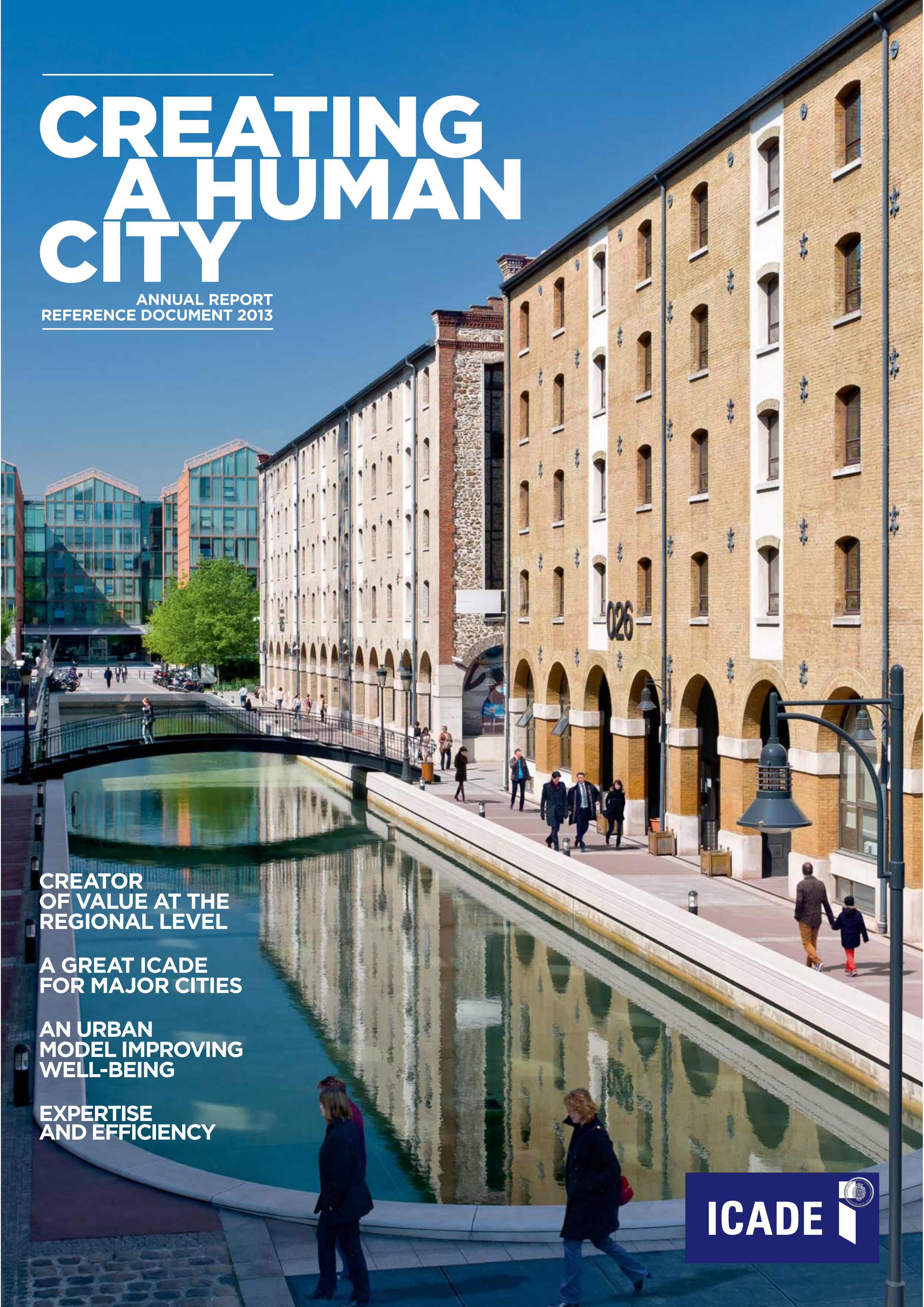
CREATING A HUMAN CITY

ANNUAL REPORT
REFERENCE DOCUMENT 2013



CREATOR OF VALUE AT THE REGIONAL LEVEL

A GREAT ICADE FOR MAJOR CITIES

AN URBAN MODEL IMPROVING WELL-BEING

EXPERTISE AND EFFICIENCY

ICADE

CONTENTS

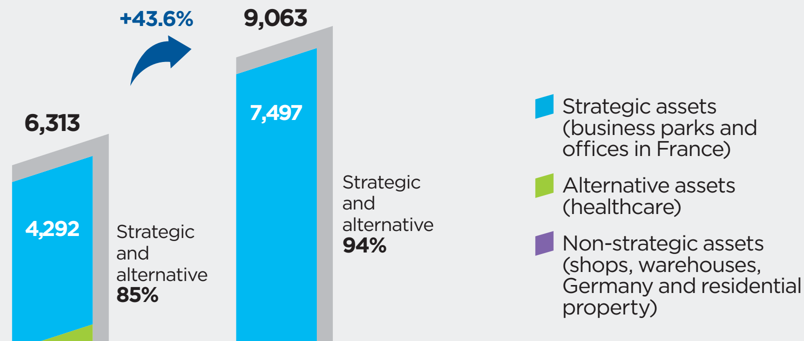
PART 1: CORPORATE

BRINGING LIFE TO THE CITY

Icade's mission is to bring life to the city. Commercial real-estate investment company and developer of offices, residential property and public facilities, Icade supports major cities in their development, and reinforces the real-estate strategy of its major corporate clients. It also creates value at the regional level.

Analysing, anticipating, designing and building cities that offer housing, work, education, healthcare and social interaction, and introducing urban diversity into business areas, Icade works in collaboration with its partners to provide an integrated response to the major challenges of urban development.

Thanks to the arrival of Silic, Icade is currently undergoing an extraordinary acceleration in its development. With more than 60 years of experience, this Great Icade can capitalise on three key strengths: confirmed financial solidity; strengthened skills and expertise; a recognised capacity for innovation. In light of all these strengths, more than ever before Icade brings life to a more sustainable and more human city.

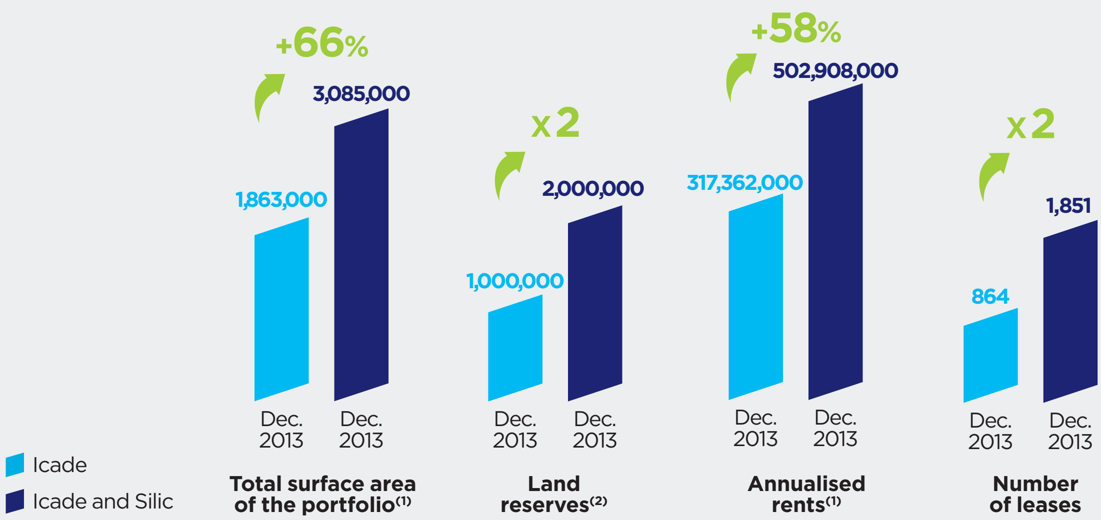


(1) Restated according to 2013 classification.
(2) In proportion to Icade Santé's stake.

CHANGE IN TOTAL ASSETS
(IN MILLIONS OF EUROS(2) EXCL. DUTIES)

THE GREAT ICADE

Following its merger with Silic, Icade is now the leading office property company in Europe, with property assets concentrated in the most strategic areas of Greater Paris.



A RADICALLY TRANSFORMED AND EXPANDED PORTFOLIO

(1) In proportion to Icade Santé's stake.
(2) In square metres.

A GREAT REAL-ESTATE INVESTMENT COMPANY FOR GREATER PARIS

END OF 2013
Completion of merger between Icade and Silic.

END OF 2011
Announcement of the planned combination with Silic.

2010
Continued concentration on commercial property:
— Disposal of 39,000 housing units for €2 billion as well as other non-strategic assets
— Acquisition of €1.5 billion of commercial property assets through the merger with Compagnie La Lucette (CLL)
— Expansion of the Clinics portfolio.

2009
Takeover of SIICInvest.

2008
— Adoption of strategy focusing on real-estate investment and commercial property.
— Launch of Icade Santé.

2007
— Merger of five existing real-estate investment companies (Icade, Icade Patrimoine, Icade EMGP, Icade Foncière des Pimonts and Icade Foncière Publique) into a single entity called Icade.
— Adoption of the SIIC (French REIT) regime.

€474 million
in rental income*

1st
office real-estate company in Europe

€9.1 billion
in assets, representing 3.1 million square metres, 70% of which is offices and business parks

1st
healthcare real-estate company in France

**As at 31 December, 2013.*

COMMERCIAL PROPERTY

Eight business parks located in four strategic zones in the Ile-de-France region, representing **1,467,332 m²*** leased to more than **1,000 companies.**

With **2 million square metres** of buildable land reserves, Icade has the highest proportion of assets close to Greater Paris Express stations.

Icade's new portfolio of offices and business parks, **99%** of which is in the Ile-de-France region, is valued at **€7.5 billion.**

A partner to large cities and the **third-largest** French developer.

**Number of square metres constructed.*

HEALTHCARE

Leading healthcare real-estate company, with **59 establishments.**

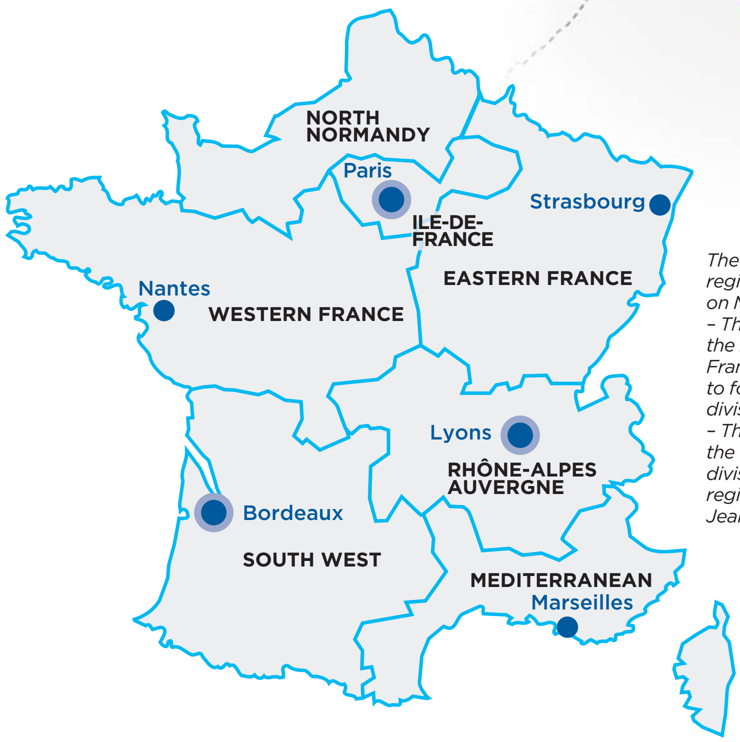
Icade Santé has assets of **€1.89 billion.**

Leases with a residual lifetime of more than nine years.

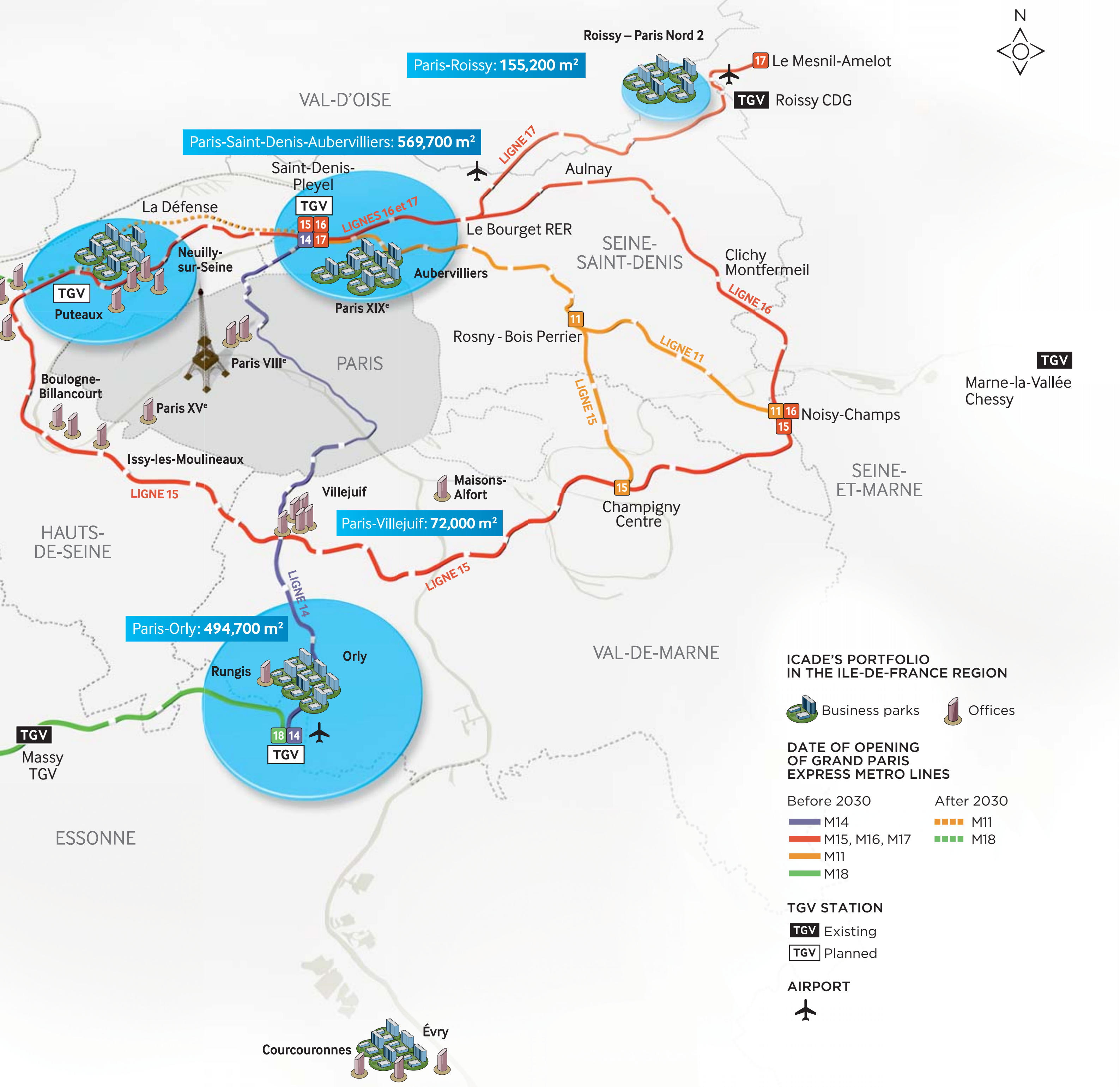
ICADE, A REGIONAL PLAYER

— Based on over 60 years of experience as a developer of major French cities, Icade is an essential player in Greater Paris, with €9.1 billion of assets, €502.9 million in annualised rents and two million square metres of buildable land reserves. The merger with Silic has further strengthened its model, its expertise and its portfolio, which is divided between four major commercial zones in the Ile-de-France region. Icade is involved in three strategic development zones in Greater Paris, particularly benefiting from the Grand Paris Express project: in the north-east with Roissy-Charles-de-Gaulle and Saint-Denis–Aubervilliers, to the west with La Défense-Nanterre and in the south with Orly-Rungis. To meet with the needs of the various stakeholders in the city, Icade's experts offer their support to clients at every stage in the real-estate decision-making cycle. This culture of co-working allows Icade to confirm its presence in the other major cities such as Bordeaux, Lyons and Strasbourg. Icade is a pioneer, a provider of new solutions for a more sustainable and more human city.

ICADE AND THE REGIONS



The North Normandy regional division was reshaped on March 1, 2014:
– The northern part of the region joined the Eastern France regional division to form the North East regional division, led by Antoine Marre
– The Normandy part joined the Western France regional division to form the North West regional division, led by Jean-Michel Boussac.



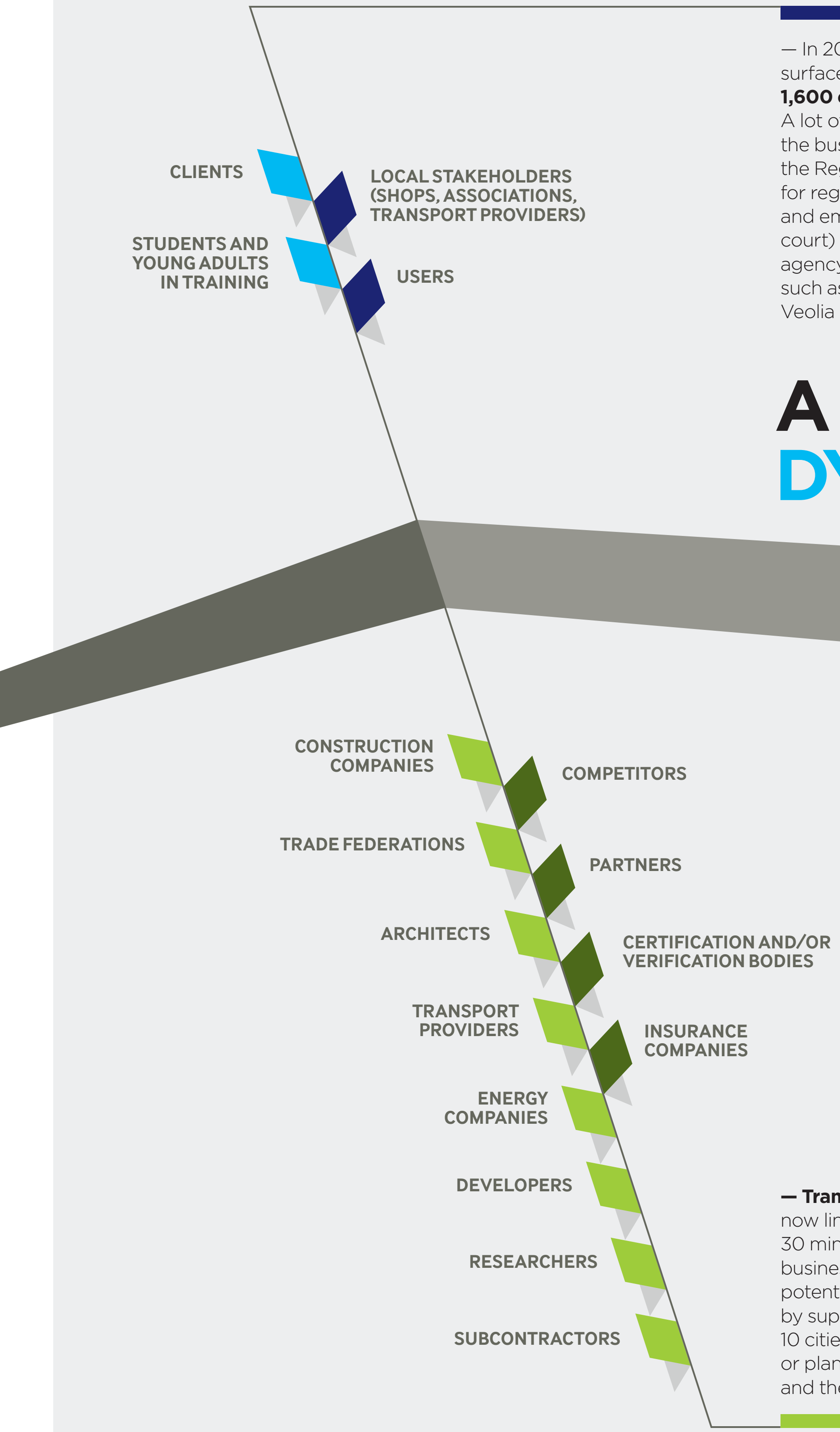
"On the ground, the Grand Paris Express will involve the construction of 72 new stations, with everything to be created around them."

Serge GRZYBOWSKI,
Chairman and Chief Executive Officer of Icade.

LIVING COMMUNITY

— In 2015, a new building, Millénaire 3 (32,000 m² net surface area), will open its doors to welcome nearly **1,600 employees** from the French Ministry of Justice. A lot of public administrations have already moved into the business parks in North-East Paris, including the Regional Health Agency, DIRECCTE (directorate for regional companies, competition, consumers, labour and employment), the Tribunal de police (local criminal court) and Urssaf (family allowance contribution collection agency). This is also true for many leading companies, such as Club Med, Ifop, Sage, Saint Louis Sucre and, soon, Veolia Environnement.

A COLLECTIVE DYNAMIC



— Tramway T7, which opened in November 2013, now links Villejuif-Louis Aragon with Athis-Mons in about 30 minutes. Serving Orly-Rungis zone and the Villejuif business park, the tramway improves Icade's development potential as well as the living environment along the RD7, by supporting and promoting the development of the 10 cities it passes through. The T7 connects to several existing or planned lines: RER C, metro line 7, TVM, Orlyval and the future lines 14 and 18 of the Grand Paris Express.

WORKING COMMUNITY

FINANCIAL COMMUNITY

STATUTORY AUDITORS
INVESTORS
SHAREHOLDERS (INCLUDING THE CAISSE DES DÉPÔTS)
ANALYSTS
AMF (FRENCH FINANCIAL MARKETS AUTHORITY)
RATING AGENCIES
FINANCIAL JOURNALISTS
BANKS

— Further having been assigned BBB+ rating by Standard&Poor's, Icade placed two successfull bond borrowings on the market. In September 2013, that have been very well received by European investors. These comprised two tranches: one for **€500 million, maturing at five years and four months, and a second for €300 million, maturing at 10 years.** This bond market fund-raising is in line with the company's strategy of diversification of sources of funding. Its objective is to extend the average term and reduce the average cost of its debt.

EMPLOYEES
FRENCH LABOUR INSPECTORATE
UNIONS
OCCUPATIONAL MEDICINE

— On May 31, 2013, a large number of Icade employees joined around 800 runners to climb the 954 steps, 50 floors and 230 m of the Tour First in La Défense—the highest skyscraper in France—a vertical running race called VertiGO. This first socially-responsible vertical urban race was included among the five winners of the "Trophées Sporsora" awards ceremony, held on January 20, 2014 in the Grand Amphithéâtre of the Sorbonne. All funds raised (€80,000) were donated to the charities Sport Sans Frontières, promoting education through sport, and AT Europe. The event, organised by Sport Sans Frontières, Icade and Beacon Capital Partners, also aimed to re-appropriate urban complexes.

SOCIAL COMMUNITY

SGP (SOCIÉTÉ DU GRAND PARIS)
POLITICIANS
STIF (SYNDICAT DES TRANSPORTS D'ILE-DE-FRANCE)
MINISTRIES
INTERCOMMUNAL AUTHORITIES
PUBLIC RESEARCHERS
MEDIA
REGIONAL AUTHORITIES
MUNICIPALITIES

— Icade's Seniors think-tank considers the ageing population as a sustainable development focus for the regions.
Through its recommendations, it attempts to demonstrate that it is possible to adapt the city to the lifestyles of elderly people. The ageing population represents not only an opportunity for regions and public-private players, but also a challenge requiring Icade to question how it brings life to the city.

PUBLIC COMMUNITY

A GREAT REAL-ESTATE INVESTMENT COMPANY

Strengthening our business model by becoming the leading office property investment company in Europe.

— P. 10-11

A SUCCESSFUL URBAN TRANSFORMATION

Maintaining a relationship of trust with our clients to anticipate their real-estate needs.

— P. 12-15

A STRATEGIC ASSET MANAGEMENT

Ensuring the company's solidity and fundamentals through sound investments.

— P. 16-17

A GREAT ICADE FOR MAJOR CITIES

Icade plays an active role in supporting French urban trends, acting as the strategic partner of major cities and a creator of value across all regions.

A GREAT REAL-ESTATE INVESTMENT COMPANY

— The deed is done—Silic has joined Icade to create the leading office property investment company in Europe and a major player in Greater Paris.

"Icade is now in a fantastic position to offer its clients bespoke solutions and provide them with long-term support in implementing their real-estate strategy."

Serge GRZYBOWSKI,
Chairman and Chief Executive Officer of Icade.

2013 was a year of achievements, of financial, operational and human successes, culminating in the merger with Silic and its social, cultural and asset integration.

Financially, we have demonstrated the relevance of our economic model and our investor strategy. With the success of the two bond issues we launched for €800 million and Icade Santé's latest capital increase, investors' confidence and interest have been confirmed this year by the award of a BBB+ rating for Icade by Standard&Poor's.

Operationally, 2013 featured high-quality new tenants and lease renewals, confirming the effectiveness of the client and key accounts strategy we adopted since 2011. Diversity of its sales offering, strategically-located sites in the major development areas of Greater Paris: Icade is now in a fantastic position to offer its clients bespoke solutions and provide them with long-term support in implementing their real-estate strategy. With a reinforced presence at the regional level in the leading business districts, the real-estate investment department has also confirmed itself as a partner in the development of major cities, able to deliver buildings as complete new parts of the city, including offices, housing and public facilities.

In human terms, 2013 was a year filled with challenges and victories. Successfull challenge for the Silic teams, firstly, with the opportunity for growth they gained by becoming part of our joint business. Victory for Icade employees, secondly, with the addition of new talents to their business lines. In addition to the obvious complementary skills and expertise of the 1,575 employees who are now this Great Icade, it was individual human and professional dedication which made possible the success of this merger.

More confident than ever in Icade's unifying power, we are proud of what we have achieved and firmly believe in the new possibilities open to us in 2014.

Serge GRZYBOWSKI,
Chairman and Chief Executive Officer of Icade.

A SUCCESSFUL URBAN TRANSFORMATION

Lyon Confluence is currently one of the most important urban construction projects in France, reflecting a new vision of the city and urban development. Cross-interview with three key players who share the same ambition for Lyons and the same desire to innovate.

— In what ways is Lyon Confluence project, including Plot A3, representative of a new urban ambition?

Gérard Collomb: In the 18th century, the confluence of the River Saône and the River Rhône was an area of pestilent swampland. Later, production activities unwelcome in the heart of the city were banished there. Ten years ago, following the departure of the MIN (National Interest Market) for Corbas, it became partly a gigantic forgotten industrial wasteland behind Perrache station, "behind the arches" as was commonly said in Lyons. Today a new district is rising up on the peninsula, extending the historic centre and doubling its surface area. A rare urban project in Europe, an important challenge for the city and an opportunity for its inhabitants, since the site will continue to welcome thousands of new houses and jobs. La Confluence also represents a Lyons development model closely associating the actions of the local authority with those of private players. A model which Icade has successfully incorporated and embodied in a project embraced by the people of Lyons.

Serge Grzybowski: In Lyons as in other large cities, Icade is called on to develop entire districts, "microcosms of the city", with all that implies in terms of soft transport, management of flows, and the right balance between jobs and housing and services and infrastructure. Icade, in association with architecture firm Herzog & de Meuron, was appointed to develop Plot A3, a phase 2 urban element of Lyon Confluence project, on which construction will begin in 2015 (phase 1 will be completed in 2016). We have already supported other urban operations in Greater Lyons, illustrating the extent to which we share

Christine BINSWANGER,
Architect and partner with the firm Herzog & de Meuron.

Gérard COLLOMB,
Senator and mayor of Lyons, and chairman of Greater Lyons.

with Gérard Collomb the same vision of the city, the same convictions concerning the potential offered by Lyons and the keys to its success. We will be implementing this vision and these convictions on a large scale, in a project which exemplifies the 21st century.

— This city aims to embody the city of tomorrow by promoting the district's history and memory. Isn't this dialogue between past and future, heritage and innovation, the key to a successful urban transformation?

G.C.: History has left La Confluence with a built heritage of which we are the custodians. So during this second phase of development of La Confluence, relating to the land of the old market station, we have decided to keep about 25% of the market buildings, which will be renovated for new uses. On the peninsula, we will have both a memory of the past, contemporary buildings designed by talented local and international architects and this beautiful natural city which landscape designer Michel Desvigne has planned. This new district testifies to an ambition to construct Lyons by combining the most innovative architecture with the redeveloped heritage. The city is evolving, but its traditional identity remains strong. Our developer and architect partners have assimilated this Lyons identity to propose future solutions responding to the needs of today without disowning history.

S.G.: These urban transformations must draw on what already exists to give depth and roots to the new achievements. That is the foundation of an intelligent city. Here, some of the former market buildings have been demolished while others have been renovated and converted to quickly accommodate cultural and sporting activities. The strength of the La Confluence project lies in considering the evidence of the past not as ruins, but as "pioneering" elements of the new urban centre under construction.

Christine Binswanger: The elements retained, such as the market building, also have great architectural value. The project is also linked to the urban memory in another way. Over the centuries, the architectural history of Lyons has two complementary atmospheres: on the Saône side, the diversity of architectures is combined with a varied range of colours, rejuvenated since the redevelopment of old Lyons over recent decades; on the Rhône side, the traditional 19th century city presents more monumental façades and a simpler colour palette. The project has drawn inspiration from this, proposing varying shades of white to firmly root the project in the identity of Lyons.

> "Diversity has an architectural expression. The project is creating a new type of city —denser, more diverse, more open, surprising."
>
> **Christine BINSWANGER,**
> Architect and partner with the firm Herzog & de Meuron.

> "Urban transformations must draw on what already exists to give depth and roots to the new achievements. That is the foundation of an intelligent city."
>
> **Serge GRZYBOWSKI,**
> Chairman and Chief Executive Officer of Icade.

— The specifications for Plot A3 set out a lot of urban development principles, including diversity. Can you tell us how the project addresses this?

G.C.: The shared ambition is to make this extension of the city centre, which is well connected to the rest of the city by public transport, a model of diversity, both socially and in terms of usage. Plot A3, and more generally La Confluence, should not be a "detached" district. The whole project is being constructed to favour living together. Social diversity is reflected in the space set aside for social housing and affordable housing, and the interspersion of owners and tenants across the whole development. Functional diversity, through the mixture of residential properties, offices, shops, educational establishments and cultural facilities, local services available on the plot and inside the buildings themselves. Diversity of usage, through spatial development prioritising sociability and interaction between the people who will live and work there.

C.B.: Diversity has an architectural expression. The project is creating a new type of city—denser, more diverse, more open, more surprising. The compact and coherent urban space leaves room for dual-aspect plots of varying types, offering vistas and a great richness of potential experiences. There is no standard height either. Some buildings offer future residents completely new views over their city and the surrounding area. Other lower views offer more intimacy and comfort. Diversity is also evident in the strong presence of nature in the city, with the rediscovery of the river and abundance of trees. The absence of systematic alignment of buildings allows the creation of courtyard gardens opening onto lush residential plots.

— The notion of a "walkable city" is also emphasised. How do you interpret these words in practice?

G.C.: For several years now, Greater Lyons has been at the cutting edge in terms of responsible mobility. We have developed public transport, launched a car-sharing scheme using the Sunmoov' system in La Confluence and Bluely in the rest of Lyons and put in place a soft transport plan for 2009-2020. La Confluence is connected to public transport networks—including the river via the waterbus launched in 2012. But we are clearly giving priority to bicycles and walking within this new urban landscape. Like this district, the sustainable city will be a city in which it will be enjoyable to stroll in complete safety.

C.B.: In Plot A3, communal car parks will be easily accessible from outside. Once you have parked, you will get around the district on foot. Apart from the streets, public spaces include the network of courtyard gardens, linked to each other by footpaths leading to the public facilities, services and shops. New bridges are also planned to link the peninsula to the rest of the city.

"Confluence promotes a Lyons development model closely associating the actions of the local authority with those of private players."

Gérard COLLOMB,
Senator and mayor of Lyons,
and chairman of Greater Lyons.

— GÉRARD COLLOMB AND SERGE GRZYBOWSKI
at the inauguration of the Spi West building in Lyons.

S.G.: Cars will also be assigned their rightful place in this "walkable" city. To address mobility needs, a car sharing scheme—launched in phase one—will be extended to this district, in particular Plot A3. The fleet will include around 30 electric vehicles powered by means of photovoltaic solar panels installed on buildings. Thanks to V2G (Vehicule-to-Grid) technology, the buildings will be able to reuse the energy stored in the vehicles' batteries when they are not being used! This integrated energy management within the plot will allow the district to contribute to Lyon Confluence smart grid*.

— An illustration of the alliance of "living together" and the "intelligent city" as pillars in the construction of the city of the future?

S.G.: These two dimensions are inseparable. Tackling the challenge of the intelligent city will enable us to construct a sociable and environmentally-friendly city. The project also incorporates a strong innovation dimension. La Confluence is the meeting point of architectural creativity and the most advanced technologies. To that end, Icade has instigated technological partnerships both with large national companies and regional and local start-ups. This is reflected in pioneering programmes such as giving the plot intelligent management of energy resources and needs. This management occurs at the level of each apartment, the plot and the district, with a social network function allowing inhabitants to exchange useful information, best practice and projects. Here, as elsewhere, Icade's approach is based on strong values to develop, with its partners, a way of designing the city of the future and bringing it life.

G.C.: From the outset, La Confluence was planned as a model district with the capacity to combine modernity, sociability and solidarity. That is why we wanted to bring together the leading operators in the project. The architecture, as well as being creative, must meet two key objectives: quality of life and environmental performance. The meeting between people, energies and ideas which characterises La Confluence embodies the promise of this new urban living.

**Power grid which aims to optimise all sections of the network.*

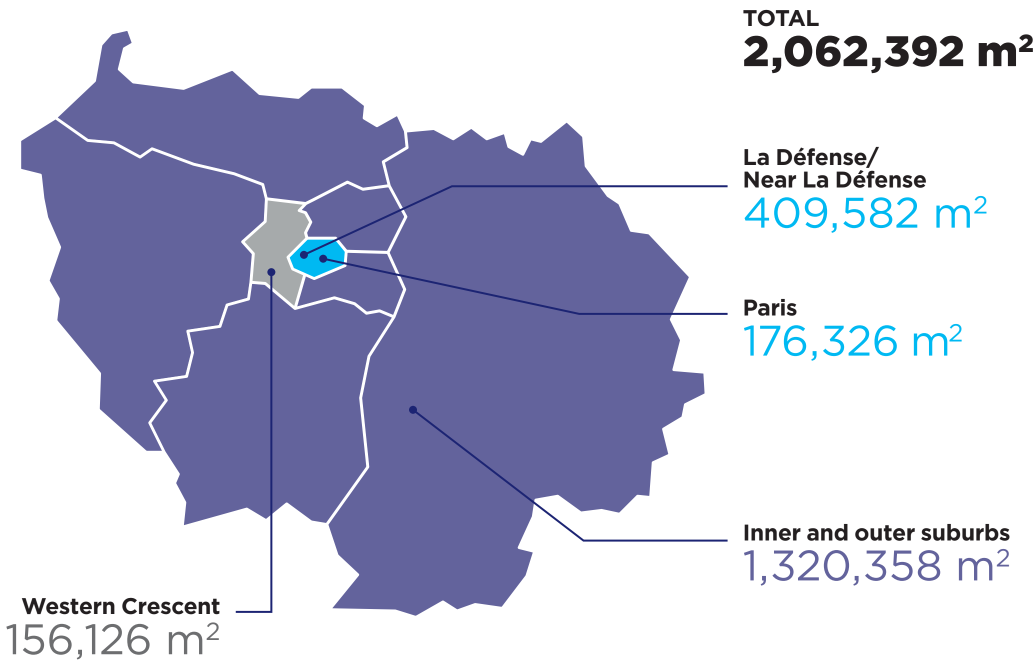
A STRATEGIC ASSET MANAGEMENT

With an expanded and diversified portfolio since its merger with Silic, Icade's rental offer is in line with the best market standards and covering a particularly wide range of rents (€100/m^2 to €700/m^2).

FLEXIBILITY

— Icade's assets are located in the most promising areas or resilient areas, ensuring the real-estate flexibility which the market needs. Whether it involves forming joint ventures, offering immediately available real estate or sites adapted to all needs, Icade's teams have access to the property required to offer turnkey solutions. The controlled transformation of regions through the conversion of some business parks into housing units allows optimisation of the existing portfolio.

SURFACE AREAS OF BUSINESS PARKS AND OFFICES IN THE ILE-DE-FRANCE REGION



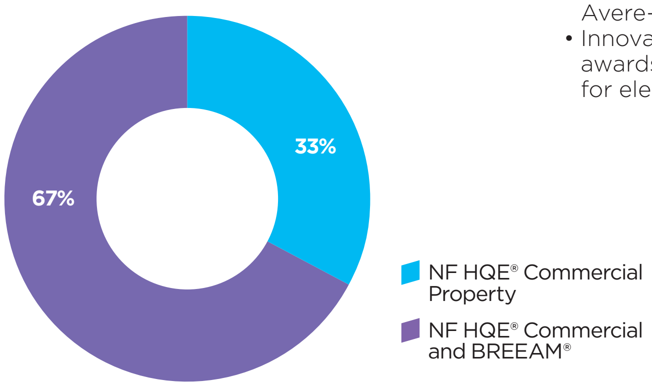
BALANCE

— Over the long term, business parks are ripe for creating value. Following its merger with real-estate investment company Silic, Icade has doubled its land reserves and development capacities. Including all its land reserves, the company is now capable of developing two million square metres of offices and housing.

Over the long term, business parks with vast land reserves are ripe for creating value. Cash-flows are also secured by its subsidiary Icade Santé, which has won its place as a leader over the past six years. This allows Icade to generate recurring, secure cash-flows.

QUALITY

— Icade's environmental requirements combine a strict certification policy (HQE®, ISO 14001, NF, etc.) for its assets, ambitious objectives in terms of reducing energy consumption and a marked ambition to improve local quality of life, particularly by ensuring the establishment of projects and added services.



PROPORTION OF SERVICE ORDER 2013 OFFICE CERTIFICATIONS (IN SQ. M. NET SURFACE AREA)

Business parks with responsible management

— 10 parks ISO 14001-certified out of 14.
— General HQE® Operations OMS (Operational Management System) applied since 2011 on Silic parks and certification underway for Icade parks.
— Exemplary parks for sustainable mobility:
- Two-thirds of assets in the Ile-de-France region are close to future Grand Paris Express stations
- Largest private business park crossed by a tramway (T7 in Orly-Rungis)
- Corporate eco-mobility award from Avere-France in 2012
- Innovation and sustainable development awards from the Caisse des Dépôts for electric river shuttles in 2013.

INNOVATING WITH STAKEHOLDERS

Humanising cities and favouring projects' functional and generational diversity.

— P. 20-27

BUILDING LONG-TERMED PROJECTS

Providing global solutions and designing "complete parts of the city" by incorporating all players' usages.

— P. 28-39

ANTICIPATING HEALTHCARE NEEDS

Developing our acquisitions in the healthcare field to expand the range of treatment.

— P. 40-43

AN URBAN MODEL IMPROVING WELL-BEING

Offering our clients much more than real estate: a human and sustainable environment for companies and their employees.

ACHIEVEMENTS AND OUTLOOKS

Developing projects, disposing of its mature assets, reinvesting in buildings, creating value—that is Icade's contribution to the real-estate lifecycle.

— Icade's approach also involves innovation. Whether it involves designing a housing project such as the Parc des Closbilles in Cergy, building innovative head offices like that of Veolia Environnement or rehabilitating industrial wasteland like the Macdonald warehouse in Paris, Icade anticipates the needs of its clients, regions and inhabitants. Icade aims to integrate buildings into their environment and works in collaboration with all stakeholders to make the most of the existing land and develop multidimensional projects. Reflecting both the functional diversity of urban spaces and the environmental protection, Icade designs buildings and districts which respect the highest market standards, while taking into account the latest urban transportation and residential trends. The projects combine offices, public facilities, residential property and shops, and strive to intelligently create a denser urban fabric.

– DELIVERY
– INAUGURATION

– MERGER
– ACQUISITION
– DISPOSAL

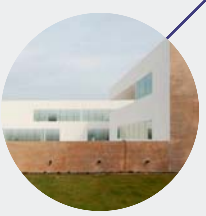
2013...

JANUARY FEBRUARY MARCH APRIL

JANUARY 2

CONTINUATION OF ICADE SANTÉ'S ACQUISITIONS

Finalisation of the acquisition of eight new establishments with fixed 12-year leases.



MuCEM (MARSEILLES)

Created through a public-private partnership with the Ministry of Culture and Communications, the Centre of Conservation and Resources at MuCEM (musée des Civilisations de l'Europe et de la Méditerranée) has a total surface area of 13,000 m², including 8,000 m² of storage.

MARCH 13

MILLÉNAIRE 5 (AUBERVILLIERS) AND PARC DU PONT DE FLANDRE (PARIS 19)

The company Numergy leases 1,930 m² of offices in the Millénaire 5 building and Maif, 2,820 m² of offices in the 026 building in the Parc du Pont de Flandre.

MARCH 22

BIHOME® (VILLEURBANNE)

Inauguration of the first apartment based on the BIHOME® concept, responding to new modes of urban living: independent cohabitation of people and usages.

APRIL 8

SALE OF THE REAL-ESTATE ENGINEERING DIVISION

The three real-estate engineering subsidiaries —Arcoba, Gestec and Setrhi-Sétae—were sold to the Artelia group.

— AN URBAN MODEL IMPROVING WELL-BEING

MAY 22

INAUGURATION OF THE FOURTH ELECTRIC RIVER SHUTTLE

Named *Flandre*, this shuttle boasts numerous technical innovations and increases services to the Parc du Millénaire in Aubervilliers.

JUNE 6

LA FACTORY BUILDING (BOULOGNE-BILLANCOURT)

Signature of an undertaking to sell relating to La Factory, a building with a total surface area of 13,800 m² over seven levels, for €103 million.

JUNE

ACQUISITIONS BY ICADE SANTÉ

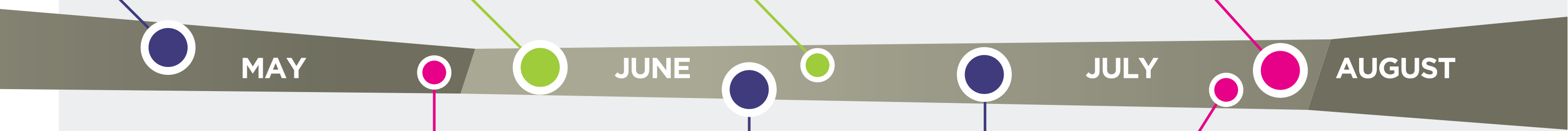
L'Union clinic and Le Marquisat – 39,358 m², 532 beds, €39 million. Operating group: Ramsay Santé.

La Loire private hospital (Saint-Étienne) – 31,000 m², 305 beds, €58 million including duties. Operating group: Générale de Santé.

JULY 12

CAR-SHARING SCHEME WITH ELECTRIC VEHICLES

Signature of an agreement to test the concept of electric vehicles for the C-Zen car-sharing scheme, developed by the company Courb in Lyons.



MAY 27

OPENING OF ICADE SANTÉ'S CAPITAL

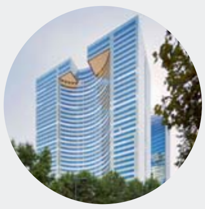
Announcement of a further capital increase of €110 million carried out with a new institutional investor via an OPCI (real-estate mutual fund).

JUNE 19

DELIVERY OF PRÉLUDE (BORDEAUX)

New office building with HQE® (High Environmental Quality) certification and BBC (low-energy building) labelling, over a net surface area of 9,347 m² over eight floors (including the ground floor).

JULY 2



DELIVERY OF EQHO (LA DÉFENSE)

Office tower with a surface area of 79,200 m² GLA over 42 levels, the vertical campus includes 5,922 workstations and multiple services distributed over the building.

RUSHMORE BUILDING (ÉVRY)

The SPIP (prison integration and probation department) chooses the Rushmore building to lease 2,200 m² of office space.

- SIGNATURE
- PROJECT LAUNCH

- CONSTRUCTION BEGINS
- FIRST STONE

- DELIVERY
- INAUGURATION

- MERGER
- ACQUISITION
- DISPOSAL

SEPT.

LAYING OF THE FOUNDATION STONE OF THE PARC DES CLOSBILLES (CERGY)

The Parc des Closbilles, a mixed project of almost 55,000 m² including 865 housing units, received the following certifications: HQE® Urban Development (approach certified by Certivéa), NF Housing-HQE®, BBC-effinergie+ (2012 thermal regulations), Habitat & Environment (H&E) and Qualitel. In April, Icade was awarded a “Pyramide d’argent” (silver award) for this project.

NOV. 16

INAUGURATION OF TRAMWAY LINE T7

The Parc Orly-Rungis is the first business park in the Ile-de-France region to be crossed by an RATP tramway. Plans to create an exit from the A106 motorway to access the Parc Orly-Rungis were approved.

DEC. 31

COMPLETION OF THE MERGER BETWEEN ICADE AND SILIC

Creation of the leading office real-estate company in Europe, with a portfolio of €9.1 billion of assets, the leading office real-estate company in the Ile-de-France region and the leading healthcare real-estate company in France, with 59 establishments.

SEPTEMBER OCTOBER NOVEMBER DECEMBER

... 2013

SEPT. 23

LAYING OF THE FOUNDATION STONE OF VERT ET O (AUBERVILLIERS)

With a total net surface area of 12,000 m², this residence will comprise 168 collective housing units for first-time buyers, distributed over two buildings, A and B, with eight floors (including the ground floor).

DELIVERY OF AMBRE (LYONS)

Plot M, Ambre, has a total net surface area of 12,300 m².

OCT. 21

COMPLETELY NEW PARTNERSHIP WITH PHILIPS

To build the city of the future together, this partnership involves the design of innovative solutions relating to lighting and healthcare technology applied to real estate.

DEC. 2

ODYSSEUM SHOPPING CENTRE (MONTPELLIER)

Sale to Klépierre of securities in this open-air shopping and leisure centre, containing 120 shops and restaurants over more than 50,000 m².

DEC. 3

COMPLETION OF PANORAMA T6 (PARIS 13)

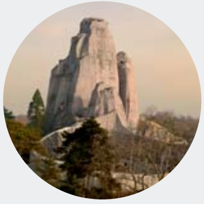
Signature of a real-estate development contract with AG2R La Mondiale for the construction of a new building with 15,000 m² of offices and 990 m² of shops on Plot T6C in the Paris Rive Gauche ZAC.

— AN URBAN MODEL IMPROVING WELL-BEING

2014

DELIVERY OF PUSHED SLAB
(PARIS 13)

Project with a net surface area of 18,900 m²
over six floors.



SPRING 2014

REOPENING OF PARIS ZOOLOGICAL PARK

Renovation project in a public-private partnership with the National Natural History Museum.
The worksite, launched in 2011, involves almost 350 employees and is on schedule.

EARLY 2015

DELIVERY OF THE BUILDING QUÉBEC
(ORLY-RUNGIS)

This office building with five floors (including the ground floor) and a surface area of 12,000 m² is built around a vast landscaped garden, is aiming for double HQE®-BREEAM® certification and the BBC label.

2015

DELIVERY OF THE BUILDING MILLÉNAIRE 3
(PARIS 19)

This complex will house the Ministry of Justice and 1,600 of its employees over a net surface area of almost 32,000 m². It will comply with HQE® standards as well as the BBC and BREEAM® Very Good labels.

2014 2017

DELIVERY OF OPALE-LYONS

With a surface area of around 12,400 m², the building is located at the entrance to the Girondins ZAC.

2015

DELIVERY OF THE BUILDING LE GARANCE (PARIS 20)

This urban planning project responds to three objectives: dig out several basement levels below the local RATP bus station, develop offices above (30,000 m² over five levels) and equip the city with a crèche and college over approximately 3,500 m².

2014

DELIVERY OF THE DOCKS (STRASBOURG)

Conversion of the former Seegmuller warehouse, on the André Malraux peninsula: this project includes shops, offices, a cultural and creative centre, a higher education space and 67 housing units.

2014-2015

REDEVELOPMENT OF MACDONALD WAREHOUSES (PARIS 19)

A mixed project (housing, offices, businesses, shops and public facilities) with a total surface area of 167,000 m² and more than 600 m² of façade. Delivery of offices planned for June 2014 and housing in July 2015.

2016

DELIVERY OF VEOLIA ENVIRONNEMENT HEADQUARTERS (AUBERVILLIERS)

With a surface area of 45,000 m², it will consolidate all Veolia Environnement's historic sites and accommodate more than 2,000 employees.

2016

DELIVERY OF EURALILLE (LILLE)

This mixed complex with a net surface area of 25,800 m², HQE® certified and BBC labelled, will include offices, shops and housing for first-time buyers.

2017

DELIVERY OF THE SWANS TOWERS (STRASBOURG)

The Swans towers project includes housing, shops, a 118-room hotel and a student residence with 180 housing units.

2017

DELIVERY OF PLOT A3 IN CONFLUENCE (LYONS)

The organisation of this 26,400 m² site, comprising housing, offices and shops, has been designed to offer a bioclimatic response to each of its usages.

2017

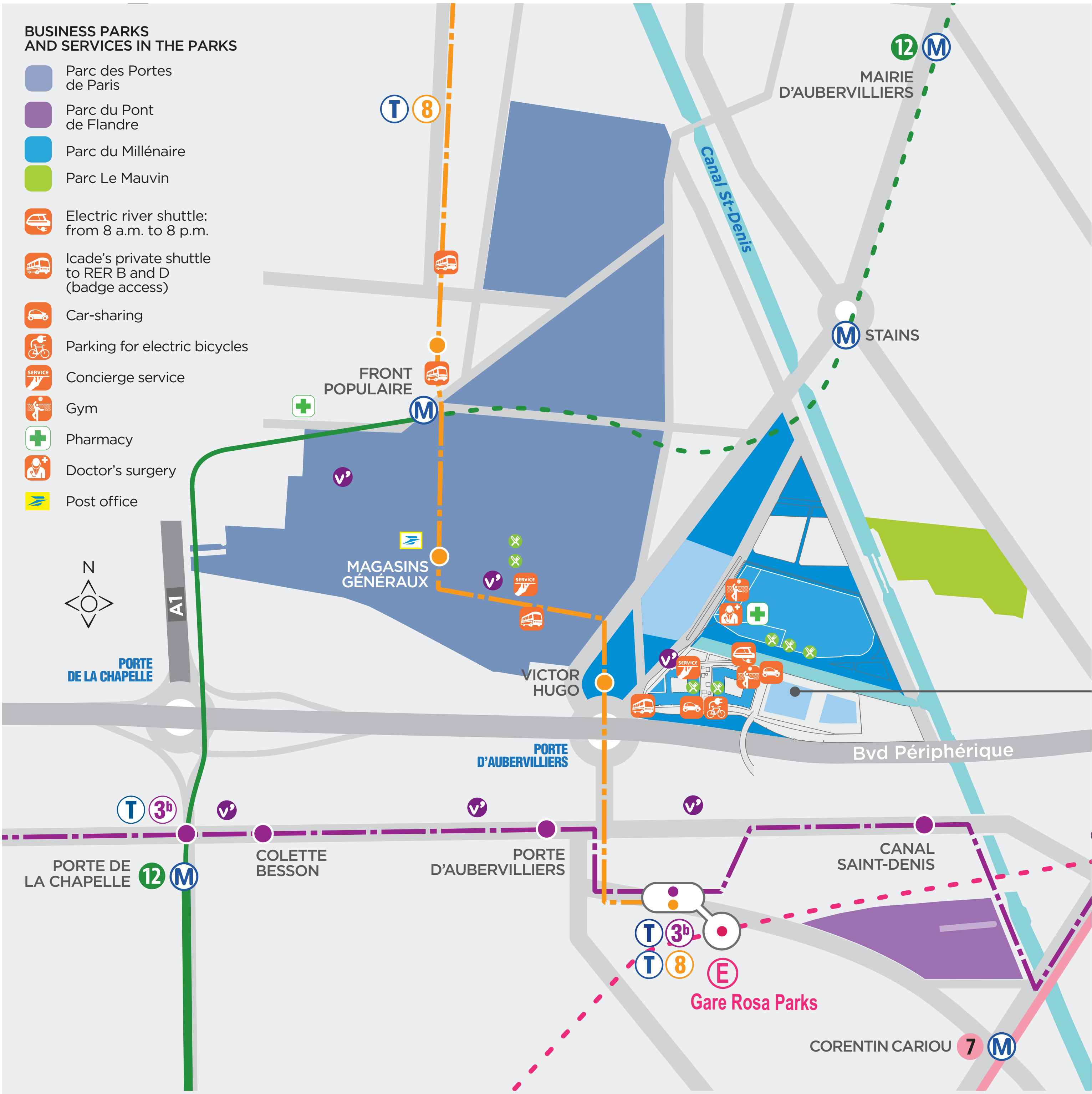
DELIVERY OF THE ECO-QUARTER MONT-SAINT-AIGNAN (ROUEN)

Made up of around 180 housing units distributed between 10 buildings of varying shapes and heights, the eco-quarter will be perfectly integrated into its environment.

2017

DELIVERY OF PANORAMA T6 (PARIS 13)

Constructed above the railway lines leading to the Gare d'Austerlitz, this "bridge building" will accommodate approximately 15,000 m² of offices and 1,000 m² of street-level shops.

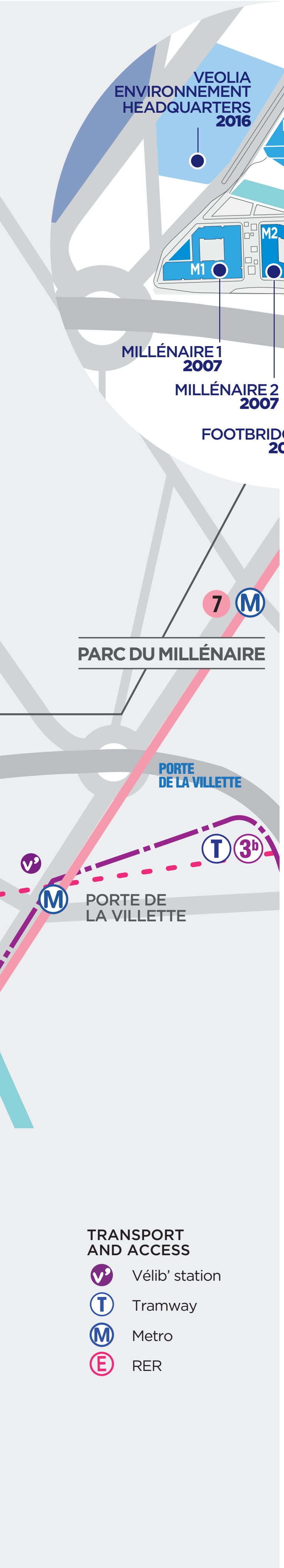


A NEW URBAN CENTRALITY

Diversity
Linking Paris to Aubervilliers, Le Millénaire, Les Portes de Paris and Le Pont de Flandre form a new urban hub which continues to expand by combining offices, shops (including the 140 shops and restaurants in the Le Millénaire shopping centre) and public facilities. The buildings of Le Millénaire 3 and 4 will be added to the complex in 2015, followed by the Veolia Environnement headquarters in 2016.

Urban living
Constructing a district means providing a pleasant, connected and secure living environment. Icade draws on its experience as a partner of large cities to offer numerous services, including concierge services, crèches, gyms and restaurants. The districts developed by Icade are places for work as well as communal living, promoting everyone's well-being.

Accessibility
North-east Paris is now served by bus, metro (lines 7 and 12), tramway (T3) and RER (B and D). In addition, Icade has established soft, alternative and innovative transport solutions including electric river shuttles, car-sharing and car-pooling. The extension to line 12 (2017), the arrival of RER E (2015) and tramway T8 (2020) will further reinforce the area's vocation as a hub within Greater Paris.



HEADQUARTERS REFLECTING EXCELLENCE

Antoine FRÉROT,
Chairman and Chief Executive Officer of Veolia Environnement.

— Why is Veolia Environnement moving to new headquarters?
For reasons relating to the Group's history, its offices were dispersed. For strategic reasons, we wanted to anticipate the grouping of our three business lines at a single site. This common site, a symbol of our identity and our values, is therefore designed to accommodate 2,000 of our employees for greater efficiency, coherence and sharing. It is also a challenge in terms of image and visibility for our Group.

— What criteria did you take into account when choosing to move to the Parc du Millénaire in Aubervilliers?
Firstly, Aubervilliers stood out for being most aligned with our needs in terms of accessibility for our employees. We are also closely monitoring the progress of work on new public transport links which will serve our headquarters and we are pleased to see that they are on schedule for our arrival in 2016. There is also the proximity of major motorways and the Roissy-Charles-de-Gaulle airport, as well as the Gare du Nord and the Gare de l'Est, which are essential advantages for a large international group such as ours. Finally, the quality of the project and the services at the Parc du Millénaire were also decisive. Leaving our Parisian offices, we wanted a lively district, offering diversity, where our employees would find the well-being necessary for their professional fulfilment.

— What advantages does this new urban hub offer in Greater Paris as a whole?
Strategically, it is an area which counts. We have seen other companies and government agencies move outside the Paris ring-road. That reflects the appeal of north-east Paris, which combines the advantages of affordability, the surface area required for very large projects and a location at the heart of the Greater Paris development project. The cohabitation of offices, shops and housing is an undeniable advantage for this district—economically, socially and culturally—and for the ambitions the authorities have set themselves with the Greater Paris project.

— The new headquarters will be an innovative achievement from an environmental, architectural and functional perspective. How does that reflect the Veolia Environnement's values?
In terms of architecture, we were drawn to the U-shaped project by architect Dietmar Feichtinger. It is a building which is protective and welcoming—with its large internal garden—as well as urban and sociable, by being open onto the avenue. These two aspects are a good illustration of our Group's values, which are responsibility, solidarity and respect. Similarly the transparency of the building, its architectural dialogue with its immediate environment and its environmental performances are in line with our ambition to be exemplary. The presence of water, with the canal running along the side of our headquarters, is another symbol of this, since water management is one of Veolia Environnement's historic businesses.

— How would you describe the support offered by Icade with this project?
It is a turnkey operation based on a relationship of trust. Icade's wide range of expertise has given us a single point of contact for all stages of the project, from carrying out feasibility studies, the call for tenders to appoint a project manager to coordination of the site. It is very reassuring to work with a committed player, attentive to our project and its development.

THE PARC DU MILLÉNAIRE, AUBERVILLIERS-PARIS

CONSIDERING ENVIRONMENT

— With its landscaped architecture, its environmental performance and proximity to public transport networks, the Parc du Millénaire offers sustainable development as well as high urban quality. And this, at every stage of the development works, for instance the canal Saint-Denis being used to remove excavated earth by boat, in order to minimise the disruption caused.

BRINGING INNOVATION TO LIFE

Innovation was the key theme of the company's activities in 2013. Designing new products and services, inventing real-estate solutions, revising client relations standards—to anticipate the needs of the city's various stakeholders, Icade has combined attentiveness and creativity with boldness and performance.

CONFLUENCE, LYONS

SUPPORTING CITIES IN THEIR DEVELOPMENT

— With Confluence project, Lyons is inventing the city of the future. All the houses, office and shops constructed by Icade in Plot A3 encourage social diversity and interaction. Its bioclimatic design and an advanced energy management system will also make this district a prototype for the simple and "intelligent" zero-carbon city.

OSMOSE CIRCLES

IMPROVING THE CLIENT RELATIONSHIP

— Since 2010, Osmose circles have enabled employees from Icade's different business lines to share their experiences of a "client universe", a product or a region. The objective is to gain a better understanding of clients in order to offer them increasingly tailored responses. This transversality has been reinforced with the creation of a Key Accounts and Sales Committee and the Key Accounts, Institutional Relations and Communication division (DGC&CO).

EQHO TOWER, LA DÉFENSE

OFFERING NEW SERVICES

— In the centre of the largest business district in Europe, rehabilitation of the Eqho tower has transformed this emblematic element of the La Défense skyline. A genuine “city within a city”, the building with its bright architecture contains a campus arranged vertically—office areas, business centre, auditorium, restaurants, gym, concierge service, etc.

CAR-SHARING

PROMOTING SOFT TRANSPORT

— A first in France. In Strasbourg and Lyons, in association with electric car manufacturers, Icade offers a car-sharing service built into its city-centre residential projects. This is a completely new way of enhancing the range of services for residents, while at the same time supporting changes to urban mobility.

— In an ever-faster changing world, supporting the development of large cities requires an overview of urban challenges, supported by a concrete capacity to anticipate changes to the city. The diversity and complementarity of its areas of expertise place Icade at the centre of these issues, which it is proactively helping to address. This is demonstrated by the pioneering real-estate projects, architecture, urban solutions and personal services which are shaping sustainable cities, from economic, environmental and social performance, to collective quality of living. The creation in 2013 of the Innovation commission within the coordination committee reflects the desire at the highest management level to place this quest for overall performance at the heart of every strategic decision. It is based on an organisation, methods and tools—such as Osmose circles—which are facilitating the emergence and then the dissemination of innovations.

URBAN REDEVELOPMENT

CONSTRUCTING COMPLEX AND INNOVATIVE BUILDINGS

— Innovating also means turning existing constraints into advantages. In Strasbourg, it was necessary to adopt new construction solutions to transform the former Seegmuller into a modern complex of housing and offices—Les Docks *(photo)*. The same is true in Paris in the case of the ZAC Paris Rive Gauche bridge-building and the mixed Le Garance project, achievements unrivalled in Europe.

ALTER’ÉGALES THINK-TANK

ENCOURAGING REFLECTION

— Alter’égales is the Caisse des Dépôts group’s network of female managers in France. Their objective is to reinforce the role of women in the company and promote their place in society. Alter’égales is a great source of innovations and has led to the creation of think-tanks on life annuities, working space and housing.

— Assisting the active ageing of seniors involves a decidedly new approach to housing, requiring not only a new way of considering residential properties, but also their integration into their environment. To better respond to changing lifestyles, in 2007 Icade set up a research centre into ageing and adaptation of the city, and now, with its partners, proposes solutions which all stand out for their fresh approach. Adaptable to seniors' changing needs in terms of autonomy, the packages offered by Icade are located in the heart of districts, very close to shops, services and transport, to encourage the maintenance of social and intergenerational links. In the case of BIHOME®, an innovative shared housing concept, Icade makes it easier for the elderly to remain in their home by allowing different generations to live together. Each unit includes a main apartment, plus an additional living space with a separate entrance and its own amenities. The first BIHOME® apartment was inaugurated in Villeurbanne (Rhône) in March. Many projects all across France are incorporating this innovation, which reconciles family cohesion with respect for privacy.

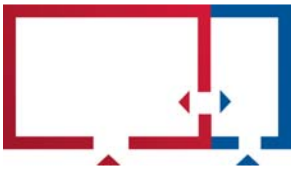
HIGH QUALITY AGEING

While the 20th century gave us the gift of longevity, the 21st will be the one in which we adapt our societies to active ageing. Icade contributes by inventing innovative housing solutions helping seniors to retain their place in the community.

ZAC DES GRISETTES, MONTPELLIER
This 7,500 m² complex is located close to the city centre.

In Montaigu (Vendée), Icade has teamed up with the federation of municipalities to carry out the Agora project—awarded in 2013 by the “Living Together Today and Tomorrow” competition. Inspired by the principles of Humanitas, a Dutch association, the residence contains social housing, apartments for first-time buyers and a nursing home, linked to each other and benefiting from integrated services. The project’s objective is to allow elderly people to remain in their living environment, safe and with daily help, in housing able to evolve over the years.

In Montpellier (Hérault), Icade has built Les Grisettes service centre in partnership with MFR, which opened in October in the eco-quarter of the same name. Five minutes from the city centre by tramway, this 7,500 m^2 six-floor complex, which is unique in France, contains a nursing home and sheltered housing, associated with a corporate crèche, a care home and a social activity centre. A living space which is open on its district, designed to offer high-quality services to everyone and provide an alternative for seniors ready to leave their home.



THE BIHOME® CONCEPT, VILLEURBANNE
Two adjacent living spaces, with two separate entrances, preserving residents’ privacy.

2013 EVENT

“LIVING TOGETHER TODAY AND TOMORROW” AWARDS

— With the increase in life expectancy, five generations may now live alongside each other. In order to encourage harmonious cohabitation between age groups, in 2009 Icade and Agevillage.com created the “Living Together Today and Tomorrow” awards, with support from the Caisse des Dépôts group. Every two years, this competition recognises exemplary achievements and innovative ideas related to HQV (High Quality Ageing) in the fields of real-estate (individual housing, collective housing and nursing homes) and intangible projects relating to services, information, networks, etc.

The 2013 winners were presented with their awards on November 19 at the Town Halls and Local Authorities Exhibition, in Paris.

Further information:
www.prix-vivre-ensemble.fr

THE 2013 WINNERS of the competition created by Icade and Agevillage.com to promote intergenerational cohabitation.

IMAGINING TOGETHER

Cities, by definition, are constructed collectively. Adopting an approach involving local authorities, professionals and clients makes it possible to imagine truly innovative urban projects. Icade is a close partner of all those who contribute to developing cities and it devotes all its expertise and creativity to building the sustainable city.

— New concepts of housing and innovative districts: Icade's partnership approach is a fantastic catalyst for projects. Firstly, since it takes into account all stakeholders' challenges. Secondly, because it incorporates these challenges into a comprehensive vision which goes beyond individual interests. It is this vision which enables a complex project such as the Garance building in Paris, designed to accommodate several activities, to become reality. "Concurrent engineering" is another aspect of the response to the challenge of sustainable cities. Contracting authorities and industrial companies collaborate to anticipate needs and implement solutions at the earliest possible stage in projects' life incorporating the most cutting-edge technologies. The partnership signed in October between Icade and Philips, the world leader in lighting, is a good illustration of this.

LE GARANCE, PARIS
A multimodal building constructed above an underground RATP bus depot.

“We can speak of complementarity of business lines, the ambition to jointly create value in the economic chain.”

Benjamin AZOULAY,
Managing Director of Philips Lighting.

PHILIPS LIGHTING
ICADE

AN INDUSTRIAL PARTNERSHIP UNIQUE IN EUROPE

— A partnership developing practical applications

“Lighting accounts for 20% of electrical consumption. It is therefore a major aspect of energy transition. Furthermore, the lighting sector is undergoing a radical upheaval. While consumers are expressing new needs, technical changes in LED lighting and connectivity are opening up immense scope for innovation. Apart from electrical lighting, light in all its forms is becoming a key aspect of well-being, health and security, not to mention a creator of atmospheres and experiences.
The partnership protocol with Icade is the logical next step in a series of meetings and projects which have taught us to work together, revealed each party’s expertise and confirmed the existence of a common culture and values.
This alliance between the industrial and contracting authority aspects gives us the resources to incorporate innovation at a very early stage in the design of a building or a private or public space, to ensure we take into account the user benefit from the outset. Practical illustrations of this approach exist already. The renovation of the Eqho tower—the vertical campus—in La Défense, the construction in progress of the Parc des Closbilles in Cergy and construction of the new hospital in Orléans are three examples of different projects in which new solutions make it possible to combine energy efficiency with a high standard of living.

— Emergence of lighting awareness

To go further, we have set up four project teams with Icade to research the key challenges of the city of the future: residential housing, healthcare and medical-social issues, business parks, and office spaces. We can speak of complementarity of business lines, the ambition to jointly create value in the economic chain. Above all, our priority is to raise awareness through this partnership of lighting’s potential. Enabling everyone to benefit from the best innovations in this field, means making the city more beautiful, human, attractive and sustainable.” ⊗

“With Icade, we didn’t work face to face but side by side.”

Rémi FEREDJ,
Director of the Real-estate Valuation, Purchasing and Logistics Department, RATP.

LE GARANCE PROJECT
PARIS

A MODEL OF URBAN DIVERSITY

— “Constructing a building on top of another building, layering functions and creating competition between possible architectures means bringing life to the city. A city which constructs by destroying lacks depth. With Le Garance, designed by RATP, the industrial platform —the Rue de Lagny bus depot in the 20th arrondissement— remains a part of the district. By also incorporating offices, a crèche and a college, we are at the same time looking to the future. To successfully complete this very complex urban project, it was necessary to bring together RATP’s various areas of expertise in real-estate engineering, which are usually independent —not only technical know-how, but also legal, financial and civil engineering project management expertise. We also needed to overcome numerous administrative obstacles. With Icade, we didn’t work face to face, but side by side, including, at difficult times, working together to identify solutions and bring the project to life. More than a simple partner, we were able to count on the professionalism of a real ‘urban project transformer’.” ⊗

A NEW CLIENT RELATIONSHIP

Rémi LEMAY, Head of Key Accounts, Institutional Relations and Communications division (DGC&CO).
Jérôme KLEIN, Head of Asset Management, Commercial Property Investment.
Philippe VILLERET, Sales Director, Parks and Regions.

— What added value does the expanded Icade offer its clients?

Jérôme Klein: The complementarity of our business parks, ideally located in Greater Paris, will allow our existing and future clients to carry out the best geographical trade-offs and adapt their sites to their changing needs.

Philippe Villeret: The scope and diversity of our portfolio and the range of our solutions mean we are in a position to respond to all types of needs in the Ile-de-France region.

— What is your view of the client relationship?

Rémi Lemay: In 2013, we established a close working relationship between Icade's Key Accounts, Institutional Relations and Communications division (DGC&CO) and its Sales division, with the aim of improving our client relations. The quality of the relationship forged between the Head of Key Accounts and the client is based on trust and confidentiality. It is essential for this transparency and the smooth flow of information to be two-way. As Head of Key Accounts, my role is to listen to my clients' needs before, during and after the project, in collaboration with internal operational staff. It is a role which allows me to offer the best proposal and the optimal solution and to provide our clients with the right skills and expertise at the right time.

— What are the implications of this change of scale in terms of the sales approach?

P.V.: The Sales division has been reorganised to concentrate its action on being attentive to the market and the client relationship. At the same time, the segmentation of teams is designed to reinforce their regional presence. The objective is also to better coordinate our actions with those of our specifiers, by providing these brokers with tools tailored to working alongside us.

J.K.: This is accompanied by a greater cross-functionality within Icade. Each salesperson work closely with an asset manager, to prepare development forecasts for example, and with a property manager regarding buildings' operational aspects.

— What are your priorities for 2014?

R.L.: The results achieved in 2013 make us optimistic, although realistic, about the prospects for 2014. Our priority this year will be to help the Sales division achieve its objectives, such as reducing vacancy, and allow the development of new real-estate projects, in which the relationship depends on finding a tenant or an investor.

BUILDING THE RIGHT SOLUTION TOGETHER

— How do you organise your collaboration with Icade?
Icade proposes a wide range of real-estate services and investment solutions to key accounts such as AXA France. These need to be coordinated and structured to allow the joint development of a tailored solution. We share the same view of the partnership with Icade. We both believe that coordination between the two companies' teams is the best way of ensuring the successful completion of operations. And for that we rely on our Senior Bankers.

"Coordination between teams ensures the successful completion of operations."

Henri GURS,
Director of Partnerships
and Key Accounts, AXA France.

— What are the roles of the Senior Bankers at AXA France and Icade?
The Senior Banker, or Key Account director, is responsible for understanding the partner's strategy. They work together to identify areas of cooperation, as part of a long-term win-win relationship, both in France and abroad. They then oversee implementation of this cooperation and its proper functioning from a legal, financial and operational perspective, while uniting the range of talent and expertise. They represent an essential contact point, including in relation to one-off requests outside contractual agreements. As part of our collaboration with Icade, the Senior Bankers work closely with both companies' general management teams, ensuring their good relations by organising regular updates.

— What benefits does this function offer Icade?
The Senior Banker at AXA France has knowledge of the economic world allowing him to represent Icade in relations with public or private institutions and create the right conditions for future business. He is an ambassador for Icade and a key element in understanding developments in the real-estate sector, allowing the Group to respond to market changes and move forward.

HEAD OFFICE OF AXA FRANCE
in Paris-La Défense-Nanterre.

WORKING WITH MUTUAL RESPECT

"The senior management wanted to move to an up-and-coming area, in line with Club Méditerranée's culture and pioneering capacity."

Sophie BARRAULT LE FOUR,
Director of Development and Assets, Club Med.

— When and how did Club Méditerranée move to the Parc du Pont de Flandre?

We moved from La Bourse district to the Parc du Pont de Flandre in 1996. Serge Trigano, Chairman of Club Méditerranée at that time, fell for the site's unusual architecture and charm which were symbolic of the period, and wanted to move to an up-and-coming area, in line with Club Méditerranée's culture and pioneering capacity. The whole park was an industrial zone at that time and part of it was successfully reclassified for offices.

— How do you view the past decade?

New buildings have been constructed in the park, particularly the district court, and Building 028 has been completely renovated (apart from the façades). The district has changed for the better with the opening of the Parc du Millénaire, reached by river shuttles, although it is a shame that certain types of shops are missing. More recently, the creation of new public transport links, including the arrival of the tramway and Rosa Parks station (still under construction), has improved accessibility.

— What kind of relationship do you maintain with Icade, with which you have renewed your lease?

A relationship of trust and of listening to our mutual needs. Icade carried out major works, following the renewal of the lease in 2008, to modernise the offices we lease, particularly in relation to energy consumption. Sustainable development is one of our shared concerns. Furthermore, Icade has regularly shown itself willing to adapt to our changing needs in terms of more or less surface area.

— What would you say to a company which would like to move to the Parc Pont de Flandre?

I would advise it to come and benefit from the improvements in public transport, now that most of the disruption is over! The pleasant gardens, with the pond and lawns, the proximity of the Parc de la Villette (we have some sporty employees who like to run there at lunchtime), and the presence of a gym and a crèche are real advantages. I would also point out the flexibility in terms of available surface area offered by leased premises within a larger park. The arrival of new companies can only contribute to improving the quality of the district's shops and environment, which will also benefit us.

MAINTAINING A PERMANENT DIALOGUE

— What led a large government body like the Regional Health Agency to move its head office to Le Millénaire 1 and 2?
The Regional Health Agencies were established by the Hospital, Patients, Health and Regions Act in 2010 to make healthcare administration more efficient and simpler by creating a single entity for each region grouping government and health insurance services responsible for healthcare policies, e.g. ARH, CRAM, DDASS, DRASS, GRSP, URCAM*, etc. Le Millénaire 1 and 2 *(photo, Regional Health Agency head office)* fully met our requirements for our unified and simplified head office, enabling better coordination between our departments and our partners. Our move was therefore the first large-scale operation in the regional Provisional Real-Estate Strategy Plan designed to streamline the government's occupancy of properties. The Parisian address, the architectural and environmental quality of the building, the services offered to our employees by Icade and the site's accessibility also influenced our decision to choose Le Millénaire 1 and 2 as the site for our 600 employees.

"The Parc du Millénaire fully met our requirements for our unified and simplified head office."

Claude ÉVIN,
General Director of the Ile-de-France Regional Health Agency.

— How would you describe your relationship with Icade, with which you have recently renewed your lease for nine years?
Being located in the same building as Icade's head office, we have a relationship of good neighbours based on permanent dialogue, which is becoming even more constructive as the years go by. We watched from our windows the arrival of the new public transport and the progress of Icade's work on the Parc du Millénaire, and also the shopping centre, the launch of the river shuttles and the installation of prestigious companies and government bodies. That reaffirms our original choice and gives us confidence in the future of this district.

**ARH: regional hospitalisation agency; CRAM: regional health insurance fund; DDASS: departmental directorate of health and social affairs; DRASS: regional directorate of health and social affairs; GRSP: regional public health consortium; URCAM: regional union of health insurance funds.*

AN APPROACH ENHANCING QUALITY

Environmental certifications and quality reference systems: Icade is committed to sustainable real-estate and aims to set an example in all its activities.

— Pioneer: in 2005, Icade initiated the first HQE® (High Environmental Quality) certification in private commercial real-estate with Building 270 in the Parc des Portes de Paris. The various environmental certifications coordinated by Certivéa relate to each of the three stages in a real-estate project—development, construction and operation—to contribute to the sustainable city throughout projects' entire lifecycle. Icade is committed as a contributor to the development of reference systems, an operator guiding new certifications as well as the recipient of the first certifications in all three categories.

Five examples illustrate the company's actions in this field in 2013:

— Icade participated in the working group which developed the new HQE® Operation V2 reference system, and migrated its operations subject to HQE® Operation certification from the first version to this new version via an OMS (Operational Management System)

— Icade has 10 ISO 14001-certified business parks, representing 195 buildings and more than 1,150,000 m^2

— In 2013, Icade renewed its NF HQE® certification for the next three years for all of its property development production in France

— In October 2013, Icade became the only company to be awarded phase 5 of HQE® Urban Development (Aménagement) certification for its operation of the Parc des Closbilles in Cergy, corresponding to the implementation phase

— Icade is the first developer to receive the "Biosourced Building" label for a development of 29 houses, in recognition of the use of materials produced from biomass.

COMMITMENTS FOR 2014

Icade confirms its ambition to achieve HQE® certification for all its future tertiary projects by aiming for an HQE® Excellent passport (accompanied by a second BREEAM® type certification in approximately 50% of cases), coordinated via an OMS by the Property Investment and Property Development divisions.

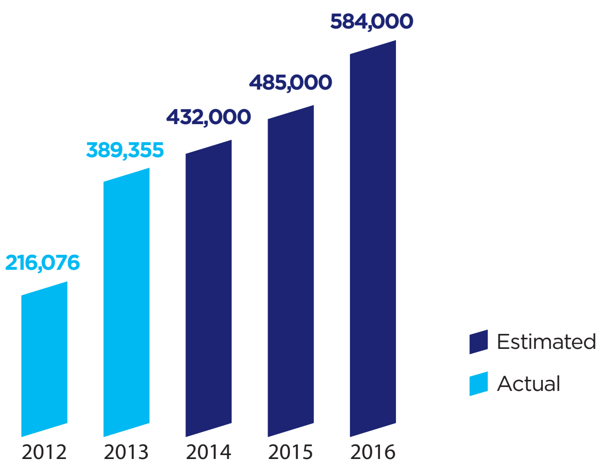
Having already certified more than 24,000 housing units and extended NF Housing certification to cover its entire production, Icade is making a commitment to obtain environmental certifications—H&E (Habitat & Environment) and NF Housing HQE®—for more than 60% of its service orders in residential property development from 2014.

FRENCH AWARDS

“PYRAMIDES D’ARGENT” FOR ICADE

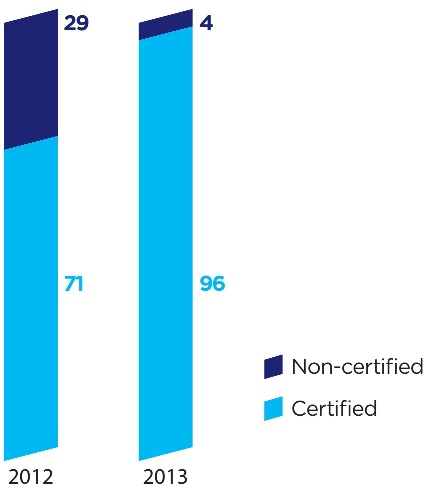
Icade won nine “Pyramide” awards in the annual competition organised by the FPI (Federation of Real Estate Developers), which aims to promote quality, know-how, and innovation in construction and real-estate projects. Four regional Grand Prizes, a Commercial Real Estate award, an EDF Bleu Ciel award for environmental and energy performance, two GrDF awards for innovation promoting energy and economic performance and an Aesthetics award.

CHANGES IN THE SURFACE AREAS OF ICADE’S HQE®-CERTIFIED COMMERCIAL BUILDINGS (IN SQ. M.)



CHANGES IN NF HOUSING CERTIFICATION (AS A %)

In 2013, Icade’s commitment to achieve certification for its entire housing units production was almost achieved.



— With 59 healthcare establishments located throughout the country, representing assets of €1.9 billion, Icade Santé is the leading healthcare real-estate investment company in France. Icade Santé invests in clinics (medicine, surgery, obstetrics, aftercare and rehabilitation, and psychiatry) through partnerships with tenant-operators which it supports in their development projects. Its experience in the healthcare sector, the recognition of its expertise and the solidity of its shareholder base give Icade Santé the capacity to invest in quality assets. This is reflected in the success of the capital increases carried out by Icade Santé since 2012 with major institutional investors. The most recent, in May 2013, contributed to financing the year's investments, including almost €130 million to acquire new establishments and €30 million for work on clinics already in the portfolio. As at December 31, 2013, Icade Santé was 57% owned by Icade.

ANTICIPATING PEOPLE'S HEALTHCARE NEEDS

A leading investor in private clinics, Icade Santé stands out for its partnership policy and a culture of innovation, making it a key player in the modernisation of the French healthcare sector.

CLINICAL CENTRE, SOYAUX
This 24,000 m² clinic received 27,000 patients in 2013.

A SOLID PARTNERSHIP

Icade Santé's leadership in its sector is based in particular on partnerships with the buildings' tenants, i.e. clinic operators. Responding to increasing demand for property outsourcing by operator-partners, helping them to modernise their establishments and develop their activities are crucial keys to the success of the investments carried out. Icade Santé's teams offer expertise ranging from advice concerning real-estate investments to analysis of operators' activities and knowledge of healthcare authorities.

INVESTING FOR THE FUTURE

By investing alongside them, Icade Santé allows healthcare players to expand the range of services they offer and optimise their economic model, while contributing to the sector's wider transformation. Adapting establishments to regional needs and developing out-patient care are both key challenges for which Icade Santé implements innovative responses addressing present and future needs. ⊗

SUPPORTING THE GROWTH OF A HEALTHCARE REAL-ESTATE INVESTMENT COMPANY

In May 2013, Icade Santé carried out a new capital increase of €110 million with Sogecap (Société Générale group) via an OPCI*—further growth demonstrating the solidity of Icade Santé's economic model.

Éric JOSEPH,
Investment Director,
Sogecap.

— What led you to participate in Icade Santé's share issue?
We wanted to invest in the healthcare sector, in which we were not yet present due to a lack of suitable opportunities. There were two particularly attractive aspects to the partnership with Icade Santé. Firstly, the possibility of joining a form of "club deal" with other investors we know well and, secondly, the asset managers who convinced us of their expertise and capacity to generate value through their approach to the market.

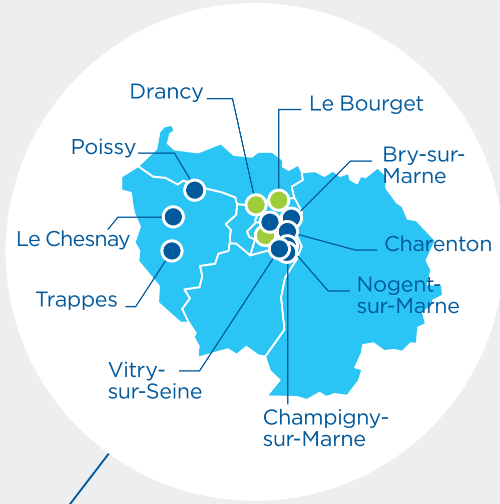
— Was it more a question of diversification or investing in assets with high potential?
This investment has an element of diversification, while also corresponding to a strategy of seeking a return. From this perspective, healthcare appeared to be a resilient sector, in a general context of low interest rates. However, for us it is a long-term investment. We are there to support Icade Santé in the development of a sector due to play an increasingly important role. Sogecap will participate in any future capital increases which may take place, with the objective of maintaining our stake at around 10%.

— What do you believe are Icade Santé's advantages in its market?
Healthcare requires a specific and specialised expertise. Icade is one of the few players in France to possess that expertise. It operates in a market set to explode due to the change in the age pyramid. The retirement of the baby-boomers is generating enormous needs which must be met, while at the same time streamlining management methods if we are to limit the burden of healthcare costs on society. ⊗

Real-estate mutual fund.

ICADE SANTÉ'S ADVANTAGES

— The diversification of its portfolio of healthcare assets, both geographically and by operator, gives Icade Santé good risk management. Icade Santé's establishments are particularly located in the most dynamic population centres, such as the Atlantic coast, the Ile-de-France region, the South West and the South.



59
establishments

10
operator-partners

€1.9 billion
valuation, excluding duties

€130 million
in annualised rents

6.9%
net return, excluding duties

More than 9 years
average residual terms of leases

● 47 MCO[1] CLINICS ACQUIRED

● 12 SSR[2] AND ESM[3] CENTRES ACQUIRED

(1) Medical, surgical and obstetrics.
(2) Aftercare and rehabilitation.
(3) Psychiatric establishment.

A SHARED VISION

"We now want to consolidate our relationship around other external growth projects."

Damien MICHON,
President and CEO, Ramsay Santé.

— The partnership between Ramsay Santé and Icade Santé arose through a complex operation—the takeover of the L'Union clinic, a private establishment with nearly 500 beds in Toulouse. The objective for us was to find a recognised, stable partner, capable of completing acquisition of the real-estate assets at the same time as our buyout of the two operating companies. The arrangements were complex due to the nature of the real-estate properties (three real-estate investment companies, own-account construction and real-estate leasing) and by the need for a simultaneous transaction between the sellers (more than 100 practitioners), Icade Santé and Ramsay Santé. Icade Santé's value-added lies above all in its knowledge of healthcare establishments, particularly private ones, the prospective analysis of risk factors and the reliability of its decision-making. We now want to consolidate our relationship around other external growth projects and work with Icade Santé where necessary on projects to restructure and enlarge our clinics. A shared medium- and long-term vision is essential for us.

MAY

ACQUISITION OF A DIALYSIS CENTRE

— Icade Santé acquires Les Fleurs nephrology centre in Ollioules, operated by the Médi-Partenaires group, for €13 million including duties.

JUNE

A NEW PARTNERSHIP

— In order to purchase L'Union clinic and Le Marquisat SSR* centre in Toulouse, for €39 million including duties, Icade Santé formed a partnership with a new operator, Ramsay Santé, the French subsidiary of the Ramsay Health Care group, an international player in the private hospital sector.

*Aftercare and rehabilitation.

JUNE

ACQUISITION OF A PRIVATE HOSPITAL

— The acquisition of the Hôpital de la Loire, a private hospital in Saint-Étienne, managed by the Générale de Santé group for €58 million including duties, strengthens Icade Santé's positioning in the Loire.

OCTOBER

SUCCESS IN THE ILE-DE-FRANCE REGION

— Reinforcing its partnership with the Vedici group, Icade Santé acquires the Saint-Louis clinic in Poissy for €18 million including duties.

DECEMBER

A DEVELOPMENT OPERATION

— Icade Santé formed an exclusive partnership with the Courlancy group to construct a 450-bed clinic and places in Reims Bezannes.

TEAMS

Benefitting from the skills and experience essential to Icade's development.

— P. 46-51

CORPORATE GOVERNANCE

Establishing the company's business strategy and supervising its execution.

— P. 52-55

PERFORMANCE

Affirming the financial power and solidity of Icade's model.

— P. 56-63

EXPERTISE AND EFFICIENCY

Working tirelessly to establish and defend a leadership position.

WITH SILIC, ICADE SEES THE BIG PICTURE

The industrial and financial model of the Icade-Silic combination was consolidated in 2013. This merger created the leading office real-estate investment company in Europe, with a portfolio of €9.1 billion of assets and more than two million square metres of land reserves in the Ile-de-France region. This strengthened what Icade can offer and its positioning at every stage in the real-estate value chain.

"Integration of teams: a widely anticipated challenge."

Corinne LEMOINE,
Human Resources Director, Icade.

— In what ways are the human resources of Silic and Icade complementary?

As well as their knowledge of the respective portfolios, complementarity comes from a more financial focus within Icade and a greater emphasis on client relations within Silic. The cultures were very similar however—the same sector, the same business lines, the same passion and the same dedication shown by teams.

— What preparations were made to integrate Silic's teams?

Preparations began in May 2013, facilitating the arrival of Silic employees and their rapid integration into the Commercial Property Investment division and support functions. The distance allowed us to create a simple and straightforward structure, with real diversity of teams at all levels. At the same time, changes to the articles of association and the social framework was subject to an ongoing dialogue with employee representatives from Icade and Silic-Socomie and regular information meetings with employees.

— Are any further structural changes planned?

Integration is underway and will continue via participation in working meetings, courses, team seminars and the organisation of regular updates. Some adjustments to the positioning and definition of posts will continue to be made over the coming months. Two highlights appear on the agenda: the site relocation which will be complete by the end of May and roll-out in July of the real-estate management application Altaix, which will complete the harmonisation of our working practices.

LOOKING FORWARD

Caroline DELGADO-RODOZ,
Asset Management Director, Commercial Property Investment division Parcs des Portes Nord de Paris.

"The diversity of our business parks allows us to offer companies a wide range of rents depending on the location. This allows us to support them through their growth phase and in periods when they need more flexibility. Icade is particularly well placed to optimise companies' real-estate strategies since it is a landlord which inspires confidence—a stable company which manages its assets from a long-term perspective."

Julien BERAUD,
Asset Management Director, Commercial Property Investment division, offices and other parks.

"The merger of Icade, a 'developer-REIT', and Silic, an 'owner developer', was natural. It was facilitated by the similarity of values, coherence of business lines, and the complementarity of asset portfolios. The expanded Icade is now present in the Ile-de-France region in three major development hubs, strategically located in relation to the dynamics and networks of Greater Paris: Plaine Commune to the north-east, La Défense-Nanterre to the west, and, to the south, Orly-Rungis, leading towards Évry and Saclay."

Xavier PERREAU,
Asset Management Director, Commercial Property Investment division, Orly-Rungis and southern parks.

"The Greater Paris metropolis will open up links between the areas of the Ile-de-France. A company looking for a large surface area will be less restricted to just one area and will take a much more circular approach. In this context, the Great Icade becomes a key player. At the moment, everyone is waiting for the return of the large transactions which practically disappeared in 2013. The asset management teams are standing by to respond."

A STRONGER EXPERTISE

— Icade operates across all real-estate business lines. Following its merger with real-estate investment company Silic, Icade can offer its clients and business partners, a range of complementary products and expertise. This means that to offer its clients more than property, Icade's various projects—offices, business parks, residential property, shops and public facilities—adopt an approach incorporating functional, intergenerational and social diversity.

The varied commercial offering and skills of teams present throughout France (seven regional divisions) and at every stage in the real-estate value chain (development, design, contracting, marketing, and administrative and technical management) allow Icade to be the preferred and trusted partner of regional public and private players.

ICADE'S NEW YEAR RECEPTION 2014
On January 9, Serge Grzybowski, Chairman and Chief Executive Officer of Icade, addressed employees at this event held in Paris.

TERRITORIAL OFFICES


01

01 —
RHÔNE-ALPES AUVERGNE
Regional Director:
Hervé Simon.


01


01


05

05 —
WESTERN FRANCE
Regional Director:
Jean-Michel Boussac(1).


06


05


05

06 —
EASTERN FRANCE
Regional Director:
Frank Nass(4).

02

02 —
SOUTH WEST
Regional Director:
Didier Beigbeder.

03 —
ILE-DE-FRANCE
Regional Director:
Joseph Bocciarelli[2].

04 —
NORTH NORMANDY
Regional Director:
Antoine Marre[3].

02

03 04

07 —
MEDITERRANEAN
Regional Director:
Jean-François
Santi-Weil.

07

07

06

07

(1) (3) See page 4.
(2) Joseph Bocciarelli left Icade on February 28, 2014.
(4) Frank Nass was appointed to head the Ile-de-France Regional division on March 1, 2014.

THE EXECUTIVE COMMITTEE

Hervé MANET
Head of the Development division.

Corinne LEMOINE
Head of Human Resources.

Nathalie PALLADITCHEFF
Head of Finance, Legal Affairs and IT and Head of the Services division.

Serge GRZYBOWSKI
Chairman and Chief Executive Officer of Icade.

Marianne DE BATTISTI
Head of Key Accounts, Corporate Relations and Communications division.

Dominique BEGHIN
Head of the Commercial Property Investment division and International Business.

— THE EXECUTIVE COMMITTEE

The six members of Icade's Executive Committee (Comex) are well-known in the sector and contribute their expertise and experience to the development of regions and of Icade. This committee meets every week to address matters relating to Icade's finances, organisation, clients and staff.

— THE COORDINATION COMMITTEE

The Coordination Committee is a cross-functional body which works alongside the Comex. It is a forum for discussion and a place of exchange, proposals and upward and downward information-sharing. The committee meets four times a year and for a two-day annual seminar.

— THE COMMITMENTS COMMITTEE

Responsible for examining and giving its opinion on all of Icade's and its subsidiaries' investment or disinvestment commitments, this committee meets twice a month.

— THE RISKS, RATES, CASH FLOW AND FINANCING COMMITTEE

This committee, responsible for overseeing liquidity and financing policies, market risks and investments, as well as coordinating management of the company's assets and liabilities, meets once a month.

— THE INFORMATION SYSTEMS COMMITTEE

This committee meets at least once a year to assess the relevance of the various subsidiaries' key projects and their integration of these applications, in order to have a coherent overview of the information system.

— THE MARKETING COMMITTEE

Chaired by Serge Grzybowski, this bi-monthly, cross-functional committee brings together business lines and the Icade's Key Accounts division to examine initiatives taken and actions carried out in respect of target groups.

— THE SUSTAINABLE DEVELOPMENT COMMITTEE

This committee is responsible for steering the company's sustainable development policy and ensuring its relevance to market developments. Its role is to coordinate, guide and supervise sustainable development action programmes. This committee meets five times a year.

— THE HUMAN RESOURCES COMMITTEE

This committee meets every two weeks to discuss human resources matters within the company and in particular monitoring of key projects, reporting on mobility in progress, recruitment, legislation and legal aspects, training and the introduction and monitoring of procedures.

THE BOARD OF DIRECTORS

01 —
Benoît MAES
Finance Director, Groupama group, and independent director.

02 —
Nathalie GILLY
Director of Banking and Trust Services, Caisse des Dépôts.

05 —
Benoît FAURE-JARROSSON
Financial analyst and independent director.

06 —
Jean-Paul FAUGÈRE
Chairman of the Board of Directors, CNP Assurances.

10 —
Cécile DAUBIGNARD
Strategy Director, Groupama group, and independent director.

09 —
Marie-Christine LAMBERT
Deputy Finance Director, Orange group, and independent director.

07 —
Olivier DE POULPIQUET
Co-Chief Executive Officer, Morgan Stanley Real Estate Investing, and independent director.

08 —
Olivier MAREUSE
Finance Director, Caisse des Dépôts.


02


03


04

03 —
Christian BOUVIER
Director.

04 —
Franck SILVENT
Director of Finance, Strategy, Subsidiaries and International, Caisse des Dépôts.

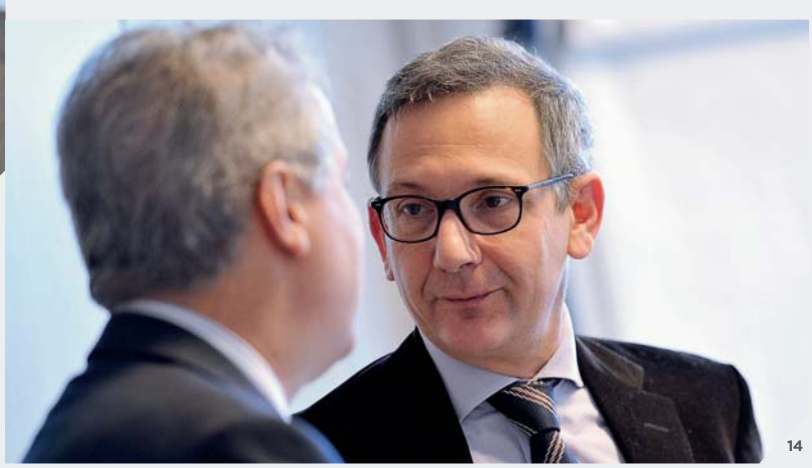

12 13


11

12 —
Maurice SISSOKO
Chief Executive Officer, Informatique CDC, and member of the Caisse des Dépôts Management Committee.

13 —
Serge GRZYBOWSKI
Chairman and Chief Executive Officer of Icade.

14 —
Alain QUINET
Deputy Managing Director, Réseau Ferré de France.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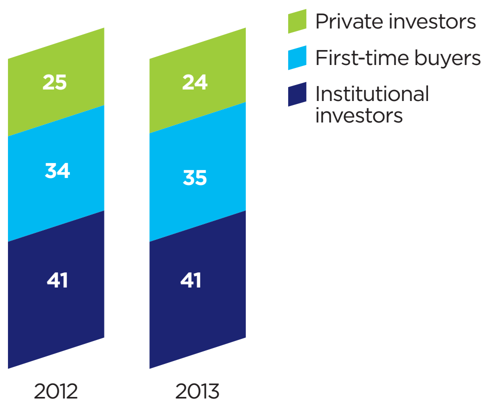
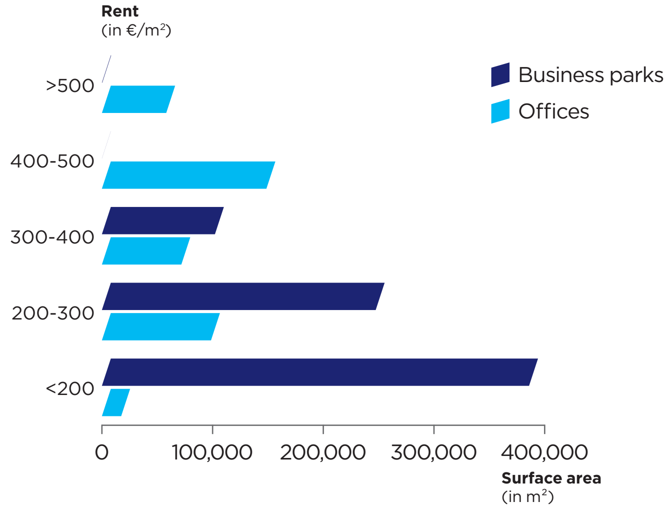
11 —
Céline SCEMAMA
Head of the property, forests, capital investment and financial holdings portfolio in the Finance division of Caisse des Dépôts.



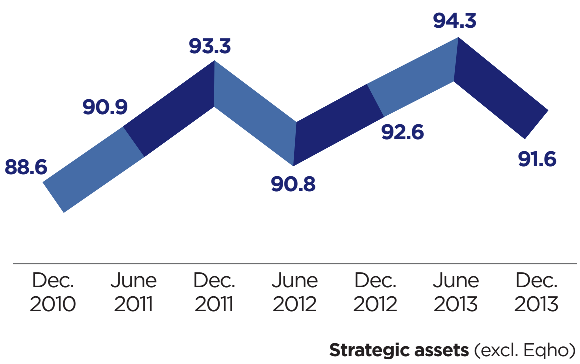
BREAKDOWN OF RESIDENTIAL PROPERTY DEVELOPMENT CLIENTS (AS A %)



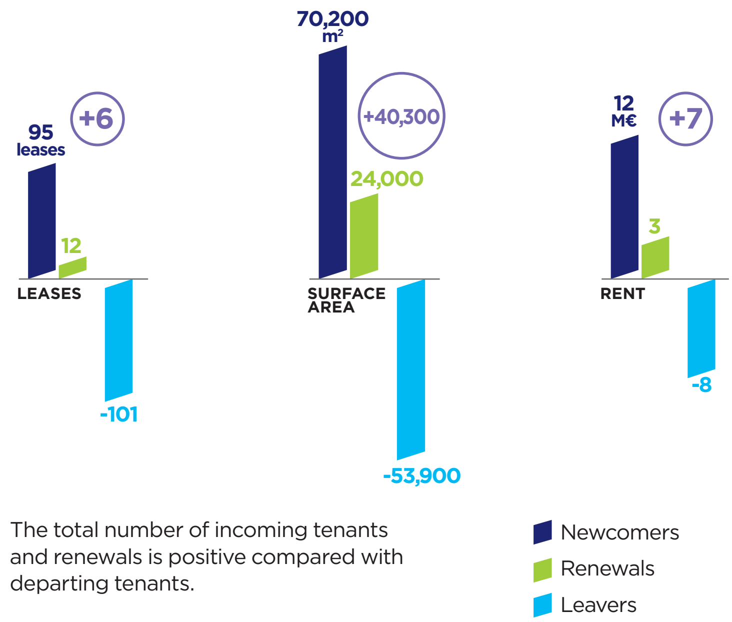
BREAKDOWN BY RENTAL SURFACE AREA

OPERATIONAL INDICATORS

Icade's high-quality and attractive portfolio gives it solid fundamentals.



FINANCIAL OCCUPANCY RATE (AS A %)



The total number of incoming tenants and renewals is positive compared with departing tenants.

OPERATIONAL PERFORMANCE

SIMPLIFIED LEGAL ORGANISATION AS OF DECEMBER 31, 2013

ICADE S.A.

PROPERTY INVESTMENT

Residential Property Investment

- **100%** Sarvilep SAS

Commercial Property Investment

- **100%** Icade Bricolage SAS
- **56.51%** Icade Santé SASU
- **100%** Icade Reit BV
- **100%** Icade Reim Deutschland GmbH

DEVELOPMENT

Development

- **100%** Icade Promotion SASU
  - **100%** Duguesclin Développement SASU

SERVICES

- **100%** Icade Transactions SASU
- **100%** Icade Conseil SASU
  - **100%** Icade Expertise SASU
  - **25%** Icade Asset Management SAS (75% Icade)
- **100%** Icade Property Management SASU
- **100%** I-Porta SASU

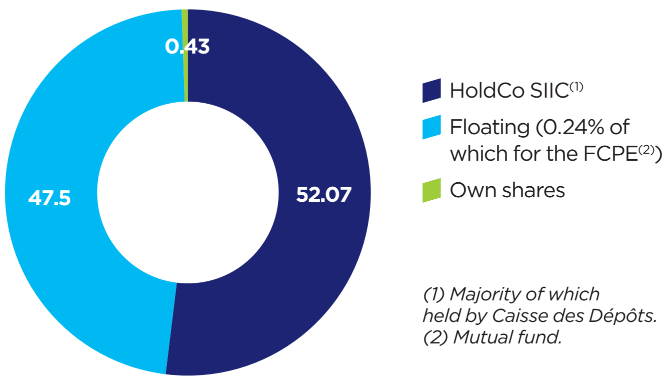
	2012	2013	Change
Rental income	392	474	+21.0%
EBITDA	317	404	+27.3%
Profit from disposals	80	121	+51.1%
Operating profit	150	226	+51.0%
Financial income	-106	-124	-17.8%
Profit from other activities	28	53	+92.0%
Net Profit Group Share	53	127	+140.7%
EPRA Earnings from real-estate investment	184	214	+16.3%
EPRA Earnings from real-estate investment per share(1)	€3.56	€3.52	-1.0%
Net current cash flow per share(2)	€4.54	€4.59	+1.2%
Triple net EPRA NAV	4,190	5,703	+36.1%
Triple net EPRA NAV per share	€80.7	€77.3	-4.2%
LTV	36.7%	38.2%	+1.5 pt

ACCOUNTS REFLECTING REAL-ESTATE INVESTMENT FOCUS
(IN MILLIONS OF EUROS)

(1) €3.56/share after restatement of the new tax on dividends.
(2) Restatement of Icade Santé non-controlling interests.

FINANCIAL INDICATORS

In a market under pressure, results for 2013 are robust.



(1) Majority of which held by Caisse des Dépôts.
(2) Mutual fund.

ICADE SHAREHOLDERS AS AT 12/31/2013
(AS A %)

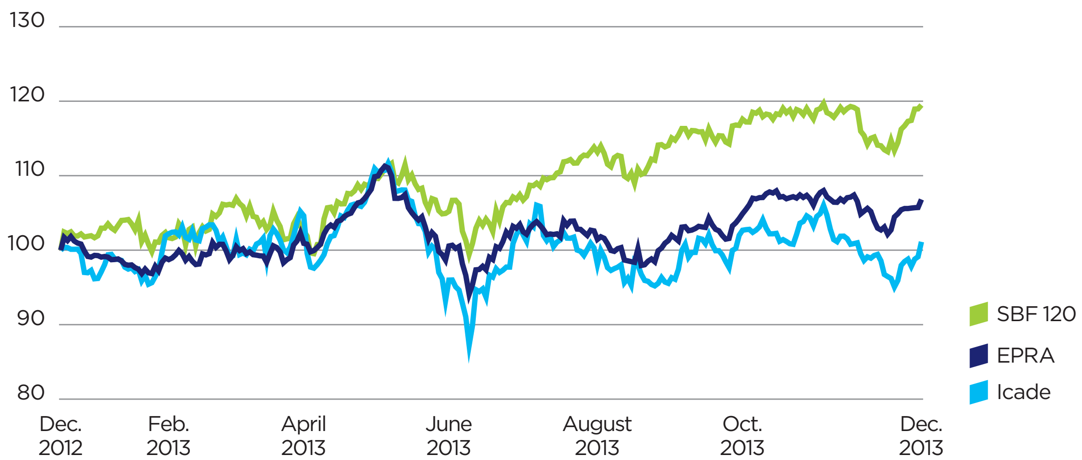
	DEVELOPMENT		SERVICES		INTER-BUSINESS		TOTAL	
	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**
Revenues	1,071	**1,092**	63	**48**	-30	**-24**	1,104	**1,116**
EBITDA	69	**62**	5	**5**	-7	**-1**	67	**65**
Margin (EBITDA/Revenues)	*6.4%*	***5.7%***	*8.3%*	***9.2%***	*24.1%*	***4.5%***	*6.1%*	***5.8%***
Operating profit	52	**71**	3	**3**	-4	**3**	51	**78**
Financial income	4	**2**	0	**0**	0	**0**	4	**2**
Income tax	-25	**-27**	-1	**-2**	0	**0**	-27	**-29**
Net profit	30	**49**	2	**2**	-4	**3**	28	**53**
Company value	430	**484**	41	**37**	N/A	**N/A**	470	**520**

RESULTS FROM OTHER ACTIVITIES (IN MILLIONS OF EUROS)

— **The Property Investment division's revenues in the 2013 financial year stood at €474 million,** a 21.0% increase compared with 2012. This was mainly due to additional rents resulting from the acquisition of Silic (+€75.5 million). On a like-for-like basis, the increase was 1.7% (+€6.7 million). Net rent for 2013 stood at €434.3 million, representing a margin of 91.6%, an improvement of 2.4 point compared with 2012. Group share of net earnings was up 141% compared with 2012 due to larger asset disposals in 2013.

After taking into account the above elements, EPRA Earnings were €214.3 million (€3.52/share) in 2013, compared with €184.2 million in 2012 (€3.56/share). After restatement of the new tax on dividends paid in 2013, it rose slightly by 0.2% between 2012 and 2013. Net current cash-flow per share was up 1.2% to €4.59 per share.

As at December 31, 2013, EPRA triple net NAV stood at €77.3 per share, compared with €80.7 as at December 31, 2012. This change can be explained by the dividend paid in 2013 for 2012 and the dilutive effect of the acquisition of Silic (since the NAV parity of the two companies was slightly below the merger parity) which were not offset by Icade's consolidated profit, which was negatively impacted by the provision for the Eqho Tower.



CAPITALISATION
as at 12/31/2013
€5,001,903,096.03

NUMBER OF LISTED SHARES
as at 12/31/2013
73,916,109

MARKET PERFORMANCE OF ICADE SHARES
(100 BASE: AS OF 12/31/2012)

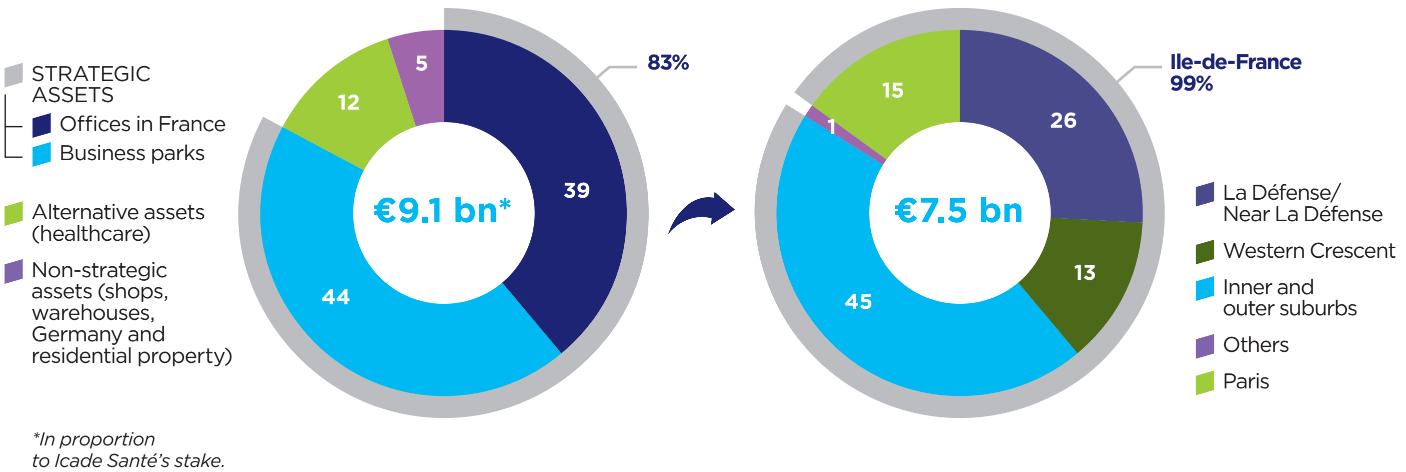
— In order to achieve long-term growth, for several years Icade has been carrying out an active arbitrage policy in relation to its investments. This has allowed Icade to concentrate its activities on two asset portfolios: firstly, recent or planned operations in the main commercial development zones of the major cities—and Greater Paris in particular—benefiting from optimal sites and carried out according to the highest sustainable development standards; and, secondly, high value-added alternative investments in the healthcare sector. This strategy involves the gradual disposal of non-strategic interests outside France in the logistics (warehouses) and residential property sectors.

TARGETED DISPOSALS

In April 2013, Icade sold Suretis, its consultancy and safety/security services subsidiary. The company was bought out by its directors, who aim to expand the company's services in collaboration with other partners. In the same month, the Artelia group took over the entire Real-Estate Engineering division. Joining a major French engineering player will now give Arcoba, Gestec and Setrhi-Setae the resources they need to grow. In August a leading investor acquired La Factory office building in Boulogne-Billancourt. Finally, at the end of November, Icade sold its 50% stake in the Odysseum shopping centre in Montpellier to Klépierre. In all, Icade disposed of €534 million in assets over the course of the year, increasing to 94% the share of its portfolio made up of strategic or alternative assets. Supported by prudently managed development activity and a streamlined services activity, this arbitrage policy has enabled the company to enter 2014 with a stronger investment capacity.

INVESTMENTS AND FINANCING

Icade is optimising its asset portfolio, focusing on real-estate investment activity, mostly in commercial property, and diversifying its financial resources.



In proportion to Icade Santé's stake.

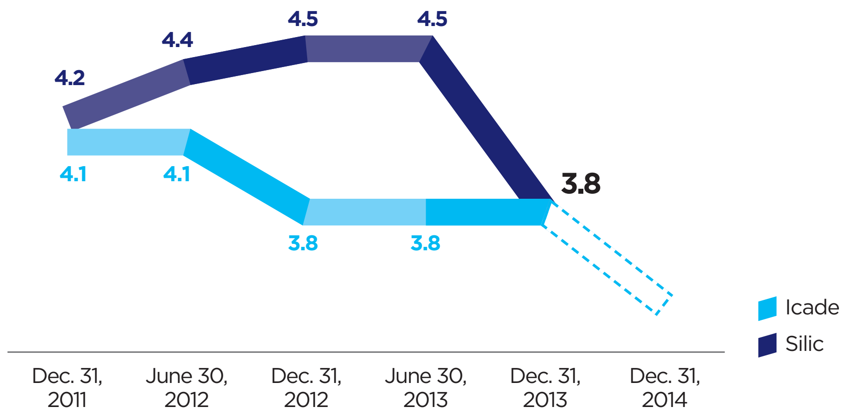
PORTFOLIO BREAKDOWN (AS A %)

GEOGRAPHICAL BREAKDOWN OF THE OFFICES AND BUSINESS PARKS PORTFOLIO (AS A %)

— Icade is pursuing the proactive management of its debt repayment schedule and diversifying its financial resources through the establishment of a 12-year mortgage loan for €200 million against the Parc du Pont de Flandre. The entire amount will be raised from the Allianz group. This new financing is part of the extension of the bank "club deal" signed in July 2012. It demonstrates the appeal of business parks as standardised assets and the quality of Icade's credit. For the first bond issue in its history, Icade placed two loans which were vastly over-subscribed by leading European investors and which perfectly suited the company's debt curve: one for €500 million over five years four months with a 100bp spread over the reference rate (a coupon rate of 2.25%), and the other for €300 million over 10 years with a 135bp spread (a coupon rate of 3.375%).
Given a BBB+ (outlook stable) rating by Standard&Poor's, Icade enjoyed particularly advantageous margins for its first issue, enabling Icade to continue implementation of its financial policy of diversifying its funding sources, extending the average term and reducing the average cost of its debt.
Furthermore, Icade confirms a healthy and liquid situation in terms of liabilities and had non-drawn backup lines of €1,220 million in 2013.

"As we had announced, we launched our first bond issue once the public exchange offer for Silic was complete. We are delighted with the conditions in which these two loans were placed today—conditions which herald a major new chapter in the consolidation of our model as we merge with Silic."

Serge GRZYBOWSKI,
Chairman and Chief Executive Officer of Icade.



A LOWER AVERAGE COST OF DEBT (AS A %)

BBB+

(outlook stable): that is the rating obtained from Standard&Poor's on September 9, 2013.

Forecast fall of
40 to 60 bps*

2014

*Basis points.

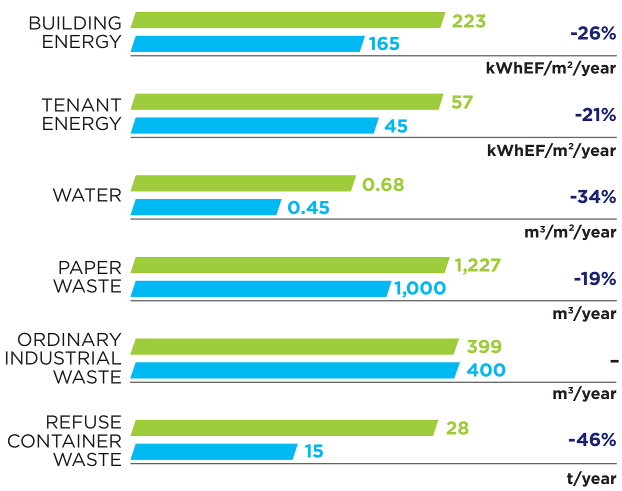
SOCIAL DIALOGUE

2013: MORE THAN 100 JOINT MEETINGS organised to complete the first phase in the merger of the Icade and Silic teams.
Two main objectives:
— To create a single well-balanced whole around a united and complementary team
— To establish a working method to optimise the integration, articles of association and the structure.

MAIN PRIORITY FOR 2014: ensure the success of the Icade-Silic operational merger by activating all underlying synergies.

CSR INDICATORS

Icade confirms its commitment to corporate social responsibility (CSR) through its corporate, environmental and social performance.

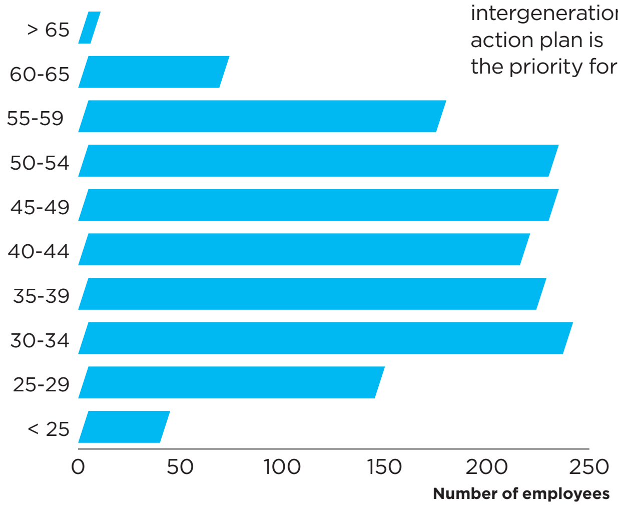


The four-year results of the landlord/tenant dialogue are very positive.

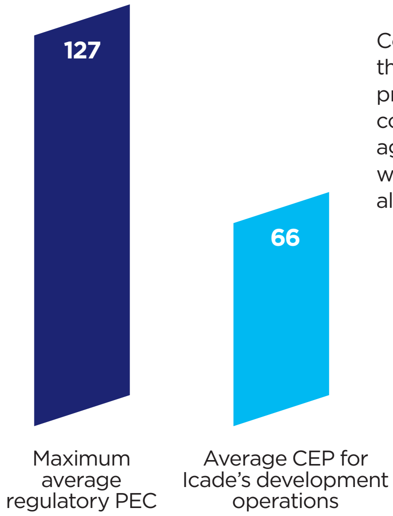
2009
2013
% change

INTRODUCTION OF "GREEN LEASE" CLAUSES (BETWEEN ICADE AND TENANTS)

Supervising the new intergenerational action plan is the priority for 2014.



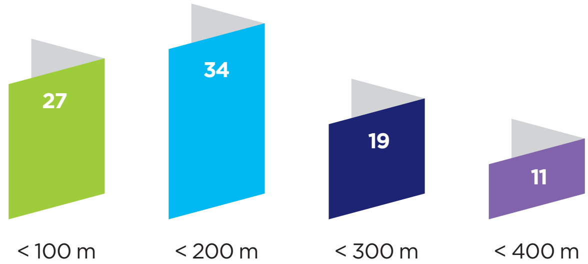
AGE PYRAMID



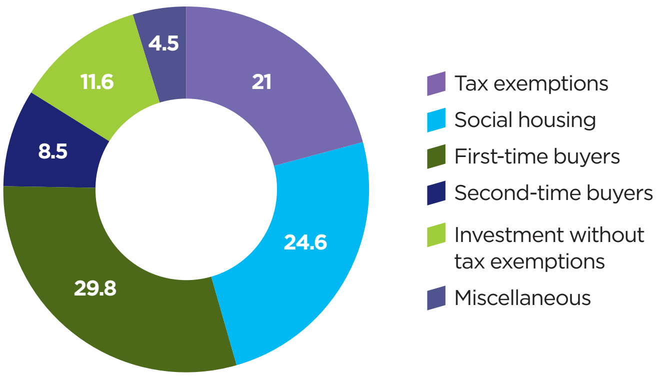
Comparison of the average weighted primary energy consumption (PEC) against the maximal weighted PEC for all regions—2013 SO.

ENERGY CONSUMPTION (IN kWPE/M² NET SURFACE AREA/YEAR)

— Permanent social dialogue, establishment of action plans promoting equality, intergenerational links and sustainable development—now more than ever, Icade's values include daring and solidarity, leading to performance. This is a tangible and deliberate responsibility, which Icade uses for its clients' benefit by offering them a more virtuous, more open and more human approach to real-estate. ⊗



BREAKDOWN OF ASSETS BY PROXIMITY TO PUBLIC TRANSPORT (AS A %)



DIVERSITY IN RESIDENTIAL PROPERTY PRODUCTION (AS A %)

COMPANY'S GHG* REDUCTION

COMMITMENT: to achieve factor 4, i.e. a 3% reduction per year in carbon emissions.

