette and Saint François) in the Centre region.

Both property companies are fully consolidated with effect from 1st December 2007.

The acquisition costs of the shares of both companies come to an overall figure of 26.5 million Euros including 2.5 million Euros of acquisition expenses.

- **Redemption of ICADE EMGP and ICADE Foncière des Pimonts BRS with ICADE EMGP and ICADE Foncière des Pimonts shares**

ICADE applied for the premature redemption of all the ICADE EMGP BRS it held and received 2,760,231 new ICADE EMGP shares in exchange, i.e. a variation in the capital of 3.59%.

ICADE applied for the premature redemption of the ICADE Foncière des Pimonts 1998 BRS it held and received 1,398,536 new ICADE Foncière des Pimonts shares in exchange, i.e. a variation in the capital of 3.01%.

- **Disposal of ICADE Foncière des Pimonts shares and BRS**

On 26th January 2006, ICADE gave an irrevocable promise of sale at a fixed price, relating to 160,000 shares and 3,300 bonds redeemable in 58,113 ICADE Foncière des Pimonts shares representing, after redemption of the BRS, 6.47% of the share capital of ICADE Foncière des Pimonts. The beneficiary exercised the promise by notifying ICADE of its decision to acquire all the securities and BRS on 15th February 2007.

Following this transaction, ICADE holds 89.93% of the securities in ICADE Foncière des Pimonts before conversion of the BRS and 68.70% after conversion.

This transaction resulted in 1 million Euros leaving the consolidated goodwill.

ICADE moreover sold all the ICADE Foncière des Pimonts BRS 1992 issue to ICADE 2 before the merger operations.

2.1.2. PROPERTY DEVELOPMENT

- **Opéra Construction**

On 2nd July 2007, ICADE Capri acquired 83.26% and 82.94% respectively of the capital and voting rights of Opéra Construction, listed on the C list, as well as 39.32% of the equity warrants for an overall investment of 46.2 million Euros.

Following the price guarantee initiated by ICADE Capri relating to the shares and equity warrants of Opéra Construction, ICADE Capri holds 100% of the shares and equity warrants of the company Opéra Construction.

The price paid by ICADE Capri for the securities (shares and equity warrants) of Opéra Construction amounts to a total of 55.4 million Euros including 1 million Euros of acquisition expenses.

Opéra Construction is fully consolidated with effect from 1st July 2007.

The fair value of the identifiable assets and liabilities of Opéra Construction on the acquisition date and the corresponding book values are given below:

(in millions of Euros)	Fair value	Book value
Intangible fixed assets including:		
- customer contracts	39.6	0.8
- consolidated goodwill	0.0	5.1
Other assets	69.3	75.2
Cash	(11.1)	(11.3)
Liabilities	51.7	42.7

Net assets	46.1	27.1
Consolidated goodwill	9.3	
Acquisition price	55.4	

Customer contracts are amortised over three years as the average lifespan of those contracts is 36 months. The net cash flow related to the acquisition corresponds to a payment of 66.7 million Euros after taking into account cash acquired to the value of 11.3 million Euros.

Opéra Construction's contribution to the net result for the year, from its date of acquisition, corresponds to a loss of 0.917 million Euros.

If Opéra Construction had been acquired on 1st January 2007, the result would have been included in ICADE's consolidated accounts as follows:

(in millions of Euros)	2007
Earnings	92.7
Operating profit/loss before disposals	-
Operating profit/loss	1.3
Financial profit/loss	(1.5)
Net profit/loss	0.3

This acquisition did not give rise to any asset or liability guarantee.

The consolidated goodwill comes to 9.3 million Euros.

➤ **ICADE Ellul**

On 5th November 2007, ICADE Capri acquired the balance of the minority interest of ICADE Ellul for 8.2 million Euros.

The additional consolidated goodwill comes to 0.9 million Euros.

2.2. Year 2006

➤ **Acquisition of Optime in the first half of 2006**

ICADE acquired 100% of a French services company, Optime, taking effective control on 1st January 2006, for 0.4 M€. The acquisition of Optime had no significant impact.

➤ **Acquisition of GETCI in the second half of 2006**

ICADE acquired 100% of a French services company, GETCI, taking effective control on 1st September 2006, for 1.15 M€. The consolidated goodwill comes to 0.5 million Euros.

➤ **Acquisition of an Italian company in the second half of 2006**

ICADE acquired 100% of an Italian services company, ICADE Italia Agency, on 19th October 2006. This had no significant impact on the Group's consolidated accounts.

➤ **Acquisition of two German companies in the second half of 2006**

On 1st August 2006, ICADE acquired 94.9% of the shares of two German companies, KABALO Grundstücks-Verwaltungsgesellschaft mbH & Co. KG and KABALO Grundstücks-Verwaltungsgesellschaft mbH for a price of 143.9 million Euros. The consolidated goodwill in the Group's consolidated accounts amounts to 2.7 million Euros.

➤ **Other business combinations in 2006**

Within the framework of its development as an integrated property group, ICADE took control of several companies for a total price of 145.4 million Euros in 2006 split into 0.4 million Euros in the first half and 145 million Euros in the second half.

➤ **Acquisition of minority holdings in the property investment business in the housing market in the first half of 2006**

The buy-back of holdings from minority shareholders in several property companies in the housing market in the first half of 2006 generated consolidated goodwill of 6.9 million Euros. The price paid was 14.4 million Euros.

3 ELEMENTS OF GROSS OPERATING PROFIT

3.1 Earnings

Earnings by type are detailed as follows:

<i>(in millions of Euros)</i>	31/12/2007	31/12/2006
Rental income (*) including financial rent	355.5	322.6
Building contracts and off-plan sales	857.8	747.3
Provision of services	263.5	253.9
Sale of goods	5.0	3.4
Total earnings	1,481.8	1,327.2

(*) Rental income from property investment companies

3.2 Information on leases (from the point of view of lessor and lessee)

ORDINARY LEASES (LESSOR'S POINT OF VIEW)

Types of lease

	<i>Housing</i>	<i>Offices</i>	<i>Warehouses and business premises</i>
Basis of determination of conditional rent			Lessees' earnings
Renewal or purchase option conditions	Tacit renewal or renewal offer with increase in rent	Renewal offer 6 months before expiry of 3 year term	Renewal offer 6 months before expiry of 3 year term
Indexation clauses *	Buildings costs index*	Buildings costs index*	Buildings costs index*
Term	6 years renewable by tacit agreement	3/6/9/12 year lease maximum	3/6/9/12 year lease maximum

* The new rent reference index supplies by INSEE will apply with effect from 01/01/08

ORDINARY AND DIRECT FINANCING LEASES (LESSOR'S POINT OF VIEW)

(in millions of Euros)		31/12/2007	31/12/2006
Direct financing leases running on closing date			
Total gross initial investment in the lease	A	371.2	371.2
Rents due	B	19.8	6.4
Gross initial investment in the lease at less than one year		13.6	13.4
Gross initial investment in the lease at one to five years		57.2	56.1
Gross initial investment in the lease at more than five years		280.6	295.3
Gross investment in the lease on closing date	C=A-B	351.4	364.8
Financial income acquired on closing date	D	15.8	3.5
Accrued financial income not acquired on closing date	E=C-I-D-F	173.0	185.3
Impact of non discounting	F	(0.5)	-
Non-guaranteed discounted residual values reverting to lessor	G	11.2	11.2
Discounted value of minimum payments receivable at less than one year		12.2	12.9
Discounted value of minimum payments receivable at one to five years		43.2	45.4
Discounted value of minimum payments receivable at more than five years		96.5	106.5
Total discounted value of minimum payments receivable	H=C-D-E-F-G	151.9	164.7
Net investment in the lease	I	163.1	175.9
Non-guaranteed residual values reverting to lessor		43.9	43.9
Accrued correction to value of non-recoverable minimum payments in respect of letting		-	-
Conditional rent accounted for under income for the period		-	-

(in millions of Euros)		31/12/2007	31/12/2006
Direct financing leases signed but where the investment is not made by the closing date			
Total gross initial investment in the lease	A	250.6	56.0
Rents due			
	B		
Gross initial investment in the lease at less than one year		1.3	-
Gross initial investment in the lease at one to five years		25.8	8.8
Gross initial investment in the lease at more than five years		223.5	47.1
Gross investment in the lease on closing date	C=A-B	250.6	56.0
Financial income acquired on closing date	D	-	-
Accrued financial income not acquired on closing date	E=C-I-D-F	123.0	21.5
Impact of non discounting	F	-	-
Non-guaranteed discounted residual values reverting to lessor			
	G	-	-
Discounted value of minimum payments receivable at less than one year		0.4	
Discounted value of minimum payments receivable at one to five years		5.7	3.6
Discounted value of minimum payments receivable at more than five years		121.5	30.8
Total discounted value of minimum payments receivable	H=C-D-E-F-G	127.6	34.5
Net investment in the lease	I	127.6	34.4
Non-guaranteed residual values reverting to lessor		-	-
Accrued correction to value of non-recoverable minimum payments in respect of letting		-	-
Conditional rent accounted for under income for the period		-	-

(in millions of Euros)	31/12/2007	31/12/2006
Ordinary and financial leases		
Rental income from ordinary leases	343.2	319.0
Rental income from financial leases	12.3	3.6
Total rental income	355.5	322.6
Of which conditional rent	0.0	12.9
Tenants' charges not reinvoiced	(9.6)	(4.9)
Other property charges (*)	(90.5)	(101.4)
Net rents	255.4	216.3
At less than one year	151.8	87.1
One to five years	259.7	155.2
More than five years	142.7	32.6
Minimum rents to be received under non-cancellable ordinary leases	554.2	274.9
The schedule of minimum rents receivable under financial leases is shown in the preceding table		

(*)Other property charges correspond to charges incumbent on the owner and mainly consist of charges related to the upkeep, repair and maintenance of properties, taxes and duty and charges related to property management.

DIRECT FINANCING AND ORDINARY LEASES (LESSEE'S POINT OF VIEW)

(in millions of Euros)	31/12/2007	31/12/2006
Direct financing leases, tangible assets and investment properties		
At less than one year	(10.7)	(4.9)
One to five years	(55.6)	(24.8)
More than five years	(27.0)	(17.7)
Minimum rents to be paid	(93.3)	(47.4)
At less than one year	(7.1)	(3.4)
One to five years	(45.9)	(20.3)
More than five years	(24.0)	(17.3)
Discounted value of payments under direct financing leases	(77.0)	(41.0)

(in millions of Euros)	31/12/2007	31/12/2006
Ordinary leases		
Rental charges	(26.8)	(30.3)
Revenue from sub-letting	16.8	14.4
At less than one year	(15.2)	(22.5)
One to five years	(27.1)	(31.6)
More than five years	(11.9)	(9.5)
Minimum rents to be paid under non-cancellable ordinary leases	(54.2)	(63.6)

4 PROFIT/LOSS FROM DISPOSALS

(in millions of Euros)	31/12/2007	31/12/2006
Profit/loss from disposals of investment properties	21.3	26.6
Of which sales of buildings en bloc	3.7	10.3
Of which sales of individual housing units	17.6	16.3
Profit/loss from disposals of other tangible and intangible assets	(0.3)	(1.4)
Profit/loss from disposals of consolidated interests	(3.3)	97.5
Profit/loss from disposals of assets held for sale	118.2	2.3
Of which sales of buildings en bloc	118.2	2.3
Profit/loss from other disposals	3.4	
Total profit/loss from disposals	139.3	125.0

5 FINANCIAL PROFIT/LOSS

(in millions of Euros)	31/12/2007	31/12/2006
Interest charges on borrowings	(68.1)	(33.9)
Recycling in profit/loss of rate hedging derivatives	6.3	(3.8)
Gross cost of indebtedness	(61.8)	(37.7)
Income from interest on cash and cash equivalents	1.1	(0.4)
Profit/loss from disposal of cash equivalents	7.6	7.8
Income from cash and cash equivalents	8.7	7.4
Net cost of indebtedness	(53.1)	(30.3)
Revenue from securities available for sale	0.6	
Profit/loss from disposal of securities available for sale	0.4	8.5
Recycling of the change in fair value of securities available for sale sold	3.0	
Profit/loss on other financial assets at fair value by result	0.5	
Profit/loss on financial assets valued at fair value by result	0.3	(0.1)
Variation in fair value by result of other financial assets	0.5	
Total income net of holding	1.5	
Variation in fair value of transaction derivatives	3.0	2.4
Revenue from loans and debts	5.4	
Profit/loss on disposal of loans and debts	0.1	
Appropriations to and reversals of provisions for loans and debts	0.6	
Other financial income	4.3	17.3
Other financial charges	(7.8)	(14.6)
Other financial income and charges	12.4	13.5
Financial profit/loss	(40.7)	(16.8)

6 TAX

ANALYSIS OF THE LIABILITY

(in millions of Euros)	31/12/2007	31/12/2006
Current taxes	(51.9)	(52.4)
Exit tax (SIIC regime)	(228.7)	-
Deferred taxes	33.2	(24.5)
Total tax liability recognised in the income statement	(247.4)	(76.9)
Tax on items recognised in capital and reserves	0.5	(0.8)

(in millions of Euros)	31/12/2007	31/12/2006
Theoretical tax liability at the rate in force in France	(97.7)	(100.8)
Impact of exempt sector	25.4	-
Impact of differences in tax rates	1.1	(2.2)
Impact of non-activated losses carried forward used	0.6	-
Impact of profit/loss taxed at reduced rate on tax liability	12.7	0.6
Exit tax (SIIC regime)	(228.7)	-
Other impacts	39.1	25.5
Effective tax liability	(247.4)	(76.9)
Effective tax rate	84.4%	25.43%

The tax liability for 2007 amounts to 247.4 million Euros and can be broken down as follows:

- 228.7 million Euros by way of discounted exit tax contributing to the sharp increase in the tax liability for the year;
- 8.6 million Euros corresponding to a reversal of deferred tax relating to the merged companies joining the SIIC regime
- 27.3 million Euros in respect of the other companies not falling within the SIIC regime, including a charge of 51.9 million Euros of tax payable and a reversal of deferred tax of 24.6 million Euros.

ORIGIN OF DEFERRED TAXES

(in millions of Euros)	31/12/2007	31/12/2006
Deferred tax assets related to short term differences	20.8	30.3
- Provisions for staff related commitments	3.5	8.0
- Provisions for non-deductible liabilities	5.0	7.6
- Provisions for non-deductible assets	1.4	6.8
- Other	10.9	7.9
Deferred tax assets related to losses carried forward	2.2	0.7
Total deferred tax assets	23.0	31.0
Deferred tax liabilities related to short term differences	(30.9)	(58.5)
- Leasing	(11.7)	(9.1)
- Asset revaluation (*)	-	(17.6)
- Legal distribution obligation of subsidiaries under the SIIC regime	-	(21.4)
- Other	(19.2)	(10.4)
Total deferred tax liabilities	(30.9)	(58.5)
Net position	(7.9)	(27.5)

(*) *Deferred tax on the revaluation of property assets within the framework of acquisition of companies which have not opted for the SIIC regime.*

As at 31st December 2007, non-activated deficits to be carried forward by the Group amounted to a basic 43.2 million Euros.

➤ Deferred taxes on ICADE leasing

The profits made on renting buildings under leases are exempt if 85% of their amount is distributed prior to the end of the year following their realisation. With regard to the assignment of rights relating to a leasing contract concerning a building, this is also exempt if 50% of the capital gains recorded are distributed prior to the end of the second year following the year of realisation.

However, these provisions only apply to contracts executed or acquired as from 1st January 2005. As regards contracts executed or acquired prior to this date, the sub-letting transactions for buildings therefore remain taxable at the common law rate. When the property assets recognised in the 2003 consolidated accounts were revalued, during the changeover to the SIIC regime, a deferred tax liability was recorded on the investment properties subject to leasing. This deferred tax, calculated at the common law rate, corresponds to the tax on the unrealised capital gains resulting from the difference between the revaluation value of the building at the effective date of the SIIC regime option, and the consolidated net book value of this asset at the same date.

