



Press release  
Paris, 24 October 2013

## 3<sup>rd</sup> quarter 2013 business activity: turnover up

- ✓ First quarterly results since the incorporation of *Silic* on 22 July 2013
  - ✓ 13.2% increase in *rental income* based on the current scope (+1.4% on a like-for-like basis)
  - ✓ 8% increase in *residential property development* turnover, despite a sluggish market
- ✓ Optimisation of financing through a 800 million euro *bond issue* with an all-in coupon rate of 2.8%

### COMBINATION WITH SILIC

Publication by the AMF of the results of Icade's public offer for Silic means that, following payment-delivery of the re-opened offer, Icade owns 16,365,684 Silic shares, representing 93.26% of Silic's share capital and voting rights, as well as 99,520 ORNANE convertible bonds issued by Silic.

As a result, Icade now includes Silic in its consolidated financial statements from 22 July 2013.

On 15 October 2013, the Boards of Directors of Icade and Silic approved the merger of Silic by Icade. The merger parity was identical to that of the public offer, i.e. five Icade shares for four Silic shares.

### OPERATIONAL ACTIVITY

Consolidated turnover as at 30 September 2013 stood at 1,102 million euros, up 9% compared with 30 September 2012. This represents an increase of 7% on a like-for-like basis.

### PROPERTY INVESTMENT DIVISION

- The Commercial Property Investment Division's turnover increased by 15% as a result of incorporation of Silic's rental income into Icade's consolidation scope since 22 July 2013, completed acquisitions and deliveries of assets and also marketing operations carried out in 2012 and 2013;
- The EQHO tower was delivered in July 2013 and continues to be actively marketed;
- Icade Santé acquired the Saint-Louis clinic in Poissy from the Vedici Group for 18 million euros at the start of October 2013;
- Also, as part of its policy to rotate its strategic assets, the sale of the La Factory building in Boulogne-Billancourt to a leading investor was completed in August 2013, for 103 million euros;

#### **PROPERTY DEVELOPMENT DIVISION**

- Despite a sluggish market, confirmed by a reduction in the number of reservations during the current financial year (-10%), the residential property development business saw an 8% increase in turnover due to the launch of new large-scale developments during the period (Paris 19 MacDonald - 1,125 lots);
- The increase in turnover for the commercial property development business (+12% compared with the 3<sup>rd</sup> quarter of 2012) reflects the increase in the number of new developments launched in 2012 (North-East Paris offices, ZAC de Rungis Paris 13, etc.);
- The property development business's backlog (1,083 million euros) was stable compared with 31 December 2012 while there was a decrease of 40% decrease in the commercial property development business's backlog (304 million euros) following the launch in 2012 of developments marketed in the 2<sup>nd</sup> half of 2011.

#### **SERVICES DIVISION**

- Given the continued low level of transactions over the quarter, services turnover decreased by 1.2% on a like-for-like basis. The business disposals carried out in 2012 and early 2013 have led to an overall fall of 25% in the services division's turnover.

#### **FINANCING STRATEGY**

Icade pursued its policy of optimising its financial structure with the aim of diversifying funding sources, extending the average term and reducing the average cost of debt.

In September 2013, for instance, having obtained a BBB+ (outlook stable) rating from Standard & Poor's, Icade placed two loans which have been vastly over-subscribed by high-standing European investors and which perfectly suited the Group's debt curve: one for 500 million euros over 5 years 4 months with a 100bp spread over the reference rate, and the other for 300 million euros over 10 years with a 135bp spread, with an overall coupon rate of approximately 2.8%.

## CONSOLIDATED TURNOVER

As at 30 September 2013, Icade's consolidated turnover increased by 8.5% to 1,102.3 million euros, compared with 1,015.7 million euros as at 30 September 2012. This represents an increase of 7.5% on a like-for-like basis.