— For construction: by systematically carrying out GHG assessments with a Life-Cycle Assessment (LCA) approach.

— For operation: by investing in metering systems to reduce consumption.

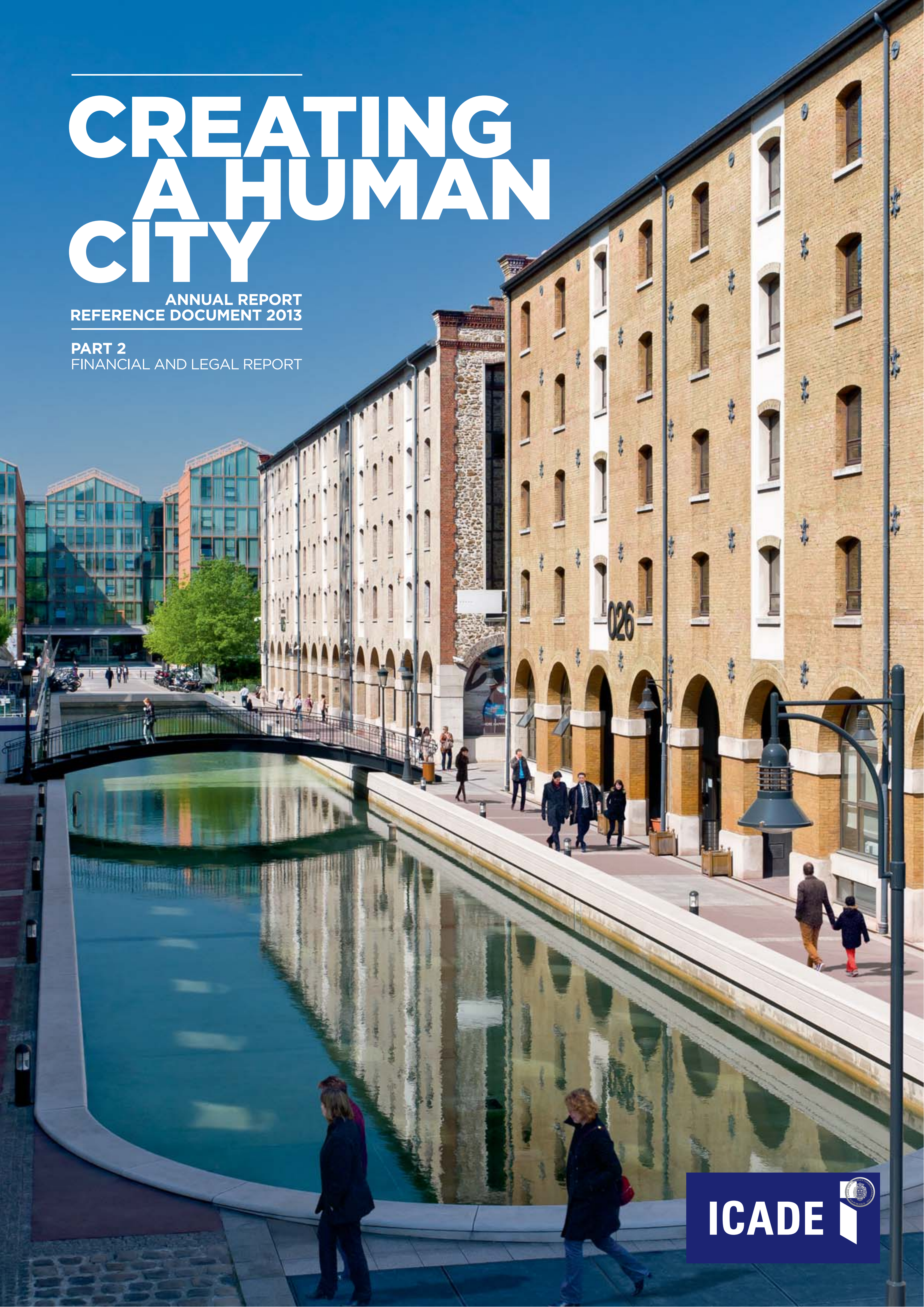
— For transport: by stepping up work on company travel plans and offering innovative soft transport services.

**Greenhouse gas.*

CREATING A HUMAN CITY

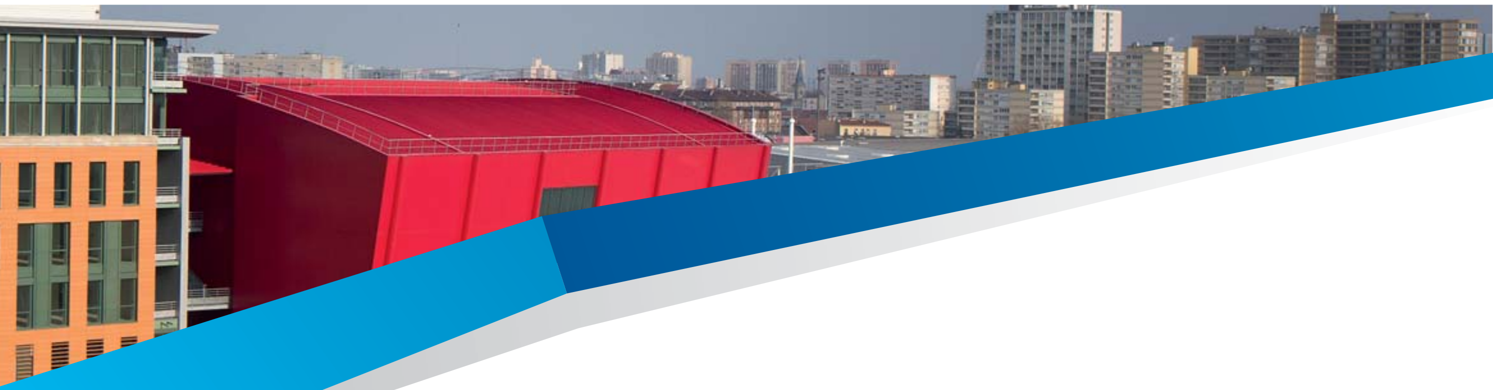
ANNUAL REPORT
REFERENCE DOCUMENT 2013

PART 2
FINANCIAL AND LEGAL REPORT



ICADE

SUMMARY



CHAPTER 1

ITEMS OF BUSINESS

1

1. Income statement as at 31 December 2013

	31/12/2013			31/12/2012		
(in millions of euros)	Group	Reclassifications	Property investment	Group	Reclassifications	Property investment
REVENUE	**1,592.8**	**(1,116.4)**	**476.4**	**1,499.3**	**(1,103.7)**	**395.6**
EBITDA	**469.4**	**(65.3)**	**404.1**	**384.5**	**(67.1)**	**317.4**
As a% of revenues	*29.4%*		*84.8%*	*25.6%*		*80.2%*
Depreciation charges net of investment grants	(215.6)	0.5	(215.1)	(176.8)	0.5	(176.3)
Charges and reversals related to loss in value on tangible, financial and other current assets	(72.1)	(11.2)	(83.3)	(87.2)	16.2	(71.0)
Profit/(loss) from disposals	122.4	(1.6)	120.8	80.8	(0.9)	79.9
OPERATING PROFIT/(LOSS)	**304.1**	**(77.6)**	**226.5**	**201.2**	**(51.3)**	**150.0**
As a% of revenues	*19.1%*		*47.6%*	*13.4%*		*37.9%*
FINANCIAL PROFIT/(LOSS)	**(122.1)**	**(2.2)**	**(124.4)**	**(101.6)**	**(4.0)**	**(105.6)**
Share in profit of companies consolidated by the equity method	**2.1**	**(2.1)**	**0.0**	**(0.7)**	**0.7**	**0.0**
Tax on profit/(loss)	(39.2)	28.7	(10.4)	(37.2)	26.8	(10.4)
Profit from other activities	0.0	53.2	53.2	0.0	27.7	27.7
NET PROFIT/(LOSS)	**144.9**	**0.0**	**144.9**	**61.7**	**0.0**	**61.7**
NET PROFIT/(LOSS) GROUP SHARE	**126.9**	**0.0**	**126.9**	**52.7**	**0.0**	**52.7**
of which Property Investment Division net profit/(loss) Group share	75.0		75.0	27.2		27.2
of which net profit/(loss) Group share from other activities	51.9		51.9	25.5		25.5
EPRA EARNINGS FROM PROPERTY INVESTMENT (1)			**214.3**			**184.2**
NET CURRENT CASH FLOW			**279.4**			**235.0**
Data per share:						
Average diluted number of shares in circulation			*60,865,381*			*51,795,086*
Net profit/(loss) Group share			*€2.08*			*€1.02*
EPRA Earnings from Property Investment			*€3.52*			*€3.56*
Net current cash flow			*€4.59*			*€4.54*

(1) The detailed calculation of the EPRA Earnings from Property Investment is provided in chapter 1 point 4: "EPRA reporting as at 31 December 2013".

N.B.:

The reinforcement of Icade's property investment business with the Silic merger requires a change to the way the Group's results are presented. The main changes compared with the financial year 2012 are as follows:

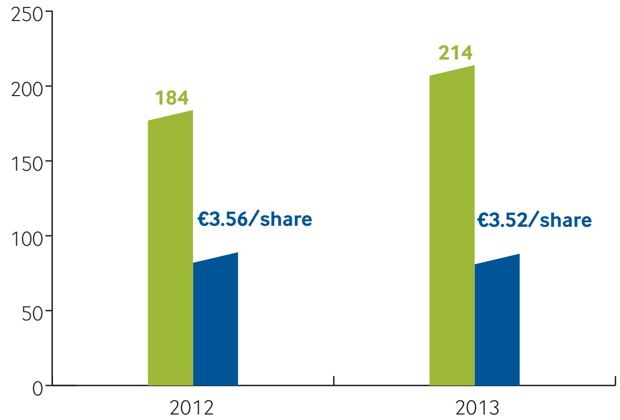
(i) presentation of the income statement in management format, focused on the property investment activity (including the holding) which mainly stands out from the consolidated income statement via the inclusion of results from property development and service activities via a single line of contribution to the Group's net profit;

(ii) besides the net current cash flow, introduction of EPRA Earnings from Property Investment.

2. Activities and results

2.1. KEY FIGURES – 2013 (1)

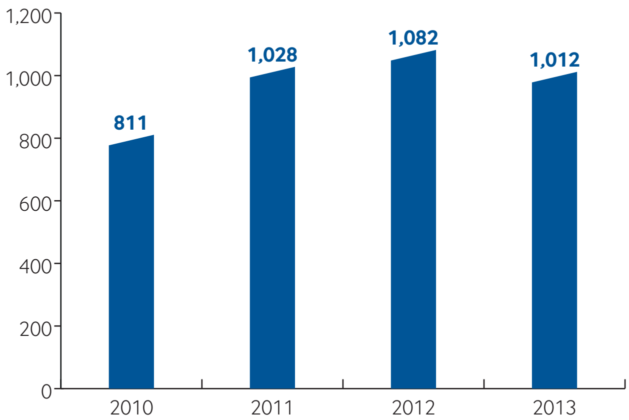
EPRA EARNINGS FROM PROPERY INVESTMENT
(in millions of euros and euros/share)



FIXED RESIDUAL TERM OF LEASES (*) ***(years)***

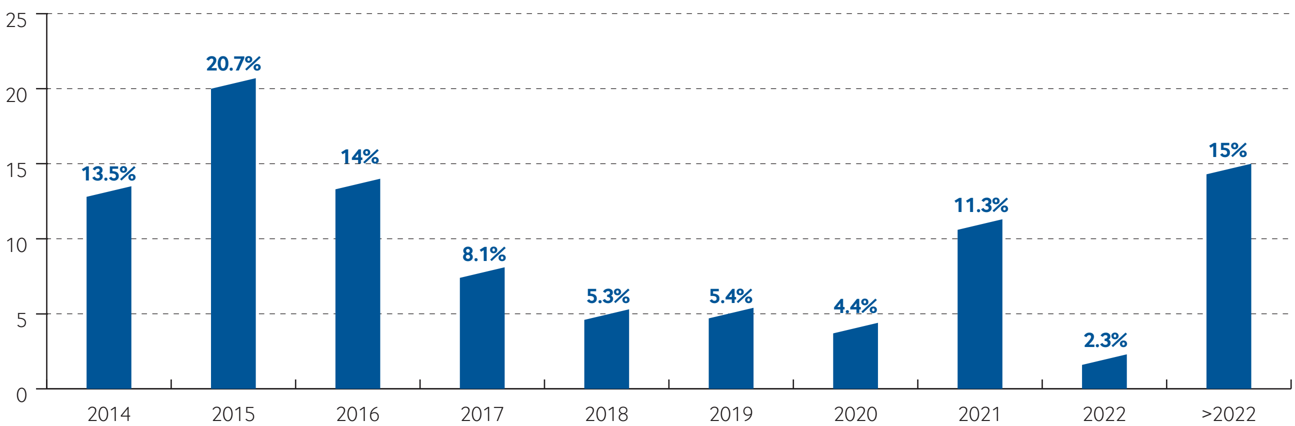
(*) Icade + Silic proforma figures

PROPERTY DEVELOPMENT BACKLOG
(in millions of euros)



IFRS RENTS ***(in million of euros)***
AND FINANCIAL OCCUPANCY RATE ***(as %)***

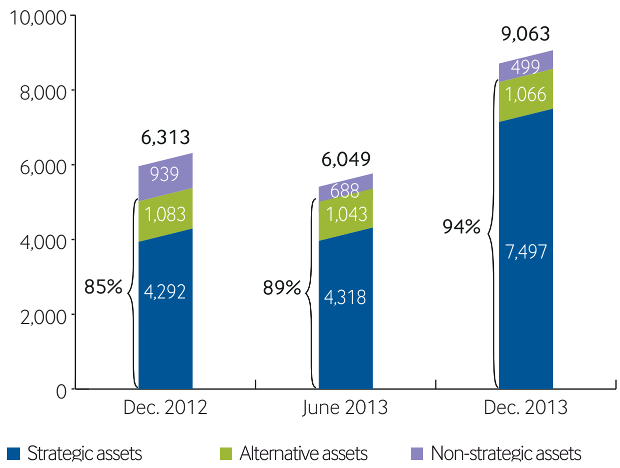
SCHEDULE OF LEASES ***(as % of annualised rent)***



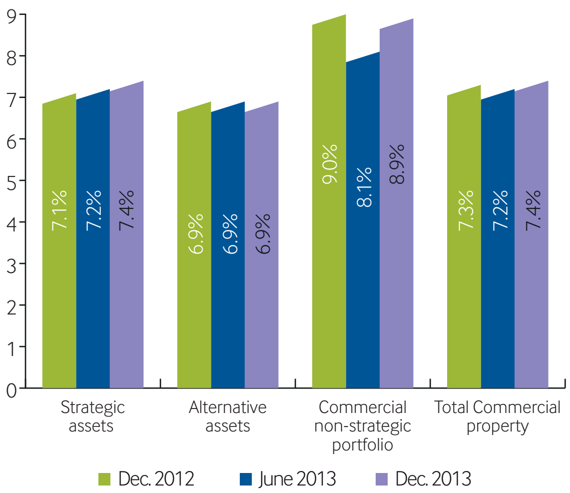
(1) Indicators are restated to take account of Icade Santé minority interests.

ASSET INDICATORS

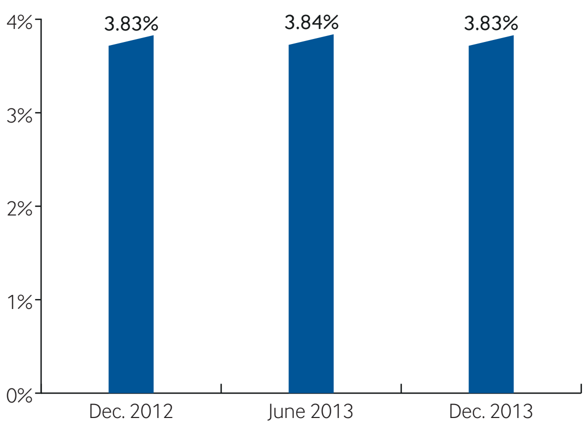
VALUATION OF ASSETS *(in millions of euros) excluding duties*



RATES OF RETURN *(as %)* excl. duties

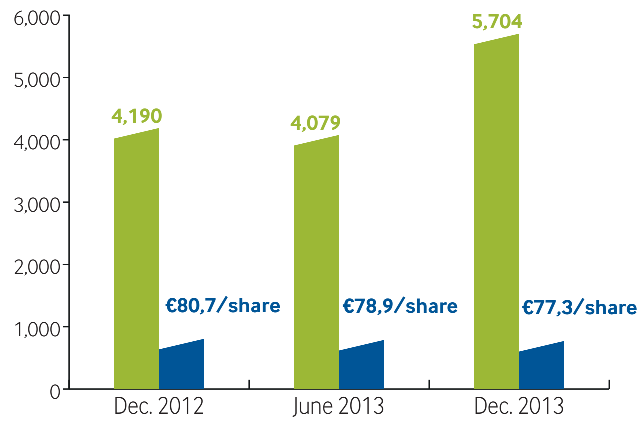


AVERAGE COST OF DEBT *(as %)*

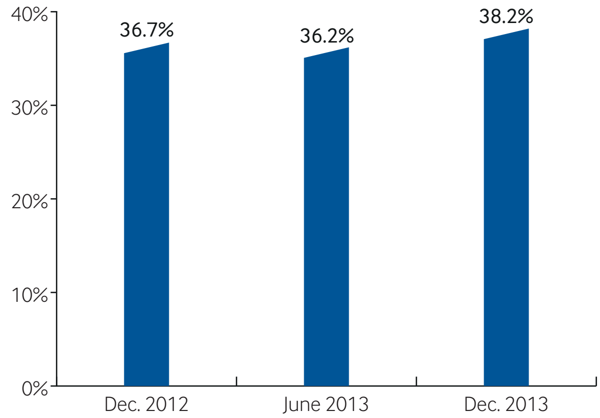


FINANCING INDICATORS

EPRA TRIPLE NET NAV *(in millions of euros and euros/share)*

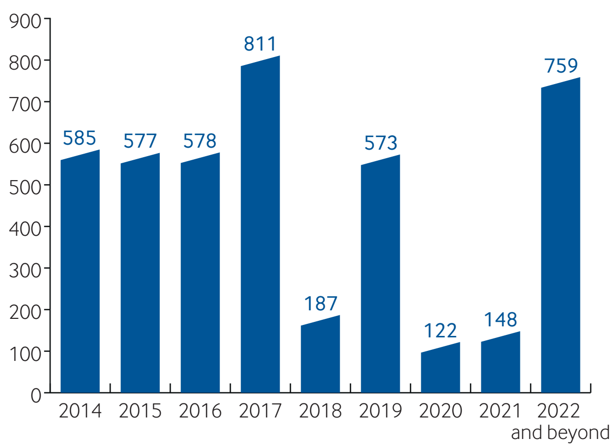


LOAN TO VALUE (LTV) *(as %)* (*)



(*) Includes the balance sheet value of PPP's' financial liabilities.

SCHEDULE OF DRAWN DOWN DEBT *(in millions of euros)*



2.2. HIGHLIGHTS

The financial year 2013 was marked by an important new chapter in the history of Icade.

As a result of the merger with Silic on 31 December 2013, Icade entered a new era in its development by becoming the leading office property company in Europe with €7.5 billion of offices and business parks out of a total portfolio of €9.1 billion of assets, €502.9 million in annualised rents, 3.5 million square metres of property assets and 2 million square metres of land reserves. With this potential, Icade is in the best position to take advantage of the growth of Greater Paris.

Combination with Silic

On 27 December 2013, the respective shareholders of Icade and Silic approved Silic's merger by Icade on 31 December 2013, based on an exchange parity of five Icade shares for four Silic shares. This merger was the finalisation of the combining of the two companies initiated on 13 December 2011 and followed the great success of Icade's public offer for Silic [(1)].

Icade has fully included Silic in its consolidation scope since 22 July 2013.

Asset rotation

In an extension of the disposals carried out during the 2012 financial year, 2013 was characterised by the continued active optimisation of its portfolio of activities and the increased focusing of its assets on commercial property.

This was reflected in:

- completed sales of nearly €280 million for the non-strategic assets portfolio (block sales of residential units, logistics platforms, offices and land in Germany, jointly-owned office space);
- disposals of mature assets for €236 million;
- negotiations carried out regarding the sale during the 1st quarter of 2014 of an office building in Munich, constituting around 80% of the remaining German portfolio.

Taking into account all of these disposals, non-strategic properties represented just 4% of assets at 31 December 2013.

Investments carried out during 2013 amounted to €338 million, broken down as €167 million in development, 137 million in acquisitions (mainly in the healthcare portfolio) and the balance of €33 million on maintenance work on the portfolio.

The 2013 financial year was also characterised by the delivery in July 2013 of the entirely renovated EQHO tower (79,000 m^2). The quality of the work (level of specifications and environmental labels), which had a total budget of approximately €300 million, positions this building at an equivalent level to the latest generation towers in La Défense.

Portfolio

Taking into account integration of Silic's assets, the fair value of Icade's entire property portfolio increased by 44% during the financial year.

On a like-for-like basis, the value of the whole portfolio is down by 2.5% due principally to an adjustment in the appraisal value of the EQHO tower.

Financing strategy

Icade continued its policy of optimising its financial structure with the aim of diversifying its funding sources, extending the average term and reducing the average cost of its debt, particularly in the context of integration of Silic's balance sheet.

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 over 5 years 4 months with a 100bp spread over the reference rate, and the other for €300 million over 10 years with a 135bp spread, with an overall coupon rate of approximately 2.8%.

Post-closing events

None.

2.3. OUTLOOK

In 2014, Icade will finalise Silic's integration and aim for consolidation of its earnings per share, though:

- increased marketing efforts across the whole portfolio in order to increase the financial occupancy rate to above 90%;
- development of its major projects in its business parks under secure conditions that generate cash-flow;
- control over operational costs, particularly under the effect of cost synergies as a result of the merger with Silic;
- maintenance of LTV at around 40% and the continued reduction of the average cost of debt through greater financial disintermediation.

From 2015 going forward, Icade's goal is to achieve significant improvement in its earnings thanks to the letting of the EQHO Tower and delivery of secure projects (Le Monet and Le Millénaire 3 will be delivered in 2015, Veolia in 2016).

In the longer term, Icade's positioning will be based on the significant potential to be found in developing its business parks on the outskirts of Paris, particularly as part of the Grand Paris project. The successful management of its unique land reserves will allow Icade to offer a comprehensive range of products, whose pace of development will be determined by market needs.

(1) The chronology of the various stages in the combination with Silic is set out in chapter C part 3: "Combination with Silic, recap of events".

2.4. BUSINESS ACTIVITIES AND RESULTS 2013

2.4.1. Property Investment Division

2.4.1.1. Overview

The portfolio of **Icade Property Investment division**, representing more than 2.9 million m^2 of leasable surface area, mainly comprises offices and business parks. Icade also operates in the healthcare establishment segment and more marginally the retail segment. Finally, Icade owns a very small number of non-strategic assets, such as warehouses, offices and land in Germany, as well as houses.

Silic was integrated on 22 July 2013. Its portfolio, representing 1.1 million m^2 is made up exclusively of offices and business parks. The location of Silic's portfolio strengthens and enhances Icade's role as a major player in the development of Greater Paris.

Portfolio breakdown in leasable surface areas

Geographic region (in m^2)	Strategic assets portfolio			Alternative assets portfolio	Non-strategic assets portfolio	Total	%
	Business parks	Offices	Subtotal	Healthcare (*)			
Paris	147,473	27,825	175,298	-	2,470	177,768	6.1%
La Défense/Near La Défense	87,485	285,099	372,585	-	-	372,585	12.7%
Other Western Crescent	71,911	84,070	155,981	-	-	155,981	5.3%
Inner Ring	348,622	93,462	442,083	10,695	-	452,778	15.4%
Outer Ring	811,841	42,361	854,203	54,744	23,583	932,530	31.8%
Regional	-	47,238	47,238	426,030	296,483	769,750	26.3%
Outside France	-	-	-	-	68,454	68,454	2.3%
COMMERCIAL PROPERTY INVESTMENT	**1,467,332**	**580,055**	**2,047,387**	**491,469**	**390,990**	**2,929,846**	**100.0%**
%	50.1%	19.8%	69.9%	16.8%	13.3%	100.0%	

(*) In proportion to Icade's stake in Icade Santé (56.5%).

Strategic assets portfolio

Description of the portfolio

Icade traditionally owns office buildings (with a total area of 425,000 m^2) primarily in Paris, the Western Crescent and Villejuif. By merging Silic, Icade has also become the owner of offices located in Nanterre Préfecture and Saint-Denis, representing a surface area of 194,000 m^2.

Icade also owns business parks located in Paris (19th), Saint-Denis and Aubervilliers, now joined by Silic's parks (1,030,000 m^2) located in Rungis, Nanterre Seine, Paris-Nord, Colombes, Cergy, Antony, Evry, Villebon and Fresnes. The business parks stand out for their high organic development potential. That is why the Commercial Property Investment Division is concentrating a significant proportion of its medium-term investments in this segment, both for the refurbishment of existing assets and the construction of new assets. This business is a future cash flow generator and a significant value creator.

Market context

An attractive investment market, particularly in Paris's inner suburbs

The resilience of French property investments has been confirmed, despite the continuing bleak economic outlook and severely weakened user markets. Transaction values in 2013 were comparable with those in 2011 and 2012, i.e. around €18 billion.

Prime assets therefore continued to be in high demand on the market. As a result, fierce competition over prime assets led an increasing number of investors to show less timidity and embrace more flexible notions of risk, compatible with the high-quality products now available (particularly on the outskirts). Investors therefore significantly expanded their geographical range of their search beyond simply inner-city Parisian business districts, marking the end of the contraction in the capital often seen during crisis periods. Reflecting this trend, Paris's share of investment volumes fell this year to 33%, compared with 46% in 2012. This movement benefited the inner Parisian suburbs, which offer a combination of more attractive yields and a range of recent, secure products, immediately adjacent to public transport, ensuring good rental liquidity.

Prime secure assets located in the best districts ended up representing only a little over a third of investment volumes in 2013 (compared with 56% in 2012), almost as much as "value-added" investments whose volume has increased almost three-fold in a year. The market was also more balanced in terms of the size of transactions, with better market depth for unit amounts of between 50 and €150 million.

(Source: CB Richard Ellis, BNPP)

Office transactions for more than €50 million represented more than half of all the year's transactions. Large portfolios changed hands in 2013. Five transactions alone represented 20% of office transactions in 2013. Investors also demonstrated their appetite for retail properties, for which transactions volumes increased again in 2013. In terms of logistics, there were signs of an end to the withdrawal of property investment companies from this sector in 2013. Transactions in this segment fell by almost 40%.

Icade's main disposals during the year (the Factory building, the Odysseum shopping centre and the logistics portfolio) fit in perfectly with this approach.

Volumes invested in corporate property are set to continue to increase in 2014. In relation to the prime market, fierce competition for core assets is likely to push up values. Assets in the inner and outer ring located in a tertiary market should become profitable again after suffering from low investor interest in recent years.

Take-up down 25% over a year

The volume of office take-up in the Ile-de-France region was 1.8 million m^2 in 2013, representing a 25% decrease in a year. This result is well below the long-term average and results largely from the economic context which has led to a minimum of decisions being taken and the postponement of some relocation plans. The significant fall in transactions >5000 m^2 was particularly severe. These amounted to 655,500 m^2 (53 transactions compared with 20 more in 2012). Although the <1,000 m^2 bracket was down 14% in a year (590,500 m^2 of take-up in 2013), only the 1,000 m^2 – 5,000 m^2 bracket managed to buck the trend with +3% over the year and a volume of 598,400 m^2.

The 3rd and 4th quarter of 2013 saw a sudden drop-off in the pace of rental transactions. These quarters, which traditionally record higher volumes than the first two quarters of the year, were significantly down compared with the annual trend for 2013.

More specifically in terms of areas, La Défense remained a difficult market in 2013, recording just five transactions for more than 5,000 m^2 in 2013, one of which was a short-term lease.

Across the market as a whole, 41% of surface areas let in 2013 were new or restructured offices.

Immediate supply increased by 9%, to 3.9 million m^2 as at 1 January 2014. The vacancy rate in the Ile-de-France now stands at 7%. This increase is due to deliveries of new and restructured programmes (mainly in La Défense and the Western Crescent), the return to the market of surface areas most of which have been renovated, combined with the slowdown in rental activity.

The share of high-quality supply, which reached a low point at the end of 2012 (at 17%), had climbed back to 22% by the start of 2014.

Geographical and structural disparities are still as pronounced as ever, Paris still offering a relatively contained immediate supply, while available surface areas are abundant in La Défense and suburban areas such as the Western Crescent. Paris Centre West has seen its immediate supply increase and the vacancy rate there now stands at 5.8%. While competition is fierce for a certain number of small and medium-sized surface areas, there is still a scarcity of products larger than 3,000 m^2. Paris South and Paris North East still have a low level of vacancy, at 3.5% and 3.9% respectively, and only a handful of buildings with surface areas >5,000 m^2.

Pressure continues to weigh down on rental values. Weighted average face rents in the Île-de-France for new, restructured or renovated surface areas generally stabilised in 2013, reaching 294 euros/m^2/year excl. taxes and charges at year-end (-0.7% in a year). In terms of incentives, following a sharp increase in 2012, changes were more varied in 2013, although they remain high across all areas. The market overall continues to offer abundant supply and negotiating conditions, particularly in the form of rental holidays, are still very advantageous. For lettings >2,000 m^2 for a fixed term of at least six years, holidays tend to be around 2.5 to 3 months per year of commitment.

At 707 euros/m^2/year excl. taxes and charges, the average prime rent in Paris Centre West is down 8% in a year due to the scarcity of prime supply and therefore the number of transactions for more than 800 euros/m^2/year excl. taxes and charges, as in 2012.

The average prime rent in La Défense remains at the same level as the previous year, at 442 euros/m^2/year excl. taxes and charges.

Alternative assets portfolio (Icade Santé)

Description of the portfolio

The leader in its market, Icade has become a major player in healthcare since 2007 by building up a property portfolio of 59 establishments, featuring:

- assets that are instant cash flow generators;
- initial fixed lease terms of 12 years and a residual term of 9.2 years as at 31 December 2013;
- high rental margin rates (net/gross rent).

For the development and management of Icade Santé, Icade benefits from a team and expertise recognised on the market.

In order to accompany its growth and maintain the Group's key balance sheet ratios, Icade Santé successfully opened €250 million of its capital, during the 1st half of 2012 to three institutional investors (Crédit Agricole Assurance, BNP Paribas Cardif and CNP Assurances). In October/ November 2012, a second capital increase of €155 million was carried out, to support investments in the 2nd half of the year (including €45 million provided by Icade). Finally, in May 2013, a further capital increase of €110 million was carried out with Sogecap. A total of €515 million was raised in all over a period of 15 months.

As at 31 December 2013, Icade's stake in Icade Santé stands at 56.5%.

Market context

The healthcare sector has long been an interesting niche for investors. With the search for diversification towards assets offering stable and long-term rents along with attractive returns, the number of players in this sector is increasing.

The main French investors are: Icade Santé, the market leader specialising in health assets (medical, surgical and obstetrician (MCO), aftercare and rehabilitation facilities (SSR) and psychiatric facilities), Gecimed (a subsidiary of Gecina), Foncière des Murs and Cofinimmo (a Belgian REIT), as well as several funds.

Indeed, several investors are now present through SCPIs and OPCIs managed by Weinberg, Viveris, BNP Paribas, Primonial and La Française.

Over the past two years, the investment market has been characterised by increased demand from investors in the limited number of healthcare assets offered for sale. After two exceptional years in 2011 and 2012, with annual investment volumes of nearly €650 million, €450 million was invested in 2013, almost exclusively during the first three quarters.

This fall in investments mainly reflects the reduction in the amount of outsourcing in the primary market. The market is nevertheless becoming increasingly mature, with transactions on the secondary market (sales of assets by investors to investors) accounting for more than 40% of the total transaction volume.

The prime rate of return is currently around 6.60% for MCO clinics and 5.75% for nursing homes [(1)].

Non-strategic assets portfolio

In November 2013, Icade sold its stake in the Odysseum shopping centre in Montpellier to Klépierre. This transaction confirmed Icade's strategy of refocusing its activities on offices and business parks in the Île-de-France region, while enabling Klépierre to own 100% of this major

(1) Source: Jones Lang Lasalle.

regional shopping centre. At the start of 2014, Icade also acquired 50% of the office spaces located above the Le Millénaire shopping centre owned by Klépierre (8,500 m^2, 94% of which was let as at 31 December 2013) increasing its ownership stake in the offices to 100%.

Icade still owns, residually:

- a collection of shops, mainly comprising the Mr Bricolage retail network, generating recurrent cash-flows.

  As Icade does not plan to develop the "retail parks" segment, this portfolio was reclassified as non-strategic as at 31 December 2013;
- a shopping centre in Aubervilliers (50% owned with Klépierre) which contributes to increasing the value of the Le Millénaire and the Portes de Paris business parks as communal facilities. This asset, previously classified in the shops and shopping centres segment, has therefore been transferred to business parks in the strategic assets portfolio.

Icade's other non-strategic assets include warehouses, offices in Germany and housing owned by the Icade Group. In 2013, Icade disposed of 397,000 m^2 of warehouses, 31,000 m^2 of offices in Germany and 976 housing units. The objective is to continue the withdrawal from this portfolio.

2.4.1.2. Key figures as at 31 December 2013

Key figures *(in millions of euros)*	**31/12/2013**	**31/12/2012 restated**	**Reclassifications (*)**	**31/12/2012**	**Change**
Revenues from Property Investment	476.4	395.6	(4.1)	399.7	+20.4%
EBITDA	404.1	317.4	(5.7)	323.1	+27.3%
Margin (EBITDA/Revenues)	*84.8%*	*80.2%*		*80.8%*	
OPERATING PROFIT/(LOSS)	**226.5**	**150.0**	**12.1**	**137.9**	**+51.0%**
Financial profit/(loss)	(124.4)	(105.6)			(17.8)%
Tax on profit/(loss)	(10.4)	(10.4)			(0.6)%
Net profit/(loss)	91.7	34.0			169.3%
NET PROFIT/(LOSS) GROUP SHARE	**75.0**	**27.2**			**175.2%**
EPRA Earnings from Property Investment	214.3	184.2			+16.3%
or in €/share	*€3.52*	*€3.56*			*(1.0)%*

(*) Reclassification of what the Icade Group calls its "head office" charges, previously posted in the other section, to the Property Investment Division.

Revenues achieved by the Property Investment Division during 2013 stands at €476.4 million, an increase of 20.4% compared with 2012.

Revenues from Property Investment *(in millions of euros)*	**31/12/2012**	**31/12/2012 Restated (*)**	**Acquisitions/ Deliveries**	**Disposals/ restructuring**	**Indexing**	**Rental business**	**31/12/2013**	**Change on a like-for-like basis**
Offices in France	126.8	126.8	27.7	(12.5)	2.2	(0.7)	143.5	1.2%
Business parks	94.6	94.6	53.8	(1.4)	2.8	0.3	150.1	3.3%
STRATEGIC ASSETS PORTFOLIO	**221.5**	**221.5**	**81.5**	**(13.9)**	**5.0**	**(0.4)**	**293.6**	**2.0%**
Shops and shopping centres	24.8	24.8	-	(0.6)	0.7	0.7	25.5	5.3%
Healthcare	91.5	91.5	29.7	-	2.5	0.1	123.9	3.0%
ALTERNATIVE ASSETS PORTFOLIO	**116.3**	**116.3**	**29.7**	**(0.6)**	**3.2**	**0.8**	**149.4**	**3.4%**
NON-STRATEGIC ASSETS PORTFOLIO	**59.2**	**59.2**	-	**(20.9)**	**0.2**	**(1.9)**	**36.6**	**(2.9)%**
Investment intra-group businesses	(0.1)	(5.0)	(0.4)	-	-	(0.2)	(5.6)	-
RENTAL INCOME	**396.8**	**391.9**	**110.9**	**(35.4)**	**8.4**	**(1.7)**	**474.1**	**1.7%**
Other Revenues	2.9	3.7	0.5	-	-	(1.8)	2.3	-
REVENUE FROM PROPERTY INVESTMENT	**399.7**	**395.6**	**111.4**	**(35.4)**	**8.4**	**(3.6)**	**476.4**	**1.2%**

(*) Reclassification of what the Icade Group calls its "head office" charges, previously posted in the Other section, to the Property Investment Division.

Rental revenues, which stood at €474.1 million increased by €82.2 million compared with the previous financial year. This increase stands at €6.7 million on a like-for-like basis, or +1.7%.

- Changes to consolidation scope: +€75.5 million
  - Or €110.9 million in additional rent linked to acquisitions. The acquisition of Silic contributed €81.0 million in additional revenues while acquisitions, extensions and restructuring of clinics added €29.7 million. Icade acquired four new clinics in 2013.
  - Asset disposals led to a decrease in rental revenues of €29.8 million, resulting from the sale of non-strategic assets for €20.9 million (warehouses, offices in Germany and housing) and mature strategic assets for €8.2 million.
  - Restructuring operations were accompanied by a 5.7 million less in rental revenue, mainly resulting from the partial renovation of the PB5 Tower in La Défense.
- Like-for-like basis: +€6.7 million
  - The change in indices represents an increase in revenues of €8.4 million, or an average 2.4% increase in rent.
  - Rental activity meanwhile presents a negative net balance of €1.7 million, broken down as follows:
    - the departure of the tenant SCOR from the PB5 Tower, all of the available surface area of which was immediately re-let, i.e. surface area for which no works were planned. Several office floors were eliminated in order to restructure them before putting them back on the market. The PB5 Tower is regularly the subject of requests from companies already located in La Défense that need additional space nearby;
    - several rent renegotiations in the Le Millénaire and Portes de Paris, all successfully concluded in exchange for longer lease terms and a slight reduction in rents, illustrating Icade's capacity to build loyalty among its tenants despite them being aggressively pursued by the competition.

The **net rent** of the Commercial Property Investment Division stood at €434.3 million for the year 2013, i.e. a margin of 91.6%, an improvement of 2.4 point compared with 2012.

	31/12/2013		31/12/2012			
(in millions of euros)	Net rental income	Margin	Net rental income	Reclassifications (*)	Restated net rental income	Margin
Offices in France	132.2	92.1%	117.6		117.6	92.7%
Business parks	137.9	91.9%	81.2		81.2	85.9%
STRATEGIC ASSETS PORTFOLIO	**270.2**	**92.0%**	**198.9**		**198.9**	**89.8%**
Shops and shopping centres	21.9	85.8%	21.5		21.5	86.7%
Healthcare	122.4	98.8%	90.5		90.5	98.9%
ALTERNATIVE ASSETS PORTFOLIO	**144.3**	**96.5%**	**112.0**		**112.0**	**96.3%**
NON-STRATEGIC ASSETS PORTFOLIO	**20.4**	**55.7%**	**42.4**		**42.4**	**71.7%**
Investment intra-group businesses	(0.6)		0.4	(4.2)	(3.8)	
PROPERTY INVESTMENT DIVISION	**434.3**	**91.6%**	**353.7**	**(4.2)**	**349.5**	**89.2%**

(*) Reclassification of what the Icade Group calls its "head office" charges, previously posted in the Other section, to the Property Investment Division.

Silic's integration in July 2013 generated €78.2 million in net rent, adding 1 point to the margin.

On a like-for-like basis, Icade's margin improved by 1.4 points (+€5.4 million), due to:

- the increase of +4.3 points recorded in business parks. The 2012 margin suffered from non-recurring expenses (losses from unrecoverable receivables of €2.2 million and compensation to tenants of €1.0 million);
- the 2.5 point decrease recorded in relation to offices, largely linked to the impact of delivery of the EQH0 tower in July 2013 (1.5 points);
- the decrease in the net rent from non-strategic assets due to the sale of warehouses with a high occupancy rate.

The Property Investment Division's **financial loss** at 31 December 2013 stood at €(124.4) million compared with €(105.6) million as at 31 December 2012.

This change can mainly be explained by the increase in debt linked to Silic's integration into Icade's consolidation scope from 22 July 2013 (see chapter 1.5: Financial Resources).

The Property Investment Division's **tax liability on profits** at 31 December 2013 was €(10.4) million, stable compared with 31 December 2012.

After taking into account the above elements, the Property Investment **Division's EPRA Earnings** was €214.3 million (3.52 euros/share) as at 31 December 2013, compared with €184.2 million as at 31 December 2012 (3.56 euros/share). After restatement of the new tax on dividends paid in 2013, it rose slightly by 0.2% between 2012 and 2013.

(in millions of euros)	31/12/2013	31/12/2012 restated	Restatements	31/12/2012 published NCCF	Change
Consolidated EBITDA	469.4	384.5	-	384.5	
PNE SAS classified as non-current	-	0.0	(2.3)	2.3	
EBO from other activities (*)	(65.3)	(67.0)	(67.0)	0.0	
CURRENT EBITDA	**404.1**	**317.5**	**(69.3)**	**386.8**	**+27.3%**
Depreciations and impairments not related to investment properties	(12.9)	(10.4)	(10.4)	0.0	
CURRENT OPERATING PROFIT/(LOSS)	**391.2**	**307.2**	**(79.7)**	**386.8**	**+27.4%**
Consolidated financial profit/(loss)	(122.1)	(101.6)	-	(101.6)	
PNE SAS classified as non-current	0.0	0.0	(0.4)	0.4	
Financial profit/(loss) from other activities (*)	(2.2)	(4.0)	(4.0)	0.0	
Hedging instruments JV	(3.6)	6.5	6.5	0.0	
CURRENT FINANCIAL PROFIT/(LOSS)	**(127.9)**	**(99.1)**	**2.0**	**(101.1)**	**(29.1)%**
Consolidated corporate tax	(39.2)	(37.2)	-	(37.2)	
Corporate tax from other activities (*)	28.7	26.8	26.8	0.0	
Tax on provision for depreciation on client contracts and net release of investment provisions – Development Division	0.0	0.0	1.2	(1.2)	
Tax on capital gains from sales	(0.4)	1.9	-	1.9	
PNE SAS classified as non-current	0.0	0.0	(0.1)	0.1	
Exit tax	0.0	2.0	-	2.0	
CURRENT CORPORATE TAX	**(10.8)**	**(6.4)**	**27.9**	**(34.3)**	**(68.7)%**
PROFIT/(LOSS), MINORITY INTERESTS SHARE	**(38.1)**	**(17.5)**	**(17.5)**	**0.0**	**(118.3)%**
EPRA EARNINGS FROM PROPERTY INVESTMENT	**214.3**	**184.2**	**(67.3)**	**251.4**	**+16.3%**
EPRA EARNINGS FROM PROPERTY INVESTMENT ***(in €/share)***	**€3.52**	**€3.56**	-	**€4.86**	**(1.0)%**
Restatement of the 3% tax on dividends paid	2.7	0.0	0.0	0.0	
EPRA EARNINGS FROM PROPERTY INVESTMENT (RESTATED)	**217.0**	**184.2**	**(67.3)**	**251.4**	**+17.8%**
EPRA EARNINGS FROM PROPERTY INVESTMENT (RESTATED) ***(in €/share)***	**€3.56**	**€3.56**	-	**€4.86**	**+0.2%**

(*) Property Development, Services and Inter-business activities are excluded from the calculation.

2.4.1.3. Rental activity of the Commercial Property Investment Division [1]

Classes of assets	Rentable floor space (m²)	Leased surface area (m²)	Financial occupancy rate	Index-linked IFRS Rental Income (in millions of euros)	Average fixed lease residual duration [(**)] (years)
OFFICES IN FRANCE [(*)]	**580,055**	**488,464**	**83.7%**	**176.9**	**4.8**
Business parks	**1,467,332**	**1,275,766**	**87.0%**	**227.1**	**3.1**
Parc des Portes de Paris	496,094	463,027	91.5%	103.1	3.9
Parc d'Orly/Rungis	375,495	326,583	87.9%	54.6	2.9
Parc de Nanterre	87,485	52,816	53.6%	8.9	2.0
Parc de Roissy/Paris Nord	155,232	135,900	88.0%	21.9	2.2
Parc de Fresnes	60,558	58,236	92.5%	7.3	2.4
Parc de Colombes	71,911	66,667	94.5%	12.2	2.2
Other parks	220,556	172,538	80.0%	19.2	2.1
HEALTHCARE	**491,469**	**491,469**	**100.0%**	**73.3**	**9.2**
SHOPS	**157,864**	**157,864**	**100.0%**	**10.0**	**7.9**
WAREHOUSES	**164,672**	**127,150**	**76.9%**	**4.5**	**1.6**
OFFICES IN GERMANY	**68,454**	**67,289**	**98.7%**	**11.0**	**7.7**
COMMERCIAL PROPERTY INVESTMENT	**2,929,846**	**2,608,003**	**87.8%**	**502.9**	**4.6**

(*) Includes the four consolidated public-private partnerships.
(**) Total rents reported for the term of the lease.

At 87.8% as at 31 December, the **financial occupancy rate** is down by 7.0 points compared with 31 December 2012 (94.8%).

This change is linked to a combination of several factors:

- offices: the fall in the occupancy rate is due to the inclusion in the operating scope of the EQHO Tower, delivered in 2013 and not yet let as at 31 December 2013. Several negotiations are ongoing for the lease of a significant proportion of the EQHO's surface area;
- business parks: integration of the Silic portfolio had a negative impact on the portfolio's financial occupancy rate. However, this financial vacancy is limited to a small number of parks (mainly Nanterre Seine, Evry, Villebon, Antony and Cergy) where asset management is already in progress to remarket them for sale or conversion (creation of land for housing projects);
- logistics: the sale of a significant proportion of the portfolio in 2013 undermined the overall financial occupancy rate, since the assets sold were mostly from a sale-and-lease-back arrangement with the tenant Easydis (fully-let warehouses).

Vacant surface areas as at 31 December 2013 represent 322,000 m^2 and €69.8 million in potential rent, including €68.3 million in the strategic assets portfolio, broken down as follows:

- the EQHO Tower alone represents €31.4 million, or nearly 45% of the total potential rent;
- business parks represent €33.9 million, including €24.3 million in the Silic portfolio. Major measures have already been taken, particularly in respect of the Orly Rungis park in order to re-let the vacant surface areas.

The **average fixed term of leases** is 4.6 years, taking into account a residual fixed term of three years on average for the Silic portfolio.

Integration of the Silic portfolio has not had any overall impact on the average residual term of leases in the large office assets portfolio. However, the type of users in most Silic parks – small and medium-sized companies – means a predominance of 3/6/9 leases, which are standard for this type of operator, automatically reducing this indicator across the whole portfolio.

As at 31 December 2013, the 10 biggest tenants accounted for total annual rents of €140.6 million (32.7% of annual rents from assets excluding Healthcare).

New signings

As observed on the rental market in the Île-de-France region, signings mainly related to surface areas of less than 5,000 m^2 during 2013. Icade recorded the signing of 95 new leases relating to almost 70,200 m^2 (47,400 m^2 of which in the strategic portfolio) and representing €12.0 million in face rents.

The largest new leases signed related to:

- 70% of the vacant space in the Factory building in Boulogne-Billancourt in June 2013 to Paris Saint Germain (5,400 m^2 – effective from: 6 June 2013), encouraging the sale of the building;
- 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^2 – start date: 1 January 2014);
- 3,031 m^2 in the Bali building to Osiatis France (start date: 15 October 2013);
- 3,353 m^2 in the Rimbaud building to Beckman Coulter France (start date: 1 October 2013);
- several units in the Saint-Quentin Fallavier warehouse (14,970 m^2) leased to Merkancia, to LDLC and Mgpack;
- part of the Hamburg building with InnoGames GmbH (6,684 m^2 – start date: 1 February 2014).

(1) *All figures relating to Icade Santé are presented in proportion to Icade's stake.*

Tenant departures

Departures corresponded to 53,900 m² and represented €8.5 million in lost rent.

Tenant departures were limited in the offices portfolio (a total of 4,200 m² in 2013 compared with 9,200 m² of new surface areas leased).

For business parks, the number of tenant departures during the financial year stood at a significant 36,800 m². This figure should be put in perspective however:

- almost 4,400 m² was vacated in the Portes de Paris portfolio to reconstitute a significant plot of land in order to improve the road layout to support future development;
- a surface area of 2,500 m² was vacated in Le Millénaire 2 in 2013 and re-let at the start of 2014;
- the departure in 2013 of Fnac, a tenant in the Le Millénaire shopping centre (1,500 m²). This unit is in the process of being re-let;
- the tenant Système U left the Bali building in 2013 (3,000 m²), in order to relocate to the Los Angeles building (5,000 m²) the lease for which was signed at the end of 2012.

The remaining 12,800 m² relate to tenant departures from the non-strategic portfolio. It should be noted that most surface areas vacated were re-let in 2013.

Most importantly, the net balance between new tenants and tenants leaving is positive in terms of surface area (70,200 m² compared with 53,900 m²), and in average rent per m² (€170.9 for new tenants compared with €157.7 for departing tenants).

Finally, thanks to the efficiency of the asset management teams, numerous surface areas vacated in 2013 have been or are about to be re-let. The asset management activity also led to the renewal of 24,000 m² of surface areas, admittedly under less favourable rental conditions (-19%), although securing €3.2 million over a fixed period of approximately eight years.

Schedule of leases per business in annual rents (in millions of euros)

Businesses	Offices in France	Business Parks	Healthcare	Shops	Warehouses	Offices in Germany	Total	Share of total
2014	22.2	42.6	0.0	-	3.0	0.0	67.8	13.5%
2015	56.5	46.2	-	0.1	0.8	0.2	103.9	20.7%
2016	11.7	57.5	0.2	-	0.3	0.5	70.2	14.0%
2017	7.5	32.9	-	-	0.2	0.2	40.9	8.1%
2018	16.7	9.9	-	-	-	-	26.6	5.3%
2019	9.7	11.0	2.9	0.3	-	3.5	27.3	5.4%
2020	4.1	2.6	15.4	-	-	-	22.1	4.4%
2021	30.1	13.8	3.9	8.9	-	-	56.7	11.3%
2022	0.0	6.0	4.9	0.6	0.2	-	11.8	2.3%
>2022	18.4	4.7	46.0	-	-	6.5	75.6	15.0%
TOTAL	**176.9**	**227.1**	**73.3**	**10.0**	**4.5**	**11.0**	**502.9**	**100.0%**

Among the main leases expiring in 2014, a distinction should be drawn between:

- leases subject to a simple exit option in 2014. These represent 73% of the €67.8 million expiring in 2014. Based on the turnover of tenants recorded in previous financial years, only 20% to 25% of potential exit options are actually exercised. There is therefore a strong possibility that a significant share of tenants with an exit option in 2014 will decide not to exercise this right and opt to extend their lease for a further three-year period;
- leases with an effective end date in 2014. These represent 27%. All relevant tenants are already in the process of renewing.

The following points should finally be highlighted:

- the lease signed with Club Méditerranée, representing 5.6% of rents expiring in 2014, was renewed with an extension in 2014;
- the Le Thibet building in Evry (1.7% of rent to be renewed in 2014) is in the process of being sold.

2.4.1.4. Investments

Icade has continued to add value to its assets in order to increase the generation of cash flows in the longer term, and at the same time it has acquired healthcare assets that produce immediate cash flows. Total investments over the period amounted to €337.7 million.

To finance its investments in 2012, Icade used its own cash flow, corporate credit lines and more specifically for investments in its subsidiary Icade Santé, capital increases carried out with institutional investors.

Assets	Asset acquisitions	Asset restructuring	Constructions & extensions	Renovation & major maintenance	Total
Offices in France	-	39.3	34.6	4.2	78.1
Business parks	6.6	8.7	65.6	19.1	100.0
STRATEGIC ASSETS PORTFOLIO	**6.6**	**48.0**	**100.2**	**23.3**	**178.1**
Shops and shopping centres	-	-	-	0.7	0.7
Healthcare	130.4	-	19.0	0.5	149.9
ALTERNATIVE ASSETS PORTFOLIO	**130.4**	**0.0**	**19.0**	**1.2**	**150.6**
NON-STRATEGIC ASSETS PORTFOLIO	**0.0**	**0.0**	**0.0**	**8.9**	**8.9**
Investment intra-group businesses	-	-	-	-	-
PROPERTY INVESTMENT DIVISION	**137.0**	**48.0**	**119.2**	**33.3**	**337.7**

This policy can be divided into four types of investments:

Asset acquisitions

Icade pursues a selective acquisition strategy concerning assets with high profitability and generating instant cash flows. In 2013, total acquisitions represent €137 million and relate to four healthcare establishment and an extension for €130.4 million as well as building land in Fresnes, adjacent to the Parc de la Cerisaie, acquired in December 2013 for €6.6 million.

Asset restructuring

Icade selectively restructures assets generating a significant potential for profitability. Most restructuring in 2013 related to:

- offices in France for a total of €39.3 million, including work on the EQHO Tower delivered in July 2013 and the PB5 Tower currently undergoing restructuring;
- business parks: €8.7 million particularly relates to renovation work on buildings in the Paris parks for €5 million and 2.8 million to the Los Angeles building in Rungis, let entirely to Système U for a term of 12 years.

Constructions & extensions of assets

These investments mainly related to:

- strategic assets for €100.2 million in 2013, including:
  - four construction projects launched this year: Le Millénaire 3 (€37.7 million), Le Monet in Saint Denis (€6.4 million), Le Québec in Rungis (€7.5 million) and Le Brahms in Colombes (€3.6 million). These buildings are all pre-let, with the exception of the Québec building (12,000 m²), due for delivery at the start of 2015,
  - the continuation in 2013 of work on the Sisley building in Saint-Denis (€23.6 million). This building has been pre-let and is due for delivery in April 2014,
  - the cost of preliminary studies prior to beginning construction works, totalling €20.9 million, in respect of the Veolia building (€10.8 million), Le Millénaire 4 (€2.5 million), Block E (€3.3 million) and Campus La Défense in Nanterre Préfecture (€4.3 million);
- alternative assets: this mainly related to the construction or extension of clinics for €19 million, for which the rental conditions, agreed contractually at the time of acquisition, will include a rent supplement on delivery.

Renovations/Major maintenance & repairs

Mainly refer to the expenses of renovation work on business parks and incentives (tenant works).

2.4.1.5. Arbitrage

Icade is carrying out an active trade-off policy on its assets, based on three main principles:

- optimisation and turnover: sale of mature assets, for which most of the asset management work has been done and where there is a high probability of capital gain on the sales;
- portfolio rationalisation: sale of assets of modest size or held under joint ownership;
- shift to the commercial sector, disposal of non-strategic assets: sale of assets, which do not belong in the core of the Commercial Property Investments Division.

The value of sales realised during 2013 was €534.0 million.

1

Assets	Optimisation	Portfolio rationalisation	Shift to the commercial sector	Total
Offices in France	103.0	7.4	-	110.4
Business parks	-	13.5	-	13.5
STRATEGIC ASSETS PORTFOLIO	**103.0**	**20.9**	-	**123.9**
Shops and shopping centres	133.2	-	-	133.2
Healthcare	-	-	-	-
ALTERNATIVE ASSETS PORTFOLIO	**133.2**	-	-	**133.2**
NON-STRATEGIC ASSETS PORTFOLIO	-	-	**276.9**	**276.9**
PROPERTY INVESTMENT DIVISION	**236.2**	**20.9**	**276.9**	**534.0**

This relates primarily to the following:

- the sale in April 2013 and May 2013 of 11 logistics platforms mainly operated by the Casino group. This sale was carried out for €145 million;
- in 2013, Icade continued the process of selling residential units, notably including the block sale of 849 units located in Sarcelles for €43.2 million and of 125 single units for a total amount of €13.9 million;
- on 1 August 2013, Icade completed the sale of the La Factory building in Boulogne-Billancourt, with a surface area of 13,800 m^2, for €103 million;
- the disposals in 2013 of a business park in Berlin, an office building in Stuttgart and a plot of land in Munich for €68.8 million;
- the sale, on 30 November 2013 of Icade's equity shares in SCI Odysseum Place de France, owner of the Odysseum shopping centre in Montpellier.

2.4.2. Other activities

Key figures *(in millions of euros)*	31/12/2013				31/12/2012			
	Development	Services	Inter-group	Total	Development	Services	Inter-group	Total
Revenues	1,091.5	48.4	(23.5)	1,116.4	1,070.7	62.8	(29.8)	1,103.7
EBITDA	61.9	4.5	(1.1)	65.3	68.9	5.2	(7.2)	67.1
Margin (EBITDA/Revenues)	*5.7%*	*9.2%*	*4.5%*	*5.8%*	*6.4%*	*8.3%*	*24.1%*	*6.1%*
OPERATING PROFIT/(LOSS)	**71.4**	**3.4**	**2.8**	**77.6**	**51.9**	**3.4**	**(4.1)**	**51.3**
Financial profit/(loss)	2.3	(0.1)	0.0	2.2	4.1	(0.1)	0.0	4.0
Tax on profit/(loss)	(27.3)	(1.6)	0.1	(28.7)	(25.3)	(1.4)	(0.1)	(26.8)
Net profit/(loss)	48.5	1.7	2.9	53.2	30.0	2.0	(4.3)	27.7
NET PROFIT/(LOSS) GROUP SHARE	**47.2**	**1.7**	**2.9**	**51.9**	**27.8**	**2.0**	**(4.3)**	**25.5**

2.4.2.1. Development Division

Key figures

Summary income statement by business

Key figures *(in millions of euros)*	31/12/2013	31/12/2012 restated	Reclassifications (**)	31/12/2012	Change
Residential Property Development	729.3	669.9		669.9	+8.9%
Commercial Property Development	362.2	381.6	(27.3)	408.9	(5.1)%
PNE Development	0.0	0.0	(16.0)	16.0	N/A
Inter-business Development	0.0	0.0	24.1	(24.1)	N/A
Businesses sold	0.0	19.2	19.2	0.0	N/A
REVENUES (*)	**1,091.5**	**1,070.7**	**0.0**	**1,070.7**	**+1.9%**
Residential Property Development	40.1	51.7		51.7	(22.4)%
Commercial Property Development	21.8	20.4	0.8	19.6	+6.8%
PNE Development	0.0	0.0	7.3	(7.3)	N/A
Inter-business Development	0.0	0.0	(5.0)	5.0	N/A
Businesses sold	0.0	(3.1)	(3.1)	0.0	N/A
EBITDA	**61.9**	**68.9**	**0.0**	**68.9**	**(10.2)%**
Residential Property Development	50.2	46.3		46.3	+8.5%
Commercial Property Development	21.2	21.9	0.8	21.1	(3.2)%
PNE Development	0.0	0.0	17.9	(17.9)	N/A
Inter-business Development	0.0	0.0	(2.4)	2.4	N/A
Businesses sold	0.0	(16.3)	(16.3)	0.0	N/A
OPERATING PROFIT/(LOSS)	**71.4**	**51.9**	**0.0**	**51.9**	**+37.5%**

(*) 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 1st half of 2013.

Development backlog and Service order book

The backlog represents the revenue signed (before tax) but not yet posted for development operations based on progress and signed orders (before tax).

The order book represents the service contracts (before taxes) that have been signed but are not yet productive.

Property Development Division backlog as at 31 December 2013 *(in millions of euros)*	31/12/2013			31/12/2012		
	Total	Île-de-France region	Regions	Total	Île-de-France region	Regions
Residential development (incl. subdivision)	1,011.7	599.0	412.7	1,081.6	599.0	482.6
Commercial Property Development	233.5	215.8	17.7	380.8	321.7	59.1
Public and Healthcare Development	249.0	19.9	229.1	123.5	35.5	88.0
Project management services order book	44.3	25.0	19.3	68.7	41.5	27.2
Engineering order book				38.6	19.9	18.7
TOTAL	**1,538.5**	**859.7**	**678.8**	**1,693.2**	**1,017.6**	**675.6**
	100.0%	55.9%	44.1%	100.0%	60.1%	39.9%

The total backlog of the Property Development Division stood at €1,538.5 million (compared with €1,654.6 million on a pro forma basis as at 31 December 2012), a fall of 7.0%.

These changes can be analysed as follows:

- a decrease of 6.2% in the Residential Property Development backlog. The guaranteed portion, corresponding to deeds of sale, represented 64% of the total, stable compared with 31 December 2012;
- a decrease of Commercial Property Development backlog, from €380.8 million to €233.5 million, mainly due to the increase in the number of new commercial projects launched in 2012 (ZAC de Rungis, PNE Bureaux, etc.) and delivery during the financial year of several large-scale developments (Joinville Urbagreen, Guyancourt Le Start, Lyon Ambre and Opale, etc.);
- an increase of 101.6% in the Public and Healthcare Development backlog, mainly due to the signing of a large property development contract for the construction of the Nouméa hospital (New Caledonia).

Residential property development

(in millions of euros)	31/12/2013	31/12/2012	Change
Revenues (*)	729.3	669.9	+8.9%
EBITDA	40.1	51.7	(22.4)%
Margin (EBITDA/Revenues)	*5.5%*	*7.7%*	
OPERATING PROFIT/(LOSS)	**50.2**	**46.3**	**+8.5%**

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

The residential property market experienced a very sharp slowdown in 2013. In an unstable economic climate, deteriorating macro-economic indicators and a lack of confidence among private individuals as well as investors are encouraging caution and limiting investment decisions.

Unlike in 2012, the market is suffering from a lack of support from private investors. The flow of commercial stock has slowed down (flow has fallen 6.6% compared with 7.8% in 2012). Sales also contracted over the year.

Interest rates, which remain at an historically low level, are not enough to maintain the level of activity and the new tax measures and regulations introduced by the ALUR law have not yet had a significant impact on the market and the behaviour of players.

Across all regions, the Residential market headed for a new fall in volume of approximately 70,000 plots in 2013, as well as in value with a more significant fall in prices regionally than in Paris and areas with a supply shortage, and increasing numbers of marketing incentives.

Marketing nevertheless remained very active in the individual homes market among first-time buyers, second-time buyers and private investors. The number of reservations excluding block sales remained at a good level compared with 2012 reflecting the efficient marketing efforts of the in-house sales force.

Revenue from the Residential Property Development business was up by 8.9% compared with 2012, mainly due to the launch of the Paris North East project (1,126 housing units).

EBITDA for this business was down to €40.1 million (5.5% of revenue) compared with €51.7 million in 2012 (7.7% of revenue).

This 22.4% fall in EBITDA compared with 2012 can particularly be explained by:

- the end of the Scellier scheme, which generated higher project margins in 2011;
- contraction in margins on block sales carried out in 2012 to social-housing companies, to replace the rental investment sales carried out previously.

The operating profit for the Residential Development Division was up 8.5% (€50.2 million as at 31 December 2013 compared with €46.3 million as at 31 December 2012), taking into account the significant reversals of provisions in relation to previously depreciated assets.

The Residential Property Development Division remains vigilant in its commitments by adapting production to market conditions and tightening its commitment criteria to preserve operations margins rather than revenue.

As at 31 December 2013, unsold completed stock comprised 109 residential properties, representing €21.1 million in revenues compared with a stock of 117 plots as at 31 December 2012 for €21.0 million in revenues.

The below indicators accurately reflect the state of the residential property market. The trend in 2014 is set to be identical to that in 2013 and marked by a significant reduction in activity. Nevertheless, the Residential Property Development Division forecasts that its revenues will be resilient in 2014, supported by the large-scale Paris North East project (1,126 housing units)and stability in its operating margin compared with 2013.

The priority objective of the Residential Property Development business is to maintain a market share of at least 5%, taking into account a slight increase in the overall volume of sales, by benefiting from the gradual return of private investors to the Duflot scheme (rent ceilings will be stables until 31 December 2016) and of institutional investors for intermediate housing.

In the Île-de-France region, the ambition of the Greater Paris project to increase production to 70,000 homes, doubling current production, is also an encouraging sign for the development in sales volumes.

Main physical indicators as at 31 December 2013:

Physical indicators	31/12/2013	31/12/2012	Change
Marketing of new housing units and plots for construction			
Île-de-France region	1,416	2,427	(41.7)%
Regions	2,120	3,270	(35.2)%
TOTAL PLOTS BY NUMBER	**3,536**	**5,697**	**(37.9)%**
Île-de-France region	335.5	534.3	(37.2)%
Regions	459.2	591.4	(22.4)%
TOTAL REVENUES (POTENTIAL IN MILLIONS OF EUROS)	**794.7**	**1,125.7**	**(29.4)%**
Launch of projects to build new residential properties and building plots - SO			
Île-de-France region	2,535	1,759	44.1%
Regions	1,948	2,410	(19.2)%
TOTAL PLOTS BY NUMBER	**4,483**	**4,169**	**7.5%**
Île-de-France region	656.6	358.6	83.1%
Regions	371.2	525.8	(29.4)%
TOTAL REVENUES (POTENTIAL IN MILLIONS OF EUROS)	**1,027.7**	**884.4**	**16.2%**
Reservations of new homes and plots of building land			
Number of housing reservations	3,533	4,295	(17.7)%
Housing reservations in millions of euros (including tax)	776.4	814.8	(4.7)%
Housing withdrawal rate	25%	19%	33.2%
Number of building plot reservations	72	99	(27.3)%
Reservations of building plots in millions of euros (including tax)	7.5	7.0	7.7%
Average sale price and average surface area based on reservations			
Average price including taxes per habitable m^2 ***(€/m²)***	3,535	3,256	8.6%
Average budget including tax per residential unit ***(€K)***	219.8	189.6	15.9%
Average floor area per residential unit ***(m²)***	62.2	58.2	6.9%

Breakdown in reservations by type of customer

	31/12/2013	31/12/2012
Social housing companies – Social landlords	30.5%	26.4%
Institutional Investors	9.8%	14.4%
Individual Investors	24.4%	25.0%
Buyers	35.3%	34.2%
TOTAL	**100.0%**	**100.0%**

The level of reservations carried out in 2013 combined with the strong performance of sale prices in the Île-de-France region resulted in an increase in the average price per square meter over the course of 2013, despite stability in average sale prices regionally. The average surface area sold and the average budget per home also increased in 2013, with 2012 having seen falls, both in the average surface area and average budget per plot, as a result of significant sales of several student and senior residences.

As at 31 December 2013, the number of notarised sales decreased by 6.8% although it increased by 5.4% as a percentage. It stood at €817.4 million for 3,792 housing units and plots compared with €775.5 million and 4,069 housing units and plots as at 31 December 2012.

Property portfolio

The residential property and building plots portfolio represents 6291 plots (7675 plots as at 31 December 2012) for potential estimated revenues of €1.4 billion (compared with €1.8 billion as at 31 December 2012), a fall in value of 19.7% compared with 31 December 2012.

Production under development represents approximately 21 months' activity.

1

Commercial property development

(in millions of euros)	31/12/2013	31/12/2012 restated	Reclassifications (**)	31/12/2012	Change
Revenues (*)	362.2	381.6	(27.3)	408.9	(5.1)%
EBITDA	21.8	20.4	0.8	19.6	+6.8%
Margin (EBITDA/Revenues)	*6.0%*	*5.3%*		*4.8%*	
OPERATING PROFIT/(LOSS)	**21.2**	**21.9**	**0.8**	**21.1**	**(3.2)%**

Revenue *(in millions of euros)*	31/12/2013	31/12/2012 restated	Reclassifications (**)	31/12/2012	Change
COMMERCIAL PROPERTY DEVELOPMENT	**362.2**	**381.6**	**(27.3)**	**408.9**	**(5.1)%**
Public and Healthcare	92.5	154.0	0.0	154.0	(39.9)%
Services	241.3	186.3	0.0	186.3	+29.5%
Project Management Assistance	28.4	41.3	0.0	41.3	(31.2)%
Engineering	0.0	0.0	(27.3)	27.3	N/A
Others	0.0	0.0	0.0	0.0	N/A

(*) 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 1st half of 2013.

Public and Healthcare business

Revenues for the Public and Healthcare Development business fell by 39.9% in 2013 to reach €92.5 million. This fall in projected activity is mainly due to the delivery of a number of projects (the Paris Zoological Park and large-scale hospital projects in Toulouse, Dijon, Arcachon and Saint-Denis).

As at 31 December 2013, Icade's project portfolio in the Public and Healthcare Development sector, consisted of 278,508 m^2 of projects (compared with 198,717 m^2 as at 31 December 2012), comprising:

- 140,454 m^2 (compared with 111,490 m^2 in 2012) of projects under construction, including 10,000 m^2 for PPPs;
- 138,054 m^2 of projects at the set-up stage (87,227 m^2 as at 31 December 2012).

The surface area of projects delivered in 2013 was 44,749 m^2.

Since 1 January 2013, €208.1 million (Icade's proportional share) of new contracts were signed for off-plan sales or property development contracts, particularly including the Nouméa private hospital complex for €110.6 million.

Commercial property and shops

In an uncertain economic context the market is proving resilient, but is becoming very selective and concentrated on the best assets.

In this context, Icade continued its marketing efforts by signing several property development contracts and off-plan sales representing almost 20,000 m^2 of offices.

As at 31 December 2013, revenues of the offices and shops Development business (€241.3 million compared with €186.3 million last year) have clearly increased, due to the start of numerous new projects in 2012 and 2013, particularly in the Ile-de-France region.

Projects delivered during the financial year total approximately 60,000 m^2.

As at 31 December 2013, Icade Promotion had a portfolio of projects in Commercial Property Development and Shops of about 879,000 m^2 (stable compared with 31 December 2012), which breaks down as:

- projects under construction for around 192,000 m^2 (220,000 m^2 as at 31 December 2012), representing future revenue of almost €230 million (€381 million as at 31 December 2012). As of 31 December 2013, 90% of surface areas under construction had been sold;
- other projects under construction are also posted in Icade's consolidated accounts using the equity method and represent almost 92,000 m^2 as at 31 December 2013;
- as at 31 December 2013, projects at the set-up stage represented 595,000 m^2 (compared with 578,600 m^2 as at 31 December 2012), representing revenues of €1,534.4 million (€1,029.3 million as at 31 December 2012).

Speculative projects represent commitments of €232.7 million, 66% of which correspond to a 30,000 m^2 project launched in Paris (Le Garance). Exclusive negotiations are currently underway with a view to signing, in the first half of 2014, an off-plan lease concerning this project which is due for delivery in the 2nd quarter of 2015.

Project management assistance

Project management assistance includes contracts to provide contracting authority assistance and studies performed for customers in the Public and HealthCare, Commercial and Retail Property sectors.

In 2013, revenue from this business fell 31.2% to €28.4 million.

The order book totals €44.3 million, representing approximately 16 months of business (revenues based on the last 12 months).

Requirements for working capital and borrowing

Working capital has increased by €36.9 million since the start of 2013.

This increase is the result of progress in commercial projects (particularly the Le Garance project in Paris), which consumed €89.8 million over the course of the year. The residential business has meanwhile cut its working capital by almost €52.9 million.

The commercial working capital/revenue ratio increased sharply to 47.4% (21.5% at the end of 2012) while the same residential ratio fell to 28.6% (39.0% at the end of 2012).

The Property Development Division's net debt presents a surplus of €7.3 million.

2.4.2.2. Services Division

The Services Division comprises the property management business as well as the consultancy and solutions business.

Key Figures *(in millions of euros)*	31/12/2013	31/12/2012	Change
REVENUES	**48.4**	**62.8**	**(22.9)%**
Property Management	31.1	33.3	(6.5)%
Consultancy and Solutions	15.6	14.9	+4.8%
O/w Icade Solutions Immobilière (ISI)	13.0	11.3	+14.8%
O/w Others	2.6	3.6	(27.0)%
Intra-business services	(0.3)	(0.4)	(26.7)%
Activities sold or in the process of being sold	1.9	14.9	(87.0)%
EBITDA	**4.5**	**5.2**	**(14.3)%**
Property Management	2.4	3.6	(34.1)%
Consultancy and Solutions	2.0	1.7	+13.8%
O/w Icade Solutions Immobilière (ISI)	2.3	1.6	+41.7%
O/w Others	(0.3)	0.1	N/A
Intra-business services	0.0	0.0	N/A
Activities sold or in the process of being sold	0.1	(0.1)	N/A
OPERATING PROFIT/(LOSS)	**3.4**	**3.4**	**(2.2)%**
Property Management	2.0	2.6	(23.5)%
Consultancy and Solutions	1.2	1.4	(17.4)%
O/w Icade Solutions Immobilière (ISI)	2.0	1.3	+51.5%
O/w Others	(0.8)	0.1	N/A
Intra-business services	0.0	0.0	N/A
Activities sold or in the process of being sold	0.2	(0.6)	N/A

Revenues from the Services Division reached €48.4 million as at 31 December 2013 compared with €62.8 million as at 31 December 2012.

This change is mainly related to the effects of change in the scope.

In fact, the sale in 2012 of Icade Résidences Services, the subsidiary specialising in the management of student residences, and in 2013 of Icade Suretis, led to a loss in revenues of €13.0 million.

On a like-for-like basis, the revenue represents €46.5 million as at 31 December 2013, down 2.8% compared with 31 December 2012.

This change is due to:

- the 2013 revenues of Icade Solutions Immobilières, comprising the property consultancy and valuation businesses, which grew by 15%. This growth is mainly due to the award of several asset management contracts which were signed in 2013. As a result of its certification by the AMF as a management company, Icade Asset Management particularly won a contract to manage an OPCI (real-estate mutual fund) whose underlying assets include seven shopping centres;
- transaction activity which recorded a decrease in revenues following a slowdown in its commercial activity;
- a fall in revenue from the property management activity of €2.2 million compared with 31 December 2012 mainly due to strategic rationalisation of the management mandate portfolio and the reintegration within the Property Investment Division of services provision to properties owned by Icade, representing €1.7 million.

The assets managed at 31 December 2013 are stable compared with 31 December 2012.

2.4.2.3. Inter-group

The Inter-groupe activities now solely consist of eliminations on Icade's intra-group operations.

The revenues for Other which reached €(23.5) million as at 31 December 2013 compared with €(29.8) million in 2012.

2.4.3. Combination with Silic

Following the signature of a non-binding protocol agreement on 13 December 2011 between the Caisse des Depots, Icade and Groupama, on 22 December 2011; Icade and the CDC made Groupama a firm offer which was accepted on 30 December 2011.

The combination between Icade and Silic was structured in four stages:

1. Stage one: contribution to a subsidiary of the CDC, HoldCo SIIC, (a) of the shareholding held by the CDC in Icade and (b) of a fraction of the shareholding held by Groupama in Silic

On 30 December 2011, the CDC contributed 55.57% of its capital and voting rights in Icade to HoldCo SIIC. At the same time, Groupama offered 6.5% of its capital and voting rights in Silic to HoldCo SIIC.

Each contribution was made based on an exchange parity of five Icade shares for four Silic shares, 2011 dividend attached for each company. The valuation of HoldCo SIIC was determined by transparency on the basis of this parity.

On 6 February 2012, CDC and Groupama signed a shareholders' agreement governing their relationship within HoldCo SIIC. This agreement relating to HoldCo SIIC is valid for a term of 20 years and includes the following stipulations:

- an agreement to not sell the shares in HoldCo SIIC owned by Groupama for 30 months from the date of signature of the shareholders' agreement;
- a preferential right for CDC at the end of the period prohibiting the sale of the shares;
- a proportional joint opt-out right for Groupama in the event that the CDC wants to sell all or some of its shares in HoldCo SIIC to a 3rd party other than an affiliate;
- liquidity for Groupama.

A summary of the clauses in the shareholders' agreement which fall within the scope of the provisions of Article L. 233-11 of the French Commercial Code was given to Icade and was the subject of a notice published by the AMF on 17 February 2012 under the number 212C0291.

2. Stage two: contribution by Groupama of the balance of its shareholding in Silic to HoldCo SIIC

After permission was obtained from the Competition Authority on 13 February 2012, the CDC and Groupama, as shareholders of HoldCo SIIC, approved the contribution by Groupama of 37.44% of the capital and voting rights in Silic following a decision on 16 February 2012. The balance of Silic shares owned by Groupama was contributed according to the same parity as the first contributions, i.e. five Icade shares for four Silic shares, 2011 dividend attached for each of the companies.

As a result of the contributions described above, 75.07% of HoldCo SIIC's capital is owned by CDC and 24.93% is owned by Groupama. In addition, HoldCo SIIC holds (i) 55.57% of the capital and voting rights in Icade and (ii) in conjunction with CDC and Icade, 43.94% of the undiluted capital and voting rights in Silic.

3. Stage three: filing by Icade of a mandatory public offer for Silic

After HoldCo SIIC, acting in concert with CDC and Icade, crossed the 30% threshold, Icade filed a mandatory offer for Silic on 13 March 2012.

The offer included a public exchange offer for Silic shares as well as a public offer to purchase bonds redeemable in cash and/or new shares and/or existing shares (ORNANEs) issued by Silic.

The terms of the offer were as follows:

- for the share exchange: the parity was the same as the parity for the contributions, i.e. five Icade shares issued for four Silic shares contributed (2011 dividend attached or detached in both cases) and;
- for the purchase offer: the nominal value of the ORNANE convertible bonds to which the dividend accrued up to the scheduled date for early payment/delivery of the offer was added, i.e. €126 per ORNANE based on payment/delivery on 14 June 2012. A shift in the payment/delivery of the offer did not affect the price per ORNANE.

On 24 April 2012, the AMF declared the offer to be in compliance and appended stamp n°12-179 to Icade's information notice and stamp n°12-180 to Silic's response, which are available on the websites of Icade (www.icade.fr), Silic (www.silic.fr) and the AMF (www.amf-france.org).

The compliance decision and the notice of initiation of the offer were published by the AMF on 24 April 2012 under the number 212C0533 and on 26 April 2012 under the number 212C0547 respectively.

In proceedings on 3 May and 4 May 2012, SMA Vie BTP and the ADAM brought an application to annul the AMF's compliance decision before the Paris Court of Appeal.

In its comments filed at the Paris Court of Appeal on 31 May 2012, the AMF agreed "in the interest of the market and as a precautionary measure, to extend the closing date of the public offer, originally set for 1 June 2012, so that the closing date shall be at least eight days after the decision of the court ruling on the annulment of the AMF's decision".

In a ruling dated 27 June 2013, the Paris Court of Appeal rejected all appeals by ADAM and SMA Vie BTP, thereby confirming the validity and regularity of the public offer for Silic.

The closing date of the public offer was fixed by the AMF as 12 July 2013 (see AMF notice no. 213C0781 dated 27 June 2013).

In an opinion dated 19 July 2013 (see AMF notice no. 213C0976), the AMF published the results of the initial public offer for which payment-delivery occurred on 22 July 2013. This involved the issue of 19,295,355 new Icade shares on 19 July 2013 at 69 euros per share (including issue premium) to pay for the 15,436,284 Silic shares contributed to the initial offer.

Following the initial public offer, Icade owned 15,436,284 Silic shares, representing 87.98% of the capital and voting rights. Furthermore, 99,520 ORNANEs have been contributed to the public offer.

In a notice dated 19 July 2013 (see AMF notice no. 213C0985), the AMF set the closing date for the re-opened offer as 2 August 2013. The results of the re-opened offer were published by the AMF on 9 August 2013 (see AMF notice no. 213C1217). This involved the issue of 1,161,750 new Icade shares at 67.36 euros per share (including issue premium) to pay for the 929,400 Silic shares contributed to the re-opened offer, representing 5.30% of Silic's capital and voting rights. Payment-delivery took place on 12 August 2013.

Following the public offer (including the re-opened offer), Icade owned 16,365,684 Silic shares, representing 93.28% of Silic's share capital and voting rights on the date of publication of the results of the re-opened offer, as well as 99,520 ORNANE convertible bonds issued by Silic.

On 23 July 2013, SMA Vie BTP brought an appeal against the ruling by the Paris Court of Appeal dated 27 June 2013.

4. Stage four: merger of Silic by Icade

The merger was 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.

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

The general meeting of Silic's ORNANE-holders on 6 November 2013 approved the planned merger.

In an opinion published on 28 November 2013 (see AMF notice no. 213C1819), the AMF decided that the planned merger of Silic by Icade, subject to its examination pursuant to Article 236-6 of the AMF's General Regulations, did not justify the filing of a public buyout offer for Silic shares prior to completion of the merger.

In proceedings on 6 December 2013, SMA Vie BTP brought an application before the Paris Court of Appeal to annul the abovementioned decision by the AMF. The date of the appeal hearing has been set for 23 October 2014.

On 6 December 2013, SMA Vie BTP asked the Nanterre Commercial Court, in the context of interim proceedings, to adjourn the extraordinary general meeting of Silic shareholders convened to rule on Silic's merger by Icade. In a ruling dated 20 December 2013, the Nanterre Commercial Court rejected this request and no appeal was lodged against its decision.

On 27 December 2013, the extraordinary general meetings of Icade and Silic approved the merger of Silic by Icade.

The main terms of the merger were as follows:

- the parity was the same as the parity for the public exchange offer, i.e. five Icade shares for four Silic shares;
- the merger took effect from a legal, accounting and tax perspective at midnight on 31 December, with transfer of all Silic's assets and liabilities to Icade and the dissolution without liquidation of Silic;
- the merger was carried out based on net book value, Icade and Silic being under joint control;
- in accordance with notice CU CNC no. 2005-C, the terms and conditions of the merger were established based on Silic's estimated corporate accounts on the date of the merger;
- on the merger completion date and in line with the exchange parity, Icade carried out an increase in its share capital for a nominal amount of €2,212,786.34 to raise it from €110,456,512.52 to €112,669,298.86, through the creation of 1,451,687 new shares allocated to Silic shareholders (with the exception of Icade and Silic, their shareholding being treasury stock). In accordance with applicable regulations, there was no exchange of the Silic shares owned by Icade and no exchange of the treasury stock owned by Silic which was automatically cancelled on the merger completion date;
- the new Icade shares were accepted for trading on compartment A of Euronext Paris under ISIN code FR0000035081;
- on the merger completion date, Icade substituted itself for Silic in its obligations to (i) holders of Silic stock options, (ii) recipients of Silic bonus shares to be acquired and (iii) ORNANE-holders. Silic ORNANEs continued to be accepted for trading on Euronext Paris and those owned by Icade were cancelled.
- based on Silic's estimated corporate accounts as at 31 December 2013:
  - the net book value of the net asset transferred by Silic (excluding the net book value of Silic's treasury stock) stood at €166,684,783,
  - the provisional amount of the merger premium was €8,818,371.67,
  - the provisional amount of the merger malus payment was €1,253,981,349.81.

At a meeting on 19 February 2014, Icade's Board of Directors closed Silic's final accounts ending on 31 December 2013. These accounts were audited by Icade's Statutory Auditors as part of checks directly linked to their responsibility for legally auditing Icade's accounts.

Based on Silic's final accounts closed on 31 December 2013, the Board of Directors ruled the net book value of the net asset transferred to be final.

Final value of net assets transferred	31/12/2013
Final total amount of assets contributed [(1)]	1,860,344,796.20
Final total amount of liabilities taken on	1,691,524,860.20
FINAL NET ASSETS	**168,819,936.00**
FINAL NET ASSETS (EXCLUDING THE NET BOOK VALUE OF SILIC'S TREASURY STOCK)	**167,248,716.84**

(1) Including treasury stock for €1,571,219.16.

Since final net assets were more than projected net assets, the capital was fully paid up and the final merger premium was revised upwards.

It was consequently recorded that the final amount of the merger premium was €8,855,692.66 before allocation of merger costs and transfer of investment grants and regulated provisions.

After (i) allocation to the merger premium of merger costs of €7,465,050.35 and (ii) partial transfer of Silic's investment grants for €1,390,642.31, the amount of the merger premium is nil. The Board of Directors submitted a proposal to Icade's Annual General Shareholders' Meeting to assign to retained earning the remaining sums required to transfer (i) the outstanding portion of Silic's investment grants (ii) regulatory provisions appearing on Silic's balance sheet totalling €5,833,310.15.

Icade's Board of Directors also recorded the final amount of the merger malus payment as €1,253,454,737.16.

2.4.4. Tax dispute

When the accounts were audited during the 2010 financial year, in its proposed correction (8 December 2010), the tax authorities questioned the market values as at 31 December 2006, based on the property valuations that were used as the basis for calculating the exit tax (corporate tax at the rate of 16.50%) during the merger/absorption of Icade Patrimoine (Assets) as at 1 January 2007. As a result, the exit tax bases were increased, generating additional tax of €204 million in principal. In another proposed correction dated 26 April 2012, the tax authorities increased the rate of taxation applicable to some of the revised amounts from 16.5% to 19%. The additional tax was then increased to €206 million.

On 16 July 2012, Icade applied to consult the *Commission Nationale des Impôts Directs et Taxes sur le Chiffre d'Affaires* [National Commission for Direct Taxes and Revenue Taxes].

At the end of the hearing on 5 July 2013, the Commission gave an opinion questioning the valuation method used by the tax authorities ("[the comparison method] would appear much less suitable than the DCF to the type of assets in question") while recording that some sales carried out in 2007 had been completed for higher prices than those used to estimate the exit tax.

The tax authorities did not follow the commission's recommendation and maintained the increases initially notified, a decision of which it informed Icade on 3 December 2013 at the same time the Commission's opinion was sent.

On 11 December 2013, in accordance with the applicable procedure, the tax authorities therefore sent a payment demand for all sums, i.e. €225,084,492, including late payment interest (or €206 million in principal).

Maintaining its position, on 23 December 2013 Icade filed a claim asking for complete discharge of the sums demanded along with deferral of payment. Deferral of this payment will be subject to presentation of a guarantee from a banking establishment or similar.

In the event that the tax authorities refuse to grant discharge of the sums demanded, Icade will bring proceedings before the administrative court to obtain a ruling on the dispute.

In consultation with its legal firms, Icade continues to dispute this assessment.

Consequently, as was the case at 31 December 2012, no provision was recorded for this purpose at 31 December 2013.

2.4.5. Obligations of the SIIC Regime and Distribution

The ratio of activities not eligible for the SIIC regime in the parent company's balance sheet totalled 9.22% as at 31 December 2013.

Icade's 2013 net book profit was €(31.2) million, corresponding to a fiscal profit of €104.8 million.

This tax base breaks down over the various sectors as follows:

- €52.8 million in exempt current profits from SIIC activities, subject to an 95% distribution obligation (€50.1 million);
- €(17.2) million in proceeds from disposals;
- €48.3 million in tax-exempt dividends from SIIC subsidiaries, subject to a 100% distribution obligation;
- taxable profit, which stands at €20.9 million before allocation of previous deficits.

Since total theoretical distribution obligations (€98.4 million) were higher than the overall fiscal profit of the exempt sector (€83.9 million), Icade's profit distribution obligation for 2013 is limited to €83.9 million, of which:

- €42.7 million relating to the rental business (limited 95% obligation);
- €41.2 million relating to dividends from SIIC subsidiaries (limited 100% obligation).

Furthermore, in the context of the Silic and Silic CBI mergers carried out during 2013, Icade committed to substituting itself for those companies in their distribution obligations, namely:

- €57.6 million in relation to the Silic merger;
- €22.4 million in relation to the Icade CBI merger.

This results in a total distribution obligation of €163.9 million.

	Fiscal Profit/(Loss)	Distribution obligation		Fiscal Profit/(Loss)	Distribution obligation	
(in millions of euros)	31/12/2013	%	Amount	31/12/2012	%	Amount
Current profit/(loss) from SIIC activities	52.8	95.0%	50.1	68.8	85.0%	58.5
Profit/(loss) from disposals	(17.2)	0.0%	0.0	(2.8)	0.0%	0.0
Dividends from SIIC subsidiaries	48.3	100.0%	48.3	43.7	100.0%	43.7
Taxable profit/(loss)	20.9	0.0%	0.0	12.3	0.0%	0.0
TOTAL	**104.8**		**98.4**	**122.0**		**102.2**
Limitation on obligations for exempt profit			83.9			N/A
Taking over of distribution obligations for merged companies			80.0			N/A
TOTAL			**163.9**			**102.2**

The distribution of a dividend of 3.67 euros per share will be proposed to the Annual General Shareholders' Meeting, which will take place on 29 April 2014. Based on existing shares as at 19 February 2014, i.e. 73,916,109 shares, the dividend distribution amount proposed to the Shareholders' Meeting will be €271.3 million.

	31/12/2013	31/12/2012
Dividend *(in millions of euros)*	271.3	189.3
O/w current dividend	271.3	189.3
O/w exceptional dividend	0.0	0.0
Dividend *(in euros/share)*	3.67	3.64
O/w current dividend	3.67	3.64
O/w exceptional dividend	0.0	0.0

Article 6 of the amended 2012 French Finance Law introduced an additional contribution to the corporate tax, which is calculated on the amount of revenues distributed. This contribution represents 3% of dividends distributed beyond the distribution obligation. In 2013, Icade paid €2.6 million in respect of this tax.

2.4.6. Non tax deductible charges

The financial year's charges do not include expenditure which is non-deductible by the tax authorities, as defined by the provisions of Article 39-4 and 223 quater of France's General Tax Code.

3. Adjusted net asset value as at 31 December 2013

3.1. VALUATION OF PROPERTY ASSETS

3.1.1. Surveyors' mission and methodology

3.1.1.1. Valuation mission

Icade's property assets are valued by independent property surveyors twice a year for the publication of the half-yearly and annual financial statements, according to arrangements compliant with the SIIC code of ethics published in July 2008 by the *Fédération des sociétés immobilières et foncières* [Federation of property and real-estate companies].

The property valuations were performed by Jones Lang LaSalle Expertises, DTZ Eurexi, CBRE Valuation, Catella Valuation FCC and BNP Paribas Real Estate.

The property valuation fees are billed to Icade based on a flat remuneration, taking into account the specifics of the buildings (number of units, number of square meters, number of current leases etc.) and independent of the value of the assets.

The surveyors' assignments, for which the main methods of valuation and the conclusions are presented hereafter, are performed according to the standards of the profession, in particular:

- the Property Valuation Charter, fourth edition, published in October 2012;
- the Barthès de Ruyter report from the COB (AMF) dated 3 February 2000 on the valuation of the property assets of companies making public offerings for investment;
- at international level, the TEGoVA (The European Group of Valuers' Association) European valuation standards published in April 2009 in the Blue Book and the standards of the Red Book from the Royal Institution of Chartered Surveyors (RICS).

These various texts specify the qualification of the surveyors, the rules for good conduct and ethics and the basic definitions (values, surface areas, rates and the main valuation methods).

On each valuation assignment and during the presentation of values, Icade ensures the consistency of the methods used for valuation of its assets within the panel of surveyors.

The values are established on the basis of "duties included" and "duties excluded", the "duties excluded" values being determined after deduction of fees and legal expenses calculated on an outright basis by the surveyors.

The Crystal Park office building and the EQHO and PB5 towers are appraised twice, the valuation retained corresponds to the average of the two appraised values.

The sites are systematically visited by the surveyors for all new assets coming into the portfolio. New site visits are then organised according to a long-term schedule or each time that a specific event in the life of the building requires it (occurrence of significant modifications in its structure or environment).

Following the procedures currently in practice within the Group, including land reserves and projects under development, all Icade's assets were valued at 31 December 2013, with the exception of:

- properties currently in a disposal process, including those covered by a promise of sale at the time the accounts were closed and which are valued on the basis of the contract selling price; as at 31 December 2013, the jointly owned lots in the Arago Tower and a plot of land in Aubervilliers. The Munich-Allach office building, the Salzufer plot of land in Berlin and a shop in the Le Triangle shopping centre in Montpellier were subject to valuation on 31 December 2013 but remained at the value of the undertaking to sell signed or the offer accepted at the end of 2013;
- the buildings underlying a financial operation (i.e. capital leasing or rent with the option to buy where Icade acts exceptionally as the leaser) which are maintained at the total financial debt entered in the accounts, or as in this case, the purchase option cited in the contract: the Levallois-Perret office block leased to the Ministry of the Interior for a 20-year duration with a purchase option (LDA) is the only building which figures in that category on 31 December 2013;

- public buildings and works held via a PPP (public-private partnership) which are not valued, as the ownership ultimately returns to the State at the end of partnership contracts. These assets are therefore held at the net book value and listed without modification in the property assets currently published by Icade;
- buildings acquired less than three months before the semi-annual or annual closing date, which are valued at their net book value. As at 31 December 2013, one plot of land located in Fresnes falls into that category.

3.1.1.2. Methodology used by the surveyors

The methodologies used by the surveyors were identical to those used in the previous fiscal year.

The investment buildings are valued by the surveyors by combining two methods: the revenue method (the surveyor using the net rent capitalisation or discounted cash flow method, whichever is the most appropriate) cross-checked using the method of direct comparison with the prices of transactions recorded on the market on equivalent assets in terms of nature and location (unit, block or building price).

The net revenue capitalisation method consists of applying a rate of return to revenue, whether that revenue is established, existing, theoretical or potential (market rental value). This approach may be carried out in different ways according to the revenue basis considered (actual rent, market rent and net revenue) to which different rates of return correspond.

The discounted cash flow method assumes that the value of the assets is equal to the discounted sum of the financial flows expected by the investor, including resale at the end of the holding period. In addition to the resale value obtained by applying a theoretical rate of return on the rents for the last year, which differs depending on the sites, the financial flows integrate the rents, the different charges not recovered by the owner and the heavy maintenance and repair work. The discount rate is calculated based either on a risk-free rate plus a risk premium (linked both to the property market and the building in question, based on its qualities in terms of location, construction and security of revenues) or on the weighted average cost of capital.

Irrespective of the method used, the valuation calculations are carried out on a lease by lease basis, except for particular cases and exceptions.

Land reserves and buildings under development are also valued at their fair value. They are therefore subject to a valuation taken into account in calculating the NAV. The main methods used by the surveyors are the developer balance sheet and/or discounted cash flows, combined in some cases with the comparison method (see above for details of the last two methods).

The developer balance sheet method involves producing the financial balance sheet for the project according to the approach of a property developer to whom the land has been offered. From the selling price of the building on delivery, the surveyor deducts all the costs to be incurred, building costs, fees and margin, financial expenses as well as the amount that could be assigned to the land cost.

For buildings under development, all outstanding costs linked to the completion of the project, along with the carrying charge until delivery, must be deducted from the buildings' provisional sale price.

Projects under development are valued on the basis of a clearly identified and documented project, as soon as planning permission can be examined and implemented.

Whichever method is selected, it is ultimately up to the property surveyors to set a value and discount rate in line with the risks inherent in each project and, in particular, the state of progress of the various authorisation and building phases (demolition permit, building permit, objections, progress of work, any pre-marketing or rental guarantee). From the exit value, the surveyors must explain which procedure they followed in estimating the degree of risk and revaluation attaching to the building in the light of the circumstances under which they work and the information made available to them.

The buildings of clinics or healthcare establishments are valued by surveyors taking the average value obtained using the rent capitalisation (or rental value) method or the discounted future cash flow method.

The market value of a hospital is essentially dependent on operation and its ability to generate sufficient revenues to ensure a normal return on the property investment. These buildings fall under the category of single-use buildings and the value given by the surveyor nevertheless is totally related to its operation and consequently the value of the business. Being unsuitable for use as another business without substantial conversion works, these premises are not subject to renewal rent capping or review, or the traditional rules for determining the rental value, because the configuration and specialisation of the building imposes objective physical limits on the operator (number of beds or rooms etc.) regardless of its qualities.

The market rental value used by the property surveyors is therefore based on taking into account a quota share of the average revenue or EBITDA that the establishment made over the last few years of operation, with or without adjustment, in the light of its category, contents, its administrative environment, the quality of its operating structure (price positioning, subsidies, operating accounts, etc.) and any competition. The establishment's premises could otherwise be valued by capitalisation of the rental income advised by Icade.

3.1.2. Summary of surveyor valuations of Icade's assets

Given the significant restructuring of Icade's portfolio (acquisition of Silic and continued disposal of non-strategic assets), the classification of assets has been reviewed and is presented as follows:

- strategic assets comprise offices in France (including public buildings and works held via public-private partnerships) and business parks (including the Le Millénaire shopping centre);
- alternative assets include only the Healthcare portfolio;
- non-strategic assets comprise the assets located in Germany, warehouses, shops and housing.

Furthermore, assets in the Healthcare portfolio are now valued in proportion to Icade's stake in Icade Santé (56.5%). If these assets were included at 100% of their value, Icade's portfolio would total €9,883.4 million excluding duties instead of €6,954.9 million at the end of 2012 and €10,358.1 million including duties instead of €7,270.0 million at the end of 2012.

Value of assets excl. duties in millions of euros, Group share	31/12/2013	31/12/2012 restated	Change *(in millions of euros)*	Change *(as %)*	Change on a like-for-like basis *(in millions of euros)* (1)	Change on a like-for-like basis *(as %)* (1)	Total surface areas *(m²)*	Price *(in €/m²)* (2)	Net rate of return, excl. duties (3)	Reversion potential (4)	Overall market rental value *(in millions of euros)*	EPRA vacancy rate (5)
Offices in France												
Paris	309.3	292.1	+17.2	+5.9%	+24.1	+8.5%	27,825	11,116	5.7%	(1.9)%	17.2	7.8%
La Défense/Near La Défense	1,709.7	329.5	+1,380.2	+418.9%	+418.5	+127.0%	322,097	5,308	7.4%	(2.8)%	123.7	25.4%
Other Western Crescent	756.0	869.1	(113.1)	(13.0)%	(15.2)	(2.0)%	84,070	8,992	6.5%	(7.7)%	45.6	0.3%
Inner Ring	453.3	346.7	+106.6	+30.7%	+0.8	+0.2%	93,471	4,850	6.4%	(1.0)%	28.6	1.9%
Outer Ring	66.8	70.2	(3.4)	(4.7)%	(4.4)	(6.3)%	28,803	1,158	12.2%	(5.6)%	3.9	23.0%
Total IDF region	**3,295.1**	**1,907.6**	**+1,387.5**	**+72.7%**	**+423.8**	**+23.5%**	**556,266**	**5,863**	**6.9%**	**(3.8)%**	**219.0**	**15.7%**
Regional	103.5	108.7	(5.2)	(4.7)%	(4.3)	(4.0)%	20,593	1,620	7.9%	(3.9)%	2.5	2.2%
TOTAL	**3,398.6**	**2,016.3**	**+1,382.3**	**+68.6%**	**+419.5**	**+21.9%**	**576,859**	**5,712**	**6.9%**	**(3.8)%**	**221.5**	**15.5%**
Property reserves and projects under development	155.3	515.1	(359.8)	(69.8)%	(512.0)	(99.4)%	-	-	-	-	-	-
TOTAL	**3,553.9**	**2,531.4**	**+1,022.5**	**+40.4%**	**(92.5)**	**(3.8)%**	**576,859**	**5,712**	**6.9%**	**(3.8)%**	**221.5**	**15.5%**
Business parks												
Paris	674.8	682.6	(7.8)	(1.1)%	(14.6)	(2.1)%	148,501	4,544	7.2%	(2.9)%	47.6	8.9%
La Défense/Near La Défense	230.0	-	+230.0	-	-	-	87,485	2,629	7.4%	+1.3%	17.1	45.1%
Other Western Crescent	150.4	-	+150.4	-	-	-	72,056	2,088	8.9%	(3.4)%	13.1	5.5%
Inner Ring	897.2	926.9	(29.7)	(3.2)%	(28.8)	(3.1)%	364,089	2,464	8.3%	(0.8)%	73.6	7.2%
Outer Ring	1,503.2	-	+1,503.2	-	-	-	833,995	1,802	7.9%	(1.7)%	120.4	13.2%
Total IDF region	**3,455.6**	**1,609.5**	**+1,846.1**	**+114.7%**	**(43.4)**	**(2.7)%**	**1,506,126**	**2,294**	**7.9%**	**(1.6)%**	**271.8**	**12.5%**
Property reserves and projects under development	487.8	150.8	+337.0	+223.4%	+24.7	+16.4%	-	-	-	-	-	-
TOTAL	**3,943.4**	**1,760.3**	**+2,183.2**	**+124.0%**	**(18.7)**	**(1.1)%**	**1,506,126**	**2,294**	**7.9%**	**(1.6)%**	**271.8**	**12.5%**
STRATEGIC ASSETS	**7,497.3**	**4,291.6**	**+3,205.7**	**+74.7%**	**(111.2)**	**(2.7)%**	**2,082,985**	**3,241**	**7.4%**	**(2.6)%**	**493.3**	**13.8%**
Healthcare												
Inner Ring	39.5	43.9	(4.4)	(10.2)%	(0.1)	(0.2)%	10,695	3,692	6.6%			
Outer Ring	193.3	193.9	(0.6)	(0.3)%	+0.8	+0.5%	54,744	3,532	6.9%			
Total IDF region	**232.8**	**237.8**	**(5.0)**	**(2.1)%**	**+0.7**	**+0.3%**	**65,439**	**3,558**	**6.8%**			
Regional	833.4	845.0	(11.6)	(1.4)%	+6.6	+0.9%	426,030	1,956	6.9%			
TOTAL	**1,066.2**	**1,082.8**	**(16.6)**	**(1.5)%**	**+7.3**	**+0.7%**	**491,469**	**2,170**	**6.9%**			
ALTERNATIVE ASSETS	**1,066.2**	**1,082.8**	**(16.6)**	**(1.5)%**	**+7.3**	**+0.7%**	**491,469**	**2,170**	**6.9%**			
NON-STRATEGIC ASSETS (6)	**499.3**	**938.8**	**(439.5)**	**(46.8)%**	**(39.6)**	**(7.4)%**	**390,990**	**762**	**8.9%**			**5.6%**
Value of the property assets	**9,062.8**	**6,313.2**	**+2,749.6**	**+43.6%**	**(143.5)**	**(2.5)%**	**2,965,426**	**2,736**	**7.4%**			**11.7%**

(1) Net change in disposals over the period and in investments, restated for the dilution resulting from the continued opening of Icade Santé's capital.
(2) Established according to the appraisal value excluding duties.
(3) Net annualised rents for rented floor areas added to potential net rents of vacant floor areas at the market rental value related to the surveyed value excl. duties of the rentable floor areas.
(4) Difference ascertained between the market rental value of the rented floor areas and the annual rent net of unrecoverable charges for the same space (expressed as a percentage of net rent). The reversion potential as calculated above is established without taking into consideration the schedule of repayments of the leases and is not subject to discounting.
(5) Calculated based on the estimated rental value of vacant premises divided by the overall rental value.
(6) The indicators (Total surface areas, Price in €/m², EPRA net rate of return excluding duties and vacancy rates) are presented excluding the Residential Property Investment Division and excluding PPPs.

3.1.2.1. Strategic assets portfolio

The overall value of the strategic portfolio, in proportion to Icade's stake, stands at €7,497.3 million excluding duties as at 31 December 2013 compared with €4,291.6 million at the end of 2012, an increase of €3,205.7 million (+74.7%) mainly linked to the acquisition of Silic's portfolio, representing €3,317.9 million as at 31 December 2013.

After eliminating the impact of investments and acquisitions and disposals carried out during 2013, the change in the value of strategic assets, excluding EQHO and the Le Millénaire shopping centre amounted to +0.1%.

By value, 99% of the portfolio is located in Île-de-France.

The value of property reserves and projects under development amounted to €643.1 million as at 31 December 2013 and breaks down as €228.4 million in property reserves and €414.7 million in projects under development.

Offices in France

During 2013, investments made in office assets (excluding Silic assets), which mainly include work on the EQHO tower, amounted to a total of €40.0 million.

After eliminating the impact of these investments, the acquisition of Silic and asset disposals carried out during the financial year, the change in the value of the Offices Division as at 31 December 2013 was €(92.5) million on a like-for-like basis (or -3.8%), broken down as follows:

- an effect linked to the buildings' business plan (change in the rental situation and works budgets and rent indexation) of €(100.2) million;
- an effect linked to the downward adjustment in rates of return and discount rates used by property surveyors to reflect changes in the real-estate market, of +€7.7 million.

The change in value on a like-for-like level of the EQHO Tower alone over 2013 was €(85.0) million, particularly due to the downgrading of letting assumptions.

Business parks

The property assets of the business parks consist of built assets in use as well as property reserves and building rights for which property projects have been identified and/or are under development.

Icade allocated €75.4 million in maintenance and development investments in its business parks (excluding Silic assets) in 2013.

On a like-for-like basis, after neutralising investments and the disposals, the value of the business park assets fell by €18.7 million over 2013 due to the fall in the value of the Le Millénaire shopping centre (€(28.9) million over 2013).

After almost three years of operation, the centre is currently repositioning its retail brands while suffering from a two-fold negative influence on its value:

- departures of tenants at the end of the first three-year term of their leases;
- marketing/restructuring initiatives designed to tailor the centre's offering to its customers, their consumption behaviour and the frequency of their visits.

The overall change is explained by the effect of the buildings business plan, representing €(22.3) million, and the impact of the downward adjustment in rates of return and discount rates used by the property surveyors to reflect changes in the real-estate market, of +€3.6 million.

3.1.2.2. Alternative assets portfolio

The Healthcare property portfolio consists of clinics and healthcare establishments.

The overall value of this portfolio, in proportion to Icade's stake, is estimated at €1,066.2 million excluding duties as at 31 December 2013 compared with €1,082.8 million at the end of 2012, representing a fall of €16.6 million, mainly explained by the impact of the dilution resulting from the opening of Icade Santé's capital, representing €108.3 million, partially offset by the year's acquisitions totalling €73.5 million (Icade's proportional share).

On a like-for-like basis, after eliminating investments during the year of €11.0 million (Icade's proportional share), acquisitions and the impact of the dilution resulting from the opening of Icade Santé's capital, the portfolio value changed by +€7.3 million over 2013, a change of +0.7%. About +€10.5 million of this change is explained by the impact of discount rate and €(3.2) million by the impact of the business plans for the buildings.

3.1.2.3. Non-strategic assets portfolio

Offices in Germany

The market value of the Offices in Germany assets was assessed at €156.0 million excluding duties at 31 December 2013 compared with €233.0 million at 31 December 2012, representing a downward change of €77.0 million (-33.0%).

This change can be explained by the sale during 2013 of a real-estate complex in Berlin and a building in Stuttgart and a plot of land in Munich.

Warehouses

The market value of the warehouses was assessed at €40.2 million excluding duties at 31 December 2013 compared with €197.4 million at 31 December 2012, representing a downward change of €(157.2) million (-79.7%).

This sharp decrease is mainly the result of the sale of 13 warehouses in 2013.

Shops

As at 31 December, this asset class includes the portfolio of Mr. Bricolage stores acquired at the beginning of 2008, the Odysseum shopping centre and the recreation centres in Montpellier sold in November 2013 and the Le Millénaire shopping centre which was reclassified in the business parks portfolio.

As at 31 December 2013, the overall value of the shops stood at €121.0 million excluding duties, which is stable on a like-for-like basis.

Housing

The assets of the Residential Property Investment Division as at 31 December 2013 are composed of buildings managed by the SNI, together with the joint ownership housing and various residual assets of the Residential Property Investment Division, which were valued on the basis of property valuations.

The value of the Residential Property Investment Division's portfolio stood at €182.0 million excluding duties at 31 December 2013, compared with €256.9 million at the end of 2012, representing a change of €(74.9) million (-29.2%), mainly explained by the effect of disposals.

3.2. VALUATION OF PROPERTY DEVELOPMENT AND SERVICES BUSINESSES

Icade's development and service companies have been valued by an independent firm for the purposes of calculating the NAV (net asset value). The method used by the appraiser, which remains identical to that used for the previous year, is essentially based on each company's discounted cash flow over the term of their business plan, together with a terminal value based on a normative cash flow increasing to infinity.

On these bases, the values of property development and services companies at 31 December 2013 can be broken down as follows:

	31/12/2013		31/12/2012	
Value of development and service companies *(in millions of euros)*	**Property development companies**	**Services companies**	**Property development companies**	**Services companies**
Corporate value	483.8	36.5	429.8	40.6
Net debt	(3.9)	+3.5	(5.7)	+4.4
Other adjustments	(32.1)	(5.5)	(36.1)	(6.3)
EQUITY VALUE	**447.8**	**34.5**	**388.0**	**38.7**

Among the financial parameters adopted, the appraiser used a lower weighted average cost of capital (as compared with the valuation made at the end of 2012), ranging from 8.46% to 11.83% for the development companies and from 7.73% to 9.94% for the service companies.

The change in the corporate value of property development companies can be analysed as follows:

- an effect linked to changes in scope totalling €(7) million, following disposal of the engineering activity at the start of 2013;
- an effect linked to the projected business plan of the property development business, for €34 million;
- an effect linked to the downward adjustment in discount rates used by the appraiser to reflect changes in the property development market, of €27 million.

1

3.3. CALCULATING EPRA NET ASSET VALUE

Determination of Group share of EPRA NAV *(in millions of euros)*		**31/12/2013**	**30/06/2013**	**31/12/2012**
Group share of consolidated capital [a]	(1)	4,167.6	2,558.9	2,652.9
Impact of share dilution giving access to capital [b]	(2)	6.9	0.0	7.4
Unrealised capital gain on property assets (excl. duties)	(3)	1,492.4	1,500.2	1,495.4
Unrealised capital gain on development companies	(4)	50.5	32.3	58.4
Unrealised capital gain on service companies	(5)	7.7	11.7	12.9
Restatement of the revaluation of rate hedging instruments	(6)	102.2	121.3	172.7
GROUP SHARE OF EPRA NAV	**(7) = (1) + (2) + (3) + (4) + (5) + (6)**	**5,827.3**	**4,224.4**	**4,399.7**
Revaluation of rate hedging instruments	(8)	(102.2)	(121.3)	(172.7)
Revaluation of fixed-rate debt	(9)	(6.1)	(11.3)	(23.1)
Tax liability on unrealised capital gain on property assets (excl. duties) [c]	(10)	(0.3)	(0.7)	(1.7)
Tax liability on unrealised capital gain on securities for development companies [d]	(11)	(14.2)	(10.7)	(10.6)
Tax liability on unrealised capital gain on securities for services companies [d]	(12)	(1.0)	(0.9)	(1.5)
GROUP SHARE OF EPRA TRIPLE NET NAV	**(13) = (7) + (8) + (9) + (10) + (11) + (12)**	**5,703.5**	**4,079.5**	**4,190.1**
Number of fully diluted shares in millions [e]	n	73.8	51.7	51.9
EPRA NAV PER SHARE ***(Group share – fully diluted in euros)***	**(7)/N**	**79.0**	**81.7**	**84.7**
Annual growth		*(6.7)%*		
EPRA TRIPLE NET NAV PER SHARE ***(Group share – fully diluted in euros)***	**(13)/N**	**77.3**	**78.9**	**80.7**
Annual growth		*(4.2)%*		

(a) Including a Group share of net profit of €126.9 million.
(b) Dilution related to stock-options which had the effect of increasing consolidated capital and reserves and the number of shares will be deducted from the number of exercisable shares at the end of the fiscal year.
(c) Relates to office assets in Germany taxed at 15.83%.
(d) Calculated at a rate of 34.43% for securities held for less than two years and at a rate of 4.13% for securities held for more than two years. For securities owned directly by Icade, these rates are subjet to the exceptional contribution, increasing them to 38.0% and 4.56%.
(e) Stands at 73,774,827, after cancelling treasury stock (320,305 shares) and the impact of diluting instruments (179,023 shares).

EPRA TRIPLE NET NAV, GROUP SHARE AS AT 31 DECEMBER 2012 ***(in euros per share)***	**€80.7**
Impact of the acquisition of Silic	€(3.1)
Dividends paid during the 1st half of the year	€(3.6)
Group share of consolidated profit for the year	+€2.0
Change in fair value of financial derivative instruments	+€1.3
Impact of the continued opening of the capital of Icade Santé [1]	+€0.2
Change in unrealised capital gains on property assets	€0.0
Change in unrealised capital gains on property-development and service companies	€(0.3)
Change in the fair value of fixed-rate debt	+€0.3
Impact of the change in the number of diluted shares on the NAV per share	+€0.2
Others	€(0.4)
EPRA TRIPLE NET NAV, GROUP SHARE AS AT 31 DECEMBER 2013 ***in euros per share)***	**77,3 €**

(1) Impact linked to the of realisation of latent capital gains on healthcare assets due to Icade Santé's capital increase based on the company's NAV.

The impact of the combination with Silic had a dilutive effect on NAV, since the merger parity was slightly higher than the NAV parity of the two companies.

The change in fair value of hedging instruments can be explained by the two-fold effect of the increase in interest rates between the two periods and the time which passed.

The increase in interest rates reduced the variation in the fair value of the fixed rate debt, with the increase of more than €1 billion in fixed rate debt, mainly as a result of the bond issue, not producing any significant change given its proximity to year-end.

In relation to unrealised capital gains from property assets and property development and service companies, the variation is explained in paragraphs A and B respectively.

4. EPRA reporting as at 31 December 2013

Below Icade presents all the European Public Real Estate Association (EPRA) performance indicators drawn up in accordance with its recommendations.

EPRA ADJUSTED NET ASSET VALUE (SIMPLE NET AND TRIPLE NET)

NAV *(in millions of euros)*	31/12/2013	30/06/2013	31/12/2012	Change 2012/2013	Change *(as %)*
Group share of EPRA NAV	5,827.4	4,224.4	4,399.7	1,427.7	+32.4%
EPRA NAV simple net per share *(Group share – fully diluted in euros)*	79.0	81.7	84.7	(5.7)	(6.7)%
Group share of EPRA triple net NAV	5,703.5	4,079.5	4,190.1	1,513.4	+36.1%
EPRA TRIPLE NET NAV PER SHARE ***(Group share – fully diluted in euros)***	**77.3**	**78.9**	**80.7**	**(3.4)**	**(4.2)%**

Calculation of the EPRA NAV is explained in chapter III – "Adjusted Net Asset Value as at 31 December 2013".

EPRA EARNINGS FROM PROPERTY INVESTMENT

EPRA Earnings from Property Investment measures the operational performance of recurring operating activities.

The indicator previously published by Icade to measure its operational performance was current net cash-flow, obtained by restating net profit principally for:

- all allocations to depreciation and provisions;
- profits from disposals;
- corporate tax linked to profits from disposals and provisions/reversals for impairments.

From publication of the 2013 annual accounts, the reference indicator chosen by Icade for measuring operational performance of its Property Investment activities is EPRA Earnings from Property Investment.

In addition to the abovementioned restatement, EPRA recommends restating the following items:

- conversion to fair value of financial instruments;
- minority interests.

Finally, EPRA recommends not restating for the calculation allocations to depreciation and provisions not linked to investment properties (allocations to tangible assets, allocations to provisions for trade liabilities, etc.).

	EPRA Earnings from Property Investment	31/12/2013	31/12/2012	Change 2012/2013
	ICADE GROUP INCOME STATEMENT	**144.9**	**61.7**	
	Profit from other activities [(1)]	(53.2)	(27.7)	
(A)	**PROPERTY INVESTMENT INCOME STATEMENT**	**91.7**	**34.0**	
(i)	Change in value of investment properties and allocations to depreciation	(282.0)	(235.9)	
(ii)	Profit/(loss) from disposal of assets	120.8	79.9	
(iii)	Profit/(loss) from disposal of shops	(0.1)	0.0	
(iv)	Tax on profits from disposals and impairments	0.4	(1.9)	
(v)	Negative acquisition variance/depreciation of Goodwill	(3.2)	(1.1)	
(vi)	Change in fair value of financial instruments	3.6	(6.5)	
(vii)	Acquisition cost for shares	0.0	0.0	
(viii)	Deferred tax linked to EPRA adjustments	0.0	(1.9)	
(ix)	Adjustments for equity-accounted companies	0.0	0.0	
(x)	Minority interests (Icade Santé)	38.1	17.5	
(B)	**TOTAL RESTATEMENTS**	**(122.6)**	**(150.1)**	
(A-B)	**EPRA RECURRING NET RESULT FROM PROPERTY INVESTMENT**	**214.3**	**184.2**	**+16.3%**
	Average number of diluted shares in circulation used in the calculation	60,865,381	51,795,086	
	EPRA EARNINGS FROM PROPERTY INVESTMENT IN EUROS/SHARE	**€3.52**	**€3.56**	**(1.0)%**

(1) Property Development, Services and Inter-business activities are restated for the calculation.

EPRA Earnings from Property Investment represent 3.52 euros per share as at 31 December 2013 compared with 3.56 euros per share as at 31 December 2012. Restated for the new 3% tax on dividends paid in 2013, this represents a 0.2% improvement.

EPRA RATE OF RETURN

The table below presents the switch from the Icade net rate of return as described elsewhere and the rates of return defined by EPRA. The calculation is carried out after restatement of Icade Santé's minority interests.

EPRA rate of return	31/12/2013	31/12/2012
ICADE NET RETURN [(1)]	**7.4%**	**7.3%**
Restatement of Icade Santé minority interests	0.0%	0.0%
Effect of estimated duties and fees	(0.3)%	(0.3)%
Restatement for potential rents from vacant premises	(1.0)%	(0.6)%
EPRA TOPPED-UP NET INITIAL RETURN [(2)]	**6.0%**	**6.4%**
Integration of rental holidays	(0.3)%	(0.3)%
EPRA NET INITIAL RETURN [(3)]	**5.8%**	**6.1%**

(1) Net annualised rents for rented floor areas added to potential net rents of vacant floor areas at the market rental value, excluding special rent arrangements, related to the surveyed value excl. duties of assets in operation.
(2) Annualised rents net of leased surface areas, excluding special rent arrangements, related to the surveyed value incl. duties of assets in operation
(3) Annualised rents net of leased surface areas, including special rent arrangements, related to the surveyed value incl. duties of assets in operation.

EPRA VACANCY RATE

The EPRA vacancy rate is defined as the ratio between the market rent for vacant surface areas and the market rent of the total surface area. Assets under development are not included in calculation of this ratio.

Below are detailed figures concerning the vacancy rate, in accordance with the definition recommended by EPRA, for the Property Investment portfolio after restatement of Icade Santé's minority interests.

EPRA vacancy rate	31/12/2013	31/12/2012
Strategic assets portfolio	13.8%	7.3%
Alternative assets (healthcare)	0.0%	0.0%
Non-strategic assets portfolio	5.6%	6.7%
COMMERCIAL PROPERTY INVESTMENT DIVISION	**11.7%**	**6.0%**

The negative change in the EPRA vacancy rate between 2012 and 2013 is particularly explained by the start of commercial operation of the EQHO Tower following delivery of works in July 2013. This asset, which was at the marketing stage at 31 December 2013, offers almost 79,000 m^2 over 40 floors and represents almost 45% of the portfolio's financial vacancy on that date.

EPRA COST RATIO (PROPERTY INVESTMENT)

Below are detailed figures concerning the costs ratio, in accordance with the definition recommended by EPRA, for the Property Investment portfolio after restatement of Icade Santé's minority interests.