The amended Finance Act, dated 21st December 2005, provides for the option of assigning contracts acquired prior to 1st January 2005 to a structure having opted for the SIIC regime, so as to make them eligible for the SIIC regime. The decision to take up this assignment option must be made prior to 31st December 2007; this date has been moved forward to 31st December 2008 by the amending Finance Act for 2006. This option gives rise to payment of a tax at the reduced rate of 16.5%, based on the difference between the market value and the value for tax purposes of the underlying assets.

As at 31st December 2007, ICADE had not yet taken the decision to assign the leasing contracts by 31st December 2008. Consequently, the deferred tax is still calculated at the common law rate.

7 GOODWILL

ANALYSIS OF BALANCES

(in millions of Euros)	31/12/2007		
	Gross value	Impairment	Net value
Property investment	33.5		33.5
Property development	43.0		43.0
Services	67.3	(3.1)	64.2
Goodwill	143.8	(3.1)	140.7

(in millions of Euros)	31/12/2006		
	Gross value	Impairment	Net value
Property investment	34.3		34.3
Property development	32.1		32.1
Services	68.6	(3.1)	65.5
Goodwill	135.0	(3.1)	131.9

VARIATIONS

(in millions of Euros)	Gross value	Impairment	Net value
Balance as at 31st December 2006	135.0	(3.1)	131.9
Charges related to impairment Impact of changes in the consolidation	8.8		8.8
Balance as at 31st December 2007	143.8	(3.1)	140.7

(in millions of Euros)	Gross value	Impairment	Net value
Balance as at 31st December 2005	121.2	(3.1)	118.1
Charges related to impairment Impact of changes in the consolidation	13.8		13.8
Balance as at 31st December 2006	135.0	(3.1)	131.9

(in millions of Euros)	Gross value
Balance as at 31st December 2006	135.0
Disposal of FONCIERE DES PIMONTS BRS	(0.8)
Total acquisitions – Property Investment	(0.8)
Buy-back ICADE ELLUL minorities	0.9
Acquisition ICADE ELLUL PO	0.7
Acquisition Opéra Construction	9.3
Total acquisitions – Property development	10.9
Price supplement Icade Conseil	(1.3)
Total acquisitions – Services	(1.3)
Balance as at 31st December 2007	143.8

An impairment test was carried out on 31st December 2007 and 31st December 2006. The pre-tax discount rate used to determine the going value varied from 8.16% to 9.54% over the year 2007 (9.21% to 13.79% over 2006) according to the assets tested.

8 INTANGIBLE ASSETS

TABLE OF VARIATIONS

<i>(in millions of Euros)</i>	Contracts and customer relations acquired	Other	Total
Gross value as at 31st December 2006	1.5	19.3	20.8
Increases	0.3	9.7	10.0
Capitalised production	-	-	-
Reductions	-	(0.2)	(0.2)
Impact of changes to consolidation*	41.0	0.2	41.2
Other movements	(1.4)	(1.3)	(2.7)
Gross value as at 31st December 2007	41.4	27.7	69.1
<i>* Contracts and customer relations acquired over the period relate to Opéra Construction to the value of 39.6 M€ and ICADE Ellul PO to the value of 1.4 M€. These operations fall within the framework of business combinations.</i>			
Depreciation as at 31st December 2006	(1.5)	(11.1)	(12.6)
Increases	(7.3)	(3.1)	(10.4)
Capitalised production	-	-	-
Reductions	-	0.2	0.2
Impact of changes to consolidation*	-	(0.2)	(0.2)
Other movements	1.4	0.1	1.5
Depreciation as at 31st December 2007	(7.4)	(14.1)	(21.5)
<i>* No impact of fixed assets acquired by means of business combinations.</i>			
Impairment as at 31st December 2006	-	(0.7)	(0.7)
Increases	(0.3)	-	(0.3)
Capitalised production	-	-	-
Reductions	-	-	-
Impact of changes to consolidation*	-	-	-
Other movements	-	-	-
Impairment as at 31st December 2007	(0.3)	(0.7)	(1.0)
<i>* No impact of fixed assets acquired by means of business combinations.</i>			
Net value as at 31st December 2006	-	7.5	7.5
Increases	(7.3)	6.6	(0.7)
Capitalised production	-	-	-
Reductions	-	-	-
Impact of changes to consolidation*	41.0	-	41.0
Other movements	-	(1.2)	(1.2)
Net value as at 31st December 2007	33.7	12.9	46.6
<i>* Contracts and customer relations acquired over the period relate to Opéra Construction to the value of 39.6 M€ and ICADE Ellul PO to the value of 1.4 M€. These operations fall within the framework of business combinations.</i>			

9 TANGIBLE ASSETS AND INVESTMENT PROPERTIES

TABLE OF VARIATIONS

<i>(in millions of Euros)</i>	<i>Land</i>	<i>Buildings</i>	<i>Other tangible assets</i>	<i>Tangible assets under construction</i>	<i>Advances and payments on account on tangible assets</i>	<i>Investment properties</i>	<i>Total tangible assets and investment properties</i>	<i>Of which assets under direct financing leases</i>
Gross value as at 31/12/06	2.5	4.9	40.2	87.0	2.7	2,819.9	2,957.2	76.1
Acquisitions(*) (**)	10.7	3.5	8.1	67.0	5.6	504.2	599.1	40.7
Capitalised production				46.8			46.8	
Reductions		(1.4)	(6.5)			(18.7)	(26.6)	
Impact of changes in consolidation (***)	0.2		(0.4)			180.4	180.2	26.2
Other movements (****)	32.3	68.3	(6.1)	(93.9)	(3.6)	8.0	5.0	2.5
Gross value as at 31/12/07	45.7	75.3	35.3	106.9	4.7	3,493.8	3,761.7	145.5
(*) Of which 97.3 M€ of subsequent capitalised expenses								
(**) Of which 5.2 M€ in loan costs incorporated into the cost of the assets during the year								
(***) Of which 180.4 M€ of investment properties joining the consolidation; no investment property exited the consolidation.								
(****) Of which (11.1) M€ of investment properties held for sale.								
Depreciation as at 31st December 2006		(0.5)	(23.4)			(871.8)	(895.7)	(10.9)
Acquisitions		(3.4)	(4.9)			(78.9)	(87.2)	(3.3)
Capitalised production								
Reductions		1.3	6.2			13.1	20.6	
Impact of changes in consolidation			0.5			(3.3)	(2.8)	
Other movements (****)		(1.0)	1.3			4.4	4.7	(0.3)
Depreciation as at 31st December 2007		(3.6)	(20.3)			(936.5)	(960.4)	(14.5)
(****) Of which 6.4 M€ of investment properties held for sale.								
Impairment as at 31st December 2006	(0.7)					(9.0)	(9.7)	
Acquisitions								
Capitalised production								
Reductions						1.4	1.4	
Impact of changes in consolidation								
Other movements (****)						(0.2)	(0.2)	
Impairment as at 31st December 2007	(0.7)					(7.8)	(8.5)	
(****) Of which (0.2) M€ of investment properties held for sale.								
Net value as at 31st December 2006	1.8	4.4	16.8	87.0	2.7	1,939.1	2,051.8	65.2
Acquisitions(*) (**)	10.7	0.1	3.2	67.0	5.6	425.3	511.9	37.4
Capitalised production				46.8			46.8	
Reductions		(0.1)	(0.3)			(4.2)	(4.6)	
Impact of changes in consolidation (***)	0.2		0.1			177.1	177.4	26.2
Other movements (****)	32.3	67.3	(4.8)	(93.9)	(3.6)	12.2	9.5	2.2
Net value as at 31st December 2007	45.0	71.7	15.0	106.9	4.7	2,549.5	2,792.8	131.0
(*) Of which 97.3 M€ of subsequent capitalised expenses								
(**) Of which 5.2 M€ in loan costs incorporated into the cost of the assets during the year								
(***) Of which 180.4 M€ of investment properties joining the consolidation; no investment property exited the consolidation.								
(****) Of which (4.9) M€ of investment properties held for sale.								
<i>(in millions of Euros)</i>	<i>Land</i>	<i>Buildings</i>	<i>Other tangible assets</i>	<i>Tangible assets under construction</i>	<i>Advances and payments on account on tangible assets</i>	<i>Investment properties</i>	<i>Total tangible assets and investment</i>	<i>Of which assets under direct</i>

							properties	financing leases
Gross value as at 31/12/05	1.8	4.8	29.5	99.6		2,651.4	2,787.1	75.6
Acquisitions(*) (**)	0.4	-	47.3	68.2	2.7	94.1	212.7	
Capitalised production	-	-	-	0.3		-	0.3	
Reductions	(0.1)	-	(5.5)	-		(58.9)	(64.5)	
Impact of changes in consolidation (***)	-	-	(0.5)	-		119.2	118.7	
Other movements (****)	0.4	0.1	(30.6)	(81.1)		14.1	(97.1)	0.5
Gross value as at 31/12/06	2.5	4.9	40.2	87.0	2.7	2,819.9	2,957.2	76.1
(*) Of which 52.8 M€ of subsequent capitalised expenses								
(**) Of which 3.9 M€ in loan costs incorporated into the cost of the assets during the year								
(***) Of which 317.0 M€ of investment properties joining the consolidation and (199.0) M€ of investment properties exiting the consolidation.								
(****) Of which (88.3) M€ of investment properties held for sale.								
Depreciation as at 31/12/05	-	(0.8)	(21.6)	-	-	(884.9)	(907.3)	(8.2)
Acquisitions	-	(0.2)	(5.3)	-	-	(79.2)	(84.7)	(2.7)
Capitalised production	-	-	-	-	-	(0.2)	(0.2)	-
Reductions	-	-	2.3	-	-	14.3	16.6	-
Impact of changes in consolidation	-	-	(0.3)	-	-	5.6	5.3	-
Other movements (****)	-	0.5	1.5	-	-	72.6	74.6	-
Depreciation as at 31/12/06	-	(0.5)	(23.4)	-	-	(871.8)	(895.7)	(10.9)
(****) Of which 67.5 M€ of investment properties held for sale.								
Impairment as at 31/12/05	(0.8)	-	(2.8)	-	-	(15.7)	(19.3)	-
Acquisitions	-	-	-	-	-	(0.2)	(0.2)	-
Capitalised production	-	-	-	-	-	-	-	-
Reductions	0.1	-	2.8	-	-	7.8	10.7	-
Impact of changes in consolidation	-	-	-	-	-	-	-	-
Other movements (****)	-	-	-	-	-	(0.9)	(0.9)	-
Impairment as at 31/12/06	(0.7)	-	-	-	-	(9.0)	(9.7)	-
(****) Of which 0.5 M€ of investment properties held for sale.								
Net value as at 31/12/06	1.0	4.0	5.1	99.6	0.0	1,750.8	1,860.5	67.4
Acquisitions(*) (**)	0.4	(0.2)	42.0	68.2	2.7	14.7	127.8	(2.7)
Capitalised production	-	-	-	0.3	-	(0.2)	0.1	-
Reductions	-	-	(0.4)	-	-	(36.8)	(37.2)	-
Impact of changes in consolidation (***)	-	-	(0.8)	-	-	124.8	124.0	-
Other movements (****)	0.4	0.6	(29.1)	(81.1)	-	85.8	(23.4)	0.5
Net value as at 31/12/06	1.8	4.4	16.8	87.0	2.7	1,939.1	2,051.8	65.2
(*) Of which 52.8 M€ of subsequent capitalised expenses								
(**) Of which 3.9 M€ in loan costs incorporated into the cost of the assets during the year								
(***) Of which 317.0 M€ of investment properties joining the consolidation and (193.4) M€ of investment properties exiting the consolidation.								
(****) Of which (20.3) M€ of investment properties held for sale.								

FAIR VALUE OF INVESTMENT PROPERTIES

At each closing, the investment properties of each property investment company are valued by independent property surveyors, who are members of the Association française des sociétés d'expertises immobilières.

➤ RESIDENTIAL PROPERTIES

The business of the Housing Property Investment Division consists of holding investment properties essentially comprising apartment blocks in the Ile-de-France.

Residential investment properties as well as those intended to be sold en bloc or individually are valued using the revenue method (discounted future cash flow method and net rent capitalisation method) cross-checked against the comparison method in relation to market values per m² of free and vacant housing units. The main valuation method used is revenue discounting (discounted future cash flow method) over long periods (ten years).

Residential properties intended for sale to occupants are valued using the direct comparison method on the basis of a block value consistent with the property strategy of the property investment company.

➤ OFFICE BLOCKS, BUSINESS PREMISES, SHOPPING CENTRES, BUSINESS PARKS AND HEALTHCARE ESTABLISHMENTS

The business of the Commercial Property Investment Division consists of holding office blocks in Paris (Central Business Quarter), the Paris region and the provinces, premises of healthcare establishments and the development of commercial asset externalisation projects (offices, shops). The Business Parks business consists of a complex of business parks operated and developed to the North of Paris.

The investment properties of these businesses are valued using the revenue method (discounted future cash flow method and net rent capitalisation method) cross-checked against the direct comparison method. For single use properties in the healthcare sector, the quota share of average earnings or EBITDA realised in past years is taken into account in determining the rental value.

➤ PROPERTIES UNDER DEVELOPMENT

Properties under development cover various situations : property reserves not fully viable, building plots or building rights, residual building land, properties under development and redevelopment. These investment properties are valued using the method based on a developer report and/or discounted cash flows, supplemented where necessary by the comparison method.

The fair values given below are survey values excluding rights.

FAIR VALUE OF INVESTMENT PROPERTY ASSETS

(in millions of Euros)	Net book value	Fair value	Net book value	Fair value
	31/12/2007	31/12/2007	31/12/2006	31/12/2006
Housing property investment	394.8	2,577.7	373.8	1,889.1
Business parks	715.1	1,503.1	712.0	1,161.5
Office property investment	965.8	1,362.6	498.1	660.5
ICADE REIT	312.6	386.3	315.6	371.6
Other	161.2	401.3	39.6	47.0
Total	2,549.5	6,231.0	1,939.1	4,129.7
<i>Of which : investment properties under direct financing leases</i>	128.3	204.8	61.8	112.6

The ratio of net financial debt to property asset value (Loan To Value) stands at 25.3% as at 31st December 2007.

10 SECURITIES AVAILABLE FOR SALE

(in millions of Euros)	31 December 2007		
	Gross	Impairment	Net
Bonds and similar securities	10.0		10.0
Shares and other variable income securities	52.3	(0.4)	51.9
Total non-current securities available for sale	62.3	(0.4)	61.9
Bonds and similar securities	0.1		0.1
Other current securities available for sale	21.4		21.4
- Of which Immobilière Mr. Bricolage BRS	20.7		20.7
Total current securities available for sale	21.5		21.5

(in millions of Euros)	Notes	31 December 2006		
		Gross	Impairment	Net
Bonds and similar securities		41.1	(0.1)	41.0
- Of which Immobilière Mr. Bricolage BRS	(1)	18.5	-	18.5
Shares and other variable income securities		47.7	-	47.7
- Of which Club Méditerranée		31.6	-	31.6
- Of which other holdings		15.8	-	15.8
Total non-current securities available for sale		88.8	(0.1)	88.7
Bonds and similar securities		0.1	-	0.1
Total current securities available for sale		0.1	-	0.1

(1) Available securities redeemable in company shares are not listed

<i>(in millions of Euros)</i>	<i>Net</i>
31 December 2006	88.8
Acquisitions	82.6
Disposals	(101.3)
Impact of variations in value of capital and reserves	6.5
Net charges related to impairment in income statement	-
Impact of changes to consolidation and capital	-
Other	6.8
31 December 2007	83.4

<i>(in millions of Euros)</i>	<i>Net</i>
31 December 2005	74.2
Acquisitions	47.6
Disposals	(30.6)
Impact of variations in value of capital and reserves	(2.4)
Net charges related to impairment in income statement	-
Impact of changes to consolidation and capital	-
Other	-
31 December 2006	88.8

➤ **Valuation of Immobilière Mr. Bricolage BRS**

ICADE Foncière des Pimonts, absorbed by ICADE on 30th November 2007, subscribed for BRS issued by the company Immobilière Mr. Bricolage during the first half of 2005.