(in millions of euros)	30/09/2013	30/09/2012	Change	Change on a like-for-like basis
<i>Property investment</i>	335.4	296.3	39.1	4.2
<i>Development</i>	752.0	700.0	52.1	66.4
<i>Services</i>	34.8	46.5	(11.7)	(0.5)
<i>Other (*)</i>	(19.9)	(27.1)	7.2	5.9
<b>Total revenues</b>	<b>1,102.3</b>	<b>1,015.7</b>	<b>86.6</b>	<b>76.0</b>

(\*) The "Other" activities consist of what Icade Group calls its "head office" charges and eliminations of Icade's intra-group operations.

## PROPERTY INVESTMENT DIVISION

### 1. Turnover and rental income

The turnover of the Property Investment Division was 335.4 million euros as at 30 September 2013, up by 13.2% compared with 30 September 2012.

Revenue (in millions of euros)	30/09/2013	30/09/2012	Change	Change (%)	Change on a like-for-like basis (%)
Offices in France (*)	98.7	95.2	3.4	3.6%	0.1%
Business Parks (*)	97.3	71.1	26.2	36.9%	4.9%
<b>Strategic assets portfolio</b>	<b>196.0</b>	<b>166.3</b>	<b>29.6</b>	<b>17.8%</b>	<b>2.2%</b>
Shops and shopping centres	19.4	18.8	0.5	2.9%	2.9%
Healthcare	91.4	66.0	25.5	38.6%	3.3%
<b>Alternative assets portfolio</b>	<b>110.8</b>	<b>84.8</b>	<b>26.0</b>	<b>30.7%</b>	<b>3.2%</b>
<b>Non-strategic assets portfolio</b>	<b>29.4</b>	<b>45.6</b>	<b>(16.2)</b>	<b>(35.5)%</b>	<b>(3.6)%</b>
Investment intra-group businesses	(0.8)	(0.4)	(0.4)		
<b>Property Investment Division</b>	<b>335.4</b>	<b>296.3</b>	<b>39.1</b>	<b>13.2%</b>	<b>1.4%</b>

(\*) including revenue from Silic from 22 July 2013

Rental income is up 4.2 million euros on a like-for-like basis compared with 30 September 2012.

Rental Income (in millions of euros)	30/09/2012	Acquisitions/ deliveries	Disposals/ restructuring	Indexing	Rental business	30/09/2013
Offices in France (*)	94.4	12.3	(9.1)	1.7	(0.7)	98.7
Business Parks (*)	71.1	23.4	(0.6)	2.4	(0.5)	95.8
<b>Strategic assets portfolio</b>	<b>165.5</b>	<b>35.8</b>	<b>(9.7)</b>	<b>4.2</b>	<b>(1.2)</b>	<b>194.5</b>
Shops and shopping centres	18.8			0.7	(0.1)	19.4
Healthcare	66.0	23.3		2.1	0.1	91.4
<b>Alternative assets portfolio</b>	<b>84.8</b>	<b>23.3</b>		<b>2.8</b>	<b>0.0</b>	<b>110.8</b>
<b>Non-strategic assets portfolio</b>	<b>45.1</b>		<b>(14.4)</b>	<b>0.2</b>	<b>(1.5)</b>	<b>29.4</b>
Investment intra-group businesses					(0.1)	(0.1)
Property Investment Division - Rental Income	<b>295.3</b>	<b>59.1</b>	<b>(24.1)</b>	<b>7.1</b>	<b>(2.8)</b>	<b>334.6</b>
Other Revenues	1.0				(0.2)	0.8
<b>Property Investment Division - Revenue</b>	<b>296.3</b>	<b>59.1</b>	<b>(24.1)</b>	<b>7.1</b>	<b>(3.0)</b>	<b>335.4</b>

(\*) including rental revenue from Silic (included in the scope from 22 July 2013)

Acquisitions and deliveries of assets generated an additional 59.1 million euros in income compared with September 2012. This can basically be broken down as follows:

- Silic's rental revenues were posted in the "Acquisitions/deliveries" category. They cover the period from 22 July 2013 to 30 September 2013. They represent 23.4 million euros in the Business Parks segment and 11.8 million euros in the Offices France sector;
- Investments made by Icade Santé, which has acquired 15 new clinics since June 2012, generating 20.3 million euros in additional revenue during the first three quarters of 2013. Similarly, the work to extend existing clinics created 3 million euros in additional rent at the end of September.

