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ICADE

HALF-YEAR FINANCIAL REPORT

30 June 2015

CONTENTS

CERTIFICATION OF THIS DOCUMENT

I certify, to the best of my knowledge, that the accounts for the previous semester have been prepared in compliance with applicable accounting standards and reflect an accurate representation of the assets, financial situation and revenue of the company and all of the businesses comprising the consolidation, and that the attached half-year activity report presents an accurate representation of the significant events taking place during the previous six months of the year, their effect on the accounts, the main transactions between interested parties as well as a description of the primary risks and uncertainties for the remaining six months of the year.

Executed in Paris on 22 July 2015

Olivier Wigniolle

Chief Executive Officer

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ICADE

FIRST PART: HALF-YEAR FINANCIAL REPORT AS AT 30 JUNE 2015

1. PROFIT/(LOSS) AND *CASH FLOW*

1.1. Simplified consolidated income statement

(in millions of euros)	30/06/2015			30/06/2014 restated			
	Current	Non-current	Total	Current	Non-current	Total	Change
Revenue	**714.4**		**714.4**	**757.9**		**757.9**	**(5.7%)**
Income from operating activities	716.3		716.3	760		760	
Purchases used	(341,1)		(341,1)	(376,9)		(376,9)	
Outside services	(56.2)		(56.2)	(62.2)		(62.2)	
Taxes, duties and similar payments	(5.9)		(5.9)	(6.1)		(6.1)	
Personnel charges, profit sharing and share incentive scheme	(68.6)		(68.6)	(80)		(80)	
Other business-related charges	(2.4)		(2.4)	(0.3)		(0.3)	
Charges from operating activities	(474.1)		(474.1)	(525.6)		(525.6)	
EBITDA	**242.2**		**242.2**	**234.4**		**234.4**	**3.3%**
Depreciation charges net of investment grants		(135.7)	(135.7)		(134.5)	(134.5)	
Charges and reversals related to impairment on tangible, financial and other current assets		(91.7)	(91.7)		(5.1)	(5.1)	
Profit/loss from disposals		33.3	33.3		1.1	1.1	
Impairment on goodwill and intangible assets		(5.7)	(5.7)		(0.8)	(0.8)	
Share in the profit/(loss) of equity-accounted companies	5.2	(13.8)	(8.5)	7.8	(3.3)	4.5	
OPERATING PROFIT/(LOSS)	**247.5**	**(213.5)**	**34**	**242.2**	**(142.6)**	**99.6**	**(65.8%)**
Cost of gross debt	(67.7)		(67.7)	(73.7)		(73.7)	
Net income from cash and cash equivalents, related loans and receivables	5.6		5.6	6.5		6.5	
Cost of net debt	**(62.1)**		**(62.1)**	**(67.2)**		**(67.2)**	**7.6%**
Adjustment to value of derivatives and other discounting (ORNANEs - *bonds redeemable in cash and shares*)		1.7	1.7		(10.3)	(10.3)	
Other financial income and financial charges	(2)		(2)	(2.3)	(0)	(2.3)	
FINANCIAL PROFIT/(LOSS)	**(64.1)**	**1.7**	**(62.3)**	**(69.5)**	**(10.3)**	**(79.9)**	**22%**
Profit tax	(12.1)	(26)	(38.1)	(12.1)	(0.9)	(13)	
Profit/(loss) from discontinued operations							
NET PROFIT/(LOSS)	**171.3**	**(237.8)**	**(66.4)**	**160.6**	**(153.8)**	**6.7**	**N/A**
Profit/(loss): share of non-controlling interests	27.6	(15.6)	12	22.6	(12.4)	10.2	
NET PROFIT/(LOSS): GROUP SHARE	**143.8**	**(222.2)**	**(78.4)**	**137.9**	**(141.4)**	**(3.5)**	**N/A**
Average number of diluted shares in circulation used in the calculation			73,803,864			73,796,157	
NET PROFIT/(LOSS): GROUP SHARE (in € per share after dilution)	**€1.95**	**(€3.01)**	**(€1.06)**	**€1.87**	**(€1.92)**	**(€0.05)**	

1.2. *Cash flow*

(in millions of euros)	30/06/2015			30/06/2014 restated			Change
	Property development	Other Activities	Group	Property developmen t	Other Activities	Group	
EPRA earnings from property investment	**128.1**		**128.1**	**120.6**		**120.6**	**6.2%**
Depreciation not related to investment properties	4.7		4.7	4.1		4.1	
Net current cash flow - Other Activities		11.1	11.1		13.2	13.2	
Net current cash flow - Group	**132.7**	**11.1**	**143.8**	**124.7**	**13.2**	**137.9**	**4.3%**
EPRA earnings from property investment	***€1.74***		***€1.74***	***€1.63***		***€1.63***	***6.2%***
Net current cash flow - Group	***€1.80***	***€0.15***	***€1.95***	***€1.69***	***€0.18***	***€1.87***	***4.3%***

Note:

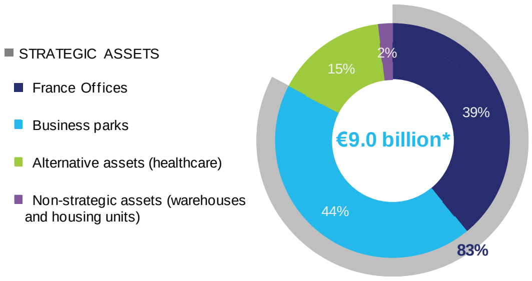
The financial statements as at 30 June 2014 were restated after the first application of the IFRIC 21 interpretation in the first half of 2015: "Taxes levied by a public authority" (retrospective application).

This interpretation is aimed at clarifying the event giving rise to the date of recognition of duties other than taxes on income. From now on, only the duties whose event generator intervenes progressively will continue to be spread in the interim accounts. The impact of this interpretation primarily concerns taking into account, in the interim publications, the share of the property investment tax on the offices that cannot be re-invoiced.

1.3. Key figures

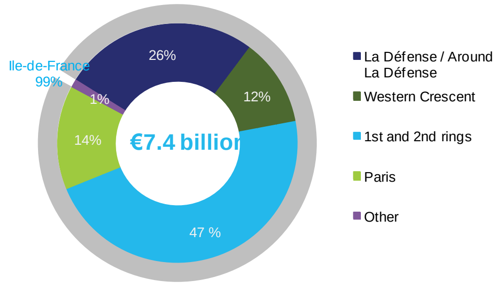
1.3.1. PROPERTY INVESTMENT

PORTFOLIO DISTRIBUTION *(IN %)*

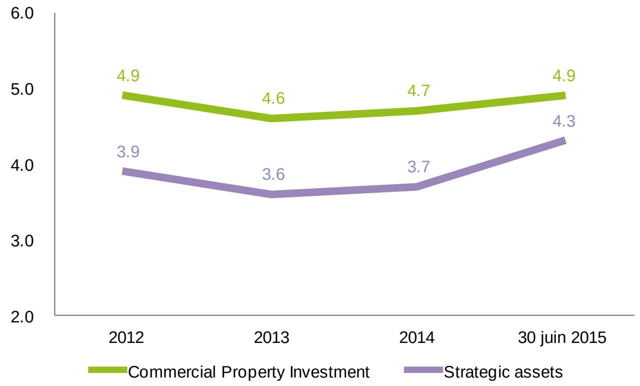


'*In proportion to stake in Icade Santé.

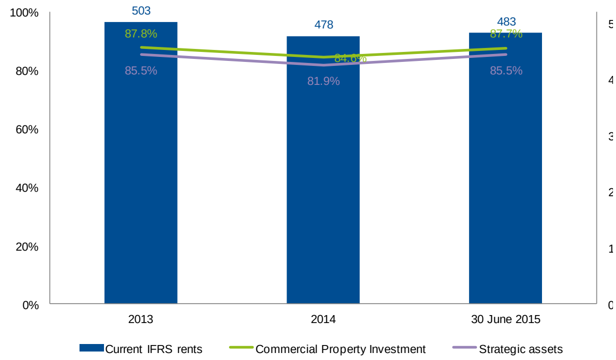
GEOGRAPHIC DISTRIBUTION OF THE OFFICES AND BUSINESS PARKS PORTFOLIO *(IN %)*



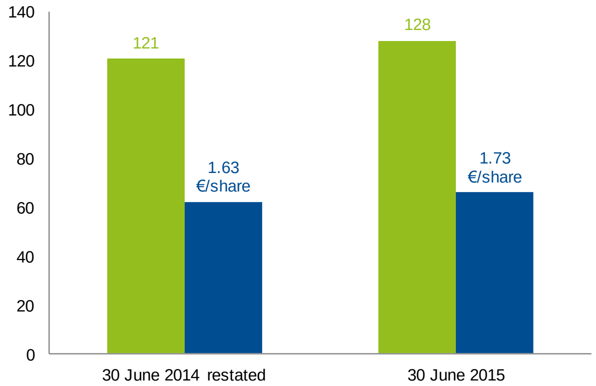
FIXED TERM RESIDUAL LEASES *(YEARS)*



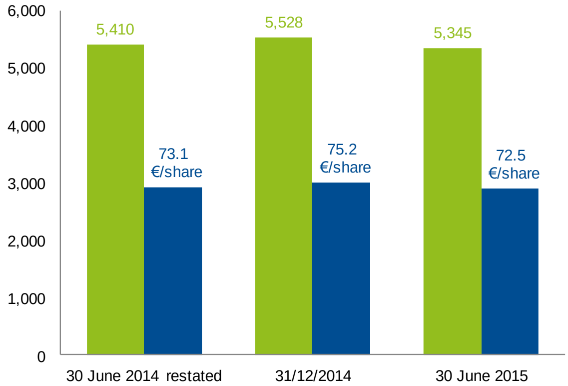
IFRS RENTS *(IN M€)* AND FINANCIAL OCCUPANCY RATES *(IN*



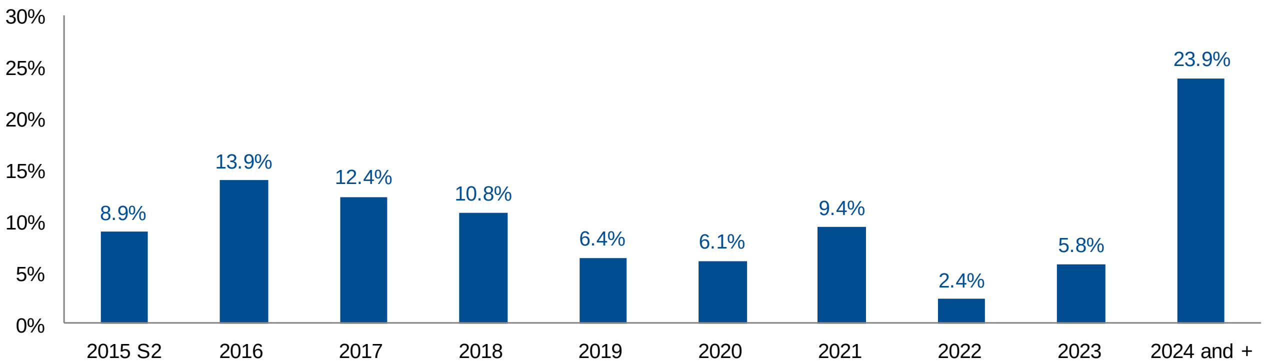
EPRA EARNINGS FROM PROPERTY INVESTMENT *(IN M€ AND €/SHARE)*



EPRA TRIPLE NET NAV *(IN M€ AND €/SHARE)*

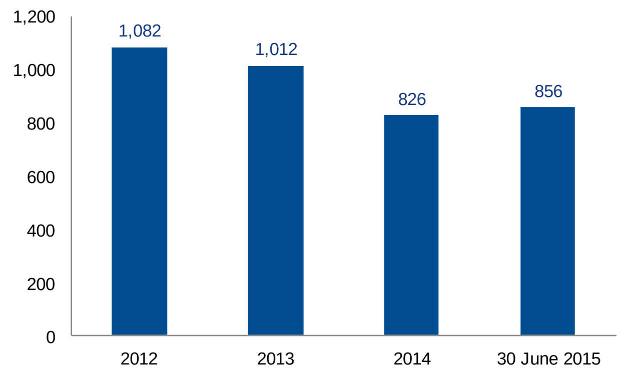


SCHEDULE OF LEASES *(IN % OF ANNUALISED RENTS)*



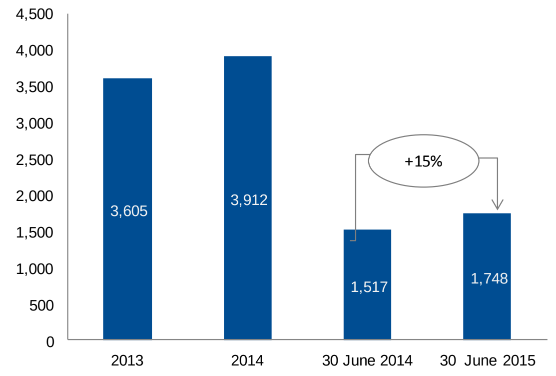
1.3.2. PROPERTY DEVELOPMENT

HOUSING UNIT DEVELOPMENT *BACKLOG* *(IN M€)*



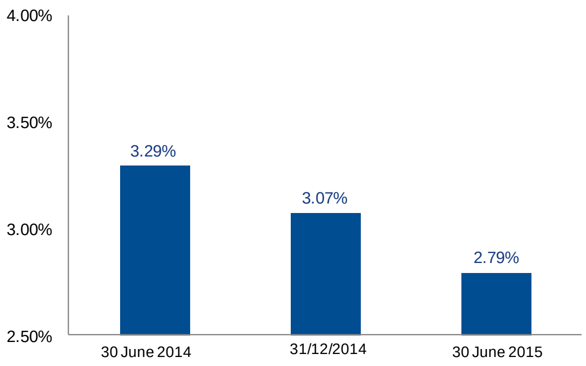
2015 NET RESERVATIONS IN VOLUME

(Number of housing units and building plots)

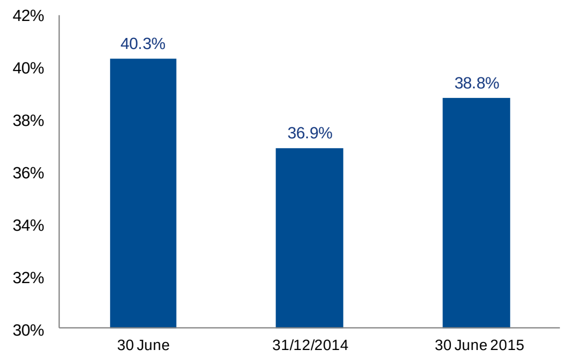


1.3.3. FINANCING

AVERAGE COST OF DEBT *(IN %)*

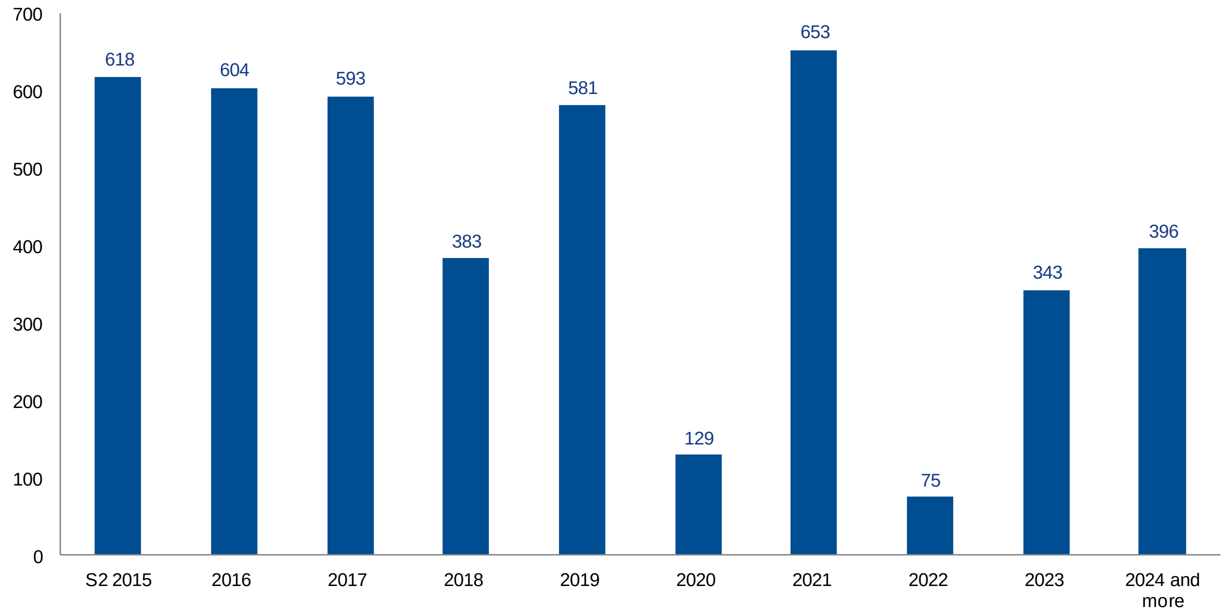


LOAN-TO-VALUE *(IN %) (*)*



(*) Integrates the value of the development and service companies as well as financial receivables from public-private partnerships.

SCHEDULE OF DRAWN DEBT *(IN M€)*



2. ACTIVITY AND RESULTS

2.1. Highlights

Governance

Following the resignation of Mr. Serge Grzybowski last 17 February from his term as Chairman and CEO, the Board of Directors decided to separate the functions of Chairman of the Board and Chief Executive Officer of the company. Therefore, Mr. Olivier Wigniolle and André Martinez have been respectively named Chief Executive Officer and Chairman of the Board of the company.

Activity

As at 1 April 2015, Icade retroactively renewed three nine-year fixed term leases on the Axe buildings 14/15/16 with AXA France; Property Investment thus consolidated visibility on its cash flows. These leases, which constitute a total surface area of 57,800 m², are expiring in October 2015. AXA France will give up around 17,600 m² of office space that it occupies in the Défense 4/5/6 building. On the other hand, it will retain 16,400 m² in the Axe 13 building on the terms of a lease that will expire in 2019. In total, AXA France remains Icade's premier tenant with 74,200 m² leased.

The financial occupancy rate improved compared to 31 December 2014 by 3.1 points, through the KPMG lease in Tour EQHO taking effect over the half year (the impact was 1.6 on the physical occupancy rate).