These BRS have the following characteristics:

- nominal value : € 18,000,000
- return : 4.5%
- cash repayment option, at the initiative of ICADE Foncière des Pimonts, between 1st July 2007 and 30th September 2007, in the sum of € 18,350,000
- If this option is not exercised, BRS repaid on 1st January 2008 in Immobilière Monsieur Bricolage shares, representing 32% of its capital plus an undertaking to acquire from the Mr. Bricolage Group, on the same date, an additional 63% of the capital of Immobilière Monsieur Bricolage, to take the holding to 95%.

Consequently, these securities are considered to be available for sale as at 30th June 2007 and accounted for at their cost as the fair value of the BRS cannot be determined reliably. The impairment risk on the BRS is hedged by the cash repayment option.

As ICADE decided not to exercise the purchase option on 30th September 2007, as at 1st January 2008, the company will hold 95% of the capital of Immobilière Mr. Bricolage. Consequently, the Immobilière Mr. Bricolage BRS are maintained as securities available for sale but valued at their fair value corresponding to the quota share of the provisional acquisition price, i.e. 20.726 million Euros.

➤ **Holding in Club Méditerranée:**

On 14th June 2006, ICADE acquired 4% of Club Méditerranée securities from ACCOR for 34.8 million Euros. Following this transaction, ICADE held 774,320 shares with a nominal value of 4 Euros. This holding falls within the framework of a shareholders' agreement which was signed and came into force on 14th June 2006 but was cancelled on 30th September 2006.

As at 31st December 2006, these securities were classified as assets available for sale and are valued at the closing price.

18,590 securities were sold in February 2007.

On 23rd February 2007, a non-interest bearing securities loan transaction relating to 755,730 Club Méditerranée shares and a forward sale of those securities were carried out with a maturity date of 31st January 2010. The forward selling price is 10% indexed to the rise between the average selling price and the average price of the shares over the five stock market days preceding 31st January 2010.

All the Club Méditerranée securities were sold within the framework of a forward sale.

The cash counterpart of the share sale will be paid to ICADE on 31st January 2010 and constitutes, as at 31st December 2007, an account receivable of 32.4 million Euros after discounting. The potential gain, relating to the adjustment clause, is accounted for under the assets in the sum of 0.5 million Euros.

11 OTHER NON-CURRENT FINANCIAL ASSETS

(in millions of Euros)		31 December 2007		
		Gross	Impairment	Net
	Notes			
Receivables associated with investments		20.1	(0.4)	19.7
Loans		6.3	-	6.3
Deposits and guarantees paid		5.6	-	5.6
Other		43.3	-	43.3
Total other non-current financial assets at depreciated cost		75.3	(0.4)	74.9
Derivatives	25	4.5	-	4.5
Total other non-current financial assets		79.8	(0.4)	79.4

(in millions of Euros)		31 December 2006		
		Gross	Gross	Gross
	Notes			
Receivables associated with investments		21.5	(0.8)	20.7
Loans		0.7	-	0.7
Deposits and guarantees paid		7.2	-	7.2
Term deposits		0.1	-	0.1
Total other non-current financial assets at depreciated cost		29.5	(0.8)	28.7
Derivatives	25	3.6		3.6
Total other non-current financial assets		33.1	(0.8)	32.3

(in millions of Euros)	Non-current financial assets
31 December 2006	32.3
Acquisitions	46.1
Disposals	(11.5)
Impact of changes in value on capital and reserves	7.2
Impact of changes in consolidation and capital	1.2
Other	4.1
31 December 2007	79.4

➤ Acquisitions

During the course of the first half of 2006, ICADE FONCIERE DES PIMONTS subscribed for 50% of the shares of SCS ATRIUM BOULOGNE, which encompasses the Atrium Building at 6 Place Abel Gance, Boulogne.

This transaction was conducted within the framework of a 50-50 partnership with a German company which provides exit clauses.

Both partners negotiated promises of sale and purchase of the SCS Securities held by ICADE FONCIERE DES PIMONTS, which should unravel during the course of 2008.

This transaction is accounted for under "Other financial assets" at depreciated cost, at the effective interest rate of the transaction.

LOANS AND RECEIVABLES AT DEPRECIATED COST

(in millions of Euros)	31/12/2007	Portion at less than 1 year (current)	Portion at 1 to 5 years (non-current)	Portion at more than 5 years (non-current)	Total non-current portion
Receivables associated with investments	64.7	45.0	6.2	13.5	19.7
Loans	6.9	0.6	6.0	0.3	6.3
Deposits and guarantees paid	8.0	2.4	0.3	5.3	5.6
Associated current accounts	3.6	3.6	-	-	-
Other	44.5	1.2	34.1	9.2	43.3
Total other financial assets valued at depreciated cost - net	127.7	52.8	46.6	28.3	74.9

(in millions of Euros)	31/12/2006	Portion at less than 1 year (current)	Portion at 1 to 5 years (non-current)	Portion at more than 5 years (non-current)	Total non-current portion
Receivables associated with investments	44.1	23.4	0.2	20.5	20.7
Loans	7.7	7.1	0.1	0.5	0.7
Deposits and guarantees paid	7.8	0.6	0.2	7.0	7.2
Term deposits	0.6	0.5	-	0.1	0.1
Total other financial assets valued at depreciated cost - net	60.2	31.5	0.5	28.2	28.7

12 STOCKS AND WORK IN PROGRESS

ANALYSIS OF STOCKS

(in millions of Euros)	31/12/2007	31/12/2006
Land and property reserves	11.2	8.2
Work in progress	338.3	242.5
Finished but unsold plots	3.8	7.2
Other	1.3	0.5
Gross value	354.6	258.4
Impairment	(8.8)	(8.3)
Net value	345.8	250.1

IMPAIRMENT

(in millions of Euros)	31/12/2007	31/12/2006
Opening balance	(8.3)	(8.4)
Appropriations for the year	(3.0)	(3.0)
Impact of changes in the consolidation	0.8	(0.3)
Reversals during the year	0.8	3.5
Other	0.9	(0.1)
Closing balance	(8.8)	(8.3)

13 TRADE DEBTORS

(in millions of Euros)	31 December 2007		
	Gross	Impairment	Net
Trade debtors and related accounts	180.0	(12.8)	167.2
Financial trade debtors	203.4	-	203.4
Total trade debtors	383.4	(12.8)	370.6

(in millions of Euros)	31 December 2006		
	Gross	Impairment	Net
Trade debtors and related accounts	148.2	(13.4)	134.8
Financial trade debtors	187.4	-	187.4
Total trade debtors	335.6	(13.4)	322.2

Depreciation of trade debtors has developed as follows:

(in millions of Euros)	Gross	Impairment	Net
Balance as at 31st December 2006	335.6	(13.4)	322.2
Variation during the year	47.1	0.6	47.7
Impact of changes to the consolidation	0.7	-	0.7
Balance as at 31st December 2007	383.4	(12.8)	370.6

(in millions of Euros)	Gross	Impairment	Net
Balance as at 31st December 2005	159.1	(13.6)	145.5
Variation during the year	175.8	0.1	175.9
Impact of changes to the consolidation	0.7	0.1	0.8
Balance as at 31st December 2006	335.6	(13.4)	322.2

The following is an analysis of the repayment schedule of trade receivables as at 31st December:

(in millions of Euros)	Total	Receivables not due and not depreciated	Receivables due but not depreciated				
			<30 days	30<X<60 days	60<X<90 days	90<X<120 days	>120 days
2007	167.2	104.6	32.1	6.9	9.4	3.6	10.7
2006	134.8	91.5	21.9	7.3	5.5	3.0	5.6

14 BUILDING CONTRACTS AND OFF-PLAN SALES

(in millions of Euros)	31 December 2007				
	Offices	Amenities	Housing	Internal inter-market eliminations	Total
Aggregate receivables, including tax, according to the progress method	176.8	227.5	1 163.8	(29.1)	1 539.0
Work in progress	21.9	7.0	69.9	(13.1)	85.7
Termination loss	(1.0)	-	(2.3)	0.4	(2.9)
Collected calls for funds	(252.2)	(224.1)	(1 170.8)	68.3	(1 578.8)
Amount owed by customers	11.9	22.0	91.6	(0.9)	124.6
Amount due to customers	(66.4)	(11.6)	(31.0)	27.4	(81.6)
Income for the year	151.0	138.5	580.9	(64.3)	806.1
<u>Concerning ongoing contracts at the closing date and completed during the period :</u>					
Total amount of costs incurred and profits accounted for (less losses accounted for) for 2007	27.1	15.5	180.3	(13.0)	209.9
Amount of advances received (amount due to customers)	(66.4)	(11.6)	(31.0)	27.4	(81.6)
Reciprocal off balance sheet commitments (Notarised instruments including tax – collected calls for funds)	433.3	159.6	353.2	-	946.1

(in millions of Euros)	31 December 2006			
	Offices	Amenities	Housing	Total
Aggregate receivables, including tax, according to the progress method	115.4	66.2	867.2	1 048.8
Work in progress	11.5	3.0	52.0	66.5
Termination loss	-	-	-	-
Collected calls for funds	(48.6)	(36.4)	(852.5)	(937.5)
Amount owed by customers	78.3	32.8	84.5	195.6
Amount due to customers	-	-	(17.8)	(17.8)
Income for the year	17.5	51.9	491.1	560.5
<u>Concerning ongoing contracts at the closing date and completed during the period :</u>				
Total amount of costs incurred and profits accounted for (less losses accounted for) for 2006	0.4	2.3	109.4	112.1
Amount of advances received (amount due to customers)	-	-	(17.8)	(17.8)
Reciprocal off balance sheet commitments (Notarised instruments including tax – collected calls for funds)	37.6	518.0	338.4	894.0

15 MISCELLANEOUS RECEIVABLES

(in millions of Euros)	31/12/2007			31/12/2006
	Gross	Impairment	Net	Net
Advances from suppliers	44.2	-	44.2	38.5
Receivables from disposal of assets	6.1	-	6.1	8.8
Mandate operations (*)	376.9	-	376.9	343.5
Prepayments	7.3	-	7.3	3.6
Tax receivables	185.6	-	185.6	168.5
Social security receivables	0.7	-	0.7	1.4
Other receivables	70.7	(2.1)	68.6	74.5
Total miscellaneous receivables	691.5	(2.1)	689.4	638.8

All receivables are at less than one year
 (*) Details of mandate operations below

(in millions of Euros)	31/12/2007	31/12/2006
Receivables	90.6	64.5
Cash	286.3	279.0
Total mandate operations	376.9	343.5

16 OTHER CURRENT FINANCIAL ASSETS

(in millions of Euros)	Notes	31/12/2007		
		Gross	Impairment	Net
Receivables associated with investments		46.6	(1.6)	45.0
Loans		0.6	-	0.6
Deposits and guarantees paid		2.4	-	2.4
Associated current accounts		3.6	-	3.6
Other		1.2	-	1.2
Total other current financial assets at depreciated cost	11	54.4	(1.6)	52.8
Other UCITS in fair value by result		0.1	-	0.1
Derivatives	25	5.4	-	5.4
Total other current financial assets		59.9	(1.6)	58.3

The fair value of short term assets is equal to the net book value.

(in millions of Euros)	Notes	31/12/2006		
		Gross	Impairment	Net
Receivables associated with investments		24.9	(1.5)	23.4
Loans		7.1	-	7.1
Deposits and guarantees paid		0.6	-	0.6
Term deposits		0.5	-	0.5
Total other current financial assets at depreciated cost	11	33.1	(1.5)	31.6
Other UCITS in fair value by result		16.7	-	16.7
Derivatives	25	0.6	-	0.6
Total other current financial assets		50.4	(1.5)	48.9

<i>(in millions of Euros)</i>	Current financial assets
31 December 2006	48.9
Acquisitions	26.3
Disposals	(30.3)
Impact of changes in value in income statement	3.0
Impact of changes in the consolidation and capital	11.5
Other	(1.1)
31 December 2007	58.3

17 CASH AND CASH EQUIVALENTS

<i>(in millions of Euros)</i>	31/12/2007	31/12/2006
Cash UCITS	195.1	393.3
Cash equivalents	195.1	393.3
Cash assets	390.7	276.9
Cash and cash equivalents	585.8	670.2

18 INVESTMENT PROPERTIES HELD FOR SALE

<i>(in millions of Euros)</i>	31/12/2007				31/12/2006
	Gross value	Amortisation	Impairment	Net value	Net value
Investment properties held for sale	23.3	(13.2)	-	10.1	20.5
Total assets held for sale	23.3	(13.2)	-	10.1	20.5
Of which assets under direct financing leases					
Land	-	-	-	-	-
Buildings	-	-	-	-	-

19 CAPITAL AND RESERVES

CAPITAL

<i>(in millions of Euros)</i>	31/12/2007		31/12/2006	
	Number	Capital in millions of Euros	Number	Capital in millions of Euros
<u>Shares issued</u>				
Fully paid	49,193,780	75.0	93,619,537	711.5
Nominal value of shares	-	-	7.60	-
Total	49,193,780	75.0	93,619,537	711.5

CHANGE IN NUMBER OF SHARES IN CIRCULATION

<i>(in millions of Euros)</i>	Number	Nominal (in €)	Capital
-------------------------------	---------------	-----------------------	----------------

1st January 2005 and 31st December 2005	33,560,000	15.20	510.1
Exchange one old share for two new shares on 6 th March 2006	(33,560,000)	(15.20)	510.1
	67,120,000	7.60	510.1
Share capital as at 6th March 2006	67,120,000	7.60	510.1
Cash increase in capital on 18 th April 2006	22,044,089	7.60	167.5
Cash increase in capital on 25 th April 2006	3,306,613	7.60	25.1
Cash increase in capital on 24 th May 2006	1,148,835	7.60	8.7
Net acquisitions of treasury stock			
Share capital as at 31st December 2006	93,619,537	7.60	711.5
Exercise of stock options on 4 th January 2007	1,300	7.60	0.0
Merger operations on 30th November 2007	(44,427,057)		(636.5)
Share capital as at 31st December 2007	49,193,780		75.1

The capital transactions carried out during the first half of 2006 have the following characteristics:

- In March 2006, the Ordinary and Extraordinary General Meeting decided to issue 67,120,000 new shares with a nominal value of 7.60 Euros, each assigned to the company's shareholders at a rate of two new shares for one old share, replacing the 33,560,000 old shares with a nominal value of 15.20 Euros each. Following this operation, the number of shares was increased to 67,120,000 shares with a nominal value of 7.60 Euros.
- In April 2006, ICADE carried out an initial increase in capital including removal of preferential subscription rights and a public call for savings to the value of 167.5 million Euros. This operation, carried out within the framework of the Open Price Offer and Guaranteed Global Placing, led to the issue of 22,044,089 new shares with a nominal value of 7.60 Euros each together with a premium of 20.3 Euros, producing gross income of 614.9 million Euros.
- An additional share issue following the exercise of the Over-allocation Option was also carried out in April 2006. The company's capital was increased by a nominal figure of 25.1 million Euros, together with an issue premium of 67.1 million Euros, by issuing an additional 3,306,613 shares with a nominal value of 7.60 Euros.
- In May 2006, ICADE carried out an increase in capital including removal of preferential subscription rights in favour of employees and affiliated companies within the framework of an Offer reserved for employees. This increase in capital of an overall figure of 8.7 million Euros entailed the creation of 1,148,835 new shares with a nominal value of 7.60 Euros. These shares were fully subscribed, 658,450 by ICADE ACTIONS and 490,435 by ICADE MULTI.

The costs relating to these capital transactions were accounted for by deducting 17.3 million Euros net of tax from capital and reserves.

As at 31st December 2006, ICADE's share capital stood at 711,508,481.20 Euros divided into 93,619,537 shares with a nominal value of 7.60 Euros.

Following the merger operations of 30th November 2007 described in note 2.1., the capital was reduced by 636.5 million Euros.

The costs directly attributable to those operations were charged to the issue premium in the sum of 6.4 million Euros.

As at 31st December 2007, ICADE's share capital stood at 74,995,434 Euros divided into 49,193,780 shares.

DIVIDENDS

(in millions of Euros)	31/12/2007	31/12/2006
Payment to ICADE SA shareholders		
- dividend	126.4	83.2
- distribution of reserves	-	102.1
Payment to shareholders of merged companies (*)	3.6	-
Total	130.0	185.3

(*) in respect of quota share of minorities transferred to Group share : ICADE Foncière des Pimonts, ICADE EMGP and ICADE Patrimoine.