	EPRA Cost Ratio (Propery Investment)	31/12/2013	31/12/2012
	Includes:		
(i)	Structural expenses and other overheads	(27.7)	(30.5)
(ii)	Rental charges net of reinvoicing	(25.3)	(28.0)
(iii)	Management fees net of actual/estimated margins	0.0	0.0
(iv)	Other reinvoicing covering overheads	2.1	2.0
(v)	Share of overheads and expenses of equity-accounted companies	0.0	0.0
	Excludes:		
(vi)	Depreciation of investment properties	0.0	0.0
(vii)	Land leasing costs	(1.5)	(0.6)
(viii)	Other property charges incorporated into rental revenues	0.0	0.0
(A)	**EPRA COSTS (INCLUDING VACANCY COSTS)**	**(49.4)**	**(55.9)**
(ix)	Minus: Vacancy expenses	(14.7)	(11.8)
(B)	**EPRA COSTS (EXCLUDING VACANCY COSTS)**	**(34.7)**	**(44.1)**
(x)	Gross rental revenues minus land leasing costs	405.3	346.6
(xi)	Other property charges incorporated into rental revenues	0.0	0.0
(xii)	Plus: Share of rental revenues minus equity-accounted companies' land expenses	0.0	0.0
(C)	**RENTAL INCOME**	**405.3**	**346.6**
	EPRA COST RATIO (PROPERTY INVESTMENT) (INCLUDING VACANCY COSTS) (A/C)	**12.2%**	**16.1%**
	EPRA COST RATIO (PROPERTY INVESTMENT) (EXCLUDING VACANCY COSTS) (B/C)	**8.6%**	**12.7%**

The positive change in the EPRA Cost Ratio (Property Investment) between 2012 and 2013 can particularly be explained by the non-recurring costs recorded in 2012 (irrecoverable losses and severance compensation) which had a negative effect on the ratio.

1

5. Financial resources

Building on the success of the public exchange offer for Silic stocks and the strength of its financial structure, Icade initiated a rating process in 2013, which resulted in the publication of a long-term BBB+ rating assigned by Standard&Poor's. In September 2013, Icade announced a bonds road show and the following day carried out its first issue, thereby consolidating its model.

As a result, Icade placed two notes which were largely over-subscribed by European investors:

- a bond issue of €500 million over five years and four months with a 100bp spread over the reference rate (coupon rate 2.25%);
- a bond issue of €300 million over 10 years, with a 135bp spread over the reference rate (coupon rate 3.375%)

This dual-tranche issue was welcomed by the markets, enabling the Group to pursue implementation of its financial policy, which involves diversification of financing resources, extension of the average maturity and lowering of the cost of its debt.

Taking advantage of these new resources, at a lower rate than its average debt cost, Icade repaid credit lines of the combined entity Icade and Silic, and restructured part of its portfolio of hedging instruments, with a view to optimising its financing costs and in anticipation of maturity dates in 2014.

During the financial year, Icade reinforced the amount of its available credit lines to raise its total back up lines to €1,220 million as at 31 December 2013.

5.1. LIQUIDITY

New financial resources were obtained during 2013 by renewing existing credit lines and by setting up new confirmed credit lines. The main financing activities over 2013 were as follows:

- setting-up of €250 million of medium-term revolving credit lines;
- €800 million bond issue;
- renewal of a €60 million short-term revolving credit line.

The credit lines have an average credit margin of 124 basis points and an average maturity of 5.8 years.

Icade has drawing capacity on short and medium-term credit lines of €1,220 million, to be used entirely as it sees fit. These backup lines of credit and available cash as at 31 December 2013 cover almost two years of repayments of capital debt.

5.2. DEBT STRUCTURE AS AT 31 DECEMBER 2013

Nature of debt

The gross financial debt of €4,469.8 million as at 31 December 2013 consisted of the following:

- €2,301.9 million in corporate loans;
- €924.8 million in bonds;
- €811 million in mortgage financing;
- €93.5 million in private placement;
- €198.4 million in financial leases;
- €11.1 million in other debt (feeder loans, debt associated with holdings);
- €129.1 million in bank overdrafts.

Net financial debt totaled €3,974.0 million as of 31 December 2013, up by €1,248.6 million compared with 31 December 2012.

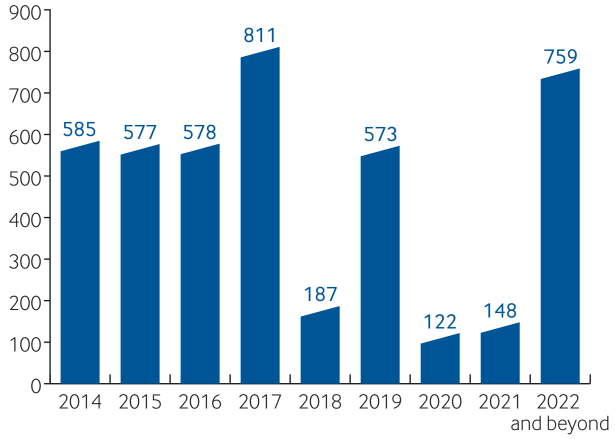
The change between these two dates primarily reflects:

- new debts of €1,080 million, mainly corresponding to the bond issue and establishment of mortgage financing for the Parc du Pont de Flandre;
- natural debt amortisation and repayments of corporate credit lines for a total of €637 million;
- early repayment of €498 million;
- natural amortisation on finance leases of €19.3 million;
- the inclusion of Silic in the consolidation scope for €1,074 million of debt (excluding hedging instruments and overdrafts);
- a fall of €365 million in other current financial assets, mainly corresponding to elimination of the intragroup loan for €350 million which had been granted to Silic;
- a €66.9 million increase in the value of hedging instruments;
- increased cash-flow of approximately €125.8 million;
- a €63 million increase in overdrafts, mainly due to Silic.

Debt by maturity date

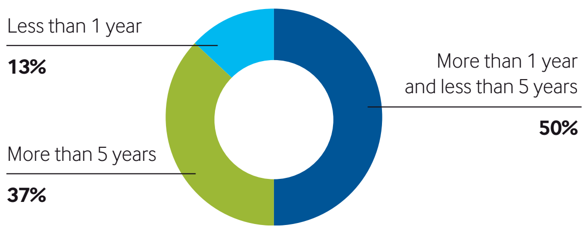
The maturity schedule of the debts drawn by Icade (excluding overdrafts) as at 31 December 2013 is given below, in millions of euros:

SCHEDULE OF DRAWN DEBT *(in €M)*



BREAKDOWN OF DEBT BY MATURITY DATE

(31 December 2013)



The average term of debt works out at 4.6 years as at 31 December 2013. At 31 December 2012, it was 4.3 years, indicating that the financing raised in 2013 extended the average maturity of Icade's debt.

Debt by business

After allocation of the intra-group refinancing, nearly 96% of the Group's debt relates to the Property Investment Division and 4% relates to the Property Development Division. The share assigned to the Services business line is insignificant. These proportions are stable compared with the 2012 financial year.

Average cost of debt

The average cost of financing in 2013 was 1.71% before hedging and 3.83% after hedging, compared with 1.79% and 3.83% respectively in 2012.

The average cost of financing remained stable between 2012 and 2013, despite integration of Silic's financial liabilities (Silic's financing rate in 2012 was 4.45%) through proactive management of financing and restructuring of hedges during the second half of 2013.

Interest-rate risk

The monitoring and management of financial risks are centralised within the Financing and Treasury Division.

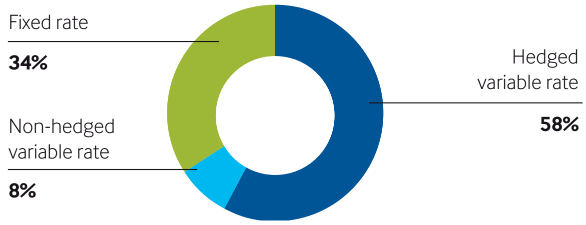
This department reports on a monthly basis to Icade's risk, rates, treasury and finance committee on all matters related to finance, cash-management, interest-rate risk management and liquidity management.

Changes in financial markets can entail a variation in interest rates, which may be reflected in an increase in the cost of refinancing. To finance its investments, Icade uses floating-rate debt, which is then hedged, thus conserving its ability to prepay loans without penalties. This represents, before hedging, nearly 65.8% of its debt as at 31 December 2013 (excluding debts associated with equity interests and bank overdrafts).

In 2013, Icade continued its prudent debt management policy by maintaining limited exposure to interest-rate risks by setting up appropriate hedging contracts (plain vanilla swaps and caps). The derivatives portfolio initially held by Silic has also been entirely restructured. This involved the cancellation of €1.390 billion in notional swap amounts and 800 million in notional options (tunnels and floors), some of which had been taken out as forward start options. At the same time as these disposals, €325 million in notional swap amounts maturing in 2018 and 2019 were put in place. These restructuring operations helped to optimise Icade's financing cost.

BREAKDOWN BY FIXED RATE/VARIABLE RATE (EXCLUDING DEBTS ASSOCIATED WITH EQUITY INTERESTS AND BANK OVERDRAFTS)

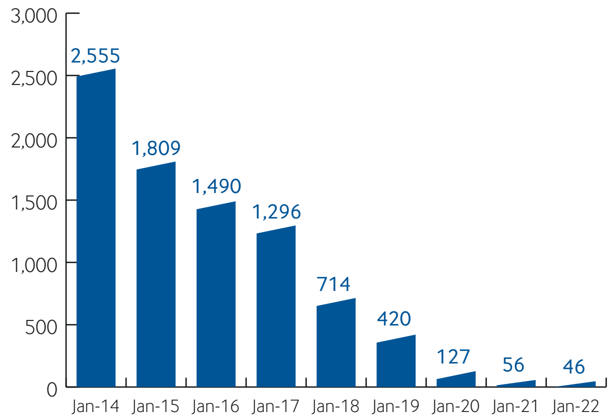
(31 December 2013)



The main amount of the debt (92.3%) is protected against a rise in interest rates (fixed rate debt or variable rate debt hedged by vanilla instruments such as swaps or caps).

The notional hedging amounts, in millions of euros, for future years are as follows:

OUTSTANDING HEDGING POSITIONS



Given the financial assets and the new hedges set up, the net position is given in the following table:

	Financial assets (*) (a)		Financial liabilities (**) (b)		Net Exposure before Hedging (c) = (a) - (b)		Rate hedging instrument (d)		Net Exposure after Hedging (e) = (c) + (d)	
31/12/2013 ***(in millions of euros)***	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**
Less than one year		579.5	9.7	1,079.1	(9.7)	(499.6)		746.4	(9.7)	246.8
More than 1 year and less than 5 years			226.4	1,557.4	(226.4)	(1,557.4)		1,389.1	(226.4)	(168.3)
More than 5 years			1,266.8	330.4	(1,266.8)	(330.4)		419.7	(1,266.8)	89.4
TOTAL		**579.5**	**1,502.9**	**2,966.9**	**(1,502.9)**	**(2,387.4)**		**2,555.3**	**(1,502.9)**	**167.9**

(*) Current and non-current financial assets and cash and cash equivalents.
(**) Gross financial debt.

1

The average term of variable debt was 2.9 years and of associated hedges was 2.9 years, providing adequate hedging.

Finally, Icade favours classifying its hedging instruments as "cash flow hedges" according to the IFRS standards, which requires that the variations in the fair value of these instruments be posted as capital and reserves (for the effective portion) rather than as profit/loss.

Considering the year's profile, and the change in interest rates, the change in fair value of hedging instruments has had a positive impact on the capital and reserves of €74.5 million.

5.3. FINANCIAL RATING

Icade has been rated by rating agency Standard & Poor's since September 2013.

Following changes to its rating criteria, in December 2013 Standard & Poor's confirmed Icade's long-term rating as "BBB+" with a stable outlook.

5.4. FINANCIAL STRUCTURE

Financial structure ratio:

- **The LTV (Loan To Value) ratio:** (Net financial debt/Net asset value ex. rights plus the values of property development and services companies) comes out at 38.2% as at 31 December 2013 (compared with 36.7% as at 31 December 2012).

  This ratio remains well below the ceiling levels to be met under the financial covenants stipulated in the banking documents (50% and 52% in the majority of cases where this ratio is mentioned as a covenant). In bank contracts the values of property development and services companies are not included in the calculation, positioning it at 40.2% (compared with 39.8% as at 31 December 2012).

  If the value of the portfolio used for its calculation was assessed including duties and if the fair value of interest rate derivatives was not included in net debt, the adjusted LTV ratio would be 35.6% at 31 December 2013.
- **The Interest Coverage ratio (ICR)** (corrected for depreciation) was 3.79x in financial year 2013. This ratio increased in comparison with previous years (3.52x in 2012), considering the Silic inclusion in the consolidation scope, the disposals carried out during the year and the improved cost of net debt. Compared with EBITDA (without corrected for depreciation), this ratio works out as 3.42x.

Financial ratios	31/12/2013	31/12/2012
Net financial debt/net asset value including development and service companies (LTV)	38.2% (1)	36.7% (1)
Interest Coverage ratio (ICR)	3.79x	3.52x

(1) Includes the balance sheet value of PPP's' financial liabilities.

- **Covenants table**

		Covenants	31/12/2013
LTV Covenant (1)	Maximum	< 45% < 50% and < 52%	40.2%
ICR	Minimum	> 2	3.79x
CDC control (2)	Minimum	34%/50% - 51%	52.07%
Value of Investment property assets (3)	Minimum	> €1- 3 billion > €4 billion > €5 billion > €7 billion	9.9 billion euros
Debt ratio of subsidiaries/Consolidated gross debt	Maximum	33%	7.29%
Surety on assets	Maximum	< 20% of property assets	10.7% (4)

(1) Around 41% of the debt relating to an LTV covenant has a limit of 52%, 54% of the debt has a limit of 50%, while the remaining 5% has a limit of 45%.
(2) Around 94% of the debt relating to the covenant for the CDC change of control clause has a limit of 34%, with a limit of 50-51% for the remaining 6%.
(3) Around 51% of the debt relating to the value of Investment property assets covenant has a limit of between €1 and €3 billion, 3% of the debt has a limit of €4 billion, 9% of the debt has a limit of €5 billion, with a limit of €7 billion the remaining 37%.
(4) Maximum calculation under the loan agreements.

The covenants were respected as at 31 December 2013.

CHAPTER 2

HISTORICAL FINANCIAL INFORMATION

Icade's consolidated financial statements and annual accounts, together with the Statutory Auditors' report on the consolidated financial statements and on the annual accounts for the 2013 financial year are featured in Chapters 3 and 4 of this report.

Pursuant to Article 28 of EC Regulation No. 809/2004 relating to the prospectus, the following information is included by reference in this reference document:

- the consolidated financial statements for the fiscal year ended 31 December 2012 prepared according to international accounting standards, and the report from the statutory auditors on these accounts, as they are presented on pages 66 to 147 of the reference document filed with the Financial Markets Authority on 07 March 2013 under number D. 13-0110;

  An update of the reference document has been filed on 28 August 2013 under number D.13-0110-A01.

- the consolidated financial statements for the fiscal year ended 31 December 2011 prepared according to international accounting standards, and the report from the statutory auditors on these accounts, as they are presented on pages 61 to 139 of the reference document filed with the Financial Markets Authority on 13 March 2012 under number D. 12-0150;

The reference documents are available on Icade's website (www.icade.fr) and that of the Financial Markets Authority (www.amf-france.org).

The table of fees for the statutory auditors appears in chapter 3 paragraph 37.

CHAPTER 3

CONSOLIDATED FINANCIAL STATEMENTS

3

Consolidated income statement

(in millions of euros)	Notes	31/12/2013	31/12/2012 restated (1)
Revenues	**3-4**	**1,592.8**	**1,499.3**
Revenue from ancillary activities		4.1	5.5
Financial operating income associated with the activity		1.4	1.5
Income from operating activities		**1,598.3**	**1,506.3**
Purchases used		(871.6)	(810.4)
Outside services		(85.0)	(111.1)
Tax, duty and similar payments		(27.2)	(26.5)
Personnel charges, profit sharing and share incentive scheme		(152.1)	(169.1)
Other business related charges		7.0	(6.2)
Charges on operating activities		**(1,128.9)**	**(1,123.3)**
EBITDA	**3**	**469.4**	**383.0**
Depreciation charges net of investment grants	3	(215.6)	(176.8)
Charges and reversals related to loss in value on tangible, financial assets and other current assets	3	(69.0)	(85.7)
Profit/(loss) from disposals	5	122.4	80.8
Depreciation of goodwill and intangible assets	3	(3.1)	(1.6)
OPERATING INCOME	**3**	**304.1**	**199.7**
Cost of gross financial debt		(139.0)	(109.5)
Financial income from cash and cash equivalents		1.7	2.1
Cost of net financial debt		**(137.3)**	**(107.4)**
Other financial income and expense		15.2	5.8
FINANCIAL INCOME	**6**	**(122.1)**	**(101.6)**
Profit/(loss) of companies accounted for under the equity method		2.1	(0.7)
Income tax expense	7	(39.2)	(36.9)
Profit/loss) from discontinued activities		-	-
NET INCOME		**144.9**	**60.5**
Net income attributable to non-controlling interests		18.0	9.0
Net income attributable to owners of the Company		**126.9**	**51.5**
Basic earnings per share to owners of the Company (in euros)	**27**	**2.09**	**1.00**
of which earnings per share from discontinued activities		-	-
Number of shares used in the calculations		60,789,505	51,727,115
Diluted earnings per share to owners of the Company (in euros)	**27**	**2.08**	**0.99**
of which earnings per share, from discontinued activities		-	-
Number of shares used in the calculations		60,865,381	51,795,086
NET INCOME FOR THE PERIOD		**144.9**	**60.5**
Other comprehensive income:			
Other comprehensive income recyclable in the income statement:		**76.4**	**(12.0)**
Available for sale financial assets		-	-
- Changes in fair value recognised directly in equity		-	(0.5)
- Reclassified to profit/loss		-	0.5
Cash flow hedging		76.4	(12.0)
- Changes in fair value recognised directly in equity		68.6	(18.6)
- Reclassified to profit of instruments		7.8	6.6
Related tax		-	-
Other comprehensive income not recyclable in the income statement:		**(7.0)**	**(0.3)**
Remeasurements on retirement benefit liability (asset)		(8.8)	(0.5)
Related tax		1.8	0.2
Total other comprehensive income net of tax recognised directly in equity		**69.4**	**(12.3)**
of which transferred to net income		7.8	0.5
Total comprehensive income		**214.3**	**48.2**
- Total comprehensive income attributable to non-controlling interests		19.9	9.0
- Total comprehensive income attributable to owners of the Company		194.4	39.2

(1) The 2012 published accounts are restated for the first application of IAS 19 Amended "Employee Benefits".

Consolidated balance sheet

ASSETS *(in millions of euros)*	Notes	31/12/2013	31/12/2012 restated
Goodwill	8	69.7	77.2
Net intangible assets		3.8	5.8
Net tangible assets	9	90.5	121.5
Net investment property	9	7,930.7	4,820.4
Available for sale non-current securities	10	7.0	2.5
Equity-accounted securities	35	0.8	-
Other non-current financial assets and derivatives	11-24	6.9	5.1
Deferred tax assets	7	10.6	13.8
TOTAL NON-CURRENT ASSETS		**8,120.0**	**5,046.3**
Inventories and work in progress	12	683.2	692.3
Trade and other receivables	13	530.2	584.2
Amounts due from customers (building contracts and off-plan sales)	14	18.0	18.8
Tax receivables		9.4	10.5
Miscellaneous receivables	15	374.0	383.0
Available for sale current securities	10	0.1	0.8
Other current financial assets and derivatives	16-24	29.6	407.5
Cash and cash equivalents	17	569.4	443.6
Assets held for sale	18	6.9	214.9
TOTAL CURRENT ASSETS		**2,220.8**	**2,755.6**
TOTAL ASSETS		**10,340.8**	**7,801.9**

LIABILITIES *(in millions of euros)*	Notes	31/12/2013	31/12/2012 restated
Share capital		112.7	79.3
Share premiums		2,679.3	1,303.9
Treasury shares		(27.1)	(22.0)
Revaluation reserves		(98.3)	(173.3)
Other reserves		1,374.1	1,416.0
Net profit Group share		126.9	51.5
Equity attributable to owners of the Company	**19**	**4,167.6**	**2,655.4**
Non-controlling interests	20	412.3	310.7
TOTAL EQUITY		**4,579.9**	**2,966.1**
Non-current provisions	21-28	39.4	38.9
Long-term financial borrowings	22	3,360.5	2,878.4
Non-current tax payable		1.7	3.4
Deferred tax payable	7	11.2	9.6
Other non-current liabilities and derivatives	24	163.2	219.8
TOTAL NON-CURRENT LIABILITIES		**3,576.0**	**3,150.1**
Current provisions	21	22.0	16.8
Current financial liabilities	22	1,109.3	510.6
Current tax payable		13.1	7.2
Trade payables		520.2	550.2
Amounts due to customers (building contracts and off-plan sales)	14	5.2	8.1
Miscellaneous current payables	23	494.2	549.6
Other current financial liabilities and derivatives	24	20.9	18.1
Liabilities held for sale	18	-	25.1
TOTAL CURRENT LIABILITIES		**2,184.9**	**1,685.7**
TOTAL LIABILITIES AND EQUITY		**10,340.8**	**7,801.9**

Consolidated cash flow statement

(in millions of euros)	31/12/2013	31/12/2012 restated
I) OPERATING ACTIVITIES		
Net profit	**144.9**	**60.5**
Depreciation, amortisation and provisions	277.5	263.7
Unrealised gains and losses due to changes in fair value	(8.5)	0.4
Other accruals	11.9	12.6
Capital gains or losses on disposal of assets	(62.6)	(82.7)
Capital gains or losses on disposal of consolidated securities	(66.0)	(1.9)
Share of profit of equity-accounted companies	(2.1)	0.7
Dividends received	(0.6)	(0.8)
Cash flow from operating activities after cost of net financial debt and tax	**294.5**	**252.3**
Cost of net financial debt	131.1	103.0
Tax liability	38.4	37.0
Cash flow from operating activities before cost of net financial debt and tax	**464.0**	**392.5**
Interest paid	(147.5)	(117.4)
Tax paid	(31.9)	(49.4)
Change in working capital requirement related to operating activities	(49.0)	(147.2)
NET CASH FLOW FROM OPERATING ACTIVITIES	**235.6**	**78.5**
II) INVESTMENT ACTIVITIES		
Tangible and intangible assets and investment properties		
- acquisitions	(355.4)	(425.6)
- disposals	355.0	226.8
Investment grants received	1.0	-
Change in deposits paid and received	2.1	(2.2)
Change in financial accounts receivable	5.3	4.5
Operational investments	**8.0**	**(196.5)**
Available for sale securities		
- acquisitions	(4.6)	(0.8)
- disposals	-	0.1
Consolidated securities		
- acquisitions	(14.4)	(34.7)
- disposals	92.8	38.1
- impact of changes in consolidation scope	2.0	(11.6)
Dividends received	1.9	1.4
Financial investments	**77.7**	**(7.5)**
NET CASH FLOW FROM INVESTMENT ACTIVITIES	**85.7**	**(204.0)**
III) FINANCING ACTIVITIES		
Proceeds from issue of share capital:		
- paid by Icade shareholders	0.5	0.5
- paid by non-controlling interests of consolidated subsidiaries	108.7	357.7
Dividends paid during the financial year:		
- dividends (including deduction at source) and interims paid in the year by Icade	(188.5)	(192.6)
- dividends and interims paid in the year to minority interests of consolidated subsidiaries	(21.9)	(3.9)
Buy-back of treasury stock	(6.6)	14.3
Change in cash flow from capital transactions	**(107.8)**	**176.0**
Issues or subscriptions of borrowings and financial debts (1)	1,083.8	903.0
Repayment of borrowings and financial debts (2)	(1,155.6)	(580.4)
Acquisitions and disposals of current financial assets	(78.9)	(338.3)
Change in cash flow from financing activities	**(150.7)**	**(15.7)**
NET CASH FLOW FROM FINANCING ACTIVITIES	**(258.5)**	**160.3**
NET CHANGE IN CASH POSITION (I+II+III)	**62.8**	**34.8**
NET CASH POSITION AT THE BEGINNING OF THE YEAR	**377.5**	**342.7**
NET CASH POSITION AT THE END OF THE YEAR	**440.3**	**377.5**
Cash and cash equivalents	569.4	443.6
Bank overdrafts (excluding accrued interest not yet due)	(129.1)	(66.1)
NET CASH POSITION	**440.3**	**377.5**

(1) In 2013, including increases in borrowing (€1,080.9 million) and deposits and guarantees received (€2.9 million).
(2) In 2013, including repayment of borrowing (€1,136.8 million) and deposits and guarantees (€18.8 million).

Consolidated statement of change in consolidated capital and reserves

(in millions of euros)	Share capital	Share premium and merger premium	Cash flow hedge net of corporate tax	Available for sale securities	Other reserves	Equity – attributable to owners of the Company	Non-controlling interests	Total equity
AS AT 31 DECEMBER 2012	**79.3**	**1,303.9**	**(172.8)**	**(0.5)**	**1,443.0**	**2,652.9**	**310.7**	**2,963.6**
Amount adjusted in line with the change in accounting method arising from the application of IAS 19 Amended "Employee Benefits"	**-**	**-**	**-**	**-**	**2.5**	**2.5**	**-**	**2.5**
AT 1 JANUARY 2013 RESTATED	**79.3**	**1,303.9**	**(172.8)**	**(0.5)**	**1,445.5**	**2,655.4**	**310.7**	**2,966.1**
Cash flow hedges:								
- Changes in fair value recognised directly in equity (1)	-	-	65.8	-	-	65.8	2.8	68.6
- Recycling in profit of revaluation reserves	-	-	8.7	-	-	8.7	(0.9)	7.8
Fair value of available for sale securities:								
- Change in fair value	-	-	-	-	-	-	-	-
- Transfer to profit for the period	-	-	-	-	-	-	-	-
Other elements recognised as equity:								
- Actuarial gains and losses on retirement benefits liability	-	-	-	-	(8.8)	(8.8)	-	(8.8)
- Related tax	-	-	-	-	1.8	1.8	-	1.8
TOTAL CHANGES RECOGNISED DIRECTLY IN EQUITY (I)	**-**	**-**	**74.5**	**-**	**(7.0)**	**67.5**	**1.9**	**69.4**
NET INCOME (II)	-	-	-	-	**126.9**	**126.9**	**18.0**	**144.9**
TOTAL COMPREHENSIVE INCOME (I) + (II)	**-**	**-**	**74.5**	**-**	**119.9**	**194.4**	**19.9**	**214.3**
Dividends for 2012	-	-	-	-	(188.5)	(188.5)	(19.3)	(207.8)
Variation in percentage interest	-	-	0.4	-	106.3	106.7	101.0	207.7
Capital increase	-	0.4	-	-	-	0.4	-	0.4
Increase in capital following the POE for Silic (4)	31.2	1,371.8	-	-	-	1,403.0	-	1,403.0
Impact on equity following the merger (5)	2.2	3.2	0.1	-	(5.5)	-	-	-
Transactions on treasury shares (2)	-	-	-	-	(6.6)	(6.6)	-	(6.6)
Other (3)	-	-	-	-	2.8	2.8	-	2.8
AS AT 31 DECEMBER 2013	**112.7**	**2,679.3**	**(97.8)**	**(0.5)**	**1,473.9**	**4,167.6**	**412.3**	**4,579.9**

(1) Positive changes in cash flow hedges are significant as at 31 December 2013. These follow the increase in interest rates compared with those in force at 31 December 2012.
(2) As at 31 December 2013, Icade had 320,305 treasury shares for a cost of €27.2 million.
(3) This item notably includes up to €2.6 million worth of the positive impact, on equity, from stock options and bonus share plans.
(4) The €1,403 million increase in capital and premium relates to the acquisition of Silic, net of costs, allocated to the share premium.
(5) The €3.2 million increase in the merger premium relates to the mergers of subsidiaries CFI and Icade Commerces.

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(in millions of euros)	Share capital	Share premium and merger premium	Cash flow hedge net of corporate tax	Available for sale securities	Other reserves	Equity – attributable to owners of the Company	Non-controlling interests	Total equity
AS AT 31 DECEMBER 2011	**79.3**	**1,303.4**	**(163.4)**	**(0.6)**	**1,519.6**	**2,738.3**	**1.7**	**2,740.0**
Amount adjusted in line with the change in accounting method arising from the application of IAS 19 Amended "Employee Benefits"	-	-	-	-	3.5	3.5	-	3.5
AT 1 JANUARY 2012 RESTATED	**79.3**	**1,303.4**	**(163.4)**	**(0.6)**	**1,523.1**	**2,741.8**	**1.7**	**2,743.5**
Cash flow hedges:								
- Changes in fair value recognised directly in equity (1)	-	-	(18.0)	-	-	(18.0)	(0.6)	(18.6)
- Recycling in profit of revaluation reserves	-	-	6.6	-	-	6.6	(0.1)	6.5
Fair value of available for sale securities:								
- Change in fair value	-	-	-	(0.5)	-	(0.5)	-	(0.5)
- Transfer to profit for the period	-	-	-	0.6	-	0.6	-	0.6
Other elements recognised as equity:								
- Actuarial gains and losses on retirement benefits liability	-	-	-	-	0.3	0.3	-	0.3
- Related tax	-	-	-	-	(0.1)	(0.1)	-	(0.1)
TOTAL CHANGES RECOGNISED DIRECTLY IN IN EQUITY (I)	**-**	**-**	**(11.4)**	**0.1**	**0.2**	**(11.1)**	**(0.7)**	**(11.8)**
NET INCOME (II)	**-**	**-**	**-**	**-**	**51.5**	**51.5**	**9.0**	**60.5**
TOTAL COMPREHENSIVE INCOME (I) + (II)	**-**	**-**	**(11.4)**	**0.1**	**51.7**	**40.4**	**8.3**	**48.7**
Dividends for 2011	-	-	-	-	(192.6)	(192.6)	(8.7)	(201.3)
Variation in percentage interest	-	-	2.0	-	46.8	48.8	308.9	357.7
Entrée de périmètre	-	-	-	-	-	-	-	-
Capital increase	-	0.5	-	-	-	0.5	-	0.5
Increase in capital following takeover of companies	-	-	-	-	-	-	-	-
Reduction in capital	-	-	-	-	-	-	-	-
Transactions on treasury shares (2)	-	-	-	-	14.4	14.4	-	14.4
Other (3)	-	-	-	-	2.1	2.1	0.5	2.6
AS AT 31 DECEMBER 2012 RESTATED	**79.3**	**1,303.9**	**(172.8)**	**(0.5)**	**1,445.5**	**2,655.4**	**310.7**	**2,966.1**

(1) The negative changes in cash flow hedges relate to the low medium- and long-term interest rates at 31 December 2012 which were also lower than the same date the previous year.
(2) As at 31 December 2012, Icade had 236,229 treasury shares for a cost of €22.0 million.
(3) This item notably includes up to €2.5 million worth of positive impact on equity from stock options and bonus share plans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting principles

1.1. STANDARDS APPLIED

The consolidated financial statements of the Icade Group ("the Group") as at 31 December 2013 have been prepared in accordance with International Accounting Standards (IFRS) as adopted in the European Union in application of European regulation no.1606/2002 dated 19 July 2002. They were established by the meeting of the Board of Directors of Icade on 19 February 2014 and will be submitted for approval at the annual general meeting to be held on 29 April 2014. The consolidated financial statements published by the Group as at 31 December 2012 were determined according to the same principles and methods, with the exception of the items indicated below.

The International Accounting Standards are published by the IASB (International Accounting Standards Board) and have been adopted by the European Union. They include the IFRS (International Financial Reporting Standards), the IAS (International Accounting Standards) and their interpretations.

Compared to the consolidated financial statements presented as at 31 December 2012, the Group applied the following standards and interpretations, which became mandatory for 2013.

1. IFRS 13 "Fair Value Measurement" (projected application)

   IFRS 13 "Fair Value Measurement" defines the concept of "fair value" of an asset or liability for all IFRS and sets out the rules applicable to its calculation.

   IFRS 13, which defines fair value as the price to be received on the sale of an asset or the price to be paid on transfer of a liability, in the context of a transaction concluded under normal conditions by market players on the valuation date. It is an exit price. IFRS 13 sets out the hierarchy of data which can be used to determine fair value:

   - level 1: Quoted (unadjusted) market price in active markets for identical assets and liabilities on the valuation date;
   - level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
   - level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

   The hierarchical level of fair value is thereby determined by reference to the levels of the input data in the valuation technique. In the event a valuation technique is used based on data in different levels, the fair value's level is then restricted to the lowest level.

   IFRS 13 is a valuation standard, without any impact on the accounting methods applied by the Group.

   Investment property

   The valuation of fair value considers optimum use of the asset. Icade has not identified any optimum use of an asset different from the current use. Therefore, adoption of IFRS 13 has not changed the assumptions used to value the assets, which are presented in note 9.

   Valuation of the fair value of investment properties involves the use of various valuation methods using parameters which are not observable, or are observable but have been subject to certain adjustments. The Group's assets are therefore all deemed to fall within level 3 in respect of the hierarchy of fair values laid down by IFRS 13, despite the inclusion of some level 2 data which can be observed.

   The first application of IFRS 13 in 2013 did not have a significant impact on the valuation of investment properties' fair value

   Financial instruments

   IFRS 13 requires counterparty credit risk to be taken into account (i.e. the risk that a counterparty fails in one of its obligations) in the valuation of the fair value of financial assets and liabilities, as well as credit risk specific to Icade. Valuation of credit risk is based on historic data from S&P.

   The inclusion of credit risk in the valuation of derivatives is considered to be a component of the ineffective part of effectiveness testing.

   IFRS 13 retains the same obligations regarding information about the three-level hierarchy of fair values as IFRS 7, which requires an entity to establish a difference between the fair value of financial assets and liabilities according to the observable nature of the input data used to determine the fair value.

   As at 31 December 2013, the fair value hierarchy for financial instruments was not called into question by the Group's first application of IFRS 13. The impact of this change in method is not significant in the Icade Group's accounts.

2. Amendment to IAS 19 "Employee Benefits" (retrospective application). Actuarial gains and losses are now recognised immediately and completely in equity and no longer in the net income statement. They are incorporated into "other comprehensive income". Past service costs are immediately recognised in the net income statement. The impacts resulting from this change in method concern provisions for employee benefits (note 28), changes in equity and deferred taxes (note 7). The summary of impacts as at 31 December 2012 is set out in the table below:

(in millions of euros)	Financial statements as at 31/12/2012 Published	Impact of IAS 19 as amended		Financial statements as at 31/12/2012 Restated
		Impact as at 01/01/2012	Impact in 2012	
Other deferred tax assets	**14.8**	**(1.1)**	**0.1**	**13.8**
Other reserves	1,412.3	3.5	0.2	1,416.0
Net income	52.7	-	(1.2)	51.5
Impact on the Group's equity	-	**3.5**	**(1.0)**	-
Provision for long term employee benefits	21.1	(4.6)	1.0	17.5
Liabilities held for sale	25.0	-	0.1	25.1

3

The net total of actuarial reserves included in "other reserves" stands at €0.2 million as at 31 December 2012.

New costs of past services (generated after adoption of the revised standard) are immediately and fully recognised in net income.

The 2012 per-share profit after dilution falls from €1.02 to €0.99.

The accounting for other long-term advantages is not amended in the new standard.

As at 1 January 2013, application of the standards and interpretations listed below did not significantly impact the Group's accounting and valuation methods or its consolidated financial statements:

1. Amendment to standard IAS 1: "Presentation of financial statements";
2. Amendment to standard IAS 12: "Income Tax – Deferred tax: recovery of underlying assets";
3. Amendment to standard IFRS 1: "First-time Adoption of International Financial Reporting Standards regarding financial information: Serious hyperinflation and withdrawal of firm application dates for first-time adopters";
4. Amendment to standard IFRS 7: "Financial Instruments: Disclosures";
5. IFRIC 20: "Stripping costs in the Production Phase of a Surface Mine".

The Group did not make early application of any standards or interpretations (see note 38).

1.2. BASES OF ASSESSMENT, JUDGMENT AND USE OF ESTIMATES

The financial statements have been prepared using the historical cost method, with the exception of certain financial instruments posted at fair value.

The preparation of the financial statements requires 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 expenses for the year.

The significant estimates made by the Group for preparing its financial statements mainly cover:

- the valuation of tangible and intangible assets and property assets by independent surveyors as indicated in note 1.11;
- the review of real-estate developments (note 1.17);
- the evaluation of net income according to the progress of construction projects, off-plan sale projects and certain service-provision contracts as specified in note 1.6;
- the evaluation of employee benefits and provisions, as specified in notes 1.21, 1.22, 21 and 28;
- the evaluation of the fair value of derivative financial instruments.

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 judgments 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, the management board has applied its judgment in classifying lease contracts (ordinary lease and direct financing lease) and in determining the accounting treatment of certain activities for which the IFRS standards do not provide any specific details.

Finally, in application of the materiality principle adopted by the Group, only information deemed relevant and useful to users' understanding of the consolidated financial statements is presented.

1.3. CONSOLIDATION METHODS

The Icade Group's consolidated financial statements include the financial statements for Icade SA, its subsidiaries, and companies subject to joint control or significant influence:

- subsidiaries over which the Group exercises exclusive control are fully consolidated;
- companies in which the Group exercises joint control are proportionately consolidated;
- consolidation by the equity method is applied to affiliates over which the Group exercises a significant influence.

All internal transactions and positions are eliminated in consolidation; totally, for fully consolidated companies and in proportion to the Group's percentage interest for proportionately consolidated companies and equity associates.

A list of the fully and proportionally consolidated companies and equity associates is set out in note 36 "Consolidation scope".

1.4. BUSINESS COMBINATIONS AND ASSET ACQUISITIONS

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 as amended, depending on the date of the takeover, 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 accounting method for investment properties and their depreciation is described in notes 1.9 and 1.11.
- Business combinations completed after 1 January 2010 are posted using the acquisition method in accordance with IFRS 3 as amended.

The consideration transferred must include the premiums valued at fair value.

"Liabilities assumed and non-controlling interests" are posted, for each business combination, on the basis of their fair value on the acquisition date or on the basis of their share in the identifiable net assets of the acquired entity.

According to the acquisition method, the buyer 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 difference between the fair value of the consideration transferred (plus the posted amount of the non-controlling interests) and the net balance of the amounts, on the acquisition date, of the identifiable net assets minus liabilities valued at fair value, constitutes the goodwill. This difference is recorded under the buyer's assets if positive and accounted for immediately in the income statement if negative.

Share acquisition costs are posted as charges.

From 1 January 2010, changes in scope are posted in accordance with IAS 27 as amended.

Changes in the percentage of ownership interest that do not affect control (complementary acquisition or sale) shall result in a new apportionment of equity between the Group share and the share related to non-controlling interest investments.

Changes in the percentage of ownership interest resulting in loss of control over an entity shall give rise to recognition of income from disposal and revaluation of the fair value of the percentage interest retained in exchange for the income.

The buyer has twelve 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.

1.5. SECTOR REPORT

The sector report presented corresponds to the organisation of internal reporting for the Group's management.

The Icade Group has adopted a position as "Developer REIT" and has structured itself in relation to the various businesses. Activities are segmented into three businesses which each have specific risks and benefits:

- the property investment business consists mainly of holding property for the rental and arbitraging of these assets;
- property development corresponds essentially to building property assets with a view to selling them;
- services are concerned primarily with "property management" activities (administration of the property asset), and property consultancy and solutions.

The sector's profit/loss corresponds to the operating income for the businesses and does not therefore take into account, unlike the profit/loss presented in the consolidated financial statements, the financial profit/loss, the profit/loss of companies consolidated by the equity method or income tax, all of which are analysed as a total at the Group level.

Operations carried out within the same business and between 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 in a separate column.

1.6. REVENUE, OTHER OPERATING INCOME ASSOCIATED WITH THE ACTIVITY, FINANCIAL OPERATING INCOME ASSOCIATED WITH THE ACTIVITY

Revenue

The Group's revenues 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 operating leases includes rent from office blocks, business premises, healthcare establishments, warehouses, shopping centres and housing.

Rental income is recorded by the straight line method 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 fixed term of the lease, without taking indexing into account. The reference period used is the first firm term of the lease.

Rental charges re-invoiced to tenants are deducted from the corresponding charges accounts and excluded from revenues.

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 lease contracts may be qualified as operating lease contracts or finance lease contracts according to the risks and benefits retained by the lessor.

Building leases relating to land are generally qualified as operating lease contracts, firstly because of the retention of the land by the lessor following the period of the lease and secondly because of the indefinite economic lifetime of land.

The income from building lease contracts is booked according to whether the building lease is qualified as an operating lease or as a finance lease.

Building contracts and off-plan sales

Revenues are posted on an ongoing basis.

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

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

Sale of goods

Sales of goods relate essentially to property agent transactions.

Provision of services

Services provided essentially cover the following items:

- surveys and project-owner support: revenues are accounted for in line with the progress of the services;
- services and technical functions (management, building maintenance, general services, etc.): revenues are accounted for when the service is provided;
- property management (management, managing agent, etc.): commissions and fees are recorded as income when the service is provided.

Re-invoiced rental 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 associated with the activity

Other operating income associated with the activity includes income that is not directly related to the operations described in the paragraph entitled "Revenues".

Financial operating income associated with the activity

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

1.7. EARNINGS PER SHARE

The non-diluted earnings per share (basic earnings per share) is calculated by dividing profit and loss attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the period. The average number of shares in circulation during the period is the average 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 on a *prorata temporis* basis.

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.

1.8. 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	Depreciation method
Contracts and customer relations acquired	Duration of contracts	Straight line
Other [(1)]	1 to 3 years	Straight line

(1) Other intangible assets consist primarily of software.

1.9. TANGIBLE ASSETS AND INVESTMENT PROPERTIES

Tangible assets mainly comprise property assets occupied by the Group and office buildings which have been amortised according to the straight line method, generally over five years.

Investment properties are properties held in order to earn rent, increase capital, or both. This category of buildings is not used in the production or provision of goods and services or for administrative purposes or to sell them within the framework of ordinary business activities.

Buildings under development with a view to future use as investment properties, as well as advances paid on those properties, are classified under investment property.

In accordance with the option offered by IAS 40, investment properties are accounted for at cost less accrued depreciation and any impairment (see 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 (see note 1.13).

Any public 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 – "Haussmann" building	Offices – Other properties	Housing	Warehouses and business premises	Healthcare
Roads, networks, distribution	100	40 - 60	50	15	80
Building shell, structure	100	60	50	30	80
External structures	30	30	25	20	20 - 40
General and technical installations	20 - 25	10 - 25	25	10 - 15	20 - 35
Internal fittings	10 - 15	10 - 15	15 - 25	10 - 15	10 - 20
Specific equipment	10 - 30	10 - 30	15 - 25	10	20 - 35

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 (see note 1.11).

1.10. ASSETS HELD FOR SALE

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 assets 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 CARRYING OUT ASSET DEPRECIATION TESTS

IAS 36 provides that goodwill and intangible assets with an indeterminate lifespan must be tested at least once a year and other non-financial 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, where relevant, or the going value, whichever is higher. The fair value is the market value excluding rights, determined by independent surveyors (see note 9.2). The going value is the present value of expected rental income from those assets.

If there is an indication of impairment, and where the estimated 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.

If there is no longer, or a reduced, indicator of impairment, the impairment relating to the investment property 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.

Although carried out by independent surveyors, it should be remembered that valuing a property asset remains a complex estimation exercise, which is also subject from one half-year to the next to the changing economic climate and the volatility of some of the market factors used, particularly return and discount rates.

Therefore, to take account of the inherent difficulties of valuing a property asset and avoiding having to post losses in value likely to lead to a full or partial reversal in the next financial statements, Icade only posts a fall in value when property assets' unrealised capital loss is more than 5% of the net book value before loss of value. This threshold is assessed on an asset-by-asset basis. Once this threshold is exceeded, the posted loss in value is the total amount of unrealised capital losses.

This loss in value is adjusted upwards or downwards in each set of financial statements to reflect changes in the value of the asset and its net book value, remembering that when the loss in value is less than 5% of the net book value before loss of value, the previously posted loss in value is entirely reversed.

For buildings acquired less than three months before the closing date, and posted in the financial statements at their all-inclusive purchase price, the unrealised capital gain calculated, corresponding to registration fees and other acquisition costs is not posted as a loss in value.

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.

If there is no longer, or a reduced, indicator of impairment, the impairment relating to the investment property 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 (five-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 operating leases or direct finance leases.

Direct finance leases are leases which transfer virtually all the risks and benefits of the assets concerned to the lessee. All leases which do not match the definition of finance lease are classified as operating leases.

From the lessee's point of view

Finance lease

When first accounted for, assets used within the framework of finance leases are accounted for under tangible assets with 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.

Operating lease

Payments made under operating 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

Finance lease

When first accounted for, assets held by virtue of a finance 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 receivables".

After being booked for the first time, financial income is spread over the term of the lease. This appropriation is made on the basis of a scheme reflecting a constant regular return on the net investment in the finance 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.

Operating lease

In these leases, rental income is recorded by the straight line method 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 fixed term of the lease, without taking indexing 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 fixed term of the lease.

1.13. CAPITALISED BORROWING COSTS

Loan costs directly attributable to construction or production are included under assets until work is completed.

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. AVAILABLE FOR SALE SECURITIES

Available for sale securities 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, etc.). 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.

Unrealised gains and losses in relation to the acquisition price are accounted for under equity, 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.

Available for sale securities are depreciated individually if there is an objective indication of depreciation as a result of one or more events that 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 established for other financial assets 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. INVENTORIES

Inventories and work in progress are accounted for at their acquisition or production cost. At each close, it is valued at its 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 or realise the sale.

Impairment is booked if the net realisation value is less than the booked cost.

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

1.17. BUILDING CONTRACTS AND OFF-PLAN SALES

The Group applies the progress method to determine revenues 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, and management fees have been included in new program inventory since 1 January 2010.

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.

In accordance with the application of the interpretation of IFRIC 15, property building contracts are accounted for in the following manner when buyers can specify the major structural elements in their design before construction begins and/or if they can specify the major structural changes once construction is under way: 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 from 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 RECEIVABLES

Trade receivables primarily consist of short term receivables. Depreciation is established where the book debt is higher than the amount recoverable. Trade receivables 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. PROCESSING OF AGENCY TRANSACTIONS

As an agent, the Group, via the Group's property-management companies, runs the principals' accounts and represents them in its own balance sheet. Specific balance sheet accounts are used under the headings "miscellaneous receivables" and "miscellaneous payables". 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 current Group obligation to a third party, resulting from past events, the extinction of which should result in an outflow of resources representing economic advantage for the Group, 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. EMPLOYEE BENEFITS

Pension and anniversary bonus commitments

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 expenses for the year.

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.

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 gains and losses 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;
- future salary and benefit levels;
- discount rate;
- mortality tables;
- expected rate of return on plan assets.

In accordance with IAS 19 as amended, actuarial gains and losses are accounted for directly in equity in the year in which they are noted, and appear as part of overall profit in "other comprehensive income not recyclable in the income statement".

In the event of legislative or regulatory reforms, or in the event of agreements affecting pre-existing regimes, pursuant to IAS 19 as amended, the Group shall immediately post the impact in the income statement.

Anniversary bonuses are subject to a provision, and are calculated based on the probability of employees reaching the seniority required for each milestone. They are updated at the end of each accounting period.

Employee shareholding

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

1.23. PAYMENTS BASED ON SHARES

Pursuant to IFRS 2 relating to payments based on shares, option plans for the purchase or allocation of shares give rise to the recording of a charge in respect of the fair value of the services to be rendered over the acquisition period. The fair value is determined on the date of allocation. This is not subsequently modified. For plans subject to acquisition conditions, this charge is spread in a straight line over the acquisition period of the right in return for an increase in reserves.

1.24. FINANCIAL DEBTS AND RATE HEDGING

Financial debts

An ORNANE (net share settled bonds convertible into new and/or existing shares) issued in 2010 by Silic is posted, in accordance with the option provided for by IAS 39, without distinction for bonds and their embedded derivatives.

The bonds bear interest, recorded in the income statement under "cost of gross financial debt".

In light of the merger transaction in progress on 31 December 2013, the ORNANE issued by Silic was unlisted on that date (the valuation was therefore carried out by a financial services agent).

For financial statements closed after 31 December 2013, the ORNANE now taken over by Icade is again listed. In the case that the listed price does not reflect the ORNANE's fair value, particularly due to an insufficient number of representative transactions, the inventory value shall be determined based on the financial services agent's valuation model (IFRS 7, level 3).

The change in fair value is recorded in financial profit under "Other financial income and charges".

Borrowings and other interest bearing financial liabilities are valued, after their initial booking, 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 finance 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 25, "Management of financial risks".

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

The Group uses derivatives to hedge its fixed interest rate or variable interest rate debts against market rate (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 recognised net of tax as other comprehensive income under equity (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 equity 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 trading instruments 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, etc.) and based on market data.

1.25. HIERARCHY OF THE FAIR VALUE AND FINANCIAL INSTRUMENTS

The financial instruments (assets or liabilities) accounted for at their fair value are evaluated using three methods, each reflecting levels of priority, the methodology for which is presented under note 26.

1.26. TAX

The eligible companies of the Icade Group benefit from the SIIC tax regime specific to property companies (Listed Property Investment Companies); the other companies within the Group apply the common law regime.

SIIC tax regime

Icade SA and its subsidiaries eligible for Listed Property Investment Companies SIIC tax status have adopted this regime. Two distinct taxable sectors have been identified within the Group:

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

Characteristics of the SIIC tax regime

In return for tax exemption, the adoption of the SIIC regime entails specific obligations with regard to distribution, and the immediate payment of an exit tax at a rate of 19% calculated on the unrealised capital gains relating to investment properties and partnerships not subject to corporation tax. This tax is payable per quartile from 15 December, of the year of the option and the balance is spread over the following three years.

In 2013, the specific obligations concerning the distribution of dividends are as follows:

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

In 2014, obligations concerning the distribution of dividends are changing. Entities covered by the SIIC tax regime must pay:

- 95% of profits from leasing activities;
- 60% of capital gains on disposals; and
- 100% of the dividends paid by subsidiaries having opted to being subject to corporation tax.

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

The debt and the tax liability initially booked are reduced by the impact of conversion to current value; upon each closure until maturity, a financial charge is booked in consideration of the accretion of the tax debt.

Common law regime

Tax payable

The tax liability payable is determined on the basis of current rules and rates applicable to Group companies not benefiting from the SIIC regime, and for operations not coming under the SIIC exonerated sector.

Deferred taxes

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 assets and liabilities for the same tax entity are compensated when it concerns tax on income paid to the same tax authority.

Deferred tax relating to items accounted for directly under equity is itself accounted for under equity.

With regard to short term differences relating to investments in subsidiaries not having opted for the SIIC regime, 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;
- 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. The forecasts, which are approved by the management, result from the five-year medium-term plans. Deferred tax assets and liabilities are not discounted.

Value added contribution of companies

The Group has chosen to account for the value-added contribution of companies in operating expenses.

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2. Main transaction concerning the consolidation scope during 2013

2.1. FINANCIAL YEAR 2013

Property investment

Silic

Following the signature of a non-binding protocol agreement on 13 December 2011 between the *Caisse des Depots* (CDC), Icade and Groupama, on 22 December 2011, Icade and the CDC made Groupama a firm offer which was accepted on 30 December 2011.

The combination between Icade and Silic is structured in four stages:

(i) Stage one: contribution to a subsidiary of the CDC, HoldCo SIIC, (a) of the shareholding held by the CDC in Icade and (b) of a fraction of the shareholding held by Groupama in Silic

On 30 December 2011, the CDC contributed 55.57% of its capital and voting rights in Icade to HoldCo SIIC. At the same time, Groupama offered 6.5% of its capital and voting rights in Silic to HoldCo SIIC.

Each contribution was made based on an exchange parity of five Icade shares for four Silic shares, 2011 dividend attached for each company. The valuation of HoldCo SIIC was determined by transparency on the basis of this parity.

On 6 February 2012, CDC and Groupama signed a shareholders' agreement governing their relationship within HoldCo SIIC.

This agreement relating to HoldCo SIIC is valid for a term of 20 years and includes the following stipulations:

- an agreement to not sell the shares in HoldCo SIIC owned by Groupama for 30 months from the date of signature of the shareholders' agreement;
- a preferential right for CDC at the end of the period prohibiting the sale of the shares;
- a proportional joint opt-out right for Groupama in the event that the CDC wants to sell all or some of its shares in HoldCo SIIC to a third party other than an affiliate; and
- liquidity for Groupama.

A summary of the clauses in the shareholders' agreement which fall within the scope of the provisions of Article L. 233-11 of the French Commercial Code was given to Icade and was the subject of a notice published by the AMF on 17 February 2012 under the number 212C0291.

(ii) Stage two: contribution by Groupama of the balance of its shareholding in Silic to HoldCo SIIC

After permission was obtained from the Competition Authority on 13 February 2012, the CDC and Groupama, as shareholders of HoldCo SIIC, approved the contribution by Groupama of 37.44% of the capital and voting rights in Silic following a decision on 16 February 2012. The balance of Silic shares owned by Groupama was contributed according to the same parity as the first contributions, i.e. five Icade shares for four Silic shares, 2011 dividend attached for each of the companies.

As a result of the contributions described above, 75.07% of HoldCo SIIC's capital is owned by CDC and 24.93% is owned by Groupama. In addition, HoldCo SIIC holds (i) 55.57% of the capital and voting rights in Icade and (ii) in conjunction with CDC and Icade, 43.94% of the undiluted capital and voting rights in Silic.

(iii) Stage three: filing by Icade of a mandatory public offer for Silic

After HoldCo SIIC, acting in concert with CDC and Icade, crossed the 30% threshold, Icade filed a mandatory offer for Silic on 13 March 2012.

The offer included a public exchange offer for Silic shares as well as a public offer to purchase bonds redeemable in cash and/or new shares and/or existing shares (ORNANEs) issued by Silic.

The terms of the offer are as follows:

- for the share exchange: the parity is the same as the parity for the contributions, i.e. five Icade shares issued for four Silic shares contributed (2011 dividend attached or detached in both cases); and
- for the purchase offer: the nominal value of the ORNANE convertible bonds to which the dividend accrued up to the scheduled date for early payment/delivery of the offer is added, i.e. €126 per ORNANE based on payment/delivery on 14 June 2012. A shift in the payment/delivery of the offer will not affect the price per ORNANE.

On 24 April 2012, the AMF declared the offer to be in compliance and appended stamp n°12-179 to Icade's information notice and stamp n°12-180 to Silic's response, which are available on the websites of Icade (www.icade.fr), Silic (www.silic.fr) and the AMF (www.amf-france.org).

The compliance decision and the notice of initiation of the offer were published by the AMF on 24 April 2012 under the number 212C0533 and on 26 April 2012 under the number 212C0547 respectively.

In proceedings on 3 May and 4 May 2012, SMA Vie BTP and the ADAM brought an application to annul the AMF's compliance decision before the Paris Court of Appeal.

In its comments filed at the Paris Court of Appeal on 31 May 2012, the AMF agreed *"in the interest of the market and as a precautionary measure, to extend the closing date of the public offer, originally set for 1 June 2012, so that the closing date shall be at least eight days after the decision of the court ruling on the annulment of the AMF's decision"*.

In a ruling dated 27 June 2013, the Paris Court of Appeal rejected all appeals by ADAM and SMA Vie BTP, thereby confirming the validity and regularity of the public offer for Silic.

The closing date of the public offer was fixed by the AMF as 12 July 2013 (see AMF notice no. 213C0781 dated 27 June 2013).

In an opinion dated 19 July 2013 (see AMF notice no. 213C0976), the AMF published the results of the initial public offer for which payment-delivery occurred on 22 July 2013. This involved the issue of 19,295,355 new Icade shares on 19 July 2013 at €69 per share (including issue premium) to pay for the 15,436,284 Silic shares contributed to the initial offer.

Following the initial public offer, Icade owned 15,436,284 Silic shares, representing 87.98% of the capital and voting rights. Furthermore, 99,520 ORNANEs have been contributed to the public offer.

In a notice dated 19 July 2013 (see AMF notice no. 213C0985), the AMF set the closing date for the re-opened offer as 2 August 2013. The results of the re-opened offer were published by the AMF on 9 August 2013 (see AMF notice no. 213C1217). This involved the issue of 1,161,750 new Icade shares at €67.36 per share (including issue premium) to pay for the 929,400 Silic shares contributed to the re-opened offer, representing 5.30% of Silic's capital and voting rights. Payment-delivery took place on 12 August 2013.

Following the public offer (including the re-opened offer), Icade owned 16,365,684 Silic shares, representing 93.28% of Silic's share capital and voting rights on the date of publication of the results of the re-opened offer, as well as 99,520 ORNANEs convertible bonds issued by Silic.

On 23 July 2013, SMA Vie BTP filed an appeal against the judgment of the Paris Court of Appeal on 27 June 2013.

Treatment used in the consolidated financial statements:

Since the takeover date was 22 July 2013, Silic was included in Icade's consolidation scope from that date. The consolidation method used is full consolidation.

In application of revised IFRS 3, the transferred consideration of 93.28% of Silic shares corresponds to the fair value of Icade shares submitted in exchange for Silic shares, calculated on the basis of Icade shares (€69 on 19 July 2013 at the time of the initial offer and €67.36 for the re-opened offer).

Costs associated with the capital increases, amounting to €6.7 million, were directly allocated to the Group's capital and reserves (issue premium) and the acquisition price of shares, of €2.3 million, was posted under operating profit.

Defined in this way, Silic's transferred consideration (acquisition cost) amounts to €1,409.6 million.

The shares allocated to the non-controlling interests correspond to a proportion of the net asset value, valued according to fair value on the acquisition date.

The assets, liabilities and potential liabilities were accounted for at their fair value on that date.

The negative goodwill, determined as at 22 July using the "partial goodwill" method, stands at €2.2 million.

(in millions of euros)	Fair value at 22 July 2013
Investment property	3,247.8
Other current and non-current assets	49.5
Cash and cash equivalents	80.4
TOTAL ASSETS	**3,377.7**
Non-current financial borrowings and debts	1,117.8
Other current and non-current liabilities	317.0
Current financial borrowings and debts	429.4
TOTAL LIABILITIES	**1,864.2**
NET ASSETS	**1,513.5**
Measurement of non-controlling interest	101.7
Transferred consideration of 93.28% of Silic shares	1,409.6
Badwill posted under profit in the income statement	2.2

For information, if the date of Silic's inclusion in Icade's consolidation scope had been 1 January 2013, the impact on the income statement would have been as follows:

	Silic: Impact on income statement		
(in millions of euros)	From 1 January to 21 July 2013	From 22 July to 31 December 2013	A complete financial year
Revenues	108.9	86.7	195.6
Income from operating activities	108.9	87.2	196.1
EBITDA	**92.2**	**74.1**	**166.3**
OPERATING INCOME	**32.6**	**26.0**	**58.6**
FINANCIAL INCOME	**(31.3)**	**(13.0)**	**(44.3)**
Income Tax	(1.6)	-	(1.6)
NET INCOME	**(0.3)**	**13.0**	12.7
Net income attributable to owners of the Company (1)	-	12.1	12.1

(1) Calculated amount based on Icade's percentage shareholding in the Silic group from 22 July to 31 December 2013 before merger.

For the purposes of this information, an income statement was restated corresponding to Silic's net income in the first half of 2013 and the first three weeks of July.

In particular, the provision for depreciation was recalculated for the period from 1 January to 21 July 2013, based on the actual provision recorded from 22 July to 31 December 2013. The additional provision stands at €21.5 million.

Generally, hedges appearing in Silic's consolidated accounts were treated identically for the period from 1 January to 21 July 2013. Changes in fair value did not have an impact on the income statement for this period, although they impacted the actual consolidation period from 22 July to 31 December 2013, since the portfolio was not considered as hedges in Icade's consolidated accounts.

The impact of the business combination on net income, composed of the acquisition price of shares and the badwill, stands at minus €0.1 million. Given the negligible nature of this impact, no specific entry has been created under operating profit.

(iv) Stage four: merger of Silic by Icade

The merger was 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.

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

The general meeting of Silic's ORNANE-holders on 6 November 2013 approved the planned merger.

In an opinion published on 28 November 2013 (see AMF notice no. 213C1819), the AMF decided that the planned merger of Silic by Icade, subject to its examination pursuant to Article 236-6 of the AMF's General Regulations, did not justify the filing of a public buyout offer for Silic shares prior to completion of the merger.

In proceedings on 6 December 2013, SMA Vie BTP brought an application before the Paris Court of Appeal to annul the AMF's compliance decision.

On 6 December 2013, SMA Vie BTP asked the Nanterre Commercial Court, in the context of interim proceedings, to adjourn the extraordinary general meeting of Silic shareholders convened to rule on Silic's merger by Icade. In a ruling dated 20 December 2013, the Nanterre Commercial Court rejected this request and no appeal was lodged against its aforementioned decision. Hearings before the Court is scheduled on 23 October 2014.

On 27 December 2013, the extraordinary general meetings of Icade and Silic approved the merger of Silic by Icade.

The main terms of the merger affecting the consolidated financial statements were as follows:

- the parity is the same as the parity for the public exchange offer, i.e. five Icade shares for four Silic shares;
- the merger took effect from a legal, accounting and tax perspective at midnight on 31 December 2013, with transfer of all Silic's assets and liabilities to Icade and the dissolution without liquidation of Silic;
- on the merger completion date and in line with the exchange parity, Icade carried out an increase in its share capital for a nominal amount of €2,212,786.34 to raise it from €110,456,512.52 to €112,669,298.86, through the creation of 1,451,687 new shares allocated to Silic shareholders (with the exception of Icade and Silic, their shareholding being treasury stock). In accordance with applicable regulations, there was no exchange of the Silic shares owned by Icade and no exchange of the treasury stock owned by Silic which was automatically cancelled on the merger completion date;
- the new Icade shares were accepted for trading on compartment A of Euronext Paris under ISIN code FR0000035081;
- on the merger completion date, Icade substituted itself for Silic in its obligations to (i) holders of Silic stock options, (ii) recipients of Silic bonus shares to be acquired and (iii) ORNANE-holders. Silic ORNANEs continued to be accepted for trading on Euronext Paris and those owned by Icade were cancelled.

Treatment used in the consolidated financial statements:

The merger of Silic by Icade resulted in a transfer of the balance of the non-controlling stake of €102.6 million into equity belonging to the owners of the Company.

Opening of Icade Santé’s capital and acquisition of clinics

Following the opening of Icade Santé’s capital to a new institutional investor, resulting in a capital increase of €108.7 million in the 1st half of 2013, Icade was diluted, but retains control over its subsidiary. As at 31 December 2013, Icade owned 56.51% of Icade Santé.

The value of the buildings of the clinics acquired during the financial year is €132.2 million, including costs.

SCI Odysseum sale

SCI Odysseum, 50%-owned by the Group, was sold during the 4th quarter of 2013 for €74.4 million.

Germany sale

Sale of the Icade Reim Hohenzollemdamm GMBH and Icade Reim Türlenstrasse GMBH subsidiaries in 2013, for an overall sale price of €11.3 million, confirms the Group's withdrawal from the international market.

Development

Arcoba, Gestec and Sethri, specialist engineering companies, and Paris Nord Est, an urban planning company, were sold at the start of 2013 for €5.6 million.

Services

Icade Suretis sale

Icade Suretis was sold at the end of March 2013 for €1.0 million.

2.2. FINANCIAL YEAR 2012

Main changes

There were no significant changes to scope during the financial year.

Property investment

Icade Santé

The opening of Icade Santé's share capital, following two capital increases in 2012 subscribed to by institutional investors for €405 million, has diluted Icade's shareholding, although it nevertheless retains control over its subsidiary, with a 62.79% stake.

The value of the premises for the clinics acquired during the financial year is €309.6 million, fees including.

Germany sale

Sale of the subsidiaries Arnulfstrasse MK8 GMBH, Ahrensdorf GMBH, Kochsstrasse GMBH and Friesenstrasse 3 GMBH during the second half of 2012 reflects the Group's withdrawal from the international market.

Services

Sale of Icade Résidences Services

Icade Résidences Services, a company specialised in managing student residences and wholly owned, was sold at the end of February 2012 for €24.2 million.

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3. Operating segments

The reinforcement of Icade's property investment business with the Silic merger requires a change to the way the Group's activities and results are presented. To ensure coherence with the management report's income statement compared with 2012, changes include grouping the income statements for the "Other" segment and the intragroup eliminations between "Other" and "Property Investment" into the new "Property Investment" segment.

	31/12/2013					
(in millions of euros)	Property investment	Development	Services	Intra-group inter-business eliminations	Non-operating segment	Total
INCOME STATEMENT						
Consolidated revenues	**476.4**	**1,091.5**	**48.4**	**(23.5)**	**-**	**1,592.8**
- Inter-business sales (Group)	(23.6)	(30.1)	(1.4)	(23.5)	-	(78.6)
- Total sales, including inter-business lines (Group)	500.0	1,121.6	49.8	-	-	1,671.4
EBITDA	**404.1**	**61.9**	**4.5**	**(1.1)**	**-**	**469.4**
- Amortisation and depreciation net of investment grants	(215.1)	(1.6)	(0.7)	1.8	-	(215.6)
- Impairment of assets (1)	(96.8)	(3.8)	(0.3)	-	-	(100.9)
- Reversal of impairment of assets	13.5	14.9	0.4	-	-	28.8
- Profit from disposals (2)	120.8	-	(0.5)	2.1	-	122.4
Operating profit	**226.5**	**71.4**	**3.4**	**2.8**	**-**	**304.1**
Share in equity-accounted companies	-	2.1	-	-	-	2.1
- Cost of net financial debt	-	-	-	-	(137.3)	(137.3)
- Other financial income and charges	-	-	-	-	15.2	15.2
- Income tax	-	-	-	-	(39.2)	(39.2)
NET INCOME						**144.9**
BALANCE SHEET						
Acquisition of intangible and tangible assets and investment properties	327.0	1.2	0.3	(1.9)	-	326.6
Interests in equity-accounted companies	-	0.8	-	-	-	0.8
Segment assets	**8,484.6**	**1,157.7**	**122.6**	**(64.0)**	-	**9,700.9**
Non-operating segment assets (I)					639.9	639.9
TOTAL ASSETS	**8,484.6**	**1,157.7**	**122.6**	**(64.0)**	**639.9**	**10,340.8**
Segment liabilities	**224.2**	**762.4**	**101.8**	**(7.4)**	-	**1,081.0**
Non-operating segment liabilities (II)					4,679.9	4,679.9
TOTAL LIABILITIES EXCLUDING EQUITY	**224.2**	**762.4**	**101.8**	**(7.4)**	**4,679.9**	**5,760.9**
CASH FLOW						
Tangible and intangible investments and investment properties	(353.9)	(1.2)	(0.3)	-	-	(355.4)
Disposal of tangible and intangible assets and investment properties	355.0	-	-	-	-	355.0

I. The non-operating segment assets comprise financial assets and current and non-current derivatives, current and non-current deferred tax assets, cash and cash equivalents and assets held for sale.
II. The non-operating segment liabilities comprise financial debts and current and non-current derivatives, tax liabilities and other current and non-current financial liabilities.
(1) Impairments on assets relate mainly to investment properties, including the EQHO tower and assets held by the German entities.
(2) Profits from sales mainly relate to the sale of the Odysseum shopping centre as well as sales of investment properties, particularly offices and housing units (Sarcelles Saint Saens).

(in millions of euros)	31/12/2012 restated					
	Property investment	Development	Services [2]	Intra-group eliminations inter-business	Non-operating segment	Total
INCOME STATEMENT						
Consolidated revenues	**395.6**	**1,070.7**	**62.8**	**(29.8)**	**-**	**1,499.3**
- Inter-business sales (Group)	(15.1)	(60.4)	(1.1)	(30.2)	-	(106.8)
- Total sales, including inter-business lines (Group)	410.7	1,131.1	63.9	0.4	-	1,606.1
EBITDA	**317.5**	**68.2**	**4.9**	**(7.6)**	**-**	**383.0**
- Amortisation and depreciation net of investment grants	(176.3)	(1.5)	(0.8)	1.8	-	(176.8)
- Impairment of assets [1]	(89.3)	(26.4)	(1.4)	-	-	(117.1)
- Reversal of impairment of assets	18.2	11.2	0.4	-	-	29.8
- Profit/loss from disposals	79.9	(0.3)	-	1.2	-	80.8
Operating profit	**150.0**	**51.2**	**3.1**	**(4.6)**	**-**	**199.7**
Share in equity-accounted companies	-	(0.7)	-	-	-	(0.7)
- Cost of net financial debt	-	-	-	-	(107.4)	(107.4)
- Other financial income and charges	-	-	-	-	5.8	5.8
- Income tax	-	-	-	-	(36.9)	(36.9)
NET INCOME	**-**	**-**	**-**	**-**	**-**	**60.5**
BALANCE SHEET						
Acquisition of intangible and tangible assets and investment properties	361.0	2.7	0.9	0.1	-	364.7
Interests in equity-accounted companies	-	-	-	-	-	-
Segment assets	**5,438.2**	**1,237.3**	**119.8**	**(92.1)**	**-**	**6,703.1**
Non-operating segment assets (I)	-	-	-	-	1,098.8	1,098.8
TOTAL ASSETS	**-**	**-**	**-**	**-**	**-**	**7,801.9**
Segment liabilities	**193.6**	**880.4**	**95.4**	**(5.1)**	**-**	**1,163.6**
Non-operating segment liabilities (II)	-	-	-	-	3,672.1	3,672.1
TOTAL LIABILITIES EXCEPT CAPITAL AND RESERVES	**-**	**-**	**-**	**-**	**-**	**4,839.2**
CASH FLOW						
Tangible and intangible investments and investment properties	(424.2)	(0.5)	(0.9)	-	-	(425.6)
Disposal of tangible and intangible assets and investment properties	226.6	0.2	-	-	-	226.8

I. The non-operating segment assets comprise financial assets and current and non-current derivatives, current and non-current deferred tax assets, cash and cash equivalents and assets held for sale.

II. The other non-sector liabilities comprise financial debts and current and non-current derivatives, tax liabilities and other current and non-current financial liabilities.

(1) Impairments on assets relate mainly to investment properties, including the EQHO tower, the PB5 tower (formerly the SCOR tower) and warehouses.

(2) As at 31 December 2012, the decrease in the contribution made by Services to the income statement (revenues and EBITDA) as well as segment assets and liabilities, is mainly due to the disposal of Icade Résidences Services at the end of February 2012. Icade Résidences Services' profit/loss from disposals was accounted for in the "Other" segment.

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RECONCILIATION OF INDICATORS WITH THE FINANCIAL STATEMENTS

(in millions of euros)	31/12/2013	31/12/2012 Restated
SEGMENT ASSETS		
Goodwill	69.7	77.2
Intangible assets	3.8	5.8
Tangible assets	90.5	121.5
Investment property	7,930.7	4,820.4
Equity-accounted securities	0.8	-
Inventories and work in progress	683.2	692.3
Trade and other receivables	530.2	584.2
Amounts due from customers (building contracts and off -plan sales)	18.0	18.8
Miscellaneous receivables	374.0	383.0
TOTAL SEGMENT ASSETS	**9,700.9**	**6,703.2**
Other non- operating segment assets	639.9	1,098.7
TOTAL ASSETS	**10,340.8**	**7,801.9**
SEGMENT LIABILITIES		
Provisions (current and non-current)	61.4	55.7
Amounts due to customers (building contracts and off -plan sales)	5.2	8.1
Trade payables	520.2	550.2
Miscellaneous current payables	494.2	549.6
TOTAL SEGMENT LIABILITIES	**1,081.0**	**1,163.6**
Other non-operating segment liabilities and equity	9,259.8	6,638.3
TOTAL LIABILITIES AND EQUITY	**10,340.8**	**7,801.9**

OPERATING SEGMENTS BY GEOGRAPHICAL AREA

	France		Europe	
(in millions of euros)	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Non-current assets	7,972.3	4,866.5	147.7	179.8
Revenues	1,581.6	1,482.9	11.2	16.4

4. Elements of EBITDA

4.1. REVENUE

Revenues by category are detailed as follows:

(in millions of euros)	31/12/2013	31/12/2012
Rental income [1] including financial rent	479.6	396.8
Building contracts and off-plan sales	1,053.7	1,000.3
Provision of services	59.4	100.9
Sale of goods	0.1	1.3
TOTAL REVENUES	**1,592.8**	**1,499.3**

(1) Rental income from property investment companies.

4.2. INFORMATION ON LEASES (FROM THE PERSPECTIVE OF LESSOR AND LESSEE)

4.2.1. Operating leases (from lessor's perspective)

Lease typology

Basis for determination of variable rents	Housing	Offices	Warehouses and business premises	Healthcare
			Lessees' revenues	
Renewal or purchase option conditions	Tacit renewal or renewal offer with increase in rent	Proposal for six-month renewal before the end of the fixed period	Proposal for six-month renewal before the end of the fixed period	Proposal for renewal before the end of the fixed 9-years period
Indexation clauses	Reference code of rents	Construction cost index	Construction cost index or index for commercial premises at the lessee's request	Construction cost index (ICC), index for commercial premises (ILC) and composite index (ICC/ILC)
Term	6 years renewable by tacit agreement	3/6/9/12 year lease maximum	3/6/9/12 year lease maximum	Triple net 12-years fixed term lease

4.2.2. Finance leases and operating leases (from lessor's perspective)

(in millions of euros)		31/12/2013	31/12/2012
Finance leases running at closing date			
Total gross initial investment in the lease	**A**	**582.7**	**582.7**
Rents due	**B**	**134.1**	**112.0**
Gross initial investment in the lease at not later than one year		22.4	22.1
Gross initial investment in the lease at later than one year and not later than five years		95.3	94.1
Gross initial investment in the lease at later than five years		330.9	354.5
Gross investment in the lease at closing date	**C = A - B**	**448.6**	**470.7**
Financial income acquired at closing date	**D**	**103.6**	**86.7**
Accrued financial income not acquired at closing date	**E = C - I - D - F**	**165.4**	**181.1**
Impact of the discounted rate	**F**	**(16.9)**	**(10.4)**
Unguaranteed discounted residual values reverting to lessor	G	12.9	12.8
Discounted value of minimum payments receivable at not later than one year		16.0	16.8
Discounted value of minimum payments receivable at more than one year and not later than five years		56.5	59.5
Discounted value of minimum payments receivable at later than five years		111.1	124.2
Total discounted value of minimum payments receivable	**H = C - D - E - F - G**	**183.6**	**200.5**
Net investment in the lease	**I**	**196.5**	**213.3**
Unguaranteed residual values reverting to lessor		**43.9**	**43.9**
Accrued correction to value of non-recoverable minimum payments under the lease		**-**	**-**
Conditional rent accounted for under income for the period		**-**	**-**

(in millions of euros)	31/12/2013	31/12/2012
Operating and finance leases		
Rental income from operating leases	462.7	379.6
Rental income from finance leases	16.9	17.2
Total rental income	**479.6**	**396.8**
Of which conditional rent	1.2	0.6
- Rental charges not reinvoiced	(13.1)	(9.9)
- Other property charges [1]	(31.1)	(33.2)
Net rental income	**435.4**	**353.7**
Less than one year	554.6	344.3
One to five years	1,361.6	1,032.3
More than five years	825.9	794.4
MINIMUM RENTS TO BE RECEIVED UNDER NON-CANCELLABLE OPERATING LEASES	**2,742.1**	**2,171.0**

(1) 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.

4.2.3. Finance leases and operating leases (from lessee's perspective)

(in millions of euros)	31/12/2013	31/12/2012
Less than one year	(26.6)	(21.4)
One to five years	(94.9)	(74.5)
More than five years	(103.1)	(71.7)
MINIMUM RENTS TO BE PAID	**(224.6)**	**(167.6)**
Less than one year	(21.2)	(16.5)
One to five years	(80.5)	(61.1)
More than five years	(96.7)	(64.9)
DISCOUNTED VALUE OF PAYMENTS UNDER FINANCE LEASES	**(198.4)**	**(142.5)**

(in millions of euros)	31/12/2013	31/12/2012
Operating leases		
Rental charges	**(5.9)**	**(10.0)**
Revenues from sublease	**-**	**5.6**
Less than one year	(7.2)	(6.6)
One to five years	(15.3)	(12.6)
More than five years	(10.1)	(5.8)
MINIMUM RENTS TO BE PAID UNDER NON-CANCELLABLE OPERATING LEASES	**(32.6)**	**(25.0)**

5. Profit/loss from disposals

(in millions of euros)	31/12/2013	31/12/2012
Profit/(loss) from disposals of investment properties	**58.3**	**26.7**
of which block sales of buildings	47.0	18.8
of which sales of individual housing units	11.3	7.9
Profit/(loss) from disposals of other tangible and intangible assets	**(0.7)**	**(0.4)**
Profit/(loss) from disposals of consolidated securities	**64.0**	**17.3**
Profit/(loss) from disposals of assets held for sale	**0.8**	**37.2**
TOTAL PROFIT/(LOSS) FROM DISPOSALS	**122.4**	**80.8**

The proceeds from the disposal of investment properties relate mainly to sales of offices and housing units.

The proceeds from the disposal of consolidated securities mainly correspond to disposal of SCI Odysseum and the ongoing withdrawal of the Group from Germany.

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6. Financial income

(in millions of euros)	31/12/2013	31/12/2012
Interest charges on financial debt	(59.9)	(47.9)
Interest charges on derivatives	(74.2)	(55.1)
Recycling in net income of interest rate hedging derivatives with conservation of underlying asset	(4.9)	(6.5)
COST OF GROSS FINANCIAL DEBT	**(139.0)**	**(109.5)**
Income from interest on cash and cash equivalents	1.4	1.5
Change in fair value through profit and loss of cash equivalent instruments	0.3	0.6
Income from cash and cash equivalents	**1.7**	**2.1**
COST OF NET FINANCIAL DEBT	**(137.3)**	**(107.4)**
Profit from disposals of available for sale securities	-	(0.5)
Income from disposals of other financial assets at fair value through profit or loss	0.1	0.3
Net income from shareholdings	0.6	0.8
Allocations and reversal of impairment of available for sale securities	(0.2)	0.4
Recycling in net income of interest rate hedging derivatives without conservation of underlying asset	(3.0)	-
Change in fair value of trading derivatives	19.4	0.1
Change in fair value of ORNANEs (1)	(7.9)	-
Revenue from loans and receivables	8.5	8.8
Charges associated with loans and receivables	(3.4)	(3.4)
Profit from disposals of loans and receivables	(0.2)	(0.3)
Allocations to and reversals of impairments of loans and receivables	0.6	(0.2)
Other financial income	3.0	1.4
Other financial expenses	(2.3)	(1.6)
Other financial income and expenses	**15.2**	**5.8**
FINANCIAL INCOME	**(122.1)**	**(101.6)**

(1) Silic issued ORNANEs. The impact of this debt's change to fair value amounted to €7.9m at year-end.

7. Income tax

7.1. ANALYSIS OF THE EXPENSES

(in millions of euros)	31/12/2013	31/12/2012 restated
Current tax	(34.6)	(29.2)
Exit tax (SIIC regime)	-	(1.9)
Deferred tax	(4.6)	(5.8)
Total tax expenses posted in the income statement	**(39.2)**	**(36.9)**
Taxes on items recognised directly in equity	**-**	**-**

(in millions of euros)	31/12/2013
Income before tax	**184.1**
Theoretical tax rate	**34.43%**
Theoretical tax expense expected	**(63.4)**
Theoretical impact on tax of:	
Permanent differences	17.6
SIIC regime sector	9.7
Change in unrecognised tax assets (including tax loss carryforwards)	1.9
Tax on distribution of dividends	(2.7)
Tax rate differentials (France and abroad)	(2.8)
Tax borne by non-controlling interests	0.4
Other impacts (including exit tax, tax provision, etc.)	0.1
Effective tax expense	**(39.2)**
Effective tax rate	**21.3%**

The establishment of an exceptional contribution of 10.7% of the amount of corporate tax, due temporarily in respect of the financial years ended between 31 December 2013 and 30 December 2015, brings the standard tax rate to 38%.

7.2. BREAKDOWN OF DEFERRED TAX

(in millions of euros)	31/12/2013	31/12/2012 restated
Deferred tax related to temporary differences:		
Provisions for non-deductible assets	1.6	1.5
Provisions for employee benefits	4.6	3.2
Provisions for non-deductible liabilities	4.1	5.7
Finance lease	(10.4)	(10.5)
Other	(3.1)	0.7
Deferred tax assets related to tax loss carryforwards	2.6	3.6
NET DEFERRED TAX POSITION	**(0.6)**	**4.2**
Net deferred tax assets	**10.6**	**13.8**
Net deferred tax liabilities	**(11.2)**	**(9.6)**
NET DEFERRED TAX POSITION	**(0.6)**	**4.2**

As at 31 December 2013, unactivated losses which could be carried over stood at €57.4 million. Having received approval from the tax authorities in 2013, this amount includes Compagnie la Lucette's losses prior to taking control.

8. Goodwill

	31/12/2013		
(in millions of euros)	Gross Value	Impairments	Net value
Property investment	3.5	(2.3)	1.2
Development	42.2	-	42.2
Services	23.5	(0.1)	23.4
Others	2.9	-	2.9
GOODWILL	**72.1**	**(2.4)**	**69.7**

	31/12/2012		
(in millions of euros)	Gross Value	Impairments	Net value
Property investment	5.3	(1.3)	4.0
Development	46.4	-	46.4
Services	24.1	(0.2)	23.9
Others	2.9	-	2.9
GOODWILL	**78.7**	**(1.5)**	**77.2**

An impairment test was carried out as at 31 December 2013 and 31 December 2012 based on valuation carried out by experts.

The method used by the experts for measuring fair value is based on future discounted cash flows. The zero-risk rate used was the 5-month average of the 10-year OAT TEC. The risk premiums applied are specific to each business and take into account developments in their markets over the 2013 financial year.

The pre-tax discount rates accepted for determining the going-concern value varied from 7.73% to 11.83% during the 2013 financial year (8.35% to 13.06% during the 2012 financial year) depending on the assets tested.

9. Tangible assets and investment properties and sensitivity of net book values

9.1. TABLE OF CHANGES

(in millions of euros)	Tangible assets	Investment property	of which investment property under finance lease
GROSS VALUE AT 31 DECEMBER 2012	**177.8**	**5,650.3**	**304.9**
Increases [(1)]	1.6	326.7	24.3
Capitalised costs	-	8.4	-
Decreases	(2.1)	(143.8)	-
Impact of changes in consolidation scope [(2)]	(2.0)	3,114.1	87.1
Fixed assets reclassified as "assets held for sale"	-	(6.7)	-
Other movements [(3)]	(35.4)	35.4	0.2
GROSS VALUE AT 31 DECEMBER 2013	**139.9**	**8,984.4**	**416.5**
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2012	**(56.3)**	**(673.6)**	**(31.7)**
Increases	(8.9)	(203.6)	(11.8)
Decreases	1.9	36.7	-
Impact of changes in consolidation scope	1.7	18.5	-
Fixed assets reclassified as "assets held for sale"	-	-	-
Other movements [(3)]	12.2	(12.2)	-
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2013	**(49.4)**	**(834.2)**	**(43.5)**
IMPAIRMENT AT 31 DECEMBER 2012	**-**	**(156.3)**	**0.1**
Increases	-	(85.1)	-
Decreases	-	21.5	-
Impact of changes in consolidation scope	-	-	-
Fixed assets reclassified as "assets held for sale"	-	0.4	-
Other movements	-	-	(0.1)
IMPAIRMENT AT 31 DECEMBER 2013	**-**	**(219.5)**	**-**
NET VALUE AT 31 DECEMBER 2012	**121.5**	**4,820.4**	**273.3**
Increases	(7.3)	38.0	12.5
Capitalised costs	-	8.4	-
Decreases	(0.2)	(85.6)	-
Impact of changes in consolidation scope [(2)]	(0.3)	3,132.6	87.1
Fixed assets reclassified as "assets held for sale"	-	(6.3)	-
Other movements [(3)]	(23.2)	23.2	0.1
NET VALUE AT 31 DECEMBER 2013	**90.5**	**7,930.7**	**373.0**

(1) Including €6.2 million in capitalised financial costs.
(2) During 2013, investment properties have mainly been affected by the inclusion of Silic's assets for EUR 3,247.8.
(3) The sale of service companies Arcoba and Suretis at the beginning of 2013 has led to a reclassification of the buildings occupied by the firms from "tangible assets" to "investment properties".

(in millions of euros)	Tangible assets	Investment property	of which investment property under finance lease
GROSS VALUE AT 31 DECEMBER 2011	**178.1**	**5,575.3**	**309.1**
Increases [1]	1.8	382.5	69.8
Capitalised costs	-	11.5	-
Decreases	(1.9)	(168.4)	(2.4)
Impact of changes in consolidation scope	(0.1)	98.5	-
Fixed assets reclassified as "assets held for sale"	-	(248.9)	-
Other movements	(0.1)	(0.2)	(71.6)
GROSS VALUE AT 31 DECEMBER 2012	**177.8**	**5,650.3**	**304.9**
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2011	**(48.7)**	**(592.6)**	**(37.2)**
Increases	(9.5)	(165.2)	(9.9)
Decreases	1.8	30.8	0.3
Impact of changes in consolidation scope	-	8.9	-
Fixed assets reclassified as "assets held for sale"	-	44.5	-
Other movements	0.1	-	15.1
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2012	**(56.3)**	**(673.6)**	**(31.7)**
IMPAIRMENT AT 31 DECEMBER 2012	**-**	**(104.6)**	**(2.9)**
Increases	-	(68.6)	-
Decreases	-	12.3	0.3
Impact of changes in consolidation scope	-	-	-
Fixed assets reclassified as "assets held for sale"	-	4.6	-
Other movements	-	-	2.7
IMPAIRMENT AT 31 DECEMBER 2012	**-**	**(156.3)**	**0.1**
NET VALUE AT 31 DECEMBER 2011	**129.4**	**4,878.1**	**269.0**
Increases	(7.7)	148.7	59.9
Capitalised costs	-	11.5	-
Decreases	(0.1)	(125.3)	(1.8)
Impact of changes in consolidation scope	(0.1)	107.4	-
Fixed assets reclassified as "assets held for sale"	-	(199.8)	-
Other movements	0.0	(0.2)	(53.8)
NET VALUE AT 31 DECEMBER 2012	**121.5**	**4,820.4**	**273.3**

(1) Including €4.7 million in capitalised financial costs.

9.2. FAIR VALUE OF INVESTMENT PROPERTIES

At each closing, the investment proprieties of each property investment company are valued by independent property experts, who are members of the *Association Française des Sociétés d'Expertises Immobilières* (AFREXIM).

In the case of the implementation of a strategy of full divestment of a portfolio's assets, the property experts may apply a discount expressing the portfolio effect and market conditions for large-scale transactions.

Pursuant to the Group's methodology, buildings being sold, including those under promise of sale, are valued based on the contractual sale price, minus disposal costs.

9.2.1. Office blocks, business premises, shopping centres, business parks and healthcare establishments

The Property Investment division operates principally in the offices and business parks segments in the Ile-de-France region, as well as the healthcare facilities and shopping centres segments.

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 the main assets. For single use properties in the healthcare sector, the quota share of average revenues or EBITDA realised in past years is taken into account in determining the rental value.

9.2.2. Buildings under development

Buildings under development cover various situations: property reserves not fully viable, building plots or building rights, residual building land, properties under construction and reconstruction. These 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 appraisal values excluding rights, excluding assets acquired at the end of the year and those held for sale whose fair values are defined in note 1.10.

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9.3. FAIR VALUE OF INVESTMENT PROPERTIES

Main valuation assumptions for investment properties

	Methods generally used	DCF discount rate	End of cash flow rate of return	Market rate of return	Market rental value *(in €/m²)*
STRATEGIC ASSETS					
OFFICES					
Paris	DCF	6.20%-7.10%	5.00%-5.40%	-	€480-€550
La Défense/Near La Défense	DCF	4.85%-7.95%	5.25%-7.85%	-	€275-€480
Other Western Crescent	DCF	6.10%-7.20%	5.65%-6.40%	-	€350-€715
Inner Ring	DCF	5.85%-7.60%	6.50%-7.10%	-	€270-€310
Outer Ring	DCF	9.90%-11.0%	9.50%-10.50%	-	€100-€220
Regional	DCF	11.15%	10.50%	-	€80
BUSINESS PARKS					
Paris	DCF	6.00%-8.50%	6.14%-7.75%	-	€220-€370
La Défense/Near La Défense	DCF	6.45%-7.15%	6.50%-7.50%	-	€90-€280
Other Western Crescent	DCF	6.35%-8.15%	6.90%-8.25%	-	€100-€260
Inner Ring	DCF	6.25%-10.00%	6.15%-10.00%	-	€70-€420
Outer Ring	DCF	6.15%-13.40%	7.00%-10.00%	-	€50-€250
ALTERNATIVE ASSETS					
HEALTH					
Inner Ring	Capitalisation and DCF	7.15%-7.85%	7.20%-7.50%	6.50%-6.60%	(1)
Outer Ring	Capitalisation and DCF	6.50%-7.65%	6.70%-7.50%	6.30%-6.60%	(1)
Regional	Capitalisation and DCF	6.90%-9.35%	6.80%-9.30%	6.30%-8.20%	(1)

(1) Not subject to the traditional rules for determining market rental value, due to the configuration and specialisation of the properties.

Comparison between net book values and fair values

(in millions of euros)	Net book value 31/12/2013	Fair value 31/12/2013	Net book value 31/12/2012	Fair value 31/12/2012
Offices – France	3,216.9	3,553.9	2,242.1	2,531.2
Business parks	3,155.0	3,943.4	1,026.0	1,760.3
Alternative assets (Healthcare and Shopping centres)	1,605.0	1,886.8	1,509.7	1,724.5
Non-strategic assets	310.8	499.3	617.0	938.8
TOTAL	**8,287.7**	**9,883.4**	**5,394.8**	**6,954.8**
of which investment properties[1]	8,034.1	9,569.4	4,925.4	6,410.0
of which tangible assets	85.4	143.3	114.5	188.4
of which assets held for sale	6.8	9.3	189.9	191.4
of which financial accounts receivable	161.4	161.4	165.0	165.0
(1) This item includes investment properties held under finance leases	373.0	442.8	273.3	320.1

The ratio of net financial debt to property asset value (loan to value) stands at 40.2% at 31 December 2013.

Sensitivity of the net book values of investment properties to potential changes in fair value

Impact on net book values *(in millions of euros)*	Investment properties' change in fair value			
	-5.00%	-2.50%	+2.50%	+5.00%
Offices				
Paris	+0.0	+0.0	+0.0	+0.0
La Défense/Near La Défense	-35.0	-17.5	+17.5	+45.9
Other Western Crescent	+0.0	+0.0	+0.0	+0.0
Inner Ring	+0.0	+0.0	+0.0	+0.0
Outer Ring	-1.8	-1.0	+0.7	+1.5
TOTAL IDF REGION	**-36.9**	**-18.5**	**+18.2**	**+47.4**
Regional	-0.2	-0.1	+0.1	+0.1
TOTAL	**-37.0**	**-18.6**	**+18.3**	**+47.5**
Business Parks				
Paris	+0.0	+0.0	+0.0	+0.0
La Défense/Near La Défense	-0.6	+0.0	+0.0	+0.0
Other Western Crescent	-0.8	+0.0	+0.0	+0.0
Inner Ring	-0.1	-0.1	+0.1	+0.1
Outer Ring	-6.4	-0.8	+0.0	+0.0
TOTAL	**-7.9**	**-0.9**	**+0.1**	**+0.1**
STRATEGIC ASSETS	**-44.9**	**-19.5**	**+18.4**	**+47.6**
Health (1)				
Inner Ring	+0.0	+0.0	+0.0	+0.0
Outer Ring	-1.0	+0.0	+0.0	+0.0
TOTAL IDF REGION	**-1.0**	**+0.0**	**+0.0**	**+0.0**
Regional	+0.0	+0.0	+0.0	+0.0
TOTAL	**-1.0**	**+0.0**	**+0.0**	**+0.0**
ALTERNATIVE ASSETS	**-1.0**	**+0.0**	**+0.0**	**+0.0**
NON-STRATEGIC ASSETS	**-2.3**	**-0.9**	**+1.4**	**+1.9**
TOTAL PROPERTY ASSETS	**-48.2**	**-20.4**	**+19.8**	**+49.5**

(1) Valuation carried out on 100% basis, the entities being fully consolidated.

Impacts on the net book value are taken into account in accordance with the rules set out in paragraph 1.11 "Procedures for depreciation of investment properties" of the accounting principles.

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10. Available for sale securities

	31/12/2013		
(in millions of euros)	Gross	Impairments	Net
Shares and other variable income securities	7.6	(0.6)	7.0
TOTAL NON-CURRENT AVAILABLE FOR SALE SECURITIES	**7.6**	**(0.6)**	**7.0**
Other current available for sale securities	0.1	-	0.1
TOTAL CURRENT AVAILABLE FOR SALE SECURITIES	**0.1**	**-**	**0.1**
TOTAL AVAILABLE FOR SALE SECURITIES	**7.7**	**(0.6)**	**7.1**

	31/12/2012		
(in millions of euros)	Gross	Impairments	Net
Shares and other variable income securities	2.8	(0.3)	2.5
TOTAL NON-CURRENT AVAILABLE FOR SALE SECURITIES	**2.8**	**(0.3)**	**2.5**
Other current available for sale securities	0.8	-	0.8
TOTAL CURRENT AVAILABLE FOR SALE SECURITIES	**0.8**	**-**	**0.8**
TOTAL AVAILABLE FOR SALE SECURITIES	**3.6**	**(0.3)**	**3.3**

(in millions of euros)	Net
Balance at 31 December 2012	**3.3**
Acquisitions	4.2
Disposals	-
Impact of changes in value in equity	-
Net charges related to impairment in income statement	-
Impact of changes in consolidation scope and equity	0.3
Others	(0.7)
BALANCE AT 31 DECEMBER 2013	**7.1**

(in millions of euros)	Net
Balance at 31 December 2011	**2.8**
Acquisitions	0.3
Disposals	(0.1)
Impact of changes in value in equity	(0.5)
Net charges related to impairment in income statement	-
Impact of changes in consolidation scope and equity	0.1
Others	0.7
BALANCE AT 31 DECEMBER 2012	**3.3**

11. Other non-current financial assets

		31/12/2013		
(in millions of euros)	Notes	Gross	Impairments	Net
Financial assets associated with equity interests and other related parties		0.9	(0.9)	-
Loans		0.2	-	0.2
Deposits and guarantees paid		2.2	-	2.2
Others		0.5	-	0.5
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS AT AMORTISED COST		**3.8**	**(0.9)**	**2.9**
Derivatives	24	4.0	-	4.0
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS		**7.8**	**(0.9)**	**6.9**

		31/12/2012		
(in millions of euros)	Notes	Gross	Impairments	Net
Financial assets associated with equity interests and other related parties		0.9	(0.9)	-
Loans		0.2	-	0.2
Deposits and guarantees paid		4.4	-	4.4
Others		0.5	-	0.5
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS AT AMORTISED COST		**6.0**	**(0.9)**	**5.1**
Derivatives	24	-	-	-
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS		**6.0**	**(0.9)**	**5.1**

(in millions of euros)	Non-current financial assets
Balance at 31 December 2012	**5.1**
Acquisitions	4.2
Disposals/Repayments	(2.4)
Impact of changes in value in equity	(0.9)
Net charges related to impairment in income statement	-
Impact of changes in scope of consolidation and equity	0.9
Others	-
BALANCE AT 31 DECEMBER 2013	**6.9**

FINANCIAL ASSETS AT AMORTISED COST

(in millions of euros)	31/12/2013	Less than one year (current)	One to five years (non-current)	More than five years (non-current)	Total non-current liabilities
Financial assets associated with equity interests and other related parties	6.2	6.2	-	-	-
Loans	0.3	0.1	0.1	0.1	0.2
Deposits and guarantees paid	2.5	0.3	0.8	1.4	2.2
Current accounts – Associates	7.6	7.6	-	-	-
Others	0.5	-	-	0.5	0.5
TOTAL OTHER FINANCIAL ASSETS MEASURED AT AMORTISED COST – NET	**17.1**	**14.2**	**0.9**	**2.0**	**2.9**

Following Silic's inclusion in Icade's consolidation scope, the receivable of €350 million held by Icade in respect of Silic was eliminated as part of intragroup reconciliation.

(in millions of euros)	31/12/2012	Less than one year (current)	More than one year and less than five years (non-current)	More than five years (non-current)	Total non-current
Financial assets associated with equity interests and other related parties	357.1	357.1	-	-	-
Loans	0.3	0.1	0.1	0.1	0.2
Deposits and guarantees paid	4.7	0.3	3.1	1.3	4.4
Current accounts – Associates	21.9	21.9	-	-	-
Others	0.5	-	-	0.5	0.5
TOTAL OTHER FINANCIAL ASSETS MEASURED AT AMORTISED COST – NET	**384.5**	**379.4**	**3.2**	**1.9**	**5.1**

As at 31 December 2012, receivables associated with investments and other associated parties were mainly composed of the financing granted by Icade to Silic, for an amount of €350 million in principal.

12. Inventories and work in progress

12.1. ANALYSIS OF INVENTORIES

(in millions of euros)	31/12/2013	31/12/2012
Land and property reserves	184.1	277.4
Work in progress	507.7	441.6
Finished but unsold plots	12.4	5.4
Others	-	-
GROSS VALUE	**704.2**	**724.4**
Impairments	(21.0)	(32.1)
NET VALUE	**683.2**	**692.3**

12.2. IMPAIRMENTS

(in millions of euros)	31/12/2013	31/12/2012
Opening balance	**(32.1)**	**(29.4)**
Allocations in the financial year	0.1	(15.2)
Impact of changes in consolidation scope	-	-
Reversals in the financial year	13.5	6.2
Transfer to assets held for sale	-	6.3
Others	(2.5)	-
CLOSING BALANCE	**(21.0)**	**(32.1)**

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13. Trade receivables

(in millions of euros)	31/12/2013 Gross	Impairments	Net
Accounts receivable	278.3	(12.9)	265.4
Financial trade receivables	264.8	-	264.8
TOTAL TRADE RECEIVABLES	**543.1**	**(12.9)**	**530.2**

(in millions of euros)	31/12/2012 Gross	Impairments	Net
Accounts receivable	323.2	(9.0)	314.2
Financial accounts receivable	270.0	-	270.0
TOTAL TRADE RECEIVABLES	**593.2**	**(9.0)**	**584.2**

Depreciation of trade accounts receivable has developed as follows:

(in millions of euros)	Gross	Impairments	Net
Balance at 31 December 2012	**593.2**	**(9.0)**	**584.2**
Changes in the financial year	(58.7)	(3.1)	(61.8)
Impact of changes in consolidation scope	8.6	(0.8)	7.8
BALANCE AT 31 DECEMBER 2013	**543.1**	**(12.9)**	**530.2**

(in millions of euros)	Gross	Impairments	Net
Balance at 31 December 2011	**528.7**	**(12.2)**	**516.5**
Changes in the financial year	64.2	2.8	67.0
Impact of changes in consolidation scope	0.3	0.4	0.7
BALANCE AT 31 DECEMBER 2012	**593.2**	**(9.0)**	**584.2**

The following is a breakdown of the repayment schedule of accounts receivable as at 31 December:

			Receivables due				
(in millions of euros)	Total	Receivables not due	<30 days	30<X<60 days	60<X<90 days	90<X<120 days	>120 days
2013	**265.4**	218.0	22.9	3.5	1.8	6.1	13.1
2012	**314.2**	248.2	30.5	16.8	2.5	2.2	14.0

14. Building contracts and off-plan sales

The buyer has the option to define the major structural elements in the construction of a property before and during the construction phase

(in millions of euros)	31/12/2013 Services	31/12/2013 Intra-group inter-business eliminations	31/12/2013 Total	31/12/2012 Services	31/12/2012 Intra-group inter-business eliminations	31/12/2012 Total
Aggregate receivables, including tax, according to the progress method	223.1	-	223.1	496.7	-	496.7
Work in progress	28.4	-	28.4	5.3	-	5.3
Termination loss	-	-	-	-	-	-
Collected calls for funds	(238.7)	-	(238.7)	(491.3)	-	(491.3)
Amount due from customers	**18.0**	**-**	**18.0**	**18.8**	**-**	**18.8**
Amount due to customers	**(5.2)**	**-**	**(5.2)**	**(8.1)**	**-**	**(8.1)**
Income in the financial year	**91.0**	**-**	**91.0**	**91.9**	**-**	**91.9**
Concerning ongoing contracts at the closing date and those completed during the period:						
Total amount of costs incurred and profits posted (less losses posted) until 31 December	21.5	-	21.5	28.0	-	28.0
Amount of advances received relative to non-started contracts	1.4	-	1.4	-	-	-
Reciprocal off-balance-sheet commitments (notarised instruments including tax – collected calls for funds)	156.2	-	156.2	106.7	-	106.7

Limited option for the buyer to define the major structural elements in the construction of a property

(in millions of euros)	31/12/2013 Services	31/12/2013 Residential	31/12/2013 Intra-group inter-business eliminations	31/12/2013 Total	31/12/2012 Services	31/12/2012 Residential	31/12/2012 Intra-group inter-business eliminations	31/12/2012 Total
Income in the financial year	**236.3**	**713.0**	**(7.7)**	**941.6**	**244.6**	**649.7**	**(2.0)**	**892.3**
Concerning ongoing contracts at the closing date and those completed during the period:								
Total amount of costs incurred and profits posted (less losses posted) until 31 December	39.4	-	-	39.4	37.1	-	-	37.1
Amount of advances received relative to non-started contracts	0.1	-	-	0.1	3.1	56.4	-	59.5
Reciprocal off-balance-sheet commitments (notarised instruments including tax – collected calls for funds)	230.0	846.9	(7.3)	1,069.6	363.1	574.9	-	938.0

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15. Miscellaneous receivables

	31/12/2013			31/12/2012
(in millions of euros)	Gross	Impairments	Net	Net
Suppliers advances	24.5	-	24.5	28.2
Receivables from disposal of assets	2.1	-	2.1	5.8
Operations under mandate [(1)]	169.3	-	169.3	179.7
Prepaid expenses	2.2	-	2.2	3.1
Tax receivables	156.0	-	156.0	146.2
Social security receivables	0.2	-	0.2	0.3
Other receivables	20.2	(0.5)	19.7	19.7
TOTAL MISCELLANEOUS RECEIVABLES	**374.5**	**(0.5)**	**374.0**	**383.0**

(1) Detail on Agency transactions below.

(in millions of euros)	31/12/2013	31/12/2012
Accounts receivable	2.3	0.9
Cash and cash equivalents	167.0	178.8
TOTAL OPERATIONS UNDER MANDATE	**169.3**	**179.7**

16. Other current financial assets

		31/12/2013		
(in millions of euros)	Notes	Gross	Impairments	Net
Receivables associated with investments and other related parties		6.3	(0.1)	6.2
Loans		0.1	-	0.1
Deposits and guarantees paid		0.3	-	0.3
Current accounts – Associates		7.6	-	7.6
Others		-	-	-
TOTAL OTHER CURRENT FINANCIAL ASSETS AT AMORTISED COST	**11**	**14.3**	**(0.1)**	**14.2**
Other UCITS at fair value through net income		1.2	-	1.2
Derivatives (including margin calls)	24	14.2	-	14.2
TOTAL OTHER CURRENT FINANCIAL ASSETS		**29.7**	**(0.1)**	**29.6**

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

(in millions of euros)	Notes	31/12/2012 Gross	Impairments	Net
Receivables associated with investments and other related parties		357.6	(0.5)	357.1
Loans		0.1	-	0.1
Deposits and guarantees paid		0.5	(0.2)	0.3
Current accounts – Associates		21.9	-	21.9
Others		-	-	-
TOTAL OTHER CURRENT FINANCIAL ASSETS AT AMORTISED COST	**11**	**380.1**	**(0.7)**	**379.4**
Other UCITS at fair value through net income		0.4	-	0.4
Derivatives (including margin calls)	24	27.7	-	27.7
TOTAL OTHER CURRENT FINANCIAL ASSETS		**408.2**	**(0.7)**	**407.5**

(in millions of euros)	Current financial assets
Balance at 31 December 2012	**407.5**
Acquisitions	0.7
Disposals	(0.2)
Impact of changes in value in net income	(7.4)
Short term change in financial assets	(48.5)
Short-term change in interest accrued not due	(3.2)
Impact of changes in scope of consolidation and equity	(327.3)
Others	8.0
BALANCE AT 31 DECEMBER 2013	**29.6**

Silic's inclusion in the Group resulted in the elimination of financial movements (€350 million in principal) between Silic and Icade.

17. Cash and cash equivalents

(in millions of euros)	31/12/2013	31/12/2012
Money-market UCITS	307.5	296.6
Cash equivalents	**307.5**	**296.6**
Cash assets	261.9	147.0
Cash and cash equivalents	**569.4**	**443.6**

18. Investment properties and other assets held for sale

(in millions of euros)	Investment properties held for sale	Other assets held for sale	Total assets held for sale	of which investment property under finance lease
GROSS VALUE AT 31 DECEMBER 2012	**252.2**	**25.0**	**277.2**	**-**
Reclassification as "assets held for sale"	6.7	(0.2)	6.5	-
Impact of changes in consolidation scope	(36.0)	(24.7)	(60.7)	-
Decreases	(217.1)	-	(217.1)	-
Other movements	1.9	-	1.9	-
GROSS VALUE AT 31 DECEMBER 2013	**7.7**	**0.1**	**7.8**	**-**
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2012	**(45.0)**	**-**	**(45.0)**	**-**
Reclassification as "assets held for sale"	-	-	-	-
Impact of changes in consolidation scope	4.5	-	4.5	-
Decreases	40.0	-	40.0	-
Other movements	-	-	-	-
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2013	**(0.5)**	**-**	**(0.5)**	**-**
IMPAIRMENT AT 31 DECEMBER 2012	**(17.3)**	**-**	**(17.3)**	**-**
Reclassification as "assets held for sale"	(0.4)	-	(0.4)	-
Impact of changes in consolidation scope	3.0	-	3.0	-
Decreases	14.2	-	14.2	-
Other movements	0.1	-	0.1	-
IMPAIRMENT AT 31 DECEMBER 2013	**(0.4)**	**-**	**(0.4)**	**-**
NET VALUE AT 31 DECEMBER 2012	**189.9**	**25.0**	**214.9**	**-**
Reclassification as "assets held for sale"	6.3	(0.2)	6.1	-
Impact of changes in consolidation scope	(28.5)	(24.7)	(53.2)	-
Decreases	(162.9)	-	(162.9)	-
Other movements	2.0	-	2.0	-
NET VALUE AT 31 DECEMBER 2013	**6.8**	**0.1**	**6.9**	**-**

The change in investment properties held for sale mainly corresponds to the sale of warehouses in the first half of 2013.

The change in other assets and liabilities held for sale mainly concerns the sale of Paris Nord Est (property development) at the start of 2013.

(in millions of euros)	Investment properties held for sale	Other assets held for sale	Total assets held for sale	of which investment property under financial lease
GROSS VALUE AT 31 DECEMBER 2011	**75.6**	**27.8**	**103.4**	**-**
Reclassification as "assets held for sale"	248.9	25.1	274.0	-
Impact of changes in consolidation scope	-	(27.7)	(27.7)	-
Decreases	(72.3)	(0.2)	(72.5)	-
Other movements	-	-	-	-
VALUE AS AT 31 DECEMBER 2012	**252.2**	**25.0**	**277.2**	**-**
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2011	**(4.0)**	**-**	**(4.0)**	**-**
Reclassification as "assets held for sale"	(44.5)	-	(44.5)	-
Impact of changes in consolidation scope	-	-	-	-
Decreases	3.5	-	3.5	-
Other movements	-	-	-	-
DEPRECIATION AND AMORTISATION AT 31 DECEMBER 2012	**(45.0)**	**-**	**(45.0)**	**-**
IMPAIRMENT AT 31 DECEMBER 2011	**-**	**-**	**-**	**-**
Reclassification as "assets held for sale"	(4.6)	-	(4.6)	-
Impact of changes in consolidation scope	-	-	-	-
Decreases	-	-	-	-
Other movements	(12.7)	-	(12.7)	-
GROSS IMPAIRMENT AS AT 31 DECEMBER 2012	**(17.3)**	**-**	**(17.3)**	**-**
NET VALUE AT 31 DECEMBER 2011	**71.6**	**27.8**	**99.4**	**-**
Reclassification as "assets held for sale"	199.8	25.1	224.9	-
Impact of changes in consolidation scope	-	(27.7)	(27.7)	-
Decreases	(68.8)	(0.2)	(69.0)	-
Other movements	(12.7)	-	(12.7)	-
NET VALUE AT 31 DECEMBER 2012	**189.9**	**25.0**	**214.9**	**-**

Investment properties held for sale are mainly warehouses.

Other assets and liabilities held for sale mainly concern Paris Nord Est (property development) following the undertaking to purchase by *Caisse des Dépôts*.

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19. Equity

19.1. SHARE CAPITAL

	31/12/2013		31/12/2012	
	Number of shares	Capital *(in millions of euros)*	Number of shares	Capital *(in millions of euros)*
Shares issued	-	-	-	-
Fully paid in shares	73,916,109	112.7	52,000,517	79.3
TOTAL	**73,916,109**	**112.7**	**52,000,517**	**79.3**

The HoldCo SIIC holding company, 75.07% controlled by the Caisse des Dépôts, owns 52.07% of Icade's share capital.

19.2. CHANGES IN NUMBER OF SHARES IN CIRCULATION

	Number of shares	Capital *(in millions of euros)*
Share capital at 31 December 2011	**51,992,262**	**79.3**
Increases in capital related to the exercise of share subscription options	8,255	-
SHARE CAPITAL AT 31 DECEMBER 2012	**52,000,517**	**79.3**
Increases in capital related to the exercise of share subscription options	6,800	-
Increases in capital related to the public exchange offer	20,457,105	31.2
Capital increase following a merger transaction	1,451,687	2.2
SHARE CAPITAL AT 31 DECEMBER 2013	**73,916,109**	**112.7**

On 1 January 2012, Icade's share capital was €79,251,083.22 divided into 51,992,262 shares.

Following the exercising of stock options, Icade's corporate capital increased by 8,255 shares over the financial year 2012.

As at 31 December 2012, Icade's share capital stood at €79,263,666.20 divided into 52,000,517 shares.

Following the exercising of stock options, Icade's corporate capital increased by 6,800 shares over the financial year 2013.

Icade issued a total of 21,908,792 shares as part of the acquisition and then integration of the Silic group.

As at 31 December 2013, Icade's share capital stood at €112,669,298.86 divided into 73,916,109 shares.

19.3. DIVIDENDS

(in millions of euros)	31/12/2013	31/12/2012
Payment to Icade SA shareholders		
- dividends deducted from the fiscal profit exempt from tax (applying the SIIC regime)	176.2	192.6
- dividends deducted from the profit taxable at the ordinary rate	12.3	-
- interim dividends	-	-
TOTAL	**188.5**	**192.6**

Per-share dividends distributed in 2013 and 2012 in respect of the 2012 and 2011 financial years were €3.64 and €3.72 respectively, including an exceptional dividend of €0.37.

The general meeting to approve Icade's financial statement as at 31 December 2013 shall be convened on 29 April 2014.

The distribution of a dividend of €3.67 per share will be proposed to the Annual General Shareholders' Meeting, which will take place on 29 April 2014. Based on existing shares as at 19 February 2014, i.e. 73,916,109 shares, the dividend distribution amount proposed to the Shareholders' Meeting will be €271.3 million.

20. Non-controlling interests

(in millions of euros)	31/12/2013	31/12/2012
NET ASSETS AS AT 31 DECEMBER OF THE PREVIOUS YEAR	**310.7**	**1.7**
Acquisitions of non-controlling interests	-	-
Other movements	1.9	(0.2)
Impact of changes in consolidation scope on non-controlling interests	101.0	308.9
Net income	18.0	9.0
Dividends	(19.3)	(8.7)
Change in non-controlling interests	-	-
NET ASSETS AS AT 31 DECEMBER OF THE CURRENT YEAR	**412.3**	**310.7**

The changes in scope of non-controlling interests are mainly made up of subscriptions to Icade Santé's capital increases by institutional investors during 2013 and 2012.

21. Provisions

(in millions of euros)	31/12/2012 restated	Allocations	Provisions used	Other reversals not used	Changes in consolidation scope	Actuarial gains/ losses	Reclassification	31/12/2013
Retirement benefits and similar obligations	17.5	0.8	(1.5)	-	-	8.9	-	25.7
Losses on contracts	1.9	0.3	-	-	(0.3)	-	-	1.9
Tax risks	0.3	3.0	-	-	-	-	-	3.3
Contingencies – other	34.1	3.3	(6.3)	(6.4)	4.2	-	-	28.9
Liabilities – other	1.9	0.2	(0.6)	-	0.1	-	-	1.6
TOTAL	**55.7**	**7.6**	**(8.4)**	**(6.4)**	**4.0**	**8.9**	**-**	**61.4**
Non-current provisions	38.9	1.6	(6.4)	(2.4)	(0.8)	8.9	(0.4)	39.4
Current provisions	16.8	6.0	(2.0)	(4.0)	4.8	-	0.4	22.0
of which: operating income		7.2	(6.8)	(6.4)				
financial income		-	(1.6)	-				
income tax expense		0.4	-	-				

(in millions of euros)	31/12/2011	Allocations	Provisions used	Other reversals not used	Changes in consolidation scope	Reclassification	Restatement [1]	31/12/2012 restated
Retirement benefits and similar obligations	18.7	3.4	(0.9)	-	0.2	(0.3)	(3.6)	17.5
Loss on contracts	6.6	10.5	(1.0)	(2.8)	-	(11.4)	-	1.9
Tax risks	0.1	0.2	(0.2)	-	0.2	-	-	0.3
Contingencies – other	38.0	8.9	(10.1)	(2.7)	-	-	-	34.1
Liabilities – other	1.5	0.7	-	-	(0.1)	(0.2)	-	1.9
TOTAL	**64.9**	**23.7**	**(12.2)**	**(5.5)**	**0.3**	**(11.9)**	**(3.6)**	**55.7**
Non-current provisions	42.3	7.8	(7.3)	-	0.2	(0.5)	(3.6)	38.9
Current provisions	22.6	15.9	(4.9)	(5.5)	0.1	(11.4)	-	16.8
Of which: operating income		(23.2)	11.6	5.5				
financial profit		(0.5)	0.6	-				
tax liability		-	-	-				

(1) First application of IAS 19 as amended: elimination of the amount of unrecognised past services.

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 current obligation and it is probable that this obligation will cause an exit of resources.

The identified risks are:

- losses on service contracts and on off-plan contracts (note that losses on property development contracts appear under "amounts due from customers" and "amounts due to customers");
- tax risks: provisions cover estimated tax risks for which reassessment notices were received at 31 December 2013;
- when the accounts were audited during the 2010 financial year, in its proposed tax reassessment (8 December 2010), the French Tax Authorities questioned the market values as at 31 December 2006, based on the property valuations that were used as the basis for calculating the exit tax (corporate tax at the rate of 16.50%) during the merger/absorption of Icade Patrimoine (Assets) as at 1 January 2007. As a result, the exit tax bases were increased, generating additional tax of €204 million in principal. In a new proposed tax reassessment dated 26 April 2012, the French Tax Authorities increased the rate of taxation applicable to some of the revised amounts from 16.5% to 19%. The additional tax was then €206 million.

  On 16 July 2012, Icade applied to consult the "*Commission Nationale des Impôts Directs et Taxes sur le Chiffre d'Affaires*" [National Commission for Direct Taxes and Revenue Taxes].

  At the end of the hearing on 5 July 2013, the Commission gave an opinion questioning the valuation method used by the French Tax Authorities ("[the comparison method] would appear much less suitable than the DCF to the type of assets in question") while recording that some sales carried out in 2007 had been completed for higher prices than those used to estimate the exit tax.

  The French Tax Authorities did not follow the Commission's recommendation and maintained the increases initially notified, a decision of which it informed Icade on 3 December 2013 at the same time the Commission's opinion was sent.

  On 11 December 2013, in accordance with the applicable procedure, the French Tax Authorities therefore sent an assessment for all sums, i.e. €225,084,492, including late payment interest (or €206 million in principal).

  Maintaining its position, on 23 December 2013 Icade filed a claim asking for complete discharge of the sums demanded along with deferral of payment. Deferral of this payment will be subject to presentation of a guarantee from a banking establishment or similar.

  In the event that the French Tax Authorities refuse to grant discharge of the sums demanded, Icade will bring proceedings before the administrative court to obtain a ruling on the dispute.

  In consultation with its legal firms, Icade continues to dispute this assessment.

  Consequently, as was the case at 31 December 2012, no provision was recorded for this purpose at 31 December 2013.
- Other provisions for risks, amounting to €28.9 million, mainly cover property development and property investment for €17.0 million and €10.3 million respectively. This essentially relate to business risks, labour tribunal disputes and litigation.

  These include provisions covering various significant lawsuits concerning property development, in the total amount of €6.6 million at 31 December 2013, compared with €8.2 million in provisions at 31 December 2012.

22. Financial debt

22.1. NET FINANCIAL DEBT

(in millions of euros)	31/12/2013	31/12/2012
Long and medium term financial debt (non-current)	3,360.5	2,878.4
Short term financial debt (current)	1,109.3	510.6
GROSS FINANCIAL DEBT	**4,469.8**	**3,389.0**
Interest rate risk derivatives (assets and liabilities)	96.5	163.4
GROSS FINANCIAL DEBT AND DERIVATIVES	**4,566.3**	**3,552.4**
Available for sale securities and other non-current financial assets (excluding interest-rate risk derivatives and deposits paid)	(7.7)	(3.2)
Available for sale securities and other current financial assets (excluding interest-rate risk derivatives and deposits paid)	(15.2)	(380.2)
Cash and cash equivalents	(569.4)	(443.6)
NET FINANCIAL DEBT	**3,974.0**	**2,725.4**

Following Silic's inclusion in Icade's consolidation scope, the receivable of €350 million held by Icade in respect of Silic, classified as at 31 December 2012 as "other current financial assets", was eliminated in 2013 as part of intragroup reconciliation.

22.2. FINANCIAL DEBT BY CATEGORY

(in millions of euros)	31/12/2013	31/12/2012
Bond borrowings	918.0	-
ORNANE – net share settled bonds convertible into new and/or existing shares (4)	125.2	-
Borrowings from credit institutions (2)	2,046.6	2,658.9
Finance leases	177.2	126.0
Other borrowings and similar debts (3)	93.5	93.5
Debts associated with equity interests	-	-
LONG AND MEDIUM TERM FINANCIAL DEBTS	**3,360.5**	**2,878.4**
Bond borrowings	6.8	-
ORNANE – net share settled bonds convertible into new and/or existing shares (4)	2.9	-
Borrowings from credit institutions (2)	938.2	416.5
Finance leases	21.2	16.4
Other borrowings and similar debts (3)	0.4	0.5
Debts associated with equity interests	10.7	11.1
Bank overdrafts (1)	129.1	66.1
SHORT TERM FINANCIAL DEBTS	**1,109.3**	**510.6**
TOTAL GROSS FINANCIAL DEBT	**4,469.8**	**3,389.0**

(1) Including interest accrued not due.
(2) Including mortgage financing: €811 million.
(3) Private investments for the same amount.
(4) This new debt category (ORNANEs) appeared following Silic's inclusion in Icade's consolidation scope.