Over the first half of 2015 Icade Property Development saw a significant improvement of its main physical indicators (Backlog + 22%, reservations +13.9%), driven by the effects of the "Pinel" tax measure as decided by the state in late 2014.

Icade Property Development and its partner CIRMAD signed an off-plan promise of sale with the property investor Gecina on the Sky 56 building in Lyon for €136 million deed in hand (€4,164/m² excluding parking). It is developing a usable surface area of 30,700 m² on 13 levels with 328 parking places. Through this transaction, Icade continues its commitment to supporting large French metropolises and its long-term partnership with Grand Lyon.

In June 2015, Icade Property Development signed an off-plan promise of sale (VEFA) with an institutional investor for the creation of 10,500 m^2 of office space on plot no. 4 of the Clichy-Batignolles ZAC (mixed development zone), in Paris 17 for €85 million.

Asset rotation

The investments made as at 30 June 2015 totalled €189.7 million, including €93.1 million in development and €57.4 million in acquisitions in the healthcare portfolio; the balance, i.e., €39.2 million, relates to the maintenance work on the portfolio and to ancillary works undertaken for tenants.

The first half of 2015 was marked by the delivery of office buildings for over 34,000 m². This included the building "Le Monet" in Saint-Denis in June 2015 (20,700 m² and 275 parking spaces, rented to the SNCF) and the building "Québec" on the Parc de Rungis (11,600 m² and 209 parking spaces, currently being marketed),

On behalf of the French Ministry of Justice, France Domain has exercised its purchase option on "le Millénaire 3" in March 2015, the date of delivery of the building for an amount of €180.5 million (€48.8 million capital gain before tax) through a promise signed in 2012. This purchase, which reflects the highly attractive nature of the Parc du Millénaire, was anticipated in Icade's outlook for 2015.

Concerning the streamlining of the portfolio and the non-strategic assets, the sales concluded in the first half of 2015 totalled €26 million. They primarily centre on the sale of two office buildings located in Evry.

Financing strategy

Icade has profited the first half of 2015 from growing the outstanding debt of its commercial paper program from €203 million to €279.5 million, and raising its ceiling to €600 million, proof of the attractiveness of the signatory.

This continuation of optimising liabilities, as well as the full effects of the re-negotiations and levies of 2014, has lowered the average cost of debt to 2.79% in the first half of 2015, compared to 3.07% in 2014.

Portfolio

On a like-for-like basis, the value of the portfolio is down 1.1% compared with 2014. This negative development is primarily explained by a marked drop in the valuations of the outlying business parks related to a repositioning in market rental values and to the increase in economic vacancy.

The value of the Parcs des Portes Nord de Paris (excluding Le Millénaire shopping centre) improved by 2.1% on a like-for-like basis, confirming the trend observed in 2014, which validates the development strategy of this area.

The value of the offices has appreciated 1.5% on a like-for-like basis, benefiting notably from a new improvement in the Tour EQHO (+7.9%) due to the expiry of rent-free periods and from the effective disbursement of the tenant works for the KPMG lease.

Innovation

A year ago, Icade began reflecting on the large economic and technological transformations taking place that impact the home, the office, the city, the business and the health of tomorrow. This reflection started with the launch of an innovative and collaborative approach called [Icade]+10 which is based on three main initiatives:

- a Physical Hub, a space for co-working and interaction, and a Digital Hub, a platform of content and dialogue for the Icade innovation community;
- partnerships with large corporate leaders, innovative in their domains (Philips, EDF, etc.);
- the identification of start-ups likely to try out innovative solutions with Icade and the upcoming opening of a "house of start-ups" on the Parc des Portes Nord de Paris.

2.2. Outlook

The EPRA earnings from Property Investment in 2015, should be between stable and slightly higher compared to 2014:

- in spite of the still unfavourable office rental market conditions in the first half of 2015;
- in spite of the sale to the State of "Millénaire 3" in the first half of 2015;
- thanks to the acquisition planned in the second half year of the portfolio of 17 clinics with Vedici;
- through control of operating expenses;
- through maintaining the LTV below 40% and the continuation of the decrease in the average cost of debt across a larger financial disintermediation;
- Notwithstanding the postponement, considering market investment conditions, of acquisitions of core office buildings.

For this same year, 2015, the net current cash flow - Group should be within a range of €4/share to €4.1/share. The CFNC – Groupe will be tied to the performance of the property development activity in the second half year.

2.3. Property Investment Division

2.3.1. Portfolio presentation

The portfolio of the Icade Property Investment division totals over 2.7 million m² of rentable floor space (excluding residences). It is primarily comprised of offices, business parks and healthcare establishments. Last, residually, Icade holds only a few non-strategic assets, such as warehouses and housing units.

Breakdown of the portfolio in rentable floor space

Geographic area	Strategic assets			Alternative assets	Non-strategic assets	Total	Share in total
(in m2)	Business parks	Offices	Sub-total	Healthcare(1)			
Paris	144,142	17,174	161,316	2,644	-	163,960	6%
La Défense/Near La Défense	86,188	293,812	380,000	-	-	380,000	13.91%
Other Western Crescent	62,746	75,006	137,752	-	-	137,752	5.04%
Inner Ring	362,523	133,680	496,203	10,695	-	506,898	18.56%
Outer Ring	799,958	23,997	823,955	58,760	15,915	898,630	32.90%
Regional	-	30,993	30,993	540,274	72,736	644,003	23.58%
COMMERCIAL PROPERTY INVESTMENT	**1,455,557**	**574,662**	**2,030,219**	**612,373**	**88,651**	**2,731,243**	**100%**
Share in total	53.3%	21%	74.3%	22.4%	3.2%	100%	

(1) In proportion to the stake in Icade Santé (56.5%).

The strategic assets portfolio

Portfolio description

- Offices

Icade is the owner of office buildings (total floor space of 612,000 m² including 37,800 m² in restructuring) mainly in Paris, in the Western Crescent and in Villejuif.

In the second quarter of 2015, Icade delivered a building in Saint-Denis (Monet) for 20,700 m² marketed entirely to the SNCF.

On the other hand, Icade sold two office buildings in Evry (total floor space 18,800 m²) for €21.5 million.

- Business parks

In addition, Icade holds business parks located in Paris (19), Saint-Denis, Aubervilliers, Rungis, Nanterre - Seine, Villepinte, Colombes, Cergy, Antony, Evry, Villlebon and Fresnes, i.e., 1,565,800 m² including 110,200 m² in restructuring. The business parks are distinguished by a mix (offices and activities) of construction and a strong organic development potential in the medium and significant long-term. This is the reason why the Commercial Property Investment division concentrates a significant share of its medium term investments there, both in the restructuring of existing assets as in the construction of new assets. This activity generates future cash flows and creation of value.

In 2015, Icade delivered a building in Rungis (Québec) with 11,600 m². This asset is currently being marketed.

***Market context** (source: CB Richard Ellis)*

Investment in business real estate

The volume of commitments in trivialised business real estate has been compiled in the first half year in France at €7 billion shrinking 40% over one year; with a second quarter marked by the absence of transactions greater than or equal to €200 million and a significant proportion of small transactions..

Poor economic performance which underscores the difficulties in the renewal market does not call into question the positive dynamic for real estate investment of which France is still benefitting. The realization of advanced and large scale transactions are expected at the end of the year.

Offices have concentrated 72% of the volumes exchanged with €4.9 billion, commercial property was weighted at 22% and investment in industry and logistics 6%.

Paris Centre West remains the lungs of the Parisian market.

The "*prime*" office returns in the better locations of the capital, remained almost stable during the second quarter at 3.65%. On the other hand the squeeze on office rates in investors' preferential test areas, like the vest locales in the Western Crescent or southern Paris.

Offices:

The volume of the demand for offices in Île de France totalled 915,200 m² in the first half of 2015 (i.e. – 22% over one year) with sustained activity for floor space less than 1,000 m² (i.e. + 10% over one year) compared to floor space greater than 5,000 m² (i.e. -52% over one year).

Over the entire market, 12% of the floor space marketed in the first half of 2015 concerned new or restructured offices.

The volumes placed in the western crescent and La Défense have underperformed and in the inner and outer rings marketed at 79,400 m² and 128,400 m² respectively, remain sensitive, below the average of 2015-2014.

The weakness of transactional activity directly impacts the immediate offering of offices at 4 million m² in the second quarter of 2015, for an average rate of vacancy in the Paris area of 7.2%. These rates register in a very wide range, less than 5% in Paris and around 12% in La Défense and the Western Crescent.

The portion of new or restructured floor space in immediate stock is 18% compared with 20% at the beginning of the year. A proportion is in decline, because of the attraction that they present for larger users and the scarcity of deliveries of floor space remaining to be rented.

The geographic disparities remain significant. Among all sectors, the outlying locations and particularly those in the western Paris area (La Défense and the Western Crescent) have 52% of the new or restructured offering in the region and 41% of the stock greater than 5,000 m².

During the first half of 2015, face rental values in Île-de-France have suffered a downward pressure. Only the Parisian hyper commercial centre maintains its value with a level of available content to offer.

The average "*prime*" rent of Paris Centre West totalled €688 m²/year excluding taxes and charges, remained stable over the first six months.

Users continue to benefit from elevated support measures. The difference between face rent and real rent for transactions greater than 1,000 m² represents an average of 20.5% in Ile de France, with disparities between Paris Centre West (148%) and the Western Crescent area – La Défense (21%).

Alternative assets portfolio (Icade Santé)

Portfolio description

The leader in its market, Icade has become a major player in healthcare since 2007 by building up a property portfolio of 72 health care establishments, featuring:

- assets that are instant cash flow generators;
- initial fixed lease terms of 12 years and a residual term of 8.4 years as at 30 June 2015;
- 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.

During the first half of 2015, Icade has acquired a health care establishment located in Albi, for €57.4 million.

In order to support its growth and maintain the Group's key balance sheet ratios, Icade Santé successfully opened €250 million of its capital, during the first half of 2012 to three institutional investors (Crédit Agricole Assurance, BNP Paribas Cardif and CNP Assurances). At the end of 2012, a second capital increase of €155 million was carried out, to support investments in the second half of the year (including €45 million provided by Icade). In July 2014, a new capital increase was carried out for a total of €190 million with OPCI Mission, C-Santé, Holdipierre, MF Santé and SOGECAPIMMO and Icade (€107 million).

In July, 2015, Icade signed a protocol agreement concerning the support as real estate investor of the Vedici group in the scope o its purchase offer of the Vitalia group. The real estate portfolio which will be outsourced for the occasion of this reconciliation, was the subject of a competitive tender offer and represents a total of 17 MCO clinics (Medicine, Surgery, Obstetrics) for a total investment of €651 million. The terms of the agreement entered into with Vedici will bring about return for Icade Sante, in line with it's the current return of its portfolio. Moreover, the agreement entered into with Icade Santé and the Vedici Group, forecasts the possibility of extending the average partnership term over five additional buildings. Finalisation of this project is expected currently to be the month of October, 2015.

A new capital increase is planned for the second half of 2015 to support the new investments.

As at 30 June 2015, Icade's stake in Icade Santé stood at 56.5%.

Market context

A market of monovalent assets with a long-term investment horizon

Two types of assets are usually distinguished on the healthcare real estate market:

- the health establishments (clinics) whether they are short-stay in medical, surgery and obstetrics (MCO) or medium-stay which are for psychiatric or after care and rehabilitation (SSR);
- the medical-social establishments, namely elderly care homes (Housing Establishments of Dependent Elderly Persons or EHPAD), retirement homes (Housing Establishments for Elderly Persons or EHPA) and residential services.

These single use assets are of various property natures, sometimes with large areas of medical and technical capacities (clinics) and sometimes mainly (medical-social) residential structures.

The leases signed on these assets are predominantly for a fixed term of 12 years and all the charges are recoverable by the tenants (including major works falling under Article 606 of the French Civil Code). However, since the promulgation of the French Law 2014-626 dated 18 June 2014 on commercial leases (the Pinel law) and the entry into force of the order specifying the law in the matter of distribution of the charges, the major works falling under Article 606 of the French Civil Code are now at the expense of the lessors in new leases signed beginning 5 November 2014. The works commitments and the guarantees are then made or provided by the sellers on the basis of outsourcing.

A class of assets attracting growing interest from numerous investors

Healthcare property has long been a niche involving few investors or is closely tied to the operators of establishments. Yet, with the search for diversification towards property assets producing stable long-term rents, attractive returns and low risk of vacancy, the interest and the number of players has greatly increased in healthcare property.

Icade Santé, the market leader specialising in healthcare assets (MCO, SSR and psychiatric facilities), Gécimed (a subsidiary of Gécina), Foncière des Murs and Cofinimmo (a Belgian REIT) are the primary French investors.

In the last few years, several asset managers have also greatly contributed to the increased market activity for two years: BNP PARIBAS (Health Property Fund 1), PRIMONIAL (Primovie), Swiss Life REIM and also La Française and since 2015, AXA RE.

Lastly, more recently international property investment companies – notably North American – specialised in the healthcare sector have also made investments in Europe and are interested in France.

Rare products that lead to pressure on rates (Source: Jones Lang Lasalle)

The healthcare real-estate market is now characterised by increased investor demand. The supply of quality assets is limited and even primarily related to the outsourcing by operators who participate in the concentration of the sector or through sales of premises and business assets carried out by the doctors (primary market).

After a year in retreat (2013) in terms of investment volume (around €450 million compared to €650 million in 2011 and 2012), the year 2014 posted an investment volume of over €620 million.

This rise is not only the reflection of large operator outsourcing transactions (Capio, Médipôle Partenaires) which have continued, but also of a record number of transactions on the secondary market which total close to 40% of total volume. This increase in transactions between investors is a reflection of the growing maturity of the market.

The current "prime" rate of return (new or excellent condition for establishments nicely positioned in dynamic clusters, excluding Paris) is about 6% to 6.40% for medical, surgery, obstetrician clinics and 5.50 % for Housing Establishments of Dependent Elderly Persons (EHPAD). (Source: JLL, Catella, market data). Thus, since the beginning of 2015 and even though these events have not been announced, two new MCO projects, driven by large private hospital groups in Marseille and Toulouse have had offers at 6%.

Non-strategic assets portfolio

Icade still holds five warehouses with a surface area of 88,700 m² and residential units but only residually.

In the first half of the year, Icade sold 22 homes and land in Sarcelles for EUR 4.5 million.

1

2.3.2. Key figures

EPRA income statement from Property Investment

(in millions of euros)	30/06/2015 Property Investment (EPRA)	30/06/2015 Non-recurring (1)	30/06/2015 Total	30/06/2014 restated Property Investment (EPRA)	30/06/2014 restated Non-recurring (1)	30/06/2014 restated Total Property Investment
RENTAL INCOME	273.3	-	273.3	275.2	-	275.2
Property expenses	(1.1)	-	(1.1)	(1.3)	-	(1.3)
Rental charges not recovered	(22.8)	-	(22.8)	(22.4)	-	(22.4)
Charges on buildings	(2.2)	-	(2.2)	(7.1)	-	(7.1)
NET RENT	247.3	-	247.3	244.4	-	244.4
Margin (net rents/rental income)	*90.5%*	*0%*	*90.5%*	*88.8%*	*0%*	*88.8%*
Net functioning costs	(21.2)	-	(21.2)	(25)	-	(25)
Profit/(loss) from other activities	1.6	-	1.6	0	-	0
EBITDA	227.7	-	227.7	219.4	-	219.4
Amortisation and impairment of operating assets	(4.7)	(8.4)	(13)	(4.1)	(6.5)	(10.6)
CURRENT OPERATING PROFIT/(LOSS)	223.1	(8.4)	214.7	215.3	(6.5)	208.8
Amortisation and impairment of investment properties	-	(211.2)	(211.2)	-	(129.4)	(129.4)
Profit/loss from disposals	-	33.3	33.3	-	2.4	2.4
Impairment on acquisition differences	-	-	-	-	-	-
Share in the profit/(loss) of equity-accounted companies	2	(13.8)	(11.8)	2.6	(3.3)	(0.7)
OPEATING PROFIT/(LOSS)	225.1	(200)	25	217.9	(136.9)	81
Cost of gross debt	(67.7)	-	(67.7)	(76.8)	-	(76.8)
Net income from cash and cash equivalents, related loans and receivables	5.4	-	5.4	8	-	8
Cost of net debt	(62.2)	-	(62.2)	(68.8)	-	(68.8)
Adjustment of the value of derivatives and other discounting (ORNANEs - *bonds redeemable in cash and shares*)	-	1.7	1.7	-	(10.3)	(10.3)
Other financial income and financial charges	(2)	-	(2)	(2.7)	-	(2.7)
FINANCIAL PROFIT/(LOSS)	(64.2)	1.7	(62.5)	(71.5)	(10.3)	(81.8)
Corporation tax	(5.9)	(26)	(31.8)	(4.1)	(0.2)	(4.3)
NET PROFIT/(LOSS)	155	(224.2)	(69.3)	142.3	(147.4)	(5.1)
Net profit/(loss) – Share of non-controlling interests	26.9	(15.5)	11.4	21.7	(12.4)	9.3
NET PROFIT/(LOSS) - GROUP SHARE	128.1	(208.8)	(80.7)	120.6	(135)	(14.4)

(1) The "Non recurring" column groups the depreciation allowance of the investment properties, the profit/ (loss) of disposals, the conversion to fair value of financial instruments and ORNANEs, and other non-recurring items.

Development of Property Investment rental income

(in millions of euros)	30/06/2014 restated	Acquisitions/ Deliveries	Disposals/ Restructuring	Indexing	Activity rental	30/06/2015	Change on like-for-like basis
France Offices	84.9	2.2	(5)	0	0.4	82.6	0.5%
Business parks	108.3	1.3	(3.3)	0	(1.7)	104.7	(-1.5%)
STRATEGIC ASSETS	193.2	3.5	(8.2)	0.1	(1.3)	187.3	(-0.6%)
ALTERNATIVE ASSETS	65.5	14.6		0.2	(0.1)	80.2	0.1%
NON-STRATEFGIC ASSETS	19.4		(10.8)	(0)	0.2	8.8	1.2%
Intra-group Property Investment businesses	(3)				(0.1)	(2.9)	3.4%
RENTAL INCOME	275.2	18.1	(19)	0.3	(1.3)	273.3	(-0.4%)

Rental income generated by the Property Investment Division during the period accounts for €273.3 million, or a decrease of €1.9 million in rent, down (-0.7%) compared to the first half of 2014.

On a like-for-like basis, rental income has dropped 0.4%.