VARIATION IN REVALUATION RESERVES

(in millions of Euros)	Securities available for sale	Future cash flow hedging	Tax on variations in value	Total
31 December 2006	(2.5)	1.8	(0.5)	(1.2)
Variation in fair value	6.5	5.0		11.5
Transfer to profit/loss for the period	(3.1)	(6.3)	0.5	(8.9)
Restatement	(1.1)	(0.7)	-	(1.8)
31 December 2007	(0.2)	(0.2)	-	(0.4)

(in millions of Euros)	Securities available for sale	Future cash flow hedging	Tax on variations in value	Total
31 December 2005	0.6	(9.7)	0.3	(8.8)
Variation in fair value	(2.4)	7.9	(0.8)	4.7
Transfer to profit/loss for the period	(0.7)	3.6	-	2.9
31 December 2006	(2.5)	1.8	(0.5)	(1.2)

TREATMENT OF BUY-BACK OF BRS BY ICADE

The buy-back price of BRS is split between the debt and capital and reserves components on the transaction date according to the same method as that used originally, in accordance with IAS 32.

➤ BUY-BACK of EMGP BRS by ICADE on 31st December 2006

In 2006, ICADE organised an operation to buy back all the April 2004 and November 2004 BRS held by non-Group third parties. As at 31st December 2007, 303 April 2004 and 425 November 2004 BRS were held by third parties.

The impact of the capital and reserves component was recorded by deducting 110.7 million Euros from capital and reserves.

➤ BUY-BACK of ICADE Foncière des Pimonts BRS by ICADE

In June 2007, ICADE acquired ICADE Foncière des Pimonts BRS for 263 millions from PGGM. The impact of the capital and reserves component, corresponding to the goodwill, was recorded by deducting 131.9 million Euros including expenses from the capital and reserves and the quota share of minority interests was cancelled accordingly in the sum of 108 million.

As at 31st December 2007, 3,300 January 92 and 58 February 1992 BRS remain in circulation with non-Group third parties.

20 MINORITY INTERESTS

➤ Impact of BRS on minority interests as at 31st December 2006

ICADE EMGP and ICADE Foncière des Pimonts have both issued BRS (Bonds Redeemable in Shares). These instruments Meet the definition of capital and reserve instruments provided there is no possibility of being redeemed in cash (redeemed in shares).

Only interest payments which are certain to occur are booked to debts, on the basis of the discounted value of flows at the market rate. The additional remuneration provided for in the event of payment of dividends in respect of ICADE Foncière des Pimonts is considered as distributions to shareholders and in this respect, is charged to capital and reserves (minority interests).

ICADE holds a fraction of the BRS issued by these subsidiaries which is non-proportional to its percentage holding. The fraction of BRS held by ICADE (capital and reserves and debts) is eliminated in the consolidation. The balance of the BRS not held by the Group is booked to minority interests in respect of the portion of the instrument which corresponds to capital and reserves and to debts in respect of the portion of certain interest to be paid to BRS holders from outside the Group.

➤ Changes to the consolidation

Changes to the consolidation as at 31st December 2007 and 31st December 2006 are as follows:

(in millions of Euros)	31/12/2007	31/12/2006
Acquisitions of minority interests (property development)	(6.8)	-
Acquisition of SIIC Invest (property investment)	8.6	-
Acquisition of Opéra Construction (property investment)	0.1	-
Impact of mergers on Icade Patrimoine (property investment)	-	(7.3)
Impact of the merger/absorption (see table of variation in capital and reserves)	(88.9)	-
Impact of acquisition/disposal of Icade Foncière des Pimonts BRS	(108.8)	-
Other movements	4.7	(1.8)
Impact of changes in the consolidation on minority interests	(191.1)	(9.1)
Profit/loss	8.8	14.2
Dividends	(4.0)	(8.8)
Variations in minority interests	(186.3)	(3.7)

The impact of the merger corresponds to the mechanical transfer of minority interests relating essentially to ICADE Foncière des Pimonts (7.07%) and ICADE EMGP (13.78%).

21 PROVISIONS

(in millions of Euros)	Notes	31/12/2007	31/12/2006
Provisions for :			
Pension payments and similar commitments	28	30.6	35.7
Contingencies and liabilities		22.6	15.2
Provisions – non-current		53.2	50.9
<i>Provisions for :</i>			
Losses on contracts		1.5	0.8
Tax liabilities		10.9	15.9
Contingencies and liabilities		30.2	32.1
Provisions - current		42.6	48.8
TOTAL		95.8	99.7

(in millions of Euros)	31/12/06	Appropriations	Use	Reversals	Changes to consolidation	Other	31/12/07
Pension payments and similar commitments	35.7	0.6	(5.8)	-	-	0.1	30.6
Losses on contracts	0.8	0.5	-	(0.1)	0.3	-	1.5
Tax liabilities	15.9	1.0	(3.5)	(2.7)	-	0.2	10.9
Contingencies - other	30.3	12.4	(3.9)	(2.5)	0.2	1.5	38.0
Liabilities - other	17.0	2.7	(2.9)	(0.9)	(0.3)	(0.8)	14.8
Total	99.7	17.2	(16.1)	(6.2)	0.2	1.0	95.8
<i>Of which :</i>							
<i>Operating profit/loss</i>		16.4	(12.7)	(4.3)	-	-	-
<i>Financial profit/loss</i>		0.8	(0.1)	(0.2)	-	-	-
<i>Tax liability</i>			(3.3)	(1.7)	-	-	-

(in millions of Euros)	31/12/05	Appropriations	Use	Reversals	Changes to consolidation	Other	31/12/06
Pension payments and similar commitments	37.5	1.3	(4.5)	(4.9)	-	6.3	35.7
Losses on contracts	2.6	0.1	(3.7)	-	-	1.8	0.8
Tax liabilities	30.5	1.3	(9.6)	(6.0)	-	(0.3)	15.9
Contingencies - other	21.1	10.0	(3.2)	(1.1)	1.4	2.1	30.3
Liabilities - other	16.4	6.1	(1.7)	(1.9)	(0.3)	(1.6)	17.0
Total	108.1	18.8	(22.7)	(13.9)	1.1	8.3	99.7
<i>Of which :</i>							
<i>Operating profit/loss</i>	-	16.6	(22.4)	(13.9)	-	-	-
<i>Financial profit/loss</i>	-	2.2	(0.3)	-	-	-	-

No provision for non-current contingencies and liabilities has required discounting.

ICADE identifies several types of provisions. In addition to pension payments and similar commitments, which are subject to specific explanations (see note 28), provisions are made whenever the risks identified are the result of past events creating a probable obligation to disburse resources.

The identified risks are:

- losses on service contracts (for information, losses on property development contracts appear under “amounts owed by customers” and “amounts due to customers”);
- tax liabilities. The provisions cover tax liabilities for which reassessment notices have been received as at 31st December 2007.
- Within the framework of its business activity, the Group is faced with lawsuits. On the basis of an estimate of the risk established by management and its legal advisors, the provisions made are considered to be adequate at the close of the year and the Group also considers that it possesses all the information enabling it to support its position. Provisions which have an individual significant nature as at 31st December 2007 cover:
 - o lawsuits relating to property development in the sum of 9.7 million Euros, 1.8 million Euros of which was allocated during 2007;
 - o risks relating to the renovation of the property asset base in the sum of 9.8 million Euros, 0.4 million Euros of which was allocated during 2007 and a reversal of 0.9 million Euros.

22 FINANCIAL DEBTS

NET FINANCIAL DEBT

(in millions of Euros)	31/12/2007	31/12/2006
Long and medium term financial debt (non-current)	1,765.1	974.4
Short term financial debt (current)	595.5	457.4
Gross financial debt	2,360.6	1,431.8
Interest rate risk derivatives (assets and liabilities)	2.4	(1.8)
Gross financial debt after taking account of derivatives	2,363.0	1,430.0
Securities available for sale and other non-current financial assets (excluding interest rate risk derivatives and deposits paid)	(131.2)	(109.9)
Securities available for sale and other current financial assets (excluding interest rate risk derivatives and deposits paid)	(72.0)	(47.7)
Cash and cash equivalents	(585.8)	(670.2)
Net financial debt	1,574.0	602.2

FINANCIAL DEBTS BY TYPE

(in millions of Euros)	31/12/2007	31/12/2006
Bonded debt repayable in shares (BRS)	0.4	7.6
Loans with credit institutions	1,667.5	890.4
Direct financing leases	69.9	37.6
Other loans and similar debts	23.3	31.7
Debts associated with investments	4.0	7.1
Long and medium term financial debts	1,765.1	974.4
Bonded debt repayable in shares (BRS)	0.2	3.3
Loans with credit institutions	104.9	124.9
Direct financing leases	7.1	3.4
Other loans and similar debts	8.0	9.7
Debts associated with investments	42.7	26.0
Bank overdrafts	432.6	290.1
Short term financial debts	595.5	457.4
Total gross financial debt	2,360.6	1,431.8

Bonded debts repayable in shares (BRS have virtually disappeared following ICADE's buy-back of ICADE formerly Foncière des Pimonts BRS and the cancellation of ICADE formerly EMGP BRS (see note 19).

The change in gross financial debt is essentially due to loans with credit institutions, which can be explained by:

- Repayment flows for the period in respect of ICADE : about 100 million Euros,
- Raising a syndicated loan in July 2007, for 900 million Euros (800 million in the form of a 7 year Term loan and 100 million in the form of a Revolving Credit Facility). The whole of the Term Loan was drawn down as at 31st December 2007. ICADE pays a variable coupon calculated at Euribor 3 months plus 20 to 45 basis points depending on the level of the financial structure ratio (LTV) which could reach a maximum of 52%.

Changes in direct financing leases can be explained by the acquisition of the Harpin clinics, which was exclusively financed by capital leases, and some of the subsidiaries of SIICInvest.

FINANCIAL DEBTS BY MATURITY

(in millions of Euros)	31/12/07	Portion at less than 1 year	Portion at 1 to 5 years	Portion at more than 5 years
Bonded debt repayable in shares (BRS)	0.6	0.2	0.4	-
Loans with credit institutions	1,772.4	104.9	336.1	1,331.4
Direct financing leases	77.0	7.1	45.9	24.0
Other loans and similar debts	31.3	8.0	16.6	6.7
Debts associated with investments	46.7	42.7	2.9	1.1
Bank overdrafts	432.6	432.6	-	-
Total financial debts	2,360.6	595.5	401.9	1,363.2

(in millions of Euros)	31/12/06	Portion at less than 1 year	Portion at 1 to 5 years	Portion at more than 5 years
Bonded debt repayable in shares (BRS)	10.9	3.3	7.6	-
Loans with credit institutions	1,015.3	124.9	321.7	568.7
Direct financing leases	41.0	3.4	20.3	17.3
Other loans and similar debts	41.4	9.7	21.4	10.3
Debts associated with investments	33.1	26.0	3.0	4.1
Bank overdrafts	290.1	290.1	-	-
Total financial debts	1,431.8	457.4	374.0	600.4

The proportion of long term debt increased following the drawdown of the "Term Loan" portion of the syndicated loan in July and repayment of the short term lines of credit drawn down : thus, nearly 60% of debt is now at more than five years, more in line with the life span of those assets.

The average life span of ICADE's bank debt stood at 6 years at the end of 2007.

➤ Financial covenants:

Loans taken out by ICADE are subject to covenants based on financial ratios (Loan to Value and interest charge hedging notions) which may lead to an early repayment obligation. To date, these ratios have been complied with.

The other financing taken out by the ICADE Group may, in some cases, contain early repayment clauses in the event that the CDC's holding were to fall below a threshold of 34% or 50%.

As at 31st December 2007, the CDC held 61.58% of the capital of ICADE.

FINANCIAL DEBTS BY RATE TYPE

(in millions of Euros)	31 December 2007		
	Total	Fixed	Variable
Bonded debt repayable in shares (BRS)	0.6	0.6	-
Loans with credit institutions	1,772.4	178.4	1,594.0
Direct financing leases	77.0	1.3	75.7
Other loans and similar debts	31.3	31.3	-
Debts associated with investments	46.7	-	46.7
Bank overdrafts	432.6	-	432.6
Total financial debts	2,360.6	211.6	2,149.0

(in millions of Euros)	31 December 2006		
	Total	Fixed	Variable
Bonded debt repayable in shares (BRS)	10.9	10.9	-
Loans with credit institutions	1,015.3	171.4	843.9
Direct financing leases	41.0	-	41.0
Other loans and similar debts	41.4	41.4	-
Debts associated with investments	33.1	-	33.1
Bank overdrafts	290.1	-	290.1
Total financial debts	1,431.8	223.7	1,208.1

FAIR VALUE

(in millions of Euros)	31/12/2007	31/12/2006
Variable rate debt	2,149.0	1,210.9
Fixed rate debt	209.2	206.3
Total fair value	2,358.2	1,417.2

LOAN GUARANTEE UNDERTAKINGS GIVEN

(in millions of Euros)	31/12/2007	31/12/2006
	Global amount of pledged liabilities	Global amount of pledged liabilities
Global amount of guaranteed liabilities	293.0	483.7
Tangible assets		
Mortgages and mortgage promises	191.6	273.7
Financial assets		
Pledged securities	101.4	210.0

23 TRADE CREDITORS

(in millions of Euros)	31/12/2007	31/12/2006
Trade creditors and related accounts	433.3	367.6
Total trade creditors	433.3	367.6

24 MISCELLANEOUS DEBTS

(in millions of Euros)	31/12/2007	31/12/2006
Long term deposits and guarantees received	-	38.3
Medium term deposits and guarantees received	-	3.9
Total non-current miscellaneous debts	-	42.2
Advance payments from customers	68.8	78.5
Debts on acquisition of assets	-	13.6
Shareholders – dividends payable	0.3	0.4
BRS holders – remuneration on capital and reserves component payable	-	5.0
Mandate operations (*)	376.9	343.5
Deferred income	15.1	21.5
Deposits received	-	2.8
Social security payables	59.8	53.1
Tax payables excluding profit tax	71.8	93.6
Other debts	33.1	46.3
Employee profit sharing scheme	5.1	3.9
Total current miscellaneous debts	630.9	662.2
Total miscellaneous debts	630.9	704.4

(*) Details of mandate operations

(in millions of Euros)	31/12/2007	31/12/2006
Debts	376.5	310.8
Cash	0.4	32.7
Total mandate operations	376.9	343.5

Deposits and sureties were reclassified in 2007 under other current and non-current financial liabilities in the sum of 3.8 and 47.4 million Euros respectively.

25 OTHER FINANCIAL LIABILITIES AND DERIVATIVES

PRESENTATION OF OTHER FINANCIAL LIABILITIES (EXCLUDING DERIVATIVES)

(in millions of Euros)	31/12/2007	31/12/2006
Deposits and sureties received	47.4	-
Other	0.3	-
Other non-current financial liabilities	47.7	-
Deposits and sureties received	3.8	-
Other	0.3	-
Other non-current financial liabilities	4.1	-

Deposits and sureties were reclassified in 2007 from miscellaneous debts to other non-current financial liabilities in the sum of 47.4 million Euros.

DERIVATIVES : PRESENTATION ON THE BALANCE SHEET

(in millions of Euros)	Note	31/12/2007	31/12/2006
Assets : non-current	11	4.5	3.6
current	16	4.9	0.6
Liabilities : non-current		(7.5)	(2.3)
current		-	(0.1)
Total derivatives – rates risk		1.9	1.8
Assets : current		0.5	-
Total derivatives – Price risk (1)		0.5	
Total derivatives		2.4	1.8

(1) Derivatives include a forward sale option on the Club Méditerranée in the sum of 0.5 million Euros.