Disposals and restructuring caused a rental loss of 24.1 million euros. These mainly relate to non-strategic disposals (logistics platforms, housing units and Germany) while the loss of rents resulted from the disposal of the building in Avenue de Messine at the end of 2012.

Rental business (renting, re-rentals, renewals and departures) generated a fall of 2.8 million euros in income, mainly explained by the following factors:

- a 1.2 million euro fall in revenue from strategic and alternative assets, mainly resulting from the departure of the tenant Scor at the end of 2012 from the PB5 tower in La Défense. Almost 40% of surface areas are currently off the market for refurbishment. The remainder were re-let during the period.
- a 1.5 million euro fall in revenue from non-strategic assets due to departing tenants and lease renewals.

## 2. Rental business

Classes of assets	Leasable surface area (m <sup>2</sup> )	Leased surface area (m <sup>2</sup> )	Financial occupancy rate	Index-linked IFRS rental income (in millions of euros)	Fixed lease residual duration (years) <sup>(b)</sup>
Offices in France	541,085	449,585	82.6%	176.3. <sup>(a)</sup>	4.3
Business Parks	1,441,769	1,249,686	88.2%	215.6	3.0
Retail and Shopping centres	211,374	208,205	96.5%	24.6	4.5
Shopping centres	53,510	50,341	94.1%	14.6	2.1
Mr. Bricolage stores	157,864	157,864	100.0%	10.0	8.1
Healthcare	860,569	860,569	100.0%	127.3	9.1
Warehouses	165,458	117,045	67.7%	4.3	1.4
Offices in Germany	75,962	68,898	93.8%	11.2	7.8
<b>COMMERCIAL PROPERTY INVESTMENT</b>	<b>3,296,216</b>	<b>2,953,988</b>	<b>89.0%</b>	<b>559.2</b>	<b>5.0</b>

(a) Including 5.8 million euros in revenue from four PPPs that are consolidated but are not included in the other indicators.

(b) All of the rents collected for the term of the lease.

The financial occupancy rate was 89.0% at 30 September 2013, down almost 7 points compared with 30 June 2013 due to:

- delivery at the start of July of the Eqho tower (79,000 m<sup>2</sup>)
- incorporation of Silic's assets into management indicators from 22 July 2013. Like Icade, Silic reserves the right to maintain deliberate vacancies in its Business Parks in order to allow a degree of flexibility in terms of asset management.

### New signings

Since the start of 2013, Icade signed 56 new leases, relating to nearly 34,800 m<sup>2</sup> (including 20,500 m<sup>2</sup> of strategic assets) and representing 7.8 million euros in annualised rents.

The main signatures in the 3<sup>rd</sup> quarter of 2013 were:

- 29% of the vacant surface areas in the **Le Beauvaisis building** in the Parc du Pont de Flandre to Euro Cargo Bail (3,550 m<sup>2</sup> - start date 1 January 2014);
- a unit in the **Saint Quentin Fallavier** warehouse to Merkancia (start date 23 September 2013) and a further unit to LDLC (start date 1 June 2013);
- 839 m<sup>2</sup> in the **Cézanne building** in Saint Denis to Systra (start date 15 September 2013).

### Renewals

Icade has continued with its rental policy of offering its key tenants renewal of their leases in order to secure sustained cash flows. This led to the signing of 12 leases relating to 23,900 m<sup>2</sup> and the securing of almost 3.0 million euros for an average fixed term of eight years.

### Tenant departures

As at 30 September 2013, departures corresponded to **61 leases** (32,100 m<sup>2</sup>) and a 4.3 million euros loss in annualised rent.