- Changes in scope of consolidation: -€0.9 million
  - I.e., €18.1 million in additional rent related to acquisitions and deliveries breaks down as:
    - €13.7 million for the clinics acquired in 2014 and 2015;
    - €0.9 million for additional rents following works on the clinics;
    - €3.5 million for the delivery of the Sisley building in Saint-Denis delivered in the second quarter of 2014 (fully marketed to Siemens) and the Brahms building at Colombes delivered in the third quarter of 2014 (fully marketed to Alcatel).
  - I.e. - €19 million for the sales/restructuring which breaks downs as:
    - - €15.1 million for the sales of assets including -€10.8 million for the non-strategic assets (warehouses, offices in Germany, shops and residential units) and at the €4.3 million level for the mature strategic assets;
    - -€3.9 million for exit from buildings intended to be restructured or demolished.

- Like-for-like basis: -€1 million
  - The change in indexation has led to an increase in revenue of €0.3 million.
  - Rental activity meanwhile shows a negative net balance of €1.3 million, broken-down as follows:
    - -€3.3 million for several rent renegotiations in the parks, generally conducted successfully in exchange for an extension of lease terms and a reduction in rents, illustrating Icade's ability to build loyalty among its tenants despite them being aggressively pursued by the competition;
    - -€2.4 million on the business parks impacted by the decline in activity noted in 2014;
    - +€2.3 million for the net flow of entries and exits in the offices portfolio related to the KPMG lease on the Tour EQHO taking effect in the second quarter of 2015;
    - +€1.2 for assets and reversals of linearisation inventory accounted for during the first half of 2014 following the renegotiations;
    - +€0.9 million for the leases coming to the end of their fixed periods and for which there are no means of spreading rent-free periods.

The **net rent** of the Property Investment division stood at €247.3 million for the year 2015, i.e. a margin of 90.5%, an improvement of compared with 2014 (+88.8%).

	30/06/2015		30/06/2014 restated	
(in millions of euros)	Net rental income	Margin	Net rental income	Margin
France Offices	75.4	91.2%	75.7	89.1%
Business parks	89.7	85.7%	91.3	84.3%
STRATEGIC ASSETS	**165**	**88.1%**	**167**	**86.4%**
ALTERNATIVE ASSETS	**79.1**	**98.7%**	**64.8**	**98.8%**
NON-STRATEGIC ASSETS	**0.5**	**5.4%**	**10.7**	**55.4%**
Intra-group Property Investment businesses	2.7		1.8	
PROPERTY INVESTMENT DIVISION	**247.3**	**90.5%**	**244.4**	**88.8%**

This improvement of 1.7 points was mainly generated on strategic assets. The KPMG rent taking effect in April 2015 in the Tour EQHO had a positive effect of two points on the rate of net rent from offices. The drop in occupancy noted in the business parks particularly on Rungis is mainly offset by a decrease in 2015 of non-recurring charges.

In 2015, the impact on net rent of the application of IFRIC21 constitutes a net charge of €8.1 million, versus €8.9 million as at 30 June 2014. Excluding this impact, the rate of net rent has improved by 1.4 points.

The **financial profit/ (loss)** of the Property Investment division as at 30 June 2015 totalled €-62.5 million versus €-81.8 million as at 30 June 2014. This variation is explained by:

- a net positive impact of €12 million for the variation of the fair value of derivatives and ORNANEs (*bonds redeemable in cash and shares*);
- an improvement in the cost of gross debt of €9.1 million related to the drop in the average cost of debt (2.79% in the first half of 2015 versus 3.29% in the first half of 2014).

The **income tax charge on profits** from the Property Investment division as at 30 June 2015 totalled -€31.8 million, an increase of €27.5 million compared to 30 June 2014.

This sharp change is explained primarily by:

- the tax liability noted on the sale of the Millénaire 3 which took place in the first half of 2015 for €9.2 million;
- a provision for tax disputes in the amount of €16.8 million (see 2.6 "Tax disputes").

After accounting for the items above, **EPRA earnings from Property Investment** reached €128.1 million (€1.74/share) as at 30 June 2015, versus €120.6 million as at 30 June 2014 (€1.63/share).

2.3.3. Rental activity from the Commercial Property Investment Division

	31/12/2014		2015 S1 Movements		30/06/2015	
Classes of assets	Leased space *(m²)*	Rate of physical occupation *(%)*	Entries *(m²)*	Departures *(m²)*	Leased space *(m²)*	Rate of physical occupation *(%)*
France Offices	469,119	81.3%	73,938	37,287	505,770	88%
Business parks	1,215,288	83.9%	40,406	33,196	1,222,498	84%
STRATEGIC ASSETS	**1,684,407**	**83.1%**	**114,344**	**70,483**	**1,728,268**	**85.1%**
ALTERNATIVE ASSETS	597,315	100%	15,058	-	612,373	100%
NON-STRATEGIC ASSETS	68,382	77.1%	5,117	13,177	60,322	68%
COMMERCIAL PROPERTY INVESTMENT	**2,350,104**	**86.7%**	**134,519**	**83,660**	**2,400,963**	**87.9%**

New signings

During the first half of 2015, Icade signed 75 leases covering a surface area of 49,400 m² constituting €8.2 million in nominal rent, 42,600 m² of which is in the strategic portfolio (€8 million). The activity of the Parc de Rungis has been particularly strong with the signing of 23 leases covering a surface area of 10,500 m².

The main signings concerned the marketing of:

- 4,345 m² leased to the *Conseil Général des Hauts-de-Seine* in the Défense 2 building in the Nanterre prefecture;
- 3,724 m² in the Tour EQHO to the Union of Arab and French Banks (*l'Union des Banques Arabes et Françaises*) thus bringing the occupancy rate of the Tour EQHO to 81%;
- 3,400 m² leased to Lapeyre in the Parc du Mauvin;
- 2,631 m² leased to Imperial in the Parc des Portes de Paris.

Physical occupancy rate

The activation of new leases concerned 134,00 m², i.e., €38.2 million in nominal rent, 35,800 m² of which is for change in scope (15,100 m² for the acquisition of the Albi clinic in March 2015 and 20,700 m² for the activation of the SNCF lease in the Monet building delivered in June 2015) and 98,700 m² in the continuous portfolio.

The main entries in the continuous portfolio are:

- 40,468 m² leased to KPMG in the Tour EQHO, which took effect 1 April 2015;
- 5,017 m² leased to QVC in the Gardinoux building on the Parc des Portes de Paris which took effect 1 January 2015;
- 4,345 m² leased to the *Conseil Général des Hauts-de-Seine* which took effect 8 June 2015.

Departures concerned 83,700 m² and constitute a loss of rent of €17.7 million, 16,500 m² of which was for change in scope (sale of the Champs et Européen buildings in Evry on 30 June 2015) and 67,200 m² in the continuous portfolio. It should be noted that 29% of these theoretical possibilities of departures have actually been exercised during the first half-year.

The main departures from the continuous portfolio are:

- 9,064 m² departure of the Coca Cola tenant in the Open building (Camille Desmoulins) in Issy-les-Moulineaux, this building will be restructured and reopened in the second half of 2016;
- 3,977 m² departure of the Amgen tenant from the Crystal Park building in Neuilly-sur-Seine;
- 3,848 m² departure of Precilec from the Gardinoux building on the Portes de Paris;
- 3,101 m² partial and contractual departure of PwC from the Crystal Park building in Neuilly-sur-Seine.

Additionally, two contentious departures were noted in warehouses covering a total surface area of 13,200 m².

Thus the physical occupancy rate at 87.9% as at 30 June 2015 has grown by 1.2 points due to the positive balance between the entries and departures on a like-for-like basis (+31,500 m²).

Financial occupancy rate and average fixed term of the leases

Classes of assets	Financial occupancy rate (in %)[2]			Average term of the leases (In years)[2]	
	30/06/2015	31/12/2014	Variation on a like-for-like basis[1]	30/06/2015	31/12/2014
Offices	86.9%	80.3%	+6.3 pt	5.7	4.3
Business parks	84.3%	83.1%	+2.1 pt	3.2	3.1
STRATEGIC ASSETS	**85.5%**	**81.9%**	**+3.9 pt**	**4.3**	**3.7**
ALTERNATIVE ASSETS	100%	100%	+0.0 pt	8.4	8.8
NON-STRATEGIC ASSETS s	74.1%	81.8%	(7.7) pt	1.8	2.6
COMMERCIAL PROPERTY INVESTMENT	**87.7%**	**84.6%**	**+3.3 pt**	**4.9**	**4.7**

(1) Excluding deliveries, acquisitions and sales of the period
(2) In proportion to stake in the assets.

The **financial occupancy rate** at 87.7% as at 30 June 2015 is an improvement of 3.1 points compared to 31 December 2014 (84.6%) related to the improvement of occupancy and particularly the activation of the KPMG lease in the Tour EQHO.

The **average fixed term of the leases** is 4.9 years, which represents a noticeable increase in the strategic portfolio and in the offices.

This increase resulted:

- From the impact of renegotiations and renewals carried out over the first half of 2015. In fact, 24 leases covering a surface area of 92,600 m² have been renewed for a fixed term of 7.9 years and total €28.7 million in nominal rent. The Axa France lease (57,800 m²) in the Axe buildings 14/15/16 in the Nanterre prefecture were renewed in the second quarter of 2015 with a fixed term of nine years. The renegotiation of the Axa lease for a fixed term of nine years extends the average term of the leases in the strategic portfolio by 0.5 years.
- Lease activations taking place in the first quarter for a fixed term of 8.3 years which constitutes €37.9 million in IFRS rent.

As at 30 June 2015, the 10 biggest tenants accounted for total annual rents of €138.4 million (35% of annual rents from assets excluding Healthcare).

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

	Offices France	Business Parks	Healthcare	Warehouses	Total	Share in total
2015	17.1	25.1	-	0.7	43	8.9%
2016	13.7	52.7	0.2	0.6	67.2	13.9%
2017	17.7	41.5	-	0.6	59.8	12.4%
2018	24.4	27.4	-	0.3	52.1	10.8%
2019	9.5	18.4	3.1	-	31	6.4%
2020	4.2	10	15.2	0.2	29.6	6.1%
2021	26.2	15.5	3.8	-	45.5	9.4%
2022	-	6.8	4.6	-	11.4	2.4%
2023	5.5	5	17.6	-	28.1	5.8%
>2023	56.3	11.8	47.2	-	115.3	23.9%
Total	**174.6**	**214.4**	**91.7**	**2.4**	**483.1**	**100%**

Of the leases expiring in 2015, 46% are at risk with notices received over the period, 25% are in the process of advanced negotiations and 29% are in renewal.

The business park users, especially in the former Silic portfolio, occupy small and medium space and are committed mainly to 3/6/9 leases explaining the significant share of breaks for the years 2016 to 2018.

2.3.4. Investments

Icade has continued to add value to its assets in order to increase the generation of cash flow 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 €189.7 million.

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

The investments are presented according to the recommendations of the EPRA.

(in millions of euros)	Acquisitions Assets	Asset Construction/restructuring	Other Capex	Other	Total
France Offices	-	18.2	7.5	18.2	43.9
Business parks	-	64.6	10.5	2	77.2
STRATEGIC ASSETS	**-**	**82.8**	**18**	**20.2**	**121.1**
ALTERNATIVE ASSETS	57.4	10.3	0.8	0.2	68.6
PROPERTY INVESTMENT DIVISION	**57.4**	**93.1**	**18.9**	**20.4**	**189.7**

This policy can be divided into four types of investments:

- **Asset acquisitions**

Icade follows a selective acquisition strategy concerning assets with high profitability and that generate instant cash flows. Over the half-year, Icade acquired a clinic in Albi for €57.4 million.

- **Construction/extensions and asset restructurings**

These investments primarily concern:

- strategic assets for €82.8 million in 2015, including:
  - offices in France totalling €18.2 million, with construction expenses for the Monet building in Saint Denis of €13.8 million (delivered in June 2015 and marketed to the SNCF).
  - business parks totalling €64.6 million with construction expenses of the Veolia headquarters (€29.6 million), the Millénaire 3 sold to the French Ministry of Justice with its delivery in April 2015 (€16.6 million), the Millénaire 4 building (€15.6 million), the Québec building in Rungis delivered in March 2015 (€4.7 million. Tax exemptions have also been received over the period totalling €1.9 million)
- the Healthcare assets: construction or extensions of clinics for a total of €10.3 million whose rental conditions, set contractually during acquisitions, will be subject to extra rent at delivery.

- **Other Capex**

Representing primarily the renovation expenses of the business parks (major maintenance and repairs, refurbishment work of the premises).

- **Other**

Representing mainly the support measures (tenant works), the costs associated with marketing these assets, and the capitalised financial costs of projects under development.

Development projects

A €976 million pipeline including €378 million committed.

	Delivery	Pre-marketing	Area	Rents	Cost price [1]	Remaining to be produced			
						Total	S2 2015	2016	2017
Véolia (Aubervilliers)	2016	100%	45,000	16.5	201.9	116.3	55.8	60.5	-
Millénaire 4 (Paris 19)	2016	0%	23,000	8.7	109.2	52.4	9.2	43.2	-
Open (Camille Desmoulins)	2016	0%	9,100	3.9	67.4	14.7	7.2	7.5	
PROJECTS LAUNCHED		**53%**	**77,100**	**29.2**	**378.5**	**183.4**	**72.2**	**111.2**	**-**
Pop Up (Saint-Denis)		0%	28,300	8.9	110.4	105			
Ottawa (Rungis)		0%	13,600	3.9	47.6	40			
Campus La Défense (Nanterre)		0%	79,200	29.1	440	361			
CONTROLLED PROJECTS		**0%**	**121,100**	**41.9**	**598**	**506**			
TOTAL			**198,200**	**71.1**	**976.5**	**689.4**	**72.2**	**111.2**	**-**

[1] Cost of the project as approved by Icade's executive bodies. This price includes the book value of the property investment, works budget, the cost of financial carry and the possible support measures.

2.3.5. Arbitrage

Icade conducts an active arbitrage policy on its assets, based on three main principles:

- optimisation, rotation: sale of mature assets, for which most of the asset management work has been done and where there is a probability of significant capital gain on the sale;
- portfolio streamlining: sale of assets of modest size or held under joint ownership;
- commercialisation, sale of non-strategic assets: sale of assets not belonging to the core business of the Commercial Property Investment Division.

The value of sales made during 2015 was €206.5 million and concern:

- the sale in March 2015 of the Millénaire 3 building for €180.5 million on the Parc des Portes de Paris to the French Ministry of Justice which exercised its purchase option through a promise signed on 29 February 2012;
- the sale of two buildings in Evry, "Champs" and "Européen" for 21.5 million;
- the sale of 22 residential units and land in Sarcelles for €4.5 million.

2.4. Other activities

Key figures

(in millions of euros)	30/06/2015 Property development	Services	Inter-group	Total	30/06/2014 Property development	Services	Inter-group	Total
Revenue	422.7	20.3	(7.9)	435.2	465.5	20.6	(10.3)	475.8
EBITDA	14.1	(0.1)	0.4	14.4	16.3	(1.1)	(0.2)	15
Margin (EBITDA/Revenues)	*3.3%*	*-0.5%*	*-5.1%*	*3.3%*	*3.5%*	*-5.1%*	*2.1%*	*3.1%*
OPERATING PROFIT/(LOSS)	**13.9**	**(6.1)**	**1.1**	**9**	**22.7**	**(1.3)**	**(2.9)**	**18.5**
Financial profit/(loss)	0.2	-	-	0.2	1.9	-	-	1.9
Profit tax	(6.3)	0	-	(6.3)	(9.1)	0.5	-	(8.7)
Net profit/(loss)	7.8	(6)	1.1	2.9	15.6	(0.9)	(2.9)	11.8
NET PROFIT/(LOSS) - GROUP SHARE	**7.2**	**(6)**	**1.1**	**2.3**	**14.6**	**(0.9)**	**(2.9)**	**10.9**

2.4.1. Development Division

Key figures

ICADE considers that the application of the IFRS 11 standard on co-enterprises does not allow it to fully reflect the business of Property Development.

The financial indicators shown below therefore take into consideration the co-enterprises in their holding percentages (economic presentation).

Tables:

Summary income statement by business

(in millions of euros)	30/06/2015 IFRS	Reclassification of co-enterprises	Total	30/06/2014 IFRS	Reclassification of co-enterprises	Total	Change
Residential Property Development	317	19.6	336.6	374.6	10.9	385.5	(12.7%)
Commercial Property Development	105.7	0.3	106	90.9	42.7	133.6	(20.7%)
Intra-group property development business	-	-	-	-	-	-	-
REVENUE (1)	**422.7**	**19.9**	**442.6**	**465.5**	**53.6**	**519.1**	**(14.7%)**
Residential Property Development	15.5	1.9	17.3	19.2	0.8	20	(13.4%)
Commercial Property Development	(1.3)	0.5	(0.8)	(2.9)	5.1	2.2	(136%)
EBITDA	**14.1**	**2.4**	**16.5**	**16.3**	**5.9**	**22.2**	**(25.5%)**
Residential Property Development	15.1	0.1	15.1	20.9	-	20.9	(27.5%)
Commercial Property Development	(1.2)	(0)	(1.2)	1.8	(0.1)	1.7	(168.4%)
OPERATING PROFIT/(LOSS)	**13.9**	**0.1**	**14**	**22.8**	**(0.1)**	**22.6**	**(38.1%)**

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

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.

The table below shows the backlog status by activity as at 30 June 2015.

	30/06/2015			31/12/2014		
(in millions of euros)	Total	Île-de-France	Regions	Total	Île-de-France	Regions
Residential development (incl. subdivision)	855.5	222.8	632.7	825.8	386.9	438.9
Commercial Property Development	368.4	173.5	194.9	183.8	146.5	37.3
Public and Healthcare Development	249.7	6.5	243.2	182.5	9.8	172.7
Project management services order book	34.7	20.8	13.9	41.9	29.7	12.2
TOTAL	**1,508.2**	**423.5**	**1,084.7**	**1,234.1**	**572.9**	**661.2**
Share in total	100%	28.1%	71.9%	100%	46.4%	53.6%

1

The total backlog from the Property Development division amounts to €1,508.2 million, an increase of 22.2% in comparison with 31 December 2014 (€1,234.1 million).