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Gross financial debt totalled €4,469.8 million at 31 December 2013, up by €1,080.8 million compared with 31 December 2012. This change primarily reflects:

- new borrowings taken out or credit lines drawn down of €1,080.9 million including:
  - raising of two bond borrowings for a total of €800 million;
  - establishment of €200 million of mortgage financing for the Parc du Pont de Flandres;
- debt repayments and debt amortisation in the amount of €1,136.8 million, including €745.2 million for Icade and €359.3 million for Silic and €26.6 million for Icade Santé;
- the reduction in debt following the disposal of some consolidated subsidiaries for €6 million;
- inclusion in the consolidation scope of Silic group entities' debts of €1,547.2 million, including €350 million of borrowing in 2012 and a €50 million advance from Icade on 2 July 2013 (eliminated following entry into the consolidation scope in consideration for a reduction in the "other current financial assets" item) and €73.2 million in bank overdrafts;
- bank overdrafts, which are down by €10.2 million, excluding Silic's inclusion in the consolidation scope.

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22.3. FINANCIAL DEBT BY MATURITY

(in millions of euros)	31/12/2013	Less than one year	One to under three years	Three to under five years	More than five years
Bond borrowings	924.8	6.8	-	119.8	798.2
ORNANEs	128.1	2.9	-	125.2	-
Borrowings from credit institutions	2,984.8	938.2	846.0	572.6	628.0
Finance leases	198.4	21.2	40.4	40.1	96.7
Other borrowings and similar debts	93.9	0.4	8.5	17.0	68.0
Debts associated with equity interests	10.7	10.7	-	-	-
Bank overdrafts (1)	129.1	129.1	-	-	-
TOTAL FINANCIAL DEBTS	**4,469.8**	**1,109.3**	**894.9**	**874.7**	**1,590.9**

(1) Including interest accrued not due.

(in millions of euros)	31/12/2012	Less than one year	One year to less than three years	More than three years and less than five years	More than five years
Borrowings from credit institutions	3,075.4	416.5	1,573.1	722.1	363.7
Finance leases	142.4	16.4	31.4	29.7	64.9
Other borrowings and similar debts	94.0	0.5	0.1	16.9	76.5
Debts associated with equity interests	11.1	11.1	-	-	-
Bank overdrafts (1)	66.1	66.1	-	-	-
TOTAL FINANCIAL DEBTS	**3,389.0**	**510.6**	**1,604.6**	**768.7**	**505.1**

(1) Including interest accrued not due.

The average term of debt works out at 4.6 years as at 31 December 2013. It stood at 4.3 years as at 31 December 2012. The funding raised in 2013 therefore increased the average maturity of Icade's debts.

The average term of variable rate debt works out at 2.9 years, whereas that of the associated hedging is 2.9 years, providing adequate hedging.

Financial covenants

		Covenants	31/12/2013
LTV Covenant (1)	Maximum	<45% <50% and <52%	40.2%
ICR	Minimum	>2	3.79
CDC control (2)	Minimum	34%/50% - 51%	52,07%
Value of investment property assets (3)	Minimum	>€1-3 billion >€4 billion >€5 billion >€7 billion	€9.9 billion
Debt of subsidiaries/Consolidated gross debt	Maximum	33%	7.29%
Surety on assets	Maximum	<20% of property assets	10.7% (4)

(1) Around 41% of the debt relating to an LTV covenant has a limit of 52%; 54% of the debt has a limit of 50%, and the remaining 4% has a limit of 45%.
(2) Around 94.4% of the debt relating to the covenant for the CDC change of control clause has a limit of 34%, and the remaining 6% has a limit of 50-51%.
(3) Around 51% of the debt relating to the Value of Investment Property Assets covenant has a limit of between €1 and 3 billion, 2% of the debt has a limit of €4 billion, 9% of the debt has a limit of €5 billion, and the remaining 37% has a limit of €7 billion.
(4) Maximum calculation under the borrowings agreements.

Borrowings 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. As at 31 December 2013, these ratios have been complied with.

At 31 December 2013, the company HoldCo SIIC, which is 75.07% controlled by the *Caisse des Dépôts*, held 52.30% of the voting rights and 52.07% of the capital of Icade.

22.4. FINANCIAL DEBT BY RATE CATEGORY

	31/12/2013		
	Distribution by rate		
(in millions of euros)	Total	Fixed	Variable
Bond borrowings	924.8	924.8	-
ORNANEs	128.1	-	128.1
Borrowings from credit institutions	2,984.8	442.8	2,542.0
Finance leases	198.4	32.0	166.4
Other borrowings and similar debts	93.9	93.9	-
Debts associated with equity interests	10.7	9.4	1.3
Bank overdrafts (1)	129.1	-	129.1
TOTAL FINANCIAL DEBTS	**4,469.8**	**1,502.9**	**2,966.9**

(1) Including interest accrued not due.

	31/12/2012		
	Distribution by rate		
(in millions of euros)	Total	Fixed	Variable
Borrowings from credit institutions	3,075.4	253.8	2,821.6
Finance leases	142.4	32.6	109.8
Other borrowings and similar debts	94.0	94.0	-
Debts associated with equity interests	11.1	8.1	3.0
Bank overdrafts (1)	66.1	-	66.1
TOTAL FINANCIAL DEBTS	**3,389.0**	**388.5**	**3,000.5**

(1) Including interest accrued not due.

22.5. FAIR VALUE

(in millions of euros)	31/12/2013	31/12/2012
Variable rate debts	2,974.3	3,113.6
Fixed rate debts	1,514.7	415.0
TOTAL FAIR VALUE	**4,489.0**	**3,528.6**

22.6. UNDERTAKINGS GIVEN AS BORROWINGS GUARANTEE

	31/12/2013	31/12/2012
(in millions of euros)	Comprehensive total of guaranteed liabilities	Comprehensive total of guaranteed liabilities
Tangible assets		
Mortgage financing and preferential mortgages	811.0	384.7
Financial assets		
Pledged securities	43.6	48.8
Capital leases	198.4	142.4
WORK IN PROGRESS GUARANTEED, EXCLUDING PERSONAL GUARANTEES	**1,053.0**	**575.9**
Sureties and guarantees: net amount	**2.7**	**17.0**
Comprehensive total of guaranteed liabilities	**1,055.7**	**592.9**

23. Miscellaneous current payables

(in millions of euros)	31/12/2013	31/12/2012
Advance payments from customers	149.0	190.1
Debts on acquisition of assets	-	-
Shareholders – dividends payable	4.7	0.1
Operations under mandate (1)	169.3	179.7
Prepaid income	30.8	30.2
Social security payables	47.3	47.2
Tax payables excluding income tax	70.7	75.2
Other debts	21.7	24.6
Employee profit sharing	0.7	2.5
TOTAL CURRENT MISCELLANEOUS PAYABLES	**494.2**	**549.6**
TOTAL MISCELLANEOUS PAYABLES	**494.2**	**549.6**

(1) The details of the Agency transactions are presented in the table below:

(in millions of euros)	31/12/2013	31/12/2012
Debts	167.0	178.8
Cash and cash equivalents	2.3	0.9
TOTAL OPERATIONS UNDER MANDATE	**169.3**	**179.7**

24. Other financial liabilities and derivatives

24.1. PRESENTATION OF OTHER FINANCIAL LIABILITIES (EXCLUDING DERIVATIVES)

(in millions of euros)	31/12/2013	31/12/2012
Deposits and sureties received	67.6	43.3
Others	-	-
Other non-current financial liabilities	**67.6**	**43.3**
Deposits and sureties received	1.7	3.4
Others	0.1	0.1
Other current financial liabilities	**1.8**	**3.5**

24.2. DERIVATIVES: PRESENTATION ON THE BALANCE SHEET

(in millions of euros)		Notes	31/12/2013	31/12/2012
Assets:	non-current	11	4.0	-
	current	16	14.2	27.7
Liabilities:	non-current		(95.6)	(176.5)
	current		(19.1)	(14.6)
TOTAL DERIVATIVES – INTEREST RATE RISK			**(96.5)**	**(163.4)**
Assets:	current		-	-
TOTAL DERIVATIVES – PRICE RISK			**-**	**-**
TOTAL DERIVATIVES			**(96.5)**	**(163.4)**

24.3. DERIVATIVES: ANALYSIS OF NOTIONAL AMOUNTS BY MATURITY

	31/12/2013				
	Notional contract value				
(in millions of euros)	Average rate	Total	Less than one year	One to five years	More than five years
Interest rates swaps – pay fixed	3.38%	1,768.5	495.6	978.2	294.7
Interest rates options (1)	2.94%	786.8	250.9	410.9	125.0
TOTAL DERIVATIVES – RATE RISK		**2,555.3**	**746.5**	**1,389.1**	**419.7**

(1) Including €350 million in forward start options, broken down by maturity.

	31/12/2012				
	Notional contract value				
(in millions of euros)	Average rate	Total	Less than one year	More than one year and less than five years	More than five years
Interest rates swaps – pay fixed	3.64%	2,108.3	309.1	1,487.6	311.6
Interest rate option	4.13%	236.0	124.2	111.8	-
TOTAL DERIVATIVES – RATE RISK		**2,344.3**	**433.3**	**1,599.4**	**311.6**

24.4. DERIVATIVES: CHANGE IN FAIR VALUE

(in millions of euros)	Fair value 31/12/2012 (1)	Additions to the consolidation scope (2)	Acquisition (3)	Payment for guarantee (4)	Fair value change through profit or loss (5)	Impact of downgrade and disposals (6)	Fair value change through equity (7)	Fair value 31 December 2013 (8) = from (1) to (7) inclusive
Interest rate swaps and options – pay fixed	(188.6)	-	4.0		2.6	3.1	68.6	(110.3)
- Changes in cash flow hedges' accrued interest not yet due	-	-			2.8	-	-	-
- Ineffective portion	-	-			(0.2)	-	-	-
TOTAL FUTURE CASH FLOW HEDGING INSTRUMENTS	**(188.6)**	**-**	**4.0**		**2.6**	**3.1**	**68.6**	**(110.3)**
Interest rates swaps – pay fixed	(2.5)	(154.4)	-		19.6	136.3	-	(1.0)
Interest rates options	-	(10.0)	-		2.8	7.7	-	0.5
TOTAL INSTRUMENTS NOT ELIGIBLE FOR HEDGE ACCOUNTING	**(2.5)**	**(164.4)**	**-**		**22.4**	**144.0**	**-**	**(0.5)**
TOTAL INSTRUMENTS – INTEREST RATE RISK – EXCLUDING MARGIN CALLS	**(191.1)**	**(164.4)**	**4.0**		**25.0**	**147.1**	**68.6**	**(110.8)**
Derivatives: margin calls	**27.7**	**-**		**(13.4)**	**-**	**-**	**-**	**14.3**
TOTAL INSTRUMENTS – RATE RISK	**(163.4)**	**(164.4)**	**4.0**	**(13.4)**	**25.0**	**147.1**	**68.6**	**(96.5)**

(in millions of euros)	Fair value 31/12/2011 (1)	Addition to the consolidation scope (2)	Payment for guarantee (3)	Fair value change through profit or loss (4)	Impact of downgrades and disposals (5)	Fair value change through equity (6)	Fair value 31/12/2012 (7) = from (1) to (6) inclusive
Interest rate swaps and options – pay fixed	(151.8)	(12.5)		(5.7)	-	(18.6)	(188.6)
- Changes in cash flow hedges' accrued interest not yet due	-	-		(5.2)	-	-	-
- Ineffective portion	-	-		(0.5)	-	-	-
TOTAL FUTURE CASH FLOW HEDGING INSTRUMENTS	**(151.8)**	**(12.5)**		**(5.7)**	**-**	**(18.6)**	**(188.6)**
Interest rates swaps – pay fixed	(2.9)	(0.2)		-	0.6	-	(2.5)
Interest rates options	-	-		-	-	-	-
TOTAL INSTRUMENTS NOT ELIGIBLE FOR HEDGE ACCOUNTING	**(2.9)**	**(0.2)**		**-**	**0.6**	**-**	**(2.5)**
TOTAL INSTRUMENTS – INTEREST RATE RISK – EXCLUDING MARGIN CALLS	**(154.7)**	**(12.7)**		**(5.7)**	**0.6**	**(18.6)**	**(191.1)**
Derivatives – margin calls	**25.3**	**-**	**2.4**	**-**	**-**	**-**	**27.7**
TOTAL INSTRUMENTS – RATE RISK	**(129.4)**	**(12.7)**	**2.4**	**(3.3)**	**0.6**	**(18.6)**	**(163.4)**

25. Management of financial risks

Monitoring and management of financial risks are centralised within the Treasury and Debts Division of the finance department.

The latter reports on a monthly basis to Icade's Risk, Rates, Treasury and Finance Committee on all matters related to finance, investment and rate risk management policies.

25.1. LIQUIDITY RISK

The Group has drawing capacity on short and medium-term credit lines of nearly €1,220.0 million, to be used entirely as it sees fit.

During this year, Icade has continued to access liquidity under good conditions and has substantial margin to manoeuver in terms of the mobilisation of funds.

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

	31/12/2013					
(in millions of euros)	Due immediately	Less than one year	More than one year and less than three years	More than three years and less than five years	More than five years	Total
Borrowing interest	-	60.2	105.0	61.7	140.2	367.1
Bond borrowings repayable in shares		-	-	119.8	796.6	916.4
Borrowings from credit institutions	-	933.9	846.0	697.8	628.0	3,105.7
Finance lease	-	21.2	40.4	40.1	96.7	198.4
Other borrowings and similar debts	-	-	-	17.0	68.0	93.5
Debts associated with equity interests	-	9.8	-	-	-	9.8
Bank overdrafts	-	129.1	-	-	-	129.1
Accounts payable and tax liabilities	-	533.3	1.7	-	-	535.0
Financial derivatives	-	51.0	61.4	-	12.3	157.9
TOTAL	**-**	**1,738.5**	**1,063.0**	**969.6**	**1,741.8**	**5,512.9**

	31/12/2012					
(in millions of euros)	Due immediately	Less than one year	More than one year and less than three years	More than three years and less than five years	More than five years	Total
Borrowing interest	-	49.9	94.6	64.0	108.7	317.2
Borrowings from credit institutions	-	408.8	1,574.6	720.6	363.7	3,067.7
Finance lease	-	16.5	29.8	31.3	64.9	142.5
Other borrowings and similar debts	-	0.1	-	17.0	76.5	93.6
Debts associated with equity interests	-	9.3	-	-	-	9.3
Bank overdrafts	-	66.0	-	-	-	66.0
Accounts payable and tax liabilities	-	556.8	3.4	-	-	560.2
Financial derivatives	-	66.3	86.3	-	18.7	220.7
TOTAL	**-**	**1,173.7**	**1,788.7**	**882.3**	**632.5**	**4,477.2**

The maturities related to interest on loans and derivative instruments are determined based on the latest known spot rates.

25.2. INTEREST RATE RISK

Changes in financial markets can entail a variation in interest rates, which may be reflected in an increase in the cost of refinancing. To finance its investments, Icade uses floating-rate debt, which is then hedged, thus conserving its ability to prepay loans without penalties. This represents, before hedging, nearly 65.8% of its debt as at 31 December 2013 (excluding debts associated with equity interests and bank overdrafts).

In 2013, Icade continued its prudent debt management policy by maintaining limited exposure to interest-rate risks by setting up appropriate hedging contracts (plain vanilla swaps and caps). The derivatives portfolio initially held by Silic has also been entirely restructured. This involved the cancellation of €1.39 billion in notional swap amounts and 800 million in notional options (tunnels and floors), some of which had been taken out as forward start options. At the same time as these disposals, €325 million in notional swap amounts maturing in 2018 and 2019 were put in place. These restructuring operations helped to optimise Icade's financing cost.

The average term of variable rate debt works out at 2.9 years, whereas that of the associated hedging is 2.9 years, providing adequate hedging.

Finally, Icade favours classifying its hedging instruments as "cash flow hedges" according to the IFRS standards, which requires that the variations in the fair value of these instruments be posted as equity (for the effective portion) rather than as profit/loss.

Considering the year's profile, and the change in interest rates, the change in fair value of hedging instruments has had a positive impact on the equity of €68.6 million.

After taking derivatives into account,

- an instantaneous 1% increase in short-term interest rates applied to the financial liabilities would have a maximum positive impact of €51.3 million on capital and reserves and a positive impact of €6.9 million on the income statement;
- an instantaneous 1% decrease in short-term interest rates applied to the financial liabilities would have a maximum negative impact of €53.0 million on capital and reserves and a negative impact of €3.9 million on the income statement.

25.3. FOREIGN EXCHANGE RISK

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

25.4. 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 is made on the financing of insurance and the guarantee. These procedures are subject to regular monitoring.

Impairment of accounts receivable is estimated after analysing unpaid balances. Customer folders are analysed on an individual basis or on a collective basis in respect of small amounts receivable when there are statistical databases. Receivables due for more than three months are usually depreciated, except in special cases.

The Group's maximum exposure to credit risk corresponds to the book value of accounts receivable less deposits received from customers, i.e., €196.0 million on 31 December 2013, compared with €267.5 million on 31 December 2012.

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

25.5. MANAGEMENT OF CAPITAL

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

  The LTV (Loan To Value) ratio: (Net financial debt/Net asset value ex. rights plus the values of property development and services companies) comes out at 38.2% as at 31 December 2013 (compared with 35.8% as at 31 December 2012).

  This ratio remains well below the ceiling levels to be met under the financial covenants stipulated in the banking documents (50% and 52% in the majority of cases where this ratio is mentioned as a covenant). In our bank contracts the values of property development and services companies are not included in the calculation, positioning it at 40.2% (compared with 39.8% as at 31 December 2012).

  If the value of the portfolio used for its calculation was assessed including duties and if the fair value of interest rate derivatives was not included in net debt, the adjusted LTV ratio would be 35.6% at 31 December 2013.

- Interest hedging ratio

  The ratio of interest hedging by operating profit (corrected for depreciation) was 3.79 in financial year 2013. This ratio increased in comparison with previous years (3.52 in 2012), considering the Silic inclusion in the consolidation scope, the disposals carried out during the year and the improved cost of net debt. Compared with EBITDA, this ratio works out as 3.42.

26. Fair value of financial assets and liabilities

		31/12/2013				
		Book value				Fair value
(in millions of euros)	Notes	Available for sale assets	Loans and receivables	Assets at fair value through the income statement	Total	Total
Financial assets						
Current and non-current available for sale securities	10	7.1	-	-	7.1	7.1
Other current and non-current financial assets and derivatives	11, 16, 24	-	17.1	19.4	36.5	36.5
Accounts Receivable	13	-	530.2	-	530.2	530.2
Other operating receivables [(1)]	15	-	40.6	-	40.6	40.6
Cash and cash equivalents	17	-	-	569.4	569.4	569.4
TOTAL FINANCIAL ASSETS		**7.1**	**587.9**	**588.8**	**1,183.8**	**1,183.8**

(1) Excluding agency transactions, deferred charges and social security and tax receivables.

		31/12/2013				
		Book value				Fair value
(in millions of euros)	Notes	Liabilities at amortised cost	Liabilities at fair value through capital and reserves	Liabilities at fair value through profit or loss and held for trading	Total	Total
Financial liabilities						
Current and non-current financial debt	22	4,341.7	-	128.1	4,469.8	4,489.0
Other current and non-current financial liabilities and derivatives	24	69.4	105.2	9.5	184.1	184.1
Trade payables		520.2	-	-	520.2	520.2
Other operating debts [(1)]	23	171.1	-	-	171.1	171.1
TOTAL FINANCIAL LIABILITIES		**5,102.4**	**105.2**	**137.6**	**5,345.2**	**5,364.4**

(1) Excluding agency transactions, deferred income and social security and tax debts.

		31/12/2012				
		Book value				Fair value
(in millions of euros)	Notes	Available for sale assets	Loans and receivables	Assets at fair value through the income statement	Total	Total
Financial assets						
Current and non-current available for sale securities	10	3.3	-	-	3.3	3.3
Other current and non-current financial assets and derivatives	11,16,24	-	384.6	28.1	412.7	412.7
Accounts Receivable	13	-	584.2	-	584.2	584.2
Other operating receivables (1)	15	-	50.2	-	50.2	50.2
Cash and cash equivalents	17	-	-	443.6	443.6	443.6
TOTAL FINANCIAL ASSETS		**3.3**	**1,019.0**	**471.7**	**1,494.0**	**1,494.0**

(1) Excluding agency transactions, deferred charges and social security and tax receivables.

		31/12/2012				
		Book value				Fair value
(in millions of euros)	Notes	Liabilities at amortised cost	Liabilities at fair value through capital and reserves	Liabilities at fair value through the income statement and held for trading	Total	Total
Financial liabilities						
Current and non-current financial debt	22	3,389.0	-	-	3,389.0	3,528.6
Other current and non-current financial liabilities and derivatives	24	46.8	177.4	13.7	237.9	237.9
Trade payables		550.2	-	-	550.2	550.2
Other operating debts (1)	23	205.5	-	-	205.5	205.5
TOTAL FINANCIAL LIABILITIES		**4,191.5**	**177.4**	**13.7**	**4,382.6**	**4,522.2**

(1) Excluding agency transactions, deferred income and social security and tax debts.

HIERARCHY OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS BY ACCOUNTING CATEGORY

The table below presents the hierarchy of the fair value of financial assets and liabilities in the balance sheet by accounting category:

- level 1: the fair value of the financial instrument corresponds to prices (not adjusted) quoted in active markets for similar assets or liabilities;
- level 2: the fair value of the financial instrument is established on the basis of data observed either directly (i.e., prices), or indirectly (i.e., data derived from prices);
- level 3: the fair value of the financial instrument is determined using market data not observed directly.

		31/12/2013			
(in millions of euros)	Note	Level 1: quoted price on an active market	Level 2: valuation technique based on observable data	Level 3: valuation technique based on non-observable data	Book value at 31 December 2013 (fair value)
Assets					
Financial assets held for trading	16	-	-	-	-
Financial assets designated at fair value through profit or loss		-	-	-	-
Derivatives excluding margin calls (assets)	11, 16, 24	-	4.0	-	4.0
Available for sale assets	10	-	-	7.1	7.1
Cash equivalents	17	307.5	-	-	307.5
Liabilities					
Financial liabilities held for trading		-	-	-	-
Liabilities designated at fair value		-	-	-	-
Financial liabilities designated at fair value through profit or loss	22	-	-	128.1	128.1
Derivatives (liabilities)	24	-	114.7	-	114.7

		31/12/2012			
(in millions of euros)	Note	Level 1: quoted price on an active market	Level 2: valuation technique based on observable data	Level 3: valuation technique based on non-observable data	Book value at 31/12/2012 (fair value)
Assets					
Financial assets held for trading	16	-	-	-	-
Financial assets designated at fair value through profit or loss		-	-	-	-
Derivatives excluding margin calls (assets)	11, 16, 24	-	-	-	-
Available for sale assets	10	-	-	2.5	2.5
Cash equivalents	17	296.6	-	-	296.6
Liabilities					
Financial liabilities held for trading		-	-	-	-
Liabilities designated at fair value		-	-	-	-
Financial liabilities designated at fair value through profit or loss		-	-	-	-
Derivatives (liabilities)	24	-	191.1	-	191.1

Financial instruments whose fair value is determined using a valuation technique based on non-observable data correspond to non-consolidated unlisted securities.

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27. Earnings per share

	31/12/2013	31/12/2012 restated
Net income for calculating earnings per share *(in millions of euros)*		
Net income attributable to owners of the Company	126.9	51.5
Impact of diluting instruments	-	-
Diluted net income attributable to owners of the Company	126.9	51.5
Net income attributable to owners of the Company from discontinued operations	-	-
Impact of diluting instruments	-	-
Diluted net income attributable to owners of the Company from discontinued operations	-	-
Net income attributable to owners of the Company from continuing operations	126.9	51.5
Impact of diluting instruments	-	-
Diluted net income attributable to owners of the Company from continuing operations	126.9	51.5
Number of shares used for calculating earnings per share		
Weighted average number of shares outstanding during the period (1)	60,789,505	51,727,115
Weighted average number of shares used for the calculation	60,789,505	51,727,115
Impact of diluting instruments (stock subscription options and bonus shares)	*75,876*	*67,971*
Diluted weighted average number of shares	60,865,381	51,795,086
Earnings per share *(in euros)*		
Net income attributable to owners of the Company per share	2.09	1.00
Diluted net income attributable to owners of the Company per share	2.08	0.99
Net income attributable to owners of the Company from discontinued operations per share	-	-
Diluted net income attributable to owners of the Company from discontinued operations per share	-	-
Net income attributable to owners of the Company from continuing operations per share	2.09	1.00
Diluted net income attributable to owners of the Company from continuing operations per share	2.08	0.99
Note (1)		
Number of shares at the start of the financial year:	52,000,517	51,992,262
Increase in the weighted average number of shares associated with the exercise of share subscription options	3,540	7,317
Increase in the weighted average number of shares associated with public share transactions (Silic)	9,038,209	
Weighted average number of own shares outstanding:	252,761	272,464
Weighted average number of shares used for the calculation:	**60,789,505**	**51,727,115**

28. Commitments to personnel

28.1. CHANGE TO COMMITMENTS TO PERSONNEL

(in millions of euros) Commitments and liabilities posted		31/12/2013	31/12/2012 restated
Published opening actuarial debt	**(1)**	**13.4**	**13.0**
Past services cost not yet recognised		3.5	4.6
Published net liabilities at opening	**(2)**	**16.9**	**17.6**
IAS 19: Change of method		(3.5)	(4.3)
Net restated liabilities	**(3)**	**13.4**	**13.3**
Impact of changes in consolidation and other movements	**(4)**	**(0.3)**	**(0.2)**
Cost of services rendered during the year	(a)	0.9	1.2
Financial cost for the year	(a)	0.3	0.6
Costs for the period	**Σ(a)**	**1.2**	**1.8**
Benefits paid out	(5)	(2.2)	(1.2)
Net liability posted through profit or loss	**b = Σ(a) + (5)**	**(1.0)**	**0.6**
Actuarial (gains) losses for the year	(6)	9.0	(0.3)
NET LIABILITIES AT CLOSING	**(A) = (3) + (4) + (B) + (6)**	**21.1**	**13.4**
CLOSING ACTUARIAL LIABILITY	**(B) = (1) + (4) + Σ(A) + (5) + (6)**	**21.1**	**13.4**

Commitments to personnel are valued at 31 December 2013 according to the terms of the Single Group Agreement signed on 17 December 2012.

In the context of application of IAS 19 as amended, the cost of past services not posted was allocated to the net position at the start of the financial years on 1 January 2012 and 1 January 2013 (see "accounting principles" paragraph 1.1.2).

The following actuarial assumptions were used:

- discount rate: 3.00% at 31 December 2013 and 2.80% at 31 December 2012:

  The discount rate used at year-end as at 31 December 2013, is defined in relation to the iBoxx € Corporates AA 10+ reference system. This explicitly presents the return from category 1 corporate bonds as at 31 December 2013 ;
- male/female mortality tables:
  - male/female INSEE tables for 2009-2011 as at 31 December 2013,
  - male/female INSEE tables for 2008-2010 as at 31 December 2012;
- inflation rate: 2%;
- retirement age from 2008: 62 for employed categories and employees, technicians and supervisors 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.

The Group does not have an asset management policy to cover its commitments to personnel.

The Group also accounts for long-term commitments in the form of anniversary bonuses.

(in millions of euros)	31/12/2013	31/12/2012
Anniversary bonuses	4.6	4.2
LONG-TERM BENEFITS	**4.6**	**4.2**

28.2. SENSITIVITY OF ACCOUNTING VALUES IN RESPECT OF COMMITMENTS TO PERSONNEL

	Impacts on net book values *(in millions of euros)*		
Change in discount rate	**Retirement benefits**	**Anniversary bonuses**	**Total**
-1.00%	(2.6)	(0.3)	(2.9)
-0.25%	(0.6)	(0.1)	(0.7)
0.25%	0.6	0.1	0.7
1.00%	2.2	0.3	2.5

28.3. PROJECTED FLOWS

(in millions of euros)	Retirement benefits and pensions	Anniversary bonuses	Total
N+1	0.9	0.5	1.4
N+2	0.4	0.5	0.9
N+3	1.0	0.5	1.5
N+4	0.9	0.4	1.3
N+5	1.1	0.5	1.6
Beyond	26.3	5.3	31.6
TOTAL	**30.6**	**7.7**	**38.3**
Discount	(9.5)	(3.1)	(12.6)
Commitments as at 31/12/2013	21.1	4.6	25.7

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

(in millions of euros)	31/12/2013	31/12/2012
Compensation for termination of employment contract, if any	1.5	1.5
TOTAL NOT POSTED	**1.5**	**1.5**

29. Workforce

	Managerial personnel Average workforce		Non-managerial personnel Average workforce		Total employees Average workforce	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Property investment	311	241	121	82	432	323
Development	468	581	301	349	769	930
Services	228	243	147	182	375	425
TOTAL WORKFORCE	**1,007**	**1,065**	**569**	**613**	**1,576**	**1,678**

30. Description of stock option subscription and bonus share plans

Following Silic's merger into Icade, decided by the EGM on 27 December 2013, the 2005, 2006 and 2007 stock options plans granted by Silic were taken over by Icade.

30.1. STOCK OPTION PLANS

The following stock option subscription plans were current at 31 December 2013:

Description of the 2005, 2006, 2007, 2008 and 2011 stock option plans

The characteristics of the stock option plans current at 31 December 2013 and share price movements during fiscal 2011 are presented in the following table:

				2007 plans: completed		2008 plan: completed	2008 plan: completed	2011 plans		
	2005 plan: completed	**2006 plan: completed**	**2007 plan: completed**	**"1-2007" (a)**	**"2-2007" (b)**	**"1-2008" (a)**	**"1.2-2008" (a)**	**"1-2011" (a)**	**Total for plans**	**Average exercise price per share** *(in euros)*
Allocation date	11/05/2005	10/05/2006	10/05/2007	08/01/2007	08/01/2007	03/01/2008	24/07/2008	03/03/2011		
Date of amendment of performance conditions not related to the market	-	-	-	-	-	-	-			
Acquisition period	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs		
Lifespan of plans	9 yrs	9 yrs	9 yrs	6 yrs	6 yrs	6 yrs	7 yrs	8 yrs		
Number of options granted [2]	**22,425**	**65,410**	**71,000**	**456,000**	**188,000**	**54,500**	**145,000**	**147,500**	**1,149,835**	
Exercise price ***(in euros)*** [1]	**70.03**	**87.00**	**126.98**	**47.31**	**47.31**	**103.01**	**66.61**	**80.86**		
Number of options as at 1 January 2013	**22,425**	**65,410**	**71,000**	**344,034**	**134,974**	**42,659**	**110,800**	**145,000**	**936,302**	**84.78**
Number of options assigned during the period	-	-	-	-	-	-	-	-	-	
Adjustments	-	-	-	-	-	-	-	-	-	-
Number of options exercised during the period	2,509	-	-	-	-	-	6,800	-	9,309	
Number of options cancelled during the period	-	-	-	-	-	-	-	3,000	3,000	80.86
Number of options cancelled (Plan expired)	-	-	-	344,034	134,974	-	-	-	479,008	94.62
Number of options in circulation at 31 December 2013	**19,916**	**65,410**	**71,000**	**-**	**-**	**42,659**	**104,000**	**142,00**	**444,985**	**80.37**
Of which assigned to related parties	-	*8,013*	*22,500*	-	-	*42,659*	*60,800*	*85,000*	*218,972*	
Of which may be exercised at the end of the period	-	-	-	-	-	*42,659*	*104.000*	-	*146.659*	
Fulfilment of performance conditions										
performance conditions related to the market				acquired: 22,5%	NA	acquired: 15%	0.0%	0.0%		
performance conditions not related to the market				acquired: 30,0%	NA	acquired: 22,5%	NA	0.0%		
Parity [1]	**1 option=1.25 share**			**1 option = 0.5 share**		**1 option=1 share**				
Potential number of shares	**24,895**	**81,763**	**88,750**	**-**	**-**	**42,659**	**104,000**	**142,000**	**484,067**	
Exercise price per share ***(in euros)***	**56.02**	**69.60**	**101.58**	**94.62**	**94.62**	**103.01**	**66.61**	**80.86**		**84.78**
Average share price on the date of exercising options ***(in euros)***										**73.11**

(1) Consecutive adjustments to capital increases and to distributions of issue premiums subsequent to the granting of stock options, following the distribution of part of the 2007 dividends by drawing on reserves (Board of Directors meeting on 16 April 2008).
(2) The 2005 to 2007 plans correspond to those granted by the Silic group's corporate governance; the number of options granted is correct as of the date of Silic's entry into the Icade Group, on 22 July 2013
(a) Stock-option plans with performance conditions related and not related to the market.
1-2007 and 1-2008 plans: the performance condition is based on the achievement of an annual NPGS rate and the development of the price of Icade shares compared with a reference price.
1-2-2008 plan: the performance condition is based on the development of the price of Icade shares compared with the development of the IEIF index.
1-2011 plan: the performance condition is based on the achievement of the rate of the net annual cash flow and the development of the price of Icade shares compared with the development of the IEIF index.
(b) Stock-option plans without performance conditions.

At 31 December 2011, 149,659 share subscription options representing 146,659 shares were exercisable for the "1-2008" and "1.2-2008" plans.

Valuation methodology: fair value of stock option subscription plans

	2005 plan: completed	2006 plan: completed	2007 plan: completed	2007 plans: completed		2008 plans: completed		Plan 2011
	11/05/2005	10/05/2006	10/05/2007	"1-2007"	"2-2007"	"1-2008"	"1.2-2008"	"1-2011"
				Plan 1	Plan 2	Plan 1	Plan 2	Plan 1
Average weighted fair value of the option	€13.24	€20.17	€32.32	€12.81	€12.81	€35.75	€13.92	€19.00 €
Probability of service	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	98.07%
Risk-free interest rate	3.27%	3.98%	4.24%	3.95%	3.95%	4.00%	4.75%	3.38%
Expected volatility	20.01%	23.22%	25.74%	20%	20%	40%	32%	33%
Expected dividend rate	4.68%	4.93%	5.00%	1.32%	1.32%	3.19%	4.73%	4.00%
Price of underlying stock	€77.95	€92.70	€129.00	€49.61	€49.61	€105.00	€71.90	€82.43
Exercise price	€70.03	€87.00	€126.98	€47.31	€47.31	€103.01	€66.61	€80.86
MODEL USED	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**

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30.2. BONUS SHARE PLANS

The "1-2012" and "2-2012" bonus share allocation plans allow for the allocation of 15 bonus shares per employee or director.

The "2-2012" bonus share allocation plan, dedicated to members of the executive committee and members of the coordination committee, includes 100% of free shares conditional on the achievement of a non-market-related performance condition.

Following Silic's entry into the consolidation scope and the subsequent merger, the bonus share plans granted in 2012 and 2013 were taken over by Icade and converted according to the parity defined in the merger agreement.

The following table shows the characteristics of the bonus share plans current on 31 December 2013:

Original characteristics of the plans						Number of shares remaining to be acquired as at 22/07/2013 converted into Icade shares		Adjusted number of shares as at 1 January 2010			Number of shares as at 1 January 2013			Movements over the period		Number of shares as at 31 December 2013		
Plans	Allocation date	Acquisition period	Lifespan of plans	Number of shares originally allocated to the plan	Number of shares remaining to be acquired as at 22/07/2013		Adjustment parity (3)	of which number of shares acquired	of which number of shares allocated	Exchange parity (2)	of which number of shares acquired	of which number of shares allocated	of which conditional (3)	shares in circulation	cancelled shares	of which number of shares allocated	of which number of shares acquired	of which conditional (3)
	19/01/2009	2 yrs	4 yrs	78,876			1.53	-	113,011	5/39	14,489		6,139	-	-	-	14,489	-
2009 (1)	01/07/2009	2 yrs	4 yrs	37,500			1.13	-	42,219	5/39	5,412		5,412	-	-	-	5,412	5,412
	29/09/2009	2 yrs	4 yrs	46,500			1.13	-	52,351	5/39	6,713		-	-	-	-	6,713	-
2011	03/03/2011	2 yrs	4 yrs	17,660				-	-		10	14,980	-	14,850	120	-	14,860	-
1-2012	02/03/2012	2 yrs	4 yrs	26,190			-	-	-	-	-	24,885	-	30	930	23,640	30	-
2-2012 (4)	02/03/2012	2 yrs	4 yrs	28,290			-	-	-	-	-	28,106	14,053	-	1,984	25,638		12,819
2012 (5)	12/03/2012	2 yrs	4 yrs	12,000	11,947	14,969				4/5					2,226	12,743		
2013 (5)	22/03/2013	2 yrs	4 yrs	12,000	12,000	15,032				4/5			4,563		2,030	13,002		4,563
TOTAL								**-**	**207,581**		**26,624**	**67,971**	**30,167**	**14,880**	**7,290**	**75,023**	**41,504**	**22.794**

(1) Plans originally issued by Compagnie La Lucette.
Consecutive adjustments to capital increases and to distributions of issue premiums subsequent to the granting of bonus shares.

(2) After merger of Compagnie la Lucette by Icade decided at the general meeting of 29 October 2010 applying the exchange parity used, i.e. 39 CLL shares for 5 Icade shares.
After merger of Silic by Icade decided at the general meeting of 27 December 2013 applying the exchange parity used, i.e. 4 Silic SOCOMIE shares for 5 Icade shares.
This situation does not include 2014's fractional shares.

(3) The Board of Directors of Compagnie La Lucette of 7 September 2010 decided to transfer the bonus Icade shares assigned to certain beneficiaries the performance conditions of the original plan, related to the market as a function of the "Total Shareholder Return" (TSR) index.

(4) The Bonus Share Plan 2-1012 is discretionary: at the end of each financial year, fifty per cent (50%) of the allocation may be acquired subject to the defined performance conditions relating to net current cash flow.

(5) Plans originally issued by Silic: for the 2013 plan, the performance conditions linked to changes in 'EBO defined by Silic's Board of Directors meeting on 15/11/2013.

30.3. IMPACT OF SHARE SUBSCRIPTION PLANS ON PROFIT/LOSS FOR THE FINANCIAL YEAR

Bearing in mind the vesting conditions for length of service in the Group, the impact of the stock option plans and bonus share plans corresponds to a liability of €2.2 million for 2013 compared with a liability of €2.5 million for 2012. This charge includes €0.9 million in respect of related parties in 2013 compared with €0.5 million in 2012.

31. Off-balance-sheet commitments

(in millions of euros)	31/12/2013	31/12/2012
Commitments received		
Endorsements and sureties, guarantees received	1,308.1	1,175.2
Unused credit facilities	1,261.6	929.5
Liabilities guaranteed	1.2	1.4
Other commitments received	19.2	28.6
TOTAL ASSET COMMITMENTS	**2,590.1**	**2,134.7**
Commitments given		
Pledged securities	-	-
Endorsement and sureties, guarantees given	109.4	324.2
Commitments on property reservations	379.3	391.1
Liability guarantees granted	23.8	39.3
Other commitments given	314.5	233.0
TOTAL LIABILITY COMMITMENTS	**827.0**	**987.6**

Other commitments given relate mainly to work to be completed.

Off-balance sheet commitments related to financing are described in notes 22 and 25 to the financial statements dealing with financial debt and financial risk management respectively.

Reciprocal off balance sheet commitments relating to purchases of land and property reserves amounted to €177.7 million at 31 December 2013 compared with €241.4 million at 31 December 2012.

OFF-BALANCE-SHEET COMMITMENTS BY MATURITY

(in millions of euros)	31/12/2013	Less than one year	One to five years	More than five years
Commitments received	2,590.1	155.5	1,863.9	570.7
Commitments given	827.0	548.3	227.5	51.2

(in millions of euros)	31/12/2012	Less than one year	One to five years	More than five years
Commitments received	2,134.7	211.6	1,391.9	531.2
Commitments given	987.6	645.0	293.2	49.4

32. Related parties

32.1. REMUNERATION OF EXECUTIVES

(in millions of euros)	31/12/2013	31/12/2012
Short term benefits (salaries, bonuses, etc.) (1)	3.9	4.5
Post-employment benefits (1)	-	-
Long-term benefits (1)	-	-
Share-based payments	0.9	0.5
BENEFITS POSTED	**4.8**	**5.0**
Compensation for termination of employment contract	3.1	3.6
TOTAL NOT POSTED	**3.1**	**3.6**
TOTAL	**7.9**	**8.6**

(1) Figures include employer's charges.

The executives were the persons during or at fiscal year-end, were directors or members of the executive committee of Icade SA.

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

32.2. RELATIONS WITH RELATED PARTIES

	31/12/2013			31/12/2012		
(in millions of euros)	Parent company	Others	Total	Parent company	Others	Total
Holding of shares in intra-group company	-	60.0	60.0	-	60.0	60.0
Related receivables	1.1	7.3	8.4	-	366.2	366.2
Assets held for sale	-	-	-	-	-	-
Related payables	1.0	0.9	1.9	9.0	330.8	339.8
Guarantees given	-	-	-	-	-	-
Guarantees received	-	-	-	-	-	-
Other commitments received	-	-	-	-	-	-

Transactions with related parties are executed under normal market conditions.

The main transactions in the income statement relate to:

- property transactions for an overall price of €19.2 million, carried out by the property development business;
- provision of services for a total value of €9.3 million;
- remuneration of the financing granted by Icade to Silic between 1 January and 21 July 2013. The amount of interest stands at €5.1 million.

33. Post-closing events

None.

34. Interests in joint ventures

	31/12/2013				
(in millions of euros)	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity
Property investment companies	110.9	26.2	1.8	127.2	8.1
Property development companies	-	142.2	4.4	115.1	22.7
Other companies	-	-	-	-	-

	31/12/2012				
(in millions of euros)	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Equity
Property investment companies	173.7	31.4	3.0	202.4	(0.3)
Property development companies	-	223.9	4.2	224.8	(24.1)
Other companies	-	-	-	-	-

	31/12/2013		31/12/2012	
(in millions of euros)	Income	Expenses	Income	Expenses
Property investment companies	31.0	(29.0)	30.9	(31.1)
Property development companies	131.7	(114.1)	136.6	(146.2)
Other companies	-	-	-	-

34.1. COMMITMENTS IN THE CAPITAL OF JOINT VENTURES

	31/12/2013			31/12/2012		
(in millions of euros)	Average percentage interest	Share capital	Icade's capital commitment	Average percentage interest	Share capital	Icade's capital commitment
Property investment companies	42.20%	195.3	82.4	44.80%	293.1	131.3
Property development companies	46.94%	0.3	0.1	32.95%	1.7	0.6
Other companies	-	-	-	-	-	-

The change in Icade's commitment in the capital of joint ventures is mainly due to the sale of Odysseum for property investment companies and Paris Nord Est for property development companies.

34.2. POSSIBLE LIABILITIES RELATING TO JOINT VENTURES

(in millions of euros)	31/12/2013			31/12/2012		
	Potential liabilities incurred by Icade in relation to its interests in joint ventures	Icade's share of joint-ventures' potential liabilities	Potential liabilities linked to Icade's interest in the liabilities of other joint-ventures	Potential liabilities incurred by Icade in relation to its interests in joint ventures	Icade's share of joint-ventures' potential liabilities	Potential liabilities linked to Icade's interest in the liabilities of other joint-ventures
Property investment companies	-	-	142.6	-	-	220.8
Property development companies	-	-	147.5	-	-	289.0
Other companies	-	-	-	-	-	-

35. Equity-accounted securities

(in millions of euros)	31/12/2013		
	Gross	Impairments	Net
Share in net assets of equity-accounted companies at 31/12/2012	**-**	**-**	**-**
Share in net income of the financial year	2.1	-	2.1
Dividends paid	(1.3)	-	(1.3)
Impact of changes in consolidation scope	-	-	-
Other movements	-	-	-
Share in net assets of equity-accounted companies at 31/12/2013	**0.8**	**-**	**0.8**

(in millions of euros)	31/12/2012		
	Gross	Impairments	Net
Share in net assets of equity-accounted companies at 31/12/2011	**1.3**	**-**	**1.3**
Share in net income of the financial year	(0.7)	-	(0.7)
Dividends paid	(0.6)	-	(0.6)
Impact of changes in consolidation scope	-	-	-
Other movements	-	-	-
Share in net assets of equity-accounted companies at 31/12/2012	**-**	**-**	**-**

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36. Consolidation scope

Financial year		2013			2012
Company name	Legal form	% direct ownership	% Interest 2013	Consolidation method	% Interest 2012
Icade	SA	100.00	100.00	IG	100.00
Icade FINANCES	SAS		Merged	IG	100.00
SARL EPP PERIPARC	SARL	100.00	100.00	IG	0.00
SAS HAVANE	SAS	100.00	100.00	IG	0.00
SOCOMIE	SAS	100.00	100.00	IG	0.00
PROPERTY INVESTMENT					
BUSINESS PARKS					
BATI GAUTIER	SCI	100.00	100.00	IG	100.00
BASSIN NORD	SCI	50.00	50.00	IP	50.00
CFI	SAS		Merged	IG	100.00
PARC DU MILLENAIRE	SCI	100.00	100.00	IG	100.00
68 VICTOR HUGO	SCI	100.00	100.00	IG	100.00
PDM 1	SCI	100.00	100.00	IG	100.00
PDM 2	SCI	100.00	100.00	IG	100.00
SEVERINE	SCI	60.00	60.00	IG	60.00
Icade CBI	SNC		Merged	IG	100.00
SA Silic	SA	Acquired	and merged	IG	0.00
SCI SEPAC	SCI	100.00	100.00	IG	0.00
SAS FONCIERE NANTEUIL	SAS	100.00	100.00	IG	0.00
SARL DU NAUTILE	SARL	100.00	100.00	IG	0.00
SCI JCB2	SCI	100.00	100.00	IG	0.00
OFFICES – FRANCE					
Icade LEO LAGRANGE (Formerly VILLEJUIF)	SCI	100.00	100.00	IG	100.00
MESSINE PARTICIPATIONS	SCI	100.00	100.00	IG	100.00
69 BLD HAUSSMANN	SCI	100.00	100.00	IG	100.00
MORIZET	SCI	100.00	100.00	IG	100.00
CAMILLE DESMOULINS	SCI	100.00	100.00	IG	100.00
1 TERRASSE BELLINI	SCI	33.33	33.33	IP	33.33
Icade RUE DES MARTINETS	SCI	100.00	100.00	IG	100.00
Icade TOUR EQHO	SAS	100.00	100.00	IG	100.00
LES TOVETS	SCI	100.00	100.00	IG	100.00
POLICE DE MEAUX (PCM)	SCI	100.00	100.00	IG	100.00
SCI BATIMENT SUD DU CENTRE HOSPITALIER PONTOISE	SCI	100.00	100.00	IG	100.00
SCI BSM DU CHU DE NANCY	SCI	100.00	100.00	IG	100.00
LE TOLBIAC	SCI	100.00	100.00	IG	100.00
CHAMBOLLE	SCI		Merged	IG	100.00
MOREY	SCI		Merged	IG	100.00
MONDOTTE	SCI	100.00	100.00	IG	100.00
MISTRAL	SNC		Merged	IG	100.00
NANTERRE ETOILE PARK	SCI	100.00	100.00	IG	100.00
GASCOGNE	SCI	100.00	100.00	IG	100.00
EVRY MOZART	SCI	100.00	100.00	IG	100.00
EVRY EUROPEEN	SCI	100.00	100.00	IG	100.00
29 RUE DES FONTANOTS	SAS	100.00	100.00	IG	0.00
SHOPS					
ODYSSEUM	SAS		Disposal	IP	50.00
Icade BRICOLAGE	SAS	100.00	100.00	IG	100.00
Icade BRICOLAGE CBI	SNC	100.00	100.00	IG	100.00
HEALTHCARE					
Icade SANTE	SAS	56.51	56.51	IG	62.79
SAINT LAZARE	SCI		Merged	IG	62.79

Financial year		2013			2012
Company name	**Legal form**	**% direct ownership**	**% Interest 2013**	**Consolidation method**	**% Interest 2012**
ESPACE SANTE DU PETUREAU	SCI		Merged	IG	62.79
POLE SANTE SUD – CMTR	SCI		Merged	IG	62.79
HOUSING					
Icade COMMERCES	SAS		Merged	IG	100.00
PAYS DE LOIRE	SCI	100.00	100.00	IG	100.00
SARCELLES	SCI		Merged	IG	100.00
SARVILEP	SAS	100.00	99.99	IG	99.99
WAREHOUSES					
SCI ZEUGMA	SCI		Liquidation	IG	100.00
SCI MARIGNANE LA PALUN	SCI		Merged	IG	100.00
SCI 21 (TRANSALLIANCE)	SCI		Merged	IG	100.00
OFFICES IN GERMANY					
Icade REIM GERMANY GMBH	GMBH	100.00	100.00	IG	100.00
KABALO Grundstücks-Verw altungsgesellschaft & Co KG	KG	100.00	100.00	IG	100.00
Icade REIT	BV	100.00	100.00	IG	100.00
Icade REIM HOHENZOLLERNDAMM GMBH	GMB		Disposal	IG	100,00
Icade REIM FRIESENSTRASSE HAUS 4 GMBH	GMBH	100.00	100.00	IG	100.00
Icade REIM DACHAUER STRASSE GMBH	GMBH	100.00	100.00	IG	100.00
Icade REIM GOLDSTEINSTRASSE GMBH	GMBH	100.00	100.00	IG	100.00
Icade REIM TURLENSTRASSE GMBH	GMBH		Disposal	IG	100.00
Icade REIM RHINSTRASSE GMBH	GMBH		Merged	IG	100.00
Icade REIM SALZUFERSTRASSE GMBH	GMBH	100.00	100.00	IG	100.00
Icade REIM ARNULFSTRASSE MK 9 GMBH	GMBH	100.00	100.00	IG	100.00
Icade REIM MERCEDESSTRASSE GMBH	GMBH	100.00	100.00	IG	100.00
Icade REIM INDUSTRIESTRASSE (PRO 1) GMBH	GMBH		Merged	IG	100.00
Icade REIM INDUSTRIESTRASSE (PRO 3) GMBH	GMBH		Merged	IG	100.00
KABALO Grundstücks-Verwaltungsgesellschaft GMBH	GMBH	94.90	100.00	IG	100.00
SERVICES – SPAIN					
IMMOBILIARIA de la CDC ESPANA	SA	100.00	100.00	IG	100.00
DEVELOPMENT					
GROUPE ICADE PROMOTION LOGEMENT					
Breakdown by consolidation method					
As at 31/12/2013: 115 companies (2012: 123 companies)				IG	
As at 31/12/2013: 77 companies (2012: 77 companies)				IP	
As at 31/12/2013: 19 companies (2012: 19 companies)				MEE	
ICADE PROMOTION					
Icade PROMOTION	SASU		Merged	IG	100.00
PARIS BERTHELOT	SCI	50.00	50.00	IP	50.00
ODYSSEUM 2	SCI		Disposal	IG	77.00
PB 31 PROMOTION	SNC		Liquidation	IP	50.00
NERUDA FONTANOTS	SCI		Liquidation	IG	100.00
Icade G3A PROMOTION	SNC	100.00	100.00	IG	100.00
LES BUREAUX DE L'ILE DE NANTES	SNC		Merged	IG	100.00
AMENAGEMENT CROIX DE BERNY	SARL		Liquidation	IG	62.70
PARIS NORD EST	SAS		Disposal	IP	30.00
IcadeLEO	SNC	66.67	66.67	IG	66.67
SORIF Icade LES PORTES D'ESPAGNE	SNC	50.00	50.00	IP	50.00
Icade DOCKS DE PARIS	SNC	100.00	100.00	IG	100.00
VILLEJUIF GUIPONS	SCI		Liquidation	IG	100.00
PORTE DE CLICHY	SCI	50.00	50.00	IP	50.00
TOULOUSE CANCEROPOLE	SAS	50.00	50.00	IP	50.00
MONTROUGE CAP SUD	SCI	50.00	50.00	IP	50.00
SCCV SAINT DENIS LANDY 3	SCCV	50.00	50.00	IP	50.00
SAMIcade	SNC	50.00	50.00	IP	50.00
DU PLESSIS BOTANIQUE	SNC	100.00	100.00	IG	100.00

Financial year		2013			2012
Company name	Legal form	% direct ownership	% Interest 2013	Consolidation method	% Interest 2012
GERLAND 1	SNC	50.00	50.00	IP	50.00
GERLAND 2	SNC	50.00	50.00	IP	50.00
CITE SANITAIRE NAZARIENNE	SNC	60.00	60.00	IP	60.00
SNC DU CANAL SAINT LOUIS	SNC	100.00	100.00	IG	100.00
CAP EST LOISIR	SCI	50.00	50.00	IP	50.00
ICAPROM	SNC	45.00	45.00	IP	45.00
SCCV LE PERREUX CANAL	SCCV	72.50	72.50	IG	72.50
ARKADEA	SAS	50.00	50.00	IP	50.00
SAMIcade GUADELOUPE	SNC	50.00	40.00	IP	40.00
CRHYSALIS DEVELOPPEMENT	SAS	35.00	35.00	IP	35.00
MACDONALD BUREAUX	SCCV	50.00	50.00	IP	50.00
MACDONALD COMMERCES	SCI		Disposal	IG	99.99
SCI DU 15 AVENUE DU CENTRE	SCI	50.00	50.00	IP	50.00
SAS CORNE OUEST VALORISATION	SAS	25.00	25.00	MEE	25.00
SAS CORNE OUEST PROMOTION	SAS	25.00	25.00	MEE	25.00
SAS Icade FF SANTE	SAS	65.00	65.00	IG	65.00
SCI BOURDON CORNEILLE	SAS	99.99	99.99	IG	99.99
SCI SEINE CONFLUENCES	SNC	50.00	50.00	IP	0.00
SCCV IVRY SEINE	SCCV	60.00	30.00	IP	0.00
SCI ARKADEA FORT DE France	SCI	51.00	51.00	IG	0.00
SCCV SKY 56	SCCV	50.00	50.00	IP	0.00
SCCV OCEAN COMMERCES	SCCV	100.00	100.00	IG	0.00
ICADE ARCOBA					
Icade ARCOBA	SAS		Disposal	IG	100.00
Icade GESTEC RS	SAS		Disposal	IG	100.00
ICADE SETHRI SETAE					
Icade SETHRI – SETAE	SAS		Disposal	IG	100.00
SERVICES					
ICADE PROPERTY MANAGEMENT					
Icade PROPERTY MANAGEMENT (Formerly IGT)	SASU	100.00	100.00	IG	100.00
CONSULTANCY & SOLUTIONS					
Icade SURETIS	SAS		Disposal	IG	100.00
I-PORTA	SAS	100.00	100.00	IG	100.00
Icade TRANSACTIONS	SASU	100.00	100.00	IG	100.00
Icade CONSEIL	SAS	100.00	100.00	IG	100.00
Icade EXPERTISE	SAS	100.00	100.00	IG	100.00
Icade ASSET MANAGEMENT	SA	100.00	100.00	IG	100.00

37. Statutory auditors' fees

	Mazars				PricewaterhouseCoopers Audit				KPMG			
	Amount excluding tax *(in millions of euros)*		%		Amount excluding tax *(in millions of euros)*		%		Amount excluding tax *(in millions of euros)*		%	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Audit												
Auditing, certification, examination of individual and consolidated accounts												
Issuer	0.5	0.5	35.4	33.3	0.5	0.5	41.7	55.6	-	-	-	-
Fully consolidated subsidiaries	0.7	0.9	49.6	60.0	0.5	0.4	41.7	44.4	0.1	0.1	93.8	50.0
Other duties and services directly related to the Statutory Auditors' work												
Issuer	0.2	0.1	14.2	6.7	0.2	-	16.7	-	-	0.1	-	50.0
Fully consolidated subsidiaries	0.0	-	0.9	-	-	-	-	-	0.0	-	6.2	-
SUBTOTAL	**1.4**	**1.5**	**100.0**	**100.0**	**1.2**	**0.9**	**100.0**	**100.0**	**0.1**	**0.2**	**100.0**	**100.0**
Other services provided by the networks to fully integrated subsidiaries												
SUBTOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**1.4**	**1.5**	**100.0**	**100.0**	**1.2**	**0.9**	**100.0**	**100.0**	**0.1**	**0.2**	**100.0**	**100.0**

38. List of standards and interpretations not applied early

	Date of adoption by the European Union	Date of mandatory adoption (1)
IFRS 10: Consolidated financial statements	11 December 2012	1 January 2014
IFRS 11: Joint Arrangements	11 December 2012	1 January 2014
IFRS 12: Disclosure of interests in other entities	11 December 2012	1 January 2014
Amendments to IAS 27: Separate financial statements	11 December 2012	1 January 2014
Amendments to IAS 28: Investments in associated companies and joint ventures	11 December 2012	1 January 2014
Amendments to IAS 32: Financial instruments: presentation – offsetting of financial assets and liabilities	13 December 2012	1 January 2014

(1) *Financial years starting on:*

- IFRS 10 "Consolidated Financial Statements" defines the concept of control. An investor controls an entity when it is exposed or entitled to variable returns as a result of its involvement in the entity, or has the ability to influence these returns as a result of its power over the entity.

  This standard applies retroactively from 1 January 2014, in accordance with application of standard IAS 8.

  The Group does not anticipate any change to its scope with regard to the new definition of control set out in IFRS 10.

- IFRS 11 "Joint Arrangements" defines the concept of joint control, drawing a distinction between two types of partnership (joint venture and joint business). It removes the option of applying the proportional consolidation method for joint ventures, which must now be consolidated using the equity method.

  This standard applies from 1 January 2014, with retroactive effect from 1 January 2013.

  In the absence of a market position on application of this standard to property development companies, it has been decided not to present any figures in this document.

- IFRS 12 "Disclosure of interests in other entities". This standard defines all the information to be provided in the appendix in relation to subsidiaries, partnerships, associated companies and non-consolidated structured entities. The aim of this standard is to enable users of financial statements to assess, firstly, the nature of interests held in other entities and their associated risks and, secondly, the impact of these interests on the entity's financial situation, financial performance and cash flows.

  This standard applies from 1 January 2014, with retroactive effect from 1 January 2013.

The Group considers that application of the amendments and modifications to IAS 27, IAS 28 and IAS 32 at 1 January 2014 is not likely to have a significant impact on the accounting methods applied or presentation of the consolidated financial statements.

Statutory Auditors' report on the consolidated financial statements

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report also includes information relating to the specific verification of information presented in the Group's management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' annual general meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of Icade's consolidated financial statements accompanying this report;
- the justification of our assessments;
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures using sampling techniques or others methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2012 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion expressed above, we draw your attention on the part of the note 21 to the financial statements that presents the accounting treatment relating to the tax audit that your company has supported regarding the fiscal year 2007.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- Notes 1.9 and 1.11 to the consolidated financial statements describe the accounting rules and methods for the valuation of investment property using the cost model and the procedures relating to impairment testing of these assets. The investments properties are subject to valuation procedures by independent appraisals in accordance with procedures described in notes 9.2 and 9.3 to the consolidated financial statements. We verified the appropriateness of accounting policies referred here above as well as the information provided in the notes thereto, and we ensured their correct application. We examined the assumptions, data and methods on which these estimates are based and we have ensured that the level of depreciation used by the management of the company was sufficient regarding these external values.
- Notes 1.16 and 1.17 to the consolidated financial statements describe the accounting rules and methods relating to the recognition, by using the percentage-of-completion method, applied to the property development business and off-plan sales agreements. As indicated in these notes, the assessment of turnover and results of these construction activities depends on final estimates made by the management of the company. Our work consisted in reviewing the assumptions on which these estimates are based, to verify the calculations made by your company and appreciate the resulting valuations.
- As indicated in the note 1.24 to the consolidated financial statements, the company is using derivative financial instruments recorded at fair value. In determining the fair value, the company uses valuation techniques based on market parameters. We have examined the data and assumptions on which these estimates are based and verified the calculations made by the company.
- Note 2.1 on the main operations related to the scope of consolidation during the year 2013 sets the accounting treatment adopted for the entry into the consolidation perimeter of Silic and its subsidiaries. We checked the appropriateness of the accounting treatment of this business combination, as well as the data and assumptions underlying the value of assets and liabilities held for the first consolidation and the information provided in note 2.1.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Courbevoie and Neuilly-sur-Seine, February 19, 2014

The Statutory Auditors (French original signed by:)

Mazars		Pricewaterhousecoopers Audit
Gilles Rainaut	Jérôme de Pastors	Jean-Baptiste Deschryver

CHAPTER 4

ICADE INDIVIDUAL ANNUAL ACCOUNTS AND SILIC FINAL ACCOUNTS

ICADE - INDIVIDUAL ANNUAL ACCOUNTS

1. Financial statements

1.1. BALANCE SHEET

Assets *(in thousands of euros)*	Gross Value	Amortisation and depreciation	Net value 31/12/2013	Net value 31/12/2012
Subscribed capital not called (I)	**-**	**-**	**-**	**-**
CAPITAL ASSETS				
Intangible assets				
Research and development expenses	-	-	-	-
Concessions, patents and similar rights	17,746	16,885	861	1,256
Goodwill	1,258,272	1,768	1,256,504	4,844
Other intangible assets	997	-	997	316
Advances and payments on account on intangible assets	-	-	-	-
TOTAL INTANGIBLE ASSETS	**1,277,015**	**18,653**	**1,258,362**	**6,416**
Tangible assets				
Land	1,024,133	122,554	901,579	655,187
Constructions	2,959,220	982,883	1,976,337	817,037
Other property, plant and equipment	11,699	9,410	2,289	2,709
Assets under construction	181,542	-	181,542	38,365
Advances and payments on account on tangible assets	209	-	209	77
TOTAL TANGIBLE ASSETS	**4,176,803**	**1,114,847**	**3,061,956**	**1,513,375**
Financial assets				
Participating interests	1,956,481	327,020	1,629,461	1,976,556
Receivables related to equity interests	482,830	-	482,830	969,225
Other fixed investments	-	-	-	-
Loans	291	-	291	291
Other long-term investments	21,225	6,093	15,132	16,488
Advances and payments on account on long-term investments	-	-	-	-
TOTAL LONG-TERM INVESTMENTS	**2,460,827**	**333,113**	**2,127,714**	**2,962,560**
TOTAL CAPITAL ASSETS (II)	**7,914,645**	**1,466,613**	**6,448,032**	**4,482,351**
CURRENT ASSETS				
Inventory				
Raw materials, supply	-	-	-	-
Land and property reserves	1,936	286	1,650	1,805
Advances and payments on account on orders	13,307	-	13,307	9,112
Accounts receivable				
Trade debtors and related accounts	64,632	6,532	58,100	26,800
Other receivables	43,323	18,730	24,593	12,865
Group and associates	1,263,599	-	1,263,599	1,273,738
Subscribed capital not called, not paid	-	-	-	-
Miscellaneous				
Investment securities (of which own shares)	201,663	171	201,492	141,407
Derivatives	155,602	-	155,602	28,113
Cash assets	175,960	-	175,960	77,189
Accruals and charges				
Prepayments	728	-	728	942
TOTAL CURRENT ASSETS (III)	**1,920,750**	**25,719**	**1,895,031**	**1,571,971**
Charges to be spread over several years (IV)	18,133	-	18,133	12,096
Bond redemption premiums (V)	5,163	-	5,163	-
TOTAL ASSETS (I TO V)	**9,858,691**	**1,492,332**	**8,366,359**	**6,066,418**

Liabilities *(in thousands of euros)*	**31/12/2013**	**31/12/2012**
Total equity		
Share capital	112,669	79,264
Premiums from issue, merger, contribution, etc.	2,679,346	1,303,852
Revaluation differences	185,729	185,729
Legal reserve	7,926	7,925
Statutory or contractual reserves	-	-
Regulated reserves	-	-
Other reserves	-	-
Balance brought forward	1,099,964	1,233,075
Including interim dividends	-	-
PROFIT/LOSS FOR YEAR	**(31,184)**	**61,199**
TOTAL	**4,054,451**	**2,871,044**
Investment grants	6,901	462
Regulated provisions	758	3
TOTAL EQUITY (I)	**4,062,110**	**2,871,509**
OTHER SHAREHOLDER'S EQUITY		
Bond borrowings repayable in shares	-	-
Conditional advances	-	-
TOTAL OTHER SHAREHOLDER'S EQUITY (II)	**-**	**-**
PROVISIONS FOR RISKS AND CHARGES		
Provisions for risks	7,706	5,533
Provisions for charges	9,483	6,488
TOTAL PROVISIONS FOR RISKS AND CHARGES (III)	**17,189**	**12,021**
DEBTS		
Financial debts		
Other bonded loans	925,578	-
Loans and debts with credit institutions	2,979,566	2,669,256
Miscellaneous financial borrowing and debts	145,331	121,688
Group and associates	71,764	278,461
Operating debts		
Advances and part-payments received for orders in progress	9,408	1,481
Trade payables	28,654	18,613
Tax and social debts	30,664	23,225
Debts on capital assets and related accounts	40,943	17,112
Other debts	10,287	6,902
Miscellaneous		
Derivatives	7,832	9,672
Accruals and charges		
Deferred income	37,034	36,478
TOTAL DEBTS (IV)	**4,287,061**	**3,182,888**
TOTAL LIABILITIES (I TO IV)	**8,366,359**	**6,066,418**

1.2. INCOME STATEMENT

(in thousands of euros)	31/12/2013	31/12/2012
Operating income		
Revenues	174,909	180,946
Capitalised costs	-	-
Operating subsidies	100	-
Reversals from depreciation and provisions, transfer of charges	35,356	21,769
Other operating income	55,745	50,307
TOTAL OPERATING INCOME	**266,110**	**253,022**
Operating expenses		
Purchases and inventory changes	13,034	10,689
Outside services	61,205	65,923
Tax, duty and similar payments	29,037	20,193
Wages and salaries	27,424	25,105
Social security costs	12,419	11,329
Allocations for amortisation and impairment	63,735	75,501
Allocations for depreciation on current assets	2,986	3,536
Impairment allocations for risks and charges	5,903	4,268
Other expenses	1,435	4,686
TOTAL OPERATING EXPENSES	**217,178**	**221,230**
OPERATING PROFIT	**48,932**	**31,792**
Joint ventures		
Profit or loss borne	-	-
Financial income		
Financial income from shareholdings	151,136	167,666
Income from other securities and receivables for capital assets	135	-
Other interest receivable and similar income	3,885	6,630
Reversals from provisions, depreciation and transfers of charges	30,580	31,562
Net income from sale of investment securities	430	1,553
TOTAL FINANCIAL INCOME	**186,166**	**207,411**
Financial charges		
Financial allocations to depreciation, impairment and provisions	158,300	109,006
Interest payable and similar expenses	119,207	99,450
Net charges on sale of investment securities	1,034	805
TOTAL FINANCIAL CHARGES	**278,541**	**209,261**
FINANCIAL INCOME	**(92,375)**	**(1,850)**
INCOME FROM CONTINUING OPERATIONS BEFORE TAX	**(43,443)**	**29,942**

INCOME STATEMENT (CONT'D)

(in thousands of euros)	31/12/2013	31/12/2012
Non-recurring income		
Non-recurring income on management transactions	2,338	22
Non-recurring income on capital transactions	251,412	86,913
Reversals from provisions, depreciation and transfers of charges	3,951	4,238
TOTAL NON-RECURRING INCOME	**257,701**	**91,173**
Non-recurring expenses		
Non-recurring expenses on management transactions	(124)	62
Non-recurring expenses on capital transactions	238,742	55,850
Non-recurring allocations to depreciation, impairment and provisions	462	-
TOTAL NON-RECURRING EXPENSES	**239,080**	**55,912**
NON-RECURRING PROFIT/LOSS	**18,621**	**35,261**
Employee profit-sharing schemes	-	-
Tax on profit on ordinary activities	6,361	4,004
TOTAL INCOME	**709,977**	**551,606**
TOTAL EXPENSES	**741,160**	**490,407**
NET INCOME	**(31,184)**	**61,199**

Notes to the financial statements

2. Key events of the financial year

2.1. COMBINATION OF ICADE WITH SILIC

Following the signature of a non-binding protocol agreement between the *Caisse des Depots*, Icade and Groupama on 13 December 2011, Icade and the CDC made Groupama a firm offer on 22 December 2011, which was accepted on 30 December 2011.

The combination between Icade and Silic is structured in four stages:

1. **Stage one:** contribution to a subsidiary of the CDC, HoldCo SIIC, (a) of the shareholding held by the CDC in Icade and (b) of a fraction of the shareholding held by Groupama in Silic.

   On 30 December 2011, the CDC contributed 55.57% of its capital and voting rights in Icade to HoldCo SIIC. At the same time, Groupama offered 6.5% of its capital and voting rights in Silic to HoldCo SIIC.

   Each contribution was made based on an exchange parity of five Icade shares for four Silic shares, 2011 dividend attached for each company. The valuation of HoldCo SIIC was determined by transparency on the basis of this parity.

   On 6 February 2012, CDC and Groupama signed a shareholders' agreement governing their relationship within HoldCo SIIC. This agreement relating to HoldCo SIIC is valid for a term of 20 years and includes the following stipulations:

   - an agreement to not sell the shares in HoldCo SIIC owned by Groupama for 30 months from the date of signature of the shareholders' agreement;
   - a preferential right for CDC at the end of the period prohibiting the sale of the shares;
   - a proportional joint opt-out right for Groupama in the event that the CDC wants to sell all or some of its shares in HoldCo SIIC to a 3rd party other than an affiliate;
   - liquidity for Groupama.

   A summary of the clauses in the shareholders' agreement which fall within the scope of the provisions of Article L. 233-11 of the French Commercial Code was given to Icade and was the subject of a notice published by the AMF on 17 February 2012 under the number 212C0291.

2. **Stage two:** contribution by Groupama of the balance of its shareholding in Silic to HoldCo SIIC.

   After permission was obtained from the Competition Authority on 13 February 2012, the CDC and Groupama, as shareholders of HoldCo SIIC, approved the contribution by Groupama of 37.44% of the capital and voting rights in Silic following a decision on 16 February 2012. The balance of Silic shares owned by Groupama was contributed according to the same parity as the first contributions, i.e. five Icade shares for four Silic shares, 2011 dividend attached for each of the companies.

   As a result of the contributions described above, 75.07% of HoldCo SIIC's capital is owned by CDC and 24.93% is owned by Groupama. In addition, HoldCo SIIC holds (i) 55.57% of the capital and voting rights in Icade and (ii) in conjunction with CDC and Icade, 43.94% of the undiluted capital and voting rights in Silic.

3. **Stage three:** filing by Icade of a mandatory public offer for Silic.

   After HoldCo SIIC, acting in concert with CDC and Icade, crossed the 30% threshold, Icade filed a mandatory offer for Silic on 13 March 2012.

   The offer included a public exchange offer for Silic shares as well as a public offer to purchase bonds redeemable in cash and/or new shares and/or existing shares (ORNANEs) issued by Silic.

   The terms of the offer were as follows:

   - for the share exchange: the parity was the same as the parity for the contributions, i.e. five Icade shares issued for four Silic shares contributed (2011 dividend attached or detached in both cases); and
   - for the purchase offer: the nominal value of the ORNANE convertible bonds to which the dividend accrued up to the scheduled date for early payment/delivery of the offer was added, i.e. €126 per ORNANE based on payment/delivery on 14 June 2012. A shift in the payment/delivery of the offer did not affect the price per ORNANE.

   On 24 April 2012, the AMF declared the offer to be in compliance and appended stamp n°12-179 to Icade's information notice and stamp n°12-180 to Silic's response, which are available on the websites of Icade (www.icade.fr), Silic (www.silic.fr) and the AMF (www.amf-france.org).

   The compliance decision and the notice of initiation of the offer were published by the AMF on 24 April 2012 under the number 212C0533 and on 26 April 2012 under the number 212C0547 respectively.

   In proceedings on 3 May and 4 May 2012, SMA Vie BTP and the ADAM brought an application to annul the AMF's compliance decision before the Paris Court of Appeal.

   In its comments filed at the Paris Court of Appeal on 31 May 2012, the AMF agreed "in the interest of the market and as a precautionary measure, to extend the closing date of the public offer, originally set for 1 June 2012, so that the closing date shall be at least eight days after the decision of the court ruling on the annulment of the AMF's decision".

   In a ruling dated 27 June 2013, the Paris Court of Appeal rejected all appeals by ADAM and SMA Vie BTP, thereby confirming the validity and regularity of the public offer for Silic.

   The closing date of the public offer was fixed by the AMF as 12 July 2013 (see AMF notice no. 213C0781 dated 27 June 2013).

   In an opinion dated 19 July 2013 (see AMF notice no. 213C0976), the AMF published the results of the initial public offer for which payment-delivery occurred on 22 July 2013. This involved the issue of 19,295,355 new Icade shares on 19 July 2013 at €69 per share (including issue premium) to pay for the 15,436,284 Silic shares contributed to the initial offer.

   Following the initial public offer, Icade owned 15,436,284 Silic shares, representing 87.98% of the capital and voting rights. Furthermore, 99,520 ORNANEs have been contributed to the public offer.

In a notice dated 19 July 2013 (see AMF notice no. 213C0985), the AMF set the closing date for the re-opened offer as 2 August 2013. The results of the re-opened offer were published by the AMF on 9 August 2013 (see AMF notice no. 213C1217). This involved the issue of 1,161,750 new Icade shares at €67.36 per share (including issue premium) to pay for the 929,400 Silic shares contributed to the re-opened offer, representing 5.30% of Silic's capital and voting rights. Payment-delivery took place on 12 August 2013.

Following the public offer (including the re-opened offer), Icade owned 16,365,684 Silic shares, representing 93.28% of Silic's share capital and voting rights on the date of publication of the results of the re-opened offer, as well as 99,520 ORNANE convertible bonds issued by Silic.

On 23 July 2013, SMA Vie BTP brought an appeal against the ruling by the Paris Court of Appeal dated 27 June 2013.

4. **Stage four:** merger of Silic by Icade:

The merger was 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.

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

The general meeting of Silic's ORNANE-holders on 6 November 2013 approved the planned merger.

In an opinion published on 28 November 2013 (see AMF notice no. 213C1819), the AMF decided that the planned merger of Silic by Icade, subject to its examination pursuant to Article 236-6 of the AMF's General Regulations, did not justify the filing of a public buyout offer for Silic shares prior to completion of the merger.

In proceedings on 6 December 2013, SMA Vie BTP brought an application before the Paris Court of Appeal to annul the AMF's decision. The date of the appeal hearing has been set for 23 October 2014.

On 6 December 2013, SMA Vie BTP asked the Nanterre Commercial Court, in the context of interim proceedings, to adjourn the extraordinary general meeting of Silic shareholders convened to rule on Silic's merger by Icade. In a ruling dated 20 December 2013, the Nanterre Commercial Court rejected this request and no appeal was lodged against its decision.

On 27 December 2013, the extraordinary general meetings of Icade and Silic approved the merger of Silic by Icade.

The main terms of the merger were as follows:

- the parity was the same as the parity for the public exchange offer, i.e. five Icade shares for four Silic shares;
- the merger took effect from a legal, accounting and tax perspective at midnight on 31 December, with transfer of all Silic's assets and liabilities to Icade and the dissolution without liquidation of Silic;
- the merger was carried out based on net book value, Icade and Silic being under joint control;
- in accordance with notice CU CNC no. 2005-C, the terms and conditions of the merger were established based on Silic's estimated corporate accounts on the date of the merger;
- on the merger completion date and in line with the exchange parity, Icade carried out an increase in its share capital for a nominal amount of €2,212,786.34 to raise it from €110,456,512.52 to €112,669,298.86, through the creation of 1,451,687 new shares allocated to Silic shareholders (with the exception of Icade and Silic, their shareholding being treasury stock). In accordance with applicable regulations, there was no exchange of the Silic shares owned by Icade and no exchange of the treasury stock owned by Silic which was automatically cancelled on the merger completion date;
- the new Icade shares were accepted for trading on compartment A of Euronext Paris under ISIN code FR0000035081;
- on the merger completion date, Icade substituted itself for Silic in its obligations to (i) holders of Silic stock options, (ii) recipients of Silic bonus shares to be acquired and (iii) ORNANE-holders. Silic ORNANEs continued to be accepted for trading on Euronext Paris and those owned by Icade were cancelled;
- based on Silic's estimated corporate accounts as at 31 December 2013:
  - the net book value of the net asset transferred by Silic (excluding the net book value of Silic's treasury stock) stood at €166,684,783,
  - the provisional amount of the merger premium was €8,818,371.67,
  - the provisional amount of the merger malus payment was €1,253,981,349.81.

At a meeting on 19 February 2014, Icade's Board of Directors closed Silic's final accounts ending on 31 December 2013. These accounts were audited by Icade's Statutory Auditors as part of checks directly linked to their responsibility for legally auditing Icade's accounts.

Based on Silic's final accounts closed on 31 December 2013, the Board of Directors ruled the net book value of the net asset transferred to be final.

4

Final value of net assets transferred	31/12/2013
Final total amount of assets contributed [(1)]	1,860,344,796.20
Final total amount of liabilities taken on	1,691,524,860.20
Final Net Assets	**168,819,936.00**
Final Net Assets (excluding the net book value of Silic's treasury stock)	**167,248,716.84**

(1) Including treasury stock for €1,571,219.16.

Since final net assets were more than projected net assets, the capital was fully paid up and the final merger premium was revised upwards.

It was consequently recorded that the final amount of the merger premium was €8,855,692.66 before allocation of merger costs and transfer of investment grants and regulated provisions.

After (i) allocation to the merger premium of merger costs of €7,465,050.35 and (ii) partial transfer of Silic's investment grants for €1,390,642.31, the amount of the merger premium is nil. The Board of Directors submitted a proposal to Icade's Annual General Shareholders' Meeting to assign to retained earning the remaining sums required to transfer (i) the outstanding portion of Silic's investment grants (ii) regulatory provisions appearing on Silic's balance sheet, i.e. €5,833,310.15.

Icade's Board of Directors also recorded the final amount of the merger malus payment as €1,253,454,737.16.

This malus is a technical malus posted as an intangible asset (see paragraph 4.1).

The merger was carried out with deferred effect to 31 December 2013 and has no impact on Icade's profit for 2013.

Presentation of the effects of the merger with Silic on Icade's accounts

Assets *(in thousands of euros)*	Icade before merger with Silic Net value 31/12/2013	Silic Net value Deferred effect to 31/12/2013	Reclassification presentation Silic 31/12/2013	Merger transactions Silic 31/12/2013	Icade after merger transactions Net value 31/12/2013
Subscribed capital not called (I)	-	-	-	-	-
CAPITAL ASSETS					
Intangible assets					
Research and development expenses	-	-	-	-	-
Concessions, patents and similar rights	861	-	-	-	861
Goodwill	3,050	-	-	1,253,454	1,256,504
Other intangible assets	997	-	-	-	997
Advances and payments on account on intangible assets	-	-	-	-	-
TOTAL INTANGIBLE ASSETS	**4,908**	**-**	**-**	**1,253,454**	**1,258,362**
Tangible assets					
Land	640,887	260,692	-	-	901,579
Constructions	836,658	1,139,679	-	-	1,976,337
Other property, plant and equipment	2,210	79	-	-	2,289
Assets under construction	50,413	131,129	-	-	181,542
Advances and payments on account on tangible assets	133	76	-	-	209
TOTAL TANGIBLE ASSETS	**1,530,301**	**1,531,655**	**-**	**-**	**3,061,956**
Financial assets					
Equity interests	2,999,279	39,817	-	(1,409,635)	1,629,461
Receivables related to equity interests	1,327,830	-	-	(845,000)	482,830
Other fixed investments	12,709	-	-	(12,709)	-
Loans	291	-	-	-	291
Other long-term investments	14,914	331	-	(113)	15,132
Advances and payments on account on long-term investments	-	-	-		-
TOTAL LONG-TERM INVESTMENTS	**4,355,023**	**40,148**	**-**	**(2,267,457)**	**2,127,714**
TOTAL CAPITAL ASSETS (II)	**5,890,232**	**1,571,803**	**-**	**(1,014,003)**	**6,448,032**
CURRENT ASSETS					
Inventory					
Raw materials, supply	-	-	-	-	-
Land and property reserves	1,650	-	-	-	1,650
Advances and payments on account on orders	12,721	586	-	-	13,307
Accounts receivable					
Trade debtors and related accounts	37,396	20,984	-	(280)	58,100
Other receivables	23,174	9,901	(1,017)	(7,465)	24,593
Group and associates	1,205,637	108,203	-	(50,241)	1,263,599
Subscribed capital not called, not paid	-	-	-	-	-
Miscellaneous					
Investment securities (of which own shares)	201,454	1,496	-	(1,458)	201,492
Derivatives	14,882	140,720	-	-	155,602
Cash assets	172,334	3,626	-	-	175,960
Accruals and charges					
Prepayments	719	9	-	-	728
TOTAL CURRENT ASSETS (III)	**1,669,967**	**284,508**	**(1,017)**	**(59,444)**	**1,895,031**
Charges to be spread over several years (IV)	15,116	3,017	-	-	18,133
Bond redemption premiums (V)	5,163	-	-	-	5,163
TOTAL ASSETS (I TO V)	**7,580,478**	**1,860,345 (*)**	**(1,017)**	**(1,073,447)**	**8,366,359**

(*) Assets contributed amount to €1,860,344,796.20.

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Liabilities *(in thousands of euros)*	Icade before merger with Silic Net value 31/12/2013	Silic Net value Deferred effect to 31/12/2013	Reclassification presentation Silic 31/12/2013	Merger transactions Silic 31/12/2013	Icade after merger transactions Net value 31/12/2013
Total equity					
Share capital	110,457	70,193	-	(67,981)	112,669
Premiums from issue, merger, contribution, etc.	2,679,346	35,811	-	(35,811)	2,679,346
Revaluation differences	185,729	-	-	-	185,729
Legal reserve	7,926	7,012	-	(7,012)	7,926
Statutory or contractual reserves	-	-	-	-	-
Regulated reserves	-	-	-	-	-
Other reserves	-	22,578	-	(22,578)	-
Balance brought forward	1,105,797	98	-	(5,931)	1,099,964
Including interim dividends	-	-	-	-	-
PROFIT/LOSS FOR YEAR	**(31,184)**	**25,904**	**-**	**(25,904)**	**(31,184)**
TOTAL	**4,058,072**	**161,596**	**-**	**(165,217)**	**4,054,451**
Investment grants	433	6,468	-	-	6,901
Regulated provisions	2	756	-	-	758
TOTAL EQUITY (I)	**4,058,507**	**168,820**	**-**	**(165,217)**	**4,062,110**
OTHER SHAREHOLDER'S EQUITY					
Bond borrowings repayable in shares	-	-	-	-	-
Conditional advances	-	-	-	-	-
TOTAL OTHER SHAREHOLDER'S EQUITY (II)	**-**	**-**	**-**	**-**	**-**
PROVISIONS FOR RISKS AND CHARGES					
Provisions for risks	6,983	723	-	-	7,706
Provisions for charges	9,282	201	-	-	9,483
TOTAL PROVISIONS FOR RISKS AND CHARGES (III)	**16,265**	**924**	**-**	**-**	**17,189**
DEBTS					
Financial debts					
Other bonded loans	805,453	132,834	-	(12,709)	925,578
Loans and debts with credit institutions	2,393,487	586,079	-	-	2,979,566
Miscellaneous financial borrowing and debts	109,067	36,264	-	-	145,331
Group and associates	71,095	895,910	-	(895,241)	71,764
Operating debts					
Advances and part-payments received for orders in progress	1,158	8,250	-	-	9,408
Trade payables	21,335	7,875	(276)	(280)	28,654
Tax and social debts	28,624	2,781	(741)	-	30,664
Debts on capital assets and related accounts	24,790	16,153	-	-	40,943
Other debts	6,010	4,277	-	-	10,287
Miscellaneous					
Derivatives	7,832	-	-	-	7,832
Accruals and charges					
Deferred income	36,856	178	-	-	37,034
TOTAL DEBTS (IV)	**3,505,707**	**1,690,601**	**(1,017)**	**(908,230)**	**4,287,061**
TOTAL LIABILITIES (I TO IV)	**7,580,478**	**1,860,345 (*)**	**(1,017)**	**(1,073,447)**	**8,366,359**

(*) Liabilities taken on stood at €1,860,344,796.20.

2.2. FINANCING ESTABLISHED DURING 2013

Icade carried out two major financing transactions in 2013 resulting in the signing in September 2013 of a new block funding of €800 million broken down as follows:

- a bonded loan of €500 million maturing at five years and four months with a 100bp spread over the reference rate (coupon rate 2.25%);
- a bonded loan of €300 million over 10 years, with a 135bp spread over the reference rate (coupon rate 3.375%).

In 2013, Icade also raised funds through the €200 million in mortgage financing, maturing at 12 years, against its Parc du Pont de Flandres site.

2.3. DISPOSAL OF ICADE SURETIS, ICADE ARCOBA AND ODYSSEUM PLACE DE FRANCE SECURITIES AND VARIOUS PROPERTIES

During 2013, Icade disposed of Icade Suretis, Icade Arcoba and Odysseum Place de France securities for a total of €79,556,000 as well as various office and warehouse properties for a total amount of €157,774,000. Icade continued its programme to dispose of housing by the unit, generating proceeds of €14,051,000.

2.4. OTHER LEGAL RESTRUCTURING

Icade's Board of Directors authorised the legal restructuring operations set out in the table below. These were carried out at book value.

Company	Decision by Icade's Board of Directors	Operation type	Effective legal date	Effective accounting and tax date	Accounting impact
SA Icade Finances	20/02/2013	Merger with retroactive effect	30/04/2013	01/01/2013	-
SAS Icade Commerces	20/11/2012	Transfer of all assets and liabilities (Dissolution without liquidation decision on 26/11/2012)	01/01/2013	01/01/2013	Merger premium (CP) €1,460,000
SCI Zeugma	N/A	Dissolution by voluntary liquidation	14/05/2013	15/05/2013	Capital loss (€231,000)
SAS CFI	12/04/2013	Merger with retroactive effect	31/05/2013	01/01/2013	Merger premium (CP) €1,798,000
Résidence de Sarcelles SCI	12/04/2013	Transfer of all assets and liabilities (Dissolution without liquidation decision on 29/04/2013)	01/06/2013	01/06/2013	Merger malus payment (€50,000)
SCI Marignane La Palun	12/04/2013	Transfer of all assets and liabilities (Dissolution without liquidation decision on 29/04/2013)	01/06/2013	01/06/2013	Merger malus payment (€1,090,000)
SCI Chambolle	24/07/2013	Transfer of all assets and liabilities (Dissolution without liquidation decision on 31/07/2013)	02/09/2013	02/09/2013	-
SNC Mistral	24/07/2013	Transfer of all assets and liabilities (Dissolution without liquidation decision on 31/07/2013)	02/09/2013	02/09/2013	Merger bonus €471,000
SCI 21	24/07/2013	Transfer of all assets and liabilities (Dissolution without liquidation decision on 31/07/2013)	02/09/2013	02/09/2013	-
SCI Morey	24/07/2013	Transfer of all assets and liabilities (Dissolution without liquidation decision on 1 August 2013)	02/09/2013	02/09/2013	-
SARL ICADE CBI	24/07/2013	Merger with retroactive effect	13/07/2013	01/07/2013	Merger bonus €300,000

2.5. CAPITAL INCREASES

In the context of the application of tax rules concerning the capitalisation of companies and of financing property transactions for subsidiaries, Icade raised capital by creating new shares concerning eight companies for a total amount of €61,312,000.

3. Accounting methods and principles

3.1. STANDARDS APPLIED

The annual accounts of Icade ("the Company") were established on 31 December 2013 in accordance with the clauses of the French Commercial Code, the general chart of accounts and the other applicable regulations. They were adopted by the meeting of the Board of Directors of Icade on 19 February 2014. The previous annual accounts published by Icade on 31 December 2012 were adopted according to the same principles and methods.

3.2. BASES OF ASSESSMENT, JUDGMENTS AND USE OF ESTIMATES

The financial statements were prepared according to the historical-cost convention.

The preparation of the financial statements requires 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 expenses for the year.

The significant estimates made by the Company for establishing the financial statements mainly relate to the recoverable value of tangible and intangible assets as specified in the "procedures for carrying out tangible and intangible assets depreciation tests" paragraph, financial assets as specified in the "equities, accounts receivable and other investment securities" paragraph and evaluation of employee benefits and provisions, as specified in the "provisions" and "employee benefits" paragraph.

Due to the uncertainties inherent in any assessment process, the Company 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.

3.3. REVENUES, OTHER OPERATING INCOME

Revenues

The Company's revenues are made up of two types of income:

Rental income

Rental income from leases, including rent from offices, business premises, housing and warehouses.

Provision of services

Revenues from the provision of central services, administrative and financial management of subsidiaries, property and asset management is posted as and when the service is provided.

Other operating income

Other operating income includes income that is not directly related to the operations described in the paragraph entitled "Revenues." Other operating income is mainly composed of the following three types of income:

- re-invoicing of rental charges;
- re-invoicing of expenses undertaken on behalf of subsidiaries;
- fees for the Icade brand.

3.4. 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	Depreciation method
Concessions, transfer taxes, patents, software, etc.	1 to 3 years	Straight line

3.5. TANGIBLE ASSETS

Tangible assets consist mainly of 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.

The other tangible assets primarily consist of IT equipment and office furniture, generally depreciated by the straight line method over five years, and fixed assets under construction (essentially buildings under construction).

In accordance with regulation CRC no. 2004-06, the buildings are recognised at cost, reduced by aggregate depreciation and any impairment as specified in the "procedures for carrying out tangible and intangible assets depreciation tests" paragraph

Cost of buildings

The cost of buildings 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 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 borrowing costs as specified in the "capitalised borrowing costs" paragraph.

Depreciation procedures

In accordance with regulation CRC no. 2002-10, the gross value is split into separate components which have their own useful lives.

The 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:

	Offices			
Components	**Haussmann building**	**Other properties**	**Housing**	**Warehouses and business premises**
Roads, networks, distribution	100	40-60	50	15
Building shell, structure	100	60	50	30
External structures	30	30	25	20
General and technical installations	20-25	10-25	25	10-15
Internal fittings	10-15	10-15	15-25	10-15
Specific equipment	10-30	10-30	15-25	10

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

Where events, changes in the market environment or internal factors indicate a risk of impairment of investment properties, they are tested for impairment, as specified in the "procedures for carrying out tangible and intangible assets depreciation tests" paragraph.

Buildings which, exceptionally, are rented with a purchase option, are not divided into components and are the subject of financial depreciation.

Eviction compensation

When a lease contract is terminated, the Company may have to pay eviction compensation to an ex-tenant. Three types of situation may arise:

- eviction compensation is paid in order to release premises due for reconstruction or renovation; these are then capitalised by including it in the cost of related tangible assets;
- eviction compensation is paid with a view to releasing the premises for a possible future tenant; it is then accounted for as a liability in the financial year in which it was incurred;
- eviction compensation is paid following advance negotiations for the signature of a lease with a new tenant; it is then capitalised and depreciated over the rental period on the same basis as rental income.

Investment grants

Investment grants received are booked to the liabilities side of the balance sheet. They are accounted for as income over the period of use of the asset subject to depreciation.

Procedures for conducting impairment tests for tangible and intangible assets

Regulation CRC no. 2002-10 requires, at each accounts closure and at each intermediate situation, that a check be made whether an index exists showing that the assets may have suffered impairment.

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 properties

The current value of property corresponds to the highest value between the market value reduced by sale costs and the in-use value. The market value is the market value excluding transfer taxes, determined by independent surveyors. The in-use value is the present value of expected rental income from those assets.

If there is an indication of impairment, and where the estimated 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 properties concerned.

Impairments relating to 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.

Although carried out by independent surveyors, it should be remembered that valuing a property asset remains a complex estimation exercise, which is also subject from one half-year to the next to the changing economic climate and the volatility of some of the market factors used, particularly return and discount rates.

Therefore, to take account of the inherent difficulties of valuing a property asset and avoiding having to post losses in value likely to lead to a full or partial reversal in the next financial statements, Icade only posts a fall in value when property assets' unrealised capital loss is more than 5% of the net book value before loss of value. This threshold is assessed on an asset-by-asset basis. Once this threshold is exceeded, the posted loss in value is the total amount of unrealised capital losses.

This loss in value is adjusted upwards or downwards in each set of financial statements to reflect changes in the value of the asset and its net book value, remembering that when the loss in value is less than 5% of the net book value before loss of value, the previously posted loss in value is entirely reversed.

For buildings acquired less than three months before the closing date, posted in the financial statements at their all-inclusive purchase price, the unrealised capital gain calculated, corresponding to registration fees and other acquisition costs is not posted as a loss in value.

Procedures for depreciation of 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. Where appropriate, technical malus payments are taken into account and applied pro rata to the unrealised capital gains on property assets contributed in order to test for depreciation.

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

Intangible asset impairment tests are carried out per cash-generating unit on the basis of future discounted cash flows and terminal value realised stemming from medium term plans (four-year forecasts following that of closure).

The discount rates used are determined before tax.

3.6. LEASING AND FINANCIAL-LEASING CONTRACTS

As part of its various businesses, the Company uses assets made available to it in accordance with leasing or financial-leasing contracts, or provides assets in accordance with leasing contracts.

From the lessee's point of view

Payments made for leasing and financial-leasing contracts are booked as expenses on a straight-line basis over the period of the contract.

From the lessor's point of view

In leases from the lessor's point of view, 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 fixed term of the lease, without taking indexing 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 "tangible assets" and amortised over the fixed term of the lease.

3.7. CAPITALISED BORROWING COSTS

The Company 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.

3.8. PARTICIPATING INTERESTS, RELATED RECEIVABLES AND OTHER FIXED INVESTMENTS

Equity interests and other fixed investments are booked to assets at their cost of purchase, contribution or subscription, excluding expenses. Receivables related to equity interests are booked at their nominal value.

When the inventory value is below the entry value, depreciation is recorded.

Equity interests

Subsequent to purchase, equity interests, whether listed or not, are valued at their going-concern value. This value is mainly determined according to the following criteria: the corrected net assets and the profitability of the Company evaluated mainly by reference to the enterprise value net of financial debts. The enterprise value is based on the discounted cash flow method and, where appropriate, the comparable multiples method.

Receivables related to equity interests and other associated parties

Cash advances subject to repayment schedule are classified under "Receivables related to equity interests". Other cash advances are classified under "Related advances". Advances are deigned to cover the financing needs of subsidiaries' operations.

Associated receivables are only depreciated if the corresponding securities have previously been fully depreciated. The depreciation is equal to the inventory value of the securities reduced by their entry value, within the limit of the nominal value of the receivable.

Judgment of the recoverable character of associated receivables in general partnerships also takes into account the situation of other associates.

Other fixed investments

For securities in listed companies, the inventory value is the current value, determined on the basis of the average price over the last month of the financial year.

For securities in non-listed companies, the inventory value is the current value, assessed through recognised evaluation techniques (reference to recent transactions, discounted cash flow, quota share of net assets, etc.). Exceptionally certain securities, which do not have a price quoted on an active market and whose current value cannot be assessed reliably, are valued at the cost of acquisition.

3.9. INVENTORY

Inventory is booked at its acquisition or production cost. At each close, it is valued at its 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 or realise the sale.

3.10. TRADE AND OTHER RECEIVABLES

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

3.11. INVESTMENT SECURITIES

Investment securities are booked to assets at their acquisition price. Impairment is recorded when their realisable value is below their net book value.

3.12. ICADE TREASURY SHARES

Treasury shares held under the liquidity contract are classified as "investment securities". Other treasury shares are classified under "Other financial assets." As these are listed shares, the inventory value is defined as the average share price of the last month of the period to determine potential impairment at year-end. Unrealised losses are subject to impairment.

3.13. PROVISIONS

A provision is accounted for as soon as there is a probable company obligation, resulting from past events, the extinction of which should result in an outflow of resources for the Company without at least an equivalent counterpart, the value of which can be estimated reliably.

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.

3.14. EMPLOYEE BENEFITS

Pension and anniversary premium commitments

Pension schemes, similar payments and other welfare benefits, which are analysed as defined benefits schemes (scheme in which the Company 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 Company has no obligation other than to pay the contributions, are accounted for under expenses for the year.

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

Actuarial gains and losses 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;
- future salary and benefit levels;
- discount rate;
- mortality tables;
- expected rate of return on plan assets.

The actuarial discrepancies are accounted for in the income statement in the year in which they are noted.

As the accounting rules do not specify the accounts treatment in the case of legislative or regulatory reforms impacting pre-existing regimes, the option accepted by Icade consists of considering these impacts as a change of regime, in terms of the cost of past services spread over the residual duration of rights acquisition.

Anniversary bonuses are subject to a provision 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

The provisions for profit-sharing and share-incentive schemes are determined according to the terms of Icade Group agreements in force.

3.15. FINANCIAL DEBTS AND RATE HEDGING

Financial debts

Loans and other financial liabilities bearing interest are recorded at their nominal repayment value. Issue premiums and expenses are generally recorded to assets and spread over the lifetime of the loan according to the straight-line method.

Derivatives and hedge accounting

The Company uses financial derivatives (swaps, rates options and swaptions) 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 fair value of the derivatives shown in the appendix is calculated by commonly accepted models (future discounted cash flow method, Black and Scholes method, etc.), and based on market data.

Unrealised capital gains and losses resulting from the difference between contracts' market value estimated at year-end and their nominal value are not recorded.

Premiums paid when rates options are put in place are amortised according to the straight-line method over these instruments' lifetime.

When an instrument eligible for hedge accounting is unwound or reaches maturity, two scenarios are possible:

- Scenario 1: the hedging instrument is unwound or reaches maturity while the covered item still exists

In this case, the hedge accounting continues to apply to the result obtained from the hedging instrument. The result obtained is then carried over in a pre-balance sheet suspense account provided the item itself has no impact on the income statement or is assigned to the income statement for the residual lifetime of the item covered to offset the income and expenses accounting method for this item.

- Scenario 2: the hedging instrument is unwound or reaches maturity and so does the covered item

In this case, the hedge accounting ceases to apply to the result obtained from the hedging instrument. The termination adjustment payments for the hedging instruments are then immediately posted in the income statement.

3.16. HYBRID FINANCIAL INSTRUMENTS

Hybrid financial instruments issued by Icade are analysed according to the substance of the contractual agreements. They are presented in "other shareholders' equity".

3.17. TAX

Icade is eligible for the SIIC regime (specified by Article 208 C of the General Tax Code).

In return for tax exemption, the application of the SIIC regime entails specific obligations with regard to distribution of dividends, and the immediate recognition, as expenses, of an exit tax at a rate of 19% calculated on unrealised capital gains at the date of adoption of the regime relating to properties and partnerships not subject to corporation tax. This tax is payable per quartile.

The specific obligations concerning the distribution of dividends are as follows:

- 95% of profits from leasing activities;
- 60% of capital gains on disposals; and
- 100% of the dividends paid by subsidiaries having opted to being subject to corporation tax.

The Company's taxable income is divided into two separate sectors:

- a SIIC sector exempt from tax on current earnings from leasing activities, 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.

4. Notes on the balance sheet

4.1. TANGIBLE AND INTANGIBLE ASSETS

Fixed assets *(in thousands of euros)*	Gross value at 31/12/2012	Mergers and acquisitions	Increases, acquisitions, creation or asset contributions	Reductions, sales or asset disposals	Others	Icade before merger with Silic	Silic merger	Gross value at 31/12/2013
INTANGIBLES [1]	**24,330**	**-**	**2,331**	**(3,134)**	**34**	**23,560**	**1,253,455**	**1,277,015**
TANGIBLES								
Land	778,850	54,874	-	(70,283)	-	763,441	260,692	1,024,133
Constructions	1,199,768	177,917	(1,060)	(173,536)	24,635	1,227,724	1,731,496	2,959,220
OTHER TANGIBLE ASSETS								
Transport equipment	22	-	-	-	-	22	-	22
Office equipment and tooling	707	4	-	-	54	765	1,169	1,934
Furnishings and IT equipment	9,269	-	-	(424)	675	9,520	179	9,699
Recoverable packaging and miscellaneous	44	-	-	-	-	44	-	44
TANGIBLE ASSETS UNDER CONSTRUCTION	**38,442**	**7,368**	**32,803**	**(2,669)**	**(25,398)**	**50,546**	**131,205**	**181,751**
Of which advances and part-payments for assets under construction	***77***	***-***	***56***	***-***	***-***	***133***	***76***	***209***
SUBTOTAL	**2,027,102**	**240,163**	**31,743**	**(246,912)**	**(34)**	**2,052,062**	**2,124,741**	**4,176,803**
GENERAL TOTAL	**2,051,432**	**240,163**	**34,074**	**(250,046)**	**-**	**2,075,623**	**3,378,196**	**5,453,818**

(1) Including technical malus of €1,253,455,000 linked to Silic merger.

Outside the accounts, the technical malus is linked to property assets contributed and to equity interests of companies with underlying property assets.

In relation to the financial year 2013, no borrowing costs have been incorporated into the gross value of fixed assets.

4.2. STATEMENT OF AMORTISATION AND IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Amortisation and impairment *(in thousands of euros)*	31/12/2012	Mergers and acquisitions excluding Silic	Allocations for amort. and impairment	Reversals (Items removed from assets)	Others	Icade before merger with Silic	Silic merger	31/12/2013
INTANGIBLES	**17,914**	**-**	**2,635**	**(1,896)**	**-**	**18,653**	**-**	**18,653**
TANGIBLES								
Land	123,663	15,049	2,341	(18,499)	-	122,554	-	122,554
Constructions	382,731	31,650	51,765	(75,080)	-	391,066	591,817	982,883
OTHER TANGIBLE ASSETS								
Transport equipment	22	-	-	-	-	22	-	22
Office equipment and tooling	641	4	28	-	-	672	1,139	1,811
Furnishings and IT equipment	6,672	-	1,197	(425)	-	7,445	132	7,577
Assets under construction								
SUBTOTAL	**513,729**	**46,703**	**55,131**	**(94,004)**	**-**	**521,759**	**593,088**	**1,144,847**
GENERAL TOTAL	**531,643**	**46,703**	**57,966**	**(95,900)**	**-**	**540,411**	**593,088**	**1,133,501**

4.3. FINANCIAL ASSETS

Fixed assets *(in thousands of euros)*	31/12/2012	Mergers and acquisitions	Increases, Acquisitions, Creation	Decreases, disposals	Icade before merger with Silic	Silic merger	31/12/2013
Participating interests	2,255,336	(346,511)	1,474,965	(59,559)	3,324,231	(1,367,750)	1,956,481
Receivables related to equity interests and other associated parties	969,225	10,588	495,000	(146,984)	1,327,830	(845,000)	482,830
Other fixed investments	-	12,709	-	-	12,709	(12,709)	-
Other financial investments:							
- Loans	291	-	-	-	291	-	291
- Treasury shares	21,976	-	-	(1,459)	20,517	-	20,517
- Deposits & sureties	498	-	-	(8)	490	218	708
- Other property receivables	-	-	-	-	-	-	-
Advances and part-payments other assets	-	-	-	-	-	-	-
GROSS	**3,247,326**	**(323,214)**	**1,969,965**	**(208,010)**	**4,686,068**	**(2,225,241)**	**2,460,827**
IMPAIRMENT	**284,766**	**(80,654)**	**157,922**	**(30,988)**	**331,046**	**2,068**	**333,113**
NET	**2,962,560**	**(242,560)**	**1,812,043**	**(177,022)**	**4,355,021**	**(2,227,309)**	**2,127,714**

4

Equity interests

The change in equity interests is due to the following transactions:

(in thousands of euros)	Equity interests
31 DECEMBER 2012	**2,255,336**
Mergers during the year excl. Silic	(368,994)
Contributions following mergers	22,483
Capital increase	65,330
Silic POE	1,409,635
Disposal and liquidation of corporate securities	(59,559)
Icade before merger with Silic	**3,324,231**
Silic merger-elimination of securities	(1,409,635)
Contributions following the Silic merger	41,885
31 DECEMBER 2013	**1,956,481**

Receivables related to equity interests and other associated parties

Details of related receivables are as follows:

	Related receivables	
(in thousands of euros)	31/12/2013	31/12/2012
Gross amounts	480,438	966,489
Interest accrued	2,392	2,736
TOTAL	**482,830**	**969,225**
IMPAIRMENT	**-**	**-**
NET	**482,830**	**969,225**

Changes in receivables related to equity interests and other associated parties during the financial year can be detailed as follows:

(in thousands of euros)	Associated receivables (excluding accrued interest not yet due)
31 DECEMBER 2012	**966,489**
Set-up of financing for Silic	495,000
CFI merger	(37,500)
Contributions following mergers	48,088
ICADE REIT repayment	(111,800)
ICADE PROMOTION LOGEMENT repayment	(10,696)
ICADE SANTE repayment	(9,054)
Other repayments during the financial year	(15,089)
Icade before merger with Silic	**1,325,438**
Silic merger	(845,000)
31 DECEMBER 2013	**480,438**

4

Impairment

The main impairment changes are as follows:

(in thousands of euros)	Impairment of equity interests	Impairment of related receivables	Impairment of other financial assets	Total
31 DECEMBER 2012	**278,780**	**-**	**5,986**	**284,766**
Contributions following mergers	32	-	-	32
Mergers	(80,686)	-	-	(80,686)
Impairment allocations (1)	157,379	-	-	157,379
Depreciation write-backs	(30,552)	-	-	(30,552)
Allocations for impairment of treasury shares	-	-	543	543
Reversal of depreciation of own shares	-	-	(436)	(436)
Icade before merger with Silic	**324,953**	**-**	**6,093**	**331,046**
Contributions following the Silic merger	2,067	-	-	2,067
31 DECEMBER 2013	**327,020**	**-**	**6,093**	**333,113**

(1) Mainly concerning ICADE TOUR EQHO, SARVILEP and ICADE CONSEIL.

4.4. STATEMENT OF INSTALMENTS ON RECEIVABLES

(in thousands of euros)	Gross value 31/12/2013	Less than 1 year	From 1 to 5 years	More than 5 years or due date not set
CAPITAL ASSETS				
Receivables related to equity interests	482,830	204,146	146,405	132,279
Loans	291	93	102	96
Deposits and sureties and other receivables	708	17	137	554
CURRENT ASSETS				
Advances and part-payments made and credit notes to receive	13,307	13,307	-	-
Trade and other receivables	64,632	64,632	-	-
Personnel and related accounts	9	9	-	-
Social security and other social bodies	113	113	-	-
Government-Corporate tax	-	-	-	-
Government-Value-added tax	14,158	14,158	-	-
Other government dues and taxes	437	437	-	-
Group and associates	1,263,599	1,263,599	-	-
Miscellaneous debtors	28,606	28,415	191	-
DEFERRED CHARGES	**728**	**728**	**-**	**-**
CHARGES TO BE SPREAD	**154,592**	**44,817**	**98,621**	**11,154**
TOTAL	**2,024,010**	**1,634,471**	**245,456**	**144,083**

Accrued income came to €58,244,000.

4.5. DERIVATIVES

(in thousands of euros)	Icade before Silic merger	Silic merger	31/12/2013	31/12/2012
Premiums paid on rates options	263	4,580	4,842	413
Margin calls paid on hedging instruments	14,300	-	14,300	27,700
Adjustment payments on derivatives	319	136,140	136,459	-
TOTAL	**14,882**	**140,720**	**155,602**	**28,113**

Restructuring of Silic's portfolio of hedging instruments was carried out in October 2013. In accordance with Silic's accounting principles described in appendix 1 of the merger agreement, the adjustment payments on termination of hedging contracts, for a total of €144,348,000 including accrued interest (€144,019,000 excluding accrued interest), were posted in Silic's definitive accounts as at 31 December 2013.

Out of the €144,019,000:

- €143,491,000 corresponding to adjustment payments on termination of hedging contracts with conservation of the underlying debts covered was allocated to Silic's balance sheet assets. The share allocated to Silic's profits for 2013 was €7,351,000. The balance remaining to be spread as at 31 December was €136,140,000;
- €528,000 corresponding to adjustment payments on termination of hedging contracts without conservation of the underlying debts covered was immediately posted in Silic's income statement.

Since the merger was completed on 31 December 2013, with no retroactive effect, the impacts on Silic's profits have no effect on Icade's profits.

In accordance with Icade's accounting principles, set out in paragraph 3.17, the balance adjustment payments remaining to be spread recorded in Silic's assets as at 31 December 2013, for a total of €136,140,000, was transferred to Icade's assets at the time of the merger. The spreading of adjustment payments will continue in Icade's accounts.

4.6. SECURITIES AVAILABLE

(in thousands of euros)	Gross value 31/12/2013	Amortisation and impairment 31/12/2013	Net value 31/12/2013	Net value 31/12/2013
Investment securities (excluding accrued interest not yet due)	201,096	(171)	200,925	141,001
Interest accrued on investment securities	567	-	567	406
Bank balances and other liquid assets	175,960	-	175,960	77,189
TOTAL	**377,623**	**(171)**	**377,452**	**218,596**

The investment securities (excluding accrued interest not yet due) are broken down as follows (in thousands of euros):

- treasury shares-liquidity contract: 23,153
- money-market UCITS: 55,794
- other financial assets: 122,149

(in thousands of euros)	31/12/2013	31/12/2012
Securities available (gross assets) excluding accrued interest not yet due	377,623	218,190
Investment securities (excluding accrued interest not yet due)	(71,036)	(1,915)
NET CASH AVAILABLE	**306,587**	**216,275**

4.7. SHARE CAPITAL

Share capital

	31/12/2013		31/12/2012	
	Number of shares	Share capital *(in thousands of euros)*	Number of shares	Share capital *(in thousands of euros)*
Shares issued				
Fully paid in	73,916,109	112,669	52,000,517	79,264
TOTAL	**73,916,109**	**112,669**	**52,000,517**	**79,264**

Changes in number of shares in circulation

	Number of shares	Share capital *(in thousands of euros)*
31 DECEMBER 2012	**52,000,517**	**79,264**
Increases in capital following the exercise of subscription options	6,800	10
Silic POE on 19 July 2013	19,295,355	29,411
Silic POE on 9 August 2013	1,161,750	1,771
Silic merger on 31 December 2013	1,451,687	2,213
31 DECEMBER 2013	**73,916,109**	**112,669**

Capital Holding

Holders	Share capital: Number of shares	Share capital: % of voting rights
HOLDCO SIIC	38,491,773	52.30%
Other holders	34,926,865	47.46%
FCPE Icade	177,166	0.24%
Own shares	320,305	-
TOTAL	**73,916,109**	**100.00%**

4.8. EQUITY

(in thousands of euros)	31/12/2012	Allocation of profit: Reserves	Allocation of profit: Dividends	Silic POE	Silic merger	Other movements	31/12/2013
Share capital	79,264	-	-	31,182	2,213	10	112,669
Issue premiums	69,135	-	-	1,371,795	-	442	1,441,372
Merger premiums	1,028,215	-	-	-	-	3,257	1,031,473
Including merger bonus	*65,466*	-	-	-	-	*3,257*	*68,723*
Contribution premiums	143,359	-	-	-	-	-	143,359
Premiums for conversion of bonds into shares	63,143	-	-	-	-	-	63,143
Special revaluation reserve	12,734	-	-	-	-	-	12,734
SIIC 2003 re-evaluation differences	172,995	-	-	-	-	-	172,995
Legal reserve	7,925	1	-	-	-	-	7,926
Other reserves	-	-	-	-	-	-	-
Balance brought forward	1,233,075	(127,278)		-	(5,833)	-	1,099,964
Profit/loss from previous financial year	61,199	127,277	(188,476)	-	-	-	-
Profit/loss for financial year	-	-	-	-	-	(31,184)	(31,184)
SUBTOTAL	**2,871,044**	**-**	**(188,476)**	**1,402,977**	**(3,620)**	**(27,475)**	**4,054,451**
Investment grants	462	-	-	-	6,468	(29)	6,901
Regulated provisions	3	-	-	-	756	(1)	758
TOTAL	**2,871,509**	**-**	**(188,476)**	**1,402,977**	**3,604**	**(27,505)**	**4,062,110**

4.9. PROVISIONS FOR CONTINGENCIES AND LIABILITIES

(in thousands of euros)	Category	31/12/2012	Mergers	Allocations	Reversals for use	Reversals not applicable	Icade before merger with Silic	Silic merger	31/12/2013
Provisions for risks									
Subsidiary risks	specification	20	-	-	20	-	-	156	156
Tax risks	non-recurring	35	-	2,944	-	35	2,944	-	2,944
Disputes and other provisions for liabilities and charges	non-recurring/ operational	5,478	1,862	427	211	3,518	4,039	567	4,606
SUBTOTAL		**5,533**	**1,862**	**3,371**	**231**	**3,553**	**6,983**	**723**	**7,706**
Provisions for charges									
Retirement benefits	operational	4,097	-	2,777	6	-	6,868	119	6,987
Pensions and similar obligations	operational	275	-	-	148	-	128	-	128
Anniversary bonuses	operational	920	-	216	3	-	1,133	82	1,215
Other provisions for charges	operational	1,196	-	-	-	43	1,153	-	1,153
SUBTOTAL		**6,488**	**-**	**2,994**	**157**	**43**	**9,282**	**201**	**9,483**
TOTAL		**12,021**	**1,862**	**6,365**	**388**	**3,596**	**16,265**	**925**	**17,189**

Icade identifies several types of provisions. In addition to pension payments and similar commitments, which are subject to specific explanations (see paragraph 4.10), provisions are made whenever the contingencies and liabilities identified are the result of past events creating a probable obligation to disburse resources.

The identified contingencies and liabilities are as follows:

- tax risks: provisions cover estimated risks for which reassessment notices were received at 31 December 2013.

  When the accounts were audited during the 2010 financial year, in its proposed correction (8 December 2010), the tax authorities questioned the market values as at 31 December 2006, based on the property valuations that were used as the basis for calculating the exit tax (corporate tax at the rate of 16.50%) during the merger/ absorption of Icade Patrimoine (Assets) as at 1 January 2007. As a result, the exit tax bases were increased, generating additional tax of €204 million in principal. In another proposed correction dated 26 April 2012, the tax authorities increased the rate of taxation applicable to some of the revised amounts from 16.5% to 19%. The additional tax was then €206 million.

  On 16 July 2012, Icade applied to consult the "*Commission Nationale des Impôts Directs et Taxes sur le Chiffre d'Affaires*" [National Commission for Direct Taxes and Revenue Taxes].

  At the end of the hearing on 5 July 2013, the Commission gave an opinion questioning the valuation method used by the French Tax Authorities ("[the comparison method] would appear much less suitable than the DCF to the type of assets in question") while recording that some sales carried out in 2007 had been completed for higher prices than those used to estimate the exit tax.

  The French Tax Authorities did not follow the Commission's recommendation and maintained the increases initially notified, a decision of which it informed Icade on 3 December 2013 at the same time the Commission's opinion was sent.

  On 11 December 2013, in accordance with the applicable procedure, the French Tax Authorities therefore sent an assessment for all sums, i.e. €225,084,492, including late payment interest (or €206 million in principal).

  Maintaining its position, on 23 December 2013 Icade filed a claim asking for complete discharge of the sums demanded along with deferral of payment. Deferral of this payment will be subject to presentation of a guarantee from a banking establishment or similar.

  In the event that the French Tax Authorities refuse to grant discharge of the sums demanded, Icade will bring proceedings before the administrative court to obtain a ruling on the dispute.

  In consultation with its legal firms, Icade continues to dispute this assessment.

  Consequently, as was the case at 31 December 2012, no provision was recorded for this purpose at 31 December 2013;
- within the framework of its business activity, Icade is faced with disputes. On the basis of a risk analysis established by management and its legal advisors, the provisions made are considered adequate at the close of the year and the Company also considers that it possesses all the information enabling it to support its position. Provisions that are individually significant as at 31 December 2013 primarily represent tenant disputes, labour tribunals and contractual commitments made in the course of its normal business.

4.10. COMMITMENTS TO PERSONNEL

(in thousands of euros)		31/12/2013	31/12/2012
OPENING ACTUARIAL LIABILITY	**a**	**3,723**	**3,146**
Past services cost not yet recognised at opening	b	649	1,205
NET LIABILITIES AT OPENING	**c**	**4,372**	**4,351**
Impacts of changes in consolidation and other movements	d	315	342
Cost of services rendered during the year	e	209	252
Financial cost for the year	f	98	167
Cost for the period	**g = e + f**	**307**	**419**
Benefits paid during the year	h	(1,368)	(610)
Spread of past service costs	i	(157)	(193)
Actuarial gains for the year	j	3,645	64
Net liabilities posted through profit or loss	**k = g + h + i + j**	**2,428**	**(321)**
NET LIABILITIES AT CLOSING	**l = c + d + k**	**7,115**	**4,372**
Change of regime as at 31 December 2012		-	(364)
Past services cost not yet recognised at closing	m = b + i	493	649
ACTUARIAL DEBTS AT CLOSING	**n = a + d + g + k**	**6,773**	**3,723**

Commitments to personnel are valued at 31 December 2013 according to the terms of the Icade Single Group Agreement signed on 17 December 2012.

The cost of past services not recognised remaining to be spread, relating to various changes of regime, stands at €493,000 as at 31 December 2013 compared with €649,000 as at 31 December 2012.

The following actuarial assumptions were used:

- discount rate: 3.00% as at 31 December 2013 and 2.80% as at 31 December 2012; The discount rate applied is defined in relation to the iBoxx € Corporates AA 10+ benchmark. This explicitly presents the return from category 1 corporate bonds;
- male/female mortality tables:
  - male/female INSEE tables for 2009-2011 as at 31 December 2013,
  - male/female INSEE tables for 2008-2010 as at 31 December 2012;
- inflation rate: 2%;
- retirement age from 2008: 62 for employed categories and employees, technicians and supervisors 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.

Possible compensation for termination of employment contracts, and other postponed remuneration for senior executives

(in thousands of euros)	31/12/2013
Icade Executive Committee	3,065
Icade other employees	1,538
TOTAL NOT POSTED	**4,603**

In the light of current decisions taken by management, employment-related benefits affecting Icade employees are not covered by any provision.

4.11. STOCK OPTION SUBSCRIPTION AND BONUS STOCK PLANS

Following Silic's merger into Icade, decided by the EGM on 27 December 2013, the 2005, 2006 and 2007 stock option subscription plans granted by Silic were taken over by Icade.