In terms of strategic assets, departures amounted to 47 leases for 19,100 m<sup>2</sup> in surface area and 2.8 million euros in loss of rent.

### Lease expirations by business

As at 30 September 2013, the **average fixed lease term** is 5.0 years, compared with 6.4 years at 31 December 2012, due to incorporation of Silic's assets into Icade's consolidation scope.

## **3. Investments**

Icade has continued to add value to its assets in order to increase the generation of cash flows. **Investments** amounted to 246.5 million euros in the first nine months of the year.

Assets	Total	Asset acquisitions	Asset refurbishments	Construction extensions	Renovation/ major maintenance
Offices in France	67.1		39.4	23.3	4.5
Business Parks	53.7		2.8	35.9	15.0
<b>Strategic assets portfolio</b>	<b>120.8</b>		<b>42.1</b>	<b>59.2</b>	<b>19.4</b>
Shops and Shopping centres	1.4				1.4
Healthcare	119.6	110.6		8.1	0.9
<b>Alternative assets portfolio</b>	<b>121.0</b>	<b>110.6</b>		<b>8.1</b>	<b>2.3</b>
<b>Non-strategic assets portfolio</b>	<b>4.7</b>				<b>4.7</b>
<b>Property Investment Division</b>	<b>246.5</b>	<b>110.6</b>	<b>42.1</b>	<b>67.3</b>	<b>26.4</b>

**Asset restructuring:** mainly concerned offices, with restructuring work on the EQHO tower (32.7 million euros) and the PB5 tower (6.6 million euros). The EQHO tower was delivered at the start of July 2013.

**Constructions & extensions of assets:** Investments primarily concerned:

- offices for 23.3 million euros, comprising construction expenses for Silic office buildings, including 19.4 million euros for the "Sisley" building in Saint Denis and 3.4 million euros in studies relating to the Campus project in La Défense;
- business parks for 35.9 million euros, including construction expenses for Le Millénaire 3 (22.9 million euros), the Veolia headquarters (7.9 million euros) and construction of Silic's buildings (1.5 million euros for Le Brahms building and 2.5 million euros for Le Quebec);
- Icade Santé's constructions accounted for 8.1 million euros, with the extension of the Hôpital Privé Paul EGINE (5.8 million euros), the Clinique de l'Occitanie (1 million euros) and the Clinique François Chenieux (0.9 million euros). This work is the result of the owner's contractual obligations and will lead to a rent supplement on delivery.

**Asset acquisitions:**

- Healthcare: Since the start of 2013, Icade Santé has acquired three clinics and an extension for 110.6 million euros. The Clinique de l'Union was acquired for 33.8 million euros, the Hôpital Privé de la Loire for 58.4 million euros, the Polyclinique des Fleurs for 12.6 million euros and the extension of the Le Maquisat centre for 4.5 million euros.

Furthermore, at the start of October 2013, Icade Santé acquired the Clinique Saint-Louis in Poissy for 18 million euros.

Renovations and Major Maintenance: mainly refer to the expenses of renovation work on Business Parks and accompanying measures (leaseholder work).

#### 4. Arbitrage

Disposals carried out in the 3<sup>rd</sup> quarter of 2013 represented 134.4 million euros, bringing the total for disposals in 2013 to 398 million euros.

These included:

- the sale in August 2013 of the La Factory building in Boulogne-Billancourt with a surface area of 13,800 m<sup>2</sup> for 103.0 million euros;
- the sale in July 2013 of the Ris-Orangis warehouse, with a surface area of 9,600 m<sup>2</sup> environ for 4.6 million euros;
- the sale in July 2013 of a warehouse in Cholet with a surface area of approximately 6,900 m<sup>2</sup> for 1.0 million euros;
- the sale in September 2013 of a plot of land in Munich with a surface area of 7,000 m<sup>2</sup> for 19.3 million euros;
- the sale of 55 individual housing units for 6.1 million euros. The Residential Property Division's assets stand at 3,292 lots as at 30 September 2013.