These changes can be analysed as follows:

- an increase of 3.6% of the "Residential Property Development", mainly related to the increase of reservations, mitigated by the delivery of the large-scale Paris Nord Est (Paris North east) (Paris 19 - MacDonald; 1,126 residential units), in June 2015;

- a sizeable increase of the "Commercial Development" backlog, because of signing of significant sale promises made over the first half of 2015 confirming a return of investors to this type of asset and especially in the provinces:
  - Icade Property Development and Cirmad signed an off-plan promise (VEFA) with Gecina concerning the Sky 56 building (for a transaction amount of €136 million deed in hand) located in the Part Dieu quarter of Lyon, developing a usable surface area of 30,700 m²;
  - In partnership with Poste Immo, RTE has entrusted Icade Property Development the production of its real estate plan, in the Gerland quarter of Lyon, in the mixed development area of the Girondins covering a surface are of 14,000 m²;
  - In June 2015, Icade Property Development signed an off-plan promise of sale (VEFA) with an institutional investor for the creation of 10,500 m² of office space on Lot No. 4 of the Clichy-Batignolles mixed development area (ZAC), in Paris 17.
  - In Lille, Icade Property Development signed an off-plan sale promise (VEFA) with an institutional investor for the Ekla office building located in the CIAG mixed development area (ZAC), totalling a surface are of 14,800 m².

- an increase of 36.8% of the "Public and Healthcare Development" related to the signing of new development contracts:
  - a CPI for the creation of the *Gare TGV Montpellier - Sud de France* (Montpellier high speed train station - South of France);
  - a CPI for the creation of an after-care and rehabilitation establishment (SSR) in Palau de Cerdagne in the Eastern Pyrénées;
  - an off-plan sale (VEFA) signed with Korian for the creation of a health care facility in Martigues (5,040m²);
  - the signing of an off-plan sales promise (VEFA) for a Nursing Home (EPHAD) and a FAM in Saint Denis de Picq.

- The project management services order book has decreased by 17.3% (€34.7 million versus €41.9 million) related to the decline in activity in the region.

Housing development

	30/06/2015			30/06/2014			
(in millions of euros)	IFRS	Reclassification of co-enterprises	Total	IFRS	Reclassification of co-enterprises	Total	Change
Revenue	317	19.6	336.6	374.6	10.9	385.5	(-12.7%)
EBITDA	15.5	1.9	17.3	19.2	0.8	20	(-13.4%)
Margin (EBITDA/Revenues)	*4.9%*	*9.5%*	*5.1%*	*5.1%*	*7.3%*	*5.2%*	
OPERATING PROFIT/(LOSS)	**15.1**	**0.1**	**15.1**	**20.9**	**-**	**20.9**	**(-27.5%)**

Market environment

The new housing market, in decline for two years, has improved beginning with the fourth quarter of 2014, due to the “Pinel” tax measure as decided by the state in 2014.

However, the first-time buyer market will not restart given the problems households have in obtaining financing.

Over the half-year, the rates reached a new historical low which has contributed to an improvement of the creditworthiness of the customers. For several weeks, however, we have noted some tightness in long rates which could be marking the beginning of a period of increases in bank lending rates.

In the Île-de-France region, the ambition of the Grand Paris project to increase production to 70,000 homes, doubling current production, should allow the volume of new construction to noticeably increase over the long term.

In the first half of the year, Icade Property Development signed a partnership with SNI with the objective of developing mid-range housing for a first tier of 458 housing units (to date, these housing units are not counted in Icade Property Development’s reservations).

Half-yearly income

The revenue of the residential property development business totalled €336.6 million as at 30 June 2015, down 12.7%.

This change is related primarily to

- the drop in commercial activity recorded in 2014, before the recovery noted since the fourth quarter of 2014;
- The delivery of the large-scale operation Paris Nord Est (Paris 19 - Mac Donald: 1,125 housing units), contributing significantly to the revenue in 2014.

This trend conforms to Icade Property Development’s expectations, which forecast a decline in residential revenue over the year 2015 compared with 2014.

The operating profit/(loss) from housing development activity is logically down (€15.1 million as at 30 June 2015, versus €20.9 million as at 30 June 2014).

Primary physical indicators as at 30 June 2015:

	30/06/2015	30/06/2014	Change
Marketing of new housing units and building plots.			
Île-de-France	625	314	99%
Regions	1,032	1,512	(-31.7%)
TOTAL PLOTS (*number*)	**1,657**	**1,826**	**(9.3%)**
Île-de-France	125.4	74.2	69%
Regions	274	330.5	(17.1%)
TOTAL REVENUE *(potential in € millions)*	**399.4**	**404.7**	**(1.3%)**
Launch of projects to build new residential properties and building plots - SO			
Île-de-France	191	399	(52.1%)
Regions	2,065	835	147.3%
TOTAL PLOTS (*number*)	**2,256**	**1,234**	**82.8%**
Île-de-France	42.7	109.3	(60.9%)
Regions	449	192.5	133.2%
TOTAL REVENUE *(potential in € millions)*	**491.7**	**301.8**	**62.9%**
Reservations for new housing units and building plots			
Building plot reservations (number)	1,748	1,517	15.2%
Reservations of housing units *and building plots (in € millions including tax)*	404.7	355.2	13.9%
Housing withdrawal rate *(in %)*	21%	21%	(1.4%)
Average sale price and average surface area based on reservations			
Average price including taxes per habitable m² *(in €/m²)*	4,031	3,644	10.6%
Average budget including tax per residential unit *(in k€)*	229	244	(6.1%)
Average floor area per residential unit *(in m²)*	57	67	(14.9%)

Breakdown of reservations by type of customer

	30/06/2015	30/06/2014
Social housing companies – Social landlords	3.7%	4.3%
Institutional Investors	6%	13.6%
Individual Investors	52.9%	35.8%
Buyers	37.4%	46.3%
TOTAL	**100%**	**100%**

The number of housing units and building plots marketed during 2015 has decreased by 9.3% in volume and by 1.3% in value compared to the same period of the previous year. This change is explained by the increase in marketing in Île-de-France (625 plots versus 314 plots) and a slowdown in marketing in the regions (1,032 plots versus 1,512 plots).

The number of housing units and building plots launched over the first half of 2015 has increased by 82.8% (2,256 plots, versus 1,234 as at 30 June 2014).

The second quarter was marked by a sharp acceleration of new housing unit reservations after a first quarter already on the rise. The reservations recorded by Icade Property Development as at 30 June 2015 are up by 15.2% in volume amounting to a total of 1,748 plots.

In value, the housing unit reservations amount to €404.7 million, up 13.9% in comparison with the first half of 2014. The slower growth in value than in volume is explained primarily by a geographic mix (higher progression of reservations made outside of Paris, where the average prices are lower).

The reservations made with individual investors, mainly within the scope of the "Pinel" tax measure, show a significant increase and total 52.8% of the reservations made as at 30 June 2015 versus 35.8% in the first half of 2014. The share of home buyers in proportion and number is down (37.4% versus 46.3%). Just as in the previous year, block sales to institutional investors, are weak over this first half (9.7%) and should materialise by the end of 2015. Icade Property Development is counting on the dynamics of institutional investment in mid-range housing in order to grow its production by the end of the year,

On a comparable basis, it has been possible to maintain, even to limit the falls in prices over the past few months, due to the low interest rates. The noted increase of the average price per m² to €4.031/m² including tax is partly related to a more attractive geographic positioning with a higher market price and to the return of individual investors.

The decrease in the average price per housing unit to €229 thousand/plot correlates with a reduction in average floor space (57 m² versus 67 m²), which is explained by the attraction of small surface areas for rental investors, very much present in this first half, as well as by the marketing of serviced accommodation.

Notarised sales as at 30 June 2015 reached 1,257 plots for revenues of €269.4 million, versus 1,124 plots for €269.6 as at 30 June 2014, i.e. a drop of 11.8% in volume. This increase, lower than that of the reservations, is explained partly by the extension of the time limit for converting the reservations into final purchase deeds.

Property portfolio

The housing property and building plots investment portfolio stood at 7,376 plots as at 30 June 2015 (7,901 plots as at 30 June 2014) for potential revenue estimated at €1.52 billion (versus €1.65 billion as at 30 June 2014).

Commercial Property Development

(in millions of euros)	30/06/2015 IFRS	30/06/2015 Reclassification of co-enterprises	30/06/2015 Total	30/06/2014 IFRS	30/06/2014 Reclassification of co-enterprises	30/06/2014 Total	Change
Public and Healthcare	33.5	-	33.5	34	2.5	36.5	(8.2%)
Commercial	65.4	0.1	65.5	47.9	40.2	88.1	(25.7%)
Project Management Assistance	6.7	0.2	6.9	8.9	-	8.9	(22.5%)
REVENUE	**105.7**	**0.3**	**106**	**90.9**	**42.7**	**133.6**	**(20.7%)**
EBITDA	**(1.3)**	**0.5**	**(0.8)**	**(2.9)**	**5.1**	**2.2**	**(136%)**
Margin (EBITDA/Revenues)	*-1.3%*	*176.8%*	*-0.7%*	*-3.2%*	*11.9%*	*1.6%*	
OPERATING PROFIT/(LOSS)	**(1.2)**	**(0)**	**(1.2)**	**1.8**	**(0.1)**	**1.7**	**(168.4%)**

Public and healthcare business

Revenue for the first half of 2015 from the "public and healthcare" development business fell by 8.2% in 2014 settling at €33.5 million.

As at 30 June 2015, Icade's project portfolio in the Public and Healthcare Development sector consisted of 261,029 m² (compared with 264,349 m² as at 30 June 2014), including 115,144 m² currently in progress. A CPI has been signed for the construction of the *TGV Montpellier - Sud de France* train station, with a view to it being commissioned by the end of 2017. At this point in the year, deliveries total 9,044 m².

Commercial property and shops

As at 30 June 2015, the revenue from the offices and shops development activity amounted to €65.5 million, versus €88.1 million as at 30 June 2014. This decrease of 25.7% is mainly attributable to the completion of programmes in 2014 which were major contributors to revenue during the preceding year, with Pushed- Slab, PNE offices, Toulon AGPM, etc.

As at 30 June 2015, Icade Property Development has a portfolio of projects in the Commercial Property Development and Retail Shops sector of around 880,867 m², including 199,787 m² of projects in development. Numerous promises have been signed since the beginning of the year for large-scale operations: Sky 56 and RTE Girondins in Lyon, Ekla in Lille and Clichy Batignolles N4 in Paris. Other significant projects are also currently in advanced negotiations.

The level of commitment for unsecured transactions totals €214.1 million as at 30 June 2015, versus €129.7 million in the same period for the preceding year.

Project Management Assistance

The project management assistance business concerns project management assistance contracts and studies created for customers from Public and Healthcare sector, Commercial Property and Retail Shops.

As at 30 June 2015, revenue from this business fell 22.5% to €6.9 million.

Requirements for working capital and borrowing

(in millions of euros)	30/06/2015 IFRS	30/06/2015 Reclassification of co-enterprises	30/06/2015 Total	31/12/2014 IFRS	31/12/2014 Reclassification of co-enterprises	31/12/2014 Total	Change
Residential Property Development	238.9	19.7	258.6	245.1	17.4	262.5	(3.9)
Commercial Property Development	42.6	28.5	71.1	(1.1)	20.2	19.1	52
WORKING CAPITAL REQUIREMENT	**281.5**	**48.2**	**329.8**	**244**	**37.6**	**281.7**	**48.1**
NET DEBT (1)	**(142)**	**32.5**	**(109.5)**	**(176.9)**	**17.5**	**(159.4)**	**49.9**

(1) The negative sign is a net asset, the positive sign is a net liability

The working capital requirement (WCR) worsened by €48.1 since the beginning of the financial year 2015, totalling €329.8 million.

This expected increase is directly attributable to the growth of the Commercial Property building sites whose WCR increased by €52 million (including €27 million for the Garance transaction sold in 2014) amounting to €71.1 million.

The working capital requirement (WCR) of the Housing Unit division has slightly improved to €258.6 million versus €262.5 million as at 31 December 2014.

Net cash flow of the Property Development division amounted to €109.5 million compared with €158.5 million as at 31 December 2014, explained by the underlying change of the WCR.

2.4.2. Services Division

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

Revenues from this division reached €20.3 million as at 30 June 2015 compared with €20.6 million as at 30 June 2014, i.e., a decrease of 1.4%.

This change is explained in particular by the renegotiation of the management agreement with the CNP which occurred in the second half of 2014 and generated a drop in revenue of €1.1 million over the half year. Nevertheless, this transaction has secured a significant share of property management revenue for three years.

On the other hand, the works-related fees, by definition non-recurring from one period to another, have decreased by €1 million over the past half year.

The portfolio managed by the Property Management business as at 30 June 2015 is stable compared with that of 30 June 2014 (4.5 million m² managed). The activity of the first half year was particularly marked by management contracts secured on the Tour W (formerly Winterthur) and PB10 Immeuble Île de France located in La Défense (71,000 m² of offices – effective 1 January 2015), the loss of the contract on Tour First in March 2015 (87,000 m²).

During the first half year of 2015, the consultancy business has signed:

- on behalf of a leading institution, an asset management contract concerning a portfolio bringing together over 26,000 m² of office space and close to 1,000 residential units constituting a total value of nearly €350 million;
- Acquisition assistance contracts for various institutions concerning portfolios of residential units and accommodation services.

2.5. Net current *cash flow* - Group

After taking into account the above items, the Group net current *cash flow* reached €143.8 million (€1.95/share) as at 30 June 2015, versus €137.9 million as at 30 June 2014 (€1.87/share).

(in millions of euros)	30/06/2015 Property investment	30/06/2015 NCCF Other activities	30/06/2015 NCCF Group	30/06/2014 restated Property investment	30/06/2014 restated Other activities	30/06/2014 restated Group	Change
EBITDA	**227.7**	**14.5**	**242.2**	**219.4**	**15**	**234.4**	**3.3%**
Depreciation not related to investment properties	(4.7)		4.7	(4.1)	4.1	-	
Share in the profit/(loss) of equity-accounted companies	2	3.2	5.2	2.6	5.2	7.8	
CURRENT OPERATING PROFIT/(LOSS)	**225.1**	**17.8**	**242.8**	**217.9**	**20.2**	**238.1**	**2.0%**
Profit/(loss) of non-consolidated companies	0.6	0.1	0.7	0.5	0.3	0.8	
Cost of net debt	(62.2)	0.2	(62.1)	(68.8)	1.6	(67.2)	
Other financial income and financial charges	(2.6)	(0.2)	(2.8)	(3.2)	0.1	(3.1)	
CURRENT FINANCIAL PROFIT/(LOSS)	**(64.2)**	**0.2**	**(64.1)**	**(71.5)**	**1.9**	**(69.5)**	**(7.8%)**
CURRENT TAX	**(5.9)**	**(6.2)**	**(12.1)**	**(4.1)**	**(8)**	**(12.1)**	**(0.2%)**
Net profit/(loss) – Share of non-controlling interests	(26.9)	(0.6)	(27.6)	(21.7)	(0.9)	(22.6)	
EPRA EARNINGS FROM PROPERTY INVESTMENT	**128.1**		**128.1**	**120.6**		**120.6**	**6.2%**
Depreciation not related to investment properties	**4.7**		**4.7**	**4.1**		**4.1**	
NET CURRENT CASH FLOW - GROUP	**132.7**	**11.1**	**143.8**	**124.7**	**13.2**	**137.9**	**4.3%**
Data in euros per share	***€1.80***	***€0.15***	***€1.95***	***€1.69***	***€0.18***	***€1.87***	

The net current cash flow - Group is defined as the sum of the following:

(1) EBITDA
(2) EBITDA and financial profit/(loss) net of corporation tax included in the income of equity-accounted companies,
(3) Financial profit/(loss) restated for variations in fair value of derivatives and ORNANEs
(4) Corporation tax on (1) and (3)
(5) Restatement of the minority interests included in (1), (3), and (4).
Total (1) through (5) net current *cash-flow* – Group

The Group net current *cash flow* is comprised of the following two items:

- "EPRA Earnings from property investment". Introduced in the 2013 accounts, it measures the cash flow from the property investment business pursuant to EPRA recommendations the cancellation of amortization that is not linked to investment property which is not included in the calculation of the Group's net current cash flow; and
- "Net current *cash flow* from other activities" which measures the cash flow from property development activities and services.

2.6. Tax disputes

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, resulting from 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) by Icade as at 1 January 2007. An increase in the exit tax bases generated an 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 Turnover 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 method 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, and informed Icade on 3 December 2013 of this decision at the same time as 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.

This deferral was obtained after the submission of a bank guarantee covering the entire tax bill (excluding late-payment interest).

In not replying to the Company's claim, the tax authorities implicitly rejected it.

As a result, in consultation with its legal firms, Icade filed an action with the competent Administrative Court on 17 December 2014 challenging the entire amount of the proposed reassessment.

In this context, Icade requested the court to transmit to the State Council, for the purposes of transmission to the Constitutional Council, a priority question of constitutionality ("QPC"), concerning the provisions of Article 208 C ter of the French General Tax Code, having an impact on the tax rate applicable to fractions of the exit tax paid for the financial years 2009 and 2010.

Considering this serious new QPC, applicable to the dispute, the administrative Court of Montreuil ordered its transmission to the State Council by a ruling dated 16 February 2015, as well as a stay on the main petition.

Likewise, the State Council decided to transmit this QPC to the Constitutional Council, by a judgement dated 29 April 2015.

The Constitutional Council, after having heard the parties during its hearing on 16 June 2015, stated that the provisions of Article 208 C ter of the French General Tax Code are in keeping with the Constitution, by a decision dated 26 June 2015.

This final decision, with no impact on the main issue about the valuation of the buildings, led to the recognition of the merits of the corrections concerning the exit tax rate applicable to fractions of taxation spontaneously settled. Consequently, a provision of €16.8 million was established as at 30 June 2015.

It now remains for the Administrative Court to determine the main petition. Since as 31 December 2014, no provision has been made for the corrections resulting from the challenge to the market values.

3. NET ASSET VALUE

3.1. Valuation of the real estate portfolio

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-year 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.

At the start of 2015, Icade launched a consultation for the purpose of renewing the valuation assignment of its healthcare portfolio. Two surveyors were retained (Jones Lang LaSalle Expertises and Catella Valuation FCC) according to the criteria of independence, qualification, reputation, competence in the evaluation of healthcare real estate assets, ability in matters of organisation and adaptability and level of the proposed price.