The following stock option subscription plans were current at 31 December 2013:

Description of the 2005, 2006, 2007, 2008 and 2011 stock option plans

The characteristics of the stock option plans current at 31 December 2013 and share price movements during fiscal 2013 are presented in the following table:

	2005 plan: completed	2006 plan: completed	2007 plan: completed	2007 plans: completed "1-2007" (a)	2007 plans: completed "2-2007" (b)	2008 plan: completed "1-2008" (a)	2008 plan: completed "1.2-2008" (a)	2011 plans "1-2011" (a)	Total for plans	Average exercise price per share *(in euros)*
Allocation date	11/05/2005	10/05/2006	10/05/2007	08/01/2007	08/01/2007	03/01/2008	24/07/2008	03/03/2011		
Date of amendment of performance conditions not related to the market	-	-	-	-	-	-	-			
Acquisition period	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs	4 yrs		
Lifespan of plans	9 yrs	9 yrs	9 yrs	6 yrs	6 yrs	6 yrs	7 yrs	8 yrs		
Number of options granted (2)	**22,425**	**65,410**	**71,000**	**456,000**	**188,000**	**54,500**	**145,000**	**147,500**	**1,149,835**	
Exercise price *(in euros)* (1)	**70.03**	**87.00**	**126.98**	**47.31**	**47.31**	**103.01**	**66.61**	**80.86**		
Number of options as at 1 January 2013	**22,425**	**65,410**	**71,000**	**344,034**	**134,974**	**42,659**	**110,800**	**145,000**	**936,302**	**84.78**
Number of options assigned during the period	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Number of options exercised during the period	2,509	-	-	-	-	-	6,800	-	9,309	-
Number of options cancelled during the period	-	-	-	-	-	-	-	3,000	3,000	80.86
Number of options cancelled (Plan expired)	-	-	-	344,034	134,974	-	-	-	479,008	94.62
Number of options in circulation at 31 December 2013	**19,916**	**65,410**	**71,000**	**-**	**-**	**42,659**	**104,000**	**142,000**	**444,985**	**80.37**
Of which assigned to related parties	-	*8,013*	*22,500*	-	-	*42,659*	*60,800*	*85,000*	*218,972*	-
Of which may be exercised at the end of the period	-	-	-	-	-	*42,659*	*104,000*	-	*146,659*	-
Fulfilment of performance conditions										
performance conditions related to the market				acquired: 22.5%	NA	acquired: 15%	0.0%	0.0%		
performance conditions not related to the market				acquired: 30.0%	NA	acquired: 22.5%	NA	0.0%		
Parity (1)	**1 option=1.25 shares**			**1 option = 0.5 shares**		**1 option=1 share**				
Potential number of shares	**24,895**	**81,763**	**88,750**	**-**	**-**	**42,659**	**104,000**	**142,000**	**484,067**	
Exercise price per share *(in euros)*	**56.02**	**69.60**	**101.58**	**94.62**	**94.62**	**103.01**	**66.61**	**80.86**		**84.78**
AVERAGE SHARE PRICE ON THE DATE OF EXERCISING OPTIONS *(in euros)*										**73.11**

(1) Consecutive adjustments to capital increases and to distributions of issue premiums subsequent to the granting of stock options, following the distribution of part of the 2007 dividends by drawing on reserves (Board of Directors meeting on 16 April 2008).

(2) The 2005 to 2007 plans correspond to those granted by the Silic group's corporate governance; the number of options granted is correct as of the date of Silic's entry into the Icade Group, on 22 July 2013.

(a) Stock-option plans with performance conditions related and not related to the market:
1-2007 and 1-2008 plans: the performance condition is based on the achievement of an annual NPGS rate and the development of the price of Icade shares compared with a reference price.
1-2-2008 plan: the performance condition is based on the development of the price of Icade shares compared with the development of the IEIF index.
1-2011 plan: the performance condition is based on the achievement of the rate of the net annual cash flow and the development of the price of Icade shares compared with the development of the IEIF index.

(b) Stock-option plans without performance conditions.

4

At 31 December 2013, 149,659 share subscription options representing 146,659 shares were exercisable for the "1-2008" and "1.2-2008" plans.

Valuation methodology: fair value of stock option subscription plans

	2005 plan: completed	2006 plan: completed	2007 plan: completed	2007 plans: completed		2008 plans: completed		Plan 2011
	11/05/2005	10/05/2006	10/05/2007	"1-2007" Plan 1	"2-2007" Plan 2	"1-2008" Plan 1	"1.2-2008" Plan 2	"1-2011" Plan 1
Average weighted fair value of the option	€13.24	€20.17	€32.32	€12.81	€12.81	€35.75	€13.92	€19.00
Probability of service	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	98.07%
Risk-free interest rate	3.27%	3.98%	4.24%	3.95%	3.95%	4.00%	4.75%	3.38%
Expected volatility	20.01%	23.22%	25.74%	20.00%	20.00%	40.00%	32.00%	33.00%
Expected dividend rate	4.68%	4.93%	5.00%	1.32%	1.32%	3.19%	4.73%	4.00%
Price of underlying stock	€77.95	€92.70	€129.00	€49.61	€49.61	€105.00	€71.90	€82.43
Exercise price	€70.03	€87.00	€126.98	€47.31	€47.31	€103.01	€66.61	€80.86
MODEL USED	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**	**TRINOMIAL**

4

Bonus share plans

The "1-2012" and "2-2012" bonus share allocation plans allow for the allocation of 15 bonus shares per employee or director.

The "2-2012" bonus share allocation plan, dedicated to members of the executive committee and members of the coordination committee, includes 100% of free shares conditional on the achievement of a non-market-related performance condition.

Following the Silic merger, with deferred effect in Icade's accounts, the bonus share plans granted in 2012 and 2013 were taken over by Icade and converted according to the parity defined in the merger agreement.

The following table shows the characteristics of the bonus share plans current on 31 December 2013:

Original characteristics of the plans					Number of shares remaining to be acquired as at 22/07/2013	Number of shares remaining to be acquired as at 22/07/2013 converted into Icade shares		Adjusted number of shares as at 1 January 2010			Number of shares as at 1 January 2013			Movements over the period		Number of shares as at 31 December 2013		
Plans	Allocation date	Acquisition period	Lifespan of plans	Number of shares originally allocated to the plan			Adjustment parity [3]	of which number of shares acquired	of which number of shares allocated	Exchange parity [2]	of which number of shares acquired	of which number of shares allocated	of which conditional [3]	shares in circulation	cancelled shares	of which number of shares allocated	of which number of shares acquired	of which conditional [3]
	19/01/2009	2 yrs	4 yrs	78,876	-	-	1.53	-	113,011	5/39	14,489	-	6,139	-	-	-	14,489	-
2009 [1]	01/07/2009	2 yrs	4 yrs	37,500	-	-	1.13	-	42,219	5/39	5,412	-	5,412	-	-	-	5,412	5,412
	29/09/2009	2 yrs	4 yrs	46,500	-	-	1.13	-	52,351	5/39	6,713	-	-	-	-	-	6,713	-
2011	03/03/2011	2 yrs	4 yrs	17,660	-	-	-	-	-		10	14,980	-	14,850	120	-	14,860	-
1-2012	02/03/2012	2 yrs	4 yrs	26,190	-	-	-	-	-	-	-	24,885	-	30	930	23,640	30	-
2-2012 [4]	02/03/2012	2 yrs	4 yrs	28,290	-	-	-	-	-	-	-	28,106	14,053	-	1,984	25,638	-	12,819
2012 [5]	12/03/2012	2 yrs	4 yrs	12,000	11,947	14,934	-	-	-	4/5	-	-	-	-	2,225	12,709	-	-
2013 [5]	22/03/2013	2 yrs	4 yrs	12,000	12,000	15,000	-	-	-	4/5	-	-	3,564	-	2,030	12,970	-	3,564
TOTAL								**-**	**207,581**		**26,624**	**67,971**	**29,168**	**14,880**	**7,289**	**74,957**	**41,504**	**21,795**

(1) Plans originally issued by Compagnie La Lucette.
Consecutive adjustments to capital increases and to distributions of issue premiums subsequent to the granting of bonus shares.

(2) After merger of Compagnie la Lucette by Icade decided at the general meeting of 29 October 2010 applying the exchange parity used, i.e. 39 CLL shares for 5 Icade shares.
After merger of Silic by Icade decided at the general meeting of 27 December 2013 applying the exchange parity used, i.e. 4 Silic SOCOMIE shares for 5 Icade shares.
This situation does not include 2014's fractional shares.

(3) The Board of Directors of Compagnie La Lucette of 7 September 2010 decided to transfer the bonus Icade shares assigned to certain beneficiaries the performance conditions of the original plan, related to the market as a function of the "Total Shareholder Return" (TSR) index.

(4) The Bonus Share Plan 2-1012 is discretionary: at the end of each financial year, fifty per cent (50%) of the allocation may be acquired subject to the defined performance conditions relating to net current cash flow.

(5) Plans originally issued by Silic: for the 2013 plan, the performance conditions linked to changes in 'EBO defined by Silic's Board of Directors meeting on 15/11/2013.

4.12. FINANCIAL DEBTS

(in thousands of euros)	31/12/2013	31/12/2012
Other bonded loans		
Other bonded loans	917,195	-
Interest accrued on bond borrowings	8,383	-
SUBTOTAL	**925,578**	**-**
Loans and debts with credit institutions		
Borrowings from credit institutions [(1)]	2,902,203	2,660,737
Interest accrued on borrowings from credit institutions	6,293	6,604
Bank credit balances	71,036	1,915
Interest accrued on bank credit balances	34	-
Bank borrowing and overdrafts	-	-
Interest accrued on bank borrowing and overdrafts	-	-
SUBTOTAL	**2,979,566**	**2,669,256**
Miscellaneous financial borrowing and debts		
Interest accrued on other borrowing	-	-
Other borrowing	93,799	93,911
Interest accrued on other borrowing	568	557
Deposits and sureties received	50,964	27,220
Debts related to equity interests	-	-
SUBTOTAL	**145,331**	**121,688**
Group and associates		
Group current accounts	65,661	266,798
Other Group debts	6,103	11,663
SUBTOTAL	**71,764**	**278,461**
TOTAL	**4,122,239**	**3,069,404**

(1) These loans are subject to hedging and are also guaranteed by:
- mortgage financing and preferential mortgages issued to the sum of €420,029,000;
- pledged securities up to €40,453,000.

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4.13. FINANCIAL DEBT INSTALMENT STATEMENT

(in thousands of euros)	Gross amount as at 31/12/2013	Less than 1 year	From 1 to 5 years	More than 5 years
Other bonded loans				
Other bonded loans	917,195	-	117,195	800,000
Interest accrued on bond borrowings	8,383	8,383	-	-
SUBTOTAL	**925,578**	**8,383**	**117,195**	**800,000**
Loans and debts with credit institutions				
Borrowings from credit institutions	2,902,203	898,493	1,520,474	483,236
Interest accrued on borrowing from credit institutions	6,293	6,293	-	-
Bank credit balances	71,036	71,036	-	-
Interest accrued on bank credit balances	34	34	-	-
Bank borrowing and overdrafts	-	-	-	-
Interest accrued on bank borrowing and overdrafts	-	-	-	-
SUBTOTAL	**2,979,566**	**975,856**	**1,520,474**	**483,236**
Miscellaneous financial borrowing and debts				
Other borrowing	93,799	22	25,591	68,186
Interest accrued on other borrowing	568	568	-	-
Deposits and sureties received	50,964	701	208	50,055
Debts related to equity interests	-	-	-	-
SUBTOTAL	**145,331**	**1,291**	**25,799**	**118,241**
Group and associates				
Group current accounts	65,661	65,661	-	-
Other Group debts	6,103	6,103	-	-
SUBTOTAL	**71,764**	**71,764**	**-**	**-**
TOTAL	**4,122,239**	**1,057,294**	**1,663,468**	**1,401,477**

4.14. STATEMENT OF OPERATIONAL DEBT INSTALMENTS AND UNEARNED INCOME

(in thousands of euros)	Gross amount as at 31/12/2013	Less than 1 year	From 1 to 5 years	5 years
Advances and part-payments received on orders	9,408	9,408	-	-
Suppliers and related accounts	28,654	28,654	-	-
Personnel and related accounts	9,181	9,181	-	-
Social security and other social organisations	6,490	6,490	-	-
Employee profit-sharing and social contribution	27	27	-	-
Corporation tax	2,730	2,233	497	-
Other taxes and similar	12,236	12,236	-	-
Suppliers of fixed assets	40,943	40,943	-	-
Other debts	10,287	10,287	-	-
Deferred income (1)	37,034	2,084	1,512	33,437
TOTALS	**156,991**	**121,544**	**2,009**	**33,437**

(1) Including the building lease for the Bassin Nord transaction in the amount of €35,327,000.

Expenses payable totalled €83,120,000.

4.15. INFORMATION ON AFFILIATED COMPANIES AND SHAREHOLDINGS

(in thousands of euros)	31/12/2013 Affiliated companies	31/12/2013 Companies in which the Company holds an interest
ASSETS		
Advances and part-payments on assets	-	-
Equity interests	1,840,059	116,422
Receivables related to equity interests and other associated parties	482,830	-
Loans	-	-
Advances and payments on account on orders	-	-
Trade and other receivables	2,968	85
Other receivables	1,136,558	127,039
LIABILITIES		
Loans and debts with credit institutions	-	-
Miscellaneous financial borrowing and debts	45,065	3,720
Advances and part-payments received for orders in progress	19	-
Trade payables	1,519	-
Debts on capital assets and related accounts	110	-
Other debts	96	35,327
INCOME STATEMENT		
Income from equity interests	124,700	7,800
Other financial income	-	-
Financial charges	3,629	2,243

The amount of the proceeds from sales of assets carried out with affiliated companies and equity interests was €250,000.

Transactions with related parties are executed under normal market conditions.

5. Notes on the income statement

5.1. OPERATING PROFIT/LOSS

Revenues

(in thousands of euros)	31/12/2013	31/12/2012
Rental income	133,242	142,137
Sale of goods	106	1,283
Provision of services	41,561	37,526
of which provision of central services	*29,104*	*26,538*
of which other services	*12,457*	*10,988*
TOTAL	**174,909**	**180,946**

All revenues are earned in France.

Other operating income

(in thousands of euros)	31/12/2013	31/12/2012
Re-invoicing of rental charges	40,109	35,830
Re-invoicing of expenses undertaken on behalf of subsidiaries	2,484	2,197
Fees for the Icade brand	10,916	10,978
Miscellaneous income	2,236	1,302
TOTAL	**55,745**	**50,307**

Operating expenses

(in thousands of euros)	31/12/2013	31/12/2012
Purchases and inventory changes	13,035	10,689
Outside services	61,205	65,923
Tax, duty and similar payments	29,037	20,193
Wages and salaries	27,424	25,105
Social security costs	12,419	11,329
Allocations for amortisation and impairment	63,735	75,501
Allocations for depreciation on current assets	2,986	3,536
Provisions for liabilities and charges	5,903	4,268
Other expenses	1,434	4,686
TOTAL	**217,178**	**221,230**

5.2. FINANCIAL INCOME

(in thousands of euros)	31/12/2013	31/12/2012
Dividends	73,390	90,098
Share of profits from tax-transparent companies	19,620	28,178
Other income related to shareholding	58,126	49,390
Other financial income (1)	4,450	8,184
Financial depreciation write-backs	30,580	31,542
Transfer of financial charges	-	19
Other interest charges	(49,906)	(43,037)
Share of loss on tax-transparent companies	(5,793)	(5,793)
Other income related to shareholding	(86)	(3,840)
Other financial expenses (2)	(64,455)	(47,586)
Allocation of financial provisions	(158,300)	(109,006)
TOTAL	**(92,374)**	**(1,850)**

(1) Including MISTRAL merger bonus of €471,000 and ICADE CBI of €300,000.
(2) Including MARIGNANE LA PALUN merger malus of €1,090,000 and RESIDENCE DE SARCELLES of €50,000.

5.3. NON-RECURRING PROFIT/LOSS

(In thousands of euros)	Income	Expenses	Net impact
Disposal of property assets and equity interests	251,382	238,703	12,679
Profit on depreciated liabilities	6,211	-	6,211
Others	108	377	(269)
TOTAL	**257,701**	**239,080**	**18,621**

5.4. INCOME TAX

Pursuant to the rules governing SIIC, Icade's taxable income represented a profit of €9,960,000, after allocation of tax loss carryforwards.

Icade was given approval to use the previous tax losses of COMPAGNIE LA LUCETTE for €44,119,000.

As at 31 December 2013, the residual amount of tax loss carryforwards stood at €42,734,000.

The tax charge on profit/loss for the year stood at €3,759,000.

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6. Off-balance-sheet commitments

Commitments given

(In thousands of euros)	31/12/2013	Maturity: Less than 1 year	1 to 5 years	More than 5 years
Sureties and guarantees given	110,655	58,761	2,500	49,394
Miscellaneous other commitments made	12,824	550	12,195	79
Commitments for work given excluding PPP	116,746	91,992	24,754	-
Liability guarantees granted	4,334	2,467	1,867	-
Financial guarantee given	271,018	10,115	69,903	191,000
Purchase options given on PPP operations	41,593	-	-	41,593
Minimum payments to be received on straightforward rental	18,992	5,746	13,247	-
Undertaking to purchase given on securities	1,500	-	1,500	-
Undertakings to sell given – Finca disposal and purchase	3,698	3,698	-	-
Sale options on housing-unit and business park transactions	180,000	-	180,000	-
Commitments on finance leases	69,773	4,187	18,746	46,840
TOTAL	**831,134**	**177,516**	**324,712**	**328,906**

Commitments received

(in thousands of euros)	31/12/2013	Maturity: Less than 1 year	1 to 5 years	More than 5 years
Sureties and guarantees received	12,720	1,264	7,420	4,035
Miscellaneous other commitments received	7,567	20	3,136	4,411
Commitments for work received excluding PPP	64,168	39,414	24,755	-
Bank guarantees received	3,151	94	2,854	204
Credit lines received not used	1,220,000	-	1,220,000	-
Minimum payments to be received on straightforward rental	1,058,151	319,312	575,972	162,866
Minimum payments to be received on PPP operations	220,881	15,046	63,254	142,580
Undertakings to purchase received	950	950	-	-
TOTAL	**2,587,586**	**376,100**	**1,897,390**	**314,097**

7. Other information

7.1. POST-CLOSING EVENTS

None.

7.2. COMMITMENTS FOR LOAN HEDGING INSTRUMENTS

	31/12/2013				
	Notional contract value				
(in thousands of euros)	Average rate	Total	Less than one year	One to five years	More than five years
Swaps	3.38%	1,598,949	459,508	912,142	227,299
Rate options [(1)]	2.94%	786,818	250,909	410,909	125,000
TOTAL *SWAPS* AND RATE OPTIONS		**2,385,767**	**710,417**	**1,323,051**	**352,299**

(1) Including €350 million in forward start options, broken down by maturity.

The fair value of all derivative instruments at 31 December 2013 (excluding accrued interest not yet due) is as follows:

- swaps: €(92,864,000)
- interest rates options: €3,467,000

The variable-rate debt was hedged to 88.7% by swaps and rate options.

7.3. CONSOLIDATION

Icade's consolidated accounts are consolidated into those of the *Caisse des Dépôts & Consignation* according to the full-consolidation method.

7.4. REMUNERATION AND BENEFITS ALLOCATED FOR THE FINANCIAL YEAR TO ADMINISTRATORS AND MEMBERS OF THE EXECUTIVE COMMITTEE

(in thousands of euros)	31/12/2013
Compensation paid	2,440
Director's fees paid	182
TOTAL	**2,622**

7.5. WORKFORCE

The average number of full-time equivalent paid employees as at 31 December 2013 was as follows:

Category	Company employees not available	Employees available	Icade before merger with Silic	Silic	31/12/2013
Managerial/executive staff (and similar)	236	3	239	8	247
Employees	77	-	77	-	77
TOTAL	**313**	**3**	**316**	**8**	**324**

7.6. TABLE OF SUBSIDIARIES AND SHAREHOLDINGS

(in thousands of euros)		Share capital	Equity excluding share capital	Proportion of share capital held as %	Book value of shares held		Loans and advances	Guarantees given to subsidiaries	Revenue	Profit/(loss) of the last financial year	Dividends received	Obs. (date of last balance sheet)
					Gross	Net						
SUBSIDIARIES (held at >50%)												
SAS	Icade Tour Eqho	305,842	(68,497)	100	405,842	215,259	245,586	-		(91,684)	-	2013
SAS	Sarvilep	1,000	73,462	100	156,500	76,955	-	-	13,711	(3,322)	39,281	2013
SASU	Icade Promotion	29,683	222,764	100	135,089	135,089	-	-	564,393	38,536	-	2012
SCI	Icade-Leo Lagrange	121,911	3,833	100	121,911	121,911	126,246	-	17,366	3,833	-	2013
SCI	Icade-Rue Des Martinets	99,177	(23,083)	100	99,177	76,095	45,585	-	7,271	5,124	-	2013
SAS	Icade Bricolage	38,347	27,564	100	67,845	67,845	5,800	-	9,065	3,811	3,068	2013
SCI	Mondotte	58,368	(4,424)	100	58,369	58,369	47,209	-	4,831	1,209	-	2013
SCI	PDM 2	42,702	24,435	100	42,702	42,702	43,149	-	8,162	3,649	-	2013
SCI	PDM 1	39,652	32,741	100	39,652	39,652	48,180	-	10,291	5,180	-	2013
SCI	Messine Participations	24,967	11,452	100	34,388	34,388	36,568	-	5,724	2,696	-	2013
SCI	Gascogne	25,871	(16,043)	100	25,871	14,136	10,607	-	1,789	(605)	-	2013
SCI	Icade 69 Bd Haussman	28,984	2,190	100	24,834	24,834	29,405	-	4,344	2,190	-	2013
SCI	Le Tolbiac	22,938	628	100	22,938	22,938	21,008	-	2,711	628	-	2013
SCI	Icade Camille Des Moulins	15,862	1,943	100	17,869	17,869	19,508	-	3,530	1,943	-	2013
SAS	21-29 Rue Des Fontanot	37	(4,447)	100	16,665	16,665	37,488	-	6,326	3,253	-	2013
SCI	Nanterre Étoile Parc	10,790	1,588	100	16,441	12,378	10,000	-	1,600	455	-	2013
SAS	Icade Conseil	270	767	100	12,829	7,600	557	-	7,783	696	1,188	2013
SCI	Évry Mozart	7,257	(215)	100	12,268	7,063	6,976	-	1,269	(589)	-	2013
SCI	Évry Europeen	3,492	3,670	100	12,217	7,162	8,894	-	1,603	(861)	-	2013
SCI	68 Avenue Victor Hugo	11,737	(220)	100	11,737	11,737	16,250	-	1,221	(182)	-	2013
SCI	Bati Gautier	1,530	3,039	100	11,497	11,497	2,598	-	4,167	2,598	-	2013
SCI	Icade Morizet	9,100	1,052	100	10,234	10,234	12,382	-	2,144	1,052	-	2013
SARL	Epp Periparc Nautile	8	(38)	100	2,816	2,816	4,150	-	-	(24)	-	2013
SAS	Iporta	500	295	100	2,700	2,700	126	-	2,837	44	150	2013
SAS	Icade Property Management	3,450	1,610	100	2,406	2,406	-	-	31,883	1,260	1,587	2013
SAS	Socomie	697	(1,598)	100	2,058	-	-	-	12,830	(630)	-	2013
SCI	BSM du CHU de Nancy	1,400	(5,420)	100	1,400	1,400	1,393	-	4,050	(1,358)	-	2013
SCI	Des Pays de Loire	637	(516)	100	576	121	-	-	-	-	-	2013
SCI	2C Marseille	480	(88)	100	479	479	770	-	583	(4)	-	2012
SCI	PCM	145	714	100	145	145	185	-	1,823	(103)	-	2013
SAS	Icade Transaction	524	(197)	100	131	131	438	-	2,650	(815)	-	2013
SAS	Havane	100	(9)	100	100	91	-	-	-	(1)	-	2013
SA	Inmobiliaria De La Caisse Des Depots Espana (*)	60	505	100	68	68	-	-	112	494	631	2013
GMBH	Icade Reim Deutschland (*)	25	519	100	25	25	-	-	2,211	(8)	-	2013
SCI	Les Tovets	10	212	100	10	10	-	-	321	130	99	2013
BV	Icade Reit (*)	18	173,587	100	4	4	177,117	-	-	(398)	-	2013
SNC	SNC Capri Danton	1	-	100	1	1	-	-	-	-	-	2012
SAS	Foncières Nanteuil	38	437	100	-	-	4,302	-	871	433	-	2013
SAS	Sepac	229	5,361	99	18,713	18,713	60,949	-	10,881	5,361	-	2013

(*) Equity, revenues and profit/loss are determined according to IFRS standards.

(in thousands of euros)		Share capital	Equity excluding share capital	Proportion of share capital held as %	Book value of shares held		Loans and advances	Guarantees given to subsidiaries	Revenue	Profit/ (loss) of the last financial year	Dividends received	Obs. (date of last balance sheet)
					Gross	Net						
SCI	BSP	10	(333)	99	10	10	-	-	1,144	(406)	-	2012
SCI	La Sucriere	5	45	99	4	4	40	-	-	(2)	-	2012
SCI	JCB2	3	98	95	1,533	1,533	1,313	-	239	120	-	2013
SAS	Icade Asset Management	225	378	75	169	169	-	-	3,211	355	-	2013
SCI	Séverine	100	77	60	60	60	46	-	121	77	-	2013
SASU	Icade Santé	330,645	495,437	57	450,259	450,259	389,630	-	123,892	28,976	27,324	2013
SCI	Fam de Lomme	900	563	51	459	459	294	-	763	127	-	2013
SUBSIDIARIES (held at 10%-50%)												
SCI	Du Bassin Nord	103,889	40,255	50	72,762	72,762	109,903	-	21,534	(4,966)	-	2013
SCI	CNM	420	1,000	50	210	210	81	-	1,033	(44)	-	2013
SCIA	Le Parc du Millénaire	2	(5,616)	49	1	1	85,081	-	1,284	(5,616)	-	2013
SCI	Terrasse Bellini	91,469	9,015	33	37,179	37,179	12,105	-	17,582	9,008	2,932	2013
SCI	De la Vision	1,500	2,104	22	330	330	-	-	3,467	144	-	2013
SCI	Centre des Archives Diplomatiques	1,440	1,662	22	317	317	117	-	3,509	183	19	2013
SCI	Hotel de Police Strasbourg	76	2,289	19	14	14	-	-	4,214	2,209	399	2013
SAS	Guyane Lycées	1,650	36,486	16	264	264	152	-	3,431	319	80	2012
SAS	La Cité	1,618	554	16	259	259	2,329	-	19,281	557	82	2013
SAS	Chrysalis	40	24,841	16	6	6	-	-	909	(2)	-	2012
SAS	UMAG	898	9,885	10	90	90	-	-	-	(93)	-	2011

STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report also includes information relative to the specific verification of information given in the management report and in the document addressed to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' annual general meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the annual financial statements of Icade;
- the justification of our assessments;
- the specific verifications and information required by law.

These annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with the auditing standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or others methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the financial position and assets and liabilities of Icade, as of 31 December 2013, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

Without qualifying our opinion expressed above, we draw your attention on the part 4.9 of the notes to the financial statements that presents the accounting treatment relating to the tax audit that your company has supported with regard to the fiscal year 2007.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (Code de Commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- During the year, a combination occurred between your company and Silic, resulting, as described in note 2.1 of the Notes to the financial statements, to the merger of Silic into your company on 31 December 2013.

  In this context, our work has been to perform specific audit procedures on the assets and liabilities transferred by Silic as at 31 December 2013. Beside, in view of the impact on Icade due to the restructuring of the derivatives portfolio of Silic, as described in note 4.5 to financial statements, we verified the appropriateness of the accounting treatment applied. Finally, we verified that notes 2.1, 3.15 and 4.5 provide the appropriate information.
- The notes 3.2, 3.4, 3.5 and 3.8 to the financial statements describe the accounting rules and methods for the assessment of tangible and intangible fixed assets, equities and accounts receivables, as well as significant estimates made by the Company in connection with the implementation of impairment testing of these assets.

The assessments were thus made in the context of the performance of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of our audit opinion expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by law.

We have no matters to report regarding the fair presentation and the conformity with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements;

Concerning the information given in accordance with the requirements of article L.225-102-1 of the French Commercial Code relating to compensation and benefits received by the Directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have ensured that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Courbevoie and Neuilly-sur-Seine, February 19, 2014

The Statutory Auditors (French original signed by)

Mazars		**Pricewaterhousecoopers Audit**
Gilles Rainaut	Jérôme de Pastors	Jean-Baptiste Deschryver

SILIC – FINAL ACCOUNTS AT 31 DECEMBER 2013

Comparative balance sheets

Assets *(in thousands of euros)*	31/12/2013 Gross	31/12/2013 Amort. Provisions	31/12/2013 Net	31/12/2012 Net	31/12/2011 Net
FIXED ASSETS					
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets					
- Land	278,906	9,928	268,978	262,789	249,378
- Constructions	1,713,284	581,890	1,131,394	1,155,230	1,190,455
- Other	1,349	1,271	78	90	169
- Tangible assets under construction	131,129	-	131,129	76,639	42,829
	2,124,668	**593,089**	**1,531,579**	**1,494,748**	**1,482,831**
FINANCIAL FIXED ASSETS					
- Equity investments	41,885	2,067	39,818	41,885	41,885
- Receivables attached to equity investments	108,202	-	108,202	106,493	112,882
- Other (1)	1,789	-	1,789	1,789	1,852
	151,876	**2,067**	**149,809**	**150,167**	**156,619**
TOTAL I	**2,276,544**	**595,156**	**1,681,388**	**1,644,915**	**1,639,450**
CURRENT ASSETS					
Trade accounts and notes receivable	23,644	2,660	20,984	22,097	20,286
Miscellaneous receivables	169,688	15,388	154,300	14,884	18,434
Cash assets	3,664	-	3,664	4,686	3,961
Prepayments	9	-	9	16	52
TOTAL II	**197,005**	**18,048**	**178,957**	**41,683**	**42,733**
GENERAL TOTAL (2)	**2,473,549**	**613,204**	**1,860,345**	**1,686,598**	**1,682,183**

(1) Of which treasury shares at 31/12/2013 amounting to €1,571,219.16.
(2) The total amount of net assets at 31/12/2013 amounted to €1,860,344,796.20.

Liabilities *(in thousands of euros)*	31/12/2013	31/12/2012	31/12/2011
EQUITY			
Capital	70,194	70,084	69,875
Merger – issue – contribution premiums	35,811	86,855	100,444
Reserves and retained earnings	29,687	29,704	29,608
Profit/Loss for the year	25,904	27,538	64,568
Investment grants	6,468	5,463	3,653
Regulated provisions	756	631	506
TOTAL I (1)	**168,820**	**220,275**	**268,654**
PROVISIONS FOR RISKS AND CHARGES	**925**	**360**	**310**
TOTAL II	**925**	**360**	**310**
DEBTS			
Other bond loans	132,834	132,834	175,000
Loans and debts with credit institutions	586,078	887,192	1,130,130
Tenants' security deposits	36,264	35,095	34,276
Miscellaneous financial loans and debts	895,669	350,515	89
Trade debtors and related accounts	7,874	10,801	10,694
Other debts	31,881	49,526	63,030
TOTAL III	**1,690,600**	**1,465,963**	**1,413,219**
GENERAL TOTAL (2)	**1,860,345**	**1,686,598**	**1,682,183**

(1) The total amount of final net assets at 31/12/2013 amounted to €168,819,936.00.
(2) The total amount of liabilities at 31/12/2013 amounted to €1,860,344,796.20.

4

Comparative profit and loss statements

(in thousands of euros)	2013		2012	2011
OPERATING INCOME				
Provision of services		223,712	222,197	213,240
- Rents	170,221			
- Miscellaneous services	53,491			
Income net amount		**223,712**	**222,197**	**213,240**
Retained provisions and amortization		1,176	744	635
Transfer of charges		-	-	-
Other revenue		4,912	2,592	3,652
TOTAL I		**229,800**	**225,533**	**217,527**
OPERATING EXPENSES				
Consumption from third parties		51,966	54,480	49,714
- Materials and supplies	11,662			
- Outside services	40,304			
Tax, duty and similar payments		25,697	26,375	23,843
Labour charges		3,402	2,775	2,907
- Wages and salaries	2,305			
- Social security costs	1,097			
Depreciation, amortisation and provisions		63,063	66,954	60,511
- For fixed assets	60,161			
- For current assets	2,305			
- For risks and charges	597			
Other expenses		596	312	684
TOTAL II		**144,725**	**150,896**	**137,659**
1 – OPERATING RESULT (I - II)		**85,076**	**74,637**	**79,868**
FINANCIAL INCOME				
From equity investments and other fixed assets	7,198			
Other interest receivable and similar income	26			
Transfer of charges	9,031			
TOTAL III		**16,255**	**11,838**	**18,108**
FINANCIAL CHARGES				
Depreciation, amortisation and provisions	10,022			
Interest payable and similar expenses	59,474			
Other financial charges	4,141			
TOTAL IV		**73,637**	**58,828**	**55,675**
2 – FINANCIAL RESULT (III - IV)		**(57,382)**	**(46,990)**	**(37,567)**
3 – CURRENT RESULT BEFORE TAXES (1 + 2)		**27,693**	**27,647**	**42,301**
NON-RECURRING INCOME				
From capital operations		-	-	39,100
From management operations		4	18	76
TOTAL V		**4**	**18**	**39,176**
NON-RECURRING CHARGES				
Allocations to depreciation and amortization		125	125	125
From capital operations		-	-	16,347
From management operations		-	11	361
TOTAL VI		**126**	**136**	**16,833**
4 – NON-RECURRING RESULT (V - VI)		**(121)**	**(118)**	**22,343**
Employee profit-sharing		**27**	**(9)**	**76**
PROFIT TAX (VII)		**1,641**	**-**	**-**
NET INCOME		**25,904**	**27,538**	**64,568**

Notes to the accounts

1. General principles applied to draw up accounts

General accounting conventions were applied in line with the principles of prudential management and separate financial years with the assumption of continued activity.

All items relating to the Company's ordinary operations, even those deemed exceptional in light of their frequency or amount, were included in the establishment of the current profits. Only the items not relating to ordinary operations were booked as non-recurring results.

2. Main accounting methods

2.1. PROPERTY ASSETS

Assets comprise real estate investments that are intended to be kept with a long-term perspective, even though some decisions may be made in light of subsequent opportunities.

Property assets taken as a whole obey the following accounting rules:

The property entry cost as assets comprises the acquisition cost of the acquired or transferred property and its production cost for constructed or restructured properties.

The acquisition cost includes expenses and conveyance fees arising from the purchase.

Property production costs cover all costs directly attributable to construction (works, fees, contracting costs and financial expenses incurred during the construction period).

Items within each property to be replaced at regular intervals were isolated and booked separately.

The following components were highlighted with costs assessed on a real basis when information is available or otherwise by analogy with reference to similar properties produced by Silic:

- structure (building shell and access facilities);
- façade surfacing;
- technical fixtures;
- fittings.

Restructuring works, extensive renovations of specific premises as well as asset modernisation works were booked as fixed assets:

- restructuring entails a radical transformation of an extant property and may be considered similar to the construction of a new property (modification of enclosures and covering, variation in surface areas, new design of volumes, etc.);
- extensive renovation entails the restructuring of part of a property whose overall duration of use is unchanged as a result;
- asset modernisation works improve the level of services provided to tenants (air conditioning, etc.).

Similarly, work to replace property components (proofing, boilers, etc.) is booked as fixed assets.

In contrast, maintenance work to guarantee optimal preservation of property assets (costs to renovate the common areas in a property complex or building), as well as restoration of premises when leasing to a new tenant, were booked under expenses for the year.

Property work is booked according to its progress. The amount of the latent financial comment, understood as the remainder to be financed until completion in full, constitutes an off-balance sheet commitment.

Property ***amortisation*** is carried out for each component according to the straight-line method for the following durations:

- new office and professional buildings located in business parks:
  - structure: 40 to 60 years depending on the property type;
  - façade surfacing: 40 years;
  - technical and proofing facilities: 20 to 25 years;
  - fittings: 10 years;

  Purchased "old" properties were amortised over a period that factors in their age.
- Extensive renovation work:
  - structural modifications: Outstanding duration for amortisation of the properties concerned;
  - other components: For each component, according to the same criteria as applied to new properties;
- modernisation work: For each component, ten and 25 years;
- land development: 60 years.

Marketing costs are booked as fixed assets and amortised over the confirmed tenants' commitment period.

An independent assessor conducts an ***assessment*** of the market value of the Group's property assets each year for all assets. The assessment is updated every six months.

Assessment continuity is ensured as follows: the same assessor is commissioned for renewable three-year terms. Assessment teams are in all cases renewed every six years. The assessor's fees are fixed and do not depend on the assessment value.

The valuation methods used comply with the professional reference systems of the *Charte de l'Expertise en Estimation Immobilière* and European Property Valuation Standards (TEGoVA) and with the recommendations issued by the French *Conseil National de la Comptabilité* and the AMF for property valuations.

The assessor uses the methods outlined below to establish market value, which equates to the price at which a property or real estate entitlement may be sold at the time of the assessment under normal supply and demand conditions:

- discounted Cash Flow (DCF) method with effect from 2012: The valuation entails updating future financial movements generated by property over a ten-year term. Income (rents from current leases, indexation, effect of new lettings and vacancy) and expenditure (non-recoverable charges, works and new letting costs) are generated from probable lease scenarios at the date of the valuation. The update rate used is calculated with reference to the OAT, to which a specific risk premium for the asset is added;
- direct comparison method: The valuation refers to the sale price observed on the market for equivalent properties by type and location;
- capitalisation method: Net income from properties is capitalised according to yields [1] observed on the market.

At 31 December 2013, the market value used equated solely to the DCF value. The two other methods were used for cross-checking purposes.

Where properties are office buildings for which the upper limit of the lease can be removed after the lease, net income is established using the market rental value of occupied or vacant premises from which are deducted non-recoverable property charges. In the event that a site has a structural vacancy, deductions include the corresponding loss of potential income.

The resulting net income is capitalised on the basis of a market yield rate with the ensuing value corrected to take account of rental gains or losses from leased premises and new leasing costs for vacant premises (refurbishment, latency period in receiving income, etc.) to establish the reconstitution value.

The market (or completion) value is the resulting value after deduction of conveyance fees and acquisition costs estimated by the assessor at 6.20% (conveyance levy) or at 1.80% (VAT).

The same method is applied to multi-purpose properties, although net income from leased premises is established on the basis of real rents from leased premises. The market rental value continues to be applied to vacant premises. It is stipulated that premises to be vacated within three months of the valuation date are deemed vacant for the purposes of the valuation.

Assets are assessed in their condition at the valuation date.

As an exemption to the above, assets under development (new constructions and restructuring programs) are assessed at the completion value, with outstanding costs as well as financial costs systematically deducted from the established value. For pre-letting at less than 60% of the surface area at the date of the valuation, an additional discount is applied to the completion value to take account of the risk inherent in development operations.

Construction land is estimated by comparison. In the specific case of the Orly-Rungis park, which has a density potential of approximately one million square metres, the assessment is conducted on the basis of a redevelopment scenario capped at 20 years entailing the construction of 500,000 sq. m. and the demolition of 200,000 sq. m. of business properties.

The density capacity of other parks (in particular Nanterre-Préfecture, Nanterre-Seine, Colombes and over the longer term, Paris Nord 2) were not assessed by the property assessor.

The valuation was provided in its "completion value" when conveyance fees and acquisition costs estimated by the assessor were deducted from the market value or in "reconstitution value" otherwise.

Should the reconstitution value of a business park drop significantly, a detailed analysis of expected cash flow could result in a depreciation in addition to amortisation.

At 31 December 2013, the date of the latest independent valuation, as in previous financial years, the reconstitution value of each of the Group's business parks exceeded its net accounting value.

2.2. FINANCIAL FIXED ASSETS

Financial fixed assets comprise equity investments in property companies with a comparable activity to the Company's as well as in SOCOMIE, a property services company.

Equity investments were booked at the acquisition or contribution cost. Where the inventory value was less than the gross value, a provision for depreciation was established for the difference.

Equity investments in land companies were valued against the market value of the properties they manage using the same principles and methods as for property directly owned by Silic.

Receivables equate to partners' current accounts.

2.3. REVENUE AND OTHER OPERATING INCOME

Revenue comprises rents and other miscellaneous services relating in particular to tenant invoicing of rental charges, insurance and taxes.

Rents were booked according to the conditions and due dates stipulated in each lease. However, the effect of any deductibles or sliding scales where the impact was significant impact was staggered over the tenant's firm commitment period.

Payable trade receivables were reviewed for each file and were provisioned, where applicable in full without offset against the security deposits held.

Positive balances for some tenants either because of payment before the due date or because of advance surplus payments over expenditure were booked as operating debts (Other Debts).

2.4. CASH

Cash assets include ready cash and positive bank balances.

2.5. TAXES

Silic has been subject to provisions governing *Sociétés Immobilières d'Investissements Cotées* (listed property investment companies or "SIIC") since 1 January 2003.

(1) *The net yield rate provides a statement as a percentage of the ratio between the net income from the property and the capital committed to acquire it including costs and conveyance fees.*

Its property leasing operations and income from the sale of assets are according exempt from corporate tax subject to distribution of:

- 95%,of its current tax profits;
- 60% of gains within two years [(1)].

Any other activities are subject to corporate tax.

2.6. PROVISIONS FOR RISKS AND CHARGES

Provision for risks

Amounts booked as provisions for risks are the best estimate of expenditure required to write off the Company's obligations.

Provision for pensions and other employee benefits

Commitments in terms of pensions and other benefits for Group employees comprise pension severance compensation and anniversary premiums (long-term service awards) stipulated in the collective real estate labour agreement and corporate agreement.

An actuarial valuation is applied to them at the end of the financial year using the method referred to as the "projected credit unit", with the cost of the benefit calculated on the basis of services rendered at the valuation date with the hypothesis of employees retiring at the age of 67.

The calculation parameters are determined on historic bases.

The update rate used in 2013 was 2.34%.

2.7. BANK LOANS, BOND LOANS AND FINANCIAL INSTRUMENTS

Bank financing consisted primarily of depreciable loans and credit lines over the medium and long term, which can be used by draw-downs with variable durations. Successive draw-downs were booked in the financial statements at their face value, with the latent borrowing capacity considered an off-balance sheet commitment.

ORNANE (*Obligation à option de Remboursement en Numéraire et Actions Nouvelles ou Existantes* or net share settled bond convertible into new and/or existing shares) issued in 2010 was booked as a bond debt at its face amount.

The corresponding financial charges (*coupon*) were booked under the income statement as "net financial debt cost".

Derivatives: Derivatives were used solely for the purpose of hedging interest rate risks. Derivatives were essentially cap and tunnel swaps, the use of which guarantees either a fixed interest rate or a cap on interest rates.

These instruments were not booked in the financial statements when concluded, but are off-balance sheet commitments. In contrast, the difference in rates paid or received as per these agreements was booked as financial charges or income in the financial year.

Any gains or losses in value from these instruments were booked at the conclusion of the hedging operations, i.e., in the event of early termination of hedging commitments or reimbursement of covered loans.

The booking of derivatives, as shown above, is supplemented in the manner described below to stipulate the booking of balancing cash adjustments for early completion of hedging instruments which had to be applied for the first time in the fourth quarter of 2013.

When an instrument deemed a hedging vehicle is completed or expires, two cases may arise:

Case 1: the hedging instrument is completed or expires when the hedged item still exists.

In this case, hedging accounting continues to be applied to the result of the hedging instrument. The ensuing result is thus carried over in a holding account for the balance sheet for as long as the hedged item does not impact the income statement or is reported in the income statement for the remaining service life of the hedged item symmetrically with regard to the booking method for income and charges for the said item.

Second case: the hedging instrument is completed or expires and the hedged item is also expired.

In this case, hedging booking ceases to apply to the result booked by the hedging instrument. All balancing cash adjustments for hedging instruments are immediately booked in the income statement.

3. Hedge instrument portfolio restructuring operation

An operation to restructure the portfolio of instruments deemed hedging vehicles took place in October 2013. In accordance with the accounting principles described above, the balancing cash adjustment amounting to €144,348 thousand included accrued interest and €144,019 thousand excluding accrued interest were booked in the accounts at 31 December 2013.

Of the €144,019 thousand:

- €143,491 thousand equating to balances for termination of hedging instruments with conservation of the underling hedged debts were booked under balance sheet assets under the "Miscellaneous receivables" item. The proportion relating to 2013 results amounted to €7,351 thousand;
- €528 thousand equating to the balance of terminated hedging instruments without conservation of the underlying hedged debts were immediately booked in the income statement.

The termination of both rate options had a charge impact of €80 thousand equating to balances of premiums not amortised at the termination date.

Rate options were take out at the same time as the terminations. Paid premiums were booked under balance sheet assets in the "Miscellaneous receivables" item amounting to €4,045 thousand. The proportion relating to 2013 results amounted to €207 thousand.

(1) *For the calculation of the distribution requirement, gains are calculated against the value applied for payment of exit taxes.*

STATUTORY AUDITORS' REPORT ON SILIC "FINAL ACCOUNTS"

(PERIOD 1ST JANUARY TO 31ST DECEMBER 2013)

This is a free translation into English of the Statutory Auditors' report on the financial statements issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the CEO,

In compliance with the assignment entrusted to us by your shareholders' annual general meeting, we hereby report to you, for the year ended 31 December 2013, on:

- the audit of the annual financial statements of Icade;
- the justification of our assessments;
- the specific verifications and information required by law.

These annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

In our capacity as Statutory Auditors of Icade and in response to your request in the context of the merger of Silic SA into your company, we have audited the accounting statements of Silic SA, consisting of a balance sheet, an income statement and an explanatory note relating to the period 1st January 2013 to 31st December 2013 (here after the "Final Accounts"), as attached to this report.

These Final Accounts have been prepared under the responsibility of the management of your company and have been approved by the Board of Directors dated 19 February 2014. It our responsibility, based on our audit, to express an opinion on these Final Accounts.

We conducted our audit in accordance with the auditing standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether these Final Accounts are free of material misstatement. An audit involves performing procedures, using sampling techniques or others methods of selection, to obtain audit evidence about the amounts and disclosures in the Final Accounts. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the Final Accounts were prepared in accordance with accounting principles as described in Notes 1 and 2 of the explanatory note.

Without qualifying our opinion, we draw your attention:

- to the Note 2.1 "Principles, rules and Accounting Policies" of the explanatory note, which indicates that the real estate assets of the Company is subject to valuation procedures by independent appraisals in order to estimate impairment losses. Our work consisted in reviewing the valuation methodology used to ensure that the impairments were made on the basis of external valuations;
- to the Note 3 of the explanatory note which describes the impact in the Final Accounts of the accounting treatment applied to the restructuring of the derivatives portfolio that occurred in October 2013;
- to the fact that these Final Accounts have been prepared in the context of the merger of Silic SA into Icade SA and accordingly are not a full set of accounts according to French Gaap because they do not include all the notes to the financial statements required by this standard.

The report is drawn to your attention in the context described above and should not be used, distributed, or quoted for other purposes. We accept no responsability towards any third party to whom this report would be circulated or succeed.

This report is governed by French law.

Courbevoie and Neuilly-sur-Seine, 19 February 2014

The Statutory Auditors (French original signed by)

Mazars		**Pricewaterhousecoopers Audit**
Gilles Rainaut	Jérôme de Pastors	Jean-Baptiste Deschryver

CHAPTER 5

CHAIRMAN OF THE BOARD'S REPORT

drafted pursuant to Article L. 225-37 of the French Commercial Code

In accordance with Article L. 225-37 of the French Commercial Code, the Chairman of the Board of Icade (the ***Chairman***) is reporting on the composition and application of the principle of balanced representation of men and women within its membership, conditions for preparing and organizing the Board of Directors' activities, and internal control and risk management procedures implemented by Icade (***Icade*** or the ***Company***).

This report covers the period between 1st January and 31 December, 2013. It was drafted following work carried out by the Chairman with the support of management. To prepare this report, the Chairman consulted with management committees, particularly the Executive Committee. The report was then submitted to the Audit, Risk Management and Sustainable Development Committee for comment.

It was also approved by the Board of Directors on 19 February 2014.

This report reflects the efforts to integrate Silic into the Icade Group in 2013 before its merger with Icade decided by the Extraordinary General meeting of each of the two companies on 27 December 2013 with deferred effect at midnight on 31 December 2013, (these operations are described more thoroughly in chapter 1, point 2.4.3.).

Also, for full shareholder and reader information, the Chairman, where necessary, wants this report to describe the governance and internal control procedures of Icade and Silic in 2013.

Icade's internal regulations are available on the Company's website (see: http://www.icade.fr/fo/fr/content/article/icade-emgp-gouvernance.do).

1. Corporate governance

1.1. REFERENCE TO THE AFEP-MEDEF CODE

Icade refers to the "Corporate Governance Code of Listed Companies" published by the Association Française des Entreprises Privées ***(AFEP)*** and the Mouvement des Entreprises de France ***(MEDEF)*** of December 2008, and updated in April 2013 (the ***Reference Code***, available at http://www.medef.fr.

Silic also referred to it until its acquisition by Icade on 31 December 2013 at midnight.

To date, Icade applies all of the recommendations of the Reference Code except the recommendations below for the following reasons:

Protection measure	Justification
Staggered renewal of the terms of corporate officers (Article 12, paragraph 2 of the Reference Code: *"staggering the terms of office must be organised in a manner so as to avoid a mass renewal and to encourage a harmonious reappointment of corporate officers")*	Given the expiration dates of the various current terms of directors, the staggered renewal of the terms of the Company's directors is actually being applied and there has been no need for it to be formally arranged, specifically in the corporate Articles of Association.
All bonus shares awarded to the senior executive corporate officer are subject to performance conditions (Article 20.2.3, paragraph 3 of the Reference Code: *"exercise by the senior corporate officers of* ***all*** *options and share purchases must be linked to performance conditions")*	Most, but not all, of the options or bonus shares awarded to the Chairman and CEO are contingent on performance conditions. However, the Chairman and CEO promised, during the Board of Directors' meeting on 20 December 2012, to propose to the Board that all options and bonus shares that may be awarded to him in the future should be subject to performance conditions.

Consequently, the Company's compliance with the provisions of the Reference Code may be summarised as follows:

No.		Recommendation	Compliance with the recommendation
1.		Off-balance sheet and corporate risks (recommendation no. 2.2)	Yes
2.		Information on the option of whether or not to separate the functions of the Chairman of the Board and the CEO (recommendation no. 3.2)	Yes
3.		Board of Directors and strategy (recommendation no. 4)	Yes
4.		Board of Directors and annual shareholders' meeting (recommendation no. 5.2)	Yes
5.		Independent directors (recommendation no. 8)	Yes
6.		Assessment of the Board of Directors (recommendation no. 9)	Yes
7.		Board sessions and committee meetings (recommendation no. 10)	Yes
8.		Director access to information (recommendation no. 11)	Yes
9.		Duration of the director functions (recommendation no. 12)	Yes With the exception of the staggered renewal of directors (explanations supplied in point 1.1 above)
10.		Board Committees (recommendation no. 13)	Yes
11.		Accounts Committee (recommendation no. 14)	Yes
12.		Selection or Appointments Committee (recommendation no. 15)	Yes
13.		Compensation Committee (recommendation no. 16)	Yes
14.		Director ethics (recommendation no. 17)	Yes
15.		Compensation of directors (recommendation no. 18)	Yes
16.		Termination of work contract in the event of appointment to corporate office (recommendation no. 19)	Yes
17.		Compensation of senior executive corporate officers (recommendation no. 20)	Yes
	17.1	Fixed portion of compensation (recommendation no. 20.2.1)	Yes
	17.2	Variable portion of compensation (recommendation no. 20.2.2)	Yes
	17.3	Stock options and performance shares (recommendation no. 20.2.3)	No (see point 1.1. above)
	17.4	Termination benefits (recommendation no. 20.2.4)	Yes
	17.5	Supplemental retirement plans (recommendation no. 20.2.5)	N/A
18.		Information on compensation of senior executive corporate officers (recommendation no. 21)	Yes
	18.1	Permanent information (recommendation no. 21.1)	Yes
	18.2	Annual information (recommendation no. 21.2)	Yes

1.2. OPERATION OF THE BOARD OF DIRECTORS

1.2.1 Duties and prerogatives

The Icade Board of Directors establishes the Company's business strategy and supervises its implementation. Subject to the powers expressly reserved for shareholders' meetings and within the limit of the corporate purpose, it addresses all questions relating to the due and proper functioning of Icade and settles matters concerning it through its discussions. The Board of Directors meets at least twice a year and whenever the interests of the company so require.

In the scope of exercising general management, the Board of Directors has opted not to separate the functions of Chairman of the Board and CEO.

On 30 November 2007, the Board of Directors of Icade adopted the internal regulations of the Board of Directors and the regulations of each of the three specialised committees for implementing its new governance. The internal regulations of the Board of Directors were implemented by the Board of Directors meeting on 11 December 2008, 7 April 2011, and 22 June 2012.

1.2.2 Composition of the Board of Directors

1.2.2.1. Composition of the Board of Directors of Icade

The Board of Directors may include between three (minimum) and 18 (maximum) members, appointed by the Company's shareholders at the Annual General Meeting.

The directors are appointed for a term of office of four years, renewable. No one may be appointed as a director if, having exceeded the age of 70, his or her appointment would have the effect of bringing the number of directors who have exceeded this age to more than one third.

As at 19 February 2014, the Icade Board of Directors consists of 14 members, including four women and five independent directors (i.e., 35.7% of the directors including two women): Cécile Daubignard, Benoît Faure-Jarrosson, Marie-Christine Lambert, Benoît Maes and Olivier de Poulpiquet.

The percentage of women on the Board is currently 28.6%, and is consistent with the provisions of the law dated 27 January 2011 relating to the balanced representation of men and women on boards of directors, and ensures professional equality (20% in 2014 and 40% in 2017).

The average term of office of the Company's directors is 4.2 years; their average age is 52.7 years and they are all of French nationality.

As at 31 December 2013, the named list of directors is as follows:

- Caisse des Dépôts et Consignations, represented by Maurice Sissoko, 47, of French nationality and CEO of Informatique CDC - reappointed on 7 April 2011, until the approval of the accounts for the financial year ending on 31 December 2014;
- Christian Bouvier, 75 and of French nationality – reappointed on 22 June 2012 until the approval of the accounts for the financial year ending on 31 December 2015;
- Cécile Daubignard, 49, of French nationality and Director of the Strategy and Mergers and Acquisitions Group of Groupama – appointed on 22 June 2012 until the approval of the accounts for the financial year ending on 31 December 2015;
- Jean-Paul Faugère, 57, of French nationality and Chairman of the Board of CNP Assurances – appointed on 20 December 2012 until the approval of the accounts for the financial year ending on 31 December 2014;
- Benoît Faure-Jarrosson, 50, French nationality and Representative from the real estate sector group of the Société française des analystes financiers (SFAF) [French Company of Financial Analysts] and Chairman of the Indices Committee IPD France reappointed on 7 April 2011 until the approval of accounts for the year ending 31 December 2014;
- Nathalie Gilly, 48, of French nationality and Director of Banking Services of the Caisse des Dépôts – appointed on 7 April 2011, until the approval of accounts for the year ending 31 December 2014;
- Thomas Francis Gleeson, 60, of Irish nationality and Chairman of Paris North Real Estate Fund Limited – reappointed on 12 April 2013, until the approval of accounts for the year ending 31 December 2016;
- Serge Grzybowski, 55, of French nationality and Chairman and CEO of Icade – reappointed on 7 April 2011, until the approval of accounts on 31 December 2014;
- Marie-Christine Lambert, 60, of French nationality and Director of the Management Control Group of France Télécom/Orange – reappointed on 22 June 2012, until the approval of accounts for the year ending 31 December 2015;
- Benoît Maes, 56, of French nationality and Group Financial Director of the Groupama Group – appointed on 22 June 2012, until the approval of accounts for the year ending 31 December 2015;
- Olivier Mareuse, 50, of French nationality and Financial Director of the Caisse des Dépôts Group – appointed on 31 May 2011, until the approval of accounts for the year ending 31 December 2014;
- Olivier de Poulpiquet de Brescanvel, 48, of French nationality and *Co-Chief Officer* and *Co-Chief Investment Officer* of Morgan Stanley Real Estate Investing in Singapore – appointed on 22 June 2012 until the approval of accounts for the year ending 31 December 2013;
- Alain Quinet, 52, of French nationality and deputy chief executive officer of Réseau Ferré de France – reappointed on 22 June 2012, until the approval of accounts for the year ending 31 December 2015;
- Céline Scemama, 42, of French nationality and Representative from the Real Estate, Capital Investments and Financial Holdings portfolio within the Caisse des Dépôts – appointed on 7 April 2011, until the approval of accounts for the year ending 31 December 2014;
- Franck Silvent, 41, of French nationality and director of the Finance, Strategy, Subsidiaries and International division of the Caisse des Dépôts – appointed on 12 April 2013, until the approval of accounts for the year ending 31 December 2013.

The other appointments held by the directors are described in the section relating to the administration and direction of the Company in the 2013 Company Reference Document. No director serves a term greater than the limit set by French law or the French Reference Code.

During the financial year 2013, the composition of the Icade Board of Directors changed as follows:

- the directorship of Thomas Francis Gleeson expired on 12 April 2013;
- the Combined Shareholders' Meeting of 12 April 2013 reappointed Thomas Francis Gleeson as director, until the close of the Ordinary Shareholders' Meeting to be called for 2017 to approve the accounts for the financial year ending 31 December 2016;
- the Combined Shareholders' Meeting of 12 April 2013 reappointed Olivier de Poulpiquet as director, replacing Alfonso Munk, until the close of the Ordinary Shareholders' Meeting to be convened in 2014 to approve the accounts for the financial year ending 31 December 2013;
- the Combined Shareholders' Meeting of 12 April 2013 ratified the co-option of Jean-Paul Faugère as a new director, replacing Edward Arkwright, until the close of the Ordinary Shareholders' Meeting to be convened in 2015 to approve the accounts for the financial year ending 31 December 2014;
- on 12 April 2013, the Board of Directors acknowledged the resignation of Sabine Schimel from her directorship, on 14 March 2013, effective 12 April 2013;
- on 12 April 2013, the Board of Directors co-opted, Franck Silvent as director to replace Sabine Schimel, for the remaining term of his predecessor, i.e., until the close of the Ordinary Shareholders' Meeting to be convened in 2014 to approve the accounts for the financial year ending 31 December 2013;
- on 12 April 2013, the Board of Directors acknowledged the designation on 10 April 2013 by the Caisse des Dépôts, Icade director, of Julien Goubault as permanent representative, replacing Antoine Gosset-Grainville. By letter dated the 1st August 2013 and effective on 2 September 2013, the Caisse des Dépôts, Icade director, appointed Maurice Sissoko permanent representative, replacing Julien Goubault.

The Board of Directors on 19 February 2014 acknowledged the resignation of Thomas Francis Gleeson from his directorship, on 15 January 2014 and effective as at 17 January 2014.

1.2.2.2. Chairman of the Board of Directors of Silic as at 31 December 2013

The Board of Directors may be comprised of between three (minimum) and 18 (maximum) members, appointed by the Company's shareholders at the Annual General Meeting.

The directors were appointed for a term of four years, renewable. No one may be appointed as a director if, having exceeded the age of 70, his or her appointment would have the effect of bringing the number of directors who have exceeded this age to more than one third.

As at 31 December 2013, the Silic Board of Directors consisted of six members, including two women and two independent directors (i.e., 33.33% of the directors): Francis Berthomier and Alec Jonathan Emmott.

The percentage of women on the Board is currently 33.3%, and is consistent with the provisions of the French law dated 27 January 2011 relating to the balanced representation of men and women on boards of directors and supervisory boards, and ensures professional equality (20% in 2014 and 40% in 2017).

The average term of office of Silic's directors was 17.2 months; their average age is 49.7 years and 16.7% of them are of foreign nationality.

As at 31 December 2013, the named list of directors is as follows:

- Francis Berthomier, independent director – appointed on 22 June 2012 until the approval of the accounts for the financial year ending on 31 December 2015;
- Alec Jonathan Emmott, independent director – appointed on 27 November 2012 until the approval of the accounts for the financial year ending on 31 December 2015;
- Julien Goubault – appointed on 22 June 2012 until the approval of the accounts for the financial year ending on 31 December 2015;
- Serge Grzybowski – appointed on 22 June 2012 until the approval of the accounts for the financial year ending on 31 December 2015;
- Nathalie Palladitcheff – appointed on 22 June 2012 until the approval of the accounts for the financial year ending on 31 December 2015;
- Sabine Schimel, Chairman and Chief Executive Officer of Silic – appointed on 22 June 2012 until the approval of the accounts for the financial year ending on 31 December 2015;

During the financial year 2013, the composition of the Silic Board of Directors changed as follows:

- CCPMA Prévoyance, represented by François Gin, has submitted his resignation from his directorship on 19 July 2013. The Silic Board of Directors acknowledged this on 24 July 2013;
- Brigitte Sagnes Dupont submitted her resignation from her directorship on 19 July 2013. The Silic Board of Directors acknowledged this on 24 July 2013;
- Isabelle Duchatelet submitted her resignation from her directorship during the Board of Directors meeting on 24 July 2013;
- Antone Fayet submitted his resignation from his directorship during the Board of Directors meeting on 24 July 2013;
- Jean-François Gauthier submitted his resignation from his directorship during the Board of Directors meeting on 24 July 2013;
- Catherine Granger submitted her resignation from her directorship during the Board of Directors meeting on 24 July 2013;
- Joël Prohin submitted his resignation from his directorship during the Board of Directors meeting on 24 July 2013;
- Georges Ralli submitted his resignation from his directorship during the Board of Directors meeting on 24 July 2013;
- the Silic annual shareholders' meeting dated 5 September 2013 dismissed SMAVIE-BTP, represented by Mr. Hubert Rodarie, from its directorship.

1.2.3 Independent Directors

During its meeting of 19 February 2014, the Board of Directors of Icade has:

(i) on recommendation of the Appointments and Remuneration Committee, named independent directors Cécile Daubignard, Benoît Faure-Jarrosson, Marie-Christine Lambert, Benoît Maes and Olivier de Poulpiquet;

(ii) examined case by case the independent directorships of these six directors and decided, on recommendation of the Appointments and Remuneration Committee, to declare these six directors as independent if each one of them satisfied all of the criteria required by the French Reference Code to define the independence of these directors, namely if they:

a) are not an employee or corporate officer of the Company, employee or director of a company or entity of the Group and have not been so during the preceding five years,

b) are not a corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such, or a corporate officer of the Company, (currently or having been so for less than five years) holds a directorship,

c) are not a customer, supplier, commercial banker or important financial banker of the Company or its Group, or for which the Company or its Group represents a significant share of activity;

The significant or insignificant character of the relationship with the Company or its Group means:

d) have no close family links with a corporate officer,

e) have not been a statutory auditor of the enterprise over the five previous years,

f) have not been a Company director for more than 12 years, noting that the loss of status of independent director occurs only upon expiration of the term of office during which the 12-year duration is exceeded;

g) are not or do not represent a shareholder owning more than 10% of the share capital or voting rights in the Company or its parent company.

It is noted in the internal regulation of the Icade Board of Directors that the board may take the position that a director, although meeting the above criteria, may not be considered as independent given his/her specific situation or that of the Company, with regard to its shareholder structure or for any other reason. Conversely, the board can take the position that a director, although fulfilling the above criteria is nevertheless independent.

No Icade independent director has business connections with the Company.

Icade, whose Board is composed of a total of 14 directors with more than a third of the directors being independent (35.7%), is in compliance with Article 9.2 of the French Reference Code.

1.2.4 Convening and preparing the meetings of the Board of Directors

The current Articles of Association specify that meetings of the Board of Directors are convened by its Chairman at least five days in advance and by any written means. This period may be shortened if three directors, including the Chairman, have expressed their agreement to convene at shorter notice.

Prior to any meeting, each director receives information relevant to effective participation in the Board's deliberations in such a way as to enable him/her to exercise his/her duties. The same procedure occurs at any time in the life of the Company, between Board meetings, when the importance or urgency of the information so requires it.

A director may ask the Chairman for any additional information that he/she considers necessary to effectively carry out his/her duties, particularly concerning the agenda of meetings.

A director may ask the Chairman to arrange for him/her to meet the senior executives of the Group, including when the Chairman is not present.

During each Board meeting, the Chairman informs its members of the main facts and significant events covering the life of the Group which have occurred since the date of the last Board meeting.

In the event of a conflict of interest of one or more directors on a topic which is subject to the decision of the Board of Directors, it is requested that they do not take part in the discussions and do not participate in the vote. This rule was applied during the financial year ending 31 December 2013, particularly within the context of the combination with Silic and two real estate promotion projects, one in Lyon and the other in Paris 13.

1.2.5 Frequency of Meetings of the Board of Directors

1.2.5.1. Frequency of Meetings of the Icade Board of Directors

The Icade Board of Directors met nine times during the financial year 2013 and once without the presence of the Chairman. The attendance of the board members was 83% and 83.9% including the directors' meeting.

The table below shows each director's 2013 Board of Directors meeting attendance rate:

Directors	Presence at meeting	Total number at meeting	Individual attendance rate
Caisse des Dépôts et Consignations, represented by Gosset-Grainville, Julien Goubault then Maurice Sissoko	9	10	90%
Christian Bouvier	10	10	100%
Cécile Daubignard	9	10	90%
Jean-Paul Faugère	8	10	80%
Benoît Faure-Jarrosson	10	10	100%
Nathalie Gilly	8	10	80%
Thomas Francis Gleeson	10	10	100%
Marie-Christine Lambert	9	10	90%
Mr. Serge Grzybowski	9	9	100% (*)
Benoît Maes	6	10	60%
Olivier Mareuse	8	10	80%
Olivier de Poulpiquet	8	10	80%
Alain Quinet	6	10	60%
Céline Scemama	7	10	70%
Sabine Schimel	2	2	100%
Franck Silvent since 12 April 2013	5	7	71%

(*) The directors' meeting on 12 April 2013 is not taken into account because the Chairman was not present.

1.2.5.2. Frequency of Meetings of the Silic Board of Directors

The Icade Board of Directors met nine times during the 2013 financial year. The members of the Committee were present at a rate of 95.9%.

The table below shows each director's 2013 Board of Directors meeting attendance rate:

Directors	Presence at meeting	Total number at meeting	Individual attendance rate
CCPMA Prévoyance, represented by François Gin	4	4	100%
SMA Vie BTP, represented by Hubert Rodarie	4	5	80%
Francis Berthomier	9	9	100%
Isabelle Duchatelet	5	5	100%
Alec Jonathan Emmott	9	9	100%
Antoine Fayet	4	5	80%
Jean-François Gauthier	5	5	100%
Julien Goubault	9	9	100%
Catherine Granger	4	5	80%
Mr. Serge Grzybowski	9	9	100%
Nathalie Palladitcheff	9	9	100%
Joël Prohin	5	5	100%
Georges Ralli	5	5	100%
Brigitte Sagnes – Dupont	3	4	75%
Sabine Schimel	9	9	100%

1.2.6 Duties and work of the Board of Directors

1.2.6.1. Duties and work of the Icade Board of Directors in 2013

In addition to the matters and decisions for which the Board of Directors is legally responsible (review of the financial statements and the annual and half-yearly business reports, convening the Annual General Meeting of Shareholders to give a ruling particularly on the accounts of the last financial year, preparation of the interim management documents, procedures for the division of directors' fees, annual authorisation to be given to the Chairman and Chief Executive Officer for agreeing sureties, endorsements and guarantees, proposals for investment, divestiture and the Group's strategy, etc.), the Board examined or adopted the following points in particular:

- the setting of the variable portion of the Chairman and Chief Executive Officer's compensation for 2012 and 2013, the setting of his gross annual compensation for 2013 and performance criteria allowing the determination of the variable portion of the Chairman and Chief Executive Officer's compensation for the 2013 financial year;
- renewal of the authorization given to the Chairman and Chief Executive Officer, for a period of one year starting 20 February 2013, to issue debt obligations with no access to the share capital;
- the authorization given to the Chairman and Chief Executive Officer, for a period of one year starting on 20 February 2013, to issue negotiable medium term notes (BMTN);
- the 2013 and 2014 budgets and 2014-2017 medium-term plan (base scenario);
- the 2013 landing forecast;
- the monitoring of major projects;
- the plan for the combination between Icade and Silic (including the merger project of Silic with Icade);
- the authorization of loans by the Company for the benefit of Silic;
- the financial policy of the Company, including the first Icade dual tranche bond;
- the internal audit activity in 2013 and the 2014 program;
- the implementation of the programme to repurchase the Company's shares, in view of repurchasing its own shares;
- the capital increase of Icade after exercising Icade stock subscription options;
- the proposal in the annual shareholders' meeting to renew the term of office of Mazars S.A. as statutory auditor and to appoint Charles de Boisriou as substitute statutory auditor replacing Guillaume Potel, whose terms of office expired;
- the functioning of the Board of Directors and the self-assessment of the work of the Board of Directors;
- the analysis of the independence of certain directors;
- the co-opting of three directors, the examination of the candidacy of two new directors and the reappointment of one director;
- the change of composition of the committees.

The minutes of Board of Directors meetings are prepared after each meeting and communicated to directors for approval at the next meeting.

1.2.6.2. Duties and work of the Silic Board of Directors in 2013

Over the past year, the Silic Board of Directors discussed questions relating to:

- the statement of annual and half-yearly accounts, and the financial communication;
- the 2013 budget and long term plan;
- the Silic strategy, it's commercial activity and the implementation of its investment programme;
- the valuation of property assets;
- the Silic financial policy, including its hedging policy;
- the implementation of a bonus share allocation programme to all staff;
- the implementation of the Company Savings Plan and the Silic Fund;
- Silic governance, particularly the composition of the board and the appointment of a new Chief Executive Officer (combining the functions of the Chairman and Chief Executive Officer);
- the merger project of Silic with Icade.

1.2.7 Results of the Icade and Silic Board of Directors activity

The Icade Board of Directors and the Silic Board of Directors have conducted their activity in accordance with legal requirements and regulations and met regularly during the 2013 financial year.

In addition to holding ordinary and regular meetings, the Icade Board of Directors and the Silic Board of Directors were particularly solicited and active throughout the 2013 financial year, especially in view of the plan for the combination between Icade and Silic and the decisions on all transactions related thereto. In this context, in accordance with the recommendations of the French Reference Code, during this financial year the Board of Directors of Icade and Silic have had to examine and decide on strategic operations for Icade and Silic.

1.2.8 Assessment of the Board of Directors' work

1.2.8.1. Assessment of the Icade Board of Directors' work

Note that a formal assessment of the work of the Board of Directors was carried out in January 2011, with the assistance of an outside consultant. The results of this assessment were presented and discussed by the Board of Directors on 16 February 2011.

As in 2012, during 2013, the Board of Directors performed a self-assessment of its ability to respond to shareholder expectations based on a thorough questionnaire on the following topics: organisation and functioning of the Board of Directors, information communicated to the directors, attendance and punctuality, conduct of the Board of Directors meetings, relationship of the Board of Directors with the directors' committees, areas of competence of the Board and working methods, risk management, composition of the Board of Directors and compensation of the directors, relationship of the Board of Directors with general management, organisation and functioning of the committees and personal appreciation of governance and *benchmark*. In particular, the Board of Directors analysed its methods of operation and those of its committees, checked that major issues were suitably prepared and discussed, and rated the effective contribution of each director in the board's work on the basis of his/her skills and involvement in discussions.

The results of this assessment were presented and discussed by the Board of Directors on 3 December 2013.

This self-assessment showed that the directors feel adequately informed by the Company's management and that they believe that the Board discussions led by the Chairman facilitate dialogue. They expressed a desire for more information on comparisons with other companies within the sector, tracking of strategic decisions and the internal operations of the Company.

Also, plans are being made to improve information for directors on strategy and monitoring of strategic decisions, the internal operation of the Company and its environment with the presentation of sectoral studies and elements of market comparison.

1.2.8.2. Assessment of the Silic Board of Directors' work

Given the context associated with the Icade combination project, the Board of Directors did not conduct a self-assessment in 2013.

1.3. OPERATION OF THE BOARD OF DIRECTORS' COMMITTEES

1.3.1 Operation of the Icade Board of Directors' committees

Through a desire to be transparent and provide information to the public, Icade has established the various committees described below.

The committees have advisory power and operate under the responsibility of the Board of Directors. They issue recommendations to the Board of Directors.

As explained above, on 30 November 2007, the Board of Directors of Icade adopted the internal regulations of the Board of Directors and the regulations of each of the three specialised committees for implementing its new governance. The internal regulations of the Board of Directors were implemented by the Board of Directors meeting on 11 December 2008, 7 April 2011, and 22 June 2012. The internal regulations of the committees were approved by the Board of Directors on 4 October and 6 December 2011.

The committees consist of a minimum of three and maximum of five members, at least two-thirds of whom must be independent directors for the Audit, Risk Management and Sustainable Development Committee, and of which a majority of members must be independent directors for the Appointments and Remuneration Committee. These members are chosen by the Board of Directors from among its members. They are designated personally and may only be represented by another member of the committee.

For the financial year, committee members receive additional directors' fees of €1,500 per meeting; the Chairman of each committee meeting receives an additional fee of €1,700 per meeting.

1.3.1.1. Strategy and Investment Committee

Assignments

The duty of the Strategy and Investment Committee is to examine any investment or disinvestment project by the Company greater than €50 million and any external growth operation greater than €30 million. It examines the organic growth driven development policy and the strategic guidelines of the Group.

Composition

The five members of the Strategy and Investment Committee are Serge Grzybowski (Chairman), Olivier de Poulpiquet (independent director), Jean-Paul Faugère, Christian Bouvier and Céline Scemama.

Frequency of meetings and summary of the committee's activity

This committee met six times in 2013. The members of the Committee were present at a rate of 72.5%.

The committee specifically examined or issued recommendations on the following issues:

- various asset sale projects (Odysseum shopping centre in Montpellier, La Factory building in Boulogne-Billancourt and assets in Germany);
- housing, commercial and PPP property development operations;
- the Parc des Portes of Paris planning project;
- the plan for the combination of Icade and Silic;
- the preparation of the directors' seminar.

The strategy and investments committee has been informed about the monitoring of major projects (Tour EQHO, Millénaire 3 and 4, Quadrilatère Espace Océan in Saint Denis de la Réunion).

The committee reported its work to the board which took due note thereof, and followed all of its recommendations

1.3.1.2. The Audit, Risk Management and Sustainable Development Committee

For setting up its audit committee and defining its prerogatives and assignments, the Company relied on the AMF (French Financial Markets Authority) task force report, dated 22 July 2010.

Assignments

The Audit, Risk Management and Sustainable Development Committee is responsible for ensuring the accuracy and truthfulness of Icade's annual corporate and consolidated financial statements and the quality of internal audit and the information provided to shareholders and to the market.

It assesses significant risks and ensures compliance with (i) the individual and collective values on which Icade bases its operations and (ii) the rules of conduct which all of its staff must apply. Amongst these values are Icade's specific responsibilities with regard to protecting and improving the environment and sustainable development.

Composition

The three members of the Audit, Risk Management and Sustainable Development Committee, two thirds of whom are independent directors, are Benoît Faure-Jarrosson (Committee Chairman and independent director), Marie-Christine Lambert (independent director) and Olivier Mareuse since 15 October 2013, replacing Julien Goubault, who was appointed by the Board of Directors on 12 April 2013, replacing Sabine Schimel.

The Audit, Risk Management and Sustainable Development Committee comprises a majority of members with particular experience and competence in financial matters and in the area of risk management. In fact, Benoît Faure-Jarrosson, its Chairman, has been a financial analyst since 1987. He is responsible for the property sector group of the SFAF (Société française des analystes financiers – French Society of Financial Analysts), and a member of IPD France indices committee (French Indices Committee). Likewise, Marie-Christine Lambert is Director of Group Management Control for France Telecom/Orange since 2008 and Olivier Mareuse, a graduate of the Paris Institute of Political Studies, former student of the National School of Administration, has been financial director since December 2010 of the Caisse des Dépôts Group.

Frequency of meetings and summary of the committee's activity

This committee met four times in 2013. The members of the Committee were present at a rate of 100%.

The Audit, Risk Management and Sustainable Development committee has examined or issued recommendations on the following questions:

- the draft 2012 accounts, business report and report of the Chairman of the Board of Directors on the conditions of preparing and organising the Board of Directors' work and on internal control procedures for 2012; the 2012 draft consolidated financial statements and the 2013 half-yearly financial report;
- statutory auditors' work programme, the progress of their duty and independence;
- 2014 budget: base scenario – Strategy and main assumptions;
- report on audit activity in 2013 and the 2014 audit program;
- 2012 risk *reporting*; the updating of risks as at 30 June 2013 and an overview of internal control;
- valuation of the companies of the Promotion and Services divisions and the Tour EQHO;
- analysis of Icade's return on equity;
- focus on the state of health of the tenants of Icade Santé;
- possible renewal of the term of Mazars S.A., statutory auditor;
- 2012 assessment of the Sustainable Development policy;
- tax overview;
- Icade/Silic combination and the Icade/Silic intragroup financing;
- overview on the property market climate;
- stock market performance and the recommendations of the financial analysts;
- renewal of the authorization to issue bonds;
- authorisation to issue negotiable medium-term notes (BMTN);
- renewal of the envelope of sureties, endorsements and guarantees.

The committee reported its work to the board which took due note thereof, and followed all of its recommendations

1.3.1.3. Appointments and Remuneration Committee

Assignments

The Appointments and Remuneration Committee is responsible for assessing applications for the appointment of corporate officers and for making suggestions as regards their remuneration. It is involved in establishing the Company's employee profit-sharing policy and for making suggestions on (i) resolutions to grant subscription and/or purchase options for the Company's shares to all or some of the employees and (ii) the free share allocation.

Composition

The three members of the Appointments and Remuneration committee are Franck Silvent (Chairman), since 12 April 2013 and replacing Antoine Gosset-Grainville, Benoît Maes (independent director) and Olivier de Poulpiquet (independent director).

Frequency of meetings and summary of the committee's activity

The Icade Appointments and Remuneration Committee met four times in 2013. The Committee members reported an attendance rate of 100%.

The Appointments and Remuneration Committee issued recommendations on the following questions:

- setting the variable portion of the Chairman and Chief Executive Officer's compensation for 2012;
- guidance on the Chairman and Chief Executive Officer's compensation for 2013;
- determination of the variable portion of the Chairman and Chief Executive Officer's compensation for 2013;
- maintenance of bonus shares;
- procedures for the division of directors' fees for the 2013 financial year;
- appointment of the Chairman of the Appointments and Remuneration Committee;
- analysis of the independence of directors;
- renewal of the term of service for a director;
- co-opting of a new director to replace a retiring director.

The committee reported its work to the board which took due note thereof, and followed all of its recommendations

1.3.2 Operation of the Silic Board of Directors' committees

The Silic Board of Directors set up three specialised committees, all governed by the rules of procedure of the Board which ceased its duties on 31 December 2013 after the acquisition of Silic:

- the Audit, Accounts and Risk Management Committee;
- the Appointments and Remuneration Committee;
- the Investment Committee.

The rules were set in the following manner:

Each committee's role is to study, analyse, recommend and propose – based on projects prepared by the general management – some board decisions falling under its competence, as well as study subjects and/or projects that the board or its Chairman sends for its review. They have an advisory role and act under the authority of the Board of Directors to which they report.

The board sets the composition and allocation of each committee. It can decide at any time to change the composition of the committees. It appoints a Chairman for each committee. Each committee meets on invitation of its Chairman and defines the frequency of its meetings.

The Chairman of each committee establishes the agenda of the meetings and directs the discussions. To hold valid discussions, at least half of the committee members must be present. The committee members cannot be represented. One of the committee members serves as secretary.

Written minutes are drafted for each meeting. The minutes are communicated to the members of the said committee and to the other members of the board. The Chairman of the committee or one of its members presents a report of the committee's work at the very next board meeting. As necessary, each committee can invite any person of its choice to its meetings.

1.3.2.1. The Audit, Accounts and Risk Management Committee

Concerning the specialised committee, Silic referred to the "report on the Audit Committee" of 22 July 2010, created by the work group of the AMF chaired by Mr. Poupart Lafarge.

In respect of the law and pursuant to the recommendations of the AFEP-MEDEF Code, this committee was composed of at least two thirds independent directors and did not include any executive officers. Additionally, in accordance with legal provisions, at least one of its independent members was required to present the particular competences in financial or accounting matters.

Assignments

The committee exercised the following related assignments:

- the financial reporting preparation process;
- the effectiveness of the internal control systems and risk management;
- the legal control of the accounts by statutory auditors;
- the independence of the statutory auditors.

In the scope of the latter assignment, the committee steered the selection procedure for the statutory auditors and issued a recommendation on the statutory auditors proposed for appointment.

Moreover, the committee examined the relevance and permanence of the accounting methods used to prepare the company's consolidated financial statements.

Since it is an internal audit and risk control, the committee examined the risks of off-balance sheet commitments having an accounting translation and material influence on the accounts, gave its opinion on the organisation of its service and was informed about its work program. It received the internal audit reports or a periodic summary of these reports.

Composition

As at 31 December 2013, the committee members were:

- Francis Berthomier, independent director, competent within the meaning of Article L.823-19 of the French Commercial Code and Chairman of the Audit, Accounts and Risk Management Committee;
- Alec Emmott, independent director;
- Nathalie Palladitcheff, director.

Frequency of meetings and summary of the committee's activity

The committee met four times in 2013 and the participation rate totalled 100%.

Additionally, the annual and half yearly financial statements, and the text of the Chairman's report on the conditions for preparing and organising the Board of Directors' work and the internal control procedures. It has particularly focused its work on the valuation of the assets at 31 December 2012 and at 30 June 2013 and reviewing the status of financial structure, the financial hedges and Silic's financing sources.

The committee reported its work to the board which took due note thereof, and followed all of its recommendations

1.3.2.2. The Appointments and Remuneration Committee

The Appointments and Remuneration Committee, exclusively composed of Board members, is supposed to include at least 50% of the independent members within the meaning of the French Reference Code.

Specifically, as at 31 December 2013, it was composed of three members of the Board of Directors:

- Alec Emmott, independent director and Chairman of the Appointments and Remuneration Committee;
- Francis Berthomier, independent director;
- Serge Grzybowski, director.

The executive corporate officers were not members, in accordance with the French Reference Code in matters of corporate governance.

It met twice in 2013 and the participation rate was 100%.

It was particularly able to address the following issues:

- appointment of the new Chief Financial Officer;
- proposals on the selection of new board members and committee members;
- examination of the independence of the board members and candidates to a member position on the board or a committee;
- formulation of recommendations relating to the bonus share allocation to Silic employees;
- formulation of recommendations relating to the Chairman and Chief Executive Officer's compensation as well as the distribution of directors' fees among the directors.

These recommendations focused on all of the compensation items: the fixed benefits in-kind portion included, the variable portion, the possible termination benefits, the supplemental retirement plans and allocation of stock options, purchase options or even bonus shares, whether these items are paid, allocated or paid by Silic or a company that it controls.

It reported its work to the board which took due note thereof, and followed all of its recommendations

1.3.2.3. The Investment Committee

This committee, which is exclusively composed of board members, must include at least one third independent members.

As at 31 December 2013, this committee was comprised of four members:

- Serge Grzybowski, director and Chairman of the Investment Committee;
- Alec Emmott, independent director;
- Sabine Schimel, Chairman and Chief Executive Officer;
- Julien Goubault, director.

This committee has been charged with examining:

- investment issues and sales exceeding €50 million, transfer taxes included;
- real estate projects, which by the specificity of their nature (size, geographic location, etc.), deserve special scrutiny.

It did not meet in 2013.

1.4. SILIC'S MODE OF GOVERNANCE BEFORE MERGER

The Board of Directors, on 10 September 2002, gave its opinion on the exercise mode of Silic's general management, choosing to combine the functions of Chairman of the Board and Chief Executive Officer. The CEO was assisted by a Deputy Chief Executive Officer non-director appointed by the Board of Directors.

The Board of Directors on 9 February 2010 had decided starting from 10 February 2010 to split the functions of the Chairman of the Board and the Chief Executive Officer by appointing:

- François Netter, as Chairman of the Board;
- Philippe Lemoine, as Chief Executive Officer of Silic to ensure the continuity of the Company's operational responsibility.

The Board of Directors on 22 June 2012 had decided to appoint Sabine Schimel as Chairman of the Board replacing François Netter whose directorship had expired.

The Board of Directors on 5 September 2013 noted, pursuant to Article L.225-54 of the French Commercial Code, the legal expiry of Philippe Lemoine's term as Chief Executive Officer of Silic with effect from 7 September 2013.

The Board of Directors decided to appoint Sabine Schimel as Chief Executive Officer with effect from 7 September 2013. It noted that Sabine Schimel would be both Chairman of the Board and Chief Executive Officer, even though the functions of the Chairman of the Board and Chief Executive Officer had been split in accordance with the Board's decision on 9 February 2010.

Considering:

(i) the new Silic shareholder structure;

(ii) the new tightened composition of the Board of Directors; and

(iii) the merger project of Icade and Silic,

the Board of Directors has decided to reunify the functions of the Chairman of the Board and Chief Executive Officer of Silic with effect from 7 September 2013, as the reunification of the functions would simplify the administration and decision making within the Company.

1.5. LIMITS ON THE AUTHORITY OF THE CHIEF EXECUTIVE OFFICER

1.5.1 Limits on the authority of the Icade Chief Executive Officer

The functions of Chairman of the Board of Directors and CEO of Icade are not separated.

No Deputy Chief Executive Officer has been appointed.

The CEO has the most extensive powers to act in the name of the Company in all circumstances. He exercises his powers within the limits of the corporate purpose and subject to those that the law expressly assigns to Shareholders' Meetings and the Board of Directors.

He represents the Company in its relationships with third parties. The Company is committed even by actions by the Chief Executive Officer that are beyond the scope of the corporate purpose, unless the Company can prove that the third party knew that the act was beyond the scope of said purpose or could not have failed to know that fact, given the circumstances; the publication of the Articles of Association alone not being sufficient proof.

The clauses of the Articles of Association or the decisions of the Board of Directors limiting the powers of the Chief Executive Officer may not be invoked in relation to third parties.

Neither the Articles of Association of the Company nor the Board of Directors have set a limitation on the powers of commitment of the Managing Director with the exception of the implementation of the share repurchase program approved by the shareholders' meeting on 12 April 2013. Thus, the meeting of the Board of Directors on 12 April 2013 gave all powers to the Chief Executive Officer, up to a maximum of 2.5% of the share capital of the Company and a maximum purchase price per share of €100, excluding acquisition expenses, for the purposes of negotiating and signing a new liquidity contract, where appropriate, making all stock market or off-market orders and allocating the acquired shares to the various goals of this program.

1.5.2 Limits on the authority of the Silic Chief Executive Officer

No specific limit has been placed by the Board of Directors on the authority of the Chief Executive Officer, with the exception of those relating to:

- investments or sales in an amount exceeding €50 million;
- capital transactions representing more than 1% of the number of shares;
- which are subject to prior authorisation of the Board of Directors.

The same applies to any significant transaction outside the announced strategy of the company.

1.6. SPECIFIC CONDITIONS RELATIVE TO SHAREHOLDER PARTICIPATION IN THE GENERAL SHAREHOLDERS' MEETINGS OF ICADE AND SILIC

The procedures relating to the participation of shareholders in the Annual General Meetings are shown in Article 15 of the Company's Articles of Association and in Articles 22 and following of the Silic Articles of Association.

1.7. PRINCIPLES AND RULES FOR SETTING COMPENSATION AND BENEFITS OF ANY KIND GRANTED TO ICADE CORPORATE OFFICERS

The actions undertaken have allowed or will allow full compliance with the rules and principles in accordance with the law.

1.7.1 General provisions

The main task of the Appointments and Remuneration Committee is to make proposals to the Board of Directors regarding the remuneration of the Chairman and Chief Executive Officer (the amount of fixed remuneration and procedure for variable remuneration where appropriate, retirement and insurance protection schemes, benefits in kind and miscellaneous remuneration, and the financial conditions for the termination of his term of office) and for senior executives with corporate powers, together with the mode of division of directors' fees voted by the Company's Annual General Meeting. Its duties also include making proposals concerning the granting of options for the allocation or purchase of shares and the free allocation of shares.

The Chairman of the committee communicates the recommendations of the Appointment and Remuneration Committee to the Board of Directors.

The Board of Directors defines the factors for analysis that it wishes to see presented by the Appointments and Remuneration Committee in support of its recommendations.

Within the context of determining the overall remuneration of corporate management, the Board of Directors and the Appointments and Remuneration Committee must take into account the following principles, in accordance with the recommendations of the Reference Code:

- exhaustiveness: determining remuneration must be complete (fixed portion, variable portion, stock options, performance shares, directors' fees, retirement conditions and specific benefits must be applied in the total evaluation of remuneration);
- balance of remuneration items: each remuneration item must be clearly justified and be in the Company's general interest;
- benchmark: this remuneration must be evaluated in the context of a business line and the European or global benchmark market;
- consistency: the remuneration of the executive corporate officer must be set consistently with that of other managers and the company's employees;
- readability of the rules: the rules must be simple, stable and transparent: performance criteria used to establish the variable portion of the remuneration or, as applicable, to allocate options or performance shares, must correspond to the company's targets, must be demanding and explainable and, as far as possible, must be permanent;
- measure: the determination of remuneration and allocation of options or performance shares must be balanced and must, at the same time, take into account Icade's general interest, market practice and management performance.

1.7.2 Directors' fees

The directors may be remunerated, according to their attendance at board meetings, by the allocation of directors' fees, for which the overall budget is fixed each year by the Annual General Meeting of Shareholders.

The division of directors' fees between the directors is freely determined by the Board, upon advice from the Appointment and Remuneration Committee.

The members of the committees receive additional directors' fees determined by the Board of Directors and paid according to their attendance at meetings of the committees to which they belong.

For the year 2013, the annual envelope of directors' fees set by the annual shareholders' meeting for the members of the Board was €250,000. Out of this amount, the amount of directors' fees allocated was €193,600, after four directors waived their fees, including the Chief Executive Officer.

Considering the existence of three specialised committees and the attention paid by the shareholders to corporate bodies – and particularly the actual attendance of board meetings – the board has decided to divide the €193,600 in the following manner:

- for the Board of Directors: €138,000;
- for the Strategy and Investment Committee: €30,000;

- for the Audit, Risk Management and Sustainable Development Committee: €18,800;
- for the Appointments and Remuneration Committee: €6,800.

The distribution of directors' fees is detailed in chapter 8, point 9.2.2. Individual and detailed remuneration of corporate officers.

1.7.3 Incentive plans for Senior Executives

Stock options

During the 2007-2011 period, the Board of Directors adopted three stock option plans, after a proposal from the Appointment and Remuneration Committee.

An initial plan, 1-2008, was adopted by the Board of Directors on 30 November 2007, i.e., after the publication in October 2008 of the AFEP-MEDEF recommendations on the remuneration of senior executive corporate officers of listed companies. The beneficiaries, the Chairman and Chief Executive Officer amongst them, may exercise 40% of the total number of options allocated to them, with no precondition to reach economic objectives. The exercise of the remaining options (i.e., 60%) depends on the fulfilment of performance conditions (market share price and net profit Group share). If it has been noted that the performance conditions were partially satisfied, only 77.5% of the options assigned are exercisable.

A second plan, 1.2-2008, was adopted by the Board of Directors on 24 July 2008, i.e., also after the publication of the AFEP-MEDEF recommendations on the remuneration of executive corporate officers of listed companies. The beneficiaries, the Chairman and Chief Executive Officer amongst them, may exercise 80% of the total number of options allocated to them, with no precondition to reach economic objectives. The exercise of the remaining options (i.e., 20%) depends on the achievement of performance conditions (outperforming the stock market as measured by the Euronext IEIF French property index). If it has been noted that the performance conditions were not satisfied, only 80% of the options assigned are exercisable.

A third plan, 1-2011, was adopted by the Board of Directors on 16 February 2011. The beneficiaries, the Chairman and Chief Executive Officer amongst them, may exercise 35% of the total number of options allocated to them, with no precondition to reach economic objectives. The exercise of the balance of the options (i.e., 65%) is contingent upon attaining performance goals (32.5% upon outperforming the stock market as measured by the Euronext IEIF Immobilier France index, and 32.5% upon attaining the goals set in terms of cash flow). The recommendations of the Reference Code relating to the remuneration of senior executive corporate officers have been partially followed since the majority, but not all, of the options assigned to the executive corporate officer have been subject to performance conditions.

To date, the Chairman and CEO has stock options which are not in the money.

Bonus shares

Concurrently with the 1-2011 options plan, the Board of Directors meeting on 16 February 2011 adopted a bonus stock plan for all the Group's personnel. This plan is based on the free allocation of 10 shares per employee but is not based on a performance condition. The members of the Executive Committee (including the Chairman and Chief Executive Officer) and the Coordination Committee have, however, relinquished their allocation rights.

On 16 February 2012, the Board of Directors of the Company adopted a bonus stock plan for all of the Group's staff (plan 1-2012), including the Chairman and Chief Executive Officer.

This plan is based on the free allocation of 15 shares per beneficiary but is not based on a performance condition.

At the same time, a bonus stock plan (plan 2-2012) was adopted at the same board meeting, at the proposal of the Appointments and Remuneration Committee, for the members of the Executive Committee (including the Chairman and Chief Executive Officer) and the Coordination Committee. This plan makes the acquisition of the entire bonus shares assigned dependent upon performance conditions (net current cash flow).

This last plan therefore complies with the Reference Code.

In order for the options and bonus shares allocated to the senior executive corporate officer to be, in the future, fully compliant with the Reference Code and with AMF (French Financial Market Authority) no. 2012-02, at the 20 December 2012 Board of Directors meeting, the Chairman and Chief Executive Officer proposed to the board to make all of the options and bonus shares which would be assigned to him, where appropriate, in the future, subject to performance conditions. This proposal was approved unanimously by the Company's Board of Directors.

Furthermore and concerning the holding requirement of his shares by the Chairman (pursuant to Article 23.2.1 of the AFEP-MEDEF Governance Code), the plan stipulates that the Board of Directors shall set and periodically revise, especially in light of their personal situations, the number of bonus shares that the executive corporate officers will be required to keep registered until their functions end. To date, a portion of the bonus shares has been created but they cannot be sold (during the holding period). Consequently, the Board of Directors will state the number of shares to keep on a registered account, to the end of the holding period.

Moreover, the transfer of bonus share ownership is conditional on the prior acquisition on the market, by the beneficiary concerned, of an additional quantity of shares from the Company representing 10% of the number of bonus shares freely allocated.

Valuation of bonus shares and stock options

The valuation of bonus shares and stock options was performed by an actuary according to the method selected for the consolidated financial statements in the scope of the annual closing. The actuary uses the financial perspectives for reaching the Net Current Cash Flow to calculate the value of the options/shares. The methodology takes into account the calculations of performance conditions with the unit value calculation after turnover and the probability of the realisation of different conditions.

This valuation information detailed below was sent to the financial services in the scope of the annual closing:

Name of executive corporate officer	Type of plan No. and date of plan	Number of options or shares allocated	Valuation of options according to the method adopted for the consolidated accounts (extract actuarial (valuation at 31/12/2013)	Opening date (options) or acquisition date (shares)	Performance conditions
Serge GRZYBOWSKI	Stock option plan 1-2011	40,000	€786,930	04/03/15	65% of the total of options allocated are contingent on the variation in the IEIF index (50%) and the achievement of current net cash-flow (50%)
	Bonus share plan Plan 1-2012 2 March 2012"	15	€824	02/03/14	No condition (democratic plan)
	Bonus share plan Plan 2-2012 2 March 2012"	5,984	€307,996	02/03/14	100% of shares are contingent on achieving the objectives set in terms of net current cash flow

Hedge instruments

To the knowledge of the Company, no risk hedging instrument concerning the stock options and/or bonus shares was set up.

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1.7.4 Remuneration of the Chairman and Chief Executive Officer

The offices held in 2013 by Serge Grzybowski other than that of Chief Executive Officer of the Company are the offices of Chairman of *France Green Building Council*, a national association and Vice-Chairman of the Board of Directors of the *European Public Real Estate Association*, for which he received no compensation. The office of *France Green Building Council* ended on 10 July 2013 and that of EPRA took effect starting from 4 September 2013. Also, the information supplied on his compensation is based on all the amounts paid associated with all the offices that he holds in the Group.

On the recommendation of the Appointments and Remuneration Committee, the Board of Directors on 20 February 2013 set the variable portion of the Chairman and CEO's compensation for 2012 at €184,400 based on specific pre-established goals.

Additionally, on the recommendation of the Appointments and Remuneration Committee, the Board decided, on 20 February 2013 to set the annual gross compensation for Serge Grzybowski for 2013 at €450,000 [(1)] for these functions, i.e., maintaining his fixed compensation at €400,000 and a maximum €50,000 for the variable portion.

On the recommendation of the Appointments and Remuneration Committee, the Board of Directors on 24 July 2013 set the determination criteria for the variable portion of the Icade Chairman and Chief Executive Officer's compensation for 2013, including financial goals and a qualitative goal and for which the maximum amount was set at €50,000.

The variable portion of compensation is linked to financial goals is 60% of the total possible bonus, i.e., €30,000 (7.5% of base compensation). These goals are the profitability of the Icade Group in 2013: EBITDA/Revenue (30% of the variable portion) and the change in current net cash flow for the Icade Group (30% of the variable portion) according to the determined levels reached.

The qualitative goal concerns the Silic transaction (40% of the variable portion, or €20,000). The goal is to efficiently arrange the combination with Silic, particularly at the operational and managerial level, in close association with the Caisse des Dépôts and respecting the terms approved by the Board of Directors.

The payment of this variable portion is deferred to 2014 on the day the Board recognises that the goals have been reached.

1.7.5 Severance payment for the Chairman and Chief Executive Officer

The Board meeting of 7 April 2011 resolved to allocate to the Chairman and Chief Executive Officer a severance payment in case of termination of his term of office as Chairman and Chief Executive Officer.

In accordance with the recommendations of the French Reference Code, this severance payment will only be allocated to the Chairman and Chief Executive Officer in case of forced departure linked (i) to a change of control (within the meaning of L.233.-3 for the French Commercial Code) or (ii) to a strategic disagreement with the Board of Directors (le ***Forced Departure***), under the conditions described below:

a. Severance Payment Amount

The amount of the Severance Payment will be equal to twice the total gross overall remuneration (fixed and variable portions) received by the Chairman and CEO over the 12 months preceding the date of the Forced Departure.

b. Conditions for Severance Payment

In accordance with Article L. 225-42-1 of the French Commercial Code, the Severance Payment will be contingent upon fulfilment of the performance condition described below.

In the event of Forced Departure, Icade will pay the Chairman and CEO the Severance Payment if the most recent GSNI is greater than or equal to GSNI during the Benchmark Period.

For purposes of assessing the performance conditions:

- ***GSNI*** means the Group share of net income as published by a company in its consolidated financial statements and after adjustment for capital gains from disposals;
- the ***Most recent GSNI*** means the most recent GSNI of Icade known for the financial year preceding the date of the Forced Departure;

(1) *Following the decision of the Board of Directors and on proposal of the Caisse des Dépôts given Icade's membership in the public sector.*

– the ***GSNI for the Benchmark Period*** means the arithmetic average of Icade's GSNIs over the two latest financial years preceding the most recent GSNI.

1.7.6 Other benefits

In his capacity as Chairman and Chief Executive Officer of Icade, Serge Grzybowski also has the benefit of:

(i) a company vehicle, assigned under the rules defined within Icade; and

(ii) an unemployment insurance contract for corporate officers, taken out by Icade, through Association GSC, with a payment period of 24 months.

The premium payment due is fully paid by Icade. The premium paid by the company is considered additional remuneration (Article 82 of the CGI) and, as such, is subject to tax and social security charges.

The Chairman and CEO is subject to the mandatory retirement plan through distribution composed of the general social security retirement plan as well as the supplementary ARCO and AGIRC retirement scheme. The Chairman and CEO does not have any other additional retirement plan.

The Chairman and CEO does not receive any directors' fees from the Company.

1.7.7 Remuneration for special assignments

The Board of Directors may also allocate extraordinary remuneration for assignments or appointments entrusted to directors, within the conditions specified by the applicable legal clauses.

For this year, there were no non-executive directors receiving extraordinary compensation.

1.8. PRINCIPLES AND RULES OF DETERMINATION OF COMPENSATION FOR SILIC'S CORPORATE OFFICERS

1.8.1 Compensation for the members of the Board of Directors: directors' fees

In 2010, the annual directors' fees envelope allocated to the Board members was increased to €200,000, until the shareholders' meeting decides otherwise.

Considering the existence of three specialised committees and the attention paid by the shareholders to corporate bodies – and particularly the effective participation in board meetings – the board has decided to divide the €200,000 in the following manner:

- €56,000 fixed, among the directors for their capacity as Directors, independently of participation;
- €72,000, among the directors in proportion to their attendance;
- €72,000, among the committee members in proportion to their attendance;

It is specified that Sabine Schimel, Julien Goubault, Serge Grzybowski, Nathalie Palladitcheff, Catherine Granger, Joël Prohin and Isabelle Duchatelet have waived their directors' fees.

1.8.2 Remuneration of the Chairman and Chief Executive Officer

In accordance with the French Reference Code, the Board approved the remuneration policy for the Chairman and CEO on the proposal of the Appointments and Remuneration Committee.

The Board approved, on proposal of the Appointments and Remuneration Committee, the variable portion of the Chairman and CEO's compensation, according to the achievement of personal goals.

The Board thoroughly reviewed all the remuneration items: fixed, variable and special, adding benefits of any kind agreed to by the Company (retirement, severance pay, etc.).

Determination of the fixed and variable portions of remuneration

The Board periodically decides the fixed portion of remuneration for the Chairman and CEO, based on the criteria associated with training, professional experience and also according to current market value practices.

Philippe Lemoine, Silic CEO through 7 September 2013 (legal end of his term of office) has received for 2013, gross compensation of €241,145 plus a gross variable portion of €62,000.

The gross compensation paid in 2013 to Sabine Shchimel, Chairman and CEO of Silic starting 7 September 2013 was €112,757 plus a gross variable portion of €50,000.

Stock Options and Bonus Share Allocation

In February 2013, the Board of Directors noted the failure to fulfil the performance conditions on the 1,600 bonus shares allocated to the CEO of Silic and consequently decided not to a proceed with a final allocation of the said shares.

Sabine Schimel did not receive a bonus share allocation or stock options.

Allowances, benefits and compensation granted to officers because of a sale or change of their functions

Concerning Philippe Lemoine, the performance conditions that the Board of Directors had set as conditions for the right to special contractual compensation were not fulfilled.

Philippe Lemoine did not receive other special benefits as an officer, because his functions ceased.

Sabine Schimel did not receive compensation or special benefits because her functions ceased.

Transactional protocol with Philippe Lemoine

A transactional protocol was established 3 October 2013 and led to the payment of a sum of €324,948 to Philippe Lemoine for his employment contract, after he left his functions as corporate officer.

1.9. PUBLICATION OF INFORMATION SPECIFIED BY ARTICLE L. 224-100-3 OF THE FRENCH COMMERCIAL CODE

The information relating to items that might have an impact in the event of a public offer is shown in chapter 8, point 1.7. on page 235.

2. Procedures of internal control and risk management

2.1. THE AUDIT FRAMEWORK

For the sake of continuity with previous years, in 2013 Icade used the reference framework proposed by the French Financial Market Authority (AMF) in its document entitled "Risk management and internal control mechanisms: reference framework" dated 22 July 2010. The latter has been applied in its entirety: general principles and accounting and financial internal control framework, analysis and control of operating risks, including in the area of information systems.

Reference frameworks have been developed for Icade's main operations and activities as well as for the principal cross-disciplinary cycles.

Silic used the same AMF frame of reference in 2013.

2.2. THE OBJECTIVES OF THE GROUP'S INTERNAL CONTROL

2.2.1 The objectives of the Group's internal control

An internal control and risk management mechanism was deployed at the Icade Group level.

In the terms of the reference framework proposed by the AMF, "the internal control mechanism is aimed [...] at ensuring:

- compliance with the laws and regulations;
- the application of instructions and guidelines set by general management;
- the proper functioning of the internal processes of the Company, especially those in concert with protecting its assets;
- the reliability of financial information."

More particularly, the internal audit procedures in force in the Company and the Group have the following objectives:

- firstly, to check that the actions for management or implementation of operations, and the behaviour of personnel, come within the framework defined by the policies to which the Company's activities are subject by the governing bodies, by the laws and regulations applicable and by the values, standards and rules internal to the Company;
- secondly, to check that the accounting, financial and management information communicated to the Company's governing bodies gives an honest reflection of the Company's business and situation.

One of the objectives of the internal audit system is to prevent and control risks resulting from the Company's business and the risk of error or fraud, particularly in the financial and accounting areas. However, like any auditing system, it cannot give an absolute guarantee that these risks are totally eliminated.

Moreover, in the terms of the reference framework proposed by the AMF, "risk management is a management lever of the Company that contributes to:

- creating and preserving value, assets and the Company's reputation (etc.);
- securing decision-making and the Company's process for encouraging the attainment of objectives (etc.);
- encouraging consistency of actions with Company values (etc.);
- mobilizing the Company's staff around a common vision of the main risks."

2.2.2 The objectives of Silic's internal control

The mechanisms of risk management and internal control cover all of the activities, processes and assets of Silic and its subsidiary SOCOMIE.

Risk management allows managers to identify the events likely to affect the people, assets, environment, and goals of the Company or its reputation and to maintain risk at an acceptable level.

Silic's internal control is a defined mechanism and implemented by the Company aiming to ensure:

- compliance with the laws and regulations;
- the application of instructions and guidelines set by general management and the Board of Directors;
- the proper functioning of the internal processes of the Company, especially those in concert with protecting its assets;
- the reliability of financial information.

It generally contributes to control of its activities, the effectiveness of its operations and the efficient use of its resources.

2.3. THE PARTICIPANTS IN THE GROUP'S INTERNAL CONTROL

Within Icade, as within Silic, the Board of Directors is assisted by the Audit Committee in monitoring risks and their control measures; within Icade, this is the duty of the Audit, Risk Management and Sustainable Development Committee. And the CEO is responsible for the risk and internal control system, for which it defines direction and supervises its operation.

2.3.1. The operational participants of Icade's internal control

The executive committee met half-yearly in "Risk Committee", as follows:

- the risk directories within all the business lines and their degree of control;
- the development of general frameworks of internal control characteristic to each business line;
- the conclusions and assessments of the internal control mechanism.

In this framework, it defines the action plans or control procedures of priority risks to be implemented by the internal control teams.

The deployment and monitoring of the risk and internal control mechanism are placed under the central responsibility of the management of Audit, Risk Management and Sustainable Development, reporting to the Chairman and CEO:

- it defines the methods and harmonisation tools for monitoring risks and internal control;
- it creates, with management, the mapping of risks allowing regular identification and assessment of the various types of operational risks that Icade could encounter in each of its activities;
- it periodically assesses the general organisation of internal control of each Business Line division and support department, including for purposes of delegation of power;

- it supervises the activity of the internal controllers of the Business divisions and support department departments with which it has a direct relationship;
- it ensures the relevance of the measures set up with regard to the main risks, within the business lines and support departments, in particular concerning internal control procedures and control points, in cooperation with the maintenance managers of the internal control mechanism;
- it ensures the consistency of the entire organisation and updates the domain reserved for procedures on the Intranet, in cooperation with the IT Department and the internal control correspondents of the Business divisions and support departments;
- it drafts or participates in the development of risk control procedures in certain cross-functional corporate areas;
- it is in charge of the *reporting* on the monitoring of risk and internal control to executive authorities and bodies of governance (particularly the Audit committee) at least twice per year.

In each of the divisions and support departments, one or two employees are in charge of guidance for the internal control mechanism, on one hand to ensure the duties of second level control, of *reporting* and alert (internal controller), and on the other hand the activities of the action plans and procedures updates, delegations and control points (responsible for the maintenance of the internal control mechanism), Internal controllers:

- assist unit managers in the scope of their periodic risk review;
- collect the incidents, claims or alerts by division and feed of information into the Icade "incidents base";
- ensure the updating of procedures, controls and delegations of power;
- create second level controls, in order to check the effectiveness of the risk control measures and the reality of the first level controls;
- define the action plans to improve risk control.

Maintenance managers of the internal control mechanism:

- guide the set up, distribution and maintenance of the risk control procedures of the division and the associated internal control points;
- check compliance of the procedures with existing internal and external standards;
- keep up to date the nominative delegation of powers, the expense commitment thresholds and approved liquidations;
- follow implementation of the action plans to improve risk control.

2.3.2 The operational participants of Silic's internal control

The Control and Internal Audit department reporting to the CEO, assisted general management and staff for:

- the organisation of internal control;
- inventory, ranking and mapping of risks;
- setting up controls and means of prevention.

It assisted the staff in measuring the risk management and internal control mechanisms through three control levels, self-assessments, and validations by hierarchical management and internal audits.

It performed specific audits defined in the annual work plan and validated by the Board of Directors or at the request of general management or even directors and department heads.

It guided the procedures and standard quality management documents certified ISO 9001 and 14001 which sets for all processes, the WHO, WHEN and HOW to meet the proper accomplishments of the business lines, especially in terms of commitment, legal oversight, social, accounting and financial law, hygiene and safety, environment, technology and insurance subscriptions.

At the first level of control, the managers and their staff were the major participants identifying risks associated with their activities. They have been stakeholders in the set up of tailored means of prevention and controls and in updating the reference system. They had to self-assess the means of prevention allocated to them while justifying their responses (first level control) and were able to propose action plans as needed. These self-assessments have been through a second level control by hierarchical superiors.

2.4. GENERAL RISK APPROACH

2.4.1 The main risks to which Icade and Silic are exposed

The main risks to which Icade and its subsidiaries are exposed are listed in the management report. The risks are primarily as follows:

Legal and tax risks

Risks resulting from control by the majority shareholder; risks associated with changes in sustainable development; changes to regulations which apply to the activity of Property and real estate services provider; changes to rules relating to property development or public-private partnerships; risks associated with the failure to obtain government permits and possible appeals on permits granted; risks associated with a change to the SIIC fiscal regime; risks associated with a change to fiscal systems to the benefit of Icade's clients; risks associated with a change to French fiscal rules.

Technical and environmental risks

Risks associated with pollution and ground quality; public health and safety risks.

Risks associated with the property market

Changes in the real estate market; risk linked to the development of competition.

Operational risks

Development funding difficulties; acquisition risks; risks associated with the intervention of external suppliers; the failure of information systems; change in accounting standards and risks of inadequate presentation of accounts; risk of fraud; increase in insurance policy premiums and lack of cover for certain operational risks; risks specific to the Property investment business (risks associated with estimating the value of assets, non-completion of the investment and arbitrage plan, change in the vacancy rate and the financial terms of commercial lease renewals, costs associated with technical obsolescence or requirements to bring property assets into compliance with standards); risks specific to the Property development business line (availability and cost of purchasing land, discovery of pollution or archaeological remains, difficulties associated with government approvals prior to building construction, changes in construction costs, appeal after the delivery or completion of work, speculative and semi-speculative property development, default of partners); risks associated with the services business (research into Icade's criminal, civil or financial liability).

Financial risks

Credit and compensation risks; liquidity risks; market risks (interest rate risk and risk on equities and other financial instruments).

Silic is exposed to the same risks in the activities of the Property division, promoter and provider of real estate services with the exception of certain risks associated with the provision of financial services or transaction and risks associated with property development operations on behalf of third parties.

2.4.2 Icade's general risk approach

Icade has defined the general principles according to risk analysis.

Starting with identified risks, the analysis of factors that might affect the achievement of the Company's objectives leads to a periodic assessment of the gravity and probability of incidents, substantiated by the historical account supplied by the "incidents database".

Risks related to the environment are controlled by monitoring systems and checked by committees (investment, commitments, etc.), whose functioning is subject to selective audits.

Risks relating to process and support functions are subject to a half-yearly identification, analysis and evaluation in terms of impact and probability of occurrence. The main risks identified are described, indicating existing control measures and possibly also future measures.

A mapping of risks and their controls has also been established for all of Icade's operational and support activities.

2.4.3 Silic's general risk approach

The risk management and internal control system aimed to inventorize, analyse the main identifiable risks with regard to the goals of the Group and to ensure the existence of procedures and management control of these risks.

Silic regularly reviews risks through specialised committees and updates of the internal control reference system

The internal control reference system has integrated:

- the risks associated with the activities of the Group and has considered that there is no other significant risk except for those presented in the reference document;
- their impact and probability of occurrence in four areas: Financial, Image, Product, Client. This analysis has been used to build a "mapping of inherent risks";
- prioritized controls associated with these risks, aiming to prevent or to limit the occurrence of the consequences. Each means of control has been qualified as Normal, Important, Very Important or Essential.

The measure of the degree of risk control is the result of the self-assessments and audits associated with the importance of controls in risk prevention. This assessment of control has allowed the establishment of the mapping of residual risk.

2.5. ORGANIZATION, GUIDANCE AND SUPERVISION OF THE INTERNAL CONTROL MECHANISM

2.5.1 The organization of Icade's internal control

The general framework of internal control within Icade is subject to annual assessment

This assessment is carried out by the managers of the Business divisions and support departments based on questionnaires which break down the different elements of internal control managed by the Audit, Risk Management and Sustainable Development department.

For 2013, a result of this assessment is that the general principles of internal control have been acquired, with a proper level of maturity that continues its improvement, concerning both the operational activities and corporate functions.

Internal control of taking on operational risk is entrusted to the managers of the activities

The operational managers, with the support of the management of Audit, Risk Management and Sustainable Development, have set up specific procedures, delegations and items of control to secure the steps of identified risk taking in the processes. The monitoring of control items and any ensuing action plans is centralised half-yearly by the management of Audit, Risk Management and Sustainable Development.

The control of financial and accounting information is entrusted to the financial department

Control frameworks, established in liaison with the Audit, Risk Management, and Sustainable Development department, which will provide reasonable assurance as to the reliability of the management information and the financial statements established in accordance with generally-accepted accounting principles, have been established for the main activities and subsidiaries.

2.5.2 Icade's internal control audit

According to a programme of which the audit Committee is kept informed, the audit of internal control is carried out by the Audit, Risk Management and Sustainable Development Department with the managers of the activities, who are in charge of application and compliance with procedures defined by the Group within their entities, as well as the definition and application of procedures specific to the areas for which they are responsible. The methods and conditions for implementing this internal control audit are the subject of a third-party validation by the Caisse des Dépôts Audit Department.

2.5.3 Ongoing monitoring of control elements at Icade

The control of operational risks comes within the framework of a listing and description of the key processes and is reflected in a half-yearly review of operational risks with the implementation and monitoring of action plans according to four complementary approaches:

Regular monitoring of the mechanism of control of risks

Icade carries out the half-yearly review of risks and corresponding control measures, under the control of the Audit, Risk Management and Sustainable Development Department.

Audit Assignments

These are carried out in order to assess compliance with procedures and processes for functioning and for the control of the main risks. These assignments cover subsidiaries or cross-disciplinary subjects.

Tracking of first-level controls

As stipulated by Icade's internal control charter, first level controls of measures for controlling significant risks have been set in a manner which can be tracked and controlled through second-level controls ensured by internal controllers.

The action plans

The managers of the activities are charged with the maintenance of the measures of control to develop them in the face of significant operational risks. These changes can be on the initiative of each manager or consequent to a notice of failure during a second level control.

2.5.4 Ongoing monitoring of control elements at Icade

Beyond the half-yearly inventory of the operational risk categories and corresponding securities, a certain number of key processes or important transactions go through control procedures across specific decision instances: for example, the risks associated with certain promotion operations can justify constituting provisions examined during commitment committees of the Promotion division.

Purchases, sales and leases

During the financial year, these operations could not be undertaken, beyond certain thresholds, without validation by the Commitments Board for the entity, and then by the Commitments Committee for the division or Icade's Commitments Committee. This last Committee meets each month and each time that the situation requires it. Specifically, it has the authority to decide on the following points: examination of investments-disinvestments and leases.

Property Development transactions

Icade's Commitments Committee is referred to and must authorise any property development transaction proposal if, in the context of the project in question, the cost of acquisition of the real estate or the construction exceeds certain thresholds. For lower amounts, it is the Promotion division's Commitments Committee which ensures the same functions for the elapsed financial year.

Financial commitments

Icade's Commitments Committee examines cases related to external growth, shareholdings, securities divestiture, businesses, mergers and partnerships. It authorises the main commitments, either on or off-balance sheet, for any project, whether related to the business lines or not.

The Board of Directors has implemented a Strategy and Investment Committee which provides a second level of control by examining and issuing recommendations to the Board of Directors for any investment or disinvestment project greater than €50 million and €30 million for any external growth operation.

Financing and cash

Changes to financing requirements, long-term resources, working capital requirements, and cash resources and their hedging have been examined every month by the Risk, Rates, Cash and Finance Committee.

This defines the strategy in these areas, which is implemented by the financial department.

Processes related to human resources

The Human Resources Committee meets every fortnight. It is responsible for examining the human resources division's major spheres of responsibility and their progress as regards mobility, training, recruitment, payroll policy labour relations, collective bargaining, compliance with labour legislation and legal regulations, the implementation and monitoring of procedures. The detailed elements of this process are described in the annual report, which serves as a reference document. All of these responsibilities are grouped in the same department for all of Icade's structures.

Legal disputes

Icade's legal department periodically, and at least half-yearly, lists all disputes in which Icade and its subsidiaries are involved, on the basis of which provisions are determined for each significant dispute in liaison with the main financial managers.

Insurance policies

In collaboration with its brokers, Icade endeavours to maintain a level of cover that it considers appropriate to each identified risk, subject in particular to insurance market related constraints and according to an estimate of the amount it considers reasonable to cover and the probability of a future claim. An annual report on renewal conditions is published by the legal department.

2.5.5 Organization, guidance and supervision of Silic's internal control mechanism

The internal control reference system is part of the information system. The software which supports it:

- integrates all the risks and controls or means of prevention which are attached to them;
- allows real time measurement of the control and mapping of the inherent and residual risk;
- allows real time management and use of the results of the audits, the recommendations and action plans;
- tracks the assessments, validations, action plans, internal audit tests, the improvement leads which are given to the staff, by activity sector and degree of responsibility;

There are three types of controls:

- first level control: the staff involved must self-assess the means of prevention which are allocated to them while justifying their responses;
- second level control: the self-assessments are validated by line superiors;
- third level control: internal audit control campaigns are then led with each of the assessors to validate their self-assessments. They are allowed to identify a certain number of leads for improving leads the effectiveness of our internal control system thus facilitating the inventory of new risks and the adaptation of our means of prevention.

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2.6. THE ENVIRONMENT AND PROCEDURES FOR CONTROLLING FINANCIAL AND ACCOUNTING INFORMATION

2.6.1 Organisation of the control of Icade's accounting and financial information

Icade groups the following central functions for the Group: human resources, information systems, cash flow, accounting consolidation, *reporting* and financial control, investments and financing. The subsidiaries are provided with a system for autonomously preparing their financial statements.

Because of this organisation, internal control of financial and accounting information is structured around the following elements:

- common reference system and accounting methods;
- a central consolidation, management and accounting function;
- an accounting and management function for subsidiaries;
- a financial reporting system;
- a control framework for processing financial and accounting information.

The quality of this control is illustrated by prudent practices, which include the following:

- the anticipation of the validation and documentation of the accounting and financial incidents of the significant operations during the year;
- the existence of analytical reviews allowing the validation of variations of the main balance sheet and income statement items;
- the hierarchical review of the work order;
- control of the reliability of the consolidation processes with a reconciliation of the accounting balances derived from the company accounts.