## PROPERTY DEVELOPMENT DIVISION

The Property Development division achieved a turnover of 752.0 million euros as at 30 September 2013, up 7.4% compared with 30 September 2012. This represents an increase of 9.5% on a like-for-like basis.

Revenue (in millions of euros)	30/09/2013	30/09/2012 after reclassification	Reclassifications (**)	30/09/2012 published	Change (%)
Residential Property Development	491.4	454.4	0.0	454.4	8.1%
Commercial Property Development	260.7	232.2	(19.5)	251.7	12.3%
PNE Development	0.0	0.0	(12.7)	12.7	0.0%
Inter-business Development	0.0	(1.0)	17.8	(18.8)	N/A
Businesses Sold	0.0	14.4	14.4	0.0	N/A
<b>Revenue (*)</b>	<b>752.0</b>	<b>700.0</b>	<b>0.0</b>	<b>700.0</b>	<b>7.4%</b>

(\*) Revenue based on progress, after inclusion of the commercial progress and work progress of each operation.

(\*\*) Transfer in 2013 of the businesses sold (Icade Arcoba, Icade Sethri, Icade Gestec and SAS PNE) to the "Businesses Sold" row following the sale of these entities in the 1<sup>st</sup> half of 2013.

### 1. Residential Property Development

Main indicators (in millions of euros)	30/09/2013	30/09/2012	Change in %
<b>Reservations</b>			
. in numbers (housing units and lots)	2,608	3,378	(22.8)%
. in value (millions of euros)	571.0	631.3	(9.6)%
<b>Closed sales</b>			
. in numbers (housing units and lots)	2,233	1,817	22.9%
. in value (millions of euros)	490.5	381.5	28.6%
<b>Unsold properties</b>			
. in numbers (housing units and lots)	55	58	(5.2)%
. in value (millions of euros)	11.5	10.8	6.5%
<b>Withdrawal rate</b>	25.9%	17.2%	50.1%
<b>Disposal rate</b>	6.5%	7.3%	(10.8)%
<b>Property portfolio</b>			
. in numbers (housing units and lots)	6,598	6,857	(3.8)%
. in projected value	1,457	1,525	(4.5)%

Leading management indicators as at 30 September 2013 confirm the slowdown in the residential real-estate market.

Despite the record fall in interest rates, buyers remain reticent to purchase for the following reasons:

- the effect of excessive government announcements (particularly tax reforms);
- perceived difficulty accessing bank loans;
- economic uncertainty and tax rises.

Despite this context, turnover from the residential property development business stood at 491.4 million euros as at 30 September 2013, up 8.1% compared with 30 September 2012, thereby confirming the forecast for 2013.

As at 30 September 2013, reservations stood at 2,608 lots (855 of which, approximately 33%, were reserved in block by institutional investors) for turnover of 571 million euros, compared with 3,378 lots for 631.3 million euros as at 30 September 2012, representing a 22.8% decrease in the number of lots and a 9.6% decrease in amount.

Institutional investors represent 35.5% of total reservations in 2013 compared with 40.8% as at 31 December 2012. The diversity of its customer portfolio allows Icade to be less dependent on tax schemes reserved for private investors.

The level of unsold stock remains low at 55 lots for 11.5 million euros compared with 58 lots as at 30 September 2012, representing 10.8 million euros.

The backlog for the residential property business is down 4.9% compared with 30 September 2012 and stood at 1,082.6 million euros at 30 September 2013. This represents almost stable compared with 31 December 2012.

## **2. Commercial property development (offices, shopping centres and public/healthcare)**

Turnover from the commercial property development business (offices, shopping centres and public-healthcare) amounts to 260.7 million euros as at 30 September 2013, i.e. a rise of 12.3% compared with 30 September 2012.