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;
- internationally, 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, all Icade's assets including projects under development, were valued at 30 June 2015, 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 30 June 2015, the jointly owned lots in the Arago Tower and the Rueil extension. The Renaison clinic in Roanne was appraised as at 30 June 2015, but has been valued at the value of the offer accepted;
- buildings securing a financial operation (i.e. capital leasing or rent with the option to buy where Icade acts exceptionally as the lessor), which are recognised as to 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 30 June 2015;
- 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 their net book value and listed without modification in the property assets currently published by Icade.

3.1.1.2. Methodologies used by the surveyors

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

Investment properties are valued by the surveyors by the application of 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 (price per unit, block or building).

The net revenue capitalisation method consists of applying a rate of return to revenue, whether that revenue is recognised, existing, theoretical or potential (market rental value). This approach may be adjusted 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 to 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 major 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 ease basis, except for particular cases and exceptions.

Land banks 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 building's 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 the property surveyors' responsibility 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 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 the surveyed valuations of Icade's assets

The classification of assets is presented in the following way:

- 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 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 €10,029.2 million excluding duties versus €10,151.4 million at the end of 2014 and €10,565.4 million including duties versus of €10,376.2 million at the end of 2014.

Value of the portfolio excluding duties (In € millions Group share)	30/06/2015	31/12/2014	Change *(in € million)*	Change *(in %)*	Change on a like-for-like basis [1] *(in € million)*	Change on a like-for-like basis [1] *(in %)*	Total areas *(m²)*	Price [2] *(m²)*	Net rate of return excluding duties [3]	Reversion potential [4] *(in %)*	Overall rental market value *(in € million)*	EPRA vacancy rate [5]
France Offices												
Paris	231	220.2	+10.8	+4.9%	+10.7	+4.9%	17,174	13,451	5%	(1%)	11.4	9.7%
La Défense/Near La Défense	1,729.5	1,681.6	+47.9	+2.8%	+24.7	+1.5%	320,136	5,403	7%	(1.8%)	118.9	18.3%
Other Western Crescent	662.9	723.7	(60.8)	(8.4%)	(6.8)	(1%)	75,006	8,838	6.7%	(13.6%)	39	11.8%
Inner Ring	702.3	569.7	+132.6	+23.3%	+23.5	+3.5%	133,657	5,255	5.9%	(2%)	40.6	0.8%
Outer Ring	41.2	66.6	(25.4)	(38.1%)	(0.8)	(1.8%)	10,372	947	14.1%	(8%)	1.3	53%
Total IDF	**3,367**	**3,261.9**	**+105.1**	**+3.2%**	**51.4**	**+1.6%**	**556,345**	**5,996**	**6.6%**	**(4.3%)**	**211.3**	**13.5%**
Regional	76.7	77.1	(0.4)	(0.5%)	-	-	4,348	1,746	10%	(22.5%)	0.6	12.9%
TOTAL	**3,443.7**	**3,339**	**+104.7**	**+3.1%**	**51.4**	**+1.5%**	**560,693**	**5,963**	**6.6%**	**(4.3%)**	**211.9**	**13.5%**
Land banks and projects under development	64	119.6	(55.6)	(46.5%)	(0.6)	(0.8%)						
TOTAL	**3,507.8**	**3,458.6**	**+49.2**	**+1.4%**	**+50.8**	**+1.5%**	**560,693**	**5,963**	**6.6%**	**(4.3%)**	**211.9**	**13.5%**
Business parks												
Paris	730.7	701.7	+29	+4.1%	+26.5	+3.8%	143,959	5,075	6.5%	(1.7%)	46.8	7.9%
La Défense/Near La Défense	198.9	234.6	(35.7)	(15.2%)	(36.1)	(15.4%)	92,936	2,140	8.3%	(5.4%)	16.1	38.8%
Other Western Crescent	153.6	161.9	(8.2)	(5.1%)	(8.5)	(5.3%)	62,746	2,449	7.6%	(6.2%)	11	8.8%
Inner Ring	920.8	944	(23.2)	(2.5%)	(27.4)	(2.9%)	370,904	2,483	7.9%	(3.6%)	70.6	8.9%
Outer Ring	1,355.6	1,429.2	(73.6)	(5.1%)	(112.6)	(7.7%)	815,897	1,661	8.9%	(2%)	119.3	20.9%
Total IDF	**3,359.6**	**3,471.3**	**(111.7)**	**(3.2%)**	**(158.1)**	**(4.5%)**	**1,486,441**	**2,260**	**8%**	**(2.7%)**	**263.7**	**16%**
Land banks and projects under development	556.3	691.6	(135.2)	(19.6%)	+4.7	+0.9%						
TOTAL	**3,915.9**	**4,162.9**	**(247)**	**(5.9%)**	**(153.4)**	**(3.8%)**	**1,486,441**	**2,260**	**8%**	**(2.7%)**	**263.7**	**16%**
Strategic assets	**7,423.7**	**7,621.5**	**(197.8)**	**(2.6%)**	**(102.5)**	**(1.4%)**	**2,047,134**	**3,274**	**7.3%**	**(3.5%)**	**475.6**	**14.9%**
Healthcare												
Paris and Inner Ring	55.3	54.8	+0.4	+0.8%	+0.4	+0.8%	13,339	4,143	6.3%			0%
Outer Ring	204.9	202.9	+2	+1%	+1.9	+1%	58,760	3,487	6.6%			0%
Total IDF	**260.1**	**257.7**	**+2.4**	**+0.9%**	**+2.3**	**+0.9%**	**72,099**	**3,608**	**6.6%**			**0%**
Regional	1,115.5	1,070.7	+44.8	+4.2%	+6.4	+0.6%	540.274	2,066	6.8%			0%
Alternative assets	**1,375.6**	**1,328.4**	**+47.2**	**+3.6%**	**+8.8**	**+0.7%**	**612.373**	**2,248**	**6.7%**			**0%**
Non strategic assets [6]	**171.1**	**179.2**	**(8.1)**	**(4.5%)**	**(6.1)**	**(3.4%)**	**88,651**	**246**	**11.1%**			**27%**
GRAND TOTAL	**8,970.5**	**9,129.1**	**(158.6)**	**(1.7%)**	**(99.8)**	**(1.1%)**	**2,748,159**	**2,948**	**7.2%**			**12.5%**
Including consolidated assets by equity accounting	*171.4*	*184.2*	*(12.9)*	*(7%)*	*(13.6)*	*(7.4%)*						

(1) Net change in disposals for the period and investments.
(2) Established according to the surveyed 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 excluding duties of the rentable floor areas.
Difference reflected 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 area, 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

The overall value of the strategic portfolio in Icade share totals €7,423.7 million excluding duties as at 30 June 2015 versus €7,621.5 million at the end of 2014, i.e., a decrease of €197.8 million (-2.6 %).

After eliminating the impact of investments and acquisitions and disposals carried out during 2015, the change in the value of strategic assets is (-1.4)%.

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

The value of land banks and projects under development amounted to €620.4 million as at 30 June 2015 and breaks down as €238 million in land banks and €382.4 million in projects under development.

France Offices

During the first half of 2015, the investments made in the office assets, which mainly include the works of the Monet building in Saint-Denis and the Tour EQHO tenant remodelling works, amounted to a total of €44.1 million.

After eliminating the impact of these investments and asset disposals carried out during the first half of the year, the change in the value of the Offices Division as at 30 June 2015 was €50.8 million on a like-for-like basis (i.e. +1.5%) and is broken down as follows:

- an effect related to the buildings' business plan (change in the rental situation and works budgets and rent indexation) of -€72.7 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 +€123.5 million.

Business parks

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

During the first half of 2015, Icade made €77.6million in maintenance and development investments in its business parks.

On a like-for-like basis, i.e., after eliminating the investments and the disposal of the "Millénaire 3" building, the value of the business parks portfolio decreased €153.4 million over the first half of 2015, i.e., -3.8%. This change resulted in contrasted changes; the parks of Portes de Paris recorded growth of +€23.4 million reflecting the attractiveness of the site, while the parks located in the outer ring and the Millénaire shopping centre recorded negative changes because of vacancy, and reductions in rental values for the shopping centre.

The overall change is explained by the effect of the buildings business plan (repositioning certain rental values, vacancy noted, etc.), representing €-194 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 +€40.7 million.

3.1.2.2. Alternative assets

The Healthcare property portfolio consists of clinics and healthcare establishments.

The overall value in Icade's share of this portfolio totals €1,375.6 million excluding duties as at 30 June 2015 versus €1,328.4 million at the end of 2014, i.e., an increase of €47.2 million.

On a like-for-like basis, after eliminating investments during the half year of €6.4 million (Icade's proportional share), acquisitions, the value of the portfolio changed by +€8.8 million over the half year 2015, i.e., +0.7 %. This variation is explained at around +€39.3 million by the impact of rates and at (-€30.5) million by the impact of the business plans of the buildings.

3.1.2.3. Non-strategic assets

Warehouses

The fair value of the warehouses was assessed at €21.8 million excluding duties at 30 June 2015 compared with €22.5 million at 31 December 2014, representing a downward change of €0.7 million (-3.2%).

Housing

The assets of the Residential Property Investment Division as at 30 June 2015 are composed of buildings managed by the SNI, together with the joint ownership housing and various residual assets, which were valued on the basis of property valuations.

The value of this portfolio was €149.3 million excluding duties as at 30 June 2015 versus €156.7 million at the end of 2014, representing a change of -€7.3 million (-4.7%) which can be explained mainly by the effect of the disposals.

3.2. Valuation of property development and services businesses

Icade's development and service companies have been valued by the independent firm Détroyat Associés for the purposes of recalculating the net asset value. The method used by the appraiser, which remains identical to that used for the previous year, is essentially based on a discounted cash flow (DCF) over the period of each company's business plan, extended over a 10-year horizon, together with a terminal value based on a normative cash flow increasing to infinity.

On these bases, the values of the development and services companies as at 30 June 2015 are broken down in the following manner:

	30/06/2015		31/12/2014	
(in millions of euros)	Property development companies	Services companies	Property development companies	Services companies
Corporate value	338.2	41.1	290	37.4
Net Debt[1]	(142)	(1.1)	(176.9)	(2.4)
Other ajustments[1]	38.6	8.6	41.3	9.5
Value of equity capital of the companies in global consolidation	**441.7**	**33.6**	**425.6**	**30.3**
Value of equity capital of equity-accounted companies	**32.3**		**14.7**	
Equity value	**474**	**33.6**	**440.3**	**30.3**

[1] the negative sign is a net asset, the positive sign is a net liability

Enterprise value of fully consolidated companies	338.2	41.1	290	37.4
Enterprise value of equity accounted companies	65.6		32	
Enterprise value of property development and services companies	**403.8**	**41.1**	**322**	**37.4**

Among the financial parameters adopted, the surveyor used a weighted average cost of capital ranging from 9.41% to 11.01% for the development companies and from 6.21% to 10.85% for the service companies.

The enterprise value of property development companies as at 30 June 2015 stood at €403.8 million (including the enterprise value of equity-accounted companies) versus €322 million as at 31 December 2014. This increase resulted both in a drop in the weighted average cost of capital and the change in the working capital requirement. The change in the working capital requirement leading to a drop in net cash flow, the growth of the value of equity is basically the result of the effect of the change in the weighted average cost of capital.

3.3. Calculating EPRA net asset value

(In € millions Group share)		30/06/2015	31/12/2014
Consolidated equity in Group share[a]	(1)	3,725.8	4,042.3
Impact of the dilution of shares giving access to the capital[b]	(2)	0	0
Unrealised capital gain on property assets (excl. duties)	(3)	1,684.4	1,615.9
Unrealised capital gains on securities of equity-accounted Property Investment companies (excluding duties)	(4)	4.6	4.5
Unrealised capital gain on development companies	(5)	1.5	8.2
Unrealised capital gain on securities of equity-accounted property development companies	(6)	27.6	(6.4)
Unrealised capital gain on service companies	(7)	16.8	7.4
Restatement of the revaluation of rate hedging instruments	(8)	64.5	92.3
Group share of simple net EPRA NAV	**(9)=(1)+(2)+(3)+ (4)+(5)+(6)+(7)+(8)**	**5,525.7**	**5,764.1**
Revaluation of interest rate hedging instruments	(10)	(64.5)	(92.3)
Revaluation of fixed-rate debt	(11)	(103.8)	(129.3)
Tax liability on unrealised capital gains of real estate assets (excluding duties)	(12)	0	0
Tax liability on unrealised capital gains from securities of property development companies[c]	(13)	(15.5)	(13.9)
Tax liability on unrealised capital gains from securities of property development companies[c]	(14)	(1.1)	(0.8)
Group share of EPRA triple net NAV	**(15)=(9)+(10)+(11)+ (12)+(13)+(14)**	**5,340.3**	**5,527.8**
Number of fully diluted shares[d]	n	73,731,196	73,530,191
EPRA NAV simple net per share ***(Group share – fully diluted in euros)***	**(9)/n**	**74.9**	**78.4**
Half-yearly growth		*(4.4%)*	
EPRA NAV Triple net per share ***(Group share – fully diluted in euros)***	**(15)/n**	**72.4**	**75.2**
Half-yearly growth		*(3.7%)*	

[a] Including a 30/06/2015 Group share net loss of -€78.4 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] 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 subject to the exceptional contribution, increasing them respectively to 38% and 4.56%.
[d] Stands at 73,731,196 as at 30 June 2015, after cancelling treasury stock (411,965 shares) and the impact of dilutive instruments (31,975 shares).

The variation of the NAV over the period is detailed in the table below.

EPRA Triple NAV IN GROUP SHARE AS AT 31/12/2014 (in € per share)	**€75.2**
Dividends paid during the first half of the year	(€3.7)
Group share of consolidated profit for the year	(€1.1)
Change in fair value of financial derivative instruments	+€0.3
Change in unrealised capital gains on real estate assets of equity-accounted property investment companies	+€0.9
Change in unrealised capital gains on property-development and service companies	+€0.5
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)
Other	+ €0.2
EPRA Triple NAV IN GROUP SHARE AS AT 30/06/2015 (in € per share)	**€72.4**

The change in unrealised capital gains of real estate assets and from property development and services company's results in changes in values explained above (in 3.1.2. and 3.2).

The rising interest rates at the end of the half year resulted in a reduction of the fair value of the fixed rate debt.

This change in rates has had the same impact on the change in fair value of the interest rate hedges.

4. EPRA REPORTING

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

4.1. EPRA net asset value (simple net and triple net)

The calculation of the EPRA NAV is detailed in chapter 2, paragraph 1.3.3.: "Calculating EPRA net asset value".

(in millions of euros)	30/06/2015	31/12/2014 restated	Change 2015/2014	Change *(in %)*
EPRA NAV simple net, Group share	5,525.1	5,764.1	(239)	(4.1)%
EPRA NAV simple net, Group share, per share (in €)	74.9	78.4	(3.5)	(4.4)%
EPRA NAV triple net Group share	5,340	5,527.8	(187.5)	(3.4)%
EPRA NAV triple net, Group share, per share (in €)	72.4	75.2	(2.8)	(3.7)%

4.2. (EPRA) earnings from property investment

EPRA Earnings from property investment measures the operational performance of recurring operating activities for the Property Investment Division.

	(in millions of euros)	30/06/2015	30/06/2014 restated	Change in % 2015/2014
	Net profit/(loss)	**(66.4)**	**6.7**	
	Net profit/(loss) – Other activities (1)	2.9	(11.8)	
(a)	**Net profit/(loss) – Property Investment**	**(69.3)**	**(5.1)**	
(i)	Change in value of investment properties and depreciation allowance	(219.6)	(135.9)	
(ii)	Profit/(loss) from disposal of assets	33.3	2.4	
(iii)	Profit/(loss) from disposal of shops	-	-	
(iv)	Tax on profits from disposals and impairments	(26)	(0.2)	
(v)	Negative acquisition difference/depreciation of goodwill	-	-	
(vi)	Change in fair value of financial instruments	1.7	(10.3)	
(vii)	Acquisition cost for shares	-	-	
(viii)	Deferred tax related to EPRA adjustments	-	-	
(ix)	Adjustments for equity-accounted companies	(13.8)	(3.3)	
(x)	Minority interests (Icade Santé)	26.9	21.7	
(b)	**Total Restatements**	**(197.3)**	**(125.7)**	
(a-b)	**EPRA EARNINGS FROM PROPERTY INVESTMENT**	**128.1**	**120.6**	**6.2%**
	Average number of diluted shares in circulation used in the calculation	73,803,864	73,796,157	
	EPRA EARNINGS FROM PROPERTY INVESTMENT IN €/SHARE	**€1.74**	**€1.63**	**6.2%**

(1) Other activities corresponding to property development, services and inter-group.

EPRA Earnings from property investment represents €1.74 per share as at 30 June 2015 versus €1.63 per share as at 30 June 2014.

4.3. EPRA rate of return

The table below presents the transition 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.

	30/06/2015	31/12/2014
ICADE[1] NET RETURN	**7.2 %**	**7.4 %**
Effect of estimated duties and fees	(0.4)%	(0.4)%
Restatement for potential rents from vacant premises	(0.9)%	(0.8)%
NET *TOPPED-UP* EPRA INITIAL RETURN[2]	**6 %**	**6.2 %**
Integration of rent-free periods	(0.4)%	(0.6)%
NET EPRA INITIAL RETURN[3]	**5.6 %**	**5.5 %**

[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 including duties of assets in operation.
[3] Annualised rents net of leased surface areas, excluding special rent arrangements, related to the surveyed value including duties of assets in operation.

4.4. 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 the calculation of this ratio.

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

	30/06/2015	31/12/2014
Strategic assets	14.9%	18.3%
Alternative assets (healthcare)	0%	0%
Non-strategic assets	27%	19.6%
Total COMMERCIAL PROPERTY INVESTMENT	**12.5%**	**15.5%**

The positive change of the EPRA vacancy rate between 2014 and 2015 is primarily explained by the reduction in financial vacancy between 2014 and 30 June 2014.

In fact, the offices segment is representative of this improvement since the financial occupancy rate has improved by 6.6 points between the two periods due to the lease made by the tenant KPMG in the Tour EQHO.

The segment of non-strategic commercial property assets, which only represents the warehouses, has seen an increase in its ERPA vacancy rate between 2014 and 30 June 2015 because of declining rental activity over the half year.

4.5. Cost ratio of EPRA Property Investment

The data below present the detail of the cost ratio, in accordance with the definition recommended by EPRA, for the Commercial Property Investment portfolio after restatement of Icade Santé's minority interests.