DERIVATIVES : ANALYSIS OF NOTIONAL AMOUNTS BY MATURITY

(In millions of Euros)	31 December 2007				
	Average rate	Notional contract value			
		Total	Portion at less than 1 year	Portion at 1 to 5 years	Portion at more than 5 years
Rates swaps – fixed payer	4.46%	1,164.5	66.8	232.4	865.3
Rates options	5.58%	145.9	24.8	8.4	112.7
Total derivatives – rates risk		1,310.4	91.6	240.8	978.0

(In millions of Euros)	31 December 2006				
	Average rate	Notional contract value			
		Total	Portion at less than 1 year	Portion at 1 to 5 years	Portion at more than 5 years
Rates swaps – fixed payer	4.01%	517.7	44.7	205.3	267.7
Rates options	5.53%	92.4	46.4	32.4	13.6
Total derivatives – rates risk		610.1	91.1	237.7	281.3

DERIVATIVES : VARIATIONS IN FAIR VALUE

(in millions of Euros)	Fair value 31/12/2006 (1)	Acquisition of financial instruments (2)	Variation in fair value in income statement (3)	Impact of restatement of non- classified or sold instruments in income statement (4)	Variation in fair value in capital and reserves (5)	Fair value 31/12/2007 (6)=(1)+(2)+(3)+(4) +(5)
Rates swaps – fixed payer	1.2					
- Effective portion		(2.6)		(6.3)	4.9	(0.2)
- Ineffective portion						(2.6)
Total future cash flow hedging instruments	1.2	(2.6)		(6.3)	4.9	(2.8)
Rates swaps – fixed payer	0.3					0.3
Rates options	0.3	4.1				4.4
Total instruments not classified as hedging	0.6	4.1				4.7
Total instruments – rates risk	1.8	1.5		(6.3)	4.9	1.9

(in millions of Euros)	Fair value 31/12/2005 (1)	Variation in fair value in income statement (2)	Impact of restatement of non- classified or sold instruments in income statement (3)	Variation in fair value in capital and reserves (4)	Fair value 31/12/2006 (5)=(1)+(2)+(3)+(4)
Rates swaps – fixed payer					
- Effective portion	(8.8)	-	-	10.0	1.2
- Ineffective portion	-	-	-	-	-
Total future cash flow hedging instruments	(8.8)	-	-	10.0	1.2
Rates swaps – fixed payer	(4.1)	2.4	2.0	-	0.3
Rates options	0.3	-	-	-	0.3
Total instruments not classified as hedging	(3.8)	2.4	2.0	-	0.6
Total instruments – rates risk	(12.6)	2.4	2.0	10.0	1.8

26 FINANCIAL RISK MANAGEMENT

The Group's operational and financial activities expose it to the following risks:

➤ PROPERTY ASSETS VALUE RISK

The holding of property assets intended for rental exposes the Group to the risk of fluctuations in the value of property assets and rent.

However, this exposure is limited:

- the assets are held in a long-term perspective and valued in the accounts at their cost net of depreciation and impairment;
- invoiced rent originates from rental commitments, the term and dispersion of which smooth the impact of fluctuations in the rental market.

➤ MARKET RISK MANAGEMENT

The monitoring and management of financial risks are centralised within the Cash and Debt Division of the Finance Department.

The latter reports on a monthly basis to ICADE's Finance, Cash, Rates and Risks Committee on all matters relating to problems of finance, investment and rates risk management policies.

• Liquidity risk

The Group has short term back-up lines to the value of nearly 300 million Euros, less than half of which are used. Given the amortisation profile and carry forward over longer maturities of a certain number of debts, these back-up lines enable nearly two years of capital and interest repayments to be hedged.

The residual contractual maturities of financial liabilities (excluding building contracts and off-plan sales shown in note 14) can be analysed as follows:

As at 31st December 2007 (in millions of Euros)	Portion due immediately	Portion at less than 1 year	Portion at 1 to 5 years	Portion at more than 5 years	Total
Loan interest	-	96.3	315.2	185.0	596.4
Bonded loans repayable in shares	-	0.2	0.4	-	0.6
Loans with credit institutions	-	104.9	336.1	1,331.4	1,772.4
Direct financing leases	-	7.1	45.9	24.0	77.0
Other loans and similar debts	-	8.0	16.6	6.7	31.4
Debts associated with investments	-	42.7	2.8	1.1	46.7
Bank overdrafts	-	432.6	-	-	432.6
Trade creditors and tax debts	-	579.6	122	-	701.6
Financial derivatives	-	(2.6)	(7.8)	(3.5)	(13.9)
TOTAL		1,268.7	831.3	1,544.7	3,644.8

• Rates risk

Changes in financial markets can entail variations in interest rates which may result in an increase in the cost of refinancing. To finance its investments, the Group prefers using variable rate debt so as to be in a position to repay it prematurely without a penalty : this represents, before hedging, nearly 90% of its debt as at 31st December 2007 (excluding debts associated with investments and bank overdrafts).

The Group pursued its prudent debt management policy in 2007 by maintaining limited exposure to the rates risk by setting up appropriate hedging contracts (swaps, caps and tunnels).

Thus in July and August 2007, 7 year plain vanilla swaps, to the value of 300 million Euros, were set up to hedge the raising of the syndicated loan at levels in the region of 4.55%. Caps were purchased to the value of 100 million Euros over identical maturities. Finally, 7 year swaps, with the option of being cancelled by ICADE if rates fall with effect from 2011, were taken out to the value of 300 million Euros.

In December, a new wave of plain vanilla swaps were set up to further improve the level of hedging of ICADE's variable rate debt.

About 70% of variable rate debt is therefore protected against rising interest rates by buying caps and setting up swaps. After hedging, the structure of ICADE's debt (excluding debts associated with investments and

bank overdrafts) favours fixed rates, as variable rate debt represents no more than 19% of debt in the economic meaning of the term (and 28% if only hedging classified as cash hedging according to IFRS is taken into account).

These rates risk hedging instruments are taken out with front line financial establishments so as to limit the counterparty risk and therefore any possible counterparty default.

Finally, the Group prefers to describe its hedging instruments as “cash flow hedging” according to IFRS so as to minimise the impact of variations in fair value in the income statement.

After taking derivatives into account,

- An instantaneous 1% rise in short term interest rates applied to the financial liabilities net of cash would have a maximum positive impact of 54.4 million Euros on capital and reserves and 1 million Euros on the income statement;
 - An instantaneous 1% fall in short term interest rates applied to the financial liabilities net of cash would have a maximum negative impact of 58.7 million Euros of capital and reserves and a positive impact of 1.9 million Euros on the income statement.
- **Exchange risk**

As the Group does not conduct any transactions in foreign currencies, it is not open to any exchange risk.

• **Credit risk**

The Group has introduced procedures to satisfy itself as to the credit quality of customers and third parties before dealing with them. In the property investment business, a customer solvency analysis is carried out and in the property development business a check on the financing of insurance and the guarantee. These procedures are subject to regular monitoring.

Impairment of accounts receivable is estimated following an analysis of unpaid balances. Customer dossiers are analysed on an individual basis or on a collective basis in respect of small amounts where there are statistical bases. Debts due for more than three months are usually depreciated, except in special cases.

The Group's maximum exposure to credit risk is presented in Note 13 and corresponds to the book value of accounts receivable less deposits received from customers, i.e. 120 million Euros as at 31st December 2007.

The Group is not exposed to a credit concentration risk owing to the diversity of its business activities and customers.

• **Capital management**

The Group manages changes in its capital and makes the necessary adjustments in order to take into account changes in the economic environment. The capital is adjusted by taking into account the dividend payment policy which complies with the payment obligations related to the SIIC regime or by issuing new securities.

Furthermore, the Group monitors the following elements:

- **Financial structure ratio**
Over 2007, ICADE continued to finance its development by debt : however, increasing survey values enabled it not to downgrade its LTV, which stood at 25.3% as at 31st December 2007 against 13.7% as at 31st December 2006.
However, it remains much lower than the levels to be adhered to within the framework of debt related financial covenants (50% in the majority of cases where this ratio is mentioned as a covenant).
Furthermore, this figure reflects a prudent position since it includes all ICADE's debts (debts related to property development activities, services...) without taking the value of those assets or those companies as counterparty.
- **Interest coverage ratio**
The ratio of interest coverage to operating profit/loss (excluding amortisation) worked out at 8.11 over 2007. This ratio is down on previous years (15.13 in 2006), due to increased debt.

27 EARNINGS PER SHARE

	Notes	31/12/2007	31/12/2006
Net profit for calculating earnings per share (in €)			
Group share of net earnings		36,900,000	211,300,000
<i>Impact of diluting instruments:</i>			
Group share of net diluted earnings		36,900,000	211,300,000
Group share of net earnings from discontinued activities		-	-
<i>Impact of diluting instruments:</i>			
Group share of net diluted earnings from discontinued activities		-	-
Group share of net earnings from continued activities		36,900,000	211,300,000
<i>Impact of diluting instruments:</i>			
Group share of net diluted earnings from continued activities		36,900,000	211,300,000
Number of shares used for calculating earnings per share			
Average number of shares in circulation	(1)	47,004,531	85,601,854
Shares to be provided to redeem BRS		106,110	-
Average number of shares used for the calculation		47,110,641	85,601,854
<i>Impact of diluting instruments</i>		137,952	3,844
Average diluted number of shares in circulation		47,248,593	85,605,698
Earnings per share (in €)			
Group share of net earnings per share		0.78	2.47
Group share of net diluted earnings per share		0.78	2.47
Group share of net earnings per share from discontinued activities		-	-
Group share of net diluted earnings per share from discontinued activities		-	-
Group share of net earnings per share from continued activities		0.78	2.47
Group share of net diluted earnings per share from continued activities		0.78	2.47

Note (1) :

Number of shares as at 31st December 2007 and 31st December 2006	93,619,537	93,619,537
Change in number of shares held (2 new shares for 1 old share)	-	67,120,000
Increase in capital of 22,044,089 shares on 18th April 2006	-	15,521,454
Increase in capital of 3,306,613 shares on 25th April 2006	-	2,264,803
Increase in capital of 1,148,835 shares on 24th May 2006	-	695,597
Exercise of stock options on 4th January 2007	1,300	-
Change in the number of shares held following the merger operations (*) on 30/11/2007 (1 new share for 2 old shares)	46,810,419	-
Increase in capital of 2,487,362 shares on 30th November 2007 following the merger operations (**)	211,255	-
Average number of own shares in circulation	17,143	-
Average number of shares used for the calculation	47,004,531	85,601,854

(*) After taking own shares into account

(**) Transfer of minorities ICADE Foncière des Pimonts (555,547 shares), ICADE EMGP (1,858,607 shares) and ICADE Patrimoine (73,208 shares).

28 COMMITMENTS TO STAFF

VARIATION IN COST OF SERVICES RENDERED AND FAIR VALUE OF HEDGING

(in millions of Euros)		31 December 2007			31 December 2006		
		Commitment hedged	Commitment not hedged	Total	Commitment hedged	Commitment not hedged	Total
Opening actuarial debt	(1)	37.2	-	37.2	38.4	-	38.4
Impact of change in cost of services to be amortised regime		(13.8)	-	(13.8)	-	-	
Impact of changes in consolidation and other movements	(2)	(0.1)	-	(0.1)	0.1	-	0.1
Cost of services rendered during the year	(a)	1.9	-	1.9	3.1	-	3.1
Financial cost for the year	(a)	0.8	-	0.8	1.2	-	1.2
Cost of past services recognised	(a)	(1.2)	-	(1.2)	0.1	-	0.1
Cost for the period	$\Sigma(a)$	1.5	-	1.5	4.4	-	4.4
Services paid for	(3)	(2.9)	-	(2.9)	(2.2)	-	(2.2)
Actuarial (gains) losses for the year	(4)	(4.0)	-	(4.0)	(3.5)	-	(3.5)
Cost of past services recognised	(5)	1.2	-	1.2	-	-	-
Closing actuarial debt	(A) = (1) + (2) + $\Sigma(a)$ + (3) + (4) + (5)	19.1	-	19.1	37.2	-	37.2
Value of hedging assets							
Opening fair value of hedging assets	(6)	3.2	-	3.2	2.7	-	2.7
Impact of changes to consolidation and other movements	(7)	-	-	-	-	-	-
Impact of capping hedging assets recognised		-	-	-	-	-	-
Amount of charges to be repaid recorded separately under assets		-	-	-	-	-	-
Return on assets	(b)	(0.1)	-	(0.1)	0.1	-	0.1
Contributions	(b)	-	-	-	-	-	-
Services provided	(b)	-	-	-	(0.1)	-	(0.1)
Actuarial (gains) losses for the year	(b)	-	-	-	0.5	-	0.5
Closing fair value of hedging assets	(B) = $\Sigma(b)$ + (6) + (7)	3.1	-	3.1	3.2	-	3.2

AMOUNTS RECOGNISED ON THE BALANCE SHEET AND INCOME STATEMENT

(in millions of Euros)	31 December 2007			31 December 2006		
	Commitment hedged	Commitment not hedged	Total	Commitment hedged	Commitment not hedged	Total
Closing actuarial debt	19.1	-	19.1	37.2	-	37.2
Fair value of hedging assets	(3.1)	-	(3.1)	(3.2)	-	(3.2)
	16.0	-	16.0	34.0	-	34.0
Cost of past services recognised	(0.4)	-	(0.4)	(0.5)	-	(0.5)
Cost of services render not recognised still to be spread	12.6	-	12.6	-	-	-
Liabilities recognised on the balance sheet	28.2	-	28.2	33.5	-	33.5
Cost of services rendered during the year	1.9	-	1.9	3.1	-	3.1
Financial cost for the year	0.8	-	0.8	1.2	-	1.2
Return on assets	0.1	-	0.1	(0.1)	-	(0.1)
Actuarial (gains) losses for the year	(4.0)	-	(4.0)	(4.0)	-	(4.0)
Cost of past services recognised	(1.2)	-	(1.2)	0.1	-	0.1
Impact of reduction or liquidation of scheme	-	-	-	-	-	-
Charge recognised on the income statement	(2.4)	-	(2.4)	0.3	-	0.3

VARIATION IN NET LIABILITIES RECOGNISED ON THE BALANCE SHEET

(in millions of Euros)	31 December 2007			31 December 2006		
	Commitment hedged	Commitment not hedged	Total	Commitment hedged	Commitment not hedged	Total
Opening net liabilities	33.4		33.4	35.1		35.1
Impact of changes to the consolidation and other movements	0.1		0.1	0.2		0.2
Charge recognised on the income statement	(2.4)		(2.4)	0.3		0.3
Services paid for	(2.9)		(2.9)	(2.2)		(2.2)
Contributions paid						
Closing net liabilities	28.2		28.2	33.4		33.4

Law 2006-1640 of 21st December 2006 on financing social security for 2007 restricts retirement management possibilities, Article 106 referring to the possibilities offered by the "Fillon Law" with regard to retiring before the age of 65.

Law 2006-1640, having amended the institutional framework by changing the conditions for exercising the rights resulting from pension schemes as well as taking into account the Social Security financing law for 2008, resulted in ICADE re-assessing retirement benefits on the basis of changes to existing plans and new actuarial assumptions.

These new provisions can be analysed as a change in post employment benefits with effect from 1st January 2007.

The impact of changes in assumptions is considered as a cost of past services to be spread over the residual life of the acquisition rights, as IAS 19 does not make any provision for accounting treatment in the case of legislative or regulatory reforms having an impact on pre-existing schemes. Spreading the financial impact generated by these new assumptions corresponds to costs of past services charged to pre-existing stock as at 31st December 2006.

The positive impact of the application of the Fillon Law for 2007 amounts to 1.2 million Euros.

The cost of services rendered not recognised still to be spread, related to the change of scheme, comes to 12.6 million Euros as at 31st December 2007.

The following actuarial assumptions were used:

- discount rate : 3.7% at 31st December 2006, and 4.4% at 31st December 2007
- male/female mortality tables : TH 00-02 and TF 00-02
- inflation rate : 2%
- retirement age from 2008 : 62 for employed categories and employees, technicians and foremen and 64 for managers.

Wage increases and staff turnover rates are defined by business, occupational category and age range. Social security and tax rates on salaries are defined by job and occupational category. Pension payments are valued according to the probable determination method.

Moreover, the Group recognises long-term commitments in the form of long-service bonuses and “jubilee” payments.

(in millions of Euros)	31/12/2007	31/12/2006
Long-service bonuses and “jubilee” payments	2.4	2.3
Long term benefits	2.4	2.3

Finally, in the light of current decisions taken by management, end of employment related benefits affecting the Group’s employees (excluding related parties, see note 32) are not covered by any provision.

