



Paris, 30 November 2015

## **FOCUS AND GROWTH AN AMBITIOUS THREE-YEAR PLAN WITH IMMEDIATE STRONG START**

**Our ambition: to be a top performing Real Estate integrated player and focus on our leadership positions to deliver best-in-class results**

André Martinez, Chairman of Icade's Board, and Olivier Wigniolle, Chief Executive Officer, present today their strategic plan for Icade, which received unanimous support from the Board of Directors.

- **A clear five-track strategic roadmap**
  - **Ensure a future for the Services business outside of Icade**
  - **Target a profitability of the property development activities in line with its peers and build synergies with our Investment activities**
  - **Optimize our business parks portfolio by focusing on the assets demonstrating the highest value creation potential**
  - **Improve the Offices' profitability through our property development pipeline and enlarge our investment scope to new major French cities**
  - **Reinforce the leadership of our Healthcare business on the French market through selective acquisitions and active asset management**
  
- **A new and simplified organization to drive synergies between our activities and foster a more collaborative culture within the Group**
  
- **An ambitious Innovation & CSR roadmap**
  
- **2015 guidance and dividend policy confirmed**
  
- **2016-2018 ambition:**
  - **GAV increase (Group share) : from €9bn to €11bn in 2019**
  - **Development sales increase: from €1bn to €1.3bn, with target return on equity of 12% for development by 2018**
  - **Dividend policy based on recurring cash flow evolution**



Olivier Wigniolle, Chief Executive Officer of Icade, said : « *Icade is a unique company in the real estate sector, with strong foundations to achieve its ambition to focus and grow further. With the Board's full support, Icade's management has developed a clear roadmap with a view to establishing the group as a reference integrated real estate player, focused on delivering profitable growth. Today we announced several key strategic decisions, that will shape Icade's future, both in terms of operations but also in terms of organization. We are confident that we will achieve this ambitious plan, creating value for our shareholders and our employees.*»

## A clear five-track strategic roadmap

- **Ensure a future for the Services business outside of Icade**  
While Icade's know-how is clearly recognized by the market, this activity lacks the necessary critical size in today's Icade organization, as it accounts for less than 3% of Icade's turnover. The profitable growth of the Services business requires to be supported by a large specialized player. Our priority for 2016 will be to find the most appropriate exit solution for this division.
- **Target a profitability of the property development activities in line with its peers and build synergies with our investment activities**  
Icade firmly believes that significant synergies can be extracted by jointly operating the Group's property development activities and its investment activities. Creating one single team for both sourcing and execution, implementing one single purchasing department for capex to leverage on larger purchasing volume, or mutualizing some support functions are among the operational levers the Group intends to activate to unlock synergies and boost profitability. Based on its pipeline, Icade Promotion will contribute €400m to the Investment activities of Icade over the next three years.
- **Optimize our business parks portfolio by focusing on the assets demonstrating the highest value creation potential**  
The Group's strategy for this asset class will be to adopt a dynamic and opportunistic approach in managing "non core" Business Parks. Disposal of selected assets, switching to the most relevant asset class for the environment (e.g. convert part of sites into residential units) and enhancement of the occupancy rate of the core assets (improvement by 5 points targeted in 2018) through active asset management policy will be the cornerstone of our value creation strategy over the next three years.  
Taking into account a differentiated valuation of our assets based on their location, we anticipate a decrease in business parks GAV of 4-6% vs. 30/06/2015 for the second half of 2015 on a comparable basis, leading to potential new impairments.
- **Improve the Offices' profitability through our property development pipeline and enlarge our investment scope in new major French cities**  
Icade intends to keep on investing in the Paris Region through its own pipeline. Moreover, the Group plans to leverage on its in-house know-how and on Icade Promotion track record to enlarge its investment scope to French large cities, in order to improve the Group's risk / return profile.  
Over the next three years, more asset rotation should reveal value creation on mature assets and we expect to be net buyer over the three-year plan.  
In 2015, provision reversals are expected, although potentially partly offset by additional provisions.



- **Reinforce the leadership of our Healthcare business on the French market through selective acquisitions**

Icade's Healthcare is one of the key contributors to the Group's cash-flow and carries significant value creation potential over the next three years. The Group intends to foster its leadership position by enlarging its French footprint through selective acquisitions. Active asset management (extensions, capex plans, opportunistic disposals, leases renewals) will also contribute to unlocking significant value.

This strategy will be underpinned by an ambitious Innovation and Corporate Social Responsibility (CSR) roadmap as it forms an integral part of Icade's business model. Strong CSR commitments regarding sustainability, client relationships and HR policy will contribute to excellence and performance.

## **Icade's financial ambition**

Icade confirms its 2015 guidance on EPRA Recurring Net Result and Group Cash-Flow, and its dividend policy for 2015.

For the 2016-2018 period, Icade will maintain its current financial policy and has set itself the following ambition, as a result of its new strategy:

- An increase of the Gross Asset Value (GAV), from €9bn to €11bn in 2019
- An increase of development sales, from €1bn to €1.3bn, with target return on equity (RoE) of 12% for development by 2018
- A dividend policy based on Recurring Cash-Flow evolution

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**André Martinez and Olivier Wigniolle will present the strategic plan to analysts on 30 November at 11.00 a.m.**

**The presentation will be available online:**

In French: <http://www.icafe.fr/finance/resultats-publications/presentations-financieres>

In English: <http://www.icafe.fr/en/finance/results-and-publications/financialpresentations>

**The live transmission with accompanying slides will be available from 11.00 a.m. (Paris time), via the following link:**

In French: <http://edge.media-server.com/m/go/lcadelD2015>

Conference call: +33 (0)1 76 77 22 20

Conference ID (Identifiant de la conférence): Icade Investor Day French : 3451760

In English: <http://edge.media-server.com/m/go/lcadelD2015/lan/en>

Conference call: UK +44 (0)20 3427 1910 / US +1646 254 3361

Conference ID: Icade Investor Day English: 3607349

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## **NEXT EVENTS**

**2015 Annual Results: Monday, 22 February 2016 after markets close**

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## ABOUT ICADE

Icade is a listed company, a subsidiary of the Caisse des Dépôts. As an integrated real estate player in Grand Paris and regional development, Icade is capable of providing comprehensive, sustainable and innovative solutions that are tailored to customer needs and the challenges of tomorrow's cities. Leading commercial real estate company in Europe, Icade recorded an EPRA Earnings of 128 million euros in H1 2015. On 30 June 2015, its EPRA triple net asset value reached 5,340 million euros, or 72.4 euros per share.

The text of this press release is available on the Icade website: [www.icable.fr](http://www.icable.fr).

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