		30/06/2015	30/06/2014 restated
	Includes:		
(i)	Structural expenses and other overheads	(34.9)	(42.9)
(ii)	Rental charges net of re-invoicing	(18.6)	(23.4)
(iii)	Management fees net of actual/estimated margins		0
(iv)	Other re-invoicing covering overheads	15.1	18.2
(v)	Share of overheads and expenses of equity-accounted companies	(2)	(2.1)
(vi)	Share of overheads and charges allocated to non-controlling interests	2.5	2.1
	Excludes:		
(vii)	Depreciation of investment properties	-	-
(viii)	Land leasing costs	(1.1)	(1.4)
(ix)	Other property charges incorporated into rental revenues	(0.1)	0
(A)	**EPRA COSTS (INCLUDING VACANCY COSTS)**	**(36.7)**	**(46.7)**
(x)	**Minus - Vacancy expenses**	**(20.6)**	**(19.3)**
(B)	**EPRA COSTS (EXCLUDING VACANCY COSTS)**	**(16.1)**	**(27.4)**
(xi)	Gross rental revenues minus land leasing costs	264.9	266.2
(xii)	Other property charges incorporated into rental revenues		-
(xiii)	Plus: share of rental income minus charges from equity accounted property investment companies	4.8	6
(xiv)	Share of rental income minus charges from property investment allocated to non-controlling interests	(34.9)	(28.5)
(C)	**RENTAL INCOME**	**234.8**	**243.7**
(A/C)	**EPRA PROPERTY INVESTMENT COST RATIO (INCLUDING VACANCY COSTS)**	**15.6%**	**19.2%**
(B/C)	**EPRA PROPERTY INVESTMENT COST RATIO (EXCLUDING VACANCY COSTS)**	**6.9%**	**11.2%**

The positive change in the EPRA Property Investment cost ratio between 30 June 2014 and 30 June 2015 is explained by:

- the activation of the KPMG lease in the Tour EQHO as at 1 April 2015 which has improved the recoverability of building rental charges;
- non-recurring costs borne over the financial year 2014 (legal costs related to the merger of eight companies in Icade);
- a positive impact on the half-year charge of stock options and bonus shares of €2.4 million (charge of €1.3 million noted in 2014 versus a yield of €1.2 million as at 30 June 2015).

5. FINANCIAL RESOURCES

During the half year, Icade continued reinforcing its liabilities structure, increasing the level of its available lines, and maintaining its dialogue with banking partners in order to anticipate its future financings.

The group carried out the following transactions:

- signing €220 million of revolving credit lines longer than four years;
- optimisation of its hedging structure by the subscription of €220 million in long-term swaps in an environment of historically low rates and by the restructuring of €325 million of notional caps having led to the drop in the strike of the portfolio.

Moreover, the group continued increasing its commercial paper programme launched during 2014; thus over the period outstanding debt increased by €76.5 million.
The average cost of debt is at a historical low and the financial fundamentals are remaining at solid levels.

5.1. Liquidity

Icade's financial resources were strengthened during the period by renewing existing credit lines and by setting-up new credit lines. The main financing transactions have been the following:

- setting-up of €50 million of six-year revolving credit lines;
- replacement of a revolving credit line for €100 million with two lines of €80 million and €90 million respectively at four and five years;
- issuing commercial paper for an amount outstanding of €279.5 million at the end of the half year.

The credit lines (excluding commercial paper) have an average credit margin of 88 basis points and an average maturity of 4.9 years.

Icade has drawing capacity on short and medium-term credit lines of €1,370 million, to be used entirely as it sees fit. The total available liquidity as at 30 June 2015 covers over eighteen months of repayments of capital and interest.

5.2. Structure of debt

5.2.1. Debt by type

The gross financial debt of €4,395.3 million as at 30 June 2015 consisted of the following:

- €1,585.3 million in corporate loans;
- €1,304.8 million in bonds;
- €823.9 million in mortgage financing;
- €219.6 million in financial leases;
- €279.5 million in commercial paper;
- €94.1 million in private placements;
- €33.9 million in bank overdrafts;
- €47.8 million in ORNANEs; and
- €6.4 million in debts associated with equity interest.

Net financial debt totalled €3,972.7 million as of 30 June 2015, up by €123.7 million compared with 31 December 2014.

The change between these two dates primarily stems from the following:

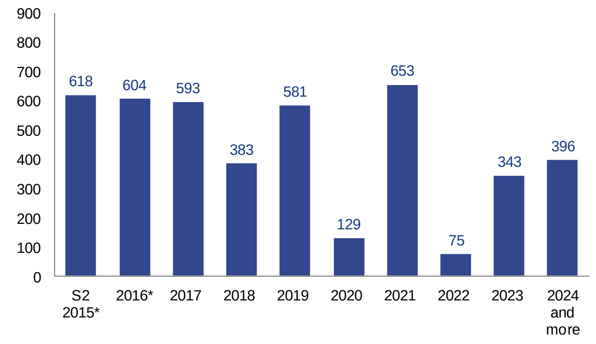
- the increase of the outstanding debt of commercial paper of €76.5 million;
- amortisation of corporate credit lines for a total of €37 million;
- natural amortisation on finance leases of €12 million;
- a €24 million increase in the value of hedging instruments;
- a reduction in cash & cash-equivalents of approximately €126 million.

5.2.2. Debt by maturity date

The maturity schedule of the debts drawn by Icade (excluding overdrafts) as at 30 June 2015 is given below:

SCHEDULE OF DRAWN DEBT

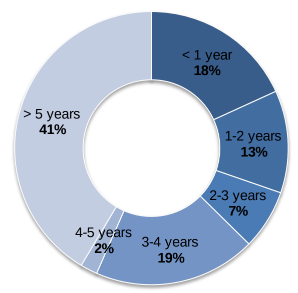
(30 June 2015, in millions of euros)



** including €225 million in 2015 and €55 million in 2016 of commercial paper*

DISTRIBUTION OF DEBT BY MATURITY

(30 June 2015)



The average life of debt as at 30 June 2015 is 4.3 years (excluding commercial paper). As at 31 December 2014, it was 4.7 years, no new financing (excluding commercial paper) having been drawn over the period.

5.2.3. Debt by business

After allocation of the intra-group refinancing, nearly 99% of the Group's debt relates to the Property Investment Division and 1% relates to the Property Development Division. The share assigned to the services business line is insignificant. These proportions indicate the stable indebtedness of the Property Development Division compared to 2014.

5.2.4. Average cost of debt

The average cost of financing in 2015 was 1.97% before hedging and 2.79 % after hedging, compared with 1.97 % and 3.07 % respectively in 2014.

The average cost of financing decreased between 2014 and the first half of 2015, because of the full effect of the bond issue and the renegotiations made in 2014, as well as the commercial paper programme.

5.2.5. Interest rate risk

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

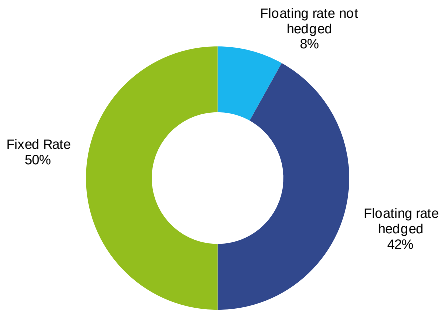
This department reports on a monthly basis to Icade's Risk, Rates, Treasury and Finance Committee on all matters related to finance, investments, interest rate risk management and liquidity management.

Changes in financial markets can cause a change in interest rates, which may be reflected in an increase in the cost of refinancing. To finance its investments, Icade also uses floating rate debt, which is then hedged, thus conserving its ability to prepay loans without penalties. This debt represents, before hedging, nearly 50% of its total debt as at 30 June 2015 (excluding debts associated with equity interests and bank overdrafts).

During the first half of 2015, Icade continued a prudent management policy for its debt, maintaining a limited exposure to interest rate risks, profiting from low rates, setting-up appropriate hedging contracts covering future financing needs (vanilla swaps) and substituting historical caps, having high strike, with new caps having the same features with reduced strike.

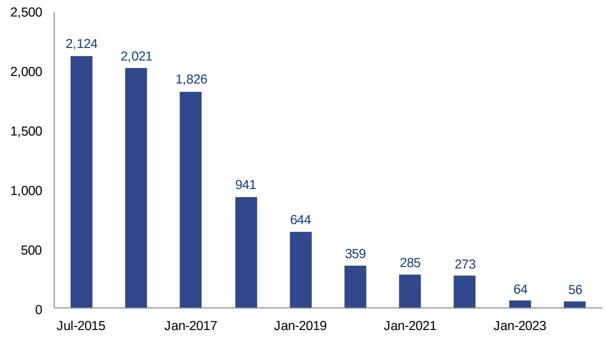
DISTRIBUTION OF DEBT BY RATE TYPE (EXCLUDING DEBT ASSOCIATED WITH EQUITY INVESTMENTS AND BANK OVERDRAFTS)

(30 June 2015)



OUTSTANDING HEDGING POSITIONS

(30 June 2015, in millions of euros)



The majority of the debt (91.9%) is protected against a rise in interest rates (fixed rate debt or variable rate debt hedged). The notional amount of hedges is summarised in the graph above.

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

	30/06/2015									
	Financial assets (a)		Financial liabilities (b)		Net exposure before hedging (c) = (b) - (a)		Rate hedging instrument (d)		Net exposure after hedging (e) = (d) - (c)	
(in millions of euros)	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate
Less than one year	0	477.2	307.5	496	307.5	18.7	-	125.1	(307.5)	106.4
One to two years	0	0	132	483.6	131.9	483.6	-	193.4	(131.9)	(290.2)
Two to three years	0.1	-	77	287.1	76.9	287.1	-	776.6	(7.9)	489.5
Three to four years	-	-	376.1	315.5	376.1	315.5	-	374.4	(376.1)	58,9
Four to five years	0.1	0.3	73.5	50	73.5	49.7	-	21.8	(73.5)	(27.9)
Over five years	0.1	12.2	1,211.8	585.5	1,211.6	573.3	-	332.6	(1,211.6)	(240.7)
TOTAL	**0.3**	**489.7**	**2,177.8**	**2,217.5**	**2,177.5**	**1,727.8**	**-**	**1,823.9**	**(2,177.5)**	**96.1**

The average term of floating rate debt was 2.4 years and of associated hedges was 3.1 years, providing adequate hedging and the anticipated hedging of future financing requirements.

Finally, Icade favours classifying its hedging instruments as "cash flow hedges" according to IFRS standards, which implies that the change in the fair value of these instruments be recognized directly in 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 capital and reserves of €25.4 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 May 2015 Standard & Poor's confirmed Icade's long-term rating as "BBB+" with a stable outlook, as well as its short term rating as A2.

5.4. Financial structure

5.4.1. Financial structure ratios

5.4.1.1. LTV (loan-to-value)

The ratio of LTV (net financial debt divided by the revalued real estate assets excluding duties increased by the value of the property development and services companies) totalled 38.2% as at 30 June 2015 (compared with 36.9% as at 31 December 2014).

This ratio remains well below the ceiling levels to be met under the financial covenants stipulated in the banking contracts ((50% and 52% in the majority of cases where this ratio is mentioned as a covenant). These covenants do not include the value of property development and services companies in the calculation of the ratio, positioning it at 39.8% (compared with 38.2% as at 31 December 2014).

1

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 35.8 % at 30 June 2015.

5.4.1.2. ICR (interest coverage ratio)

The interest coverage ratio (ICR) by the operating profit/ (loss) (corrected for depreciation) totalled 2.73x in the first half of 2015. This ratio is down compared with preceding years (4.74x in 2014), considering primarily the impacts of the provisions for impairment for the half year. Reduced to EBITDA, this ratio works out as 3.90x.

	30/06/2015	31/12/2014
Ratio of net financial debt/revalued portfolio (LTV)[1]	38.2%	36.9%
Interest coverage ratio by operating profit corrected for depreciation (ICR)	2.73x	4.74x

[1] Integrates the i balance sheet value of property development and services companies as well as the financial receivables of public-private partnerships.

5.4.2. Table of covenants monitoring

Nature of the limit	Direction	Threshold	30/06/2015
LTV (1)	Maximum	50% or 52%	39.8%
ICR	Minimum	2.00x	2.73x
Control of the Caisse des dépôts (CDC) (2)	Minimum	34%, 50% or 51%	51.94%
Value of the Property Investment portfolio (3)	Minimum	3,4,5 or 7 billion euros	€10 billion
Debt ratio of property development subsidiaries/Consolidated gross debt	Maximum	20%	0.7%
Guarantees on assets (4)	Maximum	20% of the property investment portfolio	10.5%

(1) Around 85% of the debt relating to the covenant on LTV has a limit of 52%, with a limit of 50% for the remaining 15%.

(2) Around 96% 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 4%.

(3) Around 19% of the debt relating to the value of the Property Investment portfolio covenant has a limit of €3 billion, 3% of the debt has a limit of €4 billion, 12% of the debt has a limit of €5 billion, and the remaining 66% has a limit of €7 billion.

(4) Maximum calculation with regard to the clauses in the documentation.

The covenants are met as at 30 June 2015.

6. *PRO FORMA* 2014

The financial statements as at 30 June 2014 were restated after the first application of the IFRIC 21 interpretation in the first half of 2015: "Duties levied by a public authority" (retrospective application).

This interpretation is aimed at clarifying the event which fixes the date of recognition of duties other than taxes on income. From now on, only those duties where the event generator occurs progressively will continue to be spread in the interim accounts. The impact of this interpretation primarily involves taking into account, in the interim publications, the share of the property tax and the tax on offices which cannot be re-invoiced. As at 30 June 2015, application of this interpretation generated a negative impact of €8.3 million in the income statement versus €9.2 million as at 30 June 2014. On the other hand, it will have no impact on the annual accounts.

6.1. EPRA income statement from Property Investment

(in millions of euros)	Published 30/06/2014	restatements	30/06/2014 restated	including Property Investment (EPRA)	including other[1]
RENTAL INCOME	**275.2**	**-**	**275.2**	**275.2**	**-**
Property expenses	(1.3)	-	(1.3)	(1.3)	-
Rental charges not recovered	(15.5)	(6.9)	(22.4)	(22.4)	-
Charges on buildings	(8.9)	1.8	(7.1)	(7.1)	-
Net rental income	**249.5**	**(5.1)**	**244.4**	**244.4**	**-**
Margin (net rents/rental income)	*90.7%*		*88.8%*	*88.8%*	
Net functioning costs	**(21.2)**	**(3.8)**	**(25)**	**(25)**	**-**
Profit/(loss) from other activities	**-**	**-**	**-**	**-**	**1**
EBITDA	**228.3**	**(8.9)**	**219.4**	**219.4**	**-**
Amortisation and impairment of operating assets	(10.6)	-	(10.6)	(4.1)	(6.5)
CURRENT OPERATING PROFIT/(LOSS)	**217.7**	**(8.9)**	**208.8**	**215.3**	**(6.5)**
Amortisation and impairment of investment properties	(129.4)	-	(129.4)	-	(129.4)
Profit/loss from disposals	2.4	-	2.4	-	2.4
Impairment on acquisition differences	-	-	-	-	-
Share in the profit/(loss) of equity-accounted companies	(0.4)	(0.3)	(0.7)	2.6	(3.3)
OPEATING PROFIT/(LOSS)	**90.2**	**(9.2)**	**81**	**217.9**	**(136.9)**
Cost of gross debt	(76.8)	-	(76.8)	(76.8)	-
Net income from cash and cash equivalents, related loans and receivables	8		8	8	-
Cost of net debt	**(68.8)**		**(68.8)**	**(68.8)**	**-**
Adjustment to value of derivatives and other discounting	(10.3)	-	(10.3)	-	(10.3)
Other financial income and financial charges	(2.7)	-	(2.7)	(2.7)	-
FINANCIAL PROFIT/(LOSS)	**(81.8)**	**-**	**(81.8)**	**(71.5)**	**(10.3)**
Corporation tax	(4.3)	-	(4.3)	(4.1)	(0.2)
NET PROFIT/(LOSS)	**4.1**	**(9.2)**	**(5.1)**	**142.3**	**(147.4)**
Net profit/(loss) – Share of non-controlling interests	9.3	-	9.3	21.7	(12.4)
NET PROFIT/(LOSS) - GROUP SHARE	**(5.2)**	**(9.2)**	**(14.4)**	**120.6**	**(135)**

[1] The "Other" column groups the depreciation allowance of the investment properties, the profit/(loss) of the disposals, the conversion to fair value of financial instruments and ORNANEs, and other non-recurring items.

6.2. Net rents Property Investment Division

(in millions of euros)	30/06/2014 published	restatements		30/06/2014 restated
France Offices	78.4	(2.7)	75.7	89.1%
Business parks	95.4	(4.1)	91.3	84.3%
STRATEGIC ASSETS	**173.9**	**(6.8)**	**167**	**86.4%**
ALTERNATIVE ASSETS	**64.8**	**-**	**64.8**	**98.8%**
NON-STRATEFGIC ASSETS	**12.8**	**(2.1)**	**10.7**	**55.4%**
Intra-group businesses - Property Investment	(2)	3.8	1.8	0%
PROPERTY INVESTMENT DIVISION	**249.5**	**(5.1)**	**244.4**	**88.8%**

6.3. (EPRA) earnings from property investment

	(in millions of euros)	30/06/2014 published	restatements	30/06/2014 restated
	Net profit/(loss)	**15.9**	**(9.2)**	**6.7**
	Net profit/(loss) – Other activities[1]	(11.7)	(0.1)	(11.8)
(a)	**Net profit/(loss) – Property Investment**	**4.1**	**(9.2)**	**(5.1)**
(i)	Change in value of investment properties and depreciation allowance	(129.4)	(6.5)	(135.9)
(ii)	Profit/(loss) from disposal of assets	(4.2)	6.6	2.4
(iii)	Profit/(loss) from disposal of shops	-	-	-
(iv)	Tax on profits from disposals and impairments	(0.2)	-	(0.2)
(v)	Negative acquisition difference/depreciation of goodwill	-	-	-
(vi)	Change in fair value of financial instruments	(10.3)	-	(10.3)
(vii)	Acquisition cost for shares	-	-	-
(viii)	Deferred tax related to EPRA adjustments	-	-	-
(ix)	Adjustments for equity-accounted companies	(3.3)	-	(3.3)
(x)	Minority interests (Icade Santé)	21.7	-	21.7
(b)	**Total Restatements**	**(125.6)**	**(0.1)**	**(125.7)**
(a-b)	**EPRA EARNINGS FROM PROPERTY INVESTMENT**	**129.8**	**(9.2)**	**120.6**
	Average number of diluted shares in circulation used in the calculation	73,796,157	73,796,157	73,796,157
	EPRA EARNINGS FROM PROPERTY INVESTMENT IN €/SHARE	**€1.76**	**(€0.12)**	**€1.63**

[1] Other activities corresponding to property development services and inter-group.