(in millions of Euros)	31/12/2007	31/12/2006
Compensation for termination of employment contract, if any	2.2	5.9
Total not recognised	2.2	5.9

➤ **Company savings plan : treatment of discount**

At its meeting of 27th March 2006, the Board of Directors of ICADE decided to carry out two employee savings scheme operations, one with and one without leverage. The reference price used for both operations was the opening price of the ICADE share, 27.90 Euros, on 12th April 2006, the date on which the Group was first listed. The increase in capital for this operation was carried out at an issue price 20% lower than the reference price.

The notional cost of non-transferability of securities subscribed for, expressed as a percentage of the spot price of the securities on the date of granting, is 10.46% in the non-leveraged scheme. It is determined by taking into account a borrow rate of 4.20% that the company would have obtained on the flotation date for a five year loan repayable in fine, calculated on the basis of a 3.80% five year swap and a margin of 0.40%. The forward selling price of the securities is determined by using a valuation model based on market parameters. The cost of non-transferability in the leveraged scheme is determined by reference to a dividend value estimated according to the average price of European at the money calls and five year maturity.

The benefit given to employees under this operation was recorded under personnel charges as at 31st December 2006 at 1.8 million Euros in respect of the non-leveraged scheme and 1.4 million Euros in respect of the leveraged scheme.

29 STAFFING

	Executives Average levels		Non-executives Average levels		Total staff Average levels	
	31/12/07	31/12/06	31/12/07	31/12/06	31/12/07	31/12/06
Housing	136	160	442	491	578	651
Commercial and offices	33	33	13	14	45	48
Healthcare and public amenities	5	3	1	1	6	4
PROPERTY INVESTMENT	174	196	455	506	629	702
Housing	180	144	191	152	371	296
Commercial and offices	39	24	11	7	51	31
Healthcare and public amenities	221		125		346	
PROPERTY DEVELOPMENT	440	169	328	159	768	327
Housing	305	327	597	603	902	930
Commercial and offices	353	418	597	542	950	960
Healthcare and public amenities	35	276	15	151	50	427
SERVICES	693	1,020	1,209	1,296	1,902	2,317
OTHER	174	150	44	34	219	185
Total staff	1,481	1,536	2,037	1,995	3,518	3,531

Staff changes between the “Housing Development” and “Housing Services” businesses can be explained by classifying ICADE G3A wholly under the “Development” business in 2007 ; in 2006, part of the company’s business was classified under “Services”.

30 DESCRIPTION OF CURRENT STOCK-OPTION PLANS

The Ordinary and Extraordinary General Meeting of Shareholders of 6th March 2006 authorised the Board of Directors, within the framework of Article L 127-177 and following of the Commercial Code, to offer all or some of the eligible salaried staff as well as all or some of the eligible corporate officers, subscription and/or purchase options on the shares of the company or companies in the Group which are affiliated to it in accordance with the conditions laid down in Article L 225-180 of the Commercial Code.

STOCK OPTION PLANS GRANTED IN 2006

➤ Description of plans granted in 2006

	Plan 1			Plan 2
Date granted	29/06/2006			29/06/2006
Date of amendment of non-market related performance conditions	14/12/2006			Not applicable
Number of options granted	430,240			816,650
Adjustments (**)	3,393			5,937
Cancellations	45,666			97,789
Number of options exercised	-			1,300
Number of options at end of period (*)	387,967			723,498
Potential number of shares (1)	193,983			361,749
Number of beneficiaries	25			336
Acquisition period	3.8 years			4 years
Exercise price (**)	31.72 €			31.72 €
Life of the plans	6 years			6 years
Acquisition conditions other than 4 years service	40% of options with no performance conditions	30% of options with market performance conditions	30% of options with non-market related performance conditions	No performance conditions

(1) : after conversion into ICADE EMGP, renamed ICADE, options and application of the merger parity (1 one new share for 2 old shares)

(*) of which 115,608 subscription options granted to affiliated parties.

(**) : the Board of Directors of ICADE, decided on 31st August 2007, following the distribution of reserves and premiums:

- to reduce the exercise price of the "1-2006" and "2-2006" Plans, originally set at 31.98 Euros, by 0.26 Euros to 31.72 Euros ;

- to adjust the number of shares under options that could be subscribed for within the framework of the "1-2006" and "2-2006" Plans and to increase them by 3,469 and 6,003 new options respectively, i.e. 0.008 of a new subscription option for one subscription option originally granted within the framework of 2006 Plan, the balance corresponding to the calculation of fractions.

Performance conditions relating to Plan 1 :

In addition to a four years service condition from the date of granting, a maximum of 60% of the options will be acquired subject to achieving certain objectives.

The acquisition of half of these conditional options (60% of the total options) is related to the realisation of market performance conditions:

- 7.5% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2006, 31st December 2007, 31st December 2008 and 31st December 2009 is 1.075 times the flotation price or more : this condition has been achieved.
- 15% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2007, 31st December 2008 and 31st December 2009 is 1.15 times the flotation price or more : this condition has been achieved.
- 22.5% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2008 and 31st December 2009 is 1.225 times the flotation price or more.
- 30% of the options will be acquired if the annual reference price, calculated in respect of the year ending 31st December 2009 is 1.30 times the flotation price or more.

The acquisition of the other half of these conditional options (60% of the total options) is related to the realisation of non-market related performance conditions:

The non-market related performance conditions, which were initially dependent on gross operating income (EBIT), are now dependent on the NPGS rate by a decision of the Board of Directors' meeting of 14th December 2006 in order to take better account of the impact that certain growth operations could have.

- 7.5% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2006, 31st December 2007, 31st December 2008 and 31st December 2009 is 6.30% or more : this condition has been achieved.
- 15% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2007, 31st December 2008 and 31st December 2009 is 6.60% or more : this condition was not achieved in 2007 due to the exit tax charge of 228.6 million Euros.
- 22.5% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2008 and 31st December 2009 is 6.90% or more.
- 30% of the options will be acquired if the annual NPGS rate, calculated in respect of the year ending 31st December 2009 is 7.20% or more.

"Annual NPGS rate" :

means, in respect of each financial year under consideration, the ratio, expressed as a percentage, between (i) the Company's Net Profit Group Share as shown in the consolidated accounts and certified by the latter in respect of the year in question and (ii) the Company's consolidated earnings as shown in the consolidated accounts and certified by the latter in respect of the year in question.

➤ **Movements observed in the 2006 stock option plans**

To date, all the options are subscription options and the company has not acquired any shares with a view to allocating them to its employees within the framework of these plans.

➤ **Valuation methodology: fair value of 2006 stock options**

	Plan 1	Plan 2
Average weighted fair value of the option	8.57 €	8.70 €
Probability of service	94.2%	83.1%
Risk free interest rate	3.93%	3.93%
Expected volatility	20%	20%
Expected dividend rate	1.32%	1.32%
Price of underlying stock	33.45 €	33.45 €
Exercise price	31.72 €	31.72 €
Model used	Trinomial	Trinomial

The valuation model used is a trinomial model enabling market conditions, such as achieving a certain level of Annual Reference Price, to be included.

With regard to the options with performance conditions related to the Net Profit Group Share (NPGS), an achievement probability in the region of 94% has been used. This probability will be adjusted before the end of the acquisition period at the latest according to the annual NPGS rates observed and Group expectations.

In view of an inadequate price history, the volatility used is an index constructed from the historical volatilities of comparable companies by type of business.

As at 31st December 2007 and 31st December 2006, the impact on charges of stock options granted in 2006 amounts to 2.0 million Euros and 1.2 million Euros respectively, of which 0.1 million Euros and 0.3 million Euros in respect of affiliated parties.

STOCK OPTION PLANS GRANTED IN 2007

Within the framework of the delegation received from the Ordinary and Extraordinary General Meeting of Shareholders of 6th March 2006, on 14th December 2006, the Board of Directors decided the terms of two new option plans which were granted on 8th January 2007.

➤ **Description of plans granted in 2007**

	Plan 1			Plan 2
Date granted		29/06/2006		29/06/2006
Date of amendment of non-market related performance conditions		08/01/2007		08/01/2007
Number of options granted		456,000		188,000
Adjustments (**)		3,600		1,448
Cancellations		52,368		7,000
Number of options exercised		-		-
Number of options at end of period (*)		407,232		182,448
Potential number of shares (1)		23		67
Number of beneficiaries		203,616		91,224
Acquisition period		4 years		4 years
Exercise price (**)		47.31 €		47.31 €
Life of the plans		6 years		6 years
Acquisition conditions other than 4 years service	40% of options with no performance conditions	30% of options with market performance conditions	30% of options with non-market related performance conditions	No performance conditions

(1) : after conversion into ICADE EMGP, renamed ICADE, options and application of the merger parity (1 one new share for 2 old shares)

(*) of which 129,024 subscription options granted to affiliated parties.

(**) : the Board of Directors of ICADE, decided on 31st August 2007, following the distribution of reserves and premiums:

- to reduce the exercise price of the “1-2007” and “2-2007” Plans, originally set at 47.70 Euros, by 0.39 Euros to 47.31 Euros ;

- to adjust the number of shares under options that could be subscribed for within the framework of the “1-2007” and “2-2007” Plans and to increase them by 3,710 and 1,493 new options respectively, i.e. 0.008 of a new subscription option for one subscription option originally granted within the framework of 2007 Plan, the balance corresponding to the calculation of fractions.

Performance conditions relating to Plan 1 :

In addition to a four year service conditions from the date of granting, a maximum of 60% of the options will be acquired subject to achieving certain objectives.

The acquisition of half of these conditional options (60% of the total options) is related to the realisation of market performance conditions:

- 7.5% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2007, 31st December 2008, 31st December 2009 and 31st December 2010 is 1.115 times the flotation price or more : this condition has been achieved.
- 15% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2008, 31st December 2009 and 31st December 2010 is 1.225 times the flotation price or more.
- 22.5% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2009 and 31st December 2010 is 1.30 times the flotation price or more.
- 30% of the options will be acquired if the annual reference price, calculated in respect of the year ending 31st December 2010 is 1.375 times the flotation price or more.

The acquisition of the other half of these conditional options (60% of the total options) is related to the realisation of non-market related performance conditions:

- 7.5% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2007, 31st December 2008, 31st December 2009 and 31st December 2010 is 6.60% or more : this condition was not achieved in 2007 due to the exit tax charge of 228.6 million Euros.

- 15% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2008, 31st December 2009 and 31st December 2010 is 6.90% or more.
- 22.5% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2009 and 31st December 2010 is 7.20% or more.
- 30% of the options will be acquired if the annual NPGS rate, calculated in respect of the year ending 31st December 2010 is 7.50% or more.

"Annual NPGS rate" :	<i>Means, in respect of each financial year under consideration, the ratio, expressed as a percentage, between (i) the Company's Net Profit Group Share as shown in the consolidated accounts and certified by the latter in respect of the year in question and (ii) the Company's consolidated earnings as shown in the consolidated accounts and certified by the latter in respect of the year in question.</i>
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➤ **Movements observed in the 2007 stock option plans**

To date, all the options are subscription options and the company has not acquired any shares with a view to allocating them to its employees within the framework of these plans.

➤ **Valuation methodology : fair value of 2007 stock options**

	Plan 1	Plan 2
Average weighted fair value of the option	12.81 €	12.81 €
Probability of service	94.10%	78.02%
Risk free interest rate	3.95%	3.95%
Expected volatility	20%	20%
Expected dividend rate	1.32%	1.32%
Price of underlying stock	49.61 €	49.61 €
Exercise price	47.31 €	47.31 €
Model used	Trinomial	Trinomial

The valuation model used is a trinomial model enabling market conditions, such as achieving a certain level of Annual Reference Price, to be included.

With regard to the options with performance conditions related to the Net Profit Group Share (NPGS), an achievement probability in the region of 90% has been used. This probability will be adjusted before the end of the acquisition period at the latest according to the annual NPGS rates observed and Group expectations.

In view of an inadequate price history, the volatility used is an index constructed from the historical volatilities of comparable companies by type of business.

As at 31st December 2007, the impact of stock options awarded in 2007 on charges amounts to 1.6 million Euros, of which 0.4 million Euros in respect of affiliated parties. As at 31st December 2006, no impact from stock options granted in 2007 has been recognised.

STOCK OPTION PLANS GRANTED IN 2008

Within the framework of the delegation received from the Ordinary and Extraordinary General Meeting of Shareholders of 30th November 2007, on 30th November 2007, the Board of Directors decided the terms of a new option plan which was granted on 3rd January 2008.

➤ **Description of the plan granted in 2008**

Date granted		03/01/2008	
Maximum number of shares that can be subscribed for in the event of all options being awarded and exercised		775,901(*) and 517,267 per year	
Number of options granted (**)		54,500	
Cancellations			
Number of options exercised		-	
Potential number of shares			
Number of beneficiaries		2	
Acquisition period		4 years	
Exercise price		103.01 €	
Life of the plans		6 years	
Acquisition conditions other than 4 years service	40% of options with no performance conditions	30% of options with market performance conditions	30% of options with non-market related performance conditions

(*) : The General Meeting of 30th November 2007 decided that the number of options granted cannot provide entitlement to a total number of shares representing a nominal increase in capital exceeding 1.5% of the diluted capital as at 30th November 2007 during the period of this authorisation (i.e. 38 months) and 1% of the diluted capital as at 30th November per financial year.

(**) : Of which 54,500 subscription options allocated to affiliated parties.

Performance conditions relating to Plan 1:

In addition to a four year service conditions from the date of granting, a maximum of 60% of the options will be acquired subject to achieving certain objectives.

The acquisition of half of these conditional options (60% of the total options) is related to the realisation of market performance conditions:

- 7.5% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2008, 31st December 2009, 31st December 2010 and 31st December 2011 is 1.225 times the flotation price or more.
- 15% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2009, 31st December 2010 and 31st December 2011 is 1.30 times the flotation price or more.
- 22.5% of the options will be acquired if the annual reference price, calculated in respect of any of the years ending 31st December 2010 and 31st December 2011 is 1.375 times the flotation price or more.
- 30% of the options will be acquired if the annual reference price, calculated in respect of the year ending 31st December 2010 is 1.45 times the flotation price or more.

The acquisition of the other half of these conditional options (60% of the total options) is related to the realisation of non-market related performance conditions:

- 7.5% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2008, 31st December 2009, 31st December 2010 and 31st December 2011 is 6.90% or more.
- 15% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2008, 31st December 2009, 31st December 2010 and 31st December 2011 is 7.20% or more.
- 22.5% of the options will be acquired if the annual NPGS rate, calculated in respect of any of the years ending 31st December 2010 and 31st December 2011 is 7.50% or more.
- 30% of the options will be acquired if the annual NPGS rate, calculated in respect of the year ending 31st December 2011 is 7.80% or more.

"Annual NPGS rate" :

Means, in respect of each financial year under consideration, the ratio, expressed as a percentage, between (i) the Company's Net Profit Group Share as shown in the consolidated accounts and certified by the latter in respect of the year in question and (ii) the Company's consolidated earnings as shown in the consolidated accounts and certified by the latter in respect of the year in question.

➤ **Movements observed in the 2008 stock option plans**

To date, all the options are subscription options and the company has not acquired any shares with a view to allocating them to its employees within the framework of this plan.

➤ **Valuation methodology : fair value of 2008 stock options**

	Plan 1
Average weighted fair value of the option	35.75 €
Probability of service	73.2%
Risk free interest rate	4.00%
Expected volatility	40%
Expected dividend rate	3.19%
Price of underlying stock	105.00 €
Exercise price	103.01 €
Model used	Trinomial

The valuation model used is a trinomial model enabling market conditions, such as achieving a certain level of Annual Reference Price, to be included.

With regard to the options with performance conditions related to the Net Profit Group Share (NPGS), an achievement probability in the region of 98% has been used. This probability will be adjusted before the end of the acquisition period at the latest according to the annual NPGS rates observed and Group expectations.

The volatility used is an index constructed from the historical volatility of the price of ICADE shares restated for the post-flotation period.

As at 31st December 2007, no impact from stock options granted in 2008 has been recognised.