This increase in business can be explained by the increase in the number of new office construction developments launched in 2012:

In the Ile-de-France region,

- the Paris North East (PNE) project's offices for BNP-PARIBAS;
- the "Le Garance" project in Paris 20<sup>th</sup> for RATP;
- the "Sisley" project in Saint-Denis for SILIC;
- the "ZAC de Rungis" in Paris 13<sup>th</sup> for Banque Populaire Rives de Paris.

In the regions,

- in Lyon Nexans, "Opale" for ARKEA;
- in Lille, the "250 Avenue de la République" building for SCPI NOTAPIERRE- UNIFO;
- in Nantes, "Viviani" for the City of Nantes and the Loire-Atlantique General Council;
- in Orléans, "Îlot Calvin" for Société Immobilière Lemeunier Lelièvre/CDC;
- in Toulon, "AGPM" for SCP AGPM;

As at 30 September 2013, the following projects were delivered:

- in Guyancourt, "Le Start" for SAS Coligny;
- in Lyon Nexans, "Ambre" for ARKEA;
- In Bordeaux, "Prélude" for UFG.

This sharp increase in the commercial offices business offsets a reduction in the "Public amenities and Healthcare" business linked to the delivery at the end of 2012 and since 1 January 2013 of:

- the Dijon Mutualité residential home for the elderly (Côte-d'Or) for Mutualité Française;
- the Lahonce services centre (Pyrénées-Atlantiques) for Caisse d'Epargne;
- the Centre Paroissial and accommodation in Veigne (Indre-et-Loire) for the Association Diocésaine Val Touraine Habitat;
- a school in Monnaie (Indre-et-Loire) for the JCLT charity;
- housing units in Chevilly-Larue (Val-de-Marne) for AMUNDI;
- a residence for APSA in Poitiers (Vienne);
- the MuCEM Conservation Centre in Marseilles (Bouches-du-Rhône) as a PPP;
- planned delivery at the end of 2013 of the project to renovate the Zoo de Vincennes in Paris 12<sup>th</sup> as a PPP.

The main "Public amenities and Healthcare" projects agreed in 2013 are:

- Saint-Nazaire (9,934 m<sup>2</sup> physical medicine and rehabilitation centre);
- Beaumont-Hague (Manche) (2,703 m<sup>2</sup> residential home for the elderly);
- Saint-Jean Plats de Corts (4,792 m<sup>2</sup> residential home for the elderly).

The commercial property development backlog decreased 45.7% compared with 30 September 2012, to stand at 304.1 million euros compared with 559.6 million euros as at 30 September 2012. This reduction is mainly due to:

- the delivery in the first nine months of the year of commercial offices developments and the increase in the number of new developments contributing to an increase in turnover;
- For Public amenities and Healthcare, the delivery of a large number of developments.

Compared with 31 December 2012, the commercial property development backlog has fallen 39.7%.

As at 30 September 2013, Icade's project portfolio in the commercial property and shops sector covered 825,815 m<sup>2</sup>, consisting of 268,021 m<sup>2</sup> for projects underway and 557,794 m<sup>2</sup> for projects at the initial development stage.

As at 30 September 2013, Icade's project portfolio in the "Public amenities and Healthcare" development sector consisted of 283,443 m<sup>2</sup>, with 99,298 m<sup>2</sup> of projects underway (including 10,000 m<sup>2</sup> as PPP) and 184,145 m<sup>2</sup> of projects at the initial development stage.

## SERVICES DIVISION

Revenue (in millions of euros)	30/09/2013	30/09/2012	Change
Property Management	23.1	24.9	(6.9)%
Consultancy and solutions	9.9	8.9	12.2%
O/w Icade Solutions Immobilière (ISI)	8.1	6.4	27.1%
O/w Others	1.8	2.5	(26.2)%
Intra-business services	(0.2)	(0.3)	(32.8)%
Businesses sold	1.9	13.1	(85.3)%
<b>Revenue</b>	<b>34.8</b>	<b>46.5</b>	<b>(25.2)%</b>

Revenues from the Services Division reached 34.8 million euros as at 30 September 2013 compared with 46.5 million euros as at 30 September 2012. This change is mainly related to the effects of change in the scope. In fact, the sales in 2012 of the subsidiary specialising in the management of student residences, Icade Résidences Services, and in 2013 of the subsidiary specialising in the management of security and remote surveillance services, Suretis, has led to a loss in turnover of 11.2 million euros.