6.4. Net current cash flow - Group

(in millions of euros)	30/06/2014 published	restatements	30/06/2014 restated
EBITDA	**243.2**	**(8.9)**	**234.4**
Share in the profit/(loss) of equity-accounted companies	8.1	(0.3)	7.8
CURRENT OPERATING PROFIT/(LOSS)	**251.3**	**(9.2)**	**242.2**
Profit/(loss) of non-consolidated companies	0.8	-	0.8
Cost of net debt	(67.2)	-	(67.2)
Other financial income and financial charges	(3.1)	-	(3.1)
CURRENT FINANCIAL PROFIT/(LOSS)	**(69.5)**	**-**	**(69.5)**
CURRENT IS	**(12.1)**	**-**	**(12.1)**
Net profit/(loss) – Share of non-controlling interests	(22.6)	-	(22.6)
NET CURRENT CASH FLOW - GROUP	**147**	**(9.2)**	**137.9**
OF WHICH NET RECURRING INCOME - PROPERTY (EPRA)	**129.8**	**(9.2)**	**120.6**
OF WHICH NET CURRENT CASH FLOW - OTHER ACTIVITIES	**17.3**	**-**	**17.3**

6.5. Cost ratio of EPRA Property Investment

		Published 30/06/2014	restatements	30/06/2014 restated
	Includes:			
(i)	Structural expenses and other overheads	(25.6)	(17.3)	(42.9)
(ii)	Rental charges net of re-invoicing	(20)	(3.4)	(23.4)
(iii)	Management fees net of actual/estimated margins	-	-	-
(iv)	Other re-invoicing covering overheads	6.5	11.7	18.2
(v)	Share of overheads and expenses of equity-accounted companies	(1.8)	(0.3)	(2.1)
(vi)	Share of overheads and charges allocated to non-controlling interests	-	2.1	2.1
	Excludes:			
(vii)	Depreciation of investment properties	-	-	-

(viii)	Land leasing costs	(1.4)	-	(1.4)
(ix)	Other property charges incorporated into rental revenues	-	-	-
(a)	**EPRA COSTS (INCLUDING VACANCY COSTS)**	**(39.5)**	**(7.2)**	**(46.7)**
(x)	Minus: Vacancy expenses	(12.1)	(7.2)	(19.3)
(b)	**EPRA COSTS (EXCLUDING VACANCY COSTS)**	**(27.4)**	**-**	**(27.4)**
(xi)	Gross rental revenues minus land leasing costs	237.7	28.5	266.2
(xii)	Other property charges incorporated into rental revenues	-	-	-
(xiii)	Plus: share of rental income minus charges from equity accounted property investment companies	6	-	6
(xiv)	Share of rental income minus charges from property investment allocated to non-controlling interests	-	(28.5)	(28.5)
(c)	**RENTAL INCOME**	**243.7**	**-**	**243.7**
(a/c)	**EPRA PROPERTY INVESTMENT COST RATIO (INCLUDING VACANCY COSTS)**	**16.2%**		**19.2%**
(b/c)	**EPRA PROPERTY INVESTMENT COST RATIO (EXCLUDING VACANCY COSTS)**	**11.2%**		**11.2%**

7. *MANAGEMENT*

Chief Executive Officer, Olivier Wigniolle, made the following appointments to the Executive Committee:

- Victoire Aubry, 49, who is currently the Director of Finance, Risks and Administration of Compagnie des Alpes has been appointed as Financial Director and will also be responsible for legal affairs, information systems and general resources, with effect from 1 September 2015;
- Sabine Baietto-Besson, 64, has been appointed as the member of Icade's Executive Committee responsible for Greater Paris and development;
- Emmanuelle Baboulin, 51, has been appointed as the member of Icade's Executive Committee responsible for commercial property investment (outside of Icade Santé), with effect from 1 September 2015;
- Françoise Delettre, 63, has been appointed as the member of Icade's Executive Committee responsible for Icade Santé;
- Denis Burckel, 57, who is responsible for auditing, risks and sustainable development has been made a permanent guest of Icade's Executive Committee.

Furthermore, a new member of the Executive Committee in charge of Portfolio Management will be appointed in September 2015.

8. *STRATEGIC REVIEW*

Icade's management and Board of Directors have decided to jointly undertake a strategic review of Icade's assets and businesses. This review, which aims to expand on the Company's strategy in the medium-term, will be conducted between now and the end of 2015. It will be conducted with the support of the Rothschild bank.

The strategic review will be presented to the market in the course of December 2015

SECOND PART: CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AS AT 30 JUNE 2015

HALF-YEARLY CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

(in millions of euros)	Notes	30/06/2015	30/06/2014 restated (1)	31/12/2014
Revenues	3-4	**714.4**	**757.9**	**1,759.8**
Revenue from other related business		1.6	1.7	3.6
Net business-related financial income		0.4	0.4	0.6
Income from operating activities		**716.3**	**760.0**	**1,764**
Purchases used		(341.1)	(376.9)	(958)
Outside services		(56.2)	(62.2)	(114.5)
Taxes, duties and similar payments		(5.9)	(6.1)	(13.2)
Personnel charges, profit sharing and share incentive scheme		(68.6)	(80)	(150)
Other business-related charges		(2.4)	(0.3)	(5.6)
Charges from operating activities		**(474.1)**	**(525.6)**	**(1,241.3)**
EBITDA		**242.2**	**234.4**	**522.7**
Depreciation charges net of investment grants	3	(135.7)	(134.5)	(274)
Charges and reversals related to impairment on tangible, financial and other current assets	3	(91.7)	(5.1)	(5.5)
Profit/(loss) from disposals	4	33.3	1.1	99.1
Depreciation of goodwill and intangible assets		(5.7)	(0.8)	(1.0)
Share in the profit/(loss) of equity-accounted companies		(8.5)	4.5	6.2
OPERATING PROFIT/(LOSS)	4	**34.0**	**99.6**	**347.5**
Cost of gross debt		(67.7)	(73.7)	(149.6)
Net income from cash and cash equivalents, related loans and receivables		5.6	6.5	18.6
Cost of net debt		**(62.1)**	**(67.2)**	**(131)**
Other financial income and charges		(0.3)	(12.7)	(9.7)
FINANCIAL PROFIT/(LOSS)	5	**(62.3)**	**(79.9)**	**(140.7)**
Profit tax	6	(38.1)	(13.0)	(34.0)
Profit/(loss) from discontinued operations		-	-	-
NET PROFIT/(LOSS)		**(66.4)**	**6.7**	**172.8**
Profit/(loss): share of non-controlling interests		12.0	10.2	21.3
Net profit/(loss) – attributable to owners of the company		**(78.4)**	**(3.5)**	**151.5**
Basic earnings per share to owners of the Company (in euros)	22	**(1.06)**	**(0.05)**	**2.06**
including net income attributable to owners of the Company from discontinued activities per share		-	-	-
Number of shares used in the calculation		73,771,556	73,743,696	73,686,607
Diluted earnings per share to owners of the Company (in euros)	22	**(1.06)**	**(0.05)**	**2.05**
including net income attributable to owners of the Company from discontinued activities per share		-	-	-
Number of shares used in the calculation		73,803,864	73,796,157	73,735,312
NET PROFIT/(LOSS) FOR THE PERIOD		**(66.4)**	**6.7**	**172.8**
Other items of overall profit/(loss):				
Other comprehensive income recyclable in the income statement:		**24.6**	**(0.4)**	**5.1**
Financial assets available for sale		-	-	-
- Changes in fair value recognised directly in equity		-	-	-
- Transfer to income statement for the period		-	-	-
Recyclable cash flow hedging		24.6	(0.4)	5.1
- Changes in fair value recognised directly in equity		25.4	(3.4)	1.0
- Transfer to income statement of instruments not qualified for hedging		(0.8)	3.0	4.1
Taxes on other comprehensive income recyclable in the income statement		-	-	-
Other comprehensive income not recyclable in the income statement		**1.3**	**(1.6)**	**(4.6)**
Actuarial gains and losses and adjustments of the asset ceiling		1.7	(1.5)	(4.9)
Taxes on actuarial gains and losses and adjustments of the asset ceiling		(0.4)	(0.1)	0.3
Total overall profit/loss recognized in equity		**25.9**	**(2.0)**	**0.5**
Including transfer to net income		(0.8)	3.0	4.1
Total overall income for the period		**(40.5)**	**4.7**	**173.3**
- Share of non-controlling interests		13.5	8.6	18.2
- Group share		(54.1)	(3.9)	155.1

(1) Taking account of the application of the IFRIC 21 interpretation

Consolidated statement of financial position

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ASSETS *(in millions of euros)*	Notes	30/06/2015	31/12/2014
Goodwill	7	63.7	69.5
Net intangible assets		4.9	4.0
Net tangible assets	8	82.8	85.4
Net investment properties	8	7,653.9	7,844.2
Non-current securities available for sale	9	12.6	16.9
Equity-accounted securities	26	117.1	137.0
Other non-current financial assets and derivatives	10-19	8.2	3.2
Deferred tax assets		16.9	17.8
TOTAL NON-CURRENT ASSETS		**7,960.1**	**8,178**
Stocks and in progress	11	442.5	450.8
Trade receivables		513.8	549.7
Amounts due from customers (building contracts and off-plan sales)	12	26.5	21.9
Tax receivables		13.1	5.4
Miscellaneous receivables		376.1	376.5
Current securities available for sale	9	-	-
Other current financial assets and derivatives	13-19	139.0	139.6
Cash and cash equivalents	14	352.7	478.2
Assets held for sale	15	-	-
TOTAL NON-CURRENT ASSETS		**1,863.7**	**2,022.1**
TOTAL ASSETS		**9,823.8**	**10,200.1**

LIABILITIES *(in millions of euros)*	Notes	30/06/2015	31/12/2014
Capital		113.0	112.8
Premiums		2,692	2,686.1
Treasury shares		(32.1)	(40.1)
Revaluation reserves		(67.0)	(89.9)
Other reserves		1,098.3	1,221.9
Net income Group share		(78.4)	151.5
Equity – attributable to owners of the company	**16**	**3,725.8**	**4,042.3**
Non-controlling interests		468.8	487.9
EQUITY		**4,194.6**	**4,530.2**
Non-current provisions	17-23	33.5	35.7
Long-term financial debt	18	3,591.8	3,671.5
Tax payable		1.2	1.6
Deferred tax payable		12.5	11.9
Other non-current financial liabilities and derivatives	19	145.6	162.5
TOTAL NON-CURRENT LIABILITIES		**3,784.6**	**3,883.2**
Current provisions	17	52.3	39.1
Current financial debts	18	803.5	704.7
Current tax payable		13.9	7.5
Trade payables		365.3	410.9
Amounts due to customers (building contracts and off-plan sales)	12	9.3	1.6
Miscellaneous current payables		590.8	609.4
Other current financial liabilities and derivatives	19	9.4	13.5
Liabilities intended to be sold	15	-	-
TOTAL CURRENT LIABILITIES		**1,844.5**	**1,786.7**
TOTAL LIABILITIES AND EQUITY		**9,823.8**	**10,200.1**

Consolidated cash flow statement

(in millions of euros)	30/06/2015	30/06/2014 restated (1)	31/12/2014
I) TRANSACTIONS TIED TO OPERATIONAL ACTIVITY			
Net profit/(loss)	**(66.4)**	**6.7**	**172.8**
Net allocations to depreciation, amortisation and provisions	246.5	137	287.2
Unrealised gains and losses due to changes in fair value	(2.6)	10.2	7.4
Other accruals	5.3	8.1	8.8
Capital gains or losses on disposal of assets	(34)	(5.3)	(62.4)
Capital gains or losses on disposal of consolidated securities	-	-	(49.3)
Share of profit/(loss) of equity-accounted companies	8.5	(6.0)	(6.2)
Dividends received	(0.7)	(0.8)	-
Cash flow from operating activities after cost of net financial debt and taxes	**156.6**	**149.9**	**358.3**
Cost of net financial debt	61.8	62.4	113.9
Tax expense	21.5	13.0	33.3
Cash flow from operating activities before cost of net financial debt and taxes	**239.9**	**225.3**	**505.5**
Interest paid	(72.0)	(66.6)	(117.3)
Tax paid	(21.0)	(24.2)	(45.6)
Change in working capital requirement related to operating activities	(36.6)	(63.9)	143.6
NET CASH FLOW FROM OPERATING ACTIVITY	**110.2**	**70.7**	**486.2**
II) INVESTMENT OPERATIONS			
Tangible and intangible assets and investment properties			
- acquisitions	(194.2)	(268.8)	(685.1)
- disposals	204.8	144.8	340.3
Investment grants received	-	-	0.5
Change in deposits paid and received	(0.1)	-	(0.3)
Change in financial accounts receivable	10.9	10.3	6.2
Operational investments	**21.4**	**(113.7)**	**(338.4)**
Securities available for sale			
- acquisitions	4.0	(0.6)	-
- disposals	-	-	-
Consolidated securities			
- acquisitions	-	(1.2)	(28.9)
- disposals	-	1.0	80.0
- impact of changes in scope	(0.7)	8.9	(4.4)
Dividends received	0.8	20.8	18.1
Financial investments	**4.1**	**28.9**	**64.8**
NET CASH FLOW FROM INVESTMENT ACTIVITIES	**25.6**	**(84.8)**	**(273.6)**
III) FINANCING OPERATIONS			
Sums received from shareholders on increases in capital			
- paid by Icade shareholders	6.1	0.8	6.9
- paid by non-controlling interests of consolidated subsidiaries	-	-	82.6
Dividends paid during the financial year			
- dividends (including deduction at source) and interims paid in the year by Icade	(275.1)	(270.9)	(270.9)
- dividends and interims paid in the year to non-controlling interests of consolidated subsidiaries	(30.9)	(30.0)	(24.1)
Buy-back of treasury stock	7.0	12.8	(19.1)
Change in cash flow from capital transactions	**(292.9)**	**(287.3)**	**(224.6)**
Issues or subscriptions of borrowings and financial debts	281.0	631.7	1,263
Repayment of borrowings and financial debts	(253.4)	(236.3)	(1,274)
Acquisitions and disposals of current financial assets	5.0	39.2	72.0
Change in cash flow from financing activities	**32.6**	**434.6**	**61.0**
NET CASH FLOW FROM FINANCING ACTIVITIES	**(260.3)**	**147.3**	**(163.6)**
NET CHANGE IN CASH POSITION (I) + (II) + (III)	**(124.5)**	**133.2**	**49.0**
NET CASH POSITION AT THE START OF THE YEAR	**441.8**	**392.8**	**392.8**
NET CASH POSITION AT THE END OF THE YEAR	**317.3**	**526.0**	**441.8**
Cash and cash equivalents (excluding accrued interest not due)	351.2	561.6	476.5
Bank overdrafts (excluding accrued interest not due)	(33.9)	(35.6)	(34.7)
NET CASH POSITION	**317.3**	**526.0**	**441.8**

(1) Taking account of the application of the IFRIC 21 interpretation

Consolidated statement of changes in equity

(in millions of euros)	Capital	Issue premium and merger premium	Cash flow hedging net of tax	Securities available for sale	Other reserves	Equity – attributable to owners of the company	Non-controlling interests	Total Equity
At 01/01/2015	**112.8**	**2,686.1**	**(89.4)**	**(0.5)**	**1,333.3**	**4,042.3**	**487.9**	**4,530.2**
Cash flow hedges:								
- Changes in fair value recognized directly in equity (1)			23.6			23.6	1.8	25.4
- Recycling through profit/(loss) of revaluation reserves			(0.5)			(0.5)	(0.3)	(0.8)
Fair value of securities available for sale								
- Transfer to income for the period				-	-	-	-	-
- Taxes on fair value of securities available for sale				-	-	-	-	-
Other items recognised in equity								
- Actuarial gains and losses and adjustments of the asset ceiling					1.7	1.7	-	1.7
- Taxes on actuarial gains and losses and adjustments of the asset ceiling					(0.4)	(0.4)	-	(0.4)
TOTAL CHANGES DIRECTLY RECOGNISED IN RESERVE ACCOUNTS (I)			**23.1**	**-**	**1.3**	**24.4**	**1.5**	**25.9**
NET PROFIT/(LOSS) (II)					**(78.4)**	**(78.4)**	**12.0**	**(66.4)**
TOTAL RECOGNISED INCOME AND EXPENSES (I) + (II)			**23.1**	**-**	**(77.1)**	**(54.0)**	**13.5**	**(40.5)**
Dividends for 2014					(275.1)	(275.1)	(33.0)	(308.1)
Variation in percentage of interest			-	-	-	-	-	-
Additions to the consolidation scope	-	-	-	-	-	-	-	-
Capital increase	0.2	5.9	-	-	-	6.1	-	6.1
Effect of mergers on equity	-	-	-	-	-	-	-	-
Treasury shares (2)	-	-	-	-	7.0	7.0	-	7.0
Other			(0.2)	-	(0.3)	(0.5)	0.4	(0.1)
At 30/06/2015	**113.0**	**2,692**	**(66.5)**	**(0.5)**	**987.8**	**3,725.8**	**468.8**	**4,194.6**

(1) The value of cash flow hedges rose significantly over the first half of 2015, considering the change in interest rates

(2) As at 30 June 2015, Icade held 411,965 treasury shares valued at €32.1 million.