2.6.2 Reference system and accounting methods in the Icade Group

For producing the consolidated accounts for each the publication of half-year and quarterly revenues, Icade uses the Group's common reference system, which implies:

- the standardisation of accounting methods and consolidation rules;
- the standardisation of reporting formats.

Icade establishes its consolidated accounts in application of IFRS standards. Notes from the Group financial department define the timetable for each closure.

The financial information systems and their content are controlled by the member of the Executive Committee in charge of finance, legal and IT, as well as the Real Estate Services Division, in close collaboration with its management committee.

2.6.3 An accounting and management function of the Icade Group

Under the authority of the member of the Executive Committee in charge of finance, legal and IT, as well as the Real Estate Services Division, the financial department's teams produce all of Icade's financial and consolidated data and coordinate the work of the subsidiaries' financial departments. The content of this function is, notably, the following:

- defining and disseminating the Group's accounting methods, procedures and reference frameworks;
- producing the annual accounts;
- producing the half-yearly and annual consolidated accounts;
- producing quarterly financial information;
- coordinating the budgetary process and projected budget;
- identifying and implementing the changes necessary to the accounting and management information systems;
- producing the tax forms;
- producing the management report;
- participating in the preparation of the reference document.

2.6.4 An accounting and management function for subsidiaries of Icade

The accounting function of the subsidiaries of the Service division has been integrated in the accounting department of Property at the end of 2012.

The other Icade subsidiaries, those of the Promotion division and the Property housing units, have an autonomous accounting staff whose duty is, the following:

- adapting the accounting methods, procedures and reference frameworks to those set by the Group;
- producing the annual accounts;
- producing the half-yearly and annual consolidated tax returns;
- producing quarterly financial information;
- preparing the annual tax forms;
- producing operational and financial reporting;
- producing budgetary items and projected items.

2.6.5 The financial reporting of the Icade Group

The Group's subsidiaries take part in the cycle of financial reporting which constitutes one of the central elements for managing the Group. The reporting is in two phases:

The budgetary process

The budgetary process is applied for the consolidated subsidiaries of the Group. This process takes place during October and November. The subsidiaries prepare their budgets for the next financial year and propose it to the Group's management Committee. This budget then forms the point of reference for monthly financial reporting.

Monthly reporting

Monthly reporting is a component of the control and financial information system. It includes total revenue and other financial indicators by business line over the period in question, compared with the budget targets and performance during the previous financial year. All the management controllers and accountants within the Group use the same IT system for producing the monthly reporting.

2.6.6 An Icade financial communication organised in accordance with the AMF's regulations

Icade publishes its quarterly, half-yearly and annual financial information via press releases. These press releases are disseminated to analysts, investors and the main media outlets and also put on line on its Internet site.

These press releases are simultaneously provided to the AMF, like any other information that might influence the market, together with documents published by Icade that are also available on its website.

2.6.7 The Silic accounting and financial organization

The organization of accounting and financial teams is intended to offer a quality internal control environment, mainly characterised by:

- the separation of functions: detailed function sheets, in phase with digital authorization for access and transaction, fix the duties of the accounting teams, cash flow and management control;
- the formalisation of the processes of circulation and information processing: the account settlement procedures provide explicitly, for each of the operational or financial processes, the participants, the time frames and the information media. The accounting principles and methods, the charts of account and treatments are formalised. All the procedures are indexed in an accounting procedures reference system;
- the centralisation, in the main office, of all of the accounting and financial production tasks, for all companies in the Group;
- the automation of recurring tasks, like invoicing or purchases, allows a budget management in real time and helps to ensure the reliability of processes, especially ensuring the complete traceability of accounting and financial information.

2.6.8 The Silic accounting and financial system

The information system depends mainly on integrated computer tools, adapted to the activities of the Group and maintained by an internal team.

The accounting consolidation depends on a software package presenting all the necessary characteristics in terms of traceability, reliability and security of data and processing. It also constitutes the basis of analyses carried out by management control. This application is integrated in the "business line" programs used for invoicing, purchases and monitoring of the buildings in the course of construction.

The whole system of accounting and financial information is included in the scope of the Group's backup and disaster recovery plan.

2.6.9 Risk identification and analysis affecting the accounting and financial information of Silic

The identification of the main risks, the set up of appropriate controls, the monitoring of action plans, the updating of procedures and the reference system are carried out via the internal control system with as reference the AMF's application guide for the internal control of accounting and financial information.

2.6.10 The activity of controlling Silic's accounting information

The internal control procedures are aimed at ensuring exhaustiveness, reality and accuracy of the accounting recordings as well as the relevance of the information produced:

- the integrity of the information production chain is ensured by systematic interface controls performed by accounting while preparing the accounts;
- the consistency of the result of digitized treatments (for example the adjustment of rental charges) is valued by the corresponding "business line" data report (occupancy rate, rate of use of provisions for charges, etc.);
- a detailed budgetary analysis, created by management control, justifies the differences noted compared to forecast sand reinforces the relevance of the financial information produced,

Also, the permanent controls within the financial and accounting services, observance of the control procedures is evaluated and audited at least once a year.

2.6.11 The financial and accounting communication of Silic

The financial communication has been placed under the direct authority of general management.

The publication of the legal periodic communications (quarterly revenues, implementation of the liquidity contract, etc.) has been produced according to the formal calendar, after validation by the financial director.

The annual or half-yearly financial statements as well as the financial opinions are publicly disclosed after they are formally validated by the Board of Directors.

2.7. DEVELOPMENT OF THE INTERNAL CONTROL PROCESS, RISKS FUNCTION AND AUDIT PROCESSES

2.7.1 During the year 2013 within Icade

Within Icade, internal control is carried out under the responsibility:

- of the managers of subsidiaries and support departments for controlling operations;
- of the Finance Division for the treatment of financial data.

The risks function has been provided by the Audit, Risk Management, and Sustainable Development Department:

- which has periodically evaluated the risks in terms of probability of occurrence and gravity;
- which has taken part in the preparation of cases in the Commitments Committee.

The management of Audit, Risk Management and Sustainable Development has continued its oversight of the internal control measures across all of the business lines, support functions and significant processes of Icade. This mechanism was implemented under the responsibility of the executive committee members, who relied on a network of internal controllers appointed within each division and support department; these internal controllers have been operating since 2013 in the framework of engagement letters signed by the members of the executive committee. During 2013, the processes for evaluating the traceable and auditable control points were continued.

Furthermore, the design and functioning of the entire mechanism was subject to a specific audit in 2013.Its validation by the audit department of the Caisse des Dépôts of works and conclusions guarantee the independent character. This report noted, in particular, that the 35 recommendations issued in the audit report from the Caisse des Dépôts audit department had been implemented in the time desired: explanation of several rules of conduct of second level controls, engagement letters of internal control correspondents, awareness training of the division management committees.

The Group proceeded with the annual update of its business continuity plan, with the reassessment of fall back needs in case of the unavailability of the premises and with the set up of a new crisis management room.

2.7.2 During the year 2013 within Silic

In addition to the annual assessment of command over means of prevention by self assessment and internal audit tests, the main actions concerned the recruitment of an additional internal auditor in order to optimise the internal controls and audits, on the deployment of procedures and on the AFAQ follow up audits (ISO 9001 – ISO 14001: Environmental management and the quality of Rental Management and Project Owner activities).

2.7.3 For Future Years

In 2014, the half-yearly update of risks will be continued within Icade, as well as the permanent adaptation of risk control measures and control points. Moreover, the implementation of the recommendations issued at the end of the Icade internal control audit will be completed in order to continue the improvement of risk management processes and internal control. In particular, the internal control chart will be completed and clarified.

Lastly, the internal control mechanism deployed by Icade will be extended to activities previously produced by Silic, either in re-specifying certain risks and their control measures, or by creating new risks with adapted control measures, and while considering the measures already in place at Silic (and described above).

Drafted in Paris on 19 February 2014

Chairman and Chief Executive Officer

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3. Statutory Auditors' report pursuant to Article L. 225-235 of the French Commercial Code on the Icade's Chairman of the Board's report

FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2013

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Icade and pursuant to the provisions of Article L. 225-235 of the French Commercial Code, we hereby present our report dealing with the report prepared by the Chairman of your company in accordance with article L. 225-37 of French Commercial Code for the financial year ended December 31, 2013.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report describing the internal control and risk management procedures implemented by the Company and providing other information required by Article L. 225.37 of the French Commercial Code in particular relating to corporate governance.

Our own responsibility is to:

- Communicate to you any observations we may have as to the information contained in the Chairman's report and relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information; and
- Attest that the report includes the other disclosures required by article L. 225-37 of the French Commercial code. It should be noted that we are not verifying the fair presentation of those other disclosures.

We have performed our work in accordance with the professional standards applicable in France.

Information relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information

Our professional standards require the application of procedures designed to assess the fair presentation of the information contained in the Chairman's report and relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information.

Those procedures involve in particular:

- Obtaining an understanding of the underlying internal control and risk management procedures in the area of the preparation and processing of financial and accounting information presented in the Chairman's report, and of the related documentation;
- Obtaining an understanding of the work performed as a basis for preparing that information and the existing documentation;
- Determining if any major internal control weaknesses in the area of the preparation and processing of financial and accounting information identified by us during the course of our engagement have been appropriately disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information relating to the company's internal control and risk management procedures in the area of the preparation and processing of financial and accounting information set out in the Chairman's report, prepared in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

Other information

We hereby attest that the report of the Chairman's report includes the other disclosures required by Article L. 225-37 of the French Commercial Code.

Courbevoie and, Neuilly-sur-Seine February 19, 2014

The Statutory Auditors (French original signed by)

Mazars		PricewaterhouseCoopers Audit
Gilles Rainaut	Jérôme de Pastors	Jean-Baptiste Deschryver

CHAPTER 6

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

1. A CSR policy that is an integral part of the strategy of Icade, the world-class real estate business

1.1. A CSR VISION THAT FULLY SUPPORTS THE BUSINESS STRATEGY

Icade's business lines, its membership in the CDC Group and its history have naturally led the business to a sustainable approach that promotes long-term, comprehensive solutions and strong interaction with the regions.

As a world-class real estate business, Icade understands that it must contribute by example to the country's environmental priorities in the scope of the energy and ecological transition. Its stakeholders are right to expect its strong participation and Icade believes that it has the resources required to do so.

As a business undergoing profound changes due to its merger with Silic, Icade places attention upon people, skills and employment at the foreground of its priorities.

Icade implements a fully-fledged corporate responsibility strategy. For several years now, Icade has been implementing its CSR vision in a strategic programme centred on energy/carbon and the sustainable city, and ensures the permanent innovation and adaptation of its organisation to match this ambition while engaging its stakeholders.

1.2. STRATEGIC AND CONTROLLED CSR GOALS

Relying on its committed teams and the solid ties with its stakeholders, especially regional players, Icade has been concentrating its CSR strategy for several years now on two critical goals for a real estate company: first, **energy control,** for which the building sector represents 45% of energy consumption in France, **greenhouse gas effects,** for which it accounts for 25%; and second **the contribution to the construction of the sustainable city** since 75% of the French population lives in the city *(Source FGBC, France Green Building Council).*

The CSR strategy also gives priority to the human dimension. Icade ensures quality of life at work for its staff so that they can be fully involved in their professional duties; this will be particularly emphasised to ensure that the Silic merger will be beneficial to the staff of the new group and to collective efficiency. It considers that, in its business lines in the management of business park and non-business park assets, in driving property development operations and in service provision supporting real estate players, the quality of its teams represents its greatest "wealth".

A socially responsible company, **Icade is attentive to the needs of its external stakeholders:** local authorities, public organisations and associations that are its partners, the companies that are its tenants, the investors who buy its buildings, the families who buy its housing units, or its subcontractors, the suppliers and shareholders who participate in the value creation chain. It is attentive to, and connected to everyone who lives in areas where it is active or who are involved in city building in France. It will continue this strategy to anticipate public policy changes, especially in environmental matters, and the expectations of stakeholders in matters of building occupancy comfort, their territorial integration and the management quality requirement.

1.3. ROBUST IMPLEMENTATION PROCEDURES

To guide its CSR policy, Icade has chosen a proactive and realistic approach and a robust governance model.

As a proactive player, Icade has included its CSR goals in all of its processes and for all of its products. Since January 2012, an action programme serves the 12 programmes grouped into four themes (table below) and mobilises company teams and external stakeholders dedicated to environmental, corporate and societal goals. As at 31 December 2013, 91 actions have been initiated, 62 are active, 21 completed and eight abandoned.

The three CSR areas	Icade CSR policy themes	Number of programmes	Number of actions in 2013
Environmental	no. 1: Energy and carbon	2	15
	no. 2: Sustainable Building and City	5	17
Corporate	no. 3: Mobilised Company	3	14
Societal	no. 4: Stakeholders	2	16
	TOTAL	**12**	**62**

This very broad approach relies on commitment-driven processes. It is deployed in milestone actions, such as an environmental certification policy or the activation of environmental appendices in leases. It favours comprehensive approaches in eco-districts and organised business parks or by linking location and connection to transportation. It is involved in the regions playing a dynamic role as property developer in the symbolic MacDonald hybrid operation in north-east Paris, as business property developer in the south-east of Seine Saint-Denis, as responsible owner in the Parc d'Orly-Rungis; it is positioned for the future as land owner and developer of the Grand Paris project.

It covers all the fields of real estate CSR from the simple construction of easy-to-operate buildings, the energy renovation of its existing portfolio and the responsible behaviour of its occupants. Lastly, occasional actions are organised experimentally, such as biodiversity around clinics or the "green actions" of employees in Icade establishments.

As a realist, the Icade CSR policy is based on results to renew commitments for future action. The consistency between displayed ambitions and the technical, human and financial means mobilised in the scope of actions is regularly updated and validated by the executive committee, based on the assessments of the Audit, Risk Management and Sustainable Development department.

This policy also speaks to the principle of sequence of periods: although Icade's immediate action is located in an economic context of the present which deploys its effects in the different ecosystems of the real estate markets of major cities, the know-how and professional ethics originate in the more than half-century of history serving the city, while the ambitions are geared towards the future, beyond the maturity dates of financial models and commercial leases. Each CSR action is thus assessed with regard to its immediate feasibility, its ability to develop Icade values and the impact it will have tomorrow.

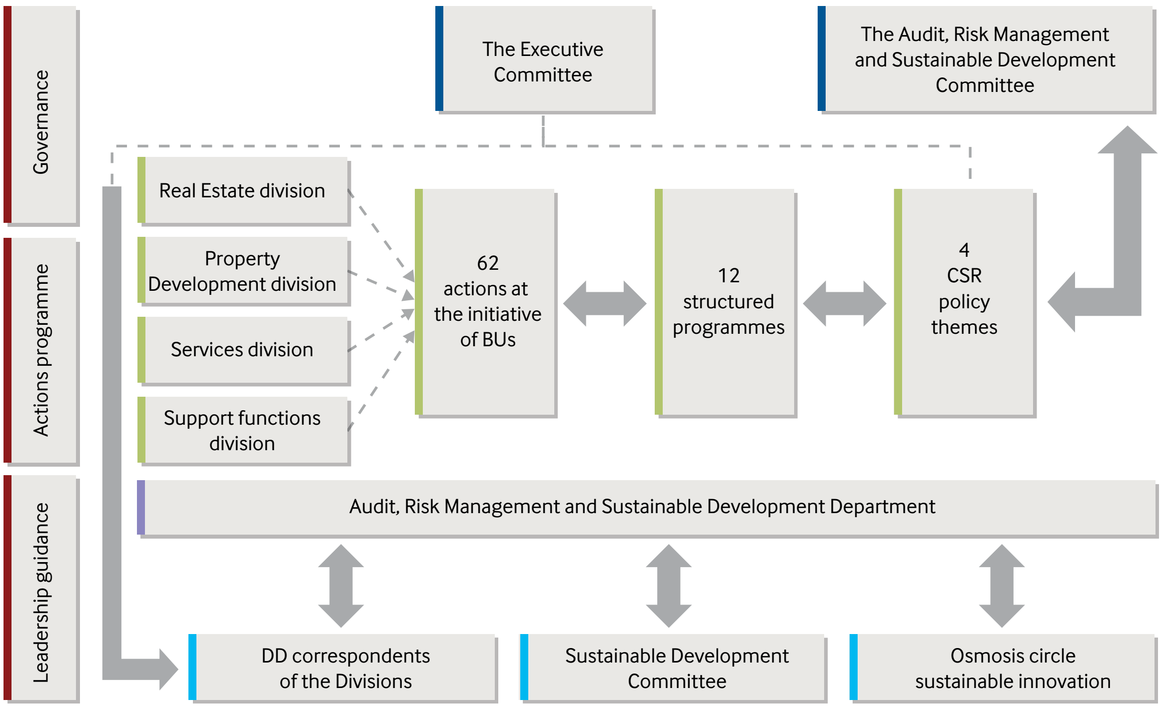
The operational goals aim to achieve, at least, the standard of market offers, as much as possible very good proposals, and, excellence in showcase projects such as the Closbilles eco-district in Cergy.

The scope of monitoring actions and commitments is rigorously defined: all new operations in property and property development; the existing significant buildings of Property Investment, with the intent to progressively extend this scope.

Thus, the clinics held by Icade have energy control or biodiversity programmes, but no precise reporting yet, because the triple net leases leave considerable responsibility to tenants.

The CSR policy is supervised by a solid governance since 2007 which has made the approach part of a long-term strategy. This governance is provided by the Audit, Risk Management and Sustainable Development Committee, and by the Executive Committee, which conducts a review every six months. This CSR programme is piloted by the Audit, Risk Management, and Sustainable Development department. Coordination with business lines is performed by the Sustainable Development Committee, the Sustainable Innovation Circle, and a network of agents.

This governance is based on a permanent risk analysis approach implemented by a dedicated team which operates in coordination with the operational structures: a six-month review of all risks is examined regularly by the Executive Committee. As at 31 December 2013, 243 risks had been identified, 32 of them concerning CSR.



1.4. RECOGNISED COMMUNICATION

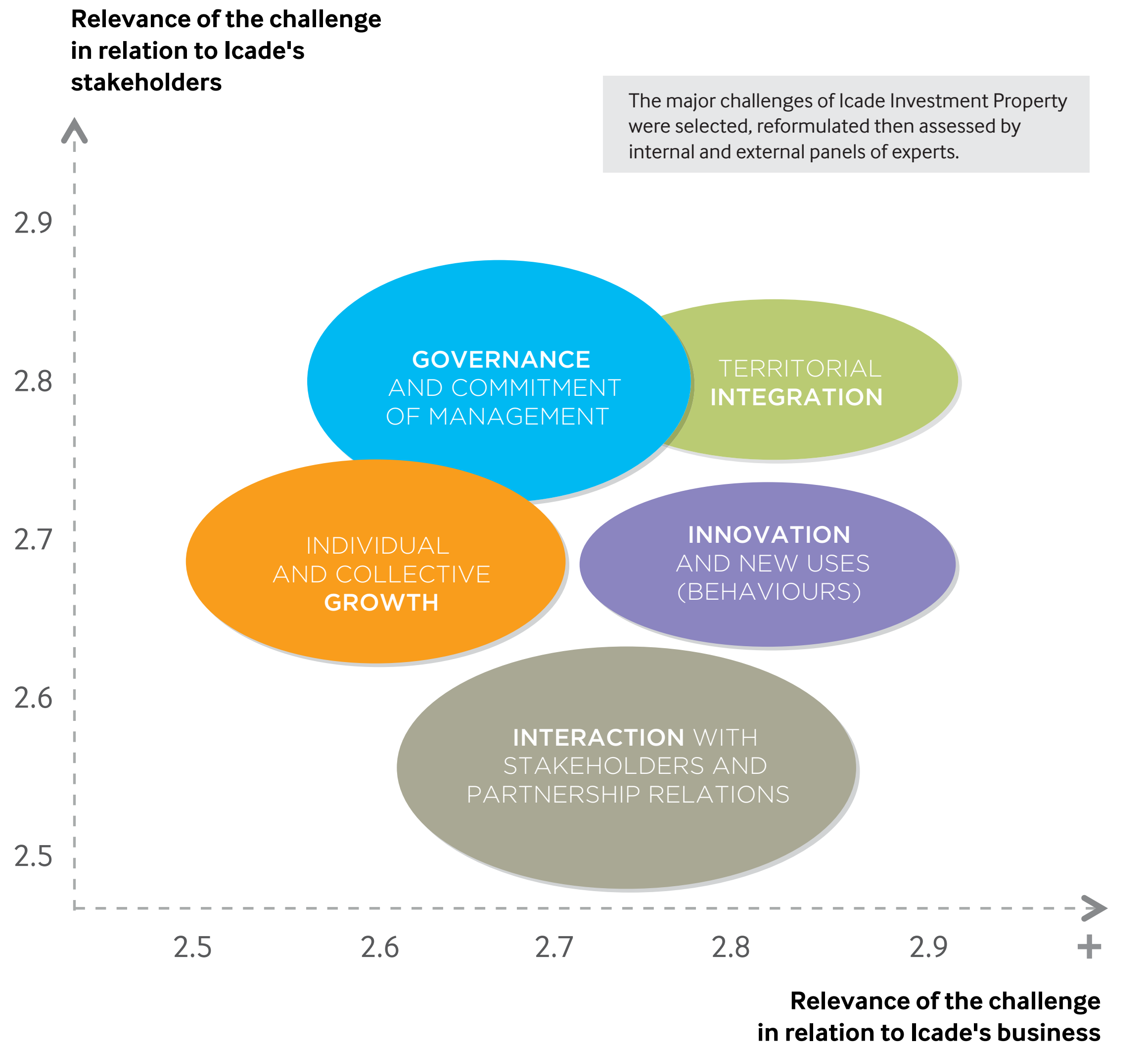
Transparency is an essential quality of any CSR policy. Icade was highly rated in 2013 on this theme, No 1 French real estate company by the CDP *(Carbon Disclosure Project)*, but also recognised by the EPRA *(European Public Real Estate Association)*:

- *Sustainability Gold Awards 2013;*
- *Best first-time EPRA Sustainability BPR reporter:* In 2013, Icade produced the best performance observed among the eight new entrants in the classification of the year.

Since 2012, Icade Property Development has ranked first in the Novethic classification for property developers.

1.5. CREATING DEEPER RELATIONSHIPS WITH STAKEHOLDERS AND THE PRIORITISED MAP OF CSR CHALLENGES

In order to better evaluate the relevance of the CSR priority challenges, Icade's Property division created a materiality matrix in 2013. It maps its strategic societal responsibility challenges and indicates its priority challenges in an operational vision together with the functions and business lines. Five main action areas have been identified.



The panellists want Icade Property Investment to go beyond its achievements and show more ambition by integrating corporate and societal dimensions. For the future: Icade Property Investment is now encouraged to act according to two dimensions:

- internally, more cross-functional relevance to adapt to the complexity of activities, and a relationship based on listening and trust to encourage the individual growth of employees, a source of productivity and motivation;
- externally, deeper ties with the regions entailing greater formalisation of its relations with its customers, suppliers and local players.

As illustrated by this approach, **for the future, Icade is determined to innovate in its relationships with its stakeholders, from the well-being of its staff to its positive impact on the ecosystem in which it operates.**

This approach based on CSR challenges proposes a new road map. It raises the requirement level and confirms Icade's responsibility as a world-class real estate company. For the future, Icade's management is making commitments on concrete subjects while taking these new requirements into account. Icade's management is thus determined to continue improving this approach aimed at serving the company and its overall performance, and serving the local government through high-profile actions in the regions to contribute to the energy transition and the sustainable city.

2. Goals, methods and indicators

As the Icade/Silic merger became effective on the last day of 2013, each of the entities kept its own reference framework for reporting for 2013: the differences can therefore be noted in the definitions applied. This is why some indicators will be differently presented between Icade on one hand, and Silic/Socomie on the other. The reference frameworks will be harmonised in 2014. Referring to the reporting guide of France GBC, special attention is paid to the definition of scope and indicators.

2.1. THE SCOPE CONCERNED BY EMPLOYMENT DATA

The scope concerned by employment data is that of the Group within the economic meaning, assembling in three sub-sets Property Investment, Property Development and Services as at 31 December 2013, Icade SA and the subsidiaries that it controls:

- Property Investment: Icade (including Holding), Socomie, Sarvilep;
- Property Development: Icade Property Development;
- Services: Icade Asset Management, Icade Property Management, I Porta, Icade Transactions, Icade Consulting, Icade Expertise.

The companies Arcoba, Gestec, Sethri-Setae and Suretis left the Icade group in 2013; the company Socomie, subsidiary of Silic, became a subsidiary of Icade following the Icade/Silic merger.

2.2. THE BUSINESS SCOPE OF THE PROPERTY INVESTMENT DIVISION

The business scope of the Property Investment division corresponding to the main environmental indicators, especially energy, water, waste and carbon comprises significant properties, chosen on the basis of expert opinion for their strategic importance. The portfolio of Icade Santé clinics are not yet part of the scope in 2013, its integration will be studied in 2014. This scope of significant properties, which groups office buildings and activities, including:

- for Icade, 54 properties (535,991 m^2 net floor area) i.e., 23% of the area and 48% of the appraised value, rights included as at 31 December 2013 of all of the properties;
- for Silic, 12 properties, certified HQE operation (203,096 m^2 net floor area) i.e., 17% of the area and 33% of the appraised value, rights included as at 31 December 2013 of all of the properties;

The statements do not include office buildings and housing units managed on behalf of third parties by the Services division and by Socomie, any statement concerning these properties falls under the exclusive jurisdiction of the principals.

Icade Property Investment commitment 2014
Increase the scope of the significant properties by 5% in value including all the typologies of Icade's holdings, including clinics and shopping centres.

2.3. FOR ICADE PROPERTY DEVELOPMENT

For Icade Property Development, the scope retained is that of the properties and operations whose service orders were launched during the year, corresponding to more than 409,000 m^2 net floor area (4,509 housing units and 101,000 m^2 of offices and equipment). The associated indicators came from three sources: the Property Development division business tool, field investigations, and thermal studies of operations.

2.4. CORPORATE

Corporate includes the buildings occupied by Icade, Icade Property Investment and Icade Services on the Parc des Portes de Paris and Millénaire, the two Silic installations of Nanterre and Rungis as well as the regional installations of the Property Development division, the latter being stated in 2013 using 2012 values.

2.5. THE ADOPTED INDICATORS

The adopted indicators are consistent with the existing reference frameworks, particularly the EPRA *(European Public Real Estate Association)*, and the GRI (sector supplement, CRESS *Construction & Real Estate Supplement*).

The list of significant properties, details of the Corporate scope as well as the indicators used are available at http://www.icade.fr/RSE.

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3. Committed teams

In addition to compensation which constitutes an element of recognition and motivation, Icade places particular importance on the quality of life at work and on the mobilisation of its workers. One of the themes of its CSR policy (Theme no. 3-Mobilised business) organises its action around four pillars:

- **change management in the context of quality social dialogue** reorganisation, scope changes, acquisitions and sales. This pillar will seek, in 2014, to harness the synergy of the functional and operational teams of Icade and Silic, after the merger at the end of 2013;
- **developing skills,** including environmental actions awareness training, and encouraging mobility;

- **encouraging diversity and fighting discrimination:** integration of disabled workers, professional equality, attention paid to senior citizens;
- **organising the work time and strengthening the level of health and safety in the workplace**

3.1. WAGE LEVELS AND THEIR DEVELOPMENT

Icade's and Silic's compensation policies associate a wide range of incentives, variable remuneration, profit-sharing, investment, bonus shares and salary increases. The base salaries of the two companies, Icade and Silic, as at 31 December 2013, appeared relatively consistent.

Icade base monthly gross salary of employees (contract not suspended) with a permanent contract by status (excluding sales personnel, officers and members of the Executive Committee) was:

	Total	Men	Women
Local employees (e.g.: custodians)	€1,647	€1,575	€1,697
Employees	€2,242	€2,274	€2,257
Supervisors	€2,522	€2,362	€2,605
Managerial personnel	€4,519	€4,834	€4,036
TOTAL	**€3,743**	**€4,472**	**€3,119**

Silic average gross fixed compensation
(excluding members of the management committee):

	Average annual compensation 2013			Average monthly compensation 2013	
by gender *(€)*	Men	€56,628	by gender *(€)*	Men	€4,719
	Women	€40,656		Women	€3,388
by status *(€)*	Managerial personnel	€53,347	by status *(€)*	Managerial personnel	€4,446
	Non-managerial personnel	€29,713		Non-managerial personnel	€2,476

Change in salaries 2013/2012:

Icade	Property Investment	Property Development	Services	Total
Change in base salary with staff numbers unchanged	1.99%	2.21%	2.49%	2.23%

Silic/Socomie: Increase in average salaries (excluding the management committee)		
by gender	Men	4.21%
	Women	3.26%
by status	Managerial personnel	2.36%
	Non-managerial personnel	2.82%

The **Icade variable compensation** packages are determined in accordance with the economic and financial results of each division. The individual distribution is then based on the employee's contribution to achieving the goals set by his or her immediate superior. In 2013, 75% of employees were paid variable remuneration determined on the basis of the 2012 results.

In order to involve Icade employees in the company's performance, two agreements allow the payment to employees of sums from **profit sharing and incentives.** These sums can be paid to a group savings plan (PEG) for which employees are eligible if they have at least three months of service.

	Net amount	
Sums paid in 2013 to 1,902 beneficiaries (after CSG/CRDS)	**Total**	**Average**
Employee profit-sharing	€2,537,935	€1,334
Incentives	€6,157,712	€3,237

Additionally, Icade established **bonus share allocation plans** (AGA) for all employees in 2011 and 2012. Silic and Socomie have done the same for some employees for several years.

3.2. CHANGE MANAGEMENT

There has been significant change in personnel with the strong challenge of assisting employees. To the 1,482 registered Icade employees (excluding interns) paid and unpaid as at 31 December 2013, 93 Silic and Socomie employees were added.

Icade (France area)	Men	Women
Over 65	5	1
60 to 65	40	26
55 to 59	89	83
50 to 54	94	114
45 to 49	83	124
40 to 44	86	119
35 to 39	97	116
30 to 34	104	123
25 to 29	61	79
Under 25	16	19
TOTAL	**675**	**804**

Silic/Socomie: (55 women and 38 men)	
56 and older	6
46 to 55	45
36 to 45	22
21 to 35	20
TOTAL	**93**

The employees of Silic/Socomie are based in Ile-de-France, the Icade employees are split between 66.5% in Ile-de-France, 33.3% in the rest of France and 0.2% in Germany.

6

Throughout the year, changes in Icade's scope and particularly the sale of the Artelia group of engineering activities, have led to 464 consolidated exits from Icade and Silic implying a net reduction of staff by 284 people, taking into account 180 recruitments.

Icade hires (excluding interns, international, merger)		Silic/Socomie hires	
CDI (permanent contract)	84	CDI	5
CDD (fixed term contract) (for extra activity)	44		
CDD for replacement	24		
Apprentice contracts/professional training	23		
TOTAL	**175**		**5**

Icade exits		Silic/Socomie exits	
Voluntary departures	33	End of fixed-term contract	7
Lay-offs	46	Voluntary departure	1
Contract terminations	7	Lay-offs	3
Terminations during trial period	6	Contract termination	0
Retirements	13	Terminations during trial period	0
Deaths	1	Retirement	3
Transfers to Caisse des Dépôts and its subsidiaries	3		
Exit from scope (Arcoba, Gestec, Setrhi Setae, Suretis)	218		
End of temporary contracts/internships and professional training, and transition to permanent contracts	123		
TOTAL	**450**	**TOTAL**	**14**

Icade commitment 2014
Successfully manage the operational merger of Icade/Silic and activate all the latent synergies.
100% of the performance reviews, performed at the end of March, are subject to an interim review in September.

Icade Property Investment commitment 2014
Organise a Silic/Icade induction seminar in March and an "experience feedback" seminar in the autumn.

3.3. QUALITY SOCIAL DIALOGUE

In 2013, Icade and Silic continued an active social dialogue in the scope of their respective institutions on the preparation of the merger: over 100 joint meetings at Icade ended with two agreements, four amendments and an action plan; monthly meetings at Silic.

Icade

Icade and its subsidiaries have been grouped since 2007 in an economic and social unit (UES), a frame of reference for setting up employee representation bodies and the appointment of union representation.

This UES is comprised of a single works council, staff delegates are designated by division (Property, Property Development, Services) and the scopes of the CHSCT committees are configured in association with the workplace of the employees concerned.

In the scope of the UES, the five union organisation representatives proceed with the appointment of union enterprise delegates, including one union coordinator delegate.

In 2013, over 100 joint meetings: 14 works council meetings, 36 meetings of staff delegates, 15 meetings of the different CHSCT committees and 38 negotiation meetings, led to the conclusion of the different agreements and action plans.

Realisation of:

- two agreements: special release of the special profit-sharing reserve and incentive, articulation between professional activity and the exercise of an appointment as a staff representative;
- four amendments: to the collective agreement based on the harmonisation of the staff regulations; to the UES Icade investment agreement; to the Group savings plan agreement; to the profit-sharing agreement.

Silic/Socomie

The social dialogue took place around the Single Employee Delegation (DUP), elected in 2010 for a period of four years. A meeting between the DUP and the Works Council (WC) is held monthly to consult and inform the UES staff. A CHSCT meeting (1) is also held quarterly.

During these exchanges the following subjects are covered: organisation of the Company, presentation of the results, work conditions, compensation policy, negotiation of business agreements, employee savings, assessment interviews, examination of the single annual document, professional training plan, etc.

In 2013, the DUP and the CHSCT were accordingly informed and consulted in the scope of the change of control operation of the core shareholder and the public offer (OPE) launched by Icade.

The Company strives to maintain direct contact with all of staff through regular briefings.

As at 31 December 2013, eight collective agreement were in force within Silic

(1) Hygiene, safety and working conditions.

Icade commitment 2014

Formalisation of an action plan relating to the intergenerational agreement.

3.4. DEVELOPMENT OF SKILLS

The development of employee skills allows them, in a personal development approach, to adapt their know-how in particular for implementing environmental policies. Based on a formalised training policy, this process allows each employee to benefit from the appropriate means for reaching his or her goals.

Icade

New methods contributing to a better balance between private and professional life and reducing commuting time during training were tested, especially in the area of quality of life at work and the prevention of psycho-social risks. These methods alternate e-learning, training modules, webinars and one-on-one days based on experience sharing.

- At the same time, a training course in managerial relationships, in the form of thematic workshops was proposed at the end of 2013 and will continue in 2014 with managers in order to develop a reference system and common practices allowing the strengthening of the manager's role as driver of the company's strategy.

Silic/Socomie

The performance of individual annual interviews helps to find out about employee wishes with respect to training and to discuss their professional development. The training plan is established and implemented based on these interviews and on the needs expressed by the managers.

At the end of each training course, two assessments are made, one the week following the training, the other three months after the training.

Icade commitment 2014

100% of the managerial training completed in 2014.

The main figures for training are presented in the table below:

Icade	Silic/Socomie
In 2013, total expenses amounted to €2,500,000 for 22,000 hours, i.e., 2.56% of payroll (temporary data as at 31 December 2013, the accounts for training plans have not been finalised)	In 2013, total training expenses amounted to €107,650 for 1,012 hours, i.e., 1.6% of payroll.

Training areas	% of the number of hours
Property construction	31%
Office and IT	19%
Accounting, finance, taxes, law	14%
Management	11%
Safety	9%
Personnel development, communication	8%
Environment	3%
Human Resources	3%
Sales, marketing and customer relations	2%
TOTAL	**100%**

Regarding skills in environmental matters, Icade organises specific training for teams:

- 137 Icade interns have benefited from training on environment-related subjects, totalling 768.25 hours and based on environmental certifications, new and existing thermal regulations, the quality of interior air;
- specific training is given to the teams of Silic/Socomie, technical managers also benefited in 2013 from a module devoted to the risks associated with asbestos. Icade supplements the environmental training with a set of daily awareness training actions that employees freely participate in, in the scope of a "green action" policy introduced in 2013 aimed at saving energy and consumables. It also organises occasional collective information actions like the *Green Building Week* of France GBC. Since 2008, it has been consulting its staff on its CSR policy and their contribution through an annual CSR barometer.

The skills of Icade teams in fighting corruption prevention are progressing regularly: collective mobilisation to promote anti-money laundering (AML) initiatives, associated with target-specific training actions, implies at the end of 2013, a scope of 124 employees in the context of strengthened procedures, especially in the Property Development division. Furthermore, Icade and Silic/Socomie have a Code (Icade) and a charter (Silic/Socomie) of ethics which is distributed to all new employees after their recruitment and accessible on the Intranet.

3.5. DECISIVE ACTION PLANS AGAINST DISCRIMINATION

For **gender equality,** Icade ranks 8th on the Ministry of Women's Rights' 2013 list of award winners which ranks SBF120 companies according to the place occupied by women in governance bodies with an executive committee which observes strict equality (three men, three women).

More broadly, through a specific action plan, Icade strives to observe professional equality between men and women and to promote an equal treatment policy in all stages of professional life.

<table>
<tr><th>Icade</th><th>Silic/Socomie</th></tr>
<tr><td>An action plan aimed at strengthening knowledge and the appropriation of gender equality by employees has been the subject of enhanced communication.
◆ creation of a dedicated Intranet space;
◆ distribution to employees of a presentation booklet of the measures of the action plan. A special version has been made for managers.
This action plan concerns in particular recruitment, professional training, promotion and professional development, articulation between professional life and personal life, maternity leave, adoption parental education, sabbatical leave, long-term illness.
New negotiations with social partners began in October, 2013.</td><td>The 2011 agreement on professional gender equality aimed at offering an equal opportunity, without regard for gender, to people with the required qualifications, especially in recruitment and training matters:
◆ recruitment criteria strictly founded on skills and professional abilities, especially on experience and qualifications of candidates, objectively assessed outside of any preconceived notions of gender;
◆ equal access to training for men and women, full or part time, in order to equally develop their employability and skills.</td></tr>
</table>

To promote employment and the integration of **people with disabilities** Icade supports its employees with disabilities, develops partnerships with the sheltered and adapted sector by ordering office supplies and raising the awareness of its employees to disabilities, for example through exhibitions of pictures of paralympic athletes, partnership concluded with the "Les bouchons d'amour" Association.

Icade	Silic/Socomie
The main measures include: ◆ maintaining people with disabilities in employment by offering internships and work/study programmes to people with disabilities; ◆ development of partnerships with the sheltered and adapted sector; ◆ taking disabilities into account in the professional and personal lives of employees: CESU Handicap, helps transition to part time, telecommuting, flexibility of work schedules, participation in costs associated with the use of a personal vehicle for trips between home and work. As at 31 December 2013, 33 employees were recognised as having the status of disabled workers (RQTH).	Regular orders for supplies are carried out with centres employing workers with disabilities. Silic observes the legal requirement for payment of the Cotorep contribution (contribution to help disabled persons enter the work force). As at 31 December 2013, no Silic employee has declared that he or she is a disabled person.

3.6. ORGANISATION OF WORK TIME AND PRESERVATION OF WORKPLACE HEALTH AND SAFETY

The organisation of work time and attention to occupational health are aimed at facilitating the professional involvement of workers. The limitation of occupational accidents and absenteeism are indicators of the results.

The principles of work time organisation

Icade	Silic/Socomie
◆ Employees, supervisors and non-independent executives: 37.5 work hours per week on average and 17 days of rest time (RTT) for one full year of service. ◆ Independent executives: 210 days of work per year and 17 days of RTT days for one full year of service.	◆ Employees, supervisors and off-plan executives: 38 hours 45 min. weekly work; 32.5 days paid leave; 13 days of RTT. ◆ Flat rate executives: 215 working days per year; 32.5 days of paid leave, 4.5 to 9.5 days of RTT per year.
105 part-time contracts as at 31 December 2013	6 part-time contracts as at 31 December 2013

Actions to preserve health and safety:

Icade	Silic/Socomie
Icade's activities are mainly tertiary and sedentary, the three CHSCT committees established in the scope of the Icade UES support employees in issues related to moving or changes in organisation , and take charge of psycho-social risk prevention measures.	The health and safety conditions at work are discussed in quarterly meetings by the CHSCT. The single document (document transcribing the results of the risk assessment) is updated regularly, and is available on the Company's Intranet. Silic has distributed health-safety booklets especially on ergonomic themes at office workstations and visits to work sites.

Although no new agreement was signed with union organisations or employee representatives on workplace health and safety matters by Silic/Socomie, in 2013 Icade particularly strove to prevent psycho-socio risks pursuant to the collective agreement of 10 September 2012: awareness training for members of the Executive Committee and the Coordination and Training Committee for Managers concerning means of prevention in particular.

The works of the joint Committee on psycho-socio risk prevention allowed the restructuring of the monitoring and assessment tools in the context of an overall approach to prevention and improving the quality of life at work, improving the visibility of the main participants in the prevention network and setting up work groups charged with reflecting on the various areas of progress.

It is noted that the elimination of forced labour and the effective abolition of child labour concerns neither Icade who operates its business in France and marginally in Germany, nor Silic/Socomie.

Occupational accidents, their frequency and severity are very limited in the two companies.

Icade

- five accidents acknowledged with time off (excluding relapses in 2013).
- Theoretical number of hours worked: 2,511,282 (*).
- accident frequency rate: 1.99 (number of accidents (*) 10^6/number of theoretical hours worked).
- 399 lost days.
- Severity rate: 0.16 (number of lost days [1] 10^3/number of hours worked).
- no employee was identified with an occupational disease in 2013.

Silic/Socomie

- one occupational accident with 19 days off: accident frequency rate of 6.31, severity rate 0.12.
- no employee was identified with an occupational disease in 2013.

(1) Calculation of the number of theoretical hours: 5 days X 52 weeks – 26 theoretical leave/holiday days (2013 unique agreement) X 7 hours X annual average number of employees in the category. Average number of employees corresponds to the sum of monthly employees for the year divided by 12.

Absenteeism appeared to be under control and relatively similar between the two merged entities: average absenteeism per employee in 2013 was 14.5 days for Icade and 13.8 days for Silic/Socomie.

Icade

A total of 21,145 calendar days of absence i.e., 3.77% of theoretical working days, including:

- 87.6% for illness (excluding therapeutic part-time);
- 8.7% occupational/commuting accidents;
- 1.9% for family events;
- 1.8% for other reasons.

Silic/Socomie

A total of 1,464.5 days of absence counted including:

- 60.7% for short-term sick leave;
- 1.3% for occupational accident or occupational disease;
- 26.5% for absence for long-term illness (one person concerned);
- 11.5% for maternity leave.

4. Stakeholders have their say

The quality of Icade's CSR policy is built on attention to stakeholders and the nurturing of trusting relationships. Accordingly, in 2013, the company developed specific dialogue mechanisms for a better understanding of the issues at stake.

4.1. ICADE PROPERTY INVESTMENT: CONSTRUCTION OF A MATERIALITY MATRIX AND ASSESSMENT OF THE PRIORITY CSR CHALLENGES

The work produced around the materiality matrix at the end of 2013 by Icade Property Investment shows the strong CSR expectations of stakeholders. Whether they come from Icade Property Investment employees or outside experts, they concern governance issues as much as operational issues.

Icade's challenges have been selected, reformulated and then evaluated by an internal panel of experts, a second external panel then "challenged" and explored further the internal panel's vision. Combining the expectations of the internal and external panels, a final evaluation has resulted in the construction of the following list:

Icade Property Investment CSR challenges

Commitment and management, leadership and example	Diversity (gender, age, handicap) and equal opportunity
Non-Group stakeholder relationships	Territorial integration and ties with the local PPs (contribution and productivity)
Comprehensive management system	Health and living environment of workers
Responsible purchasing policies (including relationship with suppliers)	Financial engineering approach (overall cost)
Responsible commercial relationship (ethical and transparent pitch)	Risk analysis (natural, technological and environmental) and impacts
Organisation and responsibilities (concerted management)	Accessibility and adaptation of the offering (companies of all sizes)
Anticipation and management of risks and crises (CSR image and reputation)	Description and measure of the gain expected from renovation
Health and safety of workers and sub-contractors	Integration of the CSR criteria for acquisition procedures.
Quality of life and well-being at work	Innovation (services)
Involvement and personal motivation	Usage and Construction

These different strategic issues were bundled into five action areas:

- governance and management commitment;
- Innovation and new uses (behaviours);
- territorial integration of assets and Icade Property Investment's achievements;
- Interaction with stakeholders and partnership relations;
- individual and collective growth

See diagram presented in the introduction (paragraph 1.4 of Chapter 9)

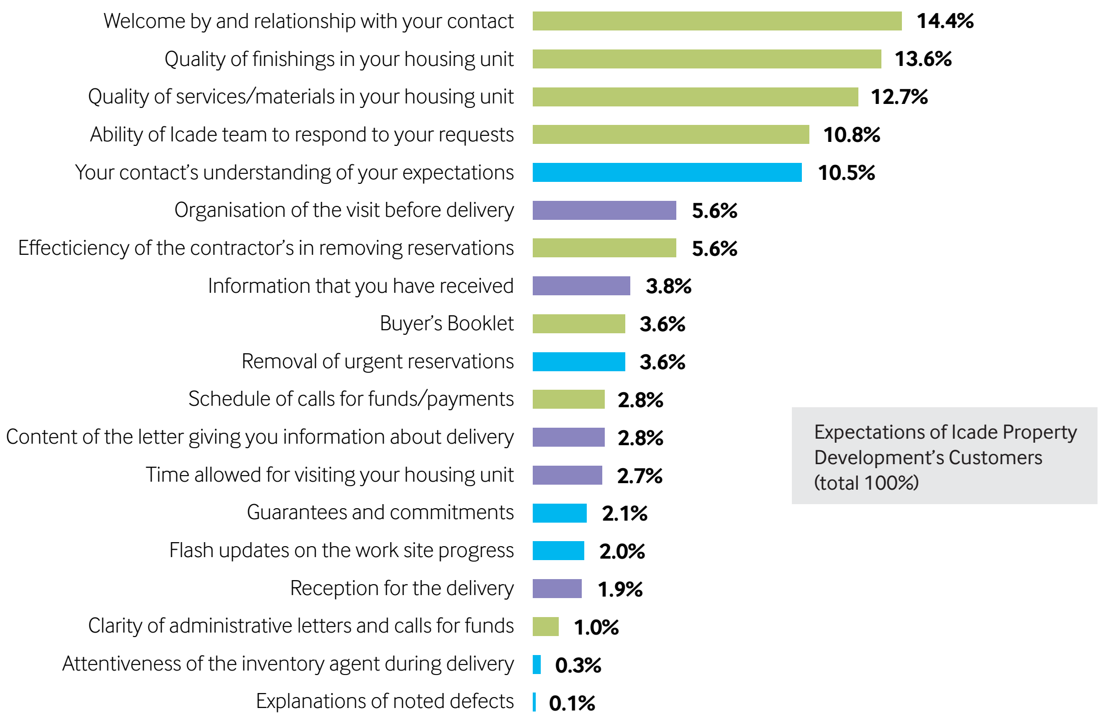
Although the two panels (employees and outside experts) recognised that Icade Property Investment is already committed to taking into account the technical challenges linked to its activities, such as energy performance, they expressed the need to exceed the status quo by expanding its ambition, and incorporating a more social and societal dimension into its policy.

4.2. ICADE PROPERTY DEVELOPMENT ATTENTIVE TO ITS CUSTOMERS

In 2013, Icade Property Development has developed various mechanisms. All buyers were given satisfaction surveys to allow them to express their expectations and their feelings about the quality of the products as well as the quality of service provided. The analysis of these surveys was used to build a materiality matrix of the different challenges and expectations of these customers.

Icade Property Development commitment 2014

To continue and further explore the customer satisfaction surveys in housing, according to the spirit of NF certification targeting progress in service quality.



The action areas for reducing the number of unsatisfied respondents:

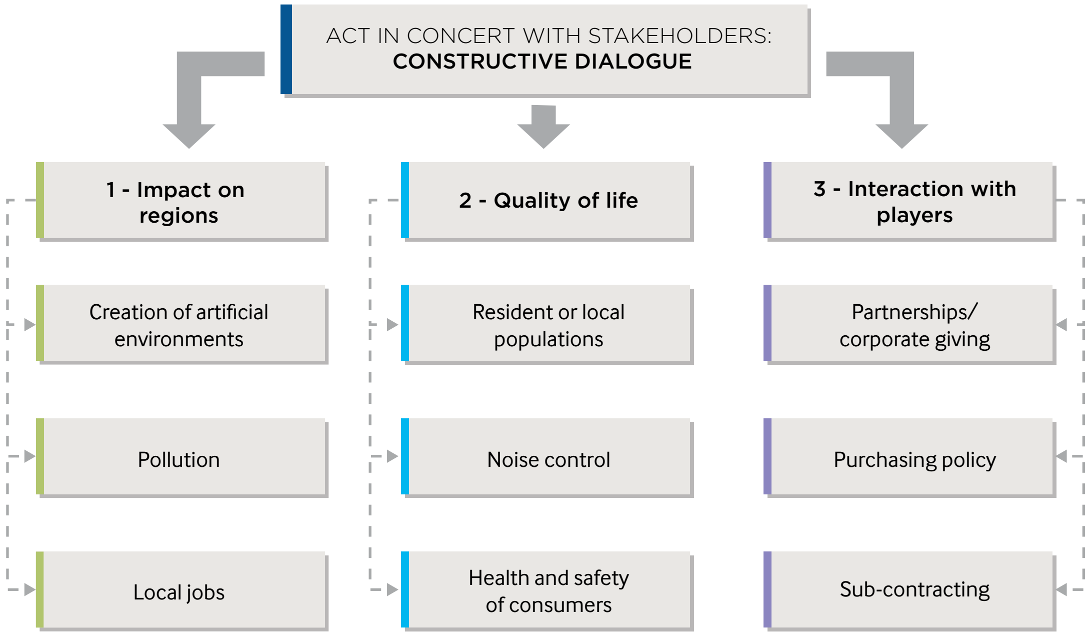
The priority areas to optimise:	The secondary areas to monitor:
1. Welcome and relationship of your contact	**1.** Guarantees and commitments
2. Quality of finishings in your housing unit	**2.** Flash updates on the progress of the construction
3. Quality of services/materials of your housing unit	**3.** Attentiveness of the agent performing inventory of fixtures during delivery
4. Ability of the Icade team to act with the companies to respond to your requests	**4.** Explanations about the defects noted
5. Understanding of your expectations by your contact	
6. Efficiency of contractors in removing reservations	

The action areas for reducing the number of very unsatisfied respondents:

The priority areas to be capitalised:	The secondary areas to be maintained:
1. Organisation of the visit before delivery	**1.** Schedule of calls for funds/payments
2. "Buyer's booklet"	**2.** Time granted for visiting your housing unit
	3. Content of the letter giving you a delivery date
	4. Reception for the delivery
	5. Clarity of administrative letters and calls for funds

4.3. ACTION PLAN BASED ON CONSTRUCTIVE DIALOGUE

The main actions conducted in 2013 in the scope of Theme no. 4 (Stakeholders) are grouped in three parts: impact on regions, quality of life, and impacts on regional players.



This action plan in concert with stakeholders is shared by all the entities of the Icade group:

- Icade, as a developer of its sites, works in close cooperation with local authorities and decision-makers by providing regular updates on the progress of development studies.
- Icade is also active in numerous work groups, and particularly:
  - Energy transition of Grand Paris,
  - France GBC,
  - Sustainable building plan,
  - Plaine Commune Promotion,
  - "Smart Gare" Project – SNCF,
  - ALEC (Local Agency of Energy and Climate for Plaine Commune): wood sector and data centre,
  - Club Vitecc,
  - CDC Sustainable city
  - Standardisation of the sustainable development of business districts with Afnor,
  - Participation in numerous associations and work groups, such as the Federation of Real Estate and Property Companies (Fédération des sociétés immobilières et foncières), the Regional Observatory for Business Real Estate in Ile-de-France (Observatoire régional de l'immobilier d'entreprise en Île-de-France) or the Association for the Right to Economic Initiative (Association pour le droit à l'initiative économique);
- Silic has established different consultation modes to structure constructive dialogue with stakeholders:
  - Cooperation with the Chambers of Commerce and Industry in the following French departments 75, 92, 93, 94 and 95,
  - Information on the local population during all phases of the construction,
  - Communication with tenants on the sites through dedicated media (Minute verte (Green minute), Livre vert (Green book), website, customer service), general newsletters or tenant meetings;
- for Icade Property Development, dialogue with regional stakeholders or in outside work groups is an essential component of the business line, and all operations are developed in this direction. Five examples illustrate this involvement:
  - Actions in favour of the development of residential paths for seniors,
  - Development of "project houses" favouring dialogue with the local population, the associations and local authorities and representing a place of central information and work, especially in Bondoufle and Cergy,
  - Increase of mixed operations linking varied typologies and diverse financing, allowing for social and intergenerational diversity.
  - Participation on the Technical Committee of the Federation of Real Estate Development (FPI) in the work group "500,000 logements" (500,000 housing units) managed by the French government,
  - Participation with the NF Logement (Cerqual) brand application committee for the creation of the future generic certification reference dedicated to housing.

Icade Property Investment commitment 2014
Convene a broad panel of stakeholders on the CSR challenges of the Property division and put together a formal dedicated action plan.

4.4. CONTROLLING OUR IMPACT ON THE REGIONS

The first regional impact of real estate, and the most visible, concerns **the creation of artificial environments.** Use of soil in France is governed by urban planning law; each plot of land has an associated building capacity and the business of any real estate contractor is to design projects that permanently maximise the restrictions.

In its operational assets, Icade Property Investment has only a limited influence over the use of soils, which is only marginally changing. The development of its real estate holdings in new commercial construction is geared towards the construction of compact buildings, with six or seven levels, generally built on two or three subsoil levels, in order to reduce the ground footprint and the impact of surface parking.

The business of Icade Property Development consists of purchasing land in order to construct buildings on it. Soil use is a focus of every project approach. Icade Property Development prefers reasonable density and high-quality projects: collective housing units with three to five levels, clustered individual housing units, office buildings, without contributing to the urban sprawl marked by subdivisions of the major urban suburbs.

The second physical impact of real estate on the territory is associated with developed activity in buildings, which can lead to short and long-term **environmental risks and pollution.** Icade assets are made up of office buildings and activities the ordinary activities of which do not, by nature, severely affect the environment through discharge into the air, water or ground, which does not preclude vigilance on these questions:

- systematic HQE approach during the implementation of its projects;
- guard the condition of the water tables of the business parks in the cities of Aubervilliers and Saint-Denis;
- active prevention policy of environmental risks comprised particularly of the performance of all the necessary tests (lead, asbestos, etc.) and regular statutory controls;
- elimination of air cooling tower installations as well as PCB transformers;
- creation of retention basins in the Parc des Portes de Paris;
- creation of a safety department in 2013.

Icade Property Investment commitment 2014
Prepare full reporting on environmental risks over all Property investment holdings with action plans and preventions.

Icade Property Development has a System of Management, Qualiprom, applied over all the operations, comprised of a risk control procedure made up of a guide of recommendations for a work site with low environmental impact, including pollution.

Icade buildings, both in Property Investment and Property Development, represent no risk of discharge into the air, water or soil that would severely affect the environment (a single building located near an environmentally-regulated facility (ICPE) in 2013, none in 2014) and all of these actions logically lead to the absence of recognition of provision or guarantee for environment-related risk in 2013.

In terms **of employment and regional development,** the construction of buildings as their operation favourably impacts the regions, as illustrated by the following examples:

Icade Property Investment	Silic/Socomie
Icade has been mobilised for three years now on the "100 opportunities/100 jobs" programme, which it runs with Klépierre. Ten "portals" of seven-day training courses with a back-to-work goal have been conducted including four in 2013. Since the beginning of 2010, 53 young people found a job/training this way. Icade supports the development of the internet site "Trades Channel" on the territory of Plaine-Commune and finances two media libraries and two youth information points (Aubervilliers and Épinay). Thanks to its proactive approach, Icade Property Investment now represents around 12% of the revenues of the district government of the 19th district of Paris, which represents nine back-to-work jobs.	Silic contributes to regional development via the creation of direct and indirect jobs, especially at the work sites, or when it calls for the operation of its parks and buildings by local suppliers and subcontractors. Silic is an active member of numerous associations contributing to the economic development of the region, such as Aude (1), Ador (2) or the Development Agency of Val-de-Marne. Discussions with the public authorities and the communities are periodically more planned in order to guarantee concerted development.

(1) Association of Users of La Défense (Association des Utilisateurs de La Défense).
(2) Association for the Economic Development of the Orly-Rungis division (Association pour le Développement économique du pôle Orly-Rungis).

Icade Property Development

Awareness training for suppliers in local recruitment through the CSR charter integrated in all the Special Specifications since October 2013 implemented throughout France should generate visible results in 2014.

In 2013, several local actions have been conducted on a pilot basis:

- on the PNE (Paris Northeast) project, 5% of the volume of hours worked is contractually set aside for the employment of people on back-to-work schemes. This represents a total of 96,600 hours over the 2013-2015 period;
- the "Le CAP" KURVAU housing block project in Strasbourg, Icade Property Development made a commitment, through a collaboration agreement, to include in its works contracts a back-to-work clause which provides for at least 5% of the hourly volume of the contracts for people on back-to-work schemes.

4.5. QUALITY OF LIFE

The activities of Property Investment and Property Development improve the quality and well-being of the resident and local populations:

Icade Property Investment	Silic/Socomie
Through the development of new buildings and urban renovation, Icade Property Investments improves the quality of life of the local populations by developing services, shops and transportation in the urban areas with high development potential, like the Le Millénaire shopping centre in Aubervilliers which brings a full commercial offer to a fast-expanding neighbourhood, as well as an innovative and free transportation system with 100% electric river shuttles. This transportation system is open to the public and allows free transportation of more than a million passengers per year. Icade also encourages, within its business parks, the use of public (Velib') bicycles with three stations installed on its parks.	In addition to its involvement in regional development matters, Silic also takes into account the impacts of its activities on the resident or local populations. In the context of new projects, Silic is constructing buildings in order to allow them to be accessible to persons with reduced mobility, with the old buildings being renovated as soon as possible. Furthermore, Silic buildings are erected in areas that are accessible to public transportation, Silic supports the creation of new accesses to public transportation in under-served areas. Silic is in constant dialogue with communities and the local residents in order to guarantee their peace of mind. It allows them to benefit from the services associated with its establishments (shops, public amenities, transportation, etc.).

Icade Property Development
Among around 70 housing developments in France, Icade Property Development is committed to the development of living areas suitable for senior citizens. By signing a partnership agreement with the operator of senior citizen residence, Villa Médicis, in 2013, Icade Property Development has demonstrated its interest in adapting the living areas of elderly citizens. Convinced of the need to anticipate the ageing population now, Icade Property Development is on the cutting edge in this area and innovative in the products that promote intergenerational diversity and which are suitable for elderly people. The Montaigu programme is a good example since it applies to all of the recommendations of the Parcours de vie seniors® devised by Icade Property Development.

Noise pollution is still one of the curses of life in the city. Icade pays particular attention to it in its various activities. The typology of the Icade and Silic Property Development division (mainly offices, warehouses, and clinics) does not imply sound nuisance in operation; statutory acoustics measures are nevertheless created regularly for the ICPE equipment.

Sound nuisances can, however, exist during the phases of work site construction, equally for buildings constructed by the Property Investment division and for the work sites of the Property Development division. The prevention measures for these sound nuisances are monitored by regulations and HQE certification standards systematically implemented (target 3: Icade systematically seeks a work site with a "very efficient" level of low nuisance. In addition, as far as possible on major projects, Icade monitors the well-being of the residents and demands a clean work site charter environmental approach from its service providers, or an environmental questionnaire.

In the Property Development division, the commitments of project managers and general contractors regarding their compliance with the requirement of a clean work site are sealed in formal contract documents (project management contract and Appendix 2 of the works Special Specifications). For example, in Strasbourg, particular vigilance was set up on the "Baronne Oberkirch" project, to minimise work site nuisances: air pollution, visual pollution, traffic pollution, acoustics nuisances and dirtying of roads were checked upstream to control the impact on environmental populations.

The proper use of buildings, offices, as well as housing units, by the users is a permanent concern of the real estate operator. Icade develops usage guides in Property Development, and the environmental appendices in leases in Property Investment.

Icade Property Development gives a "guide" to home buyers, at the time of delivery which is intended to inform them of all the topics associated with their new living space. From guarantees to the use of the amenities in their apartment to the proper way to consume less, this guide is a precious aid for living happily in your home. A digital guide available on the internet has been applied to more than 800 housing units.

Icade Property Development delivers to its customers who purchase office buildings the "green welcome booklets" in the context of environmental certifications, intended to make end users aware of their own impacts in the environmental performance of a commercial asset.

In commercial buildings, the lessor/lessee dialogue on the best use of buildings will intensify, thanks to environmental appendices. As at 31 December 2013, Icade Property Development had signed 77% of its appendices (76 out of 99, including 56 in 2013) and Silic/Socomie 83% (108 out of 130). These appendices now need to be "brought to life" through the implementation of action plans.

Icade Property Investment commitment 2014

- 100% of statutory green leases signed in 2014.
- 100% of green leases signed at the end of 2014 in HQE operation and BREEAM in-use buildings.
- Set up action plans for green leases already signed at the end of 2013.

Lastly, progress in consumer health and safety is a permanent concern, which is manifested through the attention paid to the various controls, and through seeking improvements especially with respect to the ambiance in Icade properties.

Icade Property Investment and Property Development	Silic/Socomie
Icade Property Investment conducts IAQ (indoor air quality) measures on many of its buildings. After raising awareness among its technical agents in 2011, Icade Property Development, along with the help of well-known experts, developed two training modules on indoor air quality (IAQ) and the life cycle assessment (LCA) for all its operational staff. In 2013, a pilot session of these trainings, followed by five others, was held for 45 workers from Property Development and Property Investment for a total of 180 hours. Four new sessions are programmed for 2014.	Silic designs, builds and manages contemporary real estate property, bringing all the guarantees of modern conveniences and safety to its users. Statutory controls are carried out periodically to assess air and water quality in the buildings. Furthermore, annual compliance inspections are conducted on common areas by an outside service provider. These audits allow the detection of potential fire, land degradation risks, etc. The audit reports are then given to the site managers. Preventive and corrective measures are taken in the event of the detection of non-conformities.

4.6. INTERACTION WITH REGIONAL PLAYERS

In the promotion of CSR, Icade assumes shared responsibility with all those who contribute to building the city. In this spirit, it develops **partnerships and corporate giving initiatives** with the businesses that contribute to the city of tomorrow and with the solidarity associations in the cities of today. The total amount of Icade's sponsoring and corporate giving initiatives in 2013 totalled €359,000excluding tax, close to twice that of 2012 (€184,000, excluding tax).

Icade thus innovated in 2013 by signing an agreement on 21 October 2013 with Philips, based on the design of innovative solutions in the area of lighting and health technology applied to real estate. This agreement seeks to organise a common think-tank around the issues at stake in tomorrow's city: business parks, healthcare, offices and housing.

Icade Property Investment also supports associations and NGOs by sponsoring or providing them with premises:

- Les Grandes Personnes: education in African countries;
- Promethée Humanitaire: construction of homes for orphaned children in developing countries;
- Ecodair: Recycling of digital hardware by using employees with disabilities;
- Telethon 2013: Provision of land for the Telethon Village and organisation of a race at Icade parks with collection of donations from partner companies.

Likewise, in 2013 Icade Property Investment reflected on incorporating **social and environmental challenges in its purchasing policy** in order to raise the awareness of its suppliers and ensure the environmental quality of its products. This policy will be developed in 2014.

Icade Property Investment	Silic/Socomie
Icade Property Investment does not yet have a comprehensive, centralised approach to its purchasing policy. The integration of social and environmental criteria in purchasing contracts has been identified as a progress point by Icade Property Investment which has decided to structure its approach.	**Development/Construction** Since 2013, Silic has been using the ACTRADIS program, which allows it to obtain, via an on-line platform, all the legal documents required from suppliers. Environmental challenges have been integrated in contracts since 2006 **Asset management** In the scope of its asset management activities, Silic also takes into account social and environmental issues in its purchasing policy with the use of the ACTRADIS program in order to avert social risks. Silic has introduced a "green" appendix in all of its new contracts. Silic's major suppliers, i.e., some ten or more suppliers on the four major purchasing families (CVC, green space, elevators and cleaning), were moreover assessed in 2013 based on CSR criteria.

Icade Property Development
Icade Property Development included a CSR Supplier Charter in its Special Specifications in October, 2013. It includes the following subjects: Corruption prevention, employment and integration, observance of work standards, observance of human rights, prevention of environmental risks and pollution, protection of health and the environment, the sustainable use of resources and the loyalty of practices.

Icade Property Investment commitment 2014
Structure a "responsible purchasing" approach with a charter.

Icade Property Development commitment 2014
Continue the generalisation of the CSR "Supplier" Charter to all works contracts.

Icade, member of the CDC in the UN Global Compact, takes account of **the social and environmental responsibility of sub-contractors.** This is done indirectly through its purchasing policy, which leads to responsible behaviour and more directly by ensuring decent treatment – which is, above all, compliant with French labour law – of employees and subcontractors, and their safety in particular.

Silic/Socomie
Development/Construction: the accident rate of subcontractors is monitored systematically at monthly progress meetings with the projects' execution project management and the safety and health prevention coordinator, which allows it to be informed of any serious accidents on the work site.
Management of assets: in the scope of its asset management activities, Silic sends a sustainable development questionnaire to its main service providers to find out about their organisation in this respect.

Icade Property Development
Suppliers and service providers: fight against illegal work. In September 2013, Icade Property Development signed a partnership agreement with a service provider whose duty is to collect and verify all the administrative documents that prove that all the contractors that work for Icade observe the French Labour Code.

5. Buildings and parks for a sustainable city

Icade's environmental policy covers three distinct levels comprising buildings, real estate standards and the city: efficient and cosy buildings, compliant with standards (certification, carbon footprint) and that participate in the development of a pleasant city to live in.

5.1. GIVING LIFE TODAY TO THE SUSTAINABLE CITY OF TOMORROW

Icade feels that its contribution to preparing the sustainable city involves a partnership with city players, contribution to urban strategies, a diversified offering for a mixed and balanced city, and paying attention to biodiversity.

In order to build a mixed city, Icade commercial parks offer considerable development potential to Grand Paris: "Grand Paris deserves a Grand Icade" After the Icade/Silic merger at the end of 2013, the new group's property holdings reached over €10 billion in assets, nearly 80% of which are commercial parks and offices. This is in addition to 55 clinics and a potential for the construction of two million sqm. to be developed over the long term on the land held by Property Investment.

The joint activities of Icade and Silic, through the variety of their offering, guarantee the satisfaction of corporate tenants, which implies their continued presence in the regions and business areas concerned:

- most of the buildings can be diverted from their initial purpose (modular and upgradeable), use long-life materials and amenities, anticipate changes in environmental regulations;
- this offer is continuously improved by technological innovation and the set up of indicators to measure the relevance of the progress policy;
- the variety of the buildings, from the small open space floor to high towers, and the control of unique land reserves allow Icade to offer a full range of products to users, in existing or planned buildings;
- the four families of activities of Icade Property Development also contribute to the creation of the Sustainable City in Ile-de-France and in all other large French cities:
  - in Commercial Property Development, all Icade offices are built to HQE® standards. It seeks dual environmental certification for most of its programmes; 2/3 of the net floor area of offices under construction are NF, HQE and BREEAM certified,
  - in Residential Property Development, after having broadly anticipated the RT 2012, Icade concentrated its corporate efforts on the creation of programmes that foster urban diversity, with operations associating non-subsidised and controlled price home-owning options, social housing, shops and amenities,
  - regarding the creation of public amenities, Icade Property Development takes environmental and social issues into account for most of the projects, such as high schools, hospitals and social housing.
  - Icade Project Development is developing major projects with strong environmental properties (sustainable development charters and HQE development certification), such as the reconversion of the MacDonald's warehouses in Paris and the development of the ZAC du Plessis-Botanique in La Riche.

Most of these commitments are concentrated in two projects:

- The Closbilles eco-district in Cergy-Pontoise: social and intergenerational diversity, HQE Development certification®, development of wood material with the "Bâtiment Biosourcé" label for organically sourced building materials;
- Block A3 of the Lyon Confluence: diversity of usage (housing, offices, shops), social diversity (PLS, "affordable" price, and PLUS/PLAI).

Icade Property Development commitment 2014
To advance the sustainable city through the creation of mixed operations allowing for social and intergenerational diversity.

A balanced city fights against sprawl and ensures high connectivity. The quality of the connectivity of sites is a constant concern in all of Icade's activities:

Icade Property Investment

The low-impact transportation connectivity indicator associates the quality of the transport type (metro, tramway, bus, etc.), frequency and distance to the building. Each network located within a 500-metre radius is associated with a connectivity score calculated by multiplying the score for the type of transport (RER, Bus, etc.) by its frequency score. The connectivity of the building in question is the average of the scores for each network. Connectivity of 80 to 100 is defined as very good, between 60 and 80 is good, between 40 and 60 is average, and less than 40 is fair.

Silic/Socomie

Improvement actions in the connectivity of parks:

- introduction of an offer for shared vehicles in Rungis;
- actions with the public authorities to promote the development of public transportation (T7 and T2 tramways);
- set up of a shuttle service linking the RER airport stations, Pont-de-Rungis station and Parc de Rungis;
- set up of a shuttle between the Nanterre-Préfecture RER station and the Petite Nanterre areas (serving only Axe Seine).

Offices	Total *(in m²)*	CT grade	Connectivity *(as a %)*	CT grade: Fair	Average	Good	Very good
Parc du Millénaire 1-2-5-6 (4 buildings)	75,000	3.3/4	76.0			X	
Parc du Pont de Flandre (9 buildings)	78,000	3.3/4	82.4				X
Parc des Portes de Paris 260x-270 (7 buildings)	40,000	3.4/4	86.1				X
TOTAL (M²)	**193,000**						

Icade Property Development

OS 2013: distance on foot in metres between the programme and the nearest public transportation (Metro, Tram, Train, Bus).	
Less than 100 m	27%
Between 100 m and 200 m	34%
Between 200 m and 300 m	19%
Between 300 m and 400 m	11%
Between 400 m and 500 m	1%
Between 500 m and 600 m	-
Between 600 m and 700 m	3%
Between 700 m and 800 m	-
Between 800 m and 900 m	2%
Between 900 m and 1,000 m	2%
Between 1,000 m and 2,200 m	1%
TOTAL	**100%**

In 2013, 91% of Icade Property Development production was located less than five minutes by foot from public transportation (less than 400 m).

Simulation on the Effinergie tool is a criterion of the Icade Property Development Commitment Committee: the Effinergie tool estimates the "eco-mobility potential" of a building or housing unit which corresponds to the energy consumption generated by users.

Icade Property Development introduced eco-mobility innovations in 2013 in the design of two Lyon programmes: provision of shared electric cars for future buyers.

Real estate disrupts ecosystems and can therefore bear a **heavy responsibility in the city's biodiversity.** Icade plays the role of a responsible player directly involved in biodiversity and soil economy.

Icade commitment 2014
To strengthen and focus know-how and methods in the area of the link between buildings/transportation in both Property Development and Property Investment activities.

Icade's ambition is to incorporate a "positive biodiversity" dimension into its new projects and projects in operation, participant in this way in a reasoned and controlled urban development which improves the local fauna and flora through green and blue belts.

Icade Property Investment

Icade Property Investment is implementing this vision in two stages: identify the condition of biodiversity in developing the methods and tools, set up pilot actions. Following this pattern, Icade Property Investment carried out the following actions in 2013:

1. creation of an "ecosystems services review" on the Parc des Portes de Paris which had been the subject of a publication and mapping of the initial biodiversity condition on all of its commercial parks;
2. analysis of the biodiversity of the assets of Clinics, starting from an initial phase carried out in 2012. Icade had then performed a study of the biodiversity potential of its assets of 55 clinics in a macroscopic form, using five criteria. This first analysis helped to qualify the 10 most representative clinics for undertaking a more thorough field expertise in 2013 aimed at fine-tuning the concept of biodiversity potential and establishing an assessment of recommendations in the form of a progress plan which will be field implemented in 2014;
3. establish three bee hives at Icade's head office;
4. signing an agreement with the League for the Protection of Birds (LPO) and setting up nesting boxes on the site of the H_2O building in Rueil-Malmaison.

Silic/Socomie

Because of the localisation of Silic sites in urban areas, the Company's impact on biodiversity remains moderate.

Ecologist reports are nevertheless systematically drafted before and after any new building construction, in order to ensure the absence of impact on biodiversity.

Measures have also been taken over the entire portfolio to conserve or develop biodiversity:

- during development/construction operations: restoration of open land surfaces through improvement of natural and landscaped spaces, choice of plant varieties in the development of green spaces;
- in asset management activities: installation of bee hives in two parks (Nanterre Seine and Villepinte), reduced use of plant protection products for the care of green areas is written into the contracts of most of the buildings in the portfolio, recycling green waste for mulching, newsletters to tenants.

Icade Property Development

Icade Property Development initiated pilot actions in 2013:

In its "Memories of Roses" programme, Icade teamed up with the "Partageons les jardins" association to create an orchard and a common vegetable garden on the plot of land which will facilitate the creation of bonds in the residence, to improve the living environment of the inhabitants and ultimately to eat organic vegetables!

In Nantes, Icade Property Development has transformed an industrial area into a "melliferous" area. Icade was partner in a local educational action financing the creation of a garden that favours the re-introduction of wild plants and installed bee hives symbolising the return of biodiversity. Additionally, the creation of this garden has allowed work on a concrete project by the students from the Briacé high school.

Icade Property Investment commitment 2014
A framework contract was signed with CDC Biodiversity for the management of green spaces in order to improve the ecosystems around the building.
Introduction of a biodiversity improvement approach with definition of monitoring indicators in a first business park.
Implementation of an experiment on the adaptability of roof top plants according to their location in the city in partnership with the École normale supérieure de Paris and CDC Biodiversity.

Anticipating the characteristics of the city of tomorrow, **adapting to the consequences of climate change** becomes a subject to watch. Conscious of the disturbances that climate change can generate on the global economy (increased scarcity of raw materials, drop in crop yields, increase in energy costs, insurance deductibles), Icade Property Investment, though not very impacted today because of its mainly localised activity in Ile-de-France, is taking this issue into consideration, especially in a medium long-term vision and is keeping an active watch.

Icade Property Investment	Silic/Socomie
Pilot actions aiming to improve expertise: ◆ membership in 2013 in Club Vitecc combining public and private experts on climate change and carbon under the aegis of CDC Climat; ◆ financing of an urban agricultural study with EIVP and CDC Biodiversity.	In order to offset the risks associated with climate change, Silic has taken anticipatory steps in its construction operations. The new buildings are thus developed with greater adaptability, which will allow, among other things, subsequent non-structural upgrades to the building in the event of a change in climatic conditions, especially temperature.

Icade Property Development
The application of the thermal regulations associated with energy labels naturally contribute to the adaptation of Icade Property Development's constructions to climate change. For example, in improving the inertia of the building and controlling solar contribution, indoor temperatures of housing units remain acceptable even in elevated temperatures without the need for air conditioning.

5.2. STRUCTURING TOOLS: CERTIFICATION, CARBON/ENERGY FOOTPRINT

Business processes organise central and structuring objectives around environmental certifications and control of the carbon/energy footprint.

Icade implemented several families of environmental certifications:

- "construction" of Property Investment buildings;
- "operation" of Property Investment portfolios;
- "construction" of housing buildings, offices and public facilities of the Property Development division;
- "operation" of buildings managed on behalf of third parties by the Services division, not presented in this report,

This strategic choice, made in 2005, required the organisation of processes and all the teams of the company. The Property Investment division became involved in "continuous progress" management on new buildings and buildings in operation.

	Icade Property Investment	Silic/Socomie
Construction certifications	225,000 m² buildings certified HQE (1)/BREEAM (2) construction i.e., 37% of the total surface area of offices and business parks 208,396 m² of buildings certified HQE/BREEAM construction in progress or under planning	All the projects are developed with HQE (3) certification associated with a THPE (4) or BBC (5) energy label. As at 31 December 2013, 85,000 m² were also certified and labelled, while 194,000 m² were in the process of being certified with the same objectives.
Operation certifications	67,008 m² of buildings certified HQE Operation/ *BREEAM-in-use* i.e., 7% of the building and business park assets:	three sites certified HQE representing 12 buildings and 203,096 m² two sites certified *BREEAM in use* representing two buildings and 40,254,00 m²
Environmental certification of the parks	No certified site	10 certified sites representing 195 buildings and 1,158,350 m², i.e., 95% of the assets.

(1) Not including the surface area (78,497 m²) of the Tour EQHO pending the official HQE Renovation certification acquired subject to its BBC labelling.
(2) Building Research Establishment Environmental Assessment Methodology.
(3) High Environmental Quality.
(4) Very High Performance Energy.
(5) Low Consumption Building.

Icade Property Investment commitment 2014
To generalise gradually the ISO 14001 certification of portfolio: in 2014, the Parc du Pont de Flandre and the Cerisaie business park.
100% of the new Icade Property Investment buildings certified HQE or BREEAM and establishment of the SMG HQE Construction.
Growth of certifications in operation: in 2014, HQE certification in operation for the Tour EQHO and set up of the SMG HQE Operation in the Property Investment division.

Likewise, Icade Property Development adopted the enterprise management system Qualiprom in 2011, which led to a revision of production processes. in 2013, Icade Property Development obtained the renewal of this management system certification. The certification rate of housing units exceeded 71% in 2012 and 96% in 2013, i.e., up by 35%. All the surface areas of offices are at least certified NF HQE and 2/3 of them have dual BREEAM certification.

In less than 10 years, Icade Property Development has certified more than 24,000 housing units. Today, close to 100% of Icade Property Development's production has a certification. The recognition of its peers confirms Icade Property Development's distinguished position with nine "Pyramids" won in 2013. This competition, organised by the Fédération des Promoteurs Immobiliers de France (Federation of French property developers - FPI), is intended to promote quality, know-how and innovation in the design of all types of real estate programmes.

2013 Icade Property Development Certifications based on launched OS

Housing Units

Certification type	Number of housing units	%
H&E	1,838	41
NF Housing	1,960	43
NF HQE Housing	541	12
No certification	170	4
TOTAL LAUNCHED	**4,509**	**100%**

Offices and amenities

Certification type		M² net floor area	%
Offices	NF Commercial Property HQE	23,466	33
	NF Commercial Property HQE + BREEAM	47,417	67
	No certification	-	-
	TOTAL LAUNCHED	**70,883**	**100%**

Certification type		M² net floor area	%
Other: Nursing homes (EHPAD), hospital, etc.	NF Commercial Property HQE	4,295	14
	NF Commercial Property HQE + BREEAM	-	-
	No certification	26,214	86
	TOTAL LAUNCHED	**30,508**	**100%**

In the same logic of the generalisation of sustainable processes, Icade Property Development had anticipated the energy labels, especially BBC. It will thus become the first private operator to obtain the "Bâtiment Biosourcé" on a lot of 29 houses, demonstrating the use of materials sourced from biomass.

2014 Icade Property Development Commitments

Environmental certification of commercial buildings/amenities;
100% NF HQE including half in dual BREEAM certification. Objective: seeking an HQE performance profile to obtain at least the "HQE Excellent" passport.

Environmental certification of housing unit operations (HQE and NF Logement HQE):
Objective: do 10% better than 2013 to exceed the threshold of 60% of the lots certified H&E or NF HQE.

Certifications of HQE development operations:
Follow the two certifications in progress on La Riche and Closbilles.

NF Housing certification:
100% of the operations which are not certified in other respects.

Reduce the energy impacts and carbon footprint of buildings (Theme no. 1), calls for a constant mobilisation for both the Property Investment and Property Development activities.

Property Development: the reference regulation of the RT 2012 concerning new construction had been anticipated in 2011 through a systematic labelling associated with the RT 2005, and continues through participation in the preparation works for the future 2020 RBR (Responsible Building Regulation). The annual carbon footprint, conducted since 2007, serves as reference to the announced objectives.

Property Investment: all the new commercial buildings developed internally by Property Investment refer to the highest environmental standards. For existing assets, a special effort was developed on the scope of major buildings in matters of energy metering, improvement works and follow-up of actions.

In 2013 Icade Property Investment compensated 1,098 tons of CO_2 corresponding to 75% of natural gas consumption in the Parc des Portes de Paris.

The data corresponding to these four strategic factors (Carbon, energy, water, waste) correspond for Icade Property Investment to the significant buildings, and for Icade Property Development to the 2013 service orders.

The Icade Property Investment carbon data integrates common areas of buildings and private consumption (measured or estimated), the Silic/Socomie carbon data is limited to the common area of the buildings.

Property Investment Division: GHG emissions from significant Icade buildings

Indicator	EPRA Reference	Unit	Icade Global (common and private)	Corporate	Excluding Corporate
Direct greenhouse gas emissions	IFT-Env.04	tons of CO_2	3,015	98	2,917
Indirect greenhouse gas emissions	IFT-Env.05	tons of CO_2	11,447	625	10,893
Building carbon intensity	IFT-Env.13	kg CO_2 eq/m²	27	36	27
Building carbon intensity	IFT-Env.14	kg CO_2eq/person.year	407	542	407

Property Investment Division: GHG emissions from significant Silic/Socomie buildings

	Emissions in CO_2 tons equivalent		Emissions by occupant in equivalent kg CO_2/person	
Indicator	Silic Global (common areas)	*Corporate*	Silic Global (common areas)	*Corporate*
Direct emissions	566	42	140	1,550
Indirect emissions	4,917	120	260	1,290
Total emissions	5,483	162		

Icade Property Investment commitment 2014

- Broaden the GHG assessment of operating energies to the entire Property Investment portfolio in 2014. Offset the 2013 GHG emissions of Millénaire 1 so that Icade's main office becomes carbon neutral in 2014.
- Reduce the GHGs associated with operating energy by 3%/year based on 2011 emissions i.e., a quarter of emissions by 2020.
- Conduct an assessment of GHGs and LCA on all new Icade Property Investment operations.

Property Development Division:

A drop of nearly 4% of GHG emissions was recorded between 2012 and 2013, and 18% overall since 2007. The drop in emissions due to the operation of housing units (from 26 to 21 KgeqCO_2/m²/year i.e., -20%) is explained by the growing use of heat networks.

	Assessments based on CECOBA/ Ademe ratios				2007 assessment based on Ademe ratios	Change 2013/2012	2013/2007 change
Data in kgeqCO_2/m²net floor area	2013	2012	2011	2009			
Total emissions	636	661	660	680	780	-4 %	-18 %
Housing Emissions	593	576	624	620	680	+3%	-13%
Offices Emissions	768	801	778	821	1,117	-4 %	-31%

The energy control strategy is focused on three targets: build simple, renew and operate efficiently, develop renewable energy.

To build "simple", in 2013 Icade Property Development launched buildings whose thermal efficiencies exceeded the regulation by 48%. Consumption (conventional RT on the five uses) in climate zone H1, including (among other) Paris and its region, i.e., 2,500 housing units out of 4,509 under construction, dropped for Icade Property Development by 35% since 2011 going from 93 to 61 kWh_{pe}/m²/year.

In 2013, Icade developed a 1st Energy-Plus level building with BPos of 46 energy positive housing units attaining a Primary Energy Consumption of -3 kWh_{pe}/m²/year, located in Strasbourg – Roberstau, in an operation labelled BBC-Effinergie.

The Icade Property Investment data integrates the common areas of buildings and private consumption (measured or estimated), the Silic/Socomie data is limited to the common areas of buildings.

Property Investment Division: energy consumption of significant Icade buildings

Indicator	EPRA Reference	Unit	Global (common and private)	*Corporate*	Controlled	Not controlled
Total electric energy consumption	IFT-Env.01	MWh_{pe}	241,514	13,781	93,941	133,792
Total consumption of heating or cooling networks	IFT-Env.02	MWh_{pe}	12,372	906	8,003	3,463
Total fuel energy consumption	IFT-Env.03	MWh_{pe}	12,883	418	11,012	1,453
Energy intensity by surface area	IFT-Env.09	kWh_{pe}/m² net floor area	498	478	507	507
Energy intensity of the building by person	IFT-Env.10	kWh_{pe}/person/year	7,466	7,173	7,605	7,605

Property Investment: energy consumption of significant Silic/Socomie buildings kWh/m²

Energy source	Global (common areas only)	Corporate
Electricity	165.03	151.77
Gas	50.63	220.25
Urban network	84	115

Icade Property: energy consumption
The 70 operations launched in 2013, all typologies combined (housing units and offices) represent nearly 409,000 m² net floor area. These operations have all been designed in the scope of RT 2005 with the seeking of labels. Their weighted average primary energy consumption is equal to 66kWhpe/m²/year, to be compared with the Max PEC imposed by the statutory calculations (weighted average) of 127 kWhpe/m²/year.

For effective renovation and operation, Icade Property Investment launched a long-term, ambitious programme, playing on several levers:

- HQE Operation® approach;
- implementation of energy meters by use: investments of up to €4.5 million to equip 22 buildings by 2018;
- energy optimisation in renovation works through a technical and financial tool adapted to the recommendations of the Gauchot report.

Icade Property Investment	Silic/Socomie
Energy knowledge of holdings: the existing "office" mapping was completed in 2013 through an "activities - warehouses" mapping This detailed mapping of the "significant" buildings, gives a real and measurable base for the energy condition of its holdings and establish priority actions in terms of energy savings. Improve consumption: All the new buildings developed by Icade Property Investment are certified HQE® BBC level with particular attention to the target energy and the seeking of energy labels. These buildings will be equipped with meters and sub-meters to monitor energy consumption by use.	In order to improve the energy efficiency of its buildings, Silic has implemented measures allowing it to optimise its consumption, especially during equipment replacement; the lighting devices with filament or halogen bulbs are also being progressively replaced by devices with low consumption fluo-type or LED bulbs with a function for detecting presence and time delay. Some energy efficiency diagnostics have also been performed on 98% of the holdings. Silic also placed growing importance on the improvement of energy efficiency of new constructions (and significant restorations). In the scope of HQE certifications of projects, particular emphasis is thus focused on the energy target, which is sought at the highest level, i.e., a very efficient management of energy. Digital modelling - thermal dynamic simulation type - is systematically performed for each of the projects in order to select the best energy optimisation.

Icade Property Development
Beyond the systematic use of certification processes, Icade Property Development has established an observatory of construction methods and types of energy used for heating and domestic hot water in order to obtain practical information and to make its teams aware of the best technical solutions from the standpoint of energy consumption and greenhouse gas emissions.

6

The use of renewable energy, certainly difficult considering the change in feed-in rates, is tested in new buildings and the subject of green certificate purchases in the old buildings.

Icade Property Investment	Silic/Socomie
◆ For new projects, the seeking of HQE® and BREEAM® certifications and efficient energy labels impose the use of renewable energy, like PDM 3 currently under construction, equipped with thermal solar power for domestic hot water. ◆ Connection to heat networks: energy consumption in heat network totalled 11,715 MWh in 2013. i.e., 9.8% of mapped consumption. ◆ Purchasing green certificates: 8,000 MWh of "balance" certificates were acquired from EDF in order to increase the share of renewable energy in electricity purchases.	The use of renewable energy was explored by Silic as part of the solutions for reducing its environmental impacts. A contract, guaranteeing that around 25% of the electricity supplied to Silic was renewable (balance certificates), was thus signed with EDF on 15 buildings.

Icade Property Development
Close to 49% of built surface areas in 2013 used renewable energy: ◆ 89,000 m² were concerned via production of domestic hot water with thermal solar panels (i.e., 22% of built areas); ◆ 11,000 m² were concerned via production of electricity by photovoltaic panel (i.e., around 3% of built surface areas) including the production included in the RT calculation for up to 6.9 kWh/m²/year; ◆ 11,600 m² were concerned via heating which used wood (wood heat network or directly from boilers (i.e., around 3% of the built surface area); ◆ 87,000 m² were concerned via a heat network whose energy bundle is comprised of 65% renewable and reclaimed energy and geothermal and waste sources (i.e., 21% of the built surface area). It is the PNE operation (15,000 m² of office space and 1,126 housing units) which used for heating, domestic hot water and air conditioning, the CPCU (hot) and Climespace (cold) networks which built, for this purpose, a production power plant based on deep geothermal energy.

Icade Property Investment commitment 2014
To reduce the energy consumption of Icade's major commercial buildings by 2% per m2 and by year up to 2020 i.e., a total reduction of 18% compared to 2011.

5.3. GOALS BY BUILDING: WATER, WASTE, RAW MATERIAL CONSUMPTION

Reduce water consumption

Icade Property Investment

The policy of controlling consumption relies on a water mapping of significant buildings: consumption levels of each building, equipment associated with water distribution. Icade thus has a real and measurable basis for the "water" status of its holdings, and can establish possible and priority actions for water savings using the newly-introduced environmental annexes (green leases).

The water consumption in existing buildings is improved through the application of several levers, and especially better supervision of possible leaks in the network and awareness training in the proper use of flow reducing sanitary taps and water-saving flushing mechanisms through green actions.

WATER indicators	EPRA Reference	Unit	Global	Corporate	Controlled	Not controlled
Water consumption by source	IFT-Env.06	m^3	237,940	19,639	218,301	S.O.
Building carbon intensity	IFT-Env.11	m^3/m^2/year	0.44	0.64	0.44	S.O.
Building carbon intensity	IFT-Env.12	litre/person/day	30.69	44.32	30.69	S.O.

Silic/Socomie

During the construction phase, all of the water consumed is monitored by the management company for the work site and verified by the HQE project owner representative.

Asset management:

- water consumption is also monitored and analysed over the entire portfolio; the table below details the water consumption of the buildings occupied by Silic staff, as well as that of its "significant" buildings (Chapter 2.2);
- monthly physical readings of water consumption were introduced in 2013 for a majority of building assets. This approach, which identifies and repairs possible water leaks, will be continued in 2014.

Water consumption (m^3/m^2)	
Buildings occupied by Silic staff	0.62
Sample of buildings of the rental portfolio	0.27

Icade Property Development

The NF HQE certifications for all production require the use of NF plumbing fittings, one of the properties of which is the control of water consumption (foamer, small/large flow lever, three litre flushing, etc.).

A national framework agreement with a manufacturer of NF taps is the concrete demonstration of this commitment. In addition, certain programmes recover rain water.

Measures to prevent, to recycle and to dispose of waste

Icade Property Investment

In order to establish a relevant waste control policy, Icade Property Investment has set up waste mapping for its "significant" office assets, in order to determine the production levels for each building and the recyclability of this waste, according to the selective sorting organisations of each site. Icade therefore has a real and measurable basis for the status of the waste control of its holdings, and can establish possible and priority actions in terms of the reduction of production, development of selective sorting and control of processing subsidiaries in the coming years using the existing environmental appendices (green leases).

The improvement in waste production, recycling and disposal in existing buildings is achieved through several measures:

- better knowledge of the flows of waste produced and collected in the buildings (five main flows: Non-hazardous industrial waste – Paper/Cardboard – Green Waste – Special industrial waste – D3E);
- generalisation of selective sorting and the improvement in reclaiming materials;
- the gradual introduction of environmental appendices, enabling action plans to be established for waste by building and tenant.

Waste indicators	EPRA Reference	Unit	Global	Corporate	Controlled	Not controlled
Total mass of waste	IFT-Env.07	Tons/year	5,151	123	2,751	2,276
Percentage of non-recyclable waste	IFT-Env.08	%	60.5 %	43.6 %	61.6 %	60 %

Silic/Socomie

Development/Construction

Silic has established a traceability of waste products through its deconstruction and new construction activities, in accordance with the HQE target. The quantities of waste are also monitored daily by the service providers in charge of construction/deconstruction. A majority of this waste is recycled today or re-claimed.

Asset management

With its service providers, Silic has established a traceability of waste, in order to be able to evaluate the efficiency of real-time waste management systems in buildings. Furthermore, Silic regularly informs its tenants about waste management issues, through newsletters or postings in the buildings, in order to encourage waste sorting. As at 31 December 2013, 63% of managed buildings are equipped with a means of selective sorting (paper/cardboard).

Icade Property Development

Icade Property Development's CSR Supplier Charter requires the commitment of the entrepreneur on preventive measures and the environmental charter integrated in our works contracts require monitoring, processing and traceability of waste.

In addition to the objectives associated with water and waste, Icade Property Development considers that the consumption of **raw materials** associated with current property management operations is not significant. The optimisation of the use of raw materials mainly concerns the activities of construction and heavy renovation of Icade Property Investment, as well as the activities of Icade Property Development.

If the design of a real estate programme necessarily includes the optimised use of products and materials, the search for architectural and urban quality may lead to complex and materials-intensive building volumes. The mission of the project management teams is, among other things, to solve this equation.

6. Summary: an enhanced CSR policy today to help build the sustainable city of tomorrow

The strategy implemented by Icade is in-keeping with long-term actions. It develops solid processes which allow Icade and Silic to advance at a steady, regular pace. In this vein, the environmental certifications in new property developments and on its own account, in the operation of parks and buildings, set concrete and calculated goals over a large range of environmental targets. Likewise, Icade relies on committed teams that are highly involved to continue its efforts to promote a sustainable city, in the eco-districts, the connectivity between its buildings and public transportation, or pathways for senior citizens.

In 2014, Icade's CSR policy will be further enhanced. The strengthening of its guidance involves an extension of scope, specifically monitored by Property Investment, a more precise reporting on environmental risks, and the continued listening to stakeholders thanks to partner panels and customer surveys. The generalisation of a responsible purchasing approach is in line with a movement already begun which presents the advantage of training producer partners with a CSR philosophy while reinforcing the quality of products. The success of the merger between Icade and Silic will be built on the mobilisation of the teams.

For a world-class real estate player, the CSR attitude is attentive, innovative and active. It demonstrates the employee ability to continuously adapt; it is the performance driver for the company and progress factor for the entire group. This is the dynamic that drives Icade as it faces the future and brings life today to the city of tomorrow.

7. Appendix: Concordance table in Chapter 6 with Article R. 225-105-1 of the French Commercial Code, relating to the transparency requirements for businesses in social and environmental matters

Designation	
Total work force and employee distribution by gender, age and geographic region	3.2
hirings and lay-offs	3.2
wage levels and their development	3.1
organisation of work time	3.6
absenteeism	3.6
organisation of employee dialogue, particularly the procedures for informing, consulting and negotiating with employees	3.3
report on collective agreements	3.3
workplace health and safety conditions	3.6
assessment of the agreements signed with the unions or employees representative on health and safety at work	3.6
workplace accidents, in particular their frequency and severity, and occupational illnesses	3.6
training policies implemented	3.4
total number of training hours	3.4
measures to promote male and female equality	3.5
measures to promote employment and integration of disabled persons	3.5
anti-discrimination policy	3
respect for the freedom to organise and the right to collective bargaining	3.3
the elimination of job and professional discrimination	3.5

Designation	
the elimination of forced or compulsory labour	3.6
the effective elimination of child labour	3.6
organisation of the Company to take environmental issues into consideration and to undergo environmental assessment or certification processes if applicable	1.3 and 5.2
employee training and information programmes on environmental protection	3.4
resources devoted to the prevention of environmental risks and pollution	4.4
the amount of the provisions and guarantees for environmental risks, provided that this information could not cause serious damage to the Company in a current dispute	4.4
measures to prevent, reduce or repair discharges into the air, water and soil which could seriously impact the environment	4.4
measures to prevent, recycle and eliminate waste	5.3
consideration of sound nuisances and any other form of pollution specific to an activity	4.5
water consumption and supply based on local requirements	5.3
consumption of raw materials and measures taken to improve the efficiency of their use	5.3
energy consumption and measures taken to improve energy efficiency and the use of renewable energies	5.2
soil use	4.4
greenhouse gas emissions (GHG)	5.2
adaptation to the consequences of climate change	5.1
measures taken to preserve or develop biodiversity	5.1
on employment and regional development	4.4
on nearby or local populations	4.5
conditions of the dialogue with these persons or organisations	4.3
partnerships and corporate giving	4.7
Integration of social and environmental challenges in the purchasing policy	4.7
The importance of subcontracting and the integration of social and environmental responsibility in relations with suppliers and subcontractors.	4.7
actions initiated to prevent corruption	3.4
measures taken to protect consumer health and safety	4.5

8. Statutory Auditors' independent third-party report on consolidated social, environmental and societal information published in the management report

This is a free translation into English of the original report issued in French and is provided solely for the convenience of English speaking readers). This report should be read in conjunction with, and is construed in accordance with French law and professional auditing standards applicable in France.

Financial year ended December 31, 2013

To the Shareholders,

An independent third-party, members of statutory auditor's network, whose accreditation application was accepted by COFRAC, we hereby present our report on the consolidated social, environmental and societal information provided in the management report prepared for the year ended December 31, 2013, (hereinafter referred to as "CSR Information"), pursuant to Article L.225-102-1 of the French Commercial Code (Code de commerce).

RESPONSIBILITY OF THE COMPANY

The Board of Directors of Icade is responsible for preparing a management report including the CSR Information required under Article R. 225-105-1 of the French Commercial Code, in accordance with the reporting criteria used by Icade (the "Reporting Criteria") and available on request from the Audit, Risk Management and Sustainable Development Department.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the profession's Code of Ethics and by the provisions of Article L. 822-11 of the French Commercial Code. Furthermore, we have set up a comprehensive quality control system that includes documented policies and procedures designed to ensure compliance with deontological rules, professional standards and applicable legal texts and regulations.

RESPONSIBILITY OF THE STATUTORY AUDITORS

Based on our work, our role is to:

- attest that the required CSR Information is disclosed in the management report or, that an explanation has been provided if any information has been omitted, in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Attestation of completeness);
- provide limited assurance that, on the whole, the CSR Information is fairly presented, in all material respects, in accordance with the adopted Reporting Criteria (Fairness report regarding CSR Information);

We requested the assistance of our CSR experts to conduct this verification work. Our work was carried out by a team of 4 people between December 2013 and February 2014.

We conducted the work described below in accordance with the professional standards applicable in France and the legal order dated May 13, 2013 determining the methodology according to which the independent third party body conducts its mission and, on the reasoned opinion and the reasonable assurance report, in accordance with ISAE 3000 [(1)].

1. Attestation of completeness of the CSR Information

We got acquainted with the direction that the Group is taking in terms of sustainability, with regard to the social and environmental consequences of the company's business and its societal commitments and, where appropriate, the actions or programs that stemmed from it.

We compared the CSR Information presented in the management report with the list set forth in Article R. 225-105-1 of the French Commercial Code.

In the event of omission of certain consolidated information, we verified that explanations were provided in accordance with the third paragraph of the article R. 225-105 of the French Commercial Code.

We verified that the CSR Information covers the consolidated scope, which includes the company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code (Code de commerce) and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code (Code de commerce), subject to the limits set forth in the methodological note presented in the management report (Part 6.2 of Icade Registration Document).

Based on our work and taking into account the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

2. Fairness report with respect to CSR Information

Nature and scope of procedures

We conducted the interviews that we deemed necessary with around ten persons responsible for the preparation of CSR Information from departments in charge of the process of gathering information and, where appropriate, responsible of the internal control and risk management to:

- assess the appropriateness of the Reporting Criteria in terms of its relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices;
- verify the set-up within the Group of a process to collect, compile, process and check the CSR Information with regard to its completeness and consistency. We familiarized ourselves with the internal control and risk management procedures relating to the compilation of the CSR Information.

We determined the nature and extent of tests and controls depending on the nature and importance of CSR Information in relation to the characteristics of the Company, the social and environmental issues of its operations, its strategic priorities in relation to sustainable development, and the Industry best practices.

Concerning the CSR information that we considered to be most significant [(1)], at the Audit, Risks and Sustainable Development Department, the Human Resources Department, the Property Investment Division and the Property Development Division, we:

- consulted source documents and conducted interviews to corroborate the qualitative information (organization, policies, actions), we implemented analytical procedures on the quantitative and verified, on the basis of sampling techniques, the calculations and consolidation of the information and we verified its consistency with the other information contained in the management report;
- selected based on their activity, their contribution to consolidated indicators, their location and a risk analysis, we conducted interviews to verify the proper application of procedures and conducted substantive tests, using sampling basis, to verify the calculations performed and reconciled data with supporting evidence.

The selected sites contribution to Group data equals to 100% of headcount and 100% of the quantitative environmental information tested.

Regarding the other CSR consolidated Information, we assessed its fairness and consistency based on our knowledge of the Group.

Finally, we assessed the relevance of the explanations relating to, where necessary, the omission of certain information.

We deem that the sampling methods and sample sizes we have learned by exercising our professional judgment allow us to formulate a conclusion providing limited assurance; a higher level of assurance would have required more extensive work. Because of the use of sampling techniques, and because of other limits inherent to any information and internal control systems, the risk of not detecting a material misstatement in the CSR Information cannot be completely eliminated.

CONCLUSION

Based on our work, we did not identify any material misstatements that cause us to believe that the CSR Information, taken as a whole, has not been fairly presented, in all material respects, in accordance with the Reporting Criteria.

La Défense, 19 February 2014

The Statutory Auditors

Mazars

Jérôme de Pastors	Emmanuelle Rigaudias
Partner	Sustainable development Partner

(1) Total and breakdown of employees by gender, age and geographical area; Review of agreements signed with trade unions or employee representatives; Accidents, including their frequency and severity, and occupational diseases; Measures to promote employment of disabled people; Company organization in order to take into account environmental subject and, if necessary, process of assessment or certification on environmental subject; Training and information for employees about environmental protection; Energy consumption, measures taken to improve energy efficiency and the use of renewable energy; Greenhouse gas emissions; Measures to prevent corruption; Measure to prevent consumer health and safety; Taken into account in the procurement policy of social and environmental

CHAPTER 7

LIST OF ASSETS

1. Geographical distribution of assets by asset type

AS AT 31 DECEMBER 2013

In value *(in millions of euros)*	Offices	Business Properties	Shopping Centres	Health	Warehouses	Housing Units	TOTAL	%
Île-de-France	**3,450**	**3,943**	**12**	**412**	**3**	**181**	**8,002**	**81.0%**
% in value	*93.0%*	*100.0%*	*9.7%*	*21.8%*	*8.3%*	*99.7%*		
including Paris (75)	309	811	8	-	-	1	1,129	
including Seine-et-Marne (77)	16	-	4	-	-	-	20	
including Yvelines (78)	-	-	-	177	-	12	189	
including Essonne (91)	30	270	-	-	3	20	323	
including Hauts-de-Seine (92)	2,483	475	-	-	-	18	2,975	
including Seine-Saint-Denis (93)	243	1,309	-	34	-	95	1,681	
including Val-de-Marne (94)	352	1,034	-	201	-	13	1,600	
including Val-d'Oise (95)	17	44	-	-	-	23	85	
Rest of France	**104**	**-**	**109**	**1,475**	**37**	**1**	**1,725**	**17.5%**
% in value	*2.8%*	*0.0%*	*90.3%*	*78.2%*	*91.7%*	*0.3%*		
International	**156**						**156**	**1.6%**
% in value	*4.2%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*		
GRAND TOTAL	**3,710**	**3,943**	**121**	**1,887**	**40**	**182**	**9,883**	
% of assets in value	**37.5%**	**39.9%**	**1.2%**	**19.1%**	**0.4%**	**1.8%**		**100%**

Surface area *(m²)* (*)	Offices	Business Properties	Shopping Centres	Health	Warehouses	Housing Units	TOTAL	%
Île-de-France	**532,817**	**1,467,332**	**7,778**	**115,797**	**18,275**	**1,744,083**	**3,886,082**	**76.8 %**
% in value	*82.2%*	*100.0%*	*4.9%*	*13.3%*	*11.1%*	*99.5%*		
including Paris (75)	27,825	147,473	2,470	-	-	292	178,060	
including Seine-et-Marne (77)	8,539	-	5,308	-	-	-	13,847	
including Yvelines (78)	-	-	-	45,626	-	39,105	84,731	
including Essonne (91)	24,705	208,164	-	-	18,275	707,644	958,788	
including Hauts-de-Seine (92)	369,169	197,717	-	-	-	12,002	578,888	
including Seine-Saint-Denis (93)	20,689	503,854	-	14,350	-	162,245	701,137	
including Val-de-Marne (94)	76,805	375,495	-	55,821	-	48,067	556,188	
including Val-d'Oise (95)	5,086	34,629	-	-	-	774,728	814,443	
Rest of France	**47,238**		**150,086**	**753,873**	**146,397**	**9,593**	**1,107,187**	**21.9%**
% in value	*7.3%*	*0.0%*	*95.1%*	*86.7%*	*88.9%*	*0.5%*		
International	**68,454**						**68,454**	**1.4%**
% in value	*10.6%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*		
GRAND TOTAL	**648,509**	**1,467,332**	**157,864**	**869,670**	**164,672**	**1,753,676**	**5,061,723**	
% of assets in surface area	**12.8%**	**29.0%**	**3.1%**	**17.2%**	**3.3%**	**34.6%**		**100%**

(*) Rentable surface area in m² as at 31 December 2013.

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2. Offices division

AS AT 31 DECEMBER 2013

Offices division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Offices Surface Area (Rentable)	Shops Surface Area (Rentable)	Other Surface Area (Rentable)	Number of Parking Spaces	Acquisition Date (*)	Construction or renovation	% consolidation	Main tenants
France			**580,055**	**478,338**	**17,604**	**84,112**	**7,285**				
Île-de-France			**532,817**	**477,382**	**12,652**	**42,782**	**7,189**				
SUB-TOTAL PARIS CBD			**17,174**	**12,634**	**4,295**	**246**	**184**				
Le Marignan – 29, 31, 33 avenue des Champs Élysées	Paris 8	75	9,966	6,003	3,717	246	0	2004	1950	100%	Pino Élysées – Eurotradia
69 Boulevard Haussmann	Paris 8	75	7,208	6,630	578	0	184	2004	1990	100%	UBS Securities
SUB-TOTAL PARIS EXCLUDING CBD			**10,651**	**10,259**	**392**	**0**	**71**				
Link – 28-32 boulevard de Grenelle	Paris 15	75	10,651	10,259	392	0	71	2009	2009	100%	Ingenico – Monop'
SUB-TOTAL PARIS – LA DÉFENSE			**257,764**	**232,718**	**1,759**	**23,287**	**2,829**				
Tour Scor – 1 avenue du Général de Gaulle	Paris – La Défense	92	17,936	16,810	0	1,126	98	2009	0	100%	ERDF – TOTAL France
Tour Initiale – 1 terrasse Bellini	Puteaux	92	10,727	9,658	0	1,069	142	2004	2003	33%	RTE – Nexity
Tour Eqho – 2 avenue Gambetta	Courbevoie	92	78,497	74,456	0	4,041	1,109	2004-2007	2013	100%	
Défense 1 – 39-45 boulevard des Bouvets	Nanterre	92	8,819	3,626	0	5,193	45	2013	1982	100%	Community Center & Care Hospital of Nanterre – Verizon France
Défense 2 – 25 boulevard des Bouvets	Nanterre	92	14,611	11,322	0	3,289	176	2013	1982	100%	Mitsubishi Electric Europe BV – ITS Group
Défense 3 – 1-5 boulevard des Bouvets	Nanterre	92	13,486	11,005	0	2,481	161	2013	1985	100%	Neopost France – Mail Services
Défense 456 – 7-11 boulevard des Bouvets	Nanterre	92	17,588	15,342	0	2,246	288	2013	2005	100%	GIE AXA France
Axe 13 – Les Terrasses de l'Arche	Nanterre	92	16,831	16,471	220	140	130	2013	2010	100%	GIE AXA France
Axe 14 – Les Terrasses de l'Arche	Nanterre	92	20,956	20,956	0	0	147	2013	2006	100%	GIE AXA France
Axe 15 – Les Terrasses de l'Arche	Nanterre	92	19,722	18,959	763	0	147	2013	2006	100%	GIE AXA France
Axe 16 – Les Terrasses de l'Arche	Nanterre	92	18,979	18,107	775	97	146	2013	2006	100%	GIE AXA France
Reflet Défense – 209 rue de la Garenne	Nanterre	92	5,804	3,939	0	1,865	124	2013	2001	100%	Department of Hauts-de-Seine
Fontanot – 21-29 rue des 3 Fontanot	Nanterre	92	13,808	12,068	0	1,740	116	2013	2010	100%	RTE – Avnet Technology Solutions
SUB-TOTAL WESTERN CRESCENT			**111,405**	**110,356**	**0**	**1,049**	**2,235**				
Crystal Park – 62-64 boulevard Victor Hugo	Neuilly-sur-Seine	92	39,911	39,911	0	0	720	2009	2003	100%	PWC
84 rue de Villiers	Levallois	92	26,516	26,516	0	0	478	2006	2006	100%	French Interior Ministry
H_2O – 2 rue des Martinets	Rueil-Malmaison	92	21,729	21,609	0	120	458	2007	2008	100%	Heineken Entreprise – DBAPPAREL
27 rue Camille Desmoulins	Issy-les-Moulineaux	92	9,064	8,603	0	461	213	2004	1999	100%	Coca-Cola
Étoile Park – 123 rue Salvador Allende	Nanterre	92	5,606	5,484	0	122	68	2009	-	100%	Société Générale – Infotel Conseil
11-15 avenue Morizet	Boulogne-Billancourt	92	4,982	4,982	0	0	262	2004	2000	100%	Omnicom Media GRP

(*) Date of entry of the asset and/or the entity in the Icade Group.

Offices division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Offices Surface Area (Rentable)	Shops Surface Area (Rentable)	Other Surface Area (Rentable)	Number of Parking Spaces	Acquisition Date (*)	Construction or renovation	% consolidation	Main tenants
22 rue Jacques Dulud	Neuilly-sur-Seine	92	1,805	1,805	0	0	36	2009	-	100%	MTV Networks
Charles de Gaulle – 93 avenue Charles de Gaulle	Neuilly-sur-Seine	92	1,792	1,446	0	346	0	2009	-	100%	Qliktech – CWI Group
SUB-TOTAL REST OF ÎLE-DE-FRANCE			**135,823**	**111,416**	**6,207**	**18,200**	**1,870**				
Ilôt 3 Loire – 32-36 avenue de Paris	Villejuif	94	19,805	19,361	444	0	250	2010	-	100%	LCL
Ilôt 5 Seine – 10-12 avenue de Paris	Villejuif	94	14,342	14,342	0	0	238	2008	-	100%	LCL
Ilôt 4 Rhône – 14-20 avenue de Paris	Villejuif	94	8,007	8,007	0	0	99	2010	-	100%	LCL
Ilôt 6 Rhin – 2-4 avenue de Paris	Villejuif	94	20,652	20,226	426	0	256	2011	-	100%	LCL
Ilôt 1 Tolbiac – 35-43 avenue de Paris	Villejuif	94	9,968	8,726	328	914	197	2012	-	100%	LCL
Européen – 98, allée des Champs Élysées	Évry	91	12,907	10,559	2,182	166	246	2009	-	100%	Tax Services of Essonne – Group ITIS
Mozart – 39-41 rue Paul Claudel	Évry	91	6,344	5,218	1,064	62	134	2009	-	100%	Carrefour Group – El Campo
Champs – 60-72 boulevard des Champs Élysées	Évry	91	5,453	4,386	1,067	0	125	2009	-	100%	Crédit du Nord – MAIF
Maisons-Alfort – 31, cours des Juilliottes – 2 rue Louis Pergaud	Maisons-Alfort	94	4,032	3,829	0	203	26	2009	-	100%	EGIS Aménagement – DDASS
PCM Meaux – 19 and 29 avenue des Sablons Bouillants	Meaux	77	8,539	0	0	8,539	0	0	-	100%	French Interior Ministry (SGAP Versailles)
BSP Pontoise – CH René Dubos, 8 avenue de l'Île de France	Pontoise	95	5,086	0	0	5,086	0	0	-	100%	CHI René Dubos
Cézanne – 30 avenue des Fruitiers	Saint-Denis	93	20,689	16,762	697	3,230	299	0	-	100%	Arcelormittal Franc – Société du Grand Paris
Rest of France			**47,238**	**956**	**4,952**	**41,330**	**96**				
Champion – 27 avenue de Paris	Reims	51	2,177	0	2,177	0	0	2007	2003	100%	Amidis et Cie
Le Triangle – Avenue Jules Mihau	Montpellier	34	2,708	0	2,528	180	0	2007	1975	100%	Parfumerie Douglas – Sauramps
2 rue Jean Artus	Bordeaux	33	1,203	956	247	0	30	1978	1978	100%	Association – Renovation
Crèche Toulouse Blagnac	Blagnac	31	968	0	0	968	0	2008	2008	100%	L'Imagine R
CERS – 83 avenue du Général de Lattre de Tassigny	Capbreton	40	8,417	0	0	8,417	0	2009	0	100%	Générale de Santé
CERS – 83 avenue du Général de Lattre de Tassigny	Capbreton	40	5,120	0	0	5,120	0	2009	0	100%	Générale de Santé
Les Tovets – Courchevel 1850	Les Tovets	74	0	0	0	0	66	0	0	100%	City of Courchevel
University Hospital of Nancy – Brabois Site – 5 allée du Morvan	Vandoeuvre	54	26,645	0	0	26,645	0	0	0	100%	Nancy CHU
International			**68,454**	**61,760**	**0**	**6,694**	**3,662**				
Munich-Allach – Dachauer Strasse 665	Munich		58,758	52,752	0	6,005	3,554	2006	2003/2004	100%	GMG Generalmietgesellschaft mb
Heidenkamsweg	Hamburg		9,696	9,007	0	689	108	2006	2000	100%	InnoGames FmbH
GRAND TOTAL (ACCORDING TO SCOPE OF CONSOLIDATION)			**648,509**	**540,098**	**17,604**	**90,806**	**10,947**				

(*) Date of entry of the asset and/or the entity in the Icade Group.

3. Business Properties division

AT 31 DECEMBER 2013

Business Parks Division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Activity Surface Area (Rentable)	Offices Surface Area (Rentable)	Warehouses Surface Area (Rentable)	Various Surface Area (Rentable)	Number of Parking Spaces	Acquisition Date (*)	% consolidation	Main tenants
Paris 19			**147,473**	**10,718**	**136,029**	**0**	**725**	**1,932**			
Parc du Pont de Flandres	Paris 19	75	89,352	6,430	82,257	0	666	1,077	2002	100%	Groupe Pierre et Vacances – Club Méditerranée
Parc du Millénaire	Paris 19	75	58,120	4,289	53,773	0	59	855	2002	100%	Icade Group – Health Regional Agency
Seine-Saint-Denis (93)			**503,854**	**206,216**	**222,230**	**43,496**	**31,911**	**6,009**			
Parc des Portes de Paris			200,135	107,040	60,701	30,796	1,598	1,442			
- Saint-Denis	Saint-Denis	93	61,612	40,983	16,675	3,876	78	599	2002	100%	Eurosites – Euro Media France
- Batigautier LEM	Aubervilliers	93	10,327	5,732	4,595	0	0	0	2002	100%	Win's et Co – Eurasia Groupe
- Aubervilliers Gardinoux	Aubervilliers	93	128,196	60,325	39,431	26,921	1,520	843	2002	100%	Euro Media France – Eurasia Groupe
South Pier	Aubervilliers	93	22,384	20,793	0	576	1,015	0	2002	100%	Eurasia Groupe – Interxion France
Parc CFI	Aubervilliers	93	67,274	40,688	23,939	2,647	0	744	2002	100%	Groupe Rhodia – Endemol France
Parc du quartier du Canal	Aubervilliers	93	5,329	5,029	300	0	0	40	2002	100%	Locaber
Parc le Mauvin	Aubervilliers	93	16,305	2,351	4,157	9,477	320	166	2002	100%	Lapeyre – Aquila Audiovisuel
Parc du Millénaire	Aubervilliers	93	37,194	0	8,531	0	28,663	213	2011	50%	State-Prefecture
Parc Roissy-Paris Nord 2	Villepinte	93	155,232	30,315	124,602	0	315	3,404	2013	100%	LG Electronics France – Beckman Coulter France
Hauts-de-Seine (92)			**197,717**	**67,239**	**130,479**	**0**	**0**	**2,179**			
Parc d'Antony	Antony	92	38,321	15,283	23,038	0	0	169	2013	100 %	Air Liquide Medical Systems – Vision
Parc de Colombes	Colombes	92	71,911	27,310	44,601	0	0	1,249	2013	100%	Alcatel Lucent Enterprise – Entrepose Contracting
Parc La Défense-Nanterre-Seine	Nanterre	92	87,485	24,646	62,839	0	0	761	2013	100%	Locatel France – Peugeot Citroën
Essonne (91)			**208,164**	**59,451**	**103,020**	**0**	**45,693**	**635**			
Parc Commercial La Cerisaie	Fresnes	91	60,558	7,087	7,778	0	45,693	85	2013	100%	BUT International – Mattel France
Parc Évry Lisses-Courcouronnes	Évry	91	57,925	16,599	41,326	0	0	473	2013	100%	Atomic Energy Commissariat (CEA) – Snecma
Parc Villebon-Courtaboeuf	Villebon-sur-Yvette	91	89,682	35,765	53,917	0	0	77	2013	100%	Groupe Thales – Thermo Electron
Val de Marne (94)			**375,495**	**99,816**	**270,805**	**0**	**4,874**	**4,327**			
Parc Orly-Rungis	Rungis	94	375,495	99,816	270,805	0	4,874	4,327	2013	100%	GROUPE Thales – Système U Centrale Nationale
Val d'Oise (95)			**34,629**	**13,578**	**21,051**	**0**	**0**	**497**			
Parc Cergy-Pontoise	Cergy	95	34,629	13,578	21,051	0	0	497	2013	100%	Groupe Colas – Autoliv Electronic SAS
GRAND TOTAL			**1,467,332**	**457,019**	**883,614**	**43,496**	**83,202**	**15,579**			

(*) Date of entry of the asset and/or the entity in the Icade Group.