On a like-for-like basis, the revenue represents 32.9 million euros as at 30 September 2013, down 1.6% compared with 30 September 2013 (33.4 million euros).

## INTRA-GROUP ELIMINATIONS

Intra-group eliminations amounted to 28.5 million euros as at 30 September 2013, compared with 31.0 million euros as at 30 September 2012.

As at 30 September 2013, 9.0 million euros related to projects carried out by the Property Development division for the Property Investment division (compared with 12.2 million euros at 30 September 2012). These mainly related to the construction of the Millénaire 3, Veolia and Sisley project in Saint-Denis.

## FINANCING STRATEGY

During the summer of 2013, in tandem with the successful PEO for Silic, Icade undertook a rating process and obtained a BBB+ (outlook stable) rating from Standard & Poor's, which was made public on 9 September, 2013.

Icade enjoyed particularly advantageous conditions for its inaugural market bond issue, which involved placing two loans, for 5 years and 4 months and for 10 years. These vastly over-subscribed issues received a very positive reception among investors, particularly reflected in the margins obtained.

The two issues were completed under the following conditions:

- first loan of 500 million euros, over 5 years and 4 months with a 100bp spread over the reference rate (coupon rate 2.25%).
- second loan of 300 million euros, over 10 years with a 135bp spread (coupon rate 3.375%).

This bond market fund-raising allows the Group to fulfil several objectives: continued diversification of its funding sources, extension of the average term and reduction in the average cost of its debt.

Furthermore, Icade confirms a healthy and liquid situation in terms of liabilities and as at 30 September 2013 has non-drawn backup lines of 1,120 million euros.

## COMBINATION WITH SILIC

Following its public offer for Silic, Icade owns 16,365,684 Silic shares representing 93.26% of Silic's share capital and voting rights, as well as 99,520 ORNANE convertible bonds issued by Silic

As a result, Icade has included Silic fully in its consolidated financial statements since 22 July 2013.

On 15 October 2013, the Boards of Directors of Icade and Silic approved the merger of Silic by Icade.

This merger is part of a strategy to simplify the group's structure and the way in which its property assets are owned as well as to optimise the Icade group's operating costs, particularly by rationalising costs associated with Silic's status as a listed company.

The merger parity was identical to that of the public offer, i.e. five Icade shares for four Silic shares. In accordance with applicable regulations, there will be no exchange of the Silic shares owned by Icade and no exchange of the treasury stock owned by Silic which will be automatically cancelled on the merger completion date.

It is stipulated that subject to fulfilment of the pre-conditions contained in the merger agreement (as amended), the merger will come into force from a legal, accounting and tax perspective on 31 December 2013 at midnight.

Completion of the merger will be subject in particular to a ruling by the AMF (French financial markets authority) that there is no obligation to file a public buyout offer for the Silic shares. The merger will also be subject to approval by the Icade and Silic extraordinary shareholder meetings to be held on 20 December 2013.

Finally, holders of Silic ORNANE convertible bonds will also be consulted regarding the merger, in accordance with the applicable regulations and under the conditions set out in the merger agreement (as amended).

## UPCOMING EVENTS

2013 annual results: 19 February 2014 after markets close.

## ABOUT ICADE

A listed real estate investment company and subsidiary of the Caisse des Dépôts, Icade is a major player in Greater Paris and regional development capable of providing comprehensive, sustainable and innovative solutions that are tailored to customer needs and the challenges of tomorrow's cities. In 2012, Icade posted consolidated revenue of 1,499.3 million euros and had net current cash flow of 251.4 million euros. As at 30 June 2013, its EPRA triple net asset value was 4,079.5 million euros or 78.9 euros per share.

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