31 OFF BALANCE SHEET COMMITMENTS

(in millions of Euros)	31/12/2007	31/12/2006
Commitments received		
Sureties and guarantees received	71.9	77.6
Unused credit facilities	355.9	186.7
Pledged securities	-	18.4
Liability guarantees	15.6	24.6
Other commitments received	20.3	44.0
Total asset commitments	463.7	351.3
Commitments made		
Pledged securities	43.9	20.8
Sureties and guarantees given	75.8	62.9
Commitments on property reservations	412.5	262.4
Liability guarantees granted	37.8	88.1
Asset acquisition commitments	-	68.2
Other commitments made	25.2	93.5
Total liability commitments	595.2	595.9

Reciprocal off balance sheet commitments in respect of the purchase of property reserves amounted to 309.5 million Euros as at 31st December 2007.

OFF BALANCE SHEET COMMITMENTS BY MATURITY

(in millions of Euros)	31/12/07	Portion at less than 1 year	Portion at 1 to 5 years	Portion at more than 5 years
Commitments received	463.7	189.9	161.6	112.2
Commitments made	595.2	440.9	105.0	49.3

32 AFFILIATED PARTIES

BENEFITS TO DIRECTORS, THE MANAGEMENT COMMITTEE AND THE EXECUTIVE COMMITTEE

(in millions of Euros)	31/12/2007	31/12/2006
Short term benefits (salaries, bonuses, etc...) (*)	6.4	2.9
Post-employment benefits (*)	0.6	0.5
Long term benefits (*)	0.0	-
Share based payments	0.4	0.5
Benefits recognised	7.4	3.9
Compensation for termination of employment contract	2.1	1.5
Total not recognised	2.1	1.5
TOTAL	9.5	5.4

(*) Figures include employer's charges

The figures shown relate to directors, members of the Management Committee before the merger and members of the Executive Committee. The Executive Committee replaced the Management Committee and the general managements of listed subsidiaries during the course of 2007. The Executive Committee is the body which influences Group strategy.

The share subscription options granted to affiliated parties are detailed in § 30.

RELATIONS WITH AFFILIATED PARTIES

(in millions of Euros)	31/12/2007	31/12/2006
	Parent company	Parent company
Value of transactions		3.8
Related receivables	0.4	33.7
Related payables	16.5	162.3
Guarantees given		37.2
Guarantees received		5.0
Other commitments received		3.2

33 SECTOR REPORT

REPORT BY BUSINESS SECTOR

Following the change in internal organisation at the initiative of the new management, 2006 data was restated accordingly so as to have data comparable with that of 2007.

Furthermore, the business of ICADE G3A partially classified under "Services" in 2006, was reclassified to fall totally under "Development" in 2007; with regard to 2006 data, the business of ICADE G3A has therefore been reclassified under "Development" in order to be consistent with 2007 data.

in millions of Euros)	31/12/2007						PROPERTY DEVELOPMENT					SERVICES					OTHER		
	PROPERTY INVESTMENT						Housing	Commercial	Healthcare and public amenities	Property development internal eliminations	Sub-total	Housing	Commercial	Healthcare and public amenities	Services internal eliminations	Sub-total	Sub-total	Inter-sector internal eliminations	TOTAL
Income statement																			
CONSOLIDATED EARNINGS	201.0	70.0	71.7	16.0	(0.3)	358.4	641.8	155.1	178.3	(0.2)	975.0	96.8	133.5	9.4	(1.9)	237.8	2.3	(91.7)	1,481.8
- inter-business sales (Group)	2.0		0.1	0.2	0.3	2.6	16.6	11.4	6.9	0.2	35.1	0.7	7.0		1.9	9.6		91.7	139.0
- total sales including inter-business sales (Group)	203.0	70.0	71.8	16.2	-	361.0	658.4	166.5	185.2	-	1,010.1	97.5	140.5	9.4	-	247.4	2.3	-	1,620.8
GOI	88.8	53.7	60.7	12.7		215.9	79.3	16.9	8.1		104.3	6.0	7.7	0.8	-	14.5	(29.7)	(14.1)	290.9
- Impairment on assets	4.7	0.8	0.5	0.3		6.3	(3.3)	(1.3)	(0.3)		(4.9)	(0.3)	(0.5)	(0.5)		(1.3)			0.1
- Reversal of impairment on assets	5.8	1.0	0.5			7.3	1.0	0.6	1.0		2.6	0.4	0.8	0.6		1.8			11.7
- Profit/loss from disposals	140.7		4.0			144.7	0.8				0.8	(0.1)	0.5			0.4	(4.2)	(2.4)	139.3
Operating profit/loss of which share in affiliated companies	198.1	25.8	46.5	11.6		282.0	69.5	16.3	8.0		93.8	4.7	6.8	0.9		12.4	(38.1)	(16.5)	333.6 0.3
BALANCE SHEET																			
Sector assets	531.7	936.0	1 392.0	333.9		3,193.6	636.0	72.1	297.3		1,005.4	172.8	135.1	8.1	(1.7)	314.3	68.5	(71.4)	4,510.4
Sector liabilities	120.9	33.1	17.1	3.8		174.9	347.1	139.9	318.0		805.0	151.7	106.1	7.8	(1.7)	263.9	47.8	(50.0)	1,241.6
Holdings in affiliated companies							(0.1)				(0.1)								(0.1)
CASH FLOW																			
Net appropriations for the year	28.7	26.5	17.9	1.4		74.5	10.4	(1.0)	1.4		10.8	0.7	(0.8)	(0.3)		(0.4)			91.1
Tangible and intangible investments and investment properties	(92.4)	(87.7)	(413.7)	(61.5)		(655.3)	(5.3)	(0.3)	(1.2)		(6.8)	(3.1)	(0.8)		(1.3)	(5.2)	(12.0)	32.4	(646.9)
Disposal of tangible and intangible assets and investment properties	166.7		0.9			167.6						(1.2)	0.1		1.3	0.2			167.8

in millions of Euros)	31/12/2006																		
	PROPERTY INVESTMENT						PROPERTY DEVELOPMENT					SERVICES					OTHER		
	Housing	Business parks	Offices	Healthcare and public amenities	Property investment internal eliminations	Sub-total	Housing	Commercial	Healthcare and public amenities	Property development internal eliminations	Sub-total	Housing	Commercial	Healthcare and public amenities	Service internal eliminations	Sub-total	Sub-total	Inter-sector internal eliminations	TOTAL
Income statement																			
CONSOLIDATED EARNINGS	203.4	62.88	57.5	3.9	327.6	553.3	126.0	111.5		790.8	91.2	113.9	9.6	-	214.7	3.5	(9.4)	1,327.2	
- inter-business sales (Group)																(38.8)	(6.5)	(45.3)	
- total sales including inter-business sales (Group)	203.4	62.8	57.5	3.9	327.6	553.3	126.0	111.5		790.8	91.2	113.9	9.6		214.7	42.3	(2.9)	1,372.5	
GOI	75.6	50.0	50.6	3.1	179.3	69.2	16.0	5.1		90.3	0.7	2.8	0.6		4.1	(9.7)	(1.7)	262.3	
- Impairment on assets	(4.2)	(1.0)	(0.2)		(5.4)	(3.0)		(0.9)		(3.9)	(0.3)	(0.4)	(0.4)		(1.1)			(10.4)	
- Reversal of impairment on assets	16.6	2.1			18.7	3.1	0.4	0.3		3.8	0.7	0.2	0.6		1.5			24.0	
- Profit/loss from disposals	36.4	(1.7)	93.4		128.1						(0.3)	0.6			0.3	(0.4)	(3.0)	125.0	
Operating profit/loss	87.3	24.8	129.4	3.1	244.6	68.5	16.4	3.7		88.6	(0.2)	1.7	0.8		2.3	(11.4)	(4.6)	319.5	
of which share in affiliated companies						(0.3)				(0.3)								(0.3)	
BALANCE SHEET																			
Sector assets	479.4	859.9	879.3	192.7	2,411.3	462.3	99.2	294.1		855.6	155.6	124.5	6.5		286.6	49.0	(4.6)	3,597.9	
Sector liabilities	117.3	25.8	37.6	20.9	201.6	292.5	86.6	299.5		678.6	138.5	101.8	7.8		248.1	19.0		1,147.3	
Holdings in affiliated companies																			
CASH FLOW																			
Net appropriations for the year	16.6	22.8	15.9	0.2	55.5	(1.1)	0.7	2.0		1.6	1.2	1.3	0.1		2.6	(6.4)		53.3	
Tangible and intangible investments and investment properties	51.7	67.1	46.8	4.2	169.8	0.5		0.4		0.9	2.3	1.5			3.8	40.4	(43.4)	171.5	
Disposal of tangible and intangible assets and investment properties	(53.1)				(53.1)						(3.2)	3.0			(0.2)	0.1		(53.2)	

RECONCILIATION OF INDICATORS WITH THE FINANCIAL STATEMENTS

<i>(in millions of Euros)</i>	31/12/2007	31/12/2006
Sector assets		
Goodwill	140.7	131.9
Intangible assets	46.6	7.5
Tangible assets	243.2	112.7
Investment properties	2,549.5	1,939.1
Stocks & work in progress	345.8	250.1
Trade debtors and related accounts	370.6	322.2
Amounts owed by customers (building contracts and off-plan sales)	124.6	195.6
Miscellaneous receivables	689.4	638.8
Total sector assets	4,510.4	3,597.9
Other non-sector assets	864.0	896.4
TOTAL ASSETS	5,374.4	4,494.3
Sector liabilities		
Provisions (current and non-current)	95.8	99.7
Amounts owed to customers (building contracts and off-plan sales)	81.6	17.8
Trade creditors and related accounts	433.3	367.6
Miscellaneous payables	630.9	662.2
Total sector liabilities	1,241.6	1,147.3
Other non-sector liabilities	4,132.8	3,347.0
TOTAL LIABILITIES	5,374.4	4,494.3

INFORMATION BY GEOGRAPHIC AREA

<i>(in millions of Euros)</i>	France		Europe	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Sector assets	4,179.9	3,265.5	330.5	332.4
Sector liabilities	1,223.7	1,117.9	17.9	29.4
Tangible and intangible investments and investment properties	664.9	170.1	4.3	1.4

34 EVENTS SUBSEQUENT TO THE CLOSE

➤ Takeover of Immobilière Mr. Bricolage

Following the acquisition of an additional 63% of the capital of Immobilière Mr. Bricolage on 1st January 2008 for 40.8 million Euros excluding charges and the conversion of BRS in the company, ICADE holds 95% of the capital of Immobilière Mr. Bricolage and the company will be fully consolidated with effect from 1st January 2008.

35 INTERESTS IN JOINT VENTURES

(in millions of Euros)	31 December 2007				
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Capital and reserves
Property investment companies	116.5	124.2	73.3	209.6	(42.2)
Property development companies	7.9	307.7	25.0	273.7	18.3
Other companies	127.5	13.2	124.4	22.4	(7.9)

(in millions of Euros)	31 December 2006				
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Capital and reserves
Property investment companies	510.0	29.2	59.0	286.9	193.4
Property development companies	130.5	217.1	17.7	312.6	17.3
Other companies	22.9	20.8	15.7	20.8	7.1

(in millions of Euros)	31/12/2007		31/12/2006	
	Income	Charges	Income	Charges
Property investment companies	41.6	(20.5)	44.4	(35.5)
Property development companies	266.8	(255.4)	203.8	(185.9)
Other companies	37.2	(44.5)	25.8	(23.6)

COMMITMENTS IN THE CAPITAL OF JOINT VENTURES

(in millions of Euros)	31 December 2007			31 December 2006		
	Average % interest	Share capital	ICADE's capital commitment	Average % interest	Share capital	ICADE's capital commitment
Property investment companies	33.09%	99.3	32.9	33.33%	56.6	18.9
Property development companies	50.30%	0.2	-	30.31%	7.6	2.3
Other companies	30.10%	7.5	2.3	23.20%	3.1	0.7

POSSIBLE LIABILITIES IN JOINT VENTURES

(in millions of Euros)	31 December 2007			31 December 2006		
	Possible liabilities incurred by ICADE in respect of its interests in joint ventures	ICADE's quota share of liability in possible liabilities of joint ventures	Possible liabilities related to ICADE's liability in liabilities of other joint ventures	Possible liabilities incurred by ICADE in respect of its interests in joint ventures	ICADE's quota share of liability in possible liabilities of joint ventures	Possible liabilities related to ICADE's liability in liabilities of other joint ventures
Property investment companies		14.5	180.1			230.6
Property development companies		4.9	119.6			193.6
Other companies			147.2			22.2

36 SECURITIES ACCOUNTED FOR BY THE EQUITY METHOD

(in millions of Euros)	31 December 2007		
	Gross	Impairment	Net
Share in net assets of companies consolidated by the equity method as at 31/12/2006	(0.3)		(0.3)
Share in profit/loss for the year	0.3		0.3
Dividends paid			
Impact of changes in the consolidation	(0.1)		(0.1)
Other movements			
Share in net assets of companies consolidated by the equity method as at 31/12/07	(0.1)		(0.1)

37 COMPANIES IN THE CONSOLIDATION

Company name	Legal form	SIREN	Post Code	Location	31/12/2007			2006
					% direct holding	% interest	Consol. method	% interest
ICADE	SA	542 040 092	75019	PARIS	100.00	100.00	FC	100.00
ICADE FONCIER DEVELOPPEMENT	SNC	488 710 922	75019	PARIS	100.00	100.00	FC	100.00
PARIS NORD EST	SAS	477 944 292	75019	PARIS	30.00	30.00	PC	30.00
ICADE 2	SAS	450 539 234	75019	PARIS	100.00	100.00	FC	100.00
PROPERTY INVESTMENT								
HOUSING								
Icade Commerces SAS	SAS	440 544 112	75019	PARIS	100.00	100.00	FC	99.57
Société Anonyme pour la Construction de Logements Economiques (SACLE)	SAS				-	-	-	100.00
<u>Rental property companies</u>								
BAS LONGCHAMPS	SCI	383 890 936	75019	PARIS	100.00	100.00	FC	99.90
DE NORMANDIE	SCI	784 298 945	75019	PARIS	-	-	-	100.00
DU RHONE	SCI	330 297 169	75019	PARIS	100.00	100.00	FC	100.00
EPINAY SUR SEINE	SCI	784 299 141	75019	PARIS	100.00	100.00	FC	96.52
NOCAZE	SCI	784 298 036	75019	PARIS	-	-	-	100.00
NOROISE (LA)	SCI	329 243 471	75019	PARIS	-	-	-	100.00
PAYS DE LOIRE	SCI	786 148 452	75019	PARIS	100.00	100.00	FC	100.00
RILLIEUX CREPIEUX	SCI	309 516 417	75019	PARIS	-	-	-	100.00
SAINT ETIENNE DU ROUVRAY	SCI	784 298 879	75019	PARIS	100.00	100.00	FC	100.00
SARCELLES	SCI	784 299 208	75019	PARIS	100.00	100.00	FC	94.90
SCIC RESIDENCES	SCI	394 581 284	75019	PARIS	100.00	100.00	FC	100.00
SELOGE	SCI	784 299 307	75019	PARIS	100.00	100.00	FC	100.00
VENISSIEUX GDES TERRES DES VIGNES	SCI	353 107 485	75019	PARIS	100.00	100.00	FC	100.00
BUSINESS PARKS								
68 VICTOR HUGO	SCI	432 314 847	93200	SAINT DENIS	100.00	100.00	FC	82.67
BASSIN NORD	SCI	422 733 402	93214	ST DENIS LA PLAINE	50.00	50.00	PC	41.33
BATI GAUTIER	SCI	343 383 881	93214	ST DENIS LA PLAINE	100.00	100.00	FC	82.67
CFI	SAS	542 087 119	93214	ST DENIS LA PLAINE	100.00	100.00	FC	82.67
PARC DU MILLENAIRE	SNC	414 797 324	93214	ST DENIS LA PLAINE	100.00	100.00	FC	82.67
PARC DU MILLENAIRE	SCI	433 734 704	93214	ST DENIS LA PLAINE	100.00	100.00	FC	82.67
PDM 1	SCI	440 421 865	93214	ST DENIS LA PLAINE	100.00	100.00	FC	82.67
PDM 2	SCI	440 422 145	93214	ST DENIS LA PLAINE	100.00	100.00	FC	82.67
PDM 3	SCI	440 423 069	93214	ST DENIS LA PLAINE	100.00	100.00	FC	82.67
SERAEL	SA	722 004 363	75013	PARIS	100.00	99.45	FC	82.21
SEVERINE	SCI	477 984 504	93214	ST DENIS LA PLAINE	60.00	60.00	FC	49.60