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4. Shopping Centres division

AT 31 DECEMBER 2013

Shopping Centres division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Acquisition Date (*)	Construction or renovation	% consolidation	Main tenants
ZAC (integrated development zone) de Merlemont, Les Terres de Merlemont	Allonne	60	11,033	2008	2000-2009	100%	Mr. Bricolage Group
Balaruc Loisirs	Balaruc-le-Vieux	34	8,669	2009	2008	100%	Mr. Bricolage Group
540 avenue Léon Blum	Ambérieu-en-Bugey	1	6,452	2008	1984	100%	Mr. Bricolage Group
ZAC de Chateaugay	Domerat	3	5,695	2008	2002	100%	Mr. Bricolage Group
Rue des Mérovingiens	Saint-Dizier	52	5,549	2010	n/a	100%	Mr. Bricolage Group
ZAC des Mazaud	Brive-la-Gaillarde	19	5,536	2008	1999	100%	Mr. Bricolage Group
ZA de la Chesnais	Saint-Jouan des Guerets	35	5,453	2008	2000	100%	Mr. Bricolage Group
Rue Alexandre Guillon	Guéret	23	5,414	2008	2003	100%	Mr. Bricolage Group
115 Route Nationale	Saint-Gervais-la-Forêt	41	5,406	2008	1970-1988	100%	Mr. Bricolage Group
Route de Sens	Montereau-Fault-Yonne	77	5,308	2009	2000	100%	Mr. Bricolage Group
Avenue de l'Égalité – ZA d'Hellieule 2	Saint-Dié	88	4,884	2008	1992/2000	100%	Mr. Bricolage Group
Espace Saumur Soleil – St Lambert des Levées	Saumur	49	4,846	2008	1990-2001	100%	Mr. Bricolage Group
ZI Les Clairions – Avenue Haussman	Auxerre	89	4,502	2008	80-2009	100%	Mr. Bricolage Group
Gaillard commercial space	Saint-Clément	89	4,474	2008	n/a	100%	Mr. Bricolage Group
Rue René Cassin	Pithiviers	45	4,358	2008	1996-1998	100%	Mr. Bricolage Group
La Tuilerie shopping centre	Sablé-sur-Sarthe	72	4,248	2008	1990-1999	100%	Mr. Bricolage Group
55 avenue de la Division Leclerc	Avranches	50	4,199	2008	2001	100%	Mr. Bricolage Group
Mr. Bricolage – 270 avenue La Rochelle	Niort	79	4,158	2011	n/a	100%	Mr. Bricolage Group
Carrefour Shopping Centre – Route de Rennes	Condé-sur-Sarthe	61	3,773	2008	1990-1999	100%	Mr. Bricolage Group
Les Latteux commercial space	Migennes	89	3,743	2008	1993-1998	100%	Mr. Bricolage Group
Rue Giret – Quartier des Isle	Vienne	38	3,582	2008	1987/1992/1997/2001	100%	Mr. Bricolage Group
1118 Avenue de Paris	Saint-Lô	50	3,553	2008	2001	100%	Mr. Bricolage Group
Mr. Bricolage Abbeville – Route d'Amiens	Abbeville	80	3,547	2011	n/a	100%	Mr. Bricolage Group
91 rue de Longwy	Longwy	54	3,500	2008	1990-1999	100%	Mr. Bricolage Group
Hyper U Shopping Centre – Avenue de la Maine	Les Herbiers	85	3,493	2008	1990-1999	100%	Mr. Bricolage Group
Allée Maxenu	Pierry	51	3,361	2008	2000-2009	100%	Mr. Bricolage Group
77 rue de Domfront	Flers	61	3,276	2008	1984-2002	100%	Mr. Bricolage Group
191 avenue du Gal de Gaulle	Libourne	33	3,002	2008	1987	100%	Mr. Bricolage Group
Mr. Bricolage Ruffec 2- ZAC de Longchamps	Ruffec	16	2,960	2011	n/a	100%	Mr. Bricolage Group
15 rue de la Croix Blanche	Autun	71	2,795	2008	1999	100%	Mr. Bricolage Group
Shopping Centre – 15 rue d'Anet	Saussay	28	2,687	2008	1980-1989	100%	Mr. Bricolage Group
Forum de Picardie	Fayet	2	2,579	2008	n/a	100%	Mr. Bricolage Group
34 rue de Reuilly – 28 rue du Colonel Rozanoff	Paris 12	75	2,470	2008	n/a	100%	Mr. Bricolage Group
12 route de Pau	Tarbes	65	2,385	2008	1989	100%	Mr. Bricolage Group
Route de Montargis	Noyers	45	1,881	2008	1989	100%	Mr. Bricolage Group
ZA du Pinier	Melle	79	1,876	2008	2007	100%	Mr. Bricolage Group
ZI Route de Rennes	Saint-Méen-le-Grand	35	1,810	2008	1979-2002	100%	Mr. Bricolage Group
Carrefour Shopping Centre – Route de Plan	Trans-en-Provence	83	1,407	2008	1993	100%	Mr. Bricolage Group
GRAND TOTAL (ACCORDING TO SCOPE OF CONSOLIDATION)			**157,864**				

(*) *Date of entry of the asset and/or the entity in the Icade Group.*

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5. Health division

AT 31 DECEMBER 2013

Health division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Other Surface Area (Rentable)	MSO Clinic Surface Area (Rentable) (1)	ACR Clinic Surface Area (Rentable) (2)	Number of beds	Acquisition date (3)	Construction or renovation	% consolidation	Operator
Centre Médico-Chirurgical de Parly II – 21 rue Moxouris	Le Chesnay	78	15,818	0	15,818	0	280	2008	1971-1997	100%	Générale de Santé
Clinique du bon secours – 9 place de la Préfecture	Arras	62	23,269	0	23,269	0	284	2009	2007	100%	Générale de Santé
Hôpital Privé de l'Ouest Parisien – 14 avenue Castiglione	Trappes	78	16,412	0	16,412	0	274	2008	1975-2000	100%	Générale de Santé
Hôpital Privé Armand Brillard – 3-5 avenue Watteau	Nogent	94	13,170	0	13,170	0	240	2008	2003-2006	100%	Générale de Santé
Hôpital Privé Paul d'Égine – 4 avenue Marx Dormoy	Champigny	94	12,294	0	12,294	0	233	2008	2001-2007	100%	Générale de Santé
Hôpital Privé de Marne La Vallée – 33 rue Léon Menu	Bry-sur-Marne	94	12,305	0	12,305	0	190	2010	2009	100%	Générale de Santé
Clinique du Bourget – 7-7 bis rue Rigaud	Le Bourget	93	7,893	0	0	7,893	150	2010	2007	100%	Générale de Santé
Clinique du Bois d'Amour – 19 avenue Bois d'Amour	Drancy	93	6,457	0	0	6,457	104	2009	2009	100%	Générale de Santé
Clinique de la Roseraie – 6 rue Neuve-de-l'Hôpital	Soissons	2	5,035	0	5,035	0	81	2009	2010	100%	Générale de Santé
Clinique Monet – 34 rue de Verdun	Champigny	94	6,177	0	6,177	0	130	2011	2011	100%	Générale de Santé
Hôpital Privé de Villeneuve d'Ascq – Le Recueil, Le Haut du Recueil	Villeneuve-d'Ascq	59	23,032	0	23,032	0	225	2010	2012	100%	Générale de Santé
Mas du Vendômois – A place called "Sous Grand Champ"	Naveil	41	3,240	3,240	0	0	45	2011	2012	100%	Générale de Santé
Private Hospital of the Loire – 39 boulevard de La Palle	Saint-Étienne	42	31,074	0	31,074	0	327	2013	2005	100%	Générale de Santé
Polyclinique de l'Atlantique – rue Claude Bernard	St-Herblain	44	32,506	0	32,506	0	309	2008	1993-2002	100%	Vedici
Polyclinique de Poitiers – 1 rue de la Providence	Poitiers	86	19,631	0	19,631	0	206	2008	1990-2004	100%	Vedici
Clinique Brétéché	Nantes	44	17,756	0	17,756	0	180	2009	2004-2007	100%	Vedici
Polyclinique de Keraudren – Rue Ernestine de Tremaudan – ZAC de Keraudren	Brest	29	16,279	0	16,279	0	182	2010	2007	100%	Vedici
Clinique de l'Archette – rue Jacques Monod	Olivet	45	17,020	0	17,020	0	165	2007	2000	100%	Vedici
Clinique de l'Occitanie – 20 avenue Bernard IV	Muret	31	13,358	0	13,358	0	170	2008	1973	100%	Vedici
Clinique St- François – 2 rue Rolland Buthier	Mainvilliers	28	11,212	0	11,212	0	155	2007	1998/2000	100%	Vedici
Convalescent Home Roz Arvor – 2 rue du Fort	Nantes	44	6,653	0	0	6,653	95	2008	1989-1996	100%	Vedici
Clinique Saint-Charles – 3 rue de la Providence	Poitiers	86	4,110	0	0	4,110	76	2008	1990-2004	100%	Vedici
Clinique de l'Elorn – 30 rue Claude Bernard	Landerneau	29	5,019	0	0	5,019	60	2010	2010	100%	Vedici

(1) MSO Clinics (Medecine, Surgery, Obsterics).
(2) ACR Clinics (After-care and Rehabilitation).
(3) Date of entry of the asset and/or the entity in the Icade Group.

Health division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Other Surface Area (Rentable)	MSO Clinic Surface Area (Rentable) (1)	ACR Clinic Surface Area (Rentable) (2)	Number of beds	Acquisition date (3)	Construction or renovation	% consolidation	Operator
Clinique du Pont de Chaume – 330 avenue Marcel Unal	Montauban	82	28,544	0	28,544	0	248	2011	2006	100%	Vedici
Clinique Saint-Charles – 22 rue de la Providence	Vitry-sur-Seine	94	6,120	0	6,120	0	109	2011	2007	100%	Vedici
Clinique François Chenieux – 18 rue du Général Catroux	Limoges	87	26,604	0	26,604	0	292	2012	2008	100%	Vedici
Centre Clinical – 2 chemin de Fregeneuil	Soyaux	16	20,932	0	20,932	0	233	2012	2009	100%	Vedici
Pôle Santé Sud – 28 rue de Guetteloup	Le Mans	72	36,900	0	36,900	0	472	2012	2006	100%	Vedici
Clinique des Cèdres – Impasse des Cèdres	Brive-la-Gaillarde	19	12,300	0	12,300	0	173	2012	2003	100%	Vedici
Clinique Saint-Louis – 1 rue Basset	Poissy	78	13,396	0	13,396	0	171	2013	2007	100%	Vedici
Clinique Saint Charles – 11 boulevard René Levesque	La Roche/Yon	85	17,773	0	17,773	0	210	2008	1988-2004	100%	Regional Groups
Polyclinique du Maine – 4 avenue des Français Libres	Laval	53	13,679	0	13,679	0	154	2008	1987-1994	100%	Regional Groups
Terrain PSO – Clinique du Val d'Olonne	Olonne	85	14,425	0	14,425	0	90	2008	2009	100%	Regional Groups
Clinique de convalescence Centre Vendée – 5 rue de la Grotte	Les Essarts	85	1,916	0	0	1,916	40	2008	1987-1988	100%	Regional Groups
Clinique du Renaison – 75 rue du Général Giraud	Roanne	42	12,274	0	12,274	0	170	2010	-	100%	Regional Groups
Clinique du Parc – 9 bis rue Piot	St-Priest-en-Jarez	42	10,128	0	10,128	0	125	2008	n/a	100%	Regional Groups
Clinique Les Chênes – rue Chantemerle, a place a called "Capit"	Aire-sur-l'Adour	40	9,284	0	9,284	0	92	2007	1977-1978	100%	Regional Groups
Clinique Esquirol Saint-Hilaire – 1 rue du Docteur Delmas	Agen	47	33,414	0	33,414	0	329	2007	1970-1989	100%	Regional Groups
Clinique Marzet – 42 boulevard Alsace Lorraine	Pau	64	16,329	0	16,329	0	192	2007	1973 to 1999	100%	Regional Groups
Clinique Richelieu – 22 rue Montlouis	Saintes	17	5,416	0	5,416	0	82	2011	2004	100%	Regional Groups
Clinique du Parc – 50 rue Emile Combes	Castelnau-le-Lez	34	21,094	0	21,094	0	206	2012	2010	100%	Regional Groups
Clinique Saint Clément – 115 avenue Saint-Sauveur du Pin	Saint-Clément-de-Rivière	34	4,336	0	0	4,336	83	2012	2005	100%	Regional Groups
Clinique du Pic Saint Loup – 96 avenue Saint-Sauveur du Pin	Saint-Clément-de-Rivière	34	2,787	2,787	0	0	50	2012	2005	100%	Regional Groups
Clinique Saint Augustin – 112 avenue d'Ares	Bordeaux	33	15,919	0	15,919	0	227	2011	2007	100%	Medi Partenaire
Clinique Pôle Santé République – 105 avenue de la République	Clermont-Ferrand	63	29,231	0	29,231	0	270	2011	2008	100%	Medi Partenaire
Clinique du Cap d'Or – 1361 avenue des Anciens Combattants Français d'Indochine	La-Seyne-sur-Mer	83	6,454	0	6,454	0	100	2011	2009	100%	Medi Partenaire
Polyclinique Inkermann – 84 route d'Aiffers	Niort	79	21,434	0	21,434	0	223	2011	2009	100%	Medi Partenaire
Polyclinique du Parc – 48 bis rue Henri Barbusse	Saint-Saulve	59	17,084	0	17,084	0	174	2011	2004	100%	Medi Partenaire

(1) MSO Clinics (Medecine, Surgery, Obsterics).
(2) ACR Clinics (After-care and Rehabilitation).
(3) Date of entry of the asset and/or the entity in the Icade Group.

Health division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Other Surface Area (Rentable)	MSO Clinic Surface Area (Rentable) (1)	ACR Clinic Surface Area (Rentable) (2)	Number of beds	Acquisition date (3)	Construction or renovation	% consolidation	Operator
Clinique Bercy – 9 quai de Bercy	Charenton-le-Pont	94	5,755	0	5,755	0	80	2011	2005	100%	Medi Partenaire
Clinique Majorelle – 1 240 avenue Raymond Pinchard	Nancy	54	11,729	0	11,729	0	146	2011	2006	100%	Medi Partenaire
Clinique Ambroise Paré – 387 route Saint Simon	Toulouse	31	17,213	0	17,213	0	222	2011	2004	100%	Medi Partenaire
Clinique Pasteur – 54 rue Professeur Pozzi	Bergerac	24	9,006	0	9,006	0	137	2011	2007	100%	Medi Partenaire
Clinique Vauban – 10 avenue Vauban	Valenciennes	59	18,410	0	18,410	0	234	2011	1999	100%	Medi Partenaire
Polyclinique les Fleurs – Quartier Quiez	Ollioules	83	12,363	0	12,363	0	208	2012	2007	100%	Medi Partenaire
Clinique de Flandre – 300 rue des Forts – Lieu-Dit du Boernhol	Coudekerque	59	9,927	0	9,927	0	111	2012	2004	100%	Medi Partenaire
Polyclinique Jean Vilar – Avenue Maryse Bastie	Bruges	33	16,982	0	16,982	0	214	2012	2009	100%	Medi Partenaire
Clinique Villette – 18 rue Parmentier	Dunkerque	59	11,434	0	11,434	0	123	2012	1991	100%	Medi Partenaire
Clinique de l'Union – boulevard de Ratalens	Saint-Jean	31	34,343	0	34,343	0	425	2013	2006	100%	Ramsay
Centre Le Marquisat – boulevard de Ratalens	Saint-Jean	31	5,015	0	0	5,015	107	2013	1991	100%	Ramsay
GRAND TOTAL (ACCORDING TO SCOPE OF CONSOLIDATION)			**869,670**	**6,027**	**822,244**	**41,399**	**10,683**				

(1) MSO Clinics (Medecine, Surgery, Obsterics).
(2) ACR Clinics (After-care and Rehabilitation).
(3) Date of entry of the asset and/or the entity in the Icade Group.

6. Warehouses division

AT 31 DECEMBER 2013

Warehouses division as at 31 December 2013	City	Dept.	Area m² (Rentable)	Offices Surface Area (Rentable)	Warehouses and Various Surface Area (Rentable)	Number of Parking Spaces	Acquisition Date (*)	Construction or renovation	% consolidation	Main tenants
France			**164,672**	**4,093**	**160,579**	**107**				
Essone (91)			**18,275**	**1,168**	**17,107**	**59**				
8 rue Denis Papin	Chilly-Mazarin	91	4,649	318	4,331	0	2009	-	100%	Ups France
10 rue Denis Papin	Chilly-Mazarin	91	11,266	400	10,866	59	2009	-	100%	Locapost
23 rue Denis Papin	Chilly-Mazarin	91	2,360	450	1,910	0	2009	-	100%	Alphabet France
Rest of France			**146,397**	**2,925**	**143,472**	**48**				
8 rue Kästler	Besançon	25	73,661	0	73,661	0	2009	-	100%	Casino Group
ZAE de la Baume	Servian	34	5,610	0	5,610	0	2009	-	100%	-
ZI de Chesnes Tharabie	St-Quentin Fallavier	38	39,351	2,925	36,426	0	2007	n/a	100%	MGPACK
Zone Eurofret Terrain	Strasbourg	67	27,775	0	27,775	48	2009	2009	100%	Mory Ducros
GRAND TOTAL (ACCORDING TO SCOPE OF CONSOLIDATION)			**164,672**	**4,093**	**160,579**	**107**				

(*) *Date of entry of the asset and/or the entity in the Icade Group.*

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7. Housing division

AT 31 DECEMBER 2013

Housing division as at 31 December 2013	City	Dept.	Habitable Surface Area m²	Acquisition date	% consolidation	Number of housing units	
						Total	Subsidized
ASSETS IN OPERATION (*)			**3,510**			**40**	
SUB-TOTAL 95			**3,510**			**40**	
Guyenne Tower	SARCELLES	95	3,510	1963	100%	40	
SARVILEP			**120,789**			**2,215**	**354**
SUB-TOTAL 93			**120,789**			**2,215**	**354**
Orgemont	Épinay-sur-Seine	93	120,789	1957	100%	2,215	354
ASSETS IN UNIT SALES			**63,979**			**1,017**	
SUB-TOTAL 75			**292**			**5**	
Porte de Vincennes sale	Paris	75	292	1968	100%	5	
SUB-TOTAL 78			**6,796**			**133**	
Gémeaux	Les Mureaux	78	429	1977	100%	6	
Sorrières	Montygny-le-Bretonneux	78	1,271	1979	100%	19	
Romarins	Montigny	78	55	1977	100%	1	
Castillan	Poissy	78	141	1958	100%	3	
Foucauld	Poissy	78	48	1954	100%	1	
Corniche	Poissy	78	282	1954	100%	6	
Côte Tower	Poissy	78	152	1958	100%	2	
6-16 Montaigne	Poissy	78	1,172	1954	100%	25	
78-88 Maladrerie	Poissy	78	1,457	1954	100%	31	
6-16 rue de Montaigne-Lyautey	Poissy	78	1,147	1954	100%	30	
Square Cocteau	Trappes	78	578	1974	100%	8	
Mermoz	Versailles	78	64	1976	100%	1	
SUB-TOTAL 91			**11,633**			**172**	
2-6 d'Orbay	Draveil	91	119	1957	100%	2	
Colombe	Épinay-sous-Sénart	91	284	1967	100%	5	
1 rue Weber	Épinay-sous-Sénart	91	882	1967	100%	11	
11 rue du Petit Pont	Épinay-sous-Sénart	91	909	1967	100%	12	
5 France	Épinay-sous-Sénart	91	502	1967	100%	7	
9-13 rue Johann Strauss	Épinay-sous-Sénart	91	1,820	1967	100%	28	
Saint Marc sale (Massy)	Massy	91	275	1960	100%	4	
Toulouse Lautrec (Massy)	Massy	91	671	1960	100%	13	
12-16 Mogador	Massy	91	559	1968	100%	11	
2-8 Lisbonne	Massy	91	560	1968	100%	11	
Thorez	Massy	91	219	1968	100%	3	
Blum	Massy	91	185	1968	100%	3	
Blum II	Massy	91	944	1968	100%	13	
2bis Herriot	Massy	91	1,458	1968	100%	20	
4 Herriot	Massy	91	960	1968	100%	12	
1-5 rue Julian Grimaud	Sainte-Geneviève	91	1,286	1954	100%	17	

Housing division as at 31 December 2013	City	Dept.	Habitable Surface Area m²	Acquisition date	% consolidation	Number of housing units Total	Subsidized
SUB-TOTAL 92			**10,722**			**162**	
Jacques Prévert	Bagneux	92	233	1960	100%	4	
Eluard	Bagneux	92	91	1972	100%	1	
Galilée	Bagneux	92	240	1959	100%	3	
Vaux Germains sale	Chatenay	92	107	1959	100%	2	
Coppée (Châtillon)	Châtillon	92	58	1983	100%	1	
Pierre Loti (Châtillon)	Châtillon	92	-1	1956	100%	0	
La Roue sale	Fontenay	92	325	1958	100%	6	
Voltaire	Rueil	92	227	1956	100%	4	
Arthur Rimbaud	Rueil	92	291	1957	100%	5	
Gibets II	Rueil	92	361	1957	100%	8	
3 place André Malraux	Villeneuve-la-Garenne	2	2,605	1980	100%	40	
9-10 Malraux	Villeneuve-la-Garenne	92	6,185	1980	100%	88	
SUB-TOTAL 93			**15,273**			**253**	
Courbet	Blanc-Mesnil	93	124	1965	100%	2	
Pont de Pierre	Bobigny	93	2,573	1957	100%	46	
Pasteur	Bondy	93	177	1955	100%	3	
Jannin/Bouin	Gagny	93	4,066	1959	100%	58	
Moulin sale	Gagny	93	51	1957	100%	1	
Dumas	Gagny	93	518	1959	100%	8	
Jean Bouin	Gagny	93	666	1959	100%	10	
Moulin sale II	Gagny	93	837	1957	100%	16	
Couperin	Rosny	93	55	1983	100%	1	
Herodia	Rosny	93	341	1960	100%	6	
108/112 Alsace	Rosny	93	944	1960	100%	20	
10/14 Couperin- blérioz	Rosny	93	1,141	1960	100%	21	
6-8 De la Lande	Rosny	93	1,067	1976	100%	16	
2-4 Couperin	Rosny	93	1,235	1960	100 %	21	
2-4 Franck	Rosny	93	813	1975	100%	14	
Sicopar	Sevran	93	117	1974	100%	2	
5 Ampère	Tremblay	93	48	1967	100%	1	
7 Ampère	Tremblay	93	71	1967	100%	1	
1 Ampère	Tremblay	93	429	1967	100%	6	
SUB-TOTAL 94			**10,601**			**169**	
Cachan I	Cachan	94	44	1957	100%	1	
Cachan II	Cachan	94	511	1957	100%	8	
Plumerette	Créteil	94	56	1961	100%	1	
Mermoz	Créteil	94	56	1961	100%	1	
Savignat	Créteil	94	194	1961	100%	4	
1/3 Arcos	Créteil	94	642	1958	100%	11	
1/5 Timons	Créteil	94	639	1958	100%	13	
8/12 Vildrac	Créteil	94	1,836	1958	100%	27	
Roussel	Créteil	94	1,641	1961	100%	24	
Col Rivière (Fresnes)	Fresnes	94	209	1957	100%	4	
Poétes (Hay)	L'Haÿ-les-Roses	94	406	1957	100%	6	
Peintres (Hay)	L'Haÿ-les-Roses	94	259	1957	100%	4	
Château de Sucy sale	Sucy	94	57	1954	100%	1	
Cytises	Sucy	94	702	1965	100%	10	
Rodin	Villejuif	94	348	1957	100%	5	
Rembrandt	Villejuif	94	154	1957	100%	2	
10-16 rue Léon Moussinac	Villejuif	94	885	1954	100%	14	
Karl Marx	Villejuif	94	1,780	1954	100%	30	
Parc Leblanc	Villeneuve-le-Roi	94	182	1957	100%	3	

Housing division as at 31 December 2013	City	Dept.	Habitable Surface Area m²	Acquisition date	% consolidation	Number of housing units	
						Total	Subsidized
SUB-TOTAL 95			**8,180**			**117**	
Justice	Cergy	95	5,735	1983	100%	85	
Hauts de Cergy	Cergy	95	283	1983	100%	2	
Cergy Pissaro	Cergy	95	207	1983	100%	3	
Van Gogh	Ermont	95	136	1961	100%	2	
Orme St Edme sale	Franconville	95	417	1967	100%	7	
Entrée de Ville (1,2 and 3)	Sarcelles	95	1,008	1972	100%	11	
Ste Honorine	Taverny	95	186	1975	100%	3	
Pompon	Villiers-le-Bel	95	60	1965	100%	1	
Lalo	Villiers-le-Bel	95	108	1965	100%	2	
Varagne	Villiers-le-Bel	95	40	1958	100%	1	
SUB-TOTAL REST OF FRANCE			**482**			**6**	
SCI Grande terre des Vignes	Venissieux	69	482	1966	100%	6	
TOTAL HOUSING UNITS			**188,278**			**3,272**	**354**
OTHER ASSETS							
Shops and Property Assets			14,983		100%		
Homes and Residences for the Elderly			12,795		100%		
Property reserves			1,537,620		100%		
GRAND TOTAL			**1,753,676**			**3,272**	**354**

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CHAPTER 8

ADDITIONAL INFORMATION

1. Information on the issuer and its capital

1.1. LEGAL INFORMATION ON THE ISSUER

1.1.1 Company name

The name of the Company is "Icade" following the change of name from Icade Emgp decided by its shareholders at the Combined Ordinary and Extraordinary General Meeting of 30 November 2007.

1.1.2 Commercial and companies register

The Company is registered in the Paris Commercial and Companies Register under no. 582 074 944. The Company's SIRET number (Company ID) is 582 074 944 00650. Its NAF code (tax ID) is 6820 B.

1.1.3 Date of constitution and life of the Company

The Company was registered in the Paris Commercial and Companies Register on 27 October 1955. It shall terminate on 31 December 2098, unless it is extended or prematurely dissolved as provided in the legal provisions and Articles of Association.

1.1.4 Registered office, legal form and applicable legislation

The Company's registered office is situated at:

35, rue de la Gare

75019 Paris

Tel: 01 41 57 70 00

Fax: 01 41 57 80 32

Website: www.icade.fr

The Company is a "société anonyme" with a Board of Directors governed by all current legal and regulatory provisions applicable to commercial companies as well as the provisions of its Articles of Association.

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1.2. ARTICLES OF ASSOCIATION

The provisions of the Articles of Association as described in this paragraph are those which have applied since being adopted by the Company's Combined Ordinary and Extraordinary Meeting of 30 November 2007.

1.2.1 Corporate purpose (Article 2 of the Articles of Association)

The purpose of the Company shall be:

- the acquisition, construction and operation, in any form whatsoever, of all property, land and property rights or buildings located in France or abroad and in particular all business premises, offices, shops, dwellings, warehouses or public salesrooms, restaurants, drinks outlets, any means of communication, all stocks and shares, corporate rights and all assets constituting incidentals or appendices to the said assets;
- the realisation of all studies relating to those business activities, both for its own account and that of its subsidiaries or third parties;
- all transport, transit and handling operations, transport commission, transport auxiliary and related activities;
- all assistance and all services of an administrative, accounting, financial and management nature to all subsidiaries and holdings as well as the contribution to the companies in its Group of all material or financial resources, particularly for the realisation of treasury operations, ensuring or encouraging their development as well as carrying out or assisting with all economic, technical, legal, financial or other studies without any restriction other than compliance with current legislation;
- estate agency business and everything relating to property, chattel or commercial negotiation as an intermediary.

To that end, the creation, acquisition, leasing, installation and operation of all establishments relating to the estate agency business:

- the exercise of all property management mandates and in particular collection of rents and tenants' charges;
- all operations related to the operating costs of buildings or services rendered to the occupants of buildings;
- the Company taking a direct or indirect interest or holding in all industrial, commercial or financial, property or chattel activities or operations, in France or abroad, of any kind, in any form whatsoever existing or future, provided those activities or operations directly or indirectly relate to the corporate purpose or similar related or complementary purposes;
- and more generally speaking, all operations of any kind whatsoever, whether economic or legal, financial, civil or commercial, which may directly or indirectly relate to the corporate purpose or any similar related or complementary purposes.

1.2.2 Rights and obligations attached to the shares (Articles 6 to 8 of the Articles of Association)

1.2.2.1. Types of shares and identities of shareholders

The shares, fully paid, are registered or bearer shares, at the shareholder's option, within the framework of and subject to legal provisions then in force.

The shares give rise to an account entry under the conditions and in accordance with the procedures provided by legal provisions then in force and are transferred by transfer from one account to another.

The Company may at any time request information on the composition of its shareholders in accordance with the provisions of Article L. 228-2 of the Commercial Code and/or any other law which may supplement or replace it.

1.2.2.2. Rights attached to each share

The possession of one share automatically entails compliance with the Articles of Association and decisions of the General Meeting. Whenever it is necessary to own a certain number of shares in order to exercise a right, it shall be up to owners who do not own the required number to make arrangements for the required share grouping.

All shares which make up or will make up the share capital of the Company are entirely assimilated from the moment they bear the same dividend rate, provided they are of the same category, the same nominal value and paid for at the same price.

Apart from the non-pecuniary rights provided by the legal provisions then applicable or these Articles of Association, each share provides entitlement to a quota share of the profits or liquidation dividend in proportion to the number of shares in existence.

1.2.2.3. Payment for shares

The value of shares issued by way of increase in capital and to be paid for in cash is payable under the conditions laid down by the legal and regulatory provisions then applicable.

Calls for funds shall be brought to the attention of subscribers and shareholders at least two weeks before the date set for each payment by means of a notice inserted in a legal announcements newspaper in the location of the registered office or by personal registered letter.

Any delay in paying any sums due on the unpaid value of the shares shall, automatically and without the need for any formalities, entail payment of interest calculated *pro rata temporis* at the legal interest rate plus two hundred (200) basis points without prejudice to any personal action that the Company may take against the defaulting shareholder and any enforced execution measures provided by current regulations.

1.2.3 General Meetings (Article 15 of the Articles of Association)

1.2.3.1. Convening of meetings

Shareholders' meetings shall be called, held and deliberated under the conditions provided by current regulations.

1.2.3.2. Access to meetings

General Meetings shall consist of all shareholders whose securities are fully paid in respect of due payments and in respect of which, in accordance with the provisions of Article R. 225-85 of the Commercial Code, there is a proven right to attend General Meetings by securities being registered either in the name of the shareholder or, if the shareholder is not domiciled on French territory, in the name of the intermediary registered on his behalf, at midnight (Paris time) on the third working day preceding the meeting.

The registration of the securities within the time limit mentioned in the preceding paragraph must be either in the registered securities accounts held by the Company or in the bearer securities accounts held by the authorised intermediary.

Access to the General Meeting is open to its members upon simple proof of their status and identities. If it sees fit, the Board of Directors may give shareholders personal and named admission cards and require these to be produced.

Any shareholder may vote by post, under legal conditions, or may appoint his/her spouse as proxy or any other shareholder in order to be represented at a General Meeting.

In accordance with legal and regulatory conditions, shareholders may send their postal voting slips or proxies as well as a statement of participation, in paper form at least three days before the date of the General Meeting. These submission procedures are specified by the Board of Directors in the notice of meeting. The Board of Directors may shorten or remove this three day period.

A shareholder who has already voted by postal vote, submitted a proxy or requested his admission card or a statement of participation may sell all or some of his shares at any time.

However, if the sale is made before midnight, Paris time, on the third working day preceding the meeting, the Company shall invalidate or amend accordingly, as appropriate, the postal vote, the proxy, the admission card or statement of participation. To this end, the authorised intermediary account holder shall notify the Company or its representative of the sale and forward the necessary information to it.

No sale or any other transaction carried out after midnight, Paris time, on the third working day preceding the meeting, regardless of the means used, shall be notified by the authorised intermediary or taken into consideration by the Company, notwithstanding any agreement to the contrary.

1.2.3.3. Voting rights

Each member of the Meeting, whether Ordinary or Extraordinary, shall have the same number of votes as the shares he or she owns or represents.

1.2.3.4. Officers, attendance sheet and minutes

Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, the Vice-Chairman or a director specially appointed by the Board. Failing which, the meeting shall elect its Chairman itself.

Minutes shall be drawn up and copies shall be certified and distributed in accordance with current regulations.

In accordance with Article L. 2323-62 of the Labour Code, two members of the Employee-Representative Committee, appointed by the Committee, one belonging to the category of managers, technicians and foremen and the other to the category of employees and labourers, also attend all meetings of the Board of Directors in an advisory capacity.

1.3. INFORMATION ON CAPITAL

1.3.1 General information

1.3.1.1. Value of the share capital

Icade's share capital stands at €112,669,298.86, divided into 73,916,109 shares fully paid, all of the same category. As far as the Company is aware and at the date of this annual report, none of the Company's 73,916,109 shares has been pledged.

1.3.1.2. Authorised but non-issued capital

Statement of authorisations granted by the General Meetings of 26 March 2012, 22 June 2012 and 12 April 2013

Securities concerned	Period of authorisation and expiry	Maximum nominal value of increases in capital	Use of authorisations in 2013
Increase in capital by incorporation of reserves, profits, issue or merger premiums or by the contribution of any other sum for which capitalisation is permitted (resolution 16 of the General Shareholders Meeting of 12 April 2013)	*Term:* 26 months from the General Shareholders Meeting of 12 April 2013 *Expiry:* 11 June 2015	Maximum nominal value of increases in capital : €15 million (*) (**)	Unused to date
Issue of shares with pre-emptive subscription rights (resolution 1 of the General Shareholders Meeting of 26 March 2012)	*Term:* 26 months from the General Shareholders Meeting of 26 March 2012 *Expiry:* 25 May 2014	Maximum nominal value of immediate or future increases in capital: €38 million (*)	Deduction on the €38 million maximum of the nominal value of the capital increase resulting from the public exchange offer on Silic (i.e., €31,182,481.17) (***)
Issue of shares or other securities in the Company or of equities providing access to up to 10% of the Company's capital to be used for contributions-in-kind and made up of capital securities or equities giving access to capital (resolution 2 of the General Shareholders Meeting of 26 March 2012)	*Term:* 26 months from the General Shareholders Meeting of 26 March 2012 *Expiry:* 25 May 2014	10% of the share capital as it stands on the date of use of this delegation by the Board of Directors (*) (****)	Unused to date

(*) Where appropriate, the additional amount of the nominal value of the shares to be issued to protect the rights of holders of transferable securities or holders of other rights providing access to the Company's capital, shall be added to this maximum amount.
(**) The maximum for this authorisation is separate from the €38 million maximum stated in Resolution 1 of the General Shareholders Meeting of 26 March 2012.
(***) Consequently, the residual maximum amounts to 6,817,518.83 euros.
(****) The nominal amount of the capital increases likely to be carried out pursuant to the (i) delegations specified in Resolutions 1 and 2 of the General Shareholders Meeting of 26 March 2012 as well as (ii) the delegations specified in Resolutions 13, 14 and 17 of the GSM of 12 April 2013 shall be deducted from the maximum amount of €38 million specified in Resolution 1 of the GSM of 26 March 2012.

Securities concerned	Period of authorisation and expiry	Maximum nominal value of increases in capital	Use of authorisations in 2013
Issue of shares without pre-emptive rights in the event that the Company offers a takeover bid, with an exchange component, to Silic's shareholders (resolution 13 of the General Shareholders Meeting of 12 April 2013)	*Term:* 12 months from the General Shareholders Meeting of 12 April 2013 *Expiry:* 11 April 2014	Maximum nominal value of increases in capital: €38 million (*) (***)	Authorisation used up to €31,182,481.17
Increase in capital without pre-emptive rights for employees of the Company and its associates (resolution 14 of the General Shareholders Meeting of 12 April 2013)	*Term:* 26 months from the General Shareholders Meeting of 12 April 2013 *Expiry:* 11 June 2015	1% of the diluted capital as of the General Shareholders Meeting of 12 April 2013 (*) (***)	Unused to date
Bonus shares, existing or to be issued (resolution 16 of the General Shareholders Meeting of 22 June 2012)	*Term: 38 months from the General Shareholders Meeting of 22 June 2012* *Expiry:* 21 August 2015	1% of the total number of shares making up the diluted capital on the day on which the Board of Directors decided to use this authorisation (**)(****)	Unused to date
Allocations of share subscription or purchase options (resolution 17 of the General Shareholders Meeting of 12 April 2013)	*Term: 38 months from the General Shareholders Meeting of 12 April 2013* *Expiry:* 11 June 2016	1% of the total number of shares making up the diluted capital on the day on which the Board of Directors decided to use this authorisation (***)	Unused to date

(*) Where appropriate, the additional amount of the nominal value of the shares or other capital securities to be issued to protect the rights of holders of transferable securities or other rights providing access to the Company's capital, shall be added to this maximum amount.
(**) The maximum for this authorisation is separate from the €38 million maximum in Resolution 1 of the General Shareholders Meeting of 26 March 2012.
(***) The nominal amount of the capital increases likely to be carried out pursuant to the (i) delegations specified in Resolutions 1 and 2 of the General Shareholders Meeting of 26 March 2012 as well as (ii) the delegations specified in Resolutions 13, 14 and 17 of the GSM of 12 April 2013 shall be deducted from the maximum amount of €38 million specified in Resolution 1 of the GSM of 26 March 2012.
(****) Where appropriate, the additional amount of the nominal value of the shares to be issued to protect the rights of bonus share recipients shall be added to this maximum amount.

Statement of authorisations voted on by the Combined Ordinary and Extraordinary General Meeting to be held on 29 April 2014

Securities concerned	Period of authorisation and expiry	Maximum nominal value of increases in capital
Issue of shares with pre-emptive subscription rights (resolution 13 of the General Shareholders Meeting of 29 April 2014) *Renewal of resolution 1 of the General Shareholders Meeting of 26 March 2012*	*Term:* 26 months from the General Shareholders Meeting of 12 April 2013 *Expiry:* 11 June 2015	Maximum nominal value of increases in capital : €38 million
Issue of shares or other securities in the Company or of equities providing access to up to 10% of the Company's capital to be used for contributions-in-kind and made up of capital securities or equities giving access to capital (resolution 14 of the General Shareholders Meeting of 29 March 2014) *Renewal of resolution 2 of the General Shareholders Meeting of 26 March 2012*	*Term:* 26 months from the General Shareholders Meeting of 29 April 2014 *Expiry:* 28 June 2016	10% of the share capital as it stands on the date of use of the delegation by the Board of Directors (1) (2)
Capital increase without pre-emptive rights for employees of the Company and its associates (resolution 15 of the General Shareholders Meeting of 29 April 2014) *Renewal of resolution 14 of the General Shareholders Meeting of 12 April 2013*	*Term:* 26 months from the General Shareholders Meeting of 29 April 2014 *Expiry:* 24 June 2016	1 % of the diluted capital as of the date of this meeting (1) (2)

(1) Where appropriate, the nominal amount of shares or other capital securities to be issued to protect the rights of shareholders or the holders of other rights providing access to the Company's capital.

(2) Every increase in capital that may be carried out pursuant to this resolution will be deducted from the overall amount of €38 million scheduled in resolution 13 of the General Shareholders Meeting of 29 April 2014.

1.3.1.3. Securities not representing the capital

There are no securities not representing Icade's capital.

1.3.1.4. Securities held by Icade or for its own account

The Company's Ordinary and Extraordinary General Meeting of 12 April 2013 renewed a resolution authorising the Board of Directors to have the Company buy its own shares for a period of 18 months within the framework of the provisions of Article L. 225-209 et seq. of the Commercial Code. The Ordinary and Extraordinary General Meeting renewed this authorisation under the following conditions:

- the number of shares that the Company buys during the buy-back programme shall not exceed 10% of the shares comprising the capital of the Company (that percentage at all times applying to a capital adjusted according to the transactions affecting it after the meeting of 12 April 2013) on the understanding that a maximum of 5% of the shares comprising the capital of the Company may be set aside to be kept and subsequently delivered in payment or exchange within the framework of a merger, demerger or contribution operation; and
- the number of shares that the Company shall hold at any given time shall not exceed 10% of the shares comprising the capital of the Company.

Under the terms of this authorisation, the Company's shares may at any time be purchased, sold, transferred or exchanged in accordance with current regulations in the market or over the counter, specifically by transactions in blocks of shares (which may be as large as the whole of the programme), by the use of financial derivatives (traded on a regulated or over the counter market) or by certificates or securities providing entitlement to the Company's shares, or by setting up option based strategies, or issuing equities that can be converted, exchanged or redeemed for shares in the Company held by the latter at such times as the Board of Directors or the person representing the Board of Directors shall determine.

The maximum value of the funds used to implement this share buy-back programme is €735 million. The maximum purchase price is set at €150, excluding acquisition fees.

This authorisation is intended to enable the Company (I) to keep the shares and subsequently deliver them in payment or exchange within the framework of possible external growth operations, within the framework of market practices accepted by the French Financial Markets Authority (AMF); (II) to enhance the liquidity of transactions and regularity of listings of the Company's securities and avoid price movements not justified by market trends within the framework of a liquidity contract concluded with an investment services provider operating independently but in accordance with market practices accepted by the AMF and the AMAFI (formerly the AFEI) code of ethics dated 8 March 2011 regarding liquidity contracts; (III) to allocate them to the corporate officers or employees of the Company and/or companies in its Group under the conditions and in accordance with the procedures provided by legal and regulatory provisions applicable within the framework of sharing in the benefits of the Company's expansion, the share purchase option scheme provided by articles L. 225-179 and following of the French Commercial Code, the free share allocation scheme provided by articles L. 225-197-1 et seq. of the French Commercial Code and a Company savings plan, and to carry out all hedging transactions relating to those operations under the conditions laid down by the market authorities and at such times as the Board of Directors or person representing the Board of Directors shall determine;(IV) to deliver them on exercise of rights attaching to securities providing immediate or future entitlement to the allocation of Company shares, as well as to carry out all hedging transactions in connection with the issue of such securities, under the conditions laid down by the market authorities and at such times as the Board of Directors or person representing the Board of Directors shall determine; or (V) to cancel them totally or partially by means of a reduction in share capital (particularly in order to improve cash management, return on equity or earnings per share).

This authorisation is also intended to enable the Company to trade in its own shares for any other authorised purpose or some purpose which may be authorised by applicable legal and regulatory provisions or which may become recognised as a market practice by the AMF.

The Board of Directors meeting of 12 April 2013 decided to implement the share buy-back programme in respect of all the objectives set out by the Ordinary and Extraordinary General Meeting of 12 April 2013.

In this respect, a liquidity contract compliant with the AMAFI code of ethics approved by the order of the French Financial Markets Authority on 1 October 2008, was signed with Rothschild & Cie Banque, investment service providers, on 31 December 2010 with effect from 1 January 2011. A portion of the shares was acquired by the Company in the context of the liquidity contract. On 1 January 2011, the sum of €5 million and 231,803 Icade shares were transferred to the liquidity account to implement said contract.

Situation as of 31 December 2013

Of the 320,305 treasury shares, representing 0.43% of the capital at 31 December 2013, 98,956 of them fall under the liquidity contract.

Combined information 2013	Securities	% of capital
Company's total issued shares at the start of the programme (1 January 2011)	51,802,133	100.00%
Treasury shares at the start of the programme (direct and indirect)	€705,205	0.89%
Number of shares held on 31 December 2013	320,305	0.43%
Number of shares purchased during the year	858,127	1.16%
Number of shares sold during the year	759,171	1.03%
Average price of purchases	€67.10	
Average price of sales	€67.15	
Transaction costs excluding tax	€75,000	
Portfolio book value	€20,937,026	
Portfolio nominal value	€488,236	

1.3.1.5. Complex securities

1.3.1.5.1. ORNANEs

On the date of the merger-acquisition of Silic by Icade (the Merger), Icade automatically succeeds Silic in all obligations resulting from commitments made by Silic pursuant to the offering circular of 3 November 2010 approved by the AMF under number 10386 (the Offering Circular) for owners of 940,641 bonds redeemable in cash and/or new and/or existing shares (ORNANEs) in circulation on the date the Merger is finalised (excluding those held by Icade).

The ORNANEs were issued on 16 November 2010 at a unit nominal value of €124.59. They have a 2.5% annual coupon. In accordance with the issue contract, the ORNANEs shall be fully redeemable on 1 January 2017, except for cases of early amortisation or early redemption and if the bondholder does not exercise the share allotment right. As from 1 January 2015 (inclusive), bondholders may exercise their share allotment right according to the procedure described in the Offering Circular.

ORNANEs are admitted to trading on Euronext Paris.

Adjustment of the ORNANE conversion rate

Since the effective date of the Merger, the allotment right to new and/or existing shares for the ORNANEs has been transferred to the Icade shares, and the conversion rate of these bonds has been adjusted according to the exchange parity of five (5) Icade shares for four (4) Silic shares kept under the Merger. The other terms of the Offering Circular relating to the issue of the ORNANEs remain unchanged.

The number of Icade shares to which each ORNANE holder would be entitled pursuant to the Offering Circular thus corresponds to the number of Silic shares to which the holder is entitled by virtue of prevailing conversion rate on the date of the Merger multiplied by the 1.25 exchange ratio of the Merger.

Consequently, the conversion rate was raised to 1.19 Silic shares to 1.49 Icade shares (i.e., the 1.19 conversion rate on the effective date of the Merger multiplied by the 1.25 exchange ratio. The result has been rounded off to the nearest euro cent in accordance with the Offering Circular).

1.3.1.5.2. Stock options

The information and history of stock option allocations are described in chapter 8 of this report, paragraph 8.1.3. page 250.

1.3.1.5.3. Bonus share allocations

The information and history of share subscription option attributions are described in chapter 8 of this report, paragraph 8.1.4. page 255.

1.3.1.6. Option or agreement relating to the capital of Icade or companies in its Group

On the date of registration of this reference document, there are no promises of purchase or sale enabling (I) all or part of the capital of Icade or (II) all or part of the capital of a direct subsidiary of Icade to be purchased or sold.

1.3.1.7. Table of changes in Icade's capital over the last three years

The table below shows the changes in Icade's capital since 1 January 2011.

Date	Transaction	Number of shares issued/ cancelled	Nominal value of the variation in capital *(in €)*	Issue, merger or contribution premium *(in €)*	Total capital *(in €)*	Total number of shares
13 January 2011	Increase in capital following repayment of 22 BRS July 1998 (noted by the Board of Directors on 16 February 2011)	75	114.32	3,239.58	78,961,397.11	51,802,208
Between 1 January and 31 January 2011	Increase in capital due to exercise of Icade stock options (noted by the Board of Directors on 16 February 2011)	9,514	14,502.06	578,505.56	78,975,899.17	51,811,722
24 March 2011	Increase in capital following redemption of 163,565 BRS 1992 (CEO's decision by delegation of the General Shareholders' Meeting and the Board of Directors)	2,469,845	3,764,750.95	122,290,081.30	82,740,650.12	54,281,567
7 April 2011	Reduction in capital by cancellation of shares acquired in connection with the share repurchase program (Board of Directors)	(2,469,845)	(3,764,750.95)	(212,766,560.20)	78,975,899.17	51,811,722
7 April 2011	Increase in capital following exercise of Icade stock options (Board of Directors)	101,019	153,971.31	6,142,542.96	79,129,870.48	51,912,741
4 April 2011	Increase in capital following repayment of 5 BRS July 1998 (noted by the Board of Directors on 26 July 2011)	16	24.38	737.87	79,129,894.86	51,912,757
22 April 2011	Increase in capital following repayment of 9 BRS February 1992 (noted by the Board of Directors on 26 July 2011)	26	39.63	1,332.42	79,129,934.49	51,912,783
Between 1 April and 30 June 2011	Increase in capital due to exercise of Icade stock options (noted by the Board of Directors on 26 July 2011)	78,103	119,051.32	4,749,108.67	79,248,985.81	51,990,886
15 July 2011	Increase in capital following redemption of 49 final matured BRS February 1992 (noted by the Board of Directors on 26 July 2011)	141	214.92	7,255.13	79,249,200.73	51,991,027
15 July 2011	Increase in capital following redemption of 366 final matured BRS 1998 (noted by the Board of Directors on 26 July 2011)	1,225	1,867.25	53,929.45	79,251,067.98	51,992,252
15 December 2011	Increase in capital following final allocation of bonus Icade shares (noted by the CEO on 15 December 2011)	10	15.24	(15.24)	79,251,083.22	51,992,262
Between 1 March and 31 March 2012	Increase in capital due to exercise of Icade stock options (noted by the Board of Directors on 3 May 2012)	4,027	6,138.30	244,864.61	79,257,221.52	51,996,289
Between 1 April and 30 June 2012	Increase in capital due to exercise of Icade stock options (noted by the Board of Directors on 22 June 2012)	655	998.41	39,827.74	79,258,219.93	51,996,944
Between 1 June and 30 June 2012	Increase in capital due to exercise of Icade stock options (noted by the Board of Directors on 25 July 2012)	3,573	5,446.27	217,258.82	79,263,666.20	52,000,517

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Date	Transaction	Number of shares issued/ cancelled	Nominal value of the variation in capital *(in €)*	Issue, merger or contribution premium *(in €)*	Total capital *(in €)*	Total number of shares
Between 1 May and 31 May 2013	Increase in capital due to exercise of Icade stock options (noted by the Board of Directors on 24 June 2013)	6,800	10,365.15	442,582.85	79,274,031.35	52,007,317
19 July 2013	Increase in capital due to the issue of new Icade shares to be allocated in exchange for the Silic shares contributed to the offer	19,295,355	29,411,641.77	1,301,967,856.23	108,685,673.12	71,302,672
09 August 2013	Increase in capital due to the issue of new Icade shares to be allocated in exchange for the Silic shares contributed to the re-opened Offer	1,161,750	1,770,839.40	76,484,640.60	110,456,512.52	72,464,422
31 December 2013 at midnight	Increase in capital due to the issue of new Icade shares to be allocated in exchange for the Silic shares contributed during the merger	1,451,687	2,212,786.34	8,855,692.66	112,669,298.86	73,916,109
Situation as of 31 December 2013		**21,915,592**	**33,405,632.66**	**1,387,750,772.34**	**112,669,298.86**	**73,916,109**

1.3.1.8. Table of changes in the distribution of Icade's capital over the last three years

The following table shows changes in the capital of Icade over the last three years.

Change in the distribution of Icade's capital between 31 December 2010 and 31 December 2013

	Situation as of 31/12/2010		Situation as of 31/12/2011		Situation as of 31/12/2012		Situation as of 31/12/2013	
Shareholders	**Number of shares**	**% of capital**	**Number of shares**	**% of capital**	**Number of shares**	**% of capital**	**Number of shares**	**% of capital**
Public	22,046,640	42.56	22,435,505	43.15	22,682,175	43.62	34,926,865	47.25
Caisse des Dépôts	28,895,226	55.78	-	-	-	-	-	-
HoldCo SIIC (*)	-	-	28,895,228	55.57	28,895,228	55.57	38,491,773	52.07
Employees (FCPE Icade)	397,621	0.77	205,300	0.39	186,885	0.36	177,166	0.24
Treasury	462,646	0.89	456,229	0.88	236,229	0.45	320,305	0.43
TOTAL	**51,802,133**	**100**	**51,992,262**	**100**	**52,000,517**	**100**	**73,916,109**	**100**

(*) Company, the capital of which is held by the Caisse des Dépôts and Groupama, with stakes of 75.07% and 24.93% respectively.

More than 10% of the capital was paid for using assets other than cash during the period covered by the historical financial information.

As far as the Company is aware, no other shareholder holds more than 5% of the capital or voting rights.

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1.3.1.9. Threshold crossing (Article 6 III of the Articles of Association)

In addition to the thresholds provided by applicable legal provisions, any individual or legal entity who, acting alone or in concert, exceeds or falls below a threshold of 0.5% or more of the Company's capital or voting rights, or any whole multiple of that percentage below 5%, must, within the time limits and in accordance with the conditions set out in Article L. 233-7 of the Commercial Code (or any other article which may replace it), inform the Company, by registered letter with acknowledgement of receipt, of the total number of shares and voting rights he/it holds as well as the total number of securities providing future access to the capital of the Company and associated voting rights.

Beyond 5% and up to a threshold of 50% (however without prejudice to any obligations resulting from applicable legal provisions), the disclosure obligation provided in the preceding paragraph shall apply when a threshold of 1% or more of the Company's capital or voting rights has been crossed, upwards or downwards, or any whole multiple of that percentage.

For the purposes of this article, the holding of the person concerned shall be calculated in the same way as for legal thresholds. In respect of crossing the threshold as a result of a purchase or sale on the stock market, the time limit mentioned in Article L. 233-7 of the Commercial Code shall begin to run from the date on which the securities are traded and not the date of their delivery.

In the event of non-compliance with this statutory information obligation, the sanctions provided in Article L. 233-14 of the Commercial Code shall apply; in particular, at the request of one or more shareholders holding at least 5% of the share capital, set out in the minutes of the General Meeting, the shares exceeding the fraction which should have been declared shall be deprived of their voting rights in respect of any shareholders meeting which may be held up to two years following the date of the regularisation declaration.

1.4. DISTRIBUTION OF CAPITAL

1.4.1 Majority shareholder

The following table shows the number of shares, percentage of capital and corresponding percentage of voting rights held by the Company's shareholders as of 31 December 2013.

Shareholders (at 31/12/2013)	Number of shares	Percentage of capital	Number of voting rights	Percentage of voting rights
HoldCo SIIC (*)	38,491,773	52.07	38,491,773	52.30
Public	34,926,865	47.25	34,926,865	47.46
Employees (FCPE Icade)	177,166	0.24	177,166	0.24
Treasury	320,305	0.43	0	0.00
TOTAL	**73,916,109**	**100.00**	**73,595,804**	**100.00**

(*) Company with an investment stake of 75.07% held by Caisse des Dépôts and 24.93% by Groupama.

In accordance with Icade's Articles of Association, no shareholder holds any individual voting rights.

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Statements of crossing the Icade statutory threshold

Declaring party	Transaction date	Crossing of threshold		
		% compared to the number of shares	% compared to the number of votes	
Cohen & Steers	11/01/2013	0.46%	0.12%	Down
Sumitomo Mitsui Trust Holdings	16/01/2013	0.989%	0.989%	Down
Amundi Asset Management	04/03/2013	1.01%	1.01%	Up
Crédit Agricole Assurances and its subsidiaries	13/03/2013	0.50%	0.50%	Up
Crédit Agricole SA	13/03/2013	0.50%	0.510	Up
Crédit Agricole SA (PREDICA)	18/03/2013	0.51%	0.51%	Up
Crédit Agricole Assurances and its subsidiaries	28/03/2013	1.00%	1.00%	Up
Crédit Agricole SA	28/03/2013	1.00%	1.00%	Up
Amundi Asset Management	24/04/2013	2.00%	2.00%	Up
BNP Paribas Asset Management	24/04/2013	3.2834%	2.0031%	Up
BNP Paribas Asset Management	26/04/2013	3.2586%	1.9783	Down
Crédit Agricole Assurances and its subsidiaries	16/05/2013	1.51%	1.51%	Up
Crédit Agricole SA	16/05/2013	1.51%	1.51%	Up
Amundi Asset Management	22/05/2013	3.22%	3.22%	Up
Crédit Agricole SA (PREDICA)	17/06/2013	2.01%	2.01%	Up
Allianz Global Investors	28/06/2013	0.5%	0.5%	Up
Allianz Global Investors	08/07/2013	0.5%	0.5%	Down
Norges Bank Investment Management	12/07/2013	1.72%	1.72%	Up
Amundi Asset Management	17/07/2013	3.51%	3.51%	Up
Crédit Agricole SA (PREDICA)	23/07/2013	1.65%	1.65%	Down
Crédit Agricole Assurances and its subsidiaries	23/07/2013	2.13%	2.13%	Down
Crédit Agricole SA	23/07/2013	2.13%	2.13%	Down
Morgan Stanley	23/07/2013	3.28%	3.28%	Up
BNP Paribas Asset Management	24/07/2013	3.3154%	2.1842%	Up
Allianz Global Investors	25/07/2013			Up
Sumitomo Mitsui Trust Holdings	25/07/2013	1.209%	1.209%	Up
Amundi Asset Management	29/07/2013	4%	4%	Up
BNP Paribas Asset Management	08/08/2013	2.4255%	1.6004%	Down
Amundi Asset Management	08/08/2013	3.5%	3.02%	Down
Amundi Asset Management	16/08/2013	3.00%	2.97%	Down
Amundi Asset Management	19/08/2013	3.00%	3.05%	Up
Amundi Asset Management	22/08/2013	3.00%	2.97%	Down
Amundi Asset Management	23/08/2013	3.00%	3.04%	Up
Amundi Asset Management	12/09/2013	3.00%	2.99%	Down
Amundi Asset Management	17/09/2013	3.00%	3.01%	Up
AXA Investment Managers	20/09/2013	1.47%	1.47%	Up
Crédit Agricole Assurance and subsidiaries	20/09/2013	2.52%	2.52%	Up
Crédit Agricole SA	20/09/2013	2.52%	2.52%	Up
Crédit Agricole SA (PREDICA)	24/09/2013	2.02%	2.02%	Up

1.4.2 Declaration relating to the majority shareholder's control of the Company

Out of a concern for good corporate governance, Icade has taken a number of measures designed to prevent conflicts of interest and has six independent directors on its Board of Directors.

Following the draft agreement concluded on 13 December 2011 between the Caisse des Dépôts, Icade and Groupama, on 22 December 2011, the Caisse des Dépôts and Icade sent Groupama a firm offer in order to combine Icade and Silic by means of an exchange of securities.

This firm offer was accepted on 30 December 2011 by Groupama, which holds 43.95% of the capital and voting rights of Silic, a real estate company benefiting from the listed property investment companies regime.

On 30 December 2011, the Caisse des Dépôts offered its entire equity interest in Icade (55.58% of the equity) to HoldCo SIIC, a holding company controlled by the Caisse des Dépôts. At the same time, Groupama offered 6.5% of its capital and voting rights in Silic to HoldCo SIIC.

After obtaining approval from the Competition Authority on 13 February 2012, Groupama offered HoldCo SIIC the balance of its stake in Silic on 16 February 2012, namely 37.45% of the capital and voting rights.

As a result of the above, HoldCo SIIC holds 55.58% of Icade's capital and, in conjunction with the Caisse des Dépôts and Icade, 43.95% of Silic's capital and voting rights. For its part, the capital of HoldCo SIIC is held by the Caisse des Dépôts and Groupama in proportions of 75.07% and 24.93% respectively.

Subsequent to crossing the 30% threshold by HoldCo SIIC acting in concert with Icade and the CDC, Icade filed a mandatory public offer on Silic on 13 March 2012 (the **Offer**).

The Offer is composed of a public exchange offer on the Silic shares and a public purchase offer on the settled bonds in cash and/or new and/or existing shares (**ORNANEs**) issued by Silic.

The French Financial Markets Authority (the **AMF**) announced the Offer on 24 April 2012.

By appeal dated 3 and 4 May 2012, SMA Vie BTP and the Association for the Defence of Minority Shareholders (***ADAM***) respectively petitioned the Paris Court of Appeal to annul the AMF conformity decision.

Through remarks filed with the Paris Court of Appeals on 31 May 2012, the AMF undertook *"in the interest of the market and as a precaution, to defer the closing date of the public offer, initially set on 1 June 2012, so that this closing could only take place at least eight days after the pronouncement of the judgement of the court ruling on the action for annulment of the AMF decision."*

By an order dated 27 June 2013, the Paris Court of Appeal rejected all of the appeals by ADAM and SMA Vie BTP thus confirming the validity and lawfulness of the Offer.

The closing date of the Offer was set by the AMF for 12 July 2013.

By a notice dated 19 July 2013, the AMF published the results of the initial public offer of which the settlement/delivery date was 22 July 2013.

Within this framework, 19,295,355 new Icade shares were issued on 19 July 2013 at the price of €69 per share (including the issue premium) in order to pay for the 15,436,284 Silic shares contributed to the initial Offer.

At the end of the initial Offer, Icade held 15,436,284 Silic shares representing 87.98% of the share capital and voting rights. Moreover, 99,520 ORNANEs were contributed to the Offer.

By a notice dated 19 July, the AMF set the closing date of the re-opened Offer at 2 August 2013. The AMF published the results of the reopened Offer on 9 August 2013. Within this framework, 1,161,750 new Icade shares were issued at the price of €67.36 per share (including the issue premium) in order to pay for the 929,400 Silic shares contributed in the re-opened Offer, representing 5.30% of the share capital and voting rights. Settlement-delivery took place on 12 August 2013.

At the outcome of the Offer (including the re-opened offer), Icade held 16,365,684 Silic shares representing, on the day the results of the reopened Offer were published, 93.28% of the capital and voting rights, as well as 99,520 Silic ORNANEs.

On 23 July 2013, SMA Vie BTP brought an appeal against the ruling of the Court of Appeal of 27 June 2013.

At the end of the Offer, Icade was still indirectly controlled by Caisse des Dépôts.

On 15 October 2013, the Boards of Directors of Icade and Silic both approved the terms and conditions of the merger-acquisition of Silic by Icade (the ***Merger***).

On 6 November 2013, the general meeting of Silic ORNANE bondholders approved the draft terms of Merger.

In a notice published on 28 November 2013, the AMF decided that the draft terms of Merger, which it had examined in accordance with the provisions of Article 236-6 of the AMF's general regulations, did not justify the buyout offer on Silic securities prior to the implementation of the Merger.

On 6 December 2013, SMA Vie BTP lodged an appeal to the Paris Court of Appeal to overturn the above-mentioned AMF decision. The pleadings have been scheduled for 23 October 2014.

On 27 December 2013, the Extraordinary General Meetings of Silic and Icade approved the Merger.

The Merger took effect from a legal, accounting and tax viewpoint on 31 December 2013 at midnight, resulting in the universal transfer of Silic's assets to Icade and the dissolution without liquidation of Silic.

The Merger parity was equal to the parity used for the Offer, i.e., five Icade shares for four Silic shares. 1,451,687 new Icade shares were thus allocated to Silic shareholders (with the exception of Icade and Silic since these are treasury shares). In accordance with the applicable regulations, there was no exchange of Silic shares held by Icade or the exchange of Silic treasury shares that were cancelled automatically on the date the Marger was completed.

At the end of the Merger, Icade continues to be indirectly controlled by Caisse des Dépôts.

1.4.3 Agreement relating to control of the Company

To the Company's knowledge, there is no agreement which could entail a change of control in Icade.

Icade has implemented a set of measures with a view to preventing conflicts of interest, amongst which:

- the presence of five independent directors on the Board of Directors made up of fourteen members. The portion of independent directors within the Board of Directors is in accordance with Article 8.2 of the AFEP-MEDEF Corporate Governance Code;
- the existence of three committees on which independent directors sit: appointments and remunerations committee (1/3 independent directors), audit, risks and sustainable development committee (2/3 of members are independent directors) and the strategy and investment committee (1/5 independent directors);
- the Chairman and Chief Executive Officer of Icade does not vote during the discussions of the Board of Directors' meeting concerning the conditions of his remuneration and the allocation of stock options;
- the capital link between Caisse des Dépôts and Icade is set out in this document. Two agreements in line with Article L. 225-38 of the Commercial Code were entered into over the financial year ended 31 December 2013 and five agreements were renewed during the same period (see Auditors' Special Report on regulated agreements).

1.5. SUBSIDIARIES AND HOLDINGS

1.5.1 Subsidiaries

(in thousands of euros)		Capital	Shareholder's equity excluding capital	Share of capital held in %	Book value of shares held		Loans and Advances	Guarantees data on subsidiaries	Revenues	Income from the previous year end (+ or -)	Dividends received	Obs. (date of last balance sheet)
					Gross	Net						
SUBSIDIARIES (held at over 50%)												
SAS	ICADE TOUR EQHO	305,842	(68,497)	100	405,842	215,259	245,586	-		(91,684)	-	2013
SAS	SARVILEP	1.000	73,462	100	156,500	76,955	-	-	13,711	(3,322)	39,281	2013
SASU	ICADE PROMOTION	29,683	222,764	100	135,089	135,089	-	-	564,393	38,536	-	2012
SCI	ICADE-LÉO LAGRANGE	121,911	3,833	100	121,911	121,911	126,246	-	17,366	3,833	-	2013
SCI	ICADE RUE DES MARTINETS	99,177	(23,083)	100	99,177	76,095	45,585	-	7,271	5,124	-	2013
SAS	ICADE BRICOLAGE	38,347	27,564	100	67,845	67,845	5,800	-	9,065	3,811	3,068	2013
SCI	MONDOTTE	58,368	(4,424)	100	58,369	58,369	47,209	-	4,831	1,209	-	2013
SCI	PDM 2	42,702	24,435	100	42,702	42,702	43,149	-	8,162	3,649	-	2013
SCI	PDM 1	39,652	32,741	100	39,652	39,652	48,180	-	10,291	5,180	-	2013
SCI	MESSINE PARTICIPATIONS	24,967	11,452	100	34,388	34,388	36,568	-	5,724	2,696	-	2013
SCI	GASCOGNE	25,871	(16,043)	100	25,871	14,136	10,607	-	1,789	(605)	-	2013
SCI	ICADE 69 BD HAUSSMAN	28,984	2,190	100	24,834	24,834	29,405	-	4,344	2,190	-	2013
SCI	LE TOLBIAC	22,938	628	100	22,938	22,938	21,008	-	2,711	628	-	2013
SCI	ICADE CAMILLE DES MOULINS	15,862	1,943	100	17,869	17,869	19,508	-	3,530	1,943	-	2013
SAS	21-29 RUE DES FONTANOT	37	(4,447)	100	16,665	16,665	37,488	-	6,326	3,253	-	2013
SCI	NANTERRE ETOILE PARC	10,790	1,588	100	16,441	12,378	10,000	-	1,600	455	-	2013
SAS	ICADE CONSEIL	270	767	100	12,829	7,600	557	-	7,783	696	1,188	2013
SCI	ÉVRY MOZART	7.257	(215)	100	12,268	7,063	6,976	-	1,269	(589)	-	2013
SCI	ÉVRY EUROPEEN	3,492	3,670	100	12,217	7,162	8,894	-	1,603	(861)	-	2013
SCI	68 avenue Victor Hugo	11,737	(220)	100	11,737	11,737	16,250	-	1,221	(182)	-	2013
SCI	BATI GAUTIER	1,530	3,039	100	11,497	11,497	2,598	-	4,167	2,598	-	2013
SCI	ICADE MORIZET	9,100	1,052	100	10,234	10,234	12,382	-	2,144	1,052	-	2013
SARL	EPP PERIPARC NAUTILE	8	(38)	100	2,816	2,816	4,150	-	-	(24)	-	2013
SAS	IPORTA	500	295	100	2,700	2,700	126	-	2,837	44	150	2013
SAS	ICADE PROPERTY MANAGEMENT	3,450	1,610	100	2,406	2,406	-	-	31,883	1,260	1,587	2013
SAS	SOCOMIE	697	(1,598)	100	2,058		-	-	12,830	(630)	-	2013
SCI	BSM du CHU de Nancy	1,400	(5,420)	100	1,400	1,400	1.393	-	4,050	(1,358)	-	2013
SCI	PAYS DE LOIRE	637	(516)	100	576	121	-	-	-	-	-	2013
SCI	2C MARSEILLE	480	(88)	100	479	479	770	-	583	(4)	-	2012

(in thousands of euros)		Capital	Share-holder's equity excluding capital	Share of capital held in %	Book value of shares held		Loans and Advances	Guarantees data on subsidiaries	Revenues	Income from the previous year end (+ or -)	Dividends received	Obs. (date of last balance sheet)
					Gross	Net						
SCI	PCM	145	714	100	145	145	185	-	1,823	(103)	-	2013
SAS	ICADE TRANSACTION	524	(197)	100	131	131	438	-	2,650	(815)	-	2013
SAS	HAVANE	100	(9)	100	100	91	-	-	-	(1)	-	2013
SA	INMOBILIARIA DE LA CAISSE DES DÉPÔTS ESPANA (*)	60	505	100	68	68	-	-	112	494	631	2013
GMBH	ICADE REIM DEUTSCHLAND (*)	25	519	100	25	25	-	-	2,211	(8)	-	2013
SCI	LES TOVETS	10	212	100	10	10	-	-	321	130	99	2013
BV	ICADE REIT (*)	18	173,587	100	4	4	177,117	-	-	(398)	-	2013
SNC	SNC CAPRI DANTON	1		100	1	1	-	-	-	-	-	2012
SAS	FONCIÈRES NANTEUIL	38	437	100			4,302	-	871	433	-	2013
SAS	SEPAC	229	5,361	99	18,713	18,713	60,949	-	10,881	5,361	-	2013
SCI	BSP	10	(333)	99	10	10	-	-	1,144	(406)	-	2012
SCI	LA SUCRIÈRE	5	45	99	4	4	40	-	-	(2)	-	2012
SCI	JCB2	3	98	95	1,533	1,533	1,313	-	239	120	-	2013
SAS	ICADE ASSET MANAGEMENT	225	378	75	169	169	-	-	3,211	355	-	2013
SCI	SÉVERINE	100	77	60	60	60	46	-	121	77	-	2013
SASU	ICADE SANTÉ	330,645	495,437	57	450,259	450,259	389,630	-	123,892	28,976	27,324	2013
SCI	FAM DE LOMME	900	563	51	459	459	294	-	763	127	-	2013

(*) Shareholders' equity, revenues and profit/loss are established according to IFRS standards.

1.5.2 Information on holdings

The information on holdings which has to be made public according to the recommendations of the "Comite Europeen des Regulateurs des Marches de Valeurs Mobilieres de Marche" (CESR *Committee of European Securities Regulators)* of February 2005 appears in Chapter 3 of this annual report.

1.6. EVENTS OCCURRING AFTER THE CLOSE

Significant changes to Icade's financial or commercial situation since 31 December 2013 are described in Chapter 3, paragraph 33, page 102 and Chapter 5, paragraph 7.1, page 143.

1.7. ITEMS THAT COULD HAVE A BEARING ON A TAKEOVER BID

It should be remembered that the Caisse des Dépôts indirectly exercises control over Icade via its subsidiary HoldCo SIIC. In fact, it is the majority shareholder (with a 75.07% stake) of HoldCo SIIC, which holds 52.07% of the capital and 52.31% of the voting rights in the Company as of 31 December 2013.

- Shareholder structure

These elements are described in Chapter 8, paragraph 1.4.1. page 233.

- Restrictions in the Company's Articles of Association or clauses in agreements that the Company is aware of relating to the exercise of voting rights or share transfers

None.

- Treasury shares

These elements are described in Chapter 8, paragraph 1.3.1.4. page 229.

- List of holders of all shares with special control rights and description of these shares (preference shares)

None.

- Ownership mechanisms when the ownership rights attached to employee-owned shares are not exercised by employees

The Company has not implemented any particular system for employee shareholding in which control rights are not exercised by the staff with the exception of the FCPE Icade Shareholding Structure, investing in Icade shares with an "Icade Actions" sub-fund and offered to employees in connection with the Group Savings Plan as described in Chapter 8, paragraph 8.1.1. page 250.

- Shareholder agreements of which the Company is aware that could restrict share transfers and the exercise of voting rights

None.

- Rules governing the appointment and replacement of Board Members and changes to the Company's Articles of Association

These areas are consistent with applicable law and regulations.

- Board Member authorisations concerning Icade share issues and purchases.

Board Member authorisations mentioned in Chapter 8, See paragraph 1.3.1.2. page 228, although they are suspended during a takeover bid, unless the reciprocity exception is invoked, as required by law.

- Agreements that will change or terminate if there is a change of control of the Company, unless disclosure of such agreements would severely damage its interests and is not required by law

Some of the Company's loans were obtained as a result of Caisse des Dépôt's majority stake in the Company.

- Agreements on severance payments for Icade Board Members or Corporate Officers if they resign or are dismissed without good cause, or if their position is terminated because of a takeover

After deliberation on 7 April 2011, Icade's Board of Directors committed to make a severance payment to Serge Grzybowski in the event that his mandate as Chairman and CEO should be terminated.

In accordance with the recommendations of the Code of Corporate Governance of publicly-traded companies by the AFEP and the MEDEF in April 2013, in the event of a forced departure linked to (i) a change of control (as defined by Article L. 233-3 of the French Commercial Code) or (ii) a strategic disagreement with the Board of Directors (Forced Departure), the Chairman and CEO will be allocated severance payments by the Board of Directors under the conditions described below:

a) Amount of the Severance Payment

The amount of the Severance Payment will be equal to twice the total gross overall remuneration (fixed and variable portions) received by the Chairman and CEO over the 12 months preceding the date of the Forced Departure. In the event that the effective duration of Serge Grzybowski's new term as CEO is less than 12 months, his remuneration received during the latest months of his previous term as CEO will be taken into account, in order that the Severance Payment may be calculated over a 12-month period.

b) Conditions for paying the Severance Payment

Pursuant to Article L. 225-42-1 of the Commercial Code, the Severance Payment will be contingent upon fulfilment of the performance condition described below.

In the event of Forced Departure, Icade will pay the chairman and CEO the Severance Payment if the most recent GSNI is greater than or equal to GSNI during the benchmark period.

For purposes of assessing the performance conditions:

- the **GSNI** means the Group share of net income as published by a company in its consolidated financial statements and after adjustment for capital gains from disposals;
- the **Most recent GSNI** means the most recent GSNI of Icade known for the financial year preceding the date of the Forced Departure;
- the **GSNI for the benchmark period** means the arithmetic average of Icade's GSNIs over the two latest financial years preceding the most recent GSNI.

2. Equity market of the Company

As of 31 December 2013, Icade's share capital stood at €112,669,298.86 divided into 73,916,109 shares. As of 31 December 2013, the Company's stock market capitalisation was €5,001,903,096.

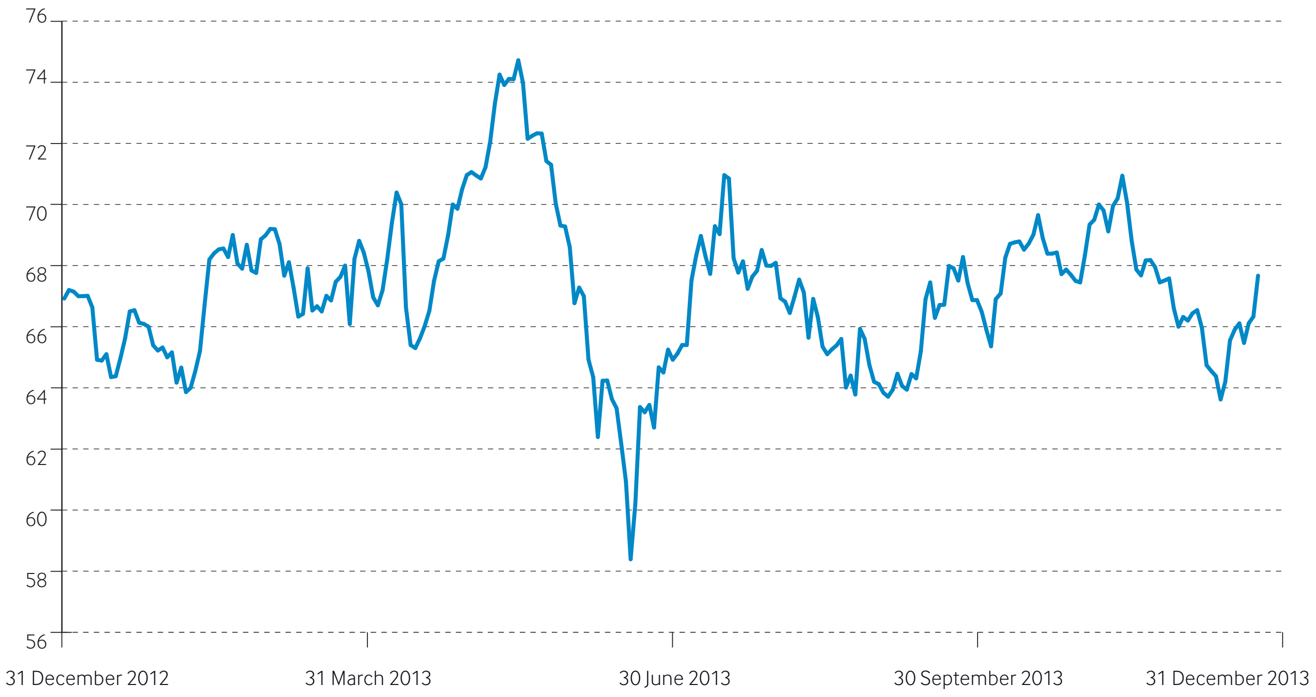
The shares have been listed on the Euronext A single regulated market since 23 January 2008 (code: FR0000035081-ICAD). The share is part of the SBF 250, SBF 120, SBF 80 indices, Euronext 100 Index, Dow Jones Stoxx Global 600, Dow Jones euro Stoxx, DJSEEP Stoxx, DJSEP Stoxx, CAC Mid&Small 190 Index, CAC AllShare Index, CAC Mid100 Index, CAC Financials Index, CAC Real Estate Financial Index and "Indice SIIC des Foncières" in France.

The following data relates to Icade from 1 January to 31 December 2013.

	Price *(in €)*		Trading volumes	
2013	**High**	**Low**	**Number of securities**	**Capital *(in € million)***
January	67.82	63.87	1,010,294	66.60
February	69.21	63.86	797,858	53.50
March	69.75	64.65	1,421,872	95.65
April	71.32	65.07	1,338,896	90.43
May	74.72	68.37	1,165,027	83.89
June	69.89	57.99	1,399,890	89.03
July	72.96	62.30	2,980,114	203.58
August	68.64	63.65	1,278,996	84.93
September	68.14	63.20	1,144,049	75.16
October	69.99	65.00	1,112,454	75.41
November	70.99	67.05	1,246,351	85.47
December	68.08	63.50	990,155	65.11
			15,885,956	**1,068.76**

(Sources: Euronext / Reuters.)

CHANGE IN ICADE'S SHARE PRICE DURING 2013



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3. Exceptional events

Exceptional events are described in Chapter 1, paragraph 2, "Highlights and key figures in 2013".

4. Attribution of results and distribution policy

4.1. HISTORY OF DIVIDENDS AND ATTRIBUTION PROPOSAL

Icade	2011	2012	2013
Dividend distributed (in € million) for the year	192.6	189.3	271.3 (1)
Dividend distributed/share ***(in €)***(*)	3.72 (2)	3.64	3.67
Number of shares at 31 December	51,992,262	52,000,517	73,916,109 (3)

(*) Excluding treasury shares.
(1) Subject to the approval of the annual OGM. This sum will be adjusted to the number of shares in existence on the day of the annual OGM.
(2) Including €0.37 in exceptional dividends.
(3) Number of shares as at 31/12/2013 at midnight.

4.2. SUMMARY OF FINANCIAL DATA FOR THE PAST FIVE YEARS

Icade - Nature of indications		2009	2010	2011	2012	2013
1- Financial position at year-end						
A	Share capital	75,146,894	78,961,283	79,251,083	79,263,666	112,669,299
B	Number of shares issued	49,293,131	51,802,133	51,992,262	52,000,517	73,916,109
C	Total convertible bonds in issue	164,712	164,016	0	0	0
2 - Results from operations						
A	Turnover excluding tax	290,253,513	254,997,762	182,223,915	180,946,050	174,908,821
B	Earnings before tax, employee profit-sharing, depreciation, amortisation and provisions	584,775,769	1,280,192,556	91,025,893	211,966,065	145,586,017
C	Tax on profit on ordinary activities	22,830,722	2,636,413	546,667	4,003,466	6,361,617
D	Earnings after tax, depreciation, amortisation and provisions	449,017,397	1,219,149,641	92,175,923	61,199,462	(31,183,581)
E	Total dividend distribution	166,557,780	375,729,032	192,563,151	188,476,062	(1)
3 - Profit from operations reduced to a single share						
A	Profit/loss after tax and employee profit-sharing, but before depreciation, amortisation and provisions	11.333	24.537	1.740	3.999	1.884
B	Profit/loss after tax, employee profit-sharing, depreciation, amortisation and provisions	9.109	23.535	1.773	1.177	(0.422)
C	Dividend paid per share	3.25	7.30	3.72 (2)	3.64	(1)
4 - Employees						
A	Number of employees at year end	696	346	308	309	342
B	Total payroll expense	38,846,485	37,708,820	25,292,235	25,104,852	27,423,673
C	Amount of sums paid for employee benefits (Social Security, social welfare programmes, etc.)	13,128,941	15,855,224	10,780,857	11,329,377	12,419,164

(1) Subject to the approval of the annual OGM. This sum will be adjusted to the number of shares in existence on the day of the annual OGM.
(2) Including €0.37 in exceptional dividends.

5. Information on payment schedules

At 31 December 2013, trade payables and related debts, including intra-group debts, stood at €28.6 million compared to €18.6 million at 31 December 2012. This is broken down below:

31 December 2013 *(in € million)*	Payables with no term	Trade payables with terms under 30 days	Trade payables with terms between 30 and 60 days	Trade payables with terms between 60 and 90 days	Trade payables with terms over 90 days	TOTAL
Trade payables		1.8				1.8
Retention funds						
Suppliers - Invoices not sent	26.8					26.8
TOTAL	**26.8**	**1.8**				**28.6**

31 December 2012 *(in millions of euros)*	Payables with no term	Trade payables with terms under 30 days	Trade payables with terms between 30 and 60 days	Trade payables with terms between 60 and 90 days	Trade payables with terms over 90 days	TOTAL
Trade payables		1.5				1.5
Retention funds					0.1	0.1
Suppliers - Invoices not sent	17.0					17.0
TOTAL	**17.0**	**1.5**			**0.1**	**18.6**

The payment schedule agreed with suppliers is generally between thirty and sixty days. Overall, these terms are respected, with any disputes handled on a case-by-case basis.

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6. Insurance and disputes

6.1. INSURANCE

6.1.1 General presentation of Icade's insurance policy

For several years, Icade has been part of a procedure designed to limit, in the long term, the number of its insurance brokers to two main brokers: the Marsh & McLenann firm (for all Icade insurance policies and those of its subsidiaries with the exception of third-party insurance in the property management field) and the Gras Savoye firm in the property management field (for third-party insurance and related Icade contracts – Fleet and company car – Individual Accident and IT All-Risks).

This regrouping is due to a desire for rationalisation and harmonisation within Icade particularly in order to secure competitive rates, perpetuate risk coverage, ensure better control of cover and more efficient claims management enhanced by a report from the insurance department and their intervention whenever major or physical injury claims occur.

Thus, on the basis of the information available to it, Icade considers that the overall value of the insurance premiums of Icade and its subsidiaries should stay the same or even fall in 2014.

Depending on the various branches concerned, Icade's main insurance companies are (I) Axa for professional liability cover (II) Axa for comprehensive property insurance, (III) Albingia and Axa damage to works (dommages-ouvrage) and non-managing builder (Constructeur Non Réalisateur, CNR) insurance and (IV) Axa for public liability under the Hoguet Law.

6.1.2 Risk prevention and assessment of cover taken out

The diversity of the businesses operated by Icade means that risk insurance varies according to each business's own insurance obligations and the main risks identified.

In collaboration with its brokers, Icade endeavours to maintain a level of cover that it considers appropriate to each identified risk, in particular subject to insurance market related constraints and according to an estimate of the amount it considers reasonable to cover and the probability of a future claim.

Thus, in order to identify and as far as possible quantify the most significant specific risks in its businesses, from 2002 Icade undertook a process of mapping its main risks.

This risk mapping, which breaks down into specific risks (business related) and non-specific risks (cross-disciplinary) is populated by risk reporting files. Each of these files identifies a specific risk which is assessed in terms of occurrence and impact and the critical nature of which is assessed by a set of measures (transfer to insurance, implementation of specific procedures or special measures, etc.).

These are examined on a quarterly basis by the management of the operational entity concerned and any changes are included in the mapping at the same frequency. In addition, any significant claims are monitored.

6.1.3 Icade's main insurance policies

Insurance policies taken out by Icade can be roughly grouped into two main categories: (I) compulsory insurance pursuant to legal or regulatory provisions and (II) insurance taken out by Icade in addition to compulsory insurance so as to provide cover for certain other risks.

In view of the large number of Icade businesses and the different types of insurance policies taken out within the framework of its activities, this section provides a summary of the main insurance policies taken out by Icade.

6.1.3.1. Main compulsory insurance

Compulsory insurance varies primarily according to Icade's three main businesses: property development, property investment and services.

Property development

Icade has the compulsory insurance required by Law no. 78-12 of 4 January 1978 covering completed works (so-called "damage to works" insurance) and the liability of the builder, the property developer/vendor of the building to be built or completed within ten years (the so-called "ten-year liability insurance" ("Responsabilité Civile Décennale") "non-managing builder" insurance or "CNR").

Damage to works insurance is taken out by anyone acting as the owner of the structure, vendor or agent of the owner of the structure who has to carry out building work. This insurance must be taken out as soon as work commences on site and is primarily designed to pre-finance the repair of any problems appearing under the ten year guarantee. This insurance primarily covers damage which compromises the strength of the structure or which, by affecting one of its constituent parts or one of its amenities, makes it unfit for its purpose. This buildings insurance therefore follows the building and is transferred to purchasers and then their successors in the event of a subsequent sale. The damage to works insurer can look to those responsible for the problems, including Icade, if they were at fault in the building operations.

Ten-year liability insurance or non-managing builder (CNR) insurance covers ten-year building liability whether said company carried out the building work or not, such as payment for the repairs to the building in which Icade was involved as builder, developer or vendor when it was held liable on the basis of the presumption established by articles 1792 and following of the Civil Code. This cover is unlimited in respect of the compulsory cover.

It should be noted that courts tend to widen vendor and tenant liabilities to vendors or lessors to beyond the minimum legal obligations.

Property investment

This business involves taking out compulsory insurance in the field of buildings insurance both for new builds and for works carried out on assets.

Icade then has to take out damage to works and CNR policies when carrying out new building operations and damage to works policies known as "works to existing property" ("Travaux sur Existants") (including CNR) when carrying out major refurbishment works on its properties.

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Provision of services

In its project management missions for public authorities or private companies, Icade can be considered as the lessor of the structure and as such comes under the compulsory ten year insurance.

Where Icade and its subsidiaries operate as property agent or administrator, they take out professional liability insurance to cover any financial consequences they may incur in that regard (Article 49 of Decree no. 72-678 of 20 July 1972 amended by Decree no. 2005-1315 of 21 October 2005).

6.1.3.2. Other main insurances taken out by Icade

Discretionary insurance covering building risks

This is primarily "contractor's all-risk" ("Tous Risques Chantier") insurance and various policies supplementing the developer's public liability cover as well as certain specific risks such as fire and natural disasters.

Discretionary insurance covering operations

Within its property investment business, Icade takes out comprehensive property insurance specifically covering owner's public liability and damage (up to a maximum sum corresponding to the as-new rebuilding value of the property). This insurance also includes insurance covering loss of rent due to possible non-availability of the building for a fixed period of 24 months.

Public liability insurance

All Icade's subsidiaries carry professional liability insurance, either individually (Icade Conseil, Icade PM, etc.), or within the framework of a Group policy for Icade and some of its subsidiaries (Icade Promotion).

This "all-risks except" policy is taken out with Axa France IARD Insurance and specifically covers the financial consequences of liability stemming from applicable law (criminal, negligence and contractual public liability) which may be incumbent on the insured due to or on the occasion of its business activities by virtue of any damage and/or loss caused to third parties.

Other insurance policies

Icade has also taken out various other insurance policies covering property and liability of various kinds.

In particular:

- public liability insurance for corporate officers;
- fleet car insurance and so-called "company car" insurance for those employees who use their staff vehicles;
- IT all-risks insurance;
- environmental risks insurance.

6.1.3.3. Cover and excess payments

Cover

The main cover taken out by Icade under these insurance policies currently in force can be summarised as follows:

- with regard to buildings insurance, work undertaken is covered up to its realisation cost; (works and fees);
- with regard to comprehensive property insurance, buildings are covered up to their as-new rebuilding value, in certain cases however subject to a policy limit per claim;
- with regard to public liability, the Group policy for Icade and some of its subsidiaries offers a cover ceiling of approximately €20 million;
- with regard to other insurances, these usually include cover ceilings based on the replacement values of the damaged goods.

Excesses

The main excesses relating to the insurance policies taken out by Icade which are currently in force can be summarised as follows:

- with regard to buildings insurance (contractor's liability insurance), the policies of Icade and its subsidiaries do not usually carry an excess; the "contractor's all-risk" and "non-managing builder" policies are subject to excess payments of €7,500 and €2,000, respectively;
- with regard to comprehensive property policies, Icade's policies carry limited excesses that are different depending on the nature of the cover;
- with regard to public liability, the Group policy for Icade and some of its subsidiaries carries a general excess of €45,734, except for Icade Property Development where the excess is 15% of the value of the claim with a minimum of €100,000 and a maximum of €200,000;
- the policies taken out under "other insurance" carry small excesses.

6.2. DISPUTES

Icade and its subsidiaries are parties (I) to a number of claims or disputes within the normal course of their business activities, primarily property development for construction and urban planning permits, as well as (II) a number of other claims or disputes which, if they prove well-founded and given the amounts in question, their possible recurrence and their impact in terms of image could have a significant unfavourable impact on Icade's business, results and financial position.

These claims or disputes are, where appropriate, covered by provisions set up in the accounts of the companies concerned for the year ended 31 December 2013, depending on their probable outcome and where it was possible to estimate their financial consequences. Thus, Icade's legal department carries out an annual census of all disputes involving Icade and its subsidiaries, indicating the amount of any provision required for each significant case or dispute.

The provision for disputes accounted for at 31 December 2013 was €8.3 million for the entire Group (of which €6.5 million for disputes over property development).

Icade considers that these provisions represent reasonable cover for these claims and disputes.

In its proposed correction (dated 8 December 2010), the tax administration questioned the market values as of 31 December 2006, based on the property valuations that were used as the basis for calculating the exit tax (corporate tax at the rate of 16.50%) during the merger/absorption of Icade Patrimoine (Assets) as of 1 January 2007. As a result, the exit tax bases were increased, generating additional tax of €204 million in principal. In a new proposal for re-adjustment on 26 April 2012, the tax authorities indicated to Icade that they were thinking of modifying the applicable tax rate by a fraction of the increased amounts, bringing it from 16.5% to 19%. The supplementary tax was then brought to €206 million.

On 16 July 2012, Icade referred the matter to the French National Committee of Direct Taxes and Income Taxes (*Commission nationale des impôts directs et des taxes sur le chiffre d'affaires*).

At the end of the hearing of 5 July 2013, the Commission expressed an opinion. This opinion disputes the assessment method used by the tax authorities ("[the comparison method] appears less suited to the nature of assets concerned that the discounted cash flow method"). Nevertheless the Commission has noted that some sales made in 2007 had been made at prices higher than those used in calculating the exit tax.

The tax authorities did not follow the Commission's opinion and maintained this opinion object that had been notified initially. Icade was informed of this on 3 December 2013 at the same time as it received the Commission's opinion.

On 11 December 2013, in accordance with the applicable procedure, the tax authorities sent a collection notice for the full amount, i.e., €225,084,492, including interests on arrears (or €206 million of principal).

Icade maintained its stance and on 23 December 2013, it filed a claim asking for the waiving of all the sums concerned by the collection as well as the stay of payment. This stay will be granted on condition that Icade presents a guarantee from a banking or related institution.

Should the tax authorities refuse to waive the sums due for collection, Icade will apply to the courts to settle this dispute.

The company continues to dispute the entirety of this correcting proposal, with the agreement of its advisory firms.

Consequently, as was the case at 31 December 2012, no provision was recorded for this purpose at 31 December 2013.

7. Risk management and control

7.1. RISKS ASSOCIATED WITH THE PROPERTY MARKET

7.1.1. Changing conditions in the property market

The Group's business is exposed to economic factors beyond its control and to systemic risks related to the cyclical nature of the property sector.

The property market is related to supply and demand for property, particularly from commercial companies, and has historically had phases of growth and contraction, characterised by changes to expected capitalisation rates or rental values.

International and national economic conditions, particularly the level of economic growth, interest rates, the unemployment rate in France, the level of French consumer confidence and buying power, the situation of public finances, corporate property strategies, and the means of calculating rent indexing and changes to various indices, may also vary significantly.

These variations in the property market or the general economic context may have a significant negative impact on Icade's investment and arbitrage policy, on its policy on developing new assets and, more generally, on its business, its financial situation, its profits and its prospects, particularly through (i) a reduction in demand for its business property projects and/or its programmes for new housing which could cause certain partially completed operations to be abandoned or which could reduce profit margins, (ii) the reduction in occupation rates and prices for renting and re-letting its property, (iii) a drop in demand in the services business (and correlative social costs) and (iv) a fall in the value of its assets.

In this matter Icade benefits from the diversity of the assets held and the variety of activities and markets in which the Company operates, which reduce the consequences of the cyclical nature of the property market on its results.

7.1.2. Competition

Icade operates in all French property markets, and faces stiff competition in each one. Icade competes with numerous international, national, and regional players, some of which have greater financial resources, a larger property portfolio, more employees, and more extensive regional, national, or international coverage. In particular, these competitors may be able to buy or develop property under conditions (such as prices) that do not meet Icade's investment criteria or goals.

Icade faces competition in particular when purchasing land and available property, setting prices for the services it offers, hiring qualified subcontractors, and obtaining financing. While Icade believes that its position as both a property investment and development Company provides a competitive advantage, rivals in each of its businesses currently have a greater market share. If Icade is not able to gain market share or defend its existing market share, or maintain or grow its profit margin, its earnings, profits, and corporate strategy could be adversely affected.

7.2. OPERATIONAL RISKS

7.2.1. Difficulties in financing development

Icade's business development is financed by a combination of borrowings, equity, the cash generated by its activities and by income from its arbitrage operations. Icade cannot guarantee that it will have access to enough outside financing, under acceptable conditions, to finance its growth, nor can it guarantee that the market will be sufficiently liquid to enable the implementation of its disposal programme.

Icade's strategy also includes making targeted acquisitions in France. Icade could encounter difficulties in acquiring assets and/or companies,

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particularly due to its investment criteria, or possible difficulties in the availability of bank funding or in the sale of assets.

7.2.2. Acquisition risks

The completion of acquisition transactions may carry several risks.

The yield of acquired assets could prove to be less than forecast, whether these assets are buildings, property-investment companies, property development companies or services companies, particularly in periods of high economic uncertainty. Hidden defects, such as environmental, technical or urban planning non-compliance, might not have been covered by the acquisition agreements.

Also, in the case of the acquisition of companies, the integration of teams or processes may be difficult and, in particular may reduce the hoped-for synergies for a while.

7.2.3. Risks related to the use of outside service providers

Although Icade, in its property investment business, manages its own property assets internally, it is nevertheless exposed to risks related to the use of subcontractors, suppliers, and other service providers in its projects, particularly in its property development and property services businesses. Icade selects its service providers very carefully, but cannot guarantee the quality of their work or that they will comply with all applicable regulations. Icade's operations and profits could be adversely affected if any of its service providers experience financial difficulties, insolvency, cost overruns or delays in its work for Icade, or a reduction in the quality of its products or services. Such events could slow the progress of Icade's projects and result in higher costs, especially if a flawed service provider has to be replaced by one charging higher fees. Icade may not be able to pass on the higher costs to its customers, or may have trouble meeting its warranty obligations. In addition, any such failings on the part of its service providers may require that Icade pay penalty fees for the related delays, or cover the costs of any consequent legal action. In periods of difficulty in the building sector bankruptcies of subcontractors may be more frequent.

In order to limit these risks, the Company has put preventive procedures in place, such as "calls for tenders" committees, implementing prior checks on the robustness of these companies and vigilance as operations are performed.

7.2.4. Risk of information system failure

Icade uses a certain number of information systems and software, as well as managing several large databases in its operations. The failure of one of these systems or the loss or corruption of data could impact the Company's profits and weaken its reputation with customers.

Icade has several back-up procedures in place to mitigate this risk and limit the potential damage. These procedures include (i) the duplication of production systems (ii) the outsourcing, to a service provider specialised in data storage and hosting, of the backup for the last business day of each week, and (iii) a system of controlling backups. An Enterprise Continuity Plan (ECP) organises a procedure in the event of a major event affecting the IT systems and operating premises.

7.2.5. Change in accounting standards and risk of inadequate presentation of financial statements

As a listed company, Icade is required to publish its consolidated financial statements in accordance with IFRS standards. These standards are amended periodically, and such changes could have a significant impact on items in its balance sheet or income statement and, consequently, on its financial statements.

The accounting and financial information system may also encounter some malfunctions in transactions during the financial year. These risks are identified and monitored through the internal control system, while financial communication is regulated by specific procedures.

7.2.6. Risk of fraud

The diversity and scope of Icade's business activities expose the Company to internal and external fraud, in particular through the embezzlement of funds or payment of expenses that may alter the Company's financial results and/or image. To respond to these risks, Icade has set up a customised internal control system, a system to ensure the security of means of payment and has developed receipts by bank transfer.

7.2.7 Higher insurance premiums or lack of insurance coverage for some operating risks

The insurance premiums that Icade currently pays for its mandatory and optional insurance policies make up only a minor portion of its operating costs.

However, in view of the current difficulties on the market, these premiums could rise in the future, which would have a negative impact on Icade's financial position and profits. In addition, some of Icade's operating risks may no longer be covered by insurance companies. Lastly, Icade may be confronted with the risk of bankruptcy of one of its insurers, thus preventing it from paying compensation which might be due.

7.2.8. Risks specific to the property investment business

Property surveys (risks related to estimating the value of assets)

Icade's property portfolio is valued on a half-yearly basis by independent surveyors: CBRE Valuation, Jones Lang LaSalle, DTZ Eurexi and Catella. The assets contributed by Silic are valued by BNP Paribas Real Estate. The portfolio value depends on several factors which could vary significantly, most notably the economic climate and market supply and demand and economic conditions, which can vary significantly, with consequences on Icade's valuation. The value resulting from the methods used by the surveyors for their valuations may exceed the sale value of the assets. Also, the valuations are based on assumptions that may not prove to be true.

Given that Icade carries its property investments at cost (depreciation cost method), a decrease in the market value of this property will not affect its consolidated profit unless the market value becomes less than the book value.

Risks of not completing the investment and arbitrage plan

In accordance with its SIIC (real estate investment company) status, Icade's strategy consists, in particular, in (i) investing selectively, (ii) managing its portfolio of assets and (iii) carrying out arbitrage operations on mature assets. The Company may encounter significant challenges in implementing this strategy, making it more arduous and less profitable than expected, or delaying its execution. Therefore Icade may not be able to meet its goals, which could have a substantially negative impact on its businesses and profits.

More specifically, Icade's investment plans (i.e., property purchases, renovations, extensions or rebuilding) are subject to numerous uncertainties such as: whether property is available for purchase under acceptable conditions (most notably price); whether Icade is able to obtain the required regulatory permits; and whether any cost overruns or delays occur which could slow the pace of investment projects or stand in the way of their completion.

Likewise, the conclusion of planned disposals may be compromised by the lack of investors, in particular, in the case of properties with large surface areas that are highly-priced.

Icade's profits depend on tenants, vacancy rates, and the renewal terms of commercial leases

Earnings in the property investment business come primarily from rental income, and can therefore be severely affected if a tenant responsible for a significant percentage of these earnings moves out or becomes insolvent. However in 2013, no tenant represented more than 7.2% of total rent received. The commercial rental market depends on the economic climate and local factors in the area surrounding each piece of property. Icade cannot guarantee that occupancy rates will not decrease in the coming years.

Furthermore, Icade cannot guarantee that it will be able to find new tenants quickly or renew leases at acceptable rents when they expire, or that new regulations or case law will not impose tighter restrictions in terms of changes to rents, calculation of eviction indemnities for commercial tenants or index-linked rent revaluation. Also, the Company is careful, as far as possible, to anticipate expiry dates of leases. The terms and variation of the leases signed by Icade and Silic smooth out the effect of rental market fluctuation.

According to changes in the economic environment, any financial difficulties encountered by tenant companies may be more frequent, impairing their solvency and consequently negatively impacting rates of rent recovery by Icade.

Given the limited number of housing units that Icade now retains, the impact of difficulties in collecting housing rent will be moderate.

Given the large number of clinics whose premises are owned by Icade, developments in public health policies may put pressure on the situation of tenant clinics and thus the profitability of these assets.

Any of these events, if they occur, could have a negative impact on the value of Icade's property, profits, or financial position.

Icade may not be able to renovate ageing property or bring some of its property into compliance with new standards

Icade may be required to invest considerable amounts in refurbishment work in order to renovate ageing property or bring property into compliance with new standards, specifically regarding energy improvements viz. the Grenelle 2 law, or cope with rising maintenance or operating costs. Icade cannot guarantee that it will be able to obtain financing for such work, and investments in this work may not meet the Company's return criteria and may have negative consequences on its earnings.

The Company attentively monitors the technical state of its assets, carries out environmental upgrade audits and, for each asset in its portfolio, plans five-year renovation work.

7.2.9. Risks specific to the Property Development business

The expansion of Icade's property development business depends on land availability and their acquisition cost.

The further expansion of Icade's property development business depends on the availability of land, the Company's success in being able to locate suitable plots and their acquisition cost, and therefore in factors that are not completely within Icade's control. The scarcity of available land, unfavourable pre-marketing operations and fierce competition among the different market participants could result in land prices escalating to levels that may not be compatible with the sale prices of transactions as estimated by Icade and could impair the Company's operations, profits, and growth outlook.

Other than the discovery of pollution and its treatment, the discovery of archaeological remains could lead to work being suspended, causing additional costs and delays, or to the modification or abandonment of the planned construction programme.

In this respect, the Group carries out systematic prior studies on the quality of the ground, with the support of specialist consultancy firms. Also, all real estate acquisition contracts include clauses implicating the liability of the vendor in case of discovery of pollution.

Administrative authorisations that must be obtained prior to building may be granted at a later date, or indeed refused or disputed by third parties: building permits, CDAC or CNAC authorisations in the case of buildings destined for commercial use.

This may result in delays in the execution of projects (execution of work, marketing), additional costs to adapt the programme, or even the abandonment of the project and loss of the research costs in certain cases.

Icade is exposed to changes in construction costs.

The control of profitability in the property development business depends partly on the ability to have buildings constructed at a level of costs consistent with sale prices acceptable in the market. Construction costs have been subject to wide variations over the last few years. These variations may be related to changes in demand for the services of building companies, changes in the costs of labour and raw materials, or to changes in construction standards. Furthermore, in the case of a declining property market, the Group cannot maintain its level of margins, because the reduction in costs does not compensate for the drop in sales prices.

Also, during operation, an extension of the duration of work or technical difficulties may lead to additional costs that are difficult to pass on to buyers. To reduce these additional costs, the Company accurately monitors the progress, costs and risks of each programme.

Icade may face claims from other parties after construction work is completed or property is made available.

When Icade has marketed or sold a property programme, or has participated in such an operation as representative of the prime contractor, delegated prime contractor or project manager, it may be held liable by the prime contractors or buyers. This liability may result from non-compliance with contractual descriptions, damage or disorders affecting the buildings. While most of these construction faults would be either covered by Icade's mandatory insurance policies or attributable to other parties, the Company could be required to cover repair costs or pay damages to the corresponding prime contractors or buyers.

Icade's speculative and semi-speculative commercial property development carries specific risks.

For a promoter, launching a speculative operation means doing so without any investors, while launching a semi-speculative operation means doing so while bearing part of the rental risk (pre-commercialisation rate or contracting a rental guarantee). Speculative and semi-speculative operations face the risk that buyers or users cannot be located within a short period of time from launch of the building. This could incur significant expenses for Icade in terms of construction or financing costs, which could significantly diminish the profitability of these operations and, more generally, Icade's overall financial position and profits. In a period of reduced demand, particularly for business property, the Group limits this type of operation to rare and specific cases. Speculative operations are subject to a prior agreement given by Icade's governing bodies. Moreover, for semi-speculative operations, commitment is restricted to partial or total consumption of the rental guarantee which is then entered on the financial statement of the operation.

Certain of Icade's activities are conducted under the form of partnerships which, if they fail, could have a significant and unfavourable impact on Icade's operations and profits.

The success of Icade's partnership projects depends on the specific partners and how well the partnership agreement is implemented, especially when Icade has only a minority interest in the project. Icade selects its partners and words its partner agreements carefully, but cannot guarantee that said partners will fulfil their obligations, comply with all applicable regulations, and provide high quality work. Also, financial difficulties or even cessation of payments from these partners could slow the course of the operations concerned and oblige Icade to bear the whole of the requirement for working capital, or increase costs. They would be likely to have negative consequences for Icade's business, profits and cash position.

For the year ending on 31 December 2013, the proportion of consolidated turnover arising from partnership operations represented about 4% of consolidated turnover for the housing development business, while about 27% came from commercial property development and public and healthcare property development. Icade now keeps this risk under control by being attentive to the financial strength of its co-developers.

7.2.10. Risks specific to the property services business

In its property management business and in its activity as a management agent or a provider of safety and security services, Icade's criminal and civil liability could be implicated in the event of non-compliance with legal or regulatory obligations applicable to the buildings concerned and the services provided, in the event of bodily harm related to faulty maintenance or surveillance of the common parts of the buildings, or to the absence of urgent measures taken to correct serious disorders arising in the buildings. Icade's financial liability could be implicated for failure to advise in transaction or valuation operations during appraisal missions. It is possible that Icade could also be held liable in the event of serious, proven misconduct in the asset management activities it performs on behalf of third parties. This activity is subject to regulation by the AMF as part of its activities as a management company. Any such event could incur fines or criminal charges, and would damage Icade's reputation.

Icade has set up internal procedures to regulate these activities in order to reduce these risks.

7.3. TECHNICAL AND ENVIRONMENTAL RISKS

7.3.1 Environmental risks related to pollution and soil quality

The current practice of property purchases waiving the hidden defects guarantee could make it difficult to take any action against the former owners of the building. This could result in additional expenses for Icade, which would have a negative impact on its financial position and profits.

Moreover, soil and sub-soil pollution or quality problems could hinder the progress of Icade's projects, new building construction, or renovation work, even after buildings are completed. Such problems could incur substantial delays or additional costs, possibly causing projects to exceed the initial estimates made when the project was set up. These additional costs may not be covered by Icade's insurance policies or claims against property inspectors. Also, Icade anticipates this risk, as far as it can, by means of adequate surveys and analyses. Thus, for example, it carries out a historical survey of areas of risk and the origin of pollution in business parks since their acquisition.

7.3.2. Environmental risks related to public health and safety

All of Icade's businesses are subject to regulations concerning the accessibility of buildings to the disabled, public health, and the environment, covering a number of areas, including: the ownership and use of classified facilities, the use, storage, and handling of hazardous materials in building construction; inspections for asbestos, lead, and termites; inspections of gas and electricity facilities; assessments of energy efficiency; and assessments of technological and natural risks. Moreover, construction or renovation works on buildings generate site accident risks, just as the occupation of buildings may be behind accidents for users. These situations lead to the risk of the civil – or possibly criminal – liability of Icade and/or its managers being invoked, and consequently damaging the Company's reputation.

Icade's procedures concerning its different businesses and the protection of its employees, in particular the strict maintenance of the master risk assessment document (Document Unique) enabling the proper application of these recommendations and obligations.

7.4. LEGAL AND FISCAL RISKS

7.4.1. Caisse des Dépôts' controlling interest in the Company

The Caisse des Dépôts indirectly exercises control of Icade via its subsidiary HoldCo SIIC. In fact, it is the majority shareholder of the company HoldCo SIIC, which holds 52.07% of the capital and 52.3% of the voting rights in the Company. Consequently, Caisse des Dépôts has a significant influence on the Company via its HoldCo SIIC subsidiary and can have all the resolutions submitted for the approval of Icade's shareholders at an Ordinary General Meeting adopted. Caisse des Dépôts therefore has the ability to take decisions on its own relating to the appointment of members of the Board of Directors, approval of the annual accounts and distribution of dividends.

7.4.2. Risks related to changes concerning sustainable development

Active on the property markets, Icade may be impacted in various ways by changes in national or European regulatory and legislative standards concerning sustainable development. These are, in particular, likely to impose performance criteria on buildings managed and sold by the Company and particular responsibilities for services to third parties. These may result in costs being incurred, adaptations to processes or even risks of Icade's liability being implicated as operator or owner, both in relation to the property development business and concerning the acquisition and holding of buildings by the property investment division. The same goes for thermal regulations 2012 (TR 2012), which have imposed demanding energy performance (50 kWh of primary energy/m²/year) in the production of new commercial buildings since the end of October 2011, then in housing units for all building permits filed since 2013. Other obligations resulting from the Grenelle 2 law could affect management for its own account and for third parties: mainly the switchover to compulsory green leases for new leases as from January 2012 and for ongoing leases from July 2013, energy improvement works on the current assets. Other obligations, such as the installation of electric outlets to charge vehicles from 2015, the compulsory establishment of a greenhouse gas emissions statement on the *Corporate* business as from 2013, the provision of "corporate social responsibility" information certified by a third-party auditor in the management report, create risks of non-compliance and impose new organisations.

Tax provisions or, on the contrary, incentives, public financings or related items may change, penalising some products or the impact of some activities, or conversely, encouraging others, as shown in the change in repurchase prices for energy produced by photovoltaic facilities, the uncertainty surrounding the energy savings certificate programme after 31 December 2014 – which no longer directly benefits property companies – or the change in tax breaks for real estate investments made by individuals, that may or may not give priority, depending on the finance laws, to energy efficiency levels that are more stringent than regulations.

New professional standards, quality labels or certification may regulate certain activities or impose non-regulatory technical objectives, appreciated or demanded by clients. The same goes for general demand from players regarding HQE environmental certifications on most new commercial buildings: to begin with restricted to office buildings, this demand now covers most commercial assets, such as shopping centres and clinics. This type of practice also affects the area of commercial property management with, for example, operational certification for buildings; this may be extended to renovation activities. It is sometimes completed by applications for double or triple certification that add certifications from other countries to the HQE certification.

Icade anticipates such developments via a regulatory watch in terms of sustainable development, precise monitoring of its realisations and the market, and a "Sustainable Development" action plan that constantly adapts its product and service offering.

7.4.3. Modifications to the regulations applying to the property investment and property services businesses

Certain buildings held by the property investment division or managed by the Group as a service provider are subject to the regulation concerning establishments receiving the public. This applies particularly to the Le Millénaire shopping centre in Aubervilliers, or to high-rise buildings such as the First Tower in La Défense for which Icade provides property management services.

In connection with its property investment and property services business, Icade monitors legal developments concerning the relationships between lessors and lessees as well those linked to the indexing of commercial lease rental and the formalities surrounding its legal review.

More generally, non-compliance with, or any substantial modification to, the regulations concerning hygiene, health and safety, the environment, the construction of buildings and urban planning, could have a significant negative influence on the business, the profitability and the prospects for Icade's development or growth. The main consequences would be the requirement to undertake work to upgrade buildings, the increase in operating costs, and declining attractiveness for actual or potential tenants. Icade keeps a close watch on regulatory developments to cope with these risks.

7.4.4. Changes to the rules applying to the property development business or to public-private partnerships

In its private property-development business, the Group is subject to numerous regulations, particularly those introduced via the Grenelle 2 Law of 12 July 2010, concerning construction standards, urban planning rules and consumer protection in relation to sales for future completion. Any toughening of these regulations would be likely to negatively impact the profitability of operations.

Moreover, operations carried out on behalf of public bodies, regardless of the type of contract used (particularly public contracts, public service delegations, temporary permission to occupy the public domain, administrative 99 year leases, hospital 99 year leases, partnership contracts) present specific risks related to (i) the instability of standards applicable to public orders which, over the last ten years, have been constantly amended by the public authorities or jurisprudence and in some cases validation by the French legislator of contracts concluded in an erroneous interpretation of the applicable rules (as well as public developer mandates concluded without tender proceedings before 6 March 2003) which does not avoid the risk that these contracts may still be considered to be null and void in the light of EC law; (ii) the fact that the procedures for concluding contracts, conducted by public authorities, may give rise to errors which may affect the validity of the contracts concluded; (iii) the possibility of legal action for cancellation initiated by unsuccessful tenderers, taxpayers or the Prefect, the existence and outcome of which may delay the start of an operation or even, if the contract is ruled null and void while it is under way, cap the remuneration of the co-contracting party to full or partial repayment of the costs incurred by the local authority to the exclusion of any profit; (iv) the specifics of administrative law which in particular allow a public body to unilaterally cancel an administrative contract at any time if the general interest justifies this and prohibits the co-contracting party from entering a plea of non-performance; (iv) the lengthy term of certain contracts (public service delegation, leases) making the profitability of the operation concerned uncertain. Icade protects itself against this risk by contractually scheduling the payment of compensation by the public body.

7.4.5. Risks relating to the failure to issue administrative authorisations and possible cancellation of authorisations issued

In its property development business, as well as in its property investment and service businesses, Icade is bound to obtain a number of administrative authorisations before carrying out any works, services or commissioning amenities. The examination of authorisation applications by the competent administrative departments takes time, which is not always easy to control. Icade cannot control the time needed to obtain these authorisations, including building permits. Once obtained, factors may cause them to be cancelled or rescinded, or they may expire. This could result in delays, additional costs, or the decision to abandon a project, which could have a negative impact on Icade's operations and profits.

7.4.6. Risks related to a change in tax laws

SIIC regime

In 2007, Icade opted for status as a French REIT (SIIC), exempting it from French corporate tax. Silic was also subject to the SIIC tax status. The benefit of this status is subject to compliance with various conditions, which have been modified several times under the finance laws and annual amendments to finance laws, particularly under the amended Finance Law for 2006, the Finance Law for 2009 concerning the capital composition of SIICs and amendment to finance laws of 2013 concerning the increase in the share of exempted profits that must be distributed to shareholders. They may also be subject to the interpretation of the tax administration. If Icade fails to meet the conditions, or if Silic has failed to meet them previously, it would be required to pay additional taxes which would reduce its profits.

Icade and Silic comply with all the conditions of the SIIC regime. However, these conditions may continue to change. Also, the SIIC regime imposes compliance with a minimum ratio of 80% assets invested in property, assessed by comparing the gross value of assets assigned to achieving the company's main objectives (property, securities in property investment companies and associated receivables, etc.) with total gross assets. Given the wide range of Icade's business, this rule represents a major restriction on the Company. It will continuously monitor this ratio. At 31 December 2013, Icade's ratio was 90.78%.

Tax arrangements benefiting clients of Icade

Changes to tax laws, especially the abolition or limitation of certain tax advantages in favour of rental investment (such as the "Duflot" law, which replaces the "Scellier" law), the introduction of requirements for such advantages (such as maximum rent or maximum tenant income), the introduction or amendment (via a series of finance laws) of measures to cap total tax advantages and to concentrate certain tax advantages on energy-saving homes, or the change to VAT rates applicable to certain activities such as the removal in 2014 of the reduced VAT on new housing units located within 300 and 500 metres from an ANRU (National Urban Renewal Agency) area, may have a significant influence on the property market and could consequently have a significant unfavourable impact on Icade's business, profit and prospects. They may also oblige the Company to refocus its property development business on products meeting the conditions for these regimes.

French tax rules

Icade is exposed to tax risks related to changes in regulations, such as those governing corporate taxation, the creation of new taxes, or more generally the increase in taxable income bases or tax rates. Even if the Company can in some cases pass on part of the corresponding charges, such changes could reduce its profits.

Also, the complexity, the formalism and the constant changes that characterise the tax environment in which it exercises its activities create risks of error in compliance with tax rules. Although the Company takes all measures to prevent them, Icade might be subject to adjustments and disputes in tax matters. Any adjustments or disputes may have unfavourable consequences for Icade's profits.

7.5. CREDIT AND/OR COUNTERPARTY RISKS

In part, credit and counterparty risk concerns cash and cash equivalents, as well as banks. In order to limit its counterparty risk, Icade only deals in rate derivatives with first-rate banking institutions, with which it has relations to finance its development. Investment instruments are monitored on a daily basis and the control process is supplemented by a regular review of authorisations. By default, the maturities of the cash instruments chosen are less than one year and they have a very limited risk profile. In both cases, Icade applies a principle of dispersion of risk, avoiding any concentration of exposure.

On the other hand, the counterparty risk relates to the tenants. To this end, the broad client portfolio in the Commercial Property Investment Division limits this risk: the ten largest tenants represent 43% of current rents. Client solvency is also analysed on a regular basis (see Note 25.4 Chapter 3 page 90).

7.6. LIQUIDITY RISKS

Icade has limited its liquidity risk by centralising the management of its cash and funding and by diversifying its sources of funding.

The Group manages its medium and long-term liquidity risk through multi-year plans, and its short-term risk through confirmed, unused lines of credit.

The Company periodically carries out liquidity projections over a rolling 12-month period, presented to the Risk, Rates, Treasury and Finance Committee, and carries out the necessary adjustments so that it is able to meet its future contractual maturities. In view of the last review carried out, the Company considers that its resources are commensurate with its liquidity requirements.

On the whole, the availability of banking resources depends on our compliance with several financial ratios, in particular those related to the balance sheet structure, such as the loan-to-value (LTV) ratio and the interest coverage ratio (ICR). As at 31 December 2013, as with previous years, the Group had observed all the covenants attached to the loans that it has taken out.

More information is provided in Chapter 1, paragraph 5.1. page 32 and Chapter 3, paragraph 25.1. page 89.

7.7. MARKET RISKS

7.7.1 Interest rate risk

Higher financing costs

Within the framework of Icade's need for external financing, it is exposed to rises in interest rates which could increase its financing costs. The Company has set up interest rate hedges designed to mitigate this risk, but cannot guarantee that these hedges will offset the entire effect of higher interest rates.

Icade's financing costs could also increase if its majority shareholder, Caisse des Dépôts, decides to reduce its stake in the Company, because this may limit the financial guarantees that Caisse des Dépôts is willing to provide.

Icade's financing costs could also rise if the Company substantially increases its debt level.

The increase in the cost of liquidity, particularly from banks, due to the global financial crisis, may have a direct impact on Icade's financing margins.

Variation in interest rates

Icade is essentially a borrower at variable rates. Icade's businesses are subject to fluctuations in interest rates. A sharp increase in interest rates, especially over the long term, could significantly curtail demand and reduce the prices of new homes and offices developed by Icade and adversely affecting the value of Icade's property assets. In order to limit the effect of profits of a variation in interest rates, Icade manages its exposure to interest rates by taking out derivatives (mainly swaps, caps and swaptions). Through its hedging policy, Icade favours products that may be backed by Cash Flow hedging in the sense of IAS 39 hedge accounting, thus limiting the impact, on profit/loss, of a change in the fair values of financial hedging instruments.

Furthermore, the Group's centralization of its funding requirements means that the management of interest-rate risk is concentrated on the borrowing entities, facilitating its analysis.

Additional information is provided in Chapter 3, paragraph 25.2. page 90.

7.7.2. Exchange risk

Icade carries out almost all of its business in the European single-currency zone and all of its assets and liabilities are denominated in euros. Icade is therefore not exposed to any significant exchange-rate risk.

7.7.3. Risk concerning shares and other financial instruments

Share price risk

Icade does not have any equity interests in listed companies and is therefore not exposed to the risk of share price fluctuations.

Icade does not invest any of its cash in equity investment funds or other financial instruments with an equity component.

In 2007, Icade implemented a share buy-back programme and, within that framework, signed a liquidity contract with an investment services provider. As of 31 December 2013 Icade did not hold any Icade shares under the liquidity contract within the framework of the share buy-back program. Outside this contract, Icade held 320,305 of its own shares at 31 December 2013.

7.8. DECLARATION RELATING TO DISPUTES

With the exception of the disputes described in Chapter 1, paragraph 2.4.3. page 20 and in this chapter paragraph 6.2. page 243, there are no other government, judicial or arbitrage proceedings, including any proceedings of which the Company is aware, which are pending or threatening, that may have or have had in the last 12 months significant impact on the financial position or profitability of the Company and/or Group.

8. Employee shareholding

8.1. EMPLOYEE SHAREHOLDING

In order to make employees feel more closely connected to Icade's performance and to strengthen their sense of belonging to the Group, whatever their rank or position, Icade has implemented a series of employee shareholding programmes including a Group Savings Plan with a fund for employee-owned Icade shares (FCPE), bonus share awards and stock option plans.

8.1.1. Group Savings Plan

Employees of Icade's Economic and Social Unit are beneficiaries of the Group Savings Plan, as long as they have completed at least three months' seniority in the Icade group.

To invest these assets, the Icade Group Savings Plan offers employees several mutual funds (FCPE), four of them being multi-Company, together with the Icade fund.

The FCPE Icade Action represents 29.92% of outstanding assets invested in the Group Savings Plan and 18.6% of unit holders hold their assets within this fund.

As at 31 December 2013, the Icade Action fund (FCPE) holds all employee-owned Icade shares, and had the following composition: 177,166 securities, or 0.25% of capital.

Employees had no other mutual funds (FCPE) invested in Icade shares as of 31 December 2013.

8.1.2. Bonus share plans

In 2012, Icade launched bonus share allocation plans (AGA) for all of its employees.

The plan has a duration of four years (two years of vesting and two years of retention).

This allocation of 15 bonus shares will not become final until after a vesting period of two years starting 2 March 2012, and is subject to the observance of the continuous attendance condition within the Group or subsidiaries within the Icade Economic and Social Unit.

After the vesting period, beneficiaries will become owners of the bonus shares attributed to them, and these will be registered nominatively to an account. As from the final allocation date, they may only dispose of the said shares at the end of a so-called retention period of two years.

No bonus share allocation was proposed for 2013.

8.1.3. Stock options – history of allocations and information

In accordance with the authorisation given to it by the Ordinary and Extraordinary General Meeting of Icade (absorbed) of 6 March 2006, the Board of Directors of that Company, at its meetings of 29 June 2006 and 14 December 2006, granted stock options and finalised the plans, the main characteristics of which are described below.

Due to the realisation of the merger-acquisition of the Icade company, at its General Shareholders Meeting on 30 November 2007, the Icade Emgp (renamed Icade) company decided in its 5th resolution to replace Icade in respect of the stock options granted by the latter, on the basis of the following merger parity: one share in Icade Emgp (renamed "Icade") for two shares in Icade (absorbed by Icade Emgp). Thus, each option granted by the Icade, the absorbed, will provide entitlement to subscribe for 0.5 of an Icade Emgp (renamed "Icade") share.

In accordance with the authorisation given to it by the Combined Ordinary and Extraordinary General Meeting of Icade (absorbed) of 30 November 2007, the Board of Directors of that Company, at its meetings of 30 November 2007 and 24 July 2008, granted stock options and finalized the plans, the main characteristics of which are described below.

When the Compagnie la Lucette was acquired and then merged and absorbed by Icade, the plan laid down by the CLL Board of Directors on 21 August 2006 by delegation of its combined general meeting of 21 April 2006 was converted into Icade stock option plans in application of the exchange parity ratio used for the merger.

In accordance with the authorisation given to it by the Combined Ordinary and Extraordinary General Meeting of Icade (absorbed) of 15 April 2009, the Board of Directors of that Company, at its meeting of 16 February 2011, granted stock options and finalised the plans, the main characteristics of which are described below.

Plans "1-2007" and "2-2007"

At its meeting of 14 December 2006, the Board of Directors of Icade (absorbed) finalised two plans:

- "Plan 1-2007" in favour of the corporate officers and any salaried individual of a company in the Group and member of the Management Committee or Strategic Committee of the Company or performing management duties within a company in the Group.
- "Plan 2-2007 for the benefit of corporate officers (Article L.225-185 p 4 of the French Commercial Code) including the chairman of simplified joint-stock companies of the Group and/or salaried individual of a company in the Group. In accordance with the delegation conferred on him by the meeting of the Board of Directors of Icade (absorbed) of 14 December 2006, the Chairman and Chief Executive Officer decided to award options by a decision dated 8 January 2007.

The main characteristics of these plans, whose undertakings have been taken over by Icade Emgp (renamed Icade), are described below:

	Plan 1-2007	Plan 2-2007	Total
Maximum number of options that can be subscribed for if all the options, after the assignment of the 1,246,890 options, are assigned and exercised during the year ended 31/12/2006	-	-	753,110
Total number of stock options assigned	456,000	188,000	644,000
New options after adjustments following distribution of reserves (Icade turnover as at 31/08/2007) (1)	3,600	1,448	5,048
New options after adjustments following distribution of reserves (Icade turnover as at 16/04/2008) (1bis)	4,098	1,768	5,866
Total number of shares (after distribution of reserves)	463,698 options of which 219,914 can be subscribed for by the top 10 non-corporate officer employee awardees. No awardee is a corporate officer.	191,216 options of which 47,866 can be subscribed for by the top 10 non-corporate officer employee awardees. No awardee is a corporate officer.	654,914 options of which 267,780 can be subscribed for by the top 10 non-corporate officer employee awardees. No awardee is a corporate officer.
Total number of beneficiaries	19	53	72
Starting point for exercising the options ("opening date")	9 January 2011	9 January 2011	-
Expiry Date	8 January 2013	8 January 2013	-
Subscription price	€46.48	€46.48	-
Exercise procedure	These options can be exercised by their beneficiary after the opening date according to the following terms and conditions: – up to 40% of the total number of options assigned to them; and – for the remainder, i.e., 60% of the total number of options assigned to them (the "Conditional Options") under the following conditions and in accordance with the following procedures: – for half of the conditional options, a variable portion determined according to objectives set in terms of Stock Market price (2); – for half of the conditional options, a variable portion determined according to objectives set in terms of the Group share of net income (GSNI) (3).	The beneficiary may exercise the options only insofar as he/she fulfils continuously from 8 January 2007 to the exercise date, (as this term is defined in the regulations of "Plan 2-2007"), the essential business criteria required to be designated as a beneficiary, namely being a corporate officer within the meaning of Article L. 225-185 of the Commercial Code and as Chairman of a simplified joint-stock company in the Icade Group, and/or an individual who is: – employed by an Icade Group company; and member of the Icade board of management or strategy committee, or carrying out a managerial post within a Group company.	-
Cancelled stock options	119,664	56,242	175,906
Exercised stock options	-	-	-
Outstanding stock options as at 01/01/2013	344,034 options providing entitlement to 172,017 shares in Icade Emgp, renamed "Icade".	134,974 options providing entitlement to 67,487 shares in Icade Emgp, renamed "Icade".	479,008 options providing entitlement to 239,504 shares in Icade Emgp, renamed "Icade".

(1) The Board of Directors of Icade decided, on 31 August 2007, following the distribution of reserves and premiums:
- to reduce the exercise price of the Plans "1-2007" and "2-2007", originally set at €47.70, by €0.39 so as to stand at €47.31;
- to adjust the number of shares under options that can be subscribed for within the framework of Plans "1-2007" and "2-2007" 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 initially granted within the framework of Plan 2007, the balance corresponding to the calculation of fractions.

(1bis) The Board of Directors of Icade decided, on 16 April 2008, following the distribution of reserves and premiums:
- to reduce the exercise price of Plans "1-2007" and "2-2007", set at €47.31, by €0.83 so as to stand at €46.48;
- to adjust the number of shares under options that can be subscribed within the framework of Plans "1-2007" and "2-2007" and to increase them by 7.272 and 2.988 new options respectively, i.e., 0.01 of a new subscription option for one subscription option initially granted within the framework of Plan 2007, the balance corresponding to the calculation of fractions.

(2) Thus, these objectives will be achieved if the annual reference price (defined as the weighted average by daily dealing volumes of the closing price of Icade shares on each stock market day of the financial year in question) is equal to or higher than a coefficient, depending on the reference years, of between 1,115 and 1,375 applied to the flotation price of the absorbed Icade, i.e., €27.90.

(3) Thus, these objectives will be achieved if the annual NPGS rate (defined as the ratio expressed as a percentage between the Group share of net profit and consolidated earnings as shown by the certified consolidated accounts for the year in question) is equal to or higher than a rate, depending on the reference years, of between 6.60% and 7.50%.

"Plan 1-2008"

In accordance with the authorisation given to it by the Ordinary and Extraordinary General Meeting of Icade Emgp (renamed "Icade") of 30 November 2007, the Icade Board of Directors meeting of 30 November 2007 finalised a "Plan 1-2008" in favour of the corporate officers (Article L. 225-185 of the Commercial Code) including the Chairman of a simplified joint stock company in the Group and/or a salaried individual of a company in the Group and member of Executive Committee or Coordination Committee of the Company or performing management duties within a company in the Group.

That same Board of Directors meeting of 30 November 2007 decided that the assignment of the Plan 1-2008 options would take place on 3 January 2008.

The main characteristics of this Plan "1-2008" are described below:

Plan 1-2008

Maximum number of options that can be subscribed for if all the options are assigned and exercised	775,901 (1) and 517,267 per exercise
Total number of share subscription options initially assigned	54,500
New options after adjustments following distribution of reserves (Icade turnover as at 16/04/2008) (1bis)	545
Total number of shares that can be subscribed for by exercising options	55,045 of which 19,695 shares by a non-corporate officer employee (member of the executive committee) and 35,350 shares which can be subscribed by Serge Grzybowski, Chairman and CEO and the only corporate officer concerned.
Total number of beneficiaries	2
Starting point for exercising the options ("opening date")	4 January 2012
Expiry Date	3 January 2014
Subscription price	€101.20
Exercise procedure	These options can be exercised by their beneficiaries with effect from the opening date under the following conditions and in accordance with the following procedures: – up to 40% of the total number of options assigned to them; and; – for the remainder, i.e., 60% of the total number of options assigned to them (the "Conditional Options") under the following conditions and in accordance with the following procedures: – for half of the Conditional Options, a variable portion determined according to objectives set in terms of Stock Market prices (2); – for half of the Conditional Options, a variable portion determined according to objectives set in terms of the Group share of net profit ("NPGS") (3).
Cancelled stock options	12,386 (for failing to meet objectives set under the performance conditions)
Exercised stock options	-
Outstanding stock options as at 31 December 2013	42,659

(1) 23rd Resolution 23 of the Ordinary and Extraordinary General Meeting of shareholders of 30 November 2007 states that: the General Meeting 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 on the day of this meeting during the period of this authorisation (i.e., 38 months) and 1% of the diluted capital on the day of this meeting per financial year.

(1 bis) The Board of Directors of Icade decided, on 16 April 2008, following the distribution of reserves and premiums:

- to reduce the exercise price of the Plan "1-2008", initially set at €103.01, by €1.81 to €101.20;

- to adjust the number of shares under options that could be subscribed for within the framework of the Plan "1-2008" and to increase it by 974 new options, i.e., 0.01 of a new subscription option for one subscription option originally granted within the framework of "Plan 2008", the balance corresponding to the calculation of fractions.

(2) Thus, these objectives will be achieved if the annual reference price (defined as the weighted average by daily dealing volumes of the closing price of Icade shares on each stock market day of the financial year in question) is equal to or higher than a coefficient, depending on the reference years, of between 1.125 and 1.45 applied to the flotation price of the absorbed Icade, i.e., €27.90.

(3) Thus, these objectives will be achieved if the annual NPGS rate (defined as the ratio expressed as a percentage between the Group share of net profit and consolidated earnings as shown by the certified consolidated accounts for the year in question) is equal to or higher than a rate, depending on the reference years, of between 6.90% and 7.80%.

The coefficients applied, (2) and (3), are determined in the Regulations of the Plan. These are examined by the Remunerations Committee then finalised by the Board of Directors, in accordance with the powers granted to it by the Ordinary and Extraordinary General Meeting of Shareholders.

"Plan 1.2-2008"

In accordance with the authorisation given to it by the Ordinary and Extraordinary General Meeting of Icade Emgp (renamed "Icade") of 30 November 2007, the Icade Board of Directors meeting of 24 July 2008 finalised a "Plan 1.2-2008" in favour of the corporate officers (Article L. 225-185 of the Commercial Code) including the Chairman of a simplified joint-stock company in the Group and/or a salaried individual of a company in the Group and member of Executive Committee or Coordination Committee of the Company or performing management duties within a company in the Group.

In accordance with the delegation granted to him by Icade's Board of Directors on 24 July 2008, the Chairman and Chief Executive Officer decided that the assignment of options of Plan "1.2-2008" would take place on 8 August 2008.

The main characteristics of this Plan "1.2-2008" are described below:

	Plan 1.2-2008
Maximum number of options that can be subscribed for if all the options are assigned and exercised	775,901 [1] and 517,267 per exercise
Total number of share subscription options initially assigned	145,000
Total number of shares that can be subscribed for by exercising options	145,000 of which 74,000 shares can be subscribed by the top 10 non-corporate officer employee awardees, 31,000 can be subscribed by the non-corporate employee awardees, and 40,000 shares can be subscribed for Serge Grzybowski, Chairman and Chief Executive Officer and the only corporate officer concerned.
Total number of beneficiaries	24
Starting point for exercising the options ("opening date")	9 August 2012
Expiry Date	8 August 2015
Subscription price	€66.61
Exercise procedure	These options can be exercised by their beneficiaries with effect from the opening date under the following conditions and in accordance with the following procedures: – up to 80% of the total number of options assigned to them; and; – for the balance, i.e., up to 20% of the total number of options assigned to them (the "Conditional Options"), exercisable shall be determined by the change in Icade share price in relation to the variation in the IEIF index [2].
Cancelled stock options	34,200 (including 28,000 for failing to meet objectives set under the performance conditions)
Exercised stock options	-
Outstanding stock options as at 31 December 2013	104,000

(1) 23rd Resolution of the Ordinary and Extraordinary General Meeting of shareholders of 30 November 2007 states that: the General Meeting 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 on the day of this meeting during the period of this authorisation (i.e., 38 months) and 1% of the diluted capital on the day of this meeting per financial year.

(2) Thus these objectives will be achieved if, over the reference periods, the change in Icade's share price (average of the twenty opening prices prior to 2 January of each period) is more than 4% greater than 16% of the variation in the IEIF index over the same periods. However, if the variation in Icade's share price between 2 January 2008 and 2 January 2012 is sixteen per cent (16%) greater than the variation in the IEIF index over the same period, all of the conditional options may be exercised by the beneficiary.

"Plan 1-2011" in stock options

In accordance with the authorisation given to it by the Ordinary and Extraordinary General Meeting of Icade Emgp (renamed "Icade") of 15 April 2009, the Icade Board of Directors meeting of 16 February 2011 finalised a "Plan 1-2011" in favour of the corporate officers (Article L. 225-185 of the Commercial Code) including the Chairman of a simplified joint-stock company in the Group and/or a salaried individual of a company in the Group and member of Executive Committee or Coordination Committee of the Company or performing management duties within a company in the Group.

In accordance with the delegation granted to him by Icade's Board of Directors on 16 February 2011, the Chairman and Chief Executive Officer decided that the assignment of options of Plan "1-2011" would take place on 3 March 2011.

The main characteristics of this Plan "1-2011" are described below:

	Plan 1.2011
Maximum number of options that can be subscribed for if all the options are assigned and exercised	751,361 [(1)] and 498,377 per exercise
Total number of share subscription options initially assigned	147,500
Total number of shares that can be subscribed for by exercising options	147,500 of which 80,500 shares can be subscribed for by the top 10 non-corporate officer employee awardees, 26,000 can be subscribed for by the non-corporate employee awardees, and 40,000 shares can be subscribed for Serge Grzybowski, Chairman and Chief Executive Officer and the only corporate officer concerned.
Total number of beneficiaries	32
Starting point for exercising the options ("opening date")	4 March 2015
Expiry Date	3 March 2019
Subscription price	€80.86
Exercise procedure	These options can be exercised by their beneficiaries with effect from the opening date under the following conditions and in accordance with the following procedures: – up to 35% of the total number of options assigned to them; and; – for the balance, i.e., 65% of the total number of options assigned to them (the "Conditional Options"), exercisable shall be determined by the change in Icade's share price in relation to the variation in the IEIF index [(2)] for 32.5% and depending on the achievement of objectives set in terms of current net cash flow for 32.5%
Cancelled stock options	2,500
Exercised stock options	-
Outstanding stock options as at 31 December 2013	142,000

(1) 18th resolution of the Ordinary and Extraordinary General Meeting of shareholders of 15 April 2009 states that: the General Meeting 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 on the day of this meeting during the period of this authorisation (i.e., 38 months) and 1% of the diluted capital on the day of this meeting per financial year.

(2) Thus, these objectives will be achieved for half of the conditional options if, over the reference periods, the movement in Icade's share price (average of the 20 opening prices prior to 2 January of each period) is 4% to 16% greater than the movement in the IEIF index over the same periods. However, if the Icade share price movement between 2 January 2011 and 2 January 2015 is more than sixteen per cent (16%) of the movement in the IEIF Index over the same period, and the independently determined conditions for each of the periods have not been achieved, 80% of the conditional options may be exercised by the beneficiaries. Similarly, the objectives will be achieved for half the conditional options if, in the first four fiscal years, the 2011 cash flow reaches €240 million, the 2012 cash flow reaches €284 million, the 2013 cash flow reaches €291 million, the 2014 cash flow reaches €337 million. However, if in year 4 the objective is 100% achieved, 80% of the options conditional on cash flow can be exercised by the beneficiaries.

8.1.4. Bonus share distributions

"Icade Bonus Share Distribution Plan 2011"

In accordance with the authorisation given to it by the Ordinary and Extraordinary General Meeting of Icade Emgp (renamed "Icade") of 15 April 2009, the Icade Board of Directors meeting of 16 February 2011 finalised a Bonus Share Distribution Plan in favour of the corporate officers (Article L. 225-185 of the Commercial Code) including the Chairman of a simplified joint stock company in the Group and/or a salaried individual of a company in the Group and member of Executive Committee or Coordination Committee of the Company or performing management duties within a company in the Group.

In accordance with the delegation granted to him by Icade's Board of Directors on 16 February 2011, the Chairman and Chief Executive Officer decided that the assignment of options of Plan 2011 would take place on 3 March 2011.

The main characteristics of this Plan 2011 are described below:

	Plan 2011
Maximum number of shares that may be assigned	498,377 (1)
Total number of shares initially assigned	17,660
Maximum number of shares that may be acquired	17,660, i.e., 10 shares per employee present and holding a permanent contract on 31 January 2011 and still present on the day of allocation. (2)
Total number of beneficiaries	1,766
Acquisition date	4 March 2013
Disposal date	3 March 2015
Assignment price	€80.86 (3)
Acquisition procedure	These shares will be permanently acquired by their beneficiary provided that said beneficiary is still present within the company on the acquisition date.
Cancelled shares	2,790
Shares acquired March, 2013 (4)	14,860

(1) 19th resolution of the Ordinary and Extraordinary General Meeting of shareholders of 15 April 2009 states that: the General Meeting decides that the total number of shares thus consented may not represent a nominal amount of increase in capital exceeding 1% of diluted capital on the day of the general meeting over the period of this authorisation (i.e., thirty-eight months).
(2) The members of the Executive Committee and the Coordination Committee, who already benefit from a stock option subscription plan, declined the bonus shares that were awarded to them under this democratic plan.
(3) Average of the 20 most recent prices, prior to 3 March 2011.
(4) Includes shares acquired early in accordance with the rules defined in the plan regulations.

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"Plan 1-2012" and "Plan 2-2012" for distribution of Icade bonus shares

In accordance with the authorisation given to it by the Ordinary and Extraordinary General Meeting of Icade Emgp (renamed "Icade") of 15 April 2009, the Icade Board of Directors meeting of 16 February 2012 finalised a Bonus Share Distribution Plan in favour of the corporate officers (Article L. 225-185 of the Commercial Code) including the Chairman of a simplified joint-stock company in the Group and/or a salaried individual of a company in the Group and member of Executive Committee or Coordination Committee of the Company or performing management duties within a company in the Group.

In accordance with the delegation granted to him by Icade's Board of Directors on 16 February 2012, the Chairman and Chief Executive Officer decided that the assignment of options under the two 2012 Plans would take place on 2 March 2012.

The main characteristics of Plan-1-2012 and Plan-2-2012 are described below:

Plan -1-2012

Maximum number of shares that may be assigned	498,377 (1)
Total number of shares initially assigned	26,190
Maximum number of shares that may be acquired	26,190, i.e., 15 shares per employee present and holding a permanent contract on 31 December 2011 and still present on the day of the assignment.
Total number of beneficiaries	1,746
Acquisition date	3 March 2014
Disposal date	2 March 2016
Assignment price	€62.84 (2)
Acquisition procedure	These shares will be permanently acquired by their beneficiary provided that said beneficiary is still present within the company on the acquisition date.
Cancelled shares	2,590
Shares acquired (3)	30
Remaining shares at 31/12/2013	23,640

(1) 19th resolution of the Ordinary and Extraordinary General Meeting of shareholders of 15 April 2009 states that: the General Meeting decides that the total number of shares thus consented may not represent a nominal amount of increase in capital exceeding 1% of diluted capital on the day of the general meeting over the period of this authorisation (i.e., thirty-eight months).
(2) Average of the 20 most recent prices, prior to 3 March 2012.
(3) As at 31/12/2013, there were two early acquisitions in accordance with the rules defined in the plan regulations (i.e., 30 shares for death and disability).

Plan 2-2012

Maximum number of shares that may be assigned	498,377 (1)
Total number of shares initially assigned	28,290
Maximum number of shares that may be acquired	28,290, of which 14,140 shares may be acquired by the top 10 non-corporate officer employee awardees, 8,166 can be subscribed by the non-corporate employee awardees, and 5,984 shares can be acquired by Serge Grzybowski, Chairman and Chief Executive Officer and the only corporate officer concerned.
Total number of beneficiaries	35
Acquisition date	3 March 2014
Disposal date	3 March 2016
Assignment price	€62.84 (2)
Exercise procedure	100% of these shares will be permanently acquired by their beneficiary provided that said beneficiary is still present within the company on the acquisition date and that the current net cash flow meets the objective set under the plan's performance conditions.
Cancelled shares	2,652
Acquired shares	-
Remaining shares at 31/12/2013	25,638

(1) 19th resolution of the Ordinary and Extraordinary General Meeting of shareholders of 15 April 2009 states that: the General Meeting decides that the total number of shares thus consented may not represent a nominal amount of increase in capital exceeding 1% of diluted capital on the day of the general meeting over the period of this authorisation (i.e., thirty-eight months).
(2) Average of the 20 most recent prices, prior to 3 March 2011.

8.1.5. Information on stock options issued by the Company granted and exercised by employees who are not corporate officers during the year

Date on which the options were granted Exercise of stock options granted to employees who are not corporate officers (aggregate information)	None
Options granted by the Company during the year to the 10 employees who are not corporate officers, who received the highest number of options thus granted	0
Share subscription price	0

Stock options granted to the top ten non-corporate officer employee awardees and options exercised by the latter during the year.	Total number of options allocated/ shares subscribed or purchased	Weighted average price	Plan 1	Plan 2
Options granted during the year by the issuer and any company included within the scope of allocations of options to the ten employees of the issuer and any company within this scope, who received the highest number of options thus granted (aggregate information).	0	-	-	-
Options held on the issuer and the companies previously named exercised during the year by the ten employees of the issuer or of these companies, who received the highest number of options thus purchased or subscribed (aggregate information).	0	-	-	-

9. Administration and management

9.1. BODIES

9.1.1. The Board of Directors

9.1.1.1. Declarations relating to corporate governance

Out of concern for transparency and public information, Icade refers to the AFEP-MEDEF Corporate Governance Code dated 16 June 2013 (**AFEP-MEDEF Recommendations**). The specific report of the Chairman of the Board of Directors describing the board's composition and the application of the principle of equal representation of men and women within its membership, conditions for the preparation and organisation of the work of the Board of Directors, and internal control and risk management procedures implemented by the Company (the **Report of the Chairman of the Board of Directors drawn up pursuant to Article L. 225-37 of the Commercial Code**) can be found in Chapter 5 of this annual report.

Icade applies all AFEP-MEDEF Recommendations with the exception of the following, for the reasons mentioned below:

Staggered renewal of the terms of corporate officers

Given the expiration dates of the various current terms of directors, the staggered renewal of the terms of corporate directors is actually being applied and there has been no need for it to be formally organised, specifically in the corporate Articles of Association.

All bonus shares awarded to the senior executive corporate officer subject to performance conditions

Most, but not all, of the options or bonus shares awarded to the Chairman and CEO are subject to performance conditions.

However, the Chairman and CEO agreed, during the Board of Directors' meeting on 20 December 2012, to propose that the Board make all options and bonus shares that may be awarded to him in the future subject to performance conditions.

The internal regulations of the Company describe the composition and duties of the Board of Directors and the rules governing its functioning. In particular it describes the criteria used to qualify an independent director, sets the rules for assessing the work of the board and the composition, duties and responsibilities of each of the committees. The Icade directors' charter specifies the duties and obligations of each director particularly in terms of conflicts of interest, participation in the work of the board and contribution to good governance. Lastly, the Board of Directors has prepared a guide to the prevention of insider trading containing a series of specific obligations covering permanent and occasional insiders.

The internal regulations of the Board of Directors also stipulate the terms under which the work of the board is assessed.

In 2013, the Board of Directors conducted a self-evaluation to assess its ability to respond to shareholders' expectations by analysing its composition, organisation and operating procedures, as well as the composition, organisation, and operating procedures of its committees. In particular, it checked that major issues were suitably prepared and debated and measured the effective contribution of each director to the work of the Board and the committees on the basis of their skills and their involvement in discussions.

The results of this research were presented and discussed by the Board of Directors on 3 December 2013.

This self-evaluation showed that the directors feel adequately informed by the Company's management and that they believe that the Board discussions led by the Chairman facilitate dialogue. They expressed a desire for more information on comparisons with other companies within the sector, tracking of strategic decisions and the internal operations of the Company.

As a result, there are plans to improve the information made available to the directors to monitor strategic decisions and the internal operations of the Company and to regularly provide them with analyses comparing the organisation's performance to that of other companies in the sector.

The number of meetings held in the past year and members' rate of attendance along with a summary of each of the committees' activities during the previous year are provided in the Chairman's Report.

The regulations governing the payment of directors' fees and individual payments made to directors as well as the allocation criteria are set out in Chapter 5, paragraph 1.2.5.1., page 160 and Chapter 8, paragraph 9.2.2., page 272 of the reference document.

The Stock Option Plans 1-2008 and 1.2-2008 determined by the Board of Directors of Icade on 30 November 2007 and 24 July 2008 respectively, that is, prior to the publication of the AFEP-MEDEF Recommendations on the remuneration of senior executive corporate officers of listed companies, to some extent anticipated the said recommendations as they specified the performance conditions for exercising a part of the options awarded. Furthermore, over 60% of the total number of options awarded under Plans 1-2008 and 1.2-2008, the exercise of which is partially subject to performance conditions, were for the benefit of beneficiaries who are not senior executive corporate officers and to whom the AFEP-MEDEF Recommendations do not apply. These recommendations were applied to senior executive corporate officers who are beneficiaries of the 1-2011 Stock Option Subscription and Purchase Plans by Icade's Board of Directors of 16 February 2011 and of the 2-2012 Stock Option Purchase Plan approved by Icade's Board of Directors of 16 February 2012.

In connection with the reappointment of the Chairman and Chief Executive Officer, the Board of Directors, at its meeting of 7 April 2011 resolved to grant him, in the event of a forced departure related to a change of control (within the meaning of Article L.233-3 of the French Commercial Code) or strategic disagreement with the Board of Directors, a severance payment of which (i) the amount will be capped at two years' fixed and variable remuneration and (ii) the payment will be subject to performance conditions in accordance with applicable regulations and the AFEP-MEDEF Recommendations.

In addition, the Company, as a member of the FSIF (Federation of Property and Investment Companies) refers to the Code of Ethics of listed property investment companies, established by the FSIF. Thus, Icade's board meeting of 18 December 2009 adopted the Icade Code of Ethics, covering the application and compliance with the Code of Ethics for listed investment companies established by the FSIF.

9.1.1.2. Composition of the Board of Directors and directorships

The Icade Board of Directors consists of 14 directors, five of whom are independent directors (more than a third):

- Christian Bouvier;
- Caisse des Dépôts et Consignations, represented by Maurice Sissoko;
- Cécile Daubignard, independent director;
- Olivier de Poulpiquet, independent director;
- Jean-Paul Faugère;
- Benoît Faure-Jarrosson, independent director;
- Nathalie Gilly;
- Serge Grzybowski, Chairman and Chief Executive Officer of Icade;
- Marie-Christine Lambert, independent director;
- Benoît Maes, independent director;
- Olivier Mareuse;
- Alain Quinet;
- Céline Scemama and
- Franck Silvent.

Since 2 September 2013, the permanent representative of Caisse des Dépôts, a director of Icade, has been Maurice Sissoko, Chief Executive Officer, Informatique CDC .

Icade's Board of Directors made a case-by-case examination of the independent character of these five directors and decided, on recommendation from the Appointments and Remuneration Committee, to consider these five directors, who fulfil the following criteria, as independent:

a) he/she is not an employee or corporate officer of the Company, an employee or corporate officer of a company or entity belonging to the Group and has not been so for the last five years;

b) he/she is not a corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or a corporate officer of the Company (current or having been so for less than five years) holds a directorship;

c) he/she is not a customer, supplier, commercial banker or financial banker of the Company or its Group, or for which the Company or its Group neither represents a significant share of activity nor is linked directly or indirectly to any of the individuals mentioned above;

d) he/she has no close family ties with a corporate officer or employee holding management positions with a Group company or entity;

e) he/she has not been, during the last five years, a statutory auditor of the Company, or of a company or entity holding at least 10% of the Company's share capital or of a company in which the Company holds at least 10% of the share capital, when his/ her term of office ended;

f) he/she has not been a company director for more than 12 years, noting that the loss of status of independent director occurs only upon expiration of the term of office during which the 15-year duration is exceeded;

g) he/she is not or does not represent a shareholder owning more than 10% of the share capital or voting rights in the Company or the parent company.

Further, the internal regulation of the Icade Board of Directors notes that the board may always take the position that a director, although meeting the above criteria, must not be considered as independent given his or her specific situation or that of the Company, with regard to its shareholder structure or for any other reason, and vice versa.

Icade, whose Board is composed of a total of 14 directors, five independent directors (35.70%), and 28.6% women, is in compliance with the rule set by the Viénot report of July 1999 and Articles 6.3 and 6.4 and 9 of the AFEP-MEDEF Corporate Governance Code.

The following table gives the names, appointment and term expiration dates, and other corporate offices held by Icade's Board Members over the past five years:

First name, last name and business address	Date of appointment	Date of expiry of office	Office and main function in the Company	Other offices and positions held over the last five years	
				Current	**Expired**
Caisse des Dépôts ("CDC") 56, rue de Lille 75007 Paris Shares held: 1 Permanent representative: **Maurice Sissoko** 47 years old	Appointed by the Combined Ordinary and Extraordinary General Meeting of 30/11/2007 Re-elected by the Combined General Meeting of 07/04/2011	General Meeting ruling on the accounts for the year ending 31/12/2014	Director Member of the Group Management Committee	**Chairman** CDC Arkhineo **Chairman of the Supervisory Board** CDC Fast **Chairman of the Board of Directors** SCET **Director** CDC Informatique SCET **Member of the Strategic Committee** Neocase Software **Permanent representative of the CDC on the Board of Directors** Icade C LOG International **Functions:** CEO of Informatique CDC	**Director** Neocase C LOG International **Member of the Supervisory Board** Achatpublic.com **Permanent representative of the CDC on the Board of Directors** ARCAT
Bouvier Christian 64, rue Madame 75006 Paris 76 years old Shares held: 80	Re-elected by the General Meeting of 16 April 2008 1st appointment on 23 June 1999 at Icade (ex-EMGP) Re-elected by the General Meeting of 22 June 2012	General Meeting ruling on the accounts for the year ending 31 December 2015	Director Member of the Strategy and Investment Committee	**Director** HLM Pax Progres Pallas HLM Domaxis	**Director** Établissement Public du Palais de Justice de Paris Société d'Autoroute ASF Société d'Autoroute Escota **Member of the Appointments and Remuneration Committee** Icade
Daubignard Cécile: 48 route de Montesson 78110 Le Vésinet 49 years old Shares held: 1	Appointed by the General Meeting of 22 June 2012	General Meeting ruling on the accounts for the year ending 31/12/2015	(Independent) Director	**Member of the Supervisory Board** Réunima **Director** STAR	**Director** Amaline Assurance
De Poulpiquet de Brescanvel Olivier 11 Ardmore Park 06-02,259957 Singapore 48 years old Shares held: 1	Co-opted by the Board of Directors on 22 June 2012	General Meeting ruling on the accounts for the year ending 31/12/2013	(Independent) Director Member of the Strategy and Investment Committee Member of the Appointments and Remuneration Committee	**Co-Chairman:** Morgan Stanley Real Estate Investing (MSREI) **Co-Director of investments:** Morgan Stanley Real Estate Investing (MSREI) **Director:** Japan Core Property Fund Ltd MBA Real Estate de Columbia University **Member of the Investment Committee:** Japan Core Property Fund Ltd **Member of the Board of Directors and Member of the Audit Committee** Canary Wharf Group	**Director** Pirelli RE SPA **Member of the *Management Board*: EPRA** EPRA (European Public Real Estate Association)

First name, last name and business address	Date of appointment	Date of expiry of office	Office and main function in the Company	Other offices and positions held over the last five years	
				Current	**Expired**
Faugère Jean-Paul 4, place Raoul Dautry, 75716 Paris cedex 15 57 years old Shares held: 1	Co-opted by the Board of Directors on 20 December 2012 and ratified by the Combined Ordinary and Extraordinary General Meeting of 12 April 2013	General Meeting ruling on the accounts for the year ending 31/12/2014	Director Member of the Strategy and Investment Committee	**Chairman of the Board of Directors of CNP Assurances (29/06/2012)** **Director** Caixa Seguros Brésil	
Faure-Jarrosson Benoît 20, rue de Seine 75006 Paris 50 years old Shares held: 1	Appointed by the Combined Ordinary and Extraordinary General Meeting of 30/11/2007 Reappointed by the Combined Ordinary and Extraordinary General meeting of 07/04/2011	General Meeting ruling on the accounts for the year ending 31 December 2014	(Independent) Director Chairman of the Audit, Risk and Sustainable Development Committee	**Managing Partner** Faure-Jarrosson Financial analysis Faure-Jarrosson Arbitrage **Director** Strand Europe Cosmetics SA Gestion 21 SA Cie Immobilière Acofi SA	**Member of the Audit, Risk and Sustainable Development Committee** Icade
Gilly Nathalie 15, quai Anatole France 75007 Paris 49 years old Shares held: 1	Appointed by the Combined General Meeting of 07/04/2011	General Meeting ruling on the accounts for the year ending 31/12/2014	Director	**Director of Banking Services** Caisse des Dépôts **Chairman of the Board of Directors** CDC Placement **Director** CDC Climat Informatique CDC GIP ADAJ La Banque Postale Collectivités Locales **Permanent representative of CDC** At the General Assembly of the Fondation pour le Droit Continental On the board of Elan CDC On the board of Caisse Nationale des Autoroutes On the board of ASINCA **Other positions** Representative of Elan CDC on the board of DINAMIC	**Chairman of the Board of Directors** CDC Trésor Première Monétaire Fonsicav Oblisécurité Sicav **Director** AEW Europe SAGACARBON **Permanent representative** CDC Trimestriel At the office of the APCC

First name, last name and business address	Date of appointment	Date of expiry of office	Office and main function in the Company	Other offices and positions held over the last five years	
				Current	**Expired**
Grzybowski Serge 35, rue de la Gare 75019 Paris 55 years old Shares held: 1	Appointed by the Combined Ordinary and Extraordinary General Meeting of 30/11/2007 Reappointed by the Combined General Meeting of 07/04/2011	General Meeting ruling on the accounts for the year ending 31/12/2014	Chairman of the Board of Directors and CEO Chairman of the Strategy and Investment Committee	**Member of the Group Management Committee** CDC **Icade representative as Chairman** SAS 21/29 Rue des Fontanot SAS Foncière Nanteuil SCI SEPAC SAS SOCOMIE SAS HAVANE SCI JCB2	**Chairman and Chief Executive Officer** Icade, absorbed by Icade (ex-Icade Emgp) **Chairman of the Board of Directors** Compagnie la Lucette (Merged by Icade) **Chairman** Icade Tertial Régions SAS Icade Tertial SAS Icade Property Management SAS (ex-Icade Gestion Tertiaire) Icade Eurogem SAS **Member of the Executive Management Committee** HSBC France Head of Financial Institution Group, European Head, Real Estate HSBC – plc **Director** Icade, absorbed by Icade (ex-Icade Emgp) Icade Foncière des Pimonts, absorbed by Icade (ex-Icade Emgp) Compagnie la Lucette (absorbed by Icade) Silic SA (absorbed par Icade) **Permanent representative of the manager/ co-manager in the SCI/SNC** Icade **Permanent representative of Icade** **Director of Icade (ex-Icade Emgp);** – Director of Icade Patrimoine, absorbed by Icade (ex-Icade Emgp)
Lambert Marie-Christine 208, rue Raymond Losserand 75014 Paris 60 years old Shares held: 10	Co-opted by the Board of Directors on 6 December 2011 Re-elected by the General Meeting of 22 June 2012	General Meeting ruling on the accounts for the year ending 31/12/2015	Director (independent) Member of the Audit, Risk and Sustainable Development Committee	**Deputy CFO** Orange group **Director** Orange Studio Buy in joint venture (Orange / Deutsche Telekom) **Member of the Supervisory Board and Audit Committee** Orange Polska	**Director** Orange France

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First name, last name and business address	Date of appointment	Date of expiry of office	Office and main function in the Company	Other offices and positions held over the last five years – Current	Other offices and positions held over the last five years – Expired
Maes Benoit 26 rue de l'Université 75007 Paris 56 years old Shares held: 1	Appointed by the General Meeting of 22 June 2012	General Meeting ruling on the accounts for the year ending 31/12/2015	(Independent) Director Member of the Appointments and Remuneration Committee	**Chairman of the Board of Directors** Compagnie Foncière Parisienne **Chairman of the Board of Directors** France Gan **Chairman of the Board of Directors** Groupama Asset Management **Director** Groupama Gan Vie **Chairman of the Board of Directors** Groupama Immobilier **Chairman of the Board of Directors** Groupama Japon Stock **Chairman of the Board of Directors** Securi-Gan **Director** La Banque Postale Assurances IARD	**Chairman of the Supervisory Board** Reunima **Groupama SA permanent representative** Groupama Banque (Director) **Chief Executive Officer** Groupama Gan Vie Cegid Group Gan Assurances **Chairman of the Board of Directors** Groupama Private Equity
Mareuse Olivier 56, rue de Lille 75007 Paris 50 years old Shares held: 1	Co-opted by the Board of Directors on 31 May 2011	General Meeting ruling on the accounts for the year ending 31/12/2014	Director	**Chief Financial Officer** Member of the Management Committee Caisse des Dépôts group **Director** AEW Europe Société Forestière de la CDC CDC Infrastructure French Association of Institutional Investors (AF2i) **Permanent representative of CDC** Qualium Investissement (Director) Veolia Environnement (Director) CNP Assurances (Director)	**Investment Director** CNP Assurances (1999-2010) **Director** Fonds Stratégique d'Investissement DEXIA Groupe SA CDC Entreprise

First name, last name and business address	Date of appointment	Date of expiry of office	Office and main function in the Company	Other offices and positions held over the last five years – Current	Other offices and positions held over the last five years – Expired
Quinet Alain 92, avenue de France 75013 Paris 52 years old Share held: 1	Co-opted by the Board of Directors on 24 July 2008 and ratified by the Combined Ordinary and Extraordinary General Meeting of 15 April 2009 Re-elected by the General Meeting of 22 June 2012	General Meeting ruling on the accounts for the year ending 31/12/2015	Director	**Chief Operating Officer** Réseau Ferré de France **Observer** CNP Assurances SA **Director** Lyon Turin Ferroviaire SAS	**Member of the Management Committee** Director of Finance and Strategy of the CDC Group **Chairman and Chief Executive Officer** CDC Entreprises Capital Investissement Financial Transdev **Chairman of the Board of Directors** CDC Infrastructure Egis **Director** Accor Compagnie des Alpes Dexia SA Dexia Crédit local Eiffage Réseau Ferré de France Société Forestière de la CDC **Member of the Supervisory Board** Électricité Réseau Distribution France Compagnie des Alpes **Permanent representative of** CDC, member of the Supervisory Board of Compagnie Nationale du Rhône CDC, Director of CDC International CDC, Director of the Fonds Stratégique d'Investissement Financière Transdev, Director of Transdev **Member of the Strategic Committee** **CNP Assurances** Member of the Strategy and Investment Committee **Icade** Functions Chairman of the Commitments Committee of Egis Member of the Audit Committee of CNP Assurances Chairman of the Commitments Committee of Réseau Ferré de France Member of the Strategy Committee of Electricité Réseau Distribution France Member of the Commitments Committee of Accor Member of the Strategy Committee and Remuneration Committee of Compagnie des Alpes Member of the Accounts Committee of Eiffage Member of the Audit and Risks Committee, the Investment Committee and the Remuneration Committee of FSI

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First name, last name and business address	Date of appointment	Date of expiry of office	Office and main function in the Company	Other offices and positions held over the last five years – Current	Other offices and positions held over the last five years – Expired
Scemama Céline 56, rue de Lille 75007 Paris 42 years old Shares held: 1	Appointed by the Combined General Meeting of 07/04/2011	General Meeting ruling on the accounts for the year ending 31/12/2014	Director Member of the Strategy and Investment Committee	**Director in charge of the real estate portfolio, forests, capital expenditure and financial holdings** Caisse des Dépôts **Chairman and Chief Executive Officer** Société Foncière Mogador **Director** SITQ Les Tours SA **Permanent representative of CDC** AIH France (Director) Foncière Franklin (Director) SAGITRANS (Director) SAFITRANS (Director) GIE RER 97 (sole Director) Société d'Épargne Forestière, "Sustainable Forests" (Member of the Supervisory Board) **Chairman of the Investment Committee** Société d'Épargne Forestière, "Sustainable Forests" **Member of the *Advisory Board*** European Property Investors PBW Real Estate Fund NV European Property Investors **Member of the Investment Committee** Patrimonio Uno Curzon Capital Partners II LLP **Member of the Strategic Committee** Neocase Software	**Director** Verdun Participations 1 Verdun Participations 2 **Permanent representative of CDC** Alteau SAS

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First name, last name and business address	Date of appointment	Date of expiry of office	Office and main function in the Company	Other offices and positions held over the last five years – Current	Other offices and positions held over the last five years – Expired
Franck Silvent 56, rue de Lille 75007 Paris 41 years old Shares held: 1	Co-opted by the Board of Directors on 12 April 2013	General Meeting ruling on the accounts for the year ending 31/12/2013	Director President of the Appointments and Remuneration Committee	**Director** CNP Assurances Transdev Group La Poste BPI Groupe BPIFRANCE Participations BPIFRANCE Investissement **Permanent representative of CDC as director** CDC International Capital **Chairman of the Audit Committee** La Poste Transdev Group **Member of the Quality and Sustainable Development Committee** La Poste **Member of the Investment Committee** BPIFRANCE Participations	**Director** Premier Financial Services Lafuma Swissalp SA Compagnie du Mont Blanc - CMB SAS Santoline **Chairman** CDA Brands Centrale Investissement Et Loisirs (CIEL) Compagnie Immobilière des 2 Savoie Compagnie Financière de Loisirs COFILO SAS **Member of the Executive Board** Compagnie des Alpes **Chairman of the Supervisory Board** Compagnie des Alpes-Domaines Skiables (CDA-DS) **Vice-Chairman of the Supervisory Board** Domaine Skiable de Flaine (DSF) Domaine Skiable du Giffre **Member of the Supervisory Board** Looping Holding Société du Parc du Futuroscope CNP Assurances **Permanent representative of Compagnie des Alpes** BELPARK BV (Director) Compagnie des Alpes Financement (Manager) Grévin et Cie SA (Director) Musée Grévin (Director) Safari Africain de Port Saint-Père Valbus SAS (Director) **Chief Operating Officer** Compagnie des Alpes **Member of the Audit Committee** SAS Santoline

As far as the Company is aware: there are no family links between the corporate officers and the other senior managers of the Company; no corporate officer and no senior manager of the Company has, over the last five years (I) been convicted of fraud, (II) been associated with bankruptcy, placed under compulsory administration or liquidation or (III) been charged with an offence and/or official public sanction ordered by statutory or regulatory authorities; no corporate officer has been prevented by a Court from acting as a member of a management or supervisory body of an issuer or from being involved in the management or conduct or the business affairs of an issuer over the last five years.

9.1.1.3. Personal information concerning current members of the Board of Directors

The directors have the following experience:

Maurice Sissoko

Maurice Sissoko, 47, Inspector General of Finance, is a graduate of the National School of Taxes ("l'Ecole nationale des impôts", ENI). Tax auditor from 1987 to 1991, he was then appointed tax inspector in the management of national and international verifications where he inspected insurance, reinsurance and property lease companies. In 1999 he became senior tax inspector, head of a research section and the fight against tax evasion in the financial sector in the national department of tax investigation. In 2001, he was appointed to the French Ministry of the Economy, Finance and Industry, where he carried out several audit and consulting missions in the financial sector. In 2005, he joined the Caisse des Dépôts where he was appointed director of loans and housing in the savings funds department (financing for social housing, transport infrastructure and public interest missions. In 2008, he became director of Icade's "real estate services" division, a real estate subsidiary of the Caisse des Dépôts. Member of Icade's Executive Committee, he is responsible for the activities of property and facility management, consulting and real estate solutions (engineering, safety, asset management and digital solutions), administration of goods and residences with services. In 2010, he was appointed CEO of Informatique CDC and Chairman of the companies Fast and Arkhineo (2011), companies specialised in computer systems and management of flow and secured digital archives. Since 2013, he has also been the Chairman of the Board of Directors of the SCET ("Société de Conseil et d'Expertise des Territoires"). He is a member of the management committee of the Caisse des Dépôts Group.

Christian Bouvier

Christian Bouvier began his career as official representative with the Deputy General of the Paris Region and then as engineer to the Essonne public works department (DDE), responsible for major works and public construction. From 1970 to 1978, he was Director of the Tête – Défense project within the Établissement Public pour l'Amenagement de La Défense (EPAD), and then became technical adviser to the Office of Michel d'Ornano, Minister of the Environment and Living Standards. From 1981 to 1987, he was the director of SGE Construction and then became Chairman and Chief Executive Officer of BORIE-SAE, a public works subsidiary of the SAE. From 1993 to 2004, he held the position of CEO of EPAD.

Cécile Daubignard

A graduate of the École Centrale de Lyon, with an MBA from the École Supérieure de Commerce de Lyon, a graduate of the Centre d'Études Actuarielles (CEA), and a member of the French Actuarial Institute, Cécile Daubignard began her career at the Mazars accounting firm, in charge of auditing and consulting.

In 1995 she joined the Groupama group as Auditing Manager within the Gan Auditing Department, and then joined the Health Department in 1997 as Manager of Accounting and Actuarial Services.

In 1999, she joined the International Department of Groupama S.A., where she headed the Financial Engineering Department then the Planning, Budget and Results Department. She managed the Initial Public Offering project in 2002 within the Group's Finance Department and in 2005 became project officer to the CEO of Groupama SA.

In January 2008, Cécile Daubignard was appointed Chief Strategy Officer. She joined the Executive Management Committee of Groupama SA in July 2011.

Olivier de Poulpiquet

Holding an MBA from Columbia University, Olivier de Poulpiquet began his career in the Banking and Investment division of Morgan Stanley in 1994 and two years later joined Morgan Stanley Real Estate Investing (MSREI). He served as Head of Acquisitions in Italy and, a few years later, *Co-Head of European Real Estate Investing,* where he was in charge of all of MSREI's European funds (*Core, Special Situations* and MSREF). In 2004, Olivier de Poulpiquet left Morgan Stanley to join Pirelli RE and in June 2008 was appointed *Executive Board Member* of Pirelli RE and *Chief Investment Officer,* responsible for raising funds, allocation of real estate assets, investment decisions and a *asset management* for the Group. In May 2010, Oliver joined Morgan Stanley. Based in London until mid-2011, he currently serves as *Co-Chief Executive Officer* and *Co-Chief Investment Officer* at Morgan Stanley Real Estate Investing in Singapore.

Jean Paul Faugère

A former student of the École Polytechnique and the École Nationale d'Administration, Jean Paul Faugère, 56 years old, served as Director of the Office of the Prime Minister from 2007 to 2012. Prior to this, he worked as Director of the Office of François Fillon (in charge of Social Affairs, then of National Education) from 2002–2005 and Prefect of the Alsace-Bas Rhin region from 2005–2007. Faugère has been Chairman of the Board of Directors of CNP Assurances since 29 June 2012.

Previously, Jean Paul Faugère held the following positions and offices: Insurance Commissioner (1980-1981), Auditor to the Conseil d'État (1983), Deputy Secretary General of the Conseil d'État (1986–1987), Technical Adviser of the Ministry of Infrastructure, Housing, Territorial Development and Transport (1987–1988), Government Commissioner to the Combined Court of the Conseil d'État (1988–1990), Financial Director (1991–1994) of the French Atomic Energy Commission (CEA), Director of Civil Liberties and Legal Affairs for the Ministry of the Interior and Spatial Planning (1994–1997), Prefect of Loir-et-Cher (1997–2001), Prefect of Vendée (2001–2002), and member of the Conseil d'État (1998).

Benoît Faure-Jarrosson

Benoît Faure-Jarrosson, who holds a Master's degree in Business Law, a postgraduate "DESS" degree in Banking Law from IAE de Paris, a "DESCF" postgraduate degree in Accounting and Finance, and a "DEA" postgraduate degree in History of Law, has been a financial analyst since 1987. An independent consultant since 1989, he has been in the property sector since 1992, working with IEIF from 1992 to 1994), stockbrokers Fideuram-Wargny from 1995 to 2006 and then Invest Securities. From 1990 to 2006 he also wrote a stock market column for the magazine Challenges, taught property analysis at the University of Paris XII and published numerous articles on property investment analysis. He is responsible for the property sector group of the SFAF (Société Française des Analystes Financiers – French Society of Financial Analysts), and is Chairman of the IPD France Indices Committee.

Nathalie Gilly

Nathalie Gilly is a graduate of the Paris Institute of Political Science (IEP de Paris) and holder of a "DESCF" postgraduate degree in Accounting and Finance. She began her career in 1987 at Price Waterhouse and joined Caisse des Dépôts in 1994 in the Department of Banking and Finance Operations (DABF) as a financial auditor and then as Head of Internal Audit. In 2000, Nathalie Gilly joined the Department of Statutory Banking and in 2003 became Head of the Strategy and Customer Department. After serving as Deputy to the Director of Banking Services from 2008, she was appointed Director of Banking Services in 2010 and in that capacity is a member of the Caisse des Dépôts Management Committee.

Serge Grzybowski.

A graduate of the Paris Institute of Political Studies and former pupil of the ENA, Serge Grzybowski began his career as Civil Administrator in the Local Development Department of Caisse des Dépôts from 1983 to 1987 then in the sub-department of savings and financial markets of the Office of Housing and Construction Financing of the Treasury Department from 1987 to 1989. He was Deputy Managing Director of the Bourdais Group from 1989 to 1992, Deputy Managing Director and then Managing Director of the Banque la Henin from 1992 to 1997, Member of the Executive Board and Managing Director of the Banque du Developpement des PME, the CEPME and Sofaris from 1997 to 2000, Managing Director and Chairman of Banque Worms from 2000 to 2001. He then continued his career in Gecina as Managing Director from 2001 to 2005 and then joined HSBC France in 2006 as Director of Financial Institutions and European Property Manager. Appointed Chairman and Chief Executive Officer of Icade in August 2007 and Icade Emgp in September 2007, he was re-elected Chairman and Chief Executive Officer of Icade (formerly Icade Emgp) on 30 November 2007, following the merger-absorption of Icade. Grzybowski was Chairman of the France Green Building Council from October 2010 to July 2013 and has been Chairman of the Board of Directors of the European Public Real Estate Association (EPRA) since 12 March 2014.

Marie-Christine Lambert

Marie-Christine Lambert, a graduate of the ESC Dijon with a Finance major, is deputy financial director of the Orange group. After joining France Télécom in 1992, she served successively as Finance Director of the IT subsidiaries, Chief Financial Officer of cell phones in France, *Chief Financial Officer* of the Orange division (the Group's mobile phone arm) and then Director of Finance and Operations Management in France (landlines and cell phones). Marie-Christine Lambert began her career in 1975 in a French subsidiary of ITT, and then worked in operational finance in industry, services and telecommunications.

Benoît Maes

A Corps des Mines engineer and graduate of the French Actuarial Institute, Benoît Maes began his career working in government. He was Project Leader with the prefect of France's Central Region from 1982 to 1985, Secretary General of the Energy Observatory from 1987 to 1988 and Technical Adviser to the Cabinet of the Ministry of Industry from 1988 to 1990. In 1991, he joined the Gan Group where he exercised various functions as manager of the general technical studies department, the management of individual life insurance and in distribution management before becoming, in 2002, deputy CEO of Gan Assurances. Maes became Groupama SA's Executive Director of Auditing and Actuarial Services in 2005. In 2007 he was appointed Managing Director of Gan Assurances. In 2010, he became Managing Director of Groupama Gan Vie and Director of Individual Insurance for Groupama SA. He has been the Chief Financial Officer of Groupama SA since December 2011.

Olivier Mareuse

Graduate of the Paris Institute of Political Studies, former student of the ENA, Oliver Mareuse began his career in 1988 in the management of group insurance for CNP Assurances, as deputy manager of the financial establishments department and then as technical, administrative and accounting director in 1989. In 1991, he was appointed policy officer to the CEO, then director of strategy, control and management of shareholder relations in 1993. Appointed in 1999, director of investments of CNP Assurances, Olivier Mareuse rejoined the Caisse des Dépôts in October, 2010, as deputy CFO of the Caisse des Dépôts. Since December 2010 he has served as Chief Financial Officer of the Caisse des Dépôts group.

Alain Quinet

Former student of the École Nationale d'Administration (ENA), he has successively held the post of Economist at the Forecasting Department of the Ministry of the Economy, Finance and Industry (1988–1992), and at the Department of Economic Affairs of the Organisation for Economic Co-operation and Development (OECD) (1992–1994), Head of the Office of Economic Forecasting at the Forecasting Department (1995–1997), Head of the Department of Macro-Economic Studies for France at the Banque de France (1997–1999), Sub-Director of Macro-Economic and Financial Summaries at the Forecasting Department (1999–2002), Economic Adviser to Jean-Pierre Raffarin (Prime Minister) (2002–2005), Deputy Director for Economic Affairs of the cabinet of Dominique de Villepin (Prime Minister) (2005–2007), and General Finance Inspector (since 2007). Since 2008 he has been the Chief Financial Officer and a member of the Management Committee of Groupe Caisse des Dépôts and since December 2010 Deputy Chief Executive Officer of Réseau Ferré de France.

Céline Scemama

Céline Scemama is a graduate of the École Supérieure de Commerce de Paris, holds a "DESS" postgraduate degree in Human Resources and is a member of the French Society of Financial Analysts, SFAF. She joined Caisse des Dépôts 18 years ago and is currently in charge of unlisted portfolios. Céline Scemama spent 10 years working in the Department of Structured Finance in Paris and New York, where she worked on real estate financing, LBOs, and project and asset financing. She then joined the Department of Strategy where she worked on a number of strategic investments, including an infrastructure asset portfolio. Céline Scemama also strategically monitors some of the Group's subsidiaries and shareholdings.

Franck Silvent

Franck Silvent, a finance inspector and former student of the Ecole nationale d'administration, was seconded in April 2002 as Deputy Director of Strategy, Finance, Audit Management and Accounting at the Caisse des Dépôts.

From January 2005 to March 2009, he was Director of Finance, Strategy and Development and a member of the Management Board of the Compagnie des Alpes (CDA). In March 2009, he became the Deputy Director of the CDA and then Deputy CEO in October 2009.

In January 2013, he was appointed Director of Strategy and also member of the management committees of the Group.

In May 2013, he was appointed Director of the Finance, Strategy, Subsidiaries and International Division of the Caisse des Dépôts Group.

9.1.1.4. Working of the Board of Directors

Powers of the Board of Directors

The Board of Directors establishes the Company's business strategy and supervises its execution. Subject to the powers expressly reserved for Shareholder Meetings and within the limit of the corporate purpose, it addresses all questions relating to the due and proper functioning of the Company and settles matters concerning it through its discussions.

In its reports with third parties, the Company is committed even by acts of the Board of Directors that are beyond the scope of the corporate purpose, unless it can prove that the third party knew that the act was beyond the scope of said purpose or the third party could not have failed to know that fact, given the circumstances; the publication of the Articles of Association on its own not being sufficient proof. The Board of Directors conducts checks and controls as it deems appropriate.

The Chairman or Chief Executive Officer of the Company is bound to provide every Director with all the documents and information necessary to the performance of his mission.

With the assistance of committees, the Board:

(I) defines powers within the Company and exercises the respective powers and responsibilities of the Company's bodies;

(II) ensures that no person has the power to make binding decisions on behalf of the Company without control;

(III) oversees the smooth running of the internal control bodies and the satisfactory performance of their duties by the auditors. The Board monitors the quality of the information supplied to shareholders and the financial markets through the accounts and annual report it produces.

Working of the Board of Directors

In order to specify the internal operating procedures, at its meeting of 22 June 2012, the Board of Directors of the Company adopted a new version of its bylaws.

Icade's internal regulations are available on the Company's website (see: http://www.icade.fr/content/download/7935/76613/version/2/file/RI++du+CA+Icade+22+06+2012.pdf).

The Board of Directors meets at least twice a year and as frequently as the interests of the Company so require, upon a notice of meeting from its Chairman or at the written request to the Chairman of at least three of its members.

If the Board has not met for more than two months, a group of directors representing at least one third of the members in office can ask the Chairman to call a meeting of the Board with a specific agenda. If the positions of Chairman and Chief Executive Officer are separate, the Chief Executive Officer can ask the Chairman to call a meeting of the Board with a specific agenda.

The Chairman is bound by requests sent to him and must call a meeting of the Board of Directors as quickly as possible and in any case within seven days of receiving such a request.

Notices of meeting are issued at least five days in advance by any written means. This five-day period may be reduced if three Directors (including the Chairman) agree to hold the meeting sooner.

The meeting is held at the registered office or any other venue indicated in the notice of meeting.

Before the meeting, the Directors receive the agenda for the board meeting and, whenever circumstances permit, the information necessary for their consideration.

Every member of the Board of Directors has the freedom and responsibility to ask the Chairman to include any topics he or she considers to come within the purview of the Board of Directors on the draft agenda.

The following are deemed to be present for calculating the quorum and majority: Directors who attend the Board of Directors meeting by videoconferencing, telecommunications or remote transmission enabling them to be identified and guaranteeing their actual participation in the Board of Directors meeting, the deliberations of which are transmitted continuously and simultaneously. This provision is applicable in all circumstances permitted by applicable legal and regulatory provisions and in accordance with the same.

The Board can only deliberate validly if at least half the directors are present. Decisions are taken by a majority of the votes of members present or represented. In the event of a split vote, the Chairman of the meeting shall have the casting vote.

In respect of each item on the agenda, the decision adopted must be clearly expressed and identified in the minutes.

Icade's Board of Directors met nine times in 2013. In this fiscal year, attendance level of board members was 83% and 83.9% including the directors' meeting.

9.1.2. Management bodies

The positions of Chairman of the Board of Directors and Chief Executive Officer of the Company are not separate and on the date of this report are filled by Serge Grzybowski.

No Deputy Chief Executive Officer has been appointed.

9.1.2.1. Powers of the Chief Executive Officer

Serge Grzybowski, in his capacity as Chief Executive Officer, is invested with the most extensive powers to act on behalf of the Company in all circumstances. He exercises his powers within the limits of the corporate purpose and subject to those that the law expressly assigns to Shareholders Meetings and the Board of Directors.

He represents the Company in its relationships with third parties. The Company is committed even by actions by the Chief Executive Officer that are beyond the scope of the corporate purpose, unless the Company can prove that the third party knew that the act was beyond the scope of said purpose or could not have failed to know that fact, given the circumstances; the publication of the Articles of Association alone not being sufficient proof.

The clauses of the Articles of Association or the decisions of the Board of Directors limiting the powers of the Chief Executive Officer may not be invoked in relation to third parties.

Neither the Company's articles of association, nor the Board of Directors have set limits on the commitment authority of the Chief Executive Officer with the exception of the implementation of the stock purchase program approved by the general shareholders' meeting on 12 April 2013. Further, the Board of Directors meeting on 12 April 2013 gave all authority to the Chairman/CEO, up to a maximum of 2.5% of the Company's share capital and within the limit of a maximum purchase price per share of €100, excluding acquisition expenses, to negotiate and sign any new settlement agreement, approve any stock exchange or over-the-counter orders, and allocate the acquired shares for the various purposes of this programme.

9.1.2.2. Management

The principal senior managers of the Company are as follows:

Marianne de Battisti, member of the Executive Committee and head of Key Accounts, Institutional Relations and Communications

A graduate of the Institute of Political Studies in Grenoble and Paris, as well as the Ecole Nationale des Ponts et Chaussées, Marianne de Battisti gained operational experience at Icade where she successively held the position of Development Director in Lyon, Branch Director in Grenoble and Rouen, and Institutional Director for northern France and the Paris Region. At the same time she had management responsibilities in several public/private property companies. In 2001 she took the position of Managing Director of Icade Cités. In 2004, de Battisti became a member of the Executive Committee, in charge of Icade's marketing and communication. In 2005, in addition to her previous positions, she was appointed International Director of Icade. She has been in charge of Key Accounts, Institutional Relations and Communications on Icade's Executive Committee since 2011. In 2012, she became Enterprise and

Media Director, an ASC-certified corporate executive (IFA 2012) and was named director of SCET. She received the distinguished merits of the "Chevalier" in the French National Order of Merit in September 2012. She is a member of the RICS *(Royal Institution of Chartered Surveyors).*

Dominique Béghin, member of the Executive Committee and head of the Commercial Property Investment Division and International Business

Dominique Béghin graduated from the Ecole Supérieure du Bâtiment, de l'Industrie et des Travaux Publics in 1979. He was director of investment at Générali Immobiliare, having been Development Director for the group Atrium European Real Estate, Executive Director at Morgan Stanley, Deputy Director for 12 years at Ségecé Klépierre, and having held various management positions at Eiffage Real Estate for 11 years.

Béghin joined Icade in April 2011 as a member of the Executive Committee and head of the Commercial Property Investment Division and International Business.

Hervé Manet, member of the Executive Committee and head of the Property Development Division

Hervé Manet graduated from IEP in Lyon and holds a "DEUG" postgraduate degree in economics. After 17 years with SAE, including six as managing director for property development in Île-de-France, he moved on to become Chairman and Director of Bouwfonds Marignan Immobilier for eight years. A member of the Île-de-France Property Club, he also serves as Chairman of the Federation of Property Developers and Builders (FPI), Île-de-France region, and member of the national committee of the FPI. Manet joined Icade in November 2007 where he is head of the Property Development division.

Nathalie Palladitcheff, member of the Executive Committee and head of Finance, Legal Matters, IT and the Property Services Division

Nathalie Palladitcheff graduated from ESC Dijon and holds a DESCF and a DECF (post-graduate accounting and finance degrees). She began her career in audit and advising at Coopers & Lybrand Audit (1991-1997). She then re-joined Banque Française Commerciale Océan Indien (groupe Crédit Agricole Indosuez, 1997-2000) as director of financial affairs and management audits, before becoming deputy managing director of Société Foncière Lyonnaise de Paris (2000-2006). She served as Managing Director of Dolmea Real Estate (Axa Group) beginning in May 2006 before joining Icade in September 2007 as member of the Executive Committee and head of Finance, Legal Affairs and IT. In addition to her previous functions, she was entrusted with the responsibility for the Real Estate Services division in 2010. In April 2012, Nathalie Palladitcheff received the distinguished merits of the "Chevalier" of the National Order of Merit.

Corinne Lemoine, member of the Executive Committee and head of Human Resources

A graduate of CELSA (1984) and the IGS (1993), Corinne Lemoine began her career working for Transearch International (1984–1986). She then joined Partner Consulting Group, where she served as a consultant (1986-1992). In 1992, she joined Scetauroute (Egis group) where she was in charge of hiring and professional mobility counselling. Lemoine became Scetauroute's Human Resources Director in 1998. She has been Director of Human Resource Development at Egis SA since October 2007.

Lemoine joined Icade on 1 February 2013 as a member of the Executive Committee in charge of Human Resources.

9.1.2.3. Management committees

The Executive Committee

The Executive Committee meets every week to address matters relating to Icade's finances, organisation, customers and staff. It also systematically reviews ongoing projects.

The Icade Executive Committee comprises the following members:

- Serge Grzybowski, Chairman and Chief Executive Officer;
- Marianne de Battisti, member of the Executive Committee and head of Key Accounts, Institutional Relations and Communications;
- Dominique Béghin, member of the Executive Committee and head of the Commercial Property Investment Division and International Business;
- Hervé Manet, member of the Executive Committee and head of the Property Development Division;
- Nathalie Palladitcheff, member of the Executive Committee and head of Finance, Legal Matters, IT and the Property Services Division;
- Corinne Lemoine, member of the Executive Committee and head of Human Resources.

The Coordination Committee

The Coordination Committee meets to discuss the Company's strategy, developments in operational activities, business acquisitions and disposals and synergies between companies in the Group.

Sustainable Development Committee

The Sustainable Development Committee is tasked with steering the Group's sustainable development policy and ensuring its foothold within the operating teams and relevance to market developments. It coordinates the monitoring of the Group's program of sustainable development initiatives, reviews its progress every six months and looks at related indicators. It manages forward studies aimed at better understanding of customers' sustainable development expectations and needs, and keeps up to date with changes in regulatory frameworks. It oversees the running of demonstration projects and makes recommendations with regard to priority training programmes. It holds five meetings per year.

The Commitments Committee

The Commitments Committee is responsible for examining and giving its opinion on all investment and disinvestment commitments of Icade and its subsidiaries, whether on or off the Group balance sheet. It meets twice a month and whenever circumstances so dictate.

It examines all projects over a certain threshold. The projects submitted for Icade's Commitment Committee's opinion are subject to a prior opinion from the commitment committees and/or offices of each business, which express an opinion on all projects with no consideration threshold. The Commitments Committee gives its opinion, with no threshold consideration, on all international development projects, new business development projects and external growth operations as well as holdings, disposal of securities, businesses, mergers and partnerships.

The Human Resources Committee

The Human Resources Committee usually meets every two weeks to discuss human resources matters within the Group and in particular the monitoring of major dossiers in progress, reporting on mobility in progress, recruitment, legislation and legal aspects, training and the introduction and monitoring of procedures.

The Risks, Rates, Cash Flow and Financing Committee

The Risks, Rates, Cash Flow and Financing Committee is responsible for studying and deciding upon the Group's refinancing and rate-risk hedging policy and relations with banks and financial market players. It is responsible for monitoring asset/liability management, allocation of Group resources and market risks in the event of investment (credit, rates, etc.). It also monitors macro-economic indicators and market factors influencing Icade's business sector as well as the financial activity indicators of Icade's cash and debt sectors. It meets once a month.

The Information Systems Committee

In addition to unifying technology and streamlining skills, the main challenge for the Information Systems Department is in pooling and integrating the business and financial resources of each subsidiary so that all subsidiaries have an overall and cohesive view of the information system. Consequently Icade is faced with a number of decisions to make regarding a project's relevance, priority and budget. To remain responsive and not hinder the Company's development projects, the Information Systems Committee provides an opinion on key projects annually and is consulted as necessary throughout the year.

The Marketing Committee

The purpose of the Marketing Committee is to bring together all of Icade's business lines and the Key Accounts Department on a bi-monthly basis to examine the following on a Group-wide level:

- actions taken with key accounts (such as France's CAC 40 companies);
- actions taken with potential users for assets to be leased;
- prospects for our commercial property development activities.

The Marketing Committee is chaired by Serge Grzybowski.

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9.1.3. Conflicts of interest between management bodies and general management

As far as the Company is aware, there are no potential conflicts of interest between the duties of members of the Board of Directors and general management towards the Company and their private interests. As far as the Company is aware, there is no restriction accepted by a member of the Board of Directors regarding the disposal of his holding in the share capital of the Company within a certain period of time. It is however pointed out that according to Article 10, paragraph 2 of the Articles of Association, each director must hold at least one share in the Company throughout his term of office.

9.1.4. Transactions in shares carried out by management bodies

In 2013, no transactions in shares were carried out by members of the management bodies.

9.2. REMUNERATION AND BENEFITS FOR CORPORATE OFFICERS

9.2.1. Policy of determining remuneration of corporate officers

In accordance with Article L. 225-37 of the French Commercial Code, the principles and rules for determining remuneration and benefits of any kind granted to corporate officers are specified in the Chairman of the Board of Director's report on the conditions for preparing and organising the Board's work and on the internal control procedures.

The rules for allocating the variable portion of the remuneration of the Chairman and Chief Executive Officer are as follows:

Additionally, on recommendation by the Appointments and Remuneration Committee, the Board decided, on 20 February 2013 to set the annual gross compensation for Serge Grzybowski for 2013 at €450,000 for these functions, i.e., maintaining his fixed compensation at €400,000 and a maximum €50,000 for the variable portion (following the decision of the Board of Directors and on proposal of the Caisse des Dépôts given Icade's membership in the public sector).

On the recommendation of the Appointments and Remuneration Committee, the Board of Directors on 24 July 2013 set the determination criteria for the variable portion of compensation for the Chairman and Chief Executive Officer of Icade for 2013, including the financial goals and a qualitative goal and for which the maximum amount was set at €50,000.

The variable portion of compensation linked to financial goals is 60% of the total possible bonus, i.e., €30,000 (7.5% of base compensation). These goals are the profitability of the Icade Group: EBITDA/Revenue (30% of the variable portion) and the change in current net cash flow for the Icade Group (30% of the variable portion) according to the determined levels reached.

The qualitative goal concerns the Silic transaction (40% of the variable portion, or €20,000). The goal is to successfully complete the combination with Silic, particularly at the operational and managerial level, in close association with the Caisse des Dépôts and respecting the terms approved at a Board of Directors' meeting.

9.2.2. Individual and detailed remuneration of corporate officers

The following table lists the pay and benefits of all types paid to each corporate officer (including directors' fees) during 2012 and 2013.

The Chairman and Chief Executive Officer does not hold an employment contract with Icade. He is remunerated in respect of his corporate position, under the conditions set by the Board of Directors.

Members of the Board of Directors Surname/First name/ Function *(in € thousand)*	2012							2013						
	Fixed portion gross (A)	Variable portion gross Amounts due	Variable portion gross (B) Amounts paid	Directors' fees Amounts due	Directors' fees Amounts paid	Benefits in kind (car)	Total gross (A)+(B)	Fixed portion gross (A)	Variable portion gross	Variable portion gross (B) Amounts due	Directors' fees Amounts paid	Directors' fees Amounts due	Benefits in kind (car)	Total gross (A)+(B)
ICADE														
GRZYBOWSKI SERGE / Chairman and Chief Executive Officer	400.0	184.4 [6]	329.2 [5]	0.0 [1]	0.0 [1]	6.0	729.2	400.0 [8]	50.0 [7]	184.4 [6]	0.0 [1]	0.0 [1]	6.1	584.4
CDC /Repr. by A. Gosset - Grainville, then J. Goubault and M. Sissoko /Director	0.0	0.0	0.0	78.8 [3]	90.8 [2]	0.0	0.0	0.0	0.0.	0.0	83.3 [4]	78.8 [3]	0.0	0.0
ALPHANDERY EDMOND/ Director	0.0	0.0	0.0	0.0	6.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ARKWRIGHT EDWARD/ Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AUTHEMAN MARC ANTOINE/ Director	0.0	0.0	0.0	0.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BAILLY OLIVIER / Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BERTHEZENE MICHEL/ Director	0.0	0.0	0.0	0.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BOUVIER CHRISTIAN/Director	0.0	0.0	0.0	19.5	24.0	0.0	0.0	0.0	0.0	0.0	22.5	19.5	0.0	0.0
BRAIDY PHILIPPE / Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CALVET JACQUES/Director	0.0	0.0	0.0	0.0	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DAUBIGNARD CECILE/Director	0.0	0.0	0.0	6.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0 [1]	0.0 [1]	0.0	0.0
FAUGERE JEAN-PAUL/Director	0.0	0.0	0.0	1.5	0.0	0.0	0.0	0.0	0.0	0.0	19.5 [4]	1.5 [3]	0.0	0.0
FAURE JARROSSON BENOIT/ Director	0.0	0.0	0.0	20.5	21.4	0.0	0.0	0.0	0.0	0.0	23.3	20.5	0.0	0.0
GALLOT JEROME / Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GAUBERT THIERRY/Director	0.0	0.0	0.0	0.0	12.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0.	0.0
GILLY NATHALIE / Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GLEESON THOMAS FRANCIS/ Director	0.0	0.0	0.0	12.0	16.5	0.0	0.0	0.0	0.0	0.0	16.5	12.0	0.0	0.0
LAMBERT MARIE-CHRISTINE/ Director	0.0	0.0	0.0	16.5	4.5	0.0	0.0	0.0	0.0	0.0	19.5	16.5	0.0	0.0
MAES BENOIT / Director	0.0	0.0	0.0	4.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0 [1]	0.0 [1]	0.0	0.0
MAREUSE OLIVIER/Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0 [4]	0.0 [3]	0.0	0.0
MUNK ALFONSO / Director	0.0	0.0	0.0	7.5	16.5	0.0	0.0	0.0	0.0	0.0	0.0	7.5	0.0	0.0
PEENE CHRISTIAN/Director	0.0	0.0	0.0	0.0	4.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DE POULPIQUET OLIVIER/ Director	0.0	0.0	0.0	7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0 [1]	0.0 [1]	0.0	0.0
QUINET ALAIN / Director	0.0	0.0	0.0	7.5	15.0	0.0	0.0	0.0	0.0	0.0	9.0 [4]	7.5 [3]	0.0	0.0
SCEMAMA CELINE/Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SCHIMEL SABINE/Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SILVENT FRANCK /Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**400.0**	**184.4**	**329.2**	**181.8**	**220.8**	**6.0**	**729.2**	**400.0**	**50.0**	**184.4**	**193.6**	**163.8**	**6.1**	**584.4**

(1) After waiving the directors' fees.
(2) Total directors' fees paid to CDC (including those of Edward Arkwright, Olivier Bailly, Philippe Braidy, Jérôme Gallot, Nathalie Gilly, Olivier Mareuse, Céline Scemama and Sabine Schimel).
(3) Total directors' fees paid to CDC (including those of Edward Arkwright, Nathalie Gilly, Olivier Mareuse, Céline Scemama and Sabine Schimel).
(4) Total directors' fees paid to CDC (including those of Nathalie Gilly, Olivier Mareuse, Céline Scemama and Sabine Schimel and Frank Silvent).
(5) Amount decided by the Board of Directors on 16 February 2012.
(6) Amount decided by the Board of Directors on 20 February 2013.
(7) Amount decided by the Board of Directors on 19 February 2014.
(8) Following the decision of the Board of Directors and on proposal of the Caisse des Dépôts given Icade's membership in the public sector.

Each Board member owned at least one Icade share at 31 December 2013, in accordance with legal requirements.

Table summarising remuneration, options and shares awarded to each senior executive corporate officer

(in € thousand)	Year N-1	Year N
Name and function of the executive corporate officer	**Serge Grzybowski, Chairman and CEO**	**GRZYBOWSKI Serge, Chairman and CEO**
Compensation due for the year (detailed in Table 2)	590.4	456.1
Valuation of options awarded during the year (detailed in Table 4) (*)	N/A	N/A
Valuation of performance shares allocated during the year (detailed in Table 6)	290.1	N/A
TOTAL	**880.5**	**456.1**

(*) This value corresponds to the value of options and financial instruments during their allocation as held within the scope of application of IFRS 2, having taken in account, in particular, any discount associated with performance criteria and with the probability of service in the Company at the start of the acquisition period, but prior to the effect of deferral of the charge as required by IFRS 2 over the vesting period.

Table summarising benefits (concepts of employment contract, pension scheme, compensation or benefits owed or which may be owed due to termination or change of functions or compensation relating to non-competition clause)

	Employment Contract		Additional pension scheme		Compensation or benefits owing or likely to be owing due to termination or change of functions		Compensation relating to non-competition clause	
Executive Corporate Officers	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Serge Grzybowski Chairman and Chief Executive Officer Date of start of office: 30/11/2007 Date of end of office: 31/12/2014		x		x	x			x

(*) At the end of the General Meeting which will rule on the accounts for the year ending 31 December 2014.

9.2.3. Compensation, pension liabilities and other benefits

9.2.3.1. Liabilities and benefits granted to Mr Serge Grzybowski

On 7 April 2011, the Icade Board of Directors agreed to pay Serge Grzybowski a severance payment in the event of forced departure associated with a change of control (under Article L. 233-3 of the Commercial Code) or with a strategic disagreement with the Board of Directors.

In accordance with Article L. 225-42-1 of the Commercial Code, this severance pay shall be subject to compliance with conditions related to the beneficiary's performance in terms of value creation established at Icade level according to the procedures described below.

Reference to the NPGS below means after restatement of capital gains from disposals.

a. Determining the change in the NPGS

The change in the NPGS shall be assessed by making a comparison between the last known NPGS during the calendar year preceding the date of dismissal of Serge Grzybowski (hereinafter referred to as the "most recent NPGS") on the one hand, and the average of the NPGS for the two calendar years preceding the last NPGS (hereinafter referred to as the "NPGS of the reference period").

If the last NPGS is the same as or more than the NPGS of the reference period, the payment shall be due.

b. Taking into account changes in market trends

This severance payment will be equal to:

- twice the total gross salary (fixed and variable portions) received during the twelve months before his position is terminated, if he has served as Chairman and Chief Executive Officer for at least twelve months; or
- if the effective duration of his term as Chairman and CEO is less than 12 months, his remuneration received during the latest months of his previous term as managing director will be taken into account, in order that the Severance Payment may be calculated over a 12-month period.

Icade's Board of Directors meeting of 7 April 2011 agreed for the Company to purchase an unemployment insurance policy for Serge Grzybowski from GSC (Garantie Sociale des Chefs et Dirigeants d'Entreprise), a French insurance association. For the period from 1 January 2012 to 31 December 2012, the amount of contributions totalled €17,001.

Icade's Board of Directors meeting of 7 April 2011 also decided to grant Serge Grzybowski a company car as per the rules defined within Icade.

9.2.3.2. Liabilities and benefits granted to other corporate officers

At 31 December 2013, no compensation is planned for the other corporate officers of Icade on termination of their directorship within the Company.

As at that same date, Icade has not given any retirement pension or similar undertaking to its corporate officers. In addition, none of the Icade corporate officers has a company-sponsored supplemental retirement plan.

As at the date of this document, Icade has not granted any loans, advances, or guarantees to any of its corporate officers, and neither Icade nor its subsidiaries have any agreements in place to grant benefits to Icade Board Members, except those listed in 9.2.2. of this report.

9.2.4. Stock options and bonus share allocation assigned during the financial year to each corporate officer by the issuer and by any company within the Group

During the 2007-2008 period, the Board of Directors adopted two stock option plans, after a proposal from the Appointment and Remuneration Committee.

An initial plan 1-2008 was finalised by the Board of Directors meeting of 30 November 2007. The beneficiaries may, with no condition for the prior achievement of economic objectives, exercise 40% of the total number of options assigned to them. The exercising of 60% of the assigned options depends on the prior achievement of economic objectives (share price and net profit Group share).

A second plan 1.2-2008 was finalised by the Board of Directors meeting of 24 July 2008. The beneficiaries may, with no condition for the prior achievement of economic objectives, exercise 80% of the total number of options assigned to them. The exercising of 20% of the assigned options depends on the prior achievement of economic objectives (over-performance of the share price in relation to the Euronext IEIF French Property index).

The following table gives the stock options and bonus shares held by Icade corporate officers following this redistribution, based on options granted according to the stock option and bonus share allocation plans described in the corresponding special report, as at 31 December 2012.

On 16 February 2012, the Board of Directors of the Company approved a bonus share plan for all staff of the Group (plan 1-2012), including the Chairman and CEO (Article L.225-185 of the French Commercial Code). This plan is based on the free allocation of 15 shares per participant but does not stipulate performance conditions.

At the same time, a bonus stock plan (plan 2-2012) was adopted at the same board meeting, at the proposal of the Appointments and Remuneration Committee, for the members of the Executive Committee (including the Chairman and Chief Executive Officer) and the Coordination Committee. This plan makes the acquisition of the entire bonus shares assigned dependent upon performance conditions (net current cash flow).

No stock option or allocation of free shares or share purchase was awarded to the corporate officer during 2013.

Share subscription or purchase options assigned during the year to each corporate officer by the issuer and by any company within the Group

Name of executive corporate officer	Type of plan No. and date of plan	Number of stock options assigned	Value of options according to the method used for the consolidated accounts (actuarial value extract as at 31/12/2013)	Opening date (options) or Acquisition Date (shares)	Date available	Performance conditions
Serge GRZYBOWSKI Chairman and Chief Executive Officer	Bonus Share Plan 1-2012 2 March 2012	15	€824	02/03/2014	03/03/2016	No condition (democratic plan)
	Bonus Share Plan 2-2012 2 March 2012	5,984	€307,996	02/03/2014	03/03/2016	100% of shares are subject to the achievement of current net cash flow objectives

During 2013, no options were exercised by the corporate officers.

9.3. BOARD OF DIRECTORS' COMMITTEES

Through a desire to be transparent and to provide information to the public, Icade has put in place the three specialised committees described below: The three committees are the Audit, Risk Management, and Sustainable Development Committee, the Appointments and Remuneration Committee, and the Strategy and Investment Committee.

These committees have consultative power and operate under the responsibility of the Board of Directors.

In areas falling within their jurisdiction, the function of the committees is to prepare and facilitate the work of the Board of Directors. They issue recommendations for the attention of the Board of Directors.

The committees consist of a minimum of three and a maximum of five members, at least two thirds of whom must be independent directors in respect of the Audit, Risks and Sustainable Development Committee, selected by the Board of Directors from among its members. Members are appointed in a personal capacity and may not have themselves represented.

9.3.1. The Audit, Risk Management and Sustainable Development Committee

Assignments

The Audit, Risk Management and Sustainable Development Committee is responsible for ensuring the accuracy and truthfulness of Icade's annual and consolidated financial statements and the quality of internal audit and the information provided to shareholders and to the markets.

It assesses major risks and ensures adherence to the individual and collective values upon which Icade's operations are founded, and the codes of conduct which all its staff must apply. Amongst these values are Icade's specific responsibilities as regards protecting and improving the environment and sustainable development.

Composition and operation

The three members of the Audit, Risk Management and Sustainable Development Committee, two thirds of whom are independent directors, are Benoît Faure-Jarrosson (Committee Chairman and independent director), Marie-Christine Lambert (independent director), and Olivier Mareuse since 15 October 2013 replacing Julien Goubault, who was appointed by the Board of Directors on 12 April 2013 to replace Sabine Schimel.

This Committee meets as often as it considers necessary or appropriate, whenever convened through any means by its Chairman or, with the latter's consent, by the Secretary of the Board of Directors.

This Committee met three times in 2013. The level of attendance of Committee members was 100% during this financial year.

9.3.2. Appointments and Remuneration Committee

Assignments

The Appointments and Remuneration Committee is responsible for assessing applications for the appointment of corporate officers and for making suggestions as regards their remuneration. It is involved in establishing the Company's employee profit-sharing policy and for making suggestions on resolutions to grant stock options for the Company's new or existing shares to all or some of the employees and on the allotment of bonus shares.

Composition and operation

The three members of the Appointments and Remuneration committee are Franck Silvent (Chairman), since 12 April 2013 and replacing Antoine Gosset-Grainville, Benoît Maes (independent director) and Olivier de Poulpiquet (independent director).

This Committee meets as often as it considers necessary or appropriate, whenever convened through any means by its Chairman or, with the latter's consent, by the Secretary of the Committee.

This Committee met three times in 2013. The level of attendance of Committee members was 100% during this financial year.

9.3.3. Strategy and Investment Committee

Assignments

The duty of the Strategy and Investment Committee is to examine any investment or disinvestment project by the Company greater than €50 million and any external growth operation greater than €30 million. It examines the policy of development by internal growth and the strategic policies of the Group.

Composition and operation

The five members of the Strategy and Investment Committee are Serge Grzybowski (Chairman), Olivier de Poulpiquet (independent director), Jean-Paul Faugère, Christian Bouvier and Céline Scemama.

This Committee meets as often as it considers necessary or appropriate, whenever convened through any means by its Chairman or, with the latter's consent, by the Secretary of the Board of Directors.

Due to the nature of its work, this Committee meets at least once a year to give a progress report on the execution of the strategic plan.

This Committee met six times in 2013. The level of attendance of Committee members was 72.5% during this financial year.

10. Persons responsible

10.1. PERSON RESPONSIBLE FOR THIS DOCUMENT

Serge Grzybowski, Chairman and Chief Executive Officer of Icade.

102. DECLARATION BY THE PERSON RESPONSIBLE FOR THIS DOCUMENT

I, the undersigned, Serge Grzybowski, Chairman and Chief Executive Officer of Icade certify, having taken all reasonable measures to that end, that the information contained in this reference document, to my knowledge, conforms to reality and does not contain any omission likely to alter its scope.

I declare, to the best of my knowledge, that the financial statements are established in accordance with applicable accounting standards and give a true picture of the assets, the financial situation and the results of the Company, of Silic and of all the companies included in the consolidation and that the management report (shown on pages 2 to 34; 35 to 108; 226 to 241; 244 to 250 and 259 to 280) give a true picture of the development of the business, profit/loss and the financial situation of the Company and all the companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.

I have obtained a letter of completion of works from the statutory auditors in which they state that they have checked the information relating to the financial situation and accounts given in this reference document and have read the whole document.

The company's consolidated financial statements for the year ended 31 December 2013 have been the subject of a report by the statutory auditors, which is presented on pages 109 to 110, and which contains the following observation:

"Without calling into question the opinion expressed above, we draw your attention to the portion of Note 21 of the explanatory notes concerning the accounting treatment used for the tax audit your company underwent with regard to the financial year 2007".

The company's financial statements for the year ended 31 December 2013 have been the subject of a report by the statutory auditors, which is presented on pages 146 to 147, and which contains the following observation:

"Without calling into question the opinion expressed above, we draw your attention to the portion of Note 4.9 of the explanatory notes concerning the accounting treatment used for the tax audit your company underwent with regard to the financial year 2007".

The final financial statements of Silic for the year ended 31 December 2013 have been the subject of a contractual report by the statutory auditors, which is presented on page 154, and which contains the following observation:

"Without calling into question the opinion expressed above, we draw your attention to:

- Note 2.1 "Accounting principles, rules and methods" of the explanatory notes to the Final Accounts, which indicate that the real estate assets of the company are valued by independent real estate valuers for the purpose of estimating any impairments. Our tasks mainly entailed examining the valuation methodology implemented by the valuers and ensuring that any impairments were made on the basis of external expert assessments;
- Note 3 of the explanatory notes which presents the impact on the Final Accounts of the accounting treatment applied to the restructuring of the portfolio of hedge derivative instruments carried out in October 2013;
- the fact that these Final Accounts were prepared in the context of the merger/acquisition transaction of Silic SA by Icade SA and consequently, do not constitute full accounts as defined by French accounting rules and principles since they do not include all the explanatory notes to the financial statements required by this reference framework".

The consolidated financial statements for the years ended 31 December 2012 and 31 December 2011 have been the subject of reports by the statutory auditors, presented in chapter 4, pages 146 to 147 of reference document no. D.13-01100 filed with the AMF on 7 March 2013, and in Chapter 4, pages 138 to 139 of reference document no. D.12-0150, filed with the AMF on 13 March 2012 respectively, which contain a number of observations.

Signed in Paris on 26 March 2014

Serge Grzybowski.

Chairman and Chief Executive Officer

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10.3. STATUTORY AUDITORS

Principal Statutory Auditors

PricewaterhouseCoopers Audit

Member of the Compagnie Regionale des Commissaires aux Comptes de Versailles

63, rue de Villiers

92200 Neuilly sur Seine

Nanterre Commercial and Companies Register no. 672,006,483

Represented by Jean-Baptiste Deschryver

Date first appointed: 22 June 2012

Date of end of office: at the end of the Annual General Meeting of Shareholders ruling on the accounts for the year ended 31 December 2017.

Mazars

Member of the Compagnie Regionale des Commissaires aux Comptes de Versailles

Tour Exaltis

61, rue Henri Regnault

92400 Courbevoie

Nanterre Commercial and Companies Register no. 784 824 153

Represented by Gilles Rainaut and Jérôme de Pastors

Date first appointed: 22 March 2006

Date mandate renewed: 12 April 2013

Date of end of office: at the end of the Annual General Meeting of Shareholders ruling on the accounts for the year ended 31 December 2018.

Deputy Statutory Auditors

Charles de Boisriou

Deputy to Mazars

Tour Exaltis

61, rue Henri Regnault

92400 Courbevoie

Date first appointed: 12 April 2013

Date of end of office: at the end of the Annual General Meeting of Shareholders ruling on the accounts for the year ended 31 December 2018.

Yves Nicolas

Deputy to Pricewaterhouse Coopers Audit

63, rue de Villiers

92200 Neuilly sur Seine

Date first appointed: 22 June 2012

Date of end of office: at the end of the Annual General Meeting of Shareholders ruling on the accounts for the year ended 31 December 2017.

10.4. FEES OF THE LEGAL AUDITORS AND MEMBERS OF THEIR NETWORKS FOR 2013

	Mazars				PricewaterhouseCoopers Audit				KPMG			
	Amount net of tax *(in € million)*		% EGM		Amount net of tax *(in € million)*		% EGM		Amount net of tax *(in € million)*		% EGM	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Audit												
Auditing, certification, examination of individual and consolidated accounts												
• Issuer	0.5	0.5	35.4	33.3	0.5	0.5	41.7	55.6	-	-	-	-
• Fully consolidated subsidiaries	0.7	0.9	49.6	60.0	0.5	0.4	41.7	44.4	0.1	0.1	93.8	50.0
Other work and services directly related to the Statutory Auditors'work												
• Issuer	0.2	0.1	14.2	6.7	0.2	-	16.7	-	-	0.1	-	50.0
• Fully consolidated subsidiaries	0.0	-	0.9	-	-	-	-	-	0.0	-	6.2	-
SUBTOTAL	**1.4**	**1.5**	**100.0**	**100.0**	**1.2**	**0.9**	**100.0**	**100.0**	**0.1**	**0.2**	**100.0**	**100.0**
Other services provided by the networks to fully consolidated subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**1.4**	**1.5**	**100.0**	**100.0**	**1.2**	**0.9**	**100.0**	**100.0**	**0.1**	**0.2**	**100.0**	**100.0**

10.5. PERSONS RESPONSIBLE FOR THE FINANCIAL INFORMATION

Serge Grzybowski.

Chairman and Chief Executive Officer

35, rue de la Gare - 75019 Paris

Telephone: 01 41 57 70 01

serge.grzybowski@icade.fr

Nathalie Palladitcheff

Member of the Executive Committee, in charge of Finance, Legal matters and IT and the Property Services Division

35, rue de la Gare - 75019 Paris

Telephone: 01 41 57 70 12

nathalie.palladitcheff@icade.fr

10.6. PERSONS RESPONSIBLE FOR SHAREHOLDER INFORMATION

Nathalie Palladitcheff

Member of the Executive Committee, in charge of Finance, Legal matters and IT and the Property Services Division

Telephone: 01 41 57 70 12

nathalie.palladitcheff@icade.fr

Julien Goubault

Deputy CFO in charge of *corporate* and investor relations

Telephone: 01 41 57 71 50

julien.goubault@icade.fr

11. Information from third parties, survey declarations and declarations of interest – appraisers' condensed report

11.1. GENERAL BACKGROUND OF THE VALUATION MISSION

General background

Icade has asked us, through a contract, to estimate the market value of the real estate assets of its portfolio. This condensed report, which summarises the circumstances surrounding our engagement, was drawn up to be included in the Company's Annual Report.

Our assignments are carried out totally independently.

Our company has no capital link with Icade.

Our company confirms that the valuations have been carried out by and under the responsibility of qualified appraisers and that the company has carried out its task as an independent external appraiser qualified for the needs of the assignment.

Our annual fees invoiced to Icade represent less than 10% of our company's turnover recorded in the previous accounting year.

We have not identified any conflict of interest on these assignments.

The assignments comply with the AMF's recommendation regarding the presentation of the elements of valuation and risks of the property assets of listed companies published on 8 February 2010.

Current assignment

Our assignments have consisted in the estimation of the fair market value of the buildings as they are being used on 31 December 2013.

We confirm that, in accordance with IFRS 13, the assets were evaluated according to their "highest and best use value".

We only included alternative use values in situations where either the elements for its implementation had been committed, or the three conditions below had been met: the operation is phyisically possible, legally permissible and financially feasible.

We would remind you here that when the client is the lessee under the terms of a leasing contract, the Surveyor only values the assets underlying the contract and not the leasing contract. In the same way, when the property is owned by an *ad hoc company*, the value of the property has been estimated based on the assumption of the sale of the underlying property asset and not that of the Company.

11.2. CONDITIONS FOR PERFORMING THE ASSIGNMENT

Study elements

This assignment has been carried out based on the documents and information provided to us, which are assumed to be accurate and inclusive of all of the information and documents in the Company's possession or of which the Company is aware, and are likely to have an effect on the building's market value.

Reference frameworks

The surveyor's due diligence and the valuations have been carried out in accordance with:

- nationally:
  - the recommendations of the Barthès de Ruyter report on the valuation of the property assets of listed companies making public offerings for investment, published in February 2000,
  - the Property Valuation Survey Charter,
  - the principles set by the SIIC code of ethics;
- internationally, these standards being applied either as alternatives to one another or in combination:
  - the TEGoVA European value standards *(The European Group of Valuers' Association)* published in its "European Valuation Standards" blue guide;
  - and also the standards of the *Royal Institution of Chartered Surveyors'* (RICS) Red Book published in its RICS Valuation - Professional Standards,
  - the IVSC *(International Valuation Standard Committee) provisions.*

Methodology used

The valuations are based on the discounted cash flow method, the net revenue capitalisation method, the developer balance sheet method and the direct comparison method.

11.3. OVERALL FAIR MARKET VALUE ON 31 DECEMBER 2013

The overall fair market value corresponds to the sum of the unit values of each asset and is calculated both after fees (after deducting duties) and before fees (fair market value before deducting any duties).

		No. of assets appraised	No. of assets inspected during the December 2013 campaign	Fair value excluding fees at 31/12/2013 (1) *(in € million)*
JONES LANG LASALLE EXPERTISES	French offices/Healthcare	88	15	4,010
DTZ VALUATION FRANCE	French Offices / Business Parks	103	3	2,216
CBRE VALUATION	French offices/German offices/ Warehouses/Housing	112	0	813
CATELLA VALUATION FCC	Shops and shopping centres	42	1	462
BNP PARIBAS REAL ESTATE VALUATION	French Offices / Business Parks	232	131	3,304
Impact of the average values for assets appraised twice				- 1,078
Non-appraised assets or assets recognised at a different value				+ 156
TOTAL ASSETS				**9,883**

(1) Fair market value excluding duties and excluding legal duties and taxes restated from the share not held by Icade for assets held by proportionally consolidated companies in the consolidated accounts.

11.4. GENERAL COMMENTS

These values are understood to be subject to market stability and the lack of significant modifications in the buildings between the date the valuations were carried out and the value date.

This condensed report is an inseparable element of the whole of the work carried out in respect of the valuation assignment.

Each of the four appraisers confirms the values of the properties that he appraised and may not be held responsible for the values determined by the other appraisers.

Michael Morris
Chairman
Jones Lang LaSalle Expertises

Philippe Dorion
Director
DTZ Valuation France

Denis François
Chairman
CBRE Valuation

Jean-François Drouets
Chairman
Catella Valuation FCC

Didier Louge
Chief Executive Officer
BNP Paribas Real Estate Valuation

CHAPTER 9

CONTRACTS

1. Major contracts

Icade and its subsidiaries did not conclude any significant contracts, outside the normal course of business, for the unit consisting of Icade and its subsidiaries during the two years preceding the date of this report.

2. Related-party transactions

Icade and/or some of its subsidiaries concluded some contracts.

The most significant of these contracts include: service-provision contracts and a brand license between Icade and its subsidiaries; financing contracts.

Moreover, the report produced by Icade's statutory auditors on the agreements and regulated commitments referred to in Article L.226-38 of the French Commercial Code which were authorised or which continued during the year ended 31 December 2013 is reproduced in Chapter 10 of this annual report.

2.1. SERVICE-PROVISION CONTRACTS AND BRAND LICENSES

The group consolidated some support functions within Icade. Thus, in 2008, Icade concluded service-provision and brand licensing contracts with its subsidiaries effective 1st January 2008, which were continued in 2013.

2.1.1 Service-provision contracts

Icade undertakes a group of services in the following areas for the benefit of its subsidiaries concerned: market studies, development, human resource management, operational communication, financial, legal and fiscal control, insurance, information systems, treasury, investments and financing.

Icade's remuneration is determined according to actual costs (excluding taxes) incurred by Icade in performing these assignments, plus a margin of 3%, split between the subsidiaries concerned using an allocation key according to the contributory consolidated revenue (excluding taxes) of the subsidiary. The amount invoiced by Icade for the year ended 31 December 2013 totalled €29.10 million.

The service-provision contracts were concluded for an indefinite period and, in principle, may be terminated by either of the parties at the end of the current financial year, by giving 10 days' notice. More flexible termination procedures are provided in the event of a change of control or if the agreement were to endanger any of the companies as a result of the occurrence of certain events.

2.1.2 Brand licensing contracts

Icade grants to the subsidiaries concerned the non-exclusive right to use the name "Icade" and the "Icade" trademarks and stylised "I", the dot of which shows the Caisse des Dépôts badge, in their company name, and/or their sign within the scope of their business activities as well as the right to use the logo owned by Icade.

Icade's remuneration amounts to 0.9% of the consolidated contributory revenue of the company in question, and if applicable, of its subsidiaries, excluding taxes. The amount invoiced by Icade for the year ended 31 December 2013 totalled €10.92 million.

The brand licenses were concluded for an initial period of one year, renewable by tacit agreement for a further three years. The brand license contracts can be terminated annually by either party by giving at least three months' notice before the end of the current year. Furthermore, Icade may cancel the license (I) if the other party does not carry out its obligations subject to three months' notice, (II) immediately in the event of non-performance which adversely affects the image or interests of Icade or (III) subject to one month's notice, in the event of the managers of the company concerned being prohibited from or forfeiting their right to manage, or in the event of a change of control of Icade.

3. Specific clauses relating to activities

None.

CHAPTER 10

STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

ANNUAL GENERAL MEETING FOR THE APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

This is a free translation into English of the Statutory Auditors' special report on related party agreements and commitments issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Icade, we hereby report to you on related party agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Pursuant to the article R. 225-31 of the French Commercial Code *(Code de commerce)*, it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

It is also our responsibility to provide shareholders with the information required by article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the Annual General Meeting, when it is relevant.

We performed the procedures that we deem necessary for this task in accordance with professional standards applicable in France. These procedures consisted in ensuring that the information provided to us agree with the underlying documents.

AGREEMENTS AND COMMITMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL MEETING

Agreements and commitments authorized during the year

Pursuant to the provisions of article L. 225-40 of the French Commercial Code, we were informed of the agreements and commitment which received the prior approval of your Board of Directors.

1. Implementation of two specific financing loans with Silic

The Board of Directors of 22 June 2012 approved the implementation of two specific financing loans:

- **(i)** a loan of €350 million, for a period of 5 years, for which the interest paid is based on Euribor 3M plus a margin determined by the level of the Loan To Value ratio. The purpose of this loan was to enable Silic to manage its financing deadlines of the second half of the year 2012, and
- **(ii)** an advance of €50 million, one year-long, for which the interest paid is based on Euribor 3M plus a margin determined by the level of Loan To Value ratio. The purpose of this advance was to provide Silic the financial flexibility in line with its short-term commitments.

The Board of Directors of Icade dated 24 July 2013, seeking to adjust the financing to cover the needs of Silic until the merger of the two entities authorized accordingly:

- **(i)** the one-year extension of the existing advance €50 million thereby increasing maturity from July 2013 to July 2014;
- **(ii)** an additional advance of €260 million for one year, to cover the short-term commitments of Silic and loans repayments until 31 December 2013.

The Board of Directors of Icade dated 27 September 2013 has authorized the increase of these advances within an overall limit of €500 million.

Under these agreements, the income recorded by Icade on year 2013 (until 31 December 2013, when Silic was merged into Icade) totaled €1,498 207.39 for interests on advances and €12,873,091.66 for interests on loans.

Directors Icade concerned: Caisse des Dépôts *& Serge Grzybowski*

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

Agreements and commitments approved in previous years

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Pursuant to provisions of the article R. 225-30 of the French Commercial Code, we were informed that the following agreements and commitments, approved by the Annual General Meeting in previous years, remained in force during the year ended 31 December 2012.

a) of which the execution continued during the financial year

1. Benefit of an insurance contract in favour of your Chairman and CEO

The Board of Directors dated 7 April 2011 approved the benefit, for your Chairman and CEO benefits, of an unemployment insurance dedicated to corporate officers. The cost recorded for this agreement in 2013 is €16,226.

Director concerned: Mr. Serge Grzybowski

2. Repurchase by the *Caisse des Dépôts* ("CDC") of 29% stake in SAS PNE hold by Icade Promotion

The engagement committee of CDC has confirmed, during the meeting held 12 December 2012, the repurchase to Icade Promotion, a 100% subsidiary of Icade SA, by CDC of 29% of the share capital in SAS PNE for €1. This agreement was also including the repayment of the outstanding balance of the current account of Icade Promotion in SAS PNE after the recapitalization process of SAS PNE released by clearing debt to comply the legal obligation regarding the net equity position of the SAS PNE.

The Board of Directors of Icade held 20 December 2012 approved this selling process and the related implementation dispositions.

Pursuant to a sign agreement dated 3 May 2013, (i) Icade Promotion sold to *Caisse des Dépôts* 4115 of its shares in the capital of the SAS PNE for a total agreed price of €1 and (ii) *Caisse des Dépôts* repaid the current account held by Icade Promotion up to 29% for an amount of €3,471,671.95.

Director concerned: Caisse des Dépôts

3. Signing of a protocol and firm offering letter with a view to a combination between Icade and Silic

The Board of Directors of 12 December 2011 approved, in the context of the targeted combination of Icade and Silic, the signing of the protocol between *Caisse des Dépôts*, Groupama and Icade, the signing of an offering letter, and the execution of operations planned into, and gave the authorization to the CEO, with an option of sub-delegation, to negotiate, finalize and sign the letter of offer, given that any change in the terms of the public offering, this must be re-approved by the Board of Directors before its filing to the *Autorité des marchés financiers.*

The protocol and firm offering letter were signed on 13 December 2011 and 22 December 2011, respectively. The combination between Icade and Silic carried out in four steps:

1. the transfer, dated 30 December 2011, to Holco Siic (a subsidiary of *Caisse des Dépôts*) of the Icade shares held by the *Caisse des Dépôts* and a portion of the Silic shares held by Groupama;
2. the transfer, dated 16 February 2012, to Holdco SIIC of the remaining Silic shares held by Groupama;
3. the initial deposit, dated 13 March 2012, of Icade's public offer for Silic (the date has been confirmed by the AMF, after various procedures to 12 July 2013), after which (in including the re-opened offer), Icade held 16,365,684 Silic shares or 93.28% of capital and voting rights, as well as 99,520 ORNANE Silic; In this context, 19,295,355 new Icade shares were issued on 19 July 2013 at a price of €69 per share (including share premium) as consideration for the 15,436,284 shares of Silic tendered to the share exchange initial offer and 1,161,750 new Icade shares were issued at a price of €67.36 per share (including share premium) as consideration for the 929,400 Silic shares tendered to the share exchange offer reopened.
4. the merger of Silic into Icade became effective on 31 December 2013 at midnight, from a legal, accounting and tax point of view, with the transfer of net assets of Silic into Icade and the dissolution without liquidation of Silic.

4. Financial compensation of the Company 21/29 rue des Fontaneaux subsidiary Silic SA (now subsidiary of Icade SA)

The Board of Silic dated 9 February 2010 authorized the signature of an indemnity agreement of its subsidiary SAS company 21/29 rue des Fontanot to support the consequences of its subscription to the SIIC tax regime. This agreement, signed 21 June 2010, fixed the amount of the financial compensation to €4,248,682, to be paid in four times dated 15 December 2010, 15 December 2011, 15 December 2012 and 15 December 2013.

Due to the merger of Silic into Icade dated 31 December 2013, SAS 21/29 rue des Fontanot became a subsidiary of Icade SA.

5. Allocation of severance payment in favor of the CEO of Silic

Respectively on 9 February 2010 and 7 May 2010, the Board of Directors and the General Meeting of Shareholders of Silic (merged into Icade on the 31 December 2013) authorized and approved the commitment of Silic in favor of Philippe Lemoine, in his capacity as a corporate officer, to obtain in case of severance of his mandate, the restarting of his employment contract as the *directeur Général adjoint chargé du développement* shelved for the time period of its mandate as a corporate officer.

Moreover, in case of termination – except in cases of gross negligence or misconduct – he would receive, subject to performance conditions, and in addition to its legal and regulatory duties, a special severance amount equal to 2 years of wage compensation (fixed and variable), if and only if the average annual cash flows of Silic recognized on the basis of accounts figures certified by the Statutory Auditors, for the years ended since the beginning of mandate (10 February 2010) to 31 December of the year preceding the forced departure is, at least, equal to the level of cash flows at 31 December 2009, that is to say €118.3 million.

In February 2013, the Board noted the lack of achievement of performance conditions attached to the 1,600 free shares granted to the CEO of Silic and therefore decided not to proceed with the final allocation of such actions.

Philippe Lemoine, whose mandate as CEO of Silic ended 7 September 2013 (expiration date of its legal mandate), received in respect of the fiscal year 2013, a gross fixed remuneration of €241,145 on which is added a variable portion of €62,000.

The performance conditions that the Board of Directors of Silic had set as a condition of the benefit to the special severance related to its corporate officer mandate were not met and no amount has been paid as such. A settlement agreement established for his employment contract has been conclude with a benefit for Philippe Lemoine of a global amount of €324,948.

Philippe Lemoine has not received other benefits, as agent, related to the termination of his employment.

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b) without execution during the financial year

6. Allocation of a severance payment to your Chairman/CEO

In case of a forced departure related to a change of control or related to a strategic disagreement with the Board of Directors, your Chairman – CEO will receive a severance benefit determined as twice of the amount of his total gross retribution (fixed and variable) received over the 12 months prior to his departure.

Pursuant to article L. 225-42-1 of the Commercial Code, the severance benefit will be calculated upon fulfillment of a performance criteria: the severance benefit will be paid if the latest Group Net Income per Share (GNIS) for the financial year previous the departure is greater than or equal to the average GNIS for the two previous financial years (GNIS: Group Net Income per share as communicated in the consolidated financial statements, and after adjustment related to net proceeds from asset disposals).

This agreement was authorized by the Board of Directors on 7 April 2011

Courbevoie and Neuilly-sur-Seine, 6 March 2014

The Statutory Auditors (French original signed by)

Mazars		**Pricewaterhousecoopers Audit**
Gilles Rainaut	Jérôme de Pastors	Jean-Baptiste Deschryver

CHAPTER 11

DOCUMENTS ACCESSIBLE TO THE PUBLIC

The Articles of Association, minutes of General Meetings and other corporate documents of Icade, as well as historical financial information and any valuation or declaration produced by an expert at Icade's request to be made available to shareholders in accordance with applicable legislation, may be consulted at Icade's registered office.

Regulated information as defined under Article 221-3 of the Financial Markets Authority's (AMF) general regulations is available on Icade's website at http://www.icade.fr

CHAPTER 12

CORRESPONDENCE TABLE

Correspondence table

Topics (headings of Appendix 1 of European Regulation no. 809/2004)	Institutional specification	Legal and financial specification
1. Persons responsible		
1.1 Name and position of persons responsible	–	Chap. 8 § 10.1., p. 277
1.2 Declaration from persons responsible	–	Chap. 8 § 10.2., p. 277 Chap. 8 § 10.3., p. 277 Chap. 8 § 11., p. 279
2. Statutory Auditors	–	Chap. 8 § 10.3., p. 277 Chap. 8 § 10.4., p. 278
3. Selected financial information	2-3-16-17-39-42-56-58 to 63	–
4. Risk factors	–	
4.1 Legal risks		Chap. 8 § 7.4., p. 248 Chap. 8 § 6.2., p. 243
4.2 Industrial and environmental risks		Chap. 8 § 7.3., p. 247
4.3 Operational risks		Chap. 8 § 7.2., p. 244
4.4 Liquidity and covenant risks		Chap. 1 § 5.4., p. 34 Chap. 3 § 22.2. and § 22.3., p. 83 and 84 Chap. 3 § 25.1., p. 89 Chap. 8 § 7.6., p. 250
4.5 Market risks – Interest rates		Chap. 1 § 5.2., p. 32 and 33 Chap. 3 § 25.2., p. 90 Chap. 8 § 7.7., p. 250
4.6 Market risks – Foreign exchange		Chap. 3 § 2.5.3., p. 90 Chap. 8 § 7.7.2., p. 250
4.7 Market risks – Equities		Chap. 8 § 7.7.3., p. 250
4.8 Credit derivatives		N. A.
4.9 Insurance – Disputes		Chap. 3 § 21., p. 81 Chap. 8 § 6., p. 242 - 244
5. Information about the issuer		
5.1 History and development of the Company	20 to 25	–
5.1.1 Company name and trading name of issuer		Chap. 8 § 1.1.1., p. 226
5.1.2 Place of registration and registration number of issuer		Chap. 8 § 1.1.2., p. 226
5.1.3 Date of constitution and term of issuer		Chap. 8 § 1.1.3., p. 226
5.1.4 Registered office, legal form of the issuer, legislation governing its activities, country of origin, address and telephone number of its registered office		Chap. 8 § 1.1.4., p. 226
5.1.5 Important events in the development of the issuer's activities		Chap. 1 § 2.2., p. 5
5.2 Investments	–	–
5.2.1 Description of the principal investments (including amounts) made by the issuer during each year of the period covered by the historical financial information, up to the date of the registration document	–	Chap. 1 § 2.1., p. 3 Chap. 1 § 2.2., p. 5 Chap. 1 § 2.4., p. 6
5.2.2 Description of the issuer's main investments in progress, including the geographical distribution of these investments (both domestically and abroad) and their method of funding internal and external)	–	Chap. 1 § 2.4.2.1., p. 15 and 16 Chap. 1 § 2.4.1.4., p. 12 and 13
5.2.3 Information concerning the main investments that the issuer intends to make in the future and for which its management bodies have already made firm commitments	–	N. A.

Topics (headings of Appendix 1 of European Regulation no. 809/2004)	Institutional specification	Legal and financial specification
6. Business overview		
6.1 Principal activities	2 to 5 -16-17-28-29-38-47	Chap. 1 § 2.1., p. 3
6.2 Principal markets	–	Chap. 1 § 2.4.1., and § 2.4.2., p. 6 - 19
6.3 Exceptional events	–	N. A.
6.4 Extent to which the issuer is dependent on patents, licenses, industrial, commercial or financial contracts or new manufacturing processes	Not concerned	N. A.
6.5 The basis for any statements made by the issuer regarding its competitive position	–	Chap. 1 § 2.4.1., p. 6 and 7 Chap. 8 § 7.1.2., p. 244
7. Organizational structure		
7.1 Brief description of the Group	57	Chap. 1 § 3.1., p. 23
7.2 List of significant subsidiaries	57	Chap. 4 § 7.6., p. 144 Chap. 8 § 1.5.1., p. 236
8. Property, plant and equipment		
8.1 Existing or planned material tangible fixed assets	20 to 25	Chap. 1 § 3.1., p. 23 - 26 Chap. 3 § 9., p. 65 - 69
8.2 Environmental issues that may affect the use of the tangible fixed assets	17, 26 to 33, 38, 39, 62, 63	Chap. 6 § 4.4 à § 5.3., p. 194 - 206 Chap. 8 § 7.3., p. 247 Chap. 8 § 7.4.2. and § 7.4.3., p. 248
9. Examination of the financial position		
9.1 Financial position	58 to 61	Chap. 3. § 1.1. à § 1.6., p. 38 - 46
9.2 Operating profit	58	Chap. 3 § 3., p. 56 - 57
10. Cash flow and capital resources		
10.1 Information concerning capital resources	–	Chap. 3 (Table of changes on consolidated capital and reserves), p. 41 Chap. 3 § 19., p. 80
10.2 Sources and amounts of cash flow	–	Chap. 1 § 2., p. 3 Chap. 3 (Table of consolidated cash flow), p. 40 Chap. 3 § 3., p. 56 - 57
10.3 Information on borrowing requirements and financing structure	–	Chap. 1 § 5., p. 32 - 34 Chap. 3 § 22., p. 83 - 89
10.4 Restrictions on the use of capital resources that have materially affected, or could materially affect the Company's operations	–	Chap. 3 § 19., p. 80 Chap. 8 § 1.3.1.1., p. 227
10.5 Sources of expected funds needed to fulfil firm investment commitments made by the managers and planned tangible fixed assets	–	Chap. 3, p. 38 Chap. 3, p. 40 Chap. 3 § 25.1., p. 89
11. Research and development, patents and licenses	None	N. A.
12. Trend information		Chap. 1 § 2.3., p. 5
13. Profit forecasts or estimates	None	N. A.
14. Board of Directors and Senior Management		
14.1 Information on the members of the Board of Directors and Senior Management	52 to 55	Chap. 5 § 1.2., p. 157 - 162 Chap. 8 § 9.1., p. 259- 272
14.2 Conflicts of interest	–	Chap. 11 § 9.1.3., p. 272

Topics (headings of Appendix 1 of European Regulation no. 809/2004)	Institutional specification	Legal and financial specification
15. Remuneration and benefits		
15.1 Amount of remuneration paid and benefits in kind	–	Chap. 3 § 32., p. 101 Chap. 4 § 7.4., p. 143 Chap. 5 § 1.7., and § 1.8., p. 166 - 169 Chap. 8 § 9.2., p. 272 - 275
15.2 Amount set aside or accrued to provide pension, retirement or similar benefits	–	Chap. 8 § 9.2.3., p. 274 - 275
16. Board operating practices		
16.1 Date of expiry of current terms of office	–	Chap. 8 § 9.1.1.2., p. 260 - 267
16.2 Service contracts binding the members of the Board of Directors	None	Chap. 8 § 9.2.3.2., p. 275
16.3 Information about the Committees	53	Chap. 5 § 2., p. 170 - 176 Chap. 8 § 9.3., p. 276
16.4 Statement of compliance with the corporate governance regime	–	Chap. 5 § 1.1., p. 156
17. Employees	–	
17.1 Number of employees	–	Chap. 4 § 7.5., p. 143 Chap. 6 § 3.2., p. 185
17.2 Shareholdings and stock options of corporate officers	–	Chap. 5 § 1.7.3., p. 167 - 168 Chap. 5 § 1.8.1., p. 169 Chap. 8 § 9.2.4., p. 275
17.3 Agreement for employees' shareholding scheme	–	Chap. 6 § 3.1., p. 184 Chap. 8 § 8.1.3., p. 251
18. Main shareholders		
18.1 Shareholders holding more than 5% of the share capital or voting rights	58	Chap. 8 § 1.4.1., p. 233
18.2 Existence of different voting rights	None	N. A.
18.3 Control of the issuer	–	Chap. 8 § 1.4., p. 233
18.4 Any agreement, known to the issuer, the operation of which may at a subsequent date result in a change of control	–	Chap. 8 § 1.4.3., p. 236
19. Related-party transactions	–	Chap. 9 § 2., p. 282
20. Financial information concerning the issuer's assets, financial position and profits and losses		
20.1 Historical financial information	2-3-16-17-39-42-56-58 to 63	Chap. 2, p. 35 Chap. 3, p. 38 - 108
20.2 Pro forma financial information	None	N. A.
20.3 Company accounts	–	Chap. 4, p. 112 - 145
20.4 Auditing of historical annual financial information	–	Chap. 3, p. 109 - 110 Chap. 4, p. 146 - 147
20.5 Date of latest financial information	–	Chap. 2, p. 35
20.6 Interim information and other financial information	None	N. A.
20.7 Dividend distribution policy	–	Chap. 3 cptes conso § 19.3., p. 80 Chap. 8 § 4., p. 240
20.8 Legal and arbitration proceedings	–	Chap. 8 § 6.2., p. 243
20.9 Significant change in the financial or trading position	–	Chap. 1 § 2.2., p. 5 Chap. 1 § 2.4.3., p. 20 - 21
21. Additional information		
21.1 Share capital	–	p. 80, 131, 227
21.1.1 Amount of subscribed capital and, in respect of each category of shares:		
a) the number of authorized shares;		Chap. 8 § 1.3.1.2., p. 228
b) the number of shares issued and fully paid and the number of shares issued but not fully paid;		Chap. 4 § 4.7., p. 131

Topics (headings of Appendix 1 of European Regulation no. 809/2004)	Institutional specification	Legal and financial specification
c) the nominal value per share, or the fact that the shares have no nominal value; and		Chap. 3 note 19., p. 80
d) a comparison between the number of shares in circulation on the opening and closing date of the year. If more than 10% of the capital was paid up using assets other than cash during the period covered by the historical financial information, specify;		Chap. 4 § 4.7., p. 131 Chap. 8 § 1.3.1.8., p. 232
21.1.2 Shares not representing capital, number and principal characteristics;		N. A.
21.1.3 Number, book value and nominal value of shares held by the issuer itself or in its name or by its subsidiaries		Chap. 4 § 4.7., p. 131 Chap. 8 § 1.3.1.4., p. 229 Chap. 8 § 1.4.1., p. 233
21.1.4 Value of convertible or exchangeable securities or those with warrants, mentioning conversion, exchange or subscription conditions and procedures;		Chap. 3 § 19., p. 80
21.1.5 Information on conditions governing any rights of acquisition and/or any obligation relating to the subscribed, but not paid, capital, or any company aiming to increase the capital		N. A.
21.1.6 Information on the capital of any member of the Group subject to an option or conditional or unconditional agreement intended to place it under option and the details of these options, including the identity of any persons to whom they relate		Chap. 8 § 1.3.1.6., p. 230 Chap. 8 § 8.1.3., p. 251
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AUTORITÉ DES MARCHÉS FINANCIERS

AMF

This reference document was filed with the Autorité des Marchés Financiers on 27 March 2014, in accordance with Article 212-13 of its General Regulations. It may be used to support a financial transaction if accompanied by a simplified prospectus approved by the AMF.

This document has been prepared by the issuer and its signatories therefore accept responsibility for its content. Copies of this reference document are available free of charge from the Company (35 rue de la Gare –75019 Paris) and on Icade's website (www.icade.fr) and the AMF's website (www.amf-france.org).

FOR FURTHER INFORMATION, SEE...

... the 2013 annual report-reference document
at the site **www.icade.fr**

... news on the city (environment, city of the future, Greater Paris, urban planning, mobility, etc.) and the company in real time from **Twitter account @Icade_Officiel**

... behind the scenes at construction sites, interviews with experts, guided tours of our projects, etc. on **channel IcadeOfficiel**

YouTube

Market listings
Icade's shares are listed on Euronext Paris
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Icade's Key Accounts, Institutional Relations and Communications division – March 2014

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