Company name	Legal form	SIREN	Post Code	Location	31/12/2007			2006
					% direct holding	% interest	Consol. method	% interest
OFFICES								
1 TERRASSE BELLINI	SCI	430 191 460	75008	PARIS	33.33	33.33	PC	31.58
114 AV DES CHAMPS ELYSEES	SCI	353 518 905	75008	PARIS	100.00	100.00	FC	94.75
31-33 RUE DE MOGADOR	SCI	415 255 488	75008	PARIS	100.00	100.00	FC	94.75
3-5 AVENUE FRIEDLAND	SCI	389 169 616	75008	PARIS	100.00	100.00	FC	94.75
69 BLD HAUSSMANN	SCI	397 520 271	75008	PARIS	100.00	100.00	FC	94.75
CAMILLE DESMOULINS	SCI	424 526 390	75008	PARIS	100.00	100.00	FC	94.75
MESSINE PARTICIPATIONS	SCI	404 314 932	75008	PARIS	100.00	100.00	FC	94.75
MORIZET	SCI	434 038 188	75008	PARIS	100.00	100.00	FC	94.75
TOUR DESCARTES	SAS	411 405 707	75008	PARIS	33.33	33.33	PC	31.58
VILLEJUIF	SCI	490 755 469	75008	PARIS	100.00	100.00	FC	94.75
ICADE RUE DES MARTINETS	SCI	494 550 379	75008	PARIS	100.00	100.00	FC	-
SAS ODYSSEUM	SAS	428 788 525	75116	PARIS	50.00	50.00	PC	-
ICADE TOUR DESCARTES	SAS	498 494 772	75008	PARIS	100.00	100.00	FC	-
HEALTHCARE AND PUBLIC AMENITIES								
CENTRE DES ARCHIVES DIPLOMATIQUES	SCI	492 030 630	92100	BOULOGNE BILLANCOURT	22.00	22.00	PC	22.00
POLICE DE MEAUX	SCI	490 624 590	92100	BOULOGNE BILLANCOURT	100.00	100.00	FC	99.80
SCI DE LA VISION	SCI	482 700 242	92100	BOULOGNE BILLANCOURT	22.00	22.00	PC	22.00
LES TOVETS	SCI	482 019 965	92100	BOULOGNE BILLANCOURT	100.00	100.00	FC	100.00
SCI COMMISSARIAT DE NICE LES MOULINS	SCI	493 995 963	92100	BOULOGNE BILLANCOURT	50.00	50.00	PC	-
SCI BATIMENT SUD DU CENTRE HOSP PONTOISE	SCI	493 399 562	92100	BOULOGNE BILLANCOURT	100.00	100.00	FC	-
SAS BRAU-TAPIE	SAS	318 251 600	75019	PARIS	100.00	100.00	FC	-
SCI 2 RUE ROLAND BUTHIER	SCI	478 918 600	28300	MAINVILLIERS	100.00	100.00	FC	-
SCI DU LARRY	SCI	413 421 645	45160	OLIVET	100.00	100.00	FC	-
SCI BSM DU CHU DE NANCY	SCI	500 655 071	75019	PARIS	100.00	100.00	FC	-
SIIC INVEST								
SIIC INVEST	SA	434 796 587	75008	PARIS	89.65	89.65	FC	-
HC INVESTISSEMENT	SCI	481 389 054	75008	PARIS	100.00	89.65	FC	-
SCI ZEUGMA	SCI	434 781 233	13340	ROGNAC	100.00	89.65	FC	-
SCI XM CLERMONT FERRAND	SCI	483 426 995	75019	PARIS	100.00	89.65	FC	-
PROPERTY INVESTMENT COMPANIES - GERMANY								
ICADE REIT	BV		1079	LH AMSTERDAM	100.00	100.00	FC	100.00
ICADE REIM GERMANY GMBH	GMBH	HRB 103251 B	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM AHRENSDORF GMBH	GMBH	HRB 97395	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM ARNULFSTRASSE MK 8 GMBH	GMBH	HRB 97379	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM ARNULFSTRASSE MK 9 GMBH	GMBH	HRB 97380	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM DACHAUER STRASSE GMBH	GMBH	HRB 97393	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM FRANKENALLEE GMBH	GMBH	HRB 97386	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM FRIESENSTRASSE HAUS 3 GMBH	GMBH	HRB 97387	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM FRIESENSTRASSE HAUS 4 GMBH	GMBH	HRB 97388	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM GOLDSTEINSTRASSE GMBH	GMBH	HRB 97381	20095	HAMBURG	100.00	100.00	FC	100.00

<i>Company name</i>	<i>Legal form</i>	<i>SIREN</i>	Post Code	Location	31/12/2007			2006
					<i>% direct holding</i>	<i>% interest</i>	Consol. method	<i>% interest</i>
ICADE REIM HOHENZOLLERN DAMM GMBH	GMBH	HRB 97391	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM INDUSTRIESTRASSE (PRO 1) GMBH	GMBH	HRB 97382	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM INDUSTRIESTRASSE (PRO 2) GMBH	GMBH	HRB 97383	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM INDUSTRIESTRASSE (PRO 3) GMBH	GMBH	HRB 97384	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM INDUSTRIESTRASSE (PRO 4) GMBH	GMBH	HRB 97385	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM KOCHSTRASSE GMBH	GMBH	HRB 97389	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM MERCEDESSTRASSE GMBH	GMBH	HRB 97396	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM RHINSTRASSE GMBH	GMBH	HRB 97392	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM SALZUFERSTRASSE GMBH	GMBH	HRB 97394	20095	HAMBURG	100.00	100.00	FC	100.00
ICADE REIM TURLLENSTRASSE GMBH	GMBH	HRB 97390	20095	HAMBURG	100.00	100.00	FC	100.00
KABALO Grundstücks-Verwaltungsgesellschaft mbh	GMBH	HRB 18062 P	12529	SCHONEFELD	100.00	100.00	FC	94.90
KABALO Grundstücks-Verwaltungsgesellschaft & Co KG		HRA 3791P	12529	SCHONEFELD	100.00	100.00	FC	99.74

Company name	Legal form	SIREN	Post Code	Location	31/12/2007			2006
					% direct holding	% interest	Consol method	% interest
PROPERTY DEVELOPMENT								
GROUPE ICADE CAPRI								
Breakdown by consolidation method								
ICADE CAPRI (87 co's)		784 606 576	75019	PARIS			FC	
ICADE CAPRI (47 co's)		784 606 576	75019	PARIS			PC	
ICADE CAPRI (11 co's)		784 606 576	75019	PARIS			CEM	
<i>OPERA CONSTRUCTION</i>								
OPERA CONSTRUCTION (75 co's)		315 829 507	67450	MUNDOLSHEIM			FC	
OPERA CONSTRUCTION (31 co's)		315 829 507	67450	MUNDOLSHEIM			PC	
ICADE TERTIAL								
22/24 RUE DE LAGNY	SCI	444 170 575	75008	PARIS	51.00	51.00	PC	51.00
AMENAGEMENT CROIX DE BERNY	SARL	449 159 656	92100	BOULOGNE	62.70	62.70	FC	62.70
ANTONY PARC II	SCI	450 202 874	92100	BOULOGNE	100.00	100.00	FC	100.00
ESPACE MARCEAU	SCI	434 111 282	75008	BILLANCOURT	51.00	51.00	PC	51.00
ICADE TERTIAL	SAS	423 457 589	75019	PARIS	100.00	100.00	FC	100.00
LES PORTES D'ARCUEIL A	SNC	453 191 538	92100	BOULOGNE	100.00	100.00	FC	100.00
LES PORTES D'ARCUEIL B	SNC	453 470 593	92100	BILLANCOURT	100.00	100.00	FC	100.00
LES PORTES D'ARCUEIL C	SNC	453 470 601	92100	BOULOGNE	100.00	100.00	FC	100.00
MONTRouGE CAP SUD	SCI	489 904 284	78140	BILLANCOURT	50.00	50.00	PC	50.00
NERUDA FONTANOTS	SCI	437 616 873	92100	VELIZY VILLACOUBLAY	100.00	100.00	FC	100.00
NICE 400 PROMENADE des ANGLAIS	SCI	441 592 672	92100	BOULOGNE	-	-	-	50.00
ODYSSEUM 2	SCI	423 607 746	34695	BILLANCOURT	77.00	77.00	FC	77.00
PARIS BERTHELOT	SCI	443 428 156	75008	MONTPELLIER CEDEX	50.00	50.00	PC	25.00
PB 31 PROMOTION	SNC	432 015 329	92100	PARIS	50.00	50.00	PC	50.00
PORTES DE CLICHY	SCI	482 494 515	92100	BOULOGNE	50.00	50.00	PC	50.00
TOULOUSE CANCERPOLE	SAS	478 807 845	75008	BILLANCOURT	50.00	50.00	PC	50.00
VILLEJUIF GUIPONS	SCI	483 408 225	92100	PARIS	100.00	100.00	FC	100.00
SCCV SAINT DENIS LANDY 3	SCCV	494 342 827	75784	BOULOGNE	50.00	50.00	PC	
ICADE TERTIAL REGIONS	SAS	492 484 803	75019	BILLANCOURT	100.00	100.00	FC	-
				PARIS				

<i>Company name</i>	<i>Legal form</i>	<i>SIREN</i>	Post Code	Location	31/12/2007			<i>2006</i>
					<i>% direct holding</i>	<i>% interest</i>	Consol method	<i>% interest</i>
ICADE G3A								
ICADE G3A	SASU	339 216 046	75019	PARIS	100.00	100.00	FC	100.00
ICADE G3A PROMOTION	SNC	440 233 682	92100	BOULOGNE BILLANCOURT	100.00	100.00	FC	100.00
FRANCE OUEST PROMOTION	SNC	443 022 199	92100	BOULOGNE BILLANCOURT	100.00	100.00	FC	100.00
ICADE DOCKS DE PARIS	SNC	484 211 693	92100	BOULOGNE BILLANCOURT	100.00	100.00	FC	100.00
ICADLEO	SNC	479 515 783	92100	BOULOGNE BILLANCOURT	66.67	66.67	FC	66.67
LES BUREAUX DE L'ILE DE NANTES	SNC	449 710 946	92100	BOULOGNE BILLANCOURT	100.00	100.00	FC	100.00
NORD PROMOTION	SNC	428 767 891	92100	BOULOGNE BILLANCOURT	-	-	-	100.00
SORIF ICADE LES PORTES D'ESPAGNE	SNC	481 260 107	92100	BOULOGNE BILLANCOURT	50.00	50.00	PC	50.00
SNC ILE SEGUIN 6	SNC	495 177 081	75008	PARIS	50.00	50.00	PC	-
SNC SAMICADE	SNC		97351	MATOURY	50.00	50.00	PC	-

Company name	Legal form	SIREN	Post Code	Location	31/12/2007			2006
					% direct holding	% interest	Consol method	% interest
SERVICES								
SERVICES - SPAIN								
IMSI EUROGEM IBERICA	SA	20677	08036	BARCELONA	100.00	100.00	FC	100.00
INMOBILIARIA de la CDC ESPANA	SA	45B10975	08037	BARCELONA	100.00	100.00	FC	100.00
FINCAS ANZIZU	SARL	B59 312 611	08010	BARCELONA	90.00	90.00	FC	90.00
RESA	SA	24281 Folio 95	08036	BARCELONA	67.00	67.00	FC	67.00
SERVICES - ITALY								
ICADE ITALIA (formerly IMMOGEST)	SPA	1 702 358	20139	MILAN	100.00	100.00	FC	100.00
NEWREAL	SRL	1 084 518		ROME	100.00	100.00	FC	100.00
ICADE ITALIA AGENCY					100.00	100.00	FC	100.00
SERVICES - BELGIUM								
ICADE BENELUX (formerly EURIS FM)	SPRL		1080	BRUSSELS	100.00	100.00	FC	100.00
ICADE ARCOBA								
ICADE ARCOBA	SAS	393 656 822	94120	FONTENAY S/BOIS	100.00	100.00	FC	100.00
GETCI	SAS	330 357 419	69003	LYON	100.00	100.00	FC	100.00
ICADE CONSEIL								
ICADE CONSEIL	SAS	429 356 751	75009	PARIS	100.00	100.00	FC	100.00
ICADE EXPERTISE	SAS	429 439 359	75009	PARIS	100.00	100.00	FC	100.00
ICADE PFM								
ICADE EUROGEM	SAS	402 822 019	93538	AUBERVILLIERS CEDEX	100.00	100.00	FC	100.00
FACIMALP	SAS	442 602 363	69800	SAINT PRIEST	85.00	85.00	FC	85.00
ICADE GESTEC RS (formerly GESTEC RS CONSULTANTS)	SAS	437 985 807	93300	AUBERVILLIERS	100.00	100.00	FC	100.00
I LABOR	SNC	407 939 180	93300	AUBERVILLIERS	-	-	-	100.00
I PORTA SAS	SAS	453 846 271	93300	AUBERVILLIERS	100.00	100.00	FC	99.75
ICADE GESTION TERTIAIRE	SASU	484 882 642	92800	PUTEAUX	100.00	100.00	FC	100.00
ICADE SURETIS	SAS	439 291 170	93300	AUBERVILLIERS	100.00	100.00	FC	100.00
IMOP	SAS	402 068 282	33000	BORDEAUX LAC	100.00	100.00	FC	100.00
ISIS FACILITIES	SAS	451 810 493	33300	BORDEAUX LAC	55.00	55.00	FC	55.00
KLEBER FM	SAS	442 386 199	93538	AUBERVILLIERS CEDEX	100.00	100.00	FC	100.00
MANUTRA	SAS	054 804 067	93538	AUBERVILLIERS CEDEX	-	-	-	100.00
MANUTRA SECURITE	SARL	380 665 596	93538	AUBERVILLIERS CEDEX	-	-	-	100.00
MONTPARNASSE SERVICES	SARL	408 789 865	92800	PUTEAUX	100.00	100.00	FC	99.80
PROTERTIA FM	SAS	433 466 323	75008	PARIS	49.00	49.00	PC	49.00
STHAL	SNC	308 218 924	77000	MELUN	-	-	-	50.00

<i>Company name</i>	<i>Legal form</i>	<i>SIREN</i>	Post Code	Location	31/12/2007			<i>2006</i>
					<i>% direct holding</i>	<i>% interest</i>	Consol. method	% interest
CABINET VILLA	SAS	622 008 241	75008	PARIS	100.00	100.00	FC	100.00
EURO CAMPUS	SARL	419 719 695	75019	PARIS	60.00	60.00	FC	60.00
ICADE EUROSTUDIOMES	SASU	350 599 676	75019	PARIS	100.00	100.00	FC	100.00
ICADE ADB (formerly GFF)	SASU	388 965 972	92800	PUTEAUX	100.00	100.00	FC	100.00
ICADE SETRHI								
ICADE SETRHI - SETAE	SAS	304 263 155	69760	LIMONEST	100.00	100.00	FC	100.00

FC = Full Consolidation

PC = Proportional Consolidation

CEM = Consolidated by the Equity Method

38 LIST OF UNAPPLIED STANDARDS AND INTERPRETATIONS

STANDARDS AND INTERPRETATIONS	Date of adoption by the European Union	Mandatory date of adoption
IFRS 8 : Operating sectors	21 st November 2007	1 st January 2009

This standard which will become mandatory after 31st December 2007 was not applied by ICADE in producing the consolidated accounts.

The revised IFRS 3 “Business combinations” and the resulting amendment of IAS 27 “Consolidated and individual financial statements” were published by the IASB on 10th January 2008. Subject to their adoption by the European Union, the amendments of these standards will become mandatory on 1st July 2009, with premature application being possible with effect from financial years commenced after 30th June 2007.