(in millions of euros)	Capital	Issue premium and merger premium	Cash flow hedging net of tax	Securities available for sale	Other reserves	Equity – attributable to owners of the company	Non-controlling interests	Total Equity
At 31/12/2013	112.7	2,679.3	(97.8)	(0.5)	1,473.9	4,167.6	412.3	4,579.9
Change in method after implementation of the IFRS 11 standard modified on 01/01/2014			-	-	-	-	-	-
AS AT 01/01/2014 RESTATED	112.7	2,679.3	(97.8)	(0.5)	1,473.9	4,167.6	412.3	4,579.9
Cash flow hedges:								
- Changes in fair value recognized directly in equity (1)			4.1			4.1	(3.1)	1.0
- Recycling through profit/(loss) of revaluation reserves			4.1			4.1	-	4.1
Fair value of securities available for sale								
- Change in fair value				-		-	-	-
- Transfer to income for the period				-		-	-	-
Other items recognised in equity								
- Actuarial gains and losses and adjustments of the asset ceiling					(4.9)	(4.9)	-	(4.9)
- Taxes on actuarial gains and losses and adjustments of the asset ceiling					0.3	0.3	-	0.3
TOTAL CHANGES DIRECTLY RECOGNISED IN RESERVE ACCOUNTS (I)			8.2	-	(4.6)	3.6	(3.1)	0.5
NET PROFIT/(LOSS) (II)					151.5	151.5	21.3	172.8
TOTAL RECOGNISED INCOME AND EXPENSES (I) + (II)			8.2	-	146.9	155.1	18.2	173.3
Dividends for 2013					(270.9)	(270.9)	(24.1)	(295)
Variation in percentage of interest			-	-	-	-	-	-
Additions to the consolidation scope	-	-	-	-	-	-	-	-
Capital increase	0.1	6.8	-	-	-	6.9	82.6	89.5
Effect of mergers on equity	-	-	-	-	-	-	-	-
Treasury shares (2)	-	-	-	-	(19.1)	(19.1)	-	(19.1)
Other (3)			0.2	-	2.5	2.7	(1.1)	1.6
At 31/12/2014	112.8	2,686.1	(89.4)	(0.5)	1,333.3	4,042.3	487.9	4,530.2

(1) Changes in the value of cash flow hedges were not significant in 2014.

(2) As at 31 December 2014, Icade held 539,308 treasury shares valued at €40.1 million.

(3) This item includes a €1.7 million positive impact, on reserves, from conditional stock options and bonus shares.

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(in millions of euros)	Capital	Issue premium and merger premium	Cash flow hedging net of tax	Securities available for sale	Other reserves	Equity – attributable to owners of the company	Non-controlling interests	Total Equity
At 31/12/2013	112.7	2,679.3	(97.8)	(0.5)	1,473.9	4,167.6	412.3	4,579.9
Change in method after implementation of the IFRS 11 standard modified on 01/01/2014			-	-	-	-	-	-
AS AT 01/01/2014 RESTATED	112.7	2,679.3	(97.8)	(0.5)	1,473.9	4,167.6	412.3	4,579.9
Cash flow hedges:								
- Changes in fair value recognized directly in equity (1)			(2.0)			(2.0)	(1.4)	(3.4)
- Recycling through profit/(loss) of revaluation reserves			3.2			3.2	(0.2)	3.0
Fair value of securities available for sale								
- Changes in fair value				-	-	-	-	-
- Transfer to income for the period				-	-	-	-	-
Other items recognised in equity								
- Actuarial gains and losses and adjustments of the asset ceiling					(1.5)	(1.5)	-	(1.5)
- Taxes on actuarial gains and losses and adjustments of the asset ceiling					(0.1)	(0.1)	-	(0.1)
TOTAL CHANGES DIRECTLY RECOGNISED IN RESERVE ACCOUNTS (I)			1.2	-	(1.6)	(0.4)	(1.6)	(2.0)
NET PROFIT/(LOSS) RESTATED (4) (II)					(3.5)	(3.5)	10.2	6.7
TOTAL RECOGNISED INCOME AND EXPENSES (I) + (II)			1.2	-	(5.1)	(3.9)	8.6	4.7
Dividends for 2013					(270.9)	(270.9)	(23.9)	(294.8)
Variation in percentage of interest			-	-	-	-	-	-
Additions to the consolidation scope	-	-	-	-	-	-	-	-
Capital increase	0.1	6.8	-	-	-	6.9	-	6.9
Effect of mergers on equity	-	-	-	-	-	-	-	-
Treasury shares (2)	-	-	-	-	6.7	6.7	-	6.7
Other (3)			-	-	2.1	2.1	(1.1)	1.0
AT 30/06/2014 RESTATED (4)	112.8	2,686.1	(96.6)	(0.5)	1,206.7	3,908.5	395.9	4,304.4

(1) The negative changes in cash flow hedges relate to the reduction in long-term interest rates over the half-year

(2) As at 30 June 2014, Icade held 159,323 treasury shares for a cost of €12.2 million.

(3) This item notably includes up to 1.3 million euros worth of the positive impact, on equity, from stock options and bonus shares plans.

(4) Taking account of the application of the IFRIC 21 interpretation

The financial statements are presented in millions of euros, rounded to the nearest hundred thousand euros. Rounding errors may therefore appear between the various statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING PRINCIPLES

1.1. Standards applied

The interim condensed financial statements concerning the six-month period ended 30 June 2015 of the Icade Group ('the Group') have been prepared in accordance with the IAS 34 standard. Since these are condensed accounts, they do not include all of the information required by the IFRS standard in order to establish the financial statements and therefore must be read in relation to the consolidated financial statements for the financial year, ending 31 December 2014 established in accordance with the IFRS standard as adopted in the European Union. They have been approved by the Board of Directors meetings on 22 July 2015.

In accordance with the European regulation CE N 1606/2002 of 19 July 2002 on international standards, the Group consolidated financial statements are prepared in compliance with the IFRS standard (International Financial Reporting Standards) as adopted in the European Union.

This standard includes the IAS/IFRS standards published by the IASB and the interpretations published by the IFRIC which have been adopted by European Union. This reference document is available on the website of the European Commission (http://ec.europa.eu/internal_market/accounting/ias).

The accounting methods applied are identical to those applied in the annual financial statements on 31 December 2014, except for the change of method described below and resulting in the first application as at 30 June 2015 of the IFRIC 21 interpretation. "Duties levied by a public authority" (retrospective application).

The goal of this interpretation is to clarify the event giving rise to the date of recognition of duties other than taxes on income. From now on, only those duties where the generator event occurs progressively will continue to be spread in the interim accounts. The impact of this interpretation primarily concerns taking into account, in the interim publications, the share of the property tax and the tax on offices which cannot be re-invoiced. On 30 June 2015, application of this interpretation generated a negative impact of €8.3 million in the income statement. On the other hand, it will have no impact on the accounts prepared on 31 December.

The summary of the impacts of this interpretation on the balance sheet and the consolidated income statement on 30 June 2014 is indicated in the table below

			IFRIC 21 impact	
(in millions of euros)		Financial statements as at 30/06/2014 Published	Impact as at 30/06/2014	Financial statements as at 30/06/2014 Restated
Assets	Equity-accounted securities	133.1	(0.3)	132.8
Liabilities and Equity	Net income Group share	5.6	(9.2)	(3.5)
	Miscellaneous current payables	469.8	8.9	478.7
Profit/(loss)	Outside services	(48.5)	(8.9)	(57.4)
	EBITDA	243.2	(8.9)	234.4
	Share in the profit/(loss) of equity-accounted companies	4.8	(0.3)	4.5
	Operating Profit/(loss)	108.7	(9.2)	99.6
	Net Profit/(loss)	15.9	(9.2)	6.7
	Net income Group share	5.6	(9.2)	(3.5)

The cash flow related to the operational activities of the consolidated cash flow statement is not modified.

All the standards and interpretations of the required application in IFRS in 2015, having already been adopted by the European Union, have been applied in the interim financial statements on 30 June 2015.

On the other hand, the Group has not anticipated any standard or interpretation whose application is not required in 2015.

1.2. Basis of assessment, judgement and use of estimates

Basis of assessment, judgement and use of estimates

The preparation of the financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, the assessment of any positive or negative unanticipated unknowns on the half-year closing date, and income and expenses for the half-year.

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. The Group notably carries out:

– a half-yearly valuation of its property assets by independent surveyors according to the methods described in note 8;

– a half-yearly review of the property development programmes which are subject to controlled development;

– a valuation of profit based on the progress of construction projects, off-plan sales and some service contracts (note 1.6 of the financial statements as at 31 December 2014);

– a half-yearly valuation of provisions and employee benefits (notes 17 and 23);

– determination of the half-yearly tax liability, by applying the estimated average effective rate for the full year to the interim period's before tax for each company. This estimated rate is calculated based on 2015 data approved by senior management (note 6);

– a valuation of the fair value of financial instruments.

In addition to using estimates, the Group's management makes judgements to define the appropriate accounting treatment for certain activities and transactions where current IFRS interpretations do not specifically deal with the accounting problems concerned. In particular, the Management Board has applied its judgement 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 principle of relevance and particularly the notion of materiality which ensues, only information deemed useful to users' understanding of the consolidated financial statements.

2. MAIN TRANSACTIONS CONCERNING THE CONSOLIDATION SCOPE DURING THE HALF YEAR

There were no significant changes to scope made during the first half of 2015.

3. OPERATING SEGMENTS

(in millions of euros)	30/06/2015 Property investment	Property development	Services	Intra-group inter-business eliminations	Total
INCOME STATEMENT					
Consolidated revenues	**279.2**	**422.7**	**20.3**	**(7.9)**	**714.4**
- Inter-business sales (Group)	(26.1)	(6.1)	(0.4)	(7.9)	(40.5)
- Total sales, including inter-business lines (Group)	305.4	428.8	20.8	-	754.9
EBITDA	**227.7**	**14.1**	**(0.1)**	**0.4**	**242.2**
- Amortisation and impairment of operating assets	(13.1)	(3.5)	(0.2)	-	(16.7)
- Amortisation and impairment of investment properties	(211.2)	-	-	0.6	(210.6)
- Profit from disposals (2)	33.3	-	-	0.1	33.3
- Depreciation on acquisition differences	-	-	(5.7)	-	(5.7)
Share in equity-accounted companies	(11.8)	3.2	-	-	(8.5)
Operating profit/(loss)	**25**	**13.9**	**(6.1)**	**1.1**	**34.0**
- Cost of net debt	(62.2)	0.2	-	-	(62.1)
- Other financial income and charges	(0.3)	-)	-	-	(0.3)
- Income tax	(31.8)	(6.3)	-	-	(38.1)
- Profit/(loss): share of non-controlling interests	11.4	0.6	-	-	12.0
Net profit/(loss): Group share	**(80.7)**	**7.2**	**(6)**	**1.1**	**(78.4)**
STATEMENT OF FINANCIAL POSITION					
INVESTMENT PER SEGMENT					
Acquisition of intangible and tangible assets and investment properties	193.1	1.3	-	-	194.4
BALANCE SHEET AT CLOSING					
Goodwill	4.0	42.3	17.5	-	63.7
Net intangible assets	3.9	0.7	0.3	-	4.9
Net tangible assets	78.3	3.5	0.9	-	82.8
Net investment properties	7,711	-	-	(57.2)	7,653.9
Equity-accounted securities	111.4	5.7	-	-	117.1
Non-current financial assets	168.9	(137.8)	(15.8)	(0.4)	14.9
Other non-current financial assets	5.9	15.2	1.7	-	22.8
Stocks and in progress	1.0	442.7	-	(1.2)	442.5
Trade receivables	357.8	149.4	16.3	(9.6)	513.8
Amount due from customers	-	26.5	-	-	26.5
Current financial assets and cash	310.9	172.6	5.4	(11.2)	477.6
Other current assets	97.3	180.1	127.6	(1.6)	403.3
TOTAL ASSETS	**8,850.4**	**900.8**	**153.8**	**(81.3)**	**9,823.8**
Equity	3,946.1	306.2	0.7	(58.4)	4,194.6
Long-term financial debt	3,591.8	-	0.4	(0.4)	3,591.8
Other non-current liabilities	172.0	13.8	7.1	-	192.8
Current financial debts	780.1	30.5	4.1	(11.2)	803.5
Trade payables	44.9	325.9	3.7	(9.2)	365.3
Amount due to customers	-	9.3	-	-	9.3
Other current liabilities	315.5	215.2	137.8	(2.1)	666.5
TOTAL LIABILITIES AND EQUITY	**8,850.4**	**900.8**	**153.8**	**(81.3)**	**9,823.8**
CASH FLOW					
Tangible and intangible investments and investment properties	(192.9)	(1.3)	-		(194.2)
Disposal of tangible and intangible assets and investment properties	204.8	-	-		204.8

(1) Depreciation on investment properties primarily concerns the business parks.

(2) Profit from disposals mainly concerns the sale of the millenaire3 building and various assets in the outer ring.

2

(in millions of euros)	Property investment	Property development	Services	Intra-group inter-business eliminations	Total
	30/06/2014 restated (1)				
INCOME STATEMENT					
Consolidated revenues	**282.1**	**465.5**	**20.6**	**(10.3)**	**757.9**
- Inter-business sales (Group)	(15.5)	(9.0)	(0.3)	(10.3)	(35.1)
- Total sales, including inter-business lines (Group)	297.6	474.5	20.9	-	793.0
EBITDA	**219.4**	**16.3**	**(1.1)**	**(0.2)**	**234.4**
- Amortisation and impairment of operating assets	(10.6)	0.1	(0.2)	-	(10.7)
- Amortization and impairment of investment properties	(129.4)	-	-	0.6	(128.9)
- Profit/loss from disposals	2.4	0.5	-	(1.8)	1.1
- Depreciation on acquisition differences	-	(0.9)	-	-	(0.9)
Share in equity-accounted companies	(0.7)	6.7	-	(1.4)	4.5
Operating profit/(loss)	**81.0**	**22.8**	**(1.3)**	**(2.9)**	**99.6**
- Cost of net debt	(68.8)	1.6	-	-	(67.2)
- Other financial income and charges	(13.0)	0.4	-	-	(12.7)
- Income tax	(4.3)	(9.1)	0.5	-	(13.0)
- Profit/(loss): share of non-controlling interests	9.3	0.9	-	-	10.2
Net profit/(loss): Group share	**(14.4)**	**14.6**	**(0.9)**	**(2.9)**	**(3.5)**
STATEMENT OF FINANCIAL POSITION INVESTMENT PER SEGMENT					
Acquisition of intangible and tangible assets and investment properties	275.8	0.8	0.1	(1.6)	275.1
BALANCE SHEET AT CLOSING					
Goodwill	4.0	42.3	23.4	-	69.7
Net intangible assets	2.8	0.2	0.3	-	3.4
Net tangible assets	83.9	3.1	1.2	-	88.2
Net investment properties	7,771.8	-	-	(58.4)	7,713.5
Equity-accounted securities	114.2	18.7	-	-	132.9
Non-current financial assets	164.5	(137.8)	(15.8)	(0.5)	10.5
Other non-current financial assets	0.8	12.5	1.7	-	15.0
Stocks and in progress	1.5	617.1	-	(2.0)	616.6
Trade receivables	358.1	138.7	13.0	(3.9)	505.8
Amount due from customers	-	20.7	-	-	20.7
Current financial assets and cash	711.1	128.5	5.2	(152.8)	692.1
Other current assets	126.5	219.3	103.1	-	448.9
TOTAL ASSETS	**9,339.3**	**1,063.2**	**132.1**	**(217.5)**	**10,317.1**
Equity	4,083.1	274.5	7.3	(60.4)	4,304.5
Long-term financial debt	3,724.2	-	0.5	(0.5)	3,724.2
Other non-current liabilities	194.4	14.1	6.5	-	215.0
Current financial debts	1,041	177.4	2.0	(152.7)	1,067.7
Trade payables	50.0	345.9	3.0	(2.4)	396.6
Amount due to customers	-	4.8	-	-	4.8
Other current liabilities	246.5	246.5	112.8	(1.5)	604.3
TOTAL LIABILITIES AND EQUITY	**9,339.3**	**1,063.2**	**132.1**	**(217.5)**	**10,317.1**
CASH FLOW					
Tangible and intangible investments and investment properties	(267.9)	(0.8)	(0.1)		(268.8)
Disposal of tangible and intangible assets and investment properties	144.2	0.5	-		144.7

(1) Taking account of the application of the IFRIC 21 interpretation

4. ELEMENTS OF OPERATING PROFIT/(LOSS)

4.1. Revenues

Revenues by category are detailed as follows:

(in millions of euros)	30/06/2015	30/06/2014 restated	31/12/2014
Rental income (1), including financial rent	271.2	273.1	551.9
Building contracts and off-plan sales	415.0	456.0	1,145.2
Provision of services	26.3	28.5	61.8
Other sales	1.8	0.4	0.9
TOTAL REVENUES	**714.4**	**757.9**	**1,759.8**

(1) Rental income from property investment companies.

4.2. Profit/loss from disposals

(in millions of euros)	30/06/2015	30/06/2014 restated	31/12/2014
Profit/(loss) from disposals of investment properties	33.5	0.3	50.9
Profit/(loss) from disposals of other tangible and intangible assets	(0.1)	0.6	2.2
Profit/(loss) from disposals of consolidated securities	(0.1)	0.1	46
TOTAL PROFIT/(LOSS) ON DISPOSALS	**33.3**	**1.1**	**99.1**

Profit from disposals of investment properties mainly includes the sale of the millenaire3 and various assets in the outer ring.

5. FINANCIAL PROFIT/LOSS

2

(in millions of euros)	30/06/2015	30/06/2014 restated	31/12/2014
Interest charges on financial debts	(49.1)	(44)	(99.4)
Interest charges on derivatives	(19.5)	(27.2)	(47.9)
Recycling in income statement of rate-hedging derivatives with underlying conservation	0.8	(2.5)	(2.3)
COST OF GROSS DEBT	(67.7)	(73.7)	(149.6)
Income from interest on cash and cash equivalents	1.7	1.9	3.5
Revenues from receivables and loans	3.9	4.4	14.9
Change in fair value through profit/(loss) of cash equivalents	-	0.2	0.2
Net income from cash and cash equivalents, related loans and receivables	**5.6**	**6.5**	**18.6**
COST OF NET DEBT	(62.1)	(67.2)	(131.0)
Profit/(loss) on disposals of securities available for sale	-	-	-
Income from disposals of other financial assets at fair value through profit/(loss)	-	-	-
Net income from holdings	0.7	0.8	1.4
Allocations and reversal of impairment of securities available for sale	-	-	-
Recycling in income statement of rate-hedging derivatives without underlying conservation	-	-	-
Change in fair value by profit/(loss) of derivatives	0.3	(2.3)	(2.8)
Change in fair value of ORNANEs	1.5	(7.9)	(2.2)
Profit/(loss) from disposals of loans and receivables	-	0.1	0.1
Allocations to and reversals of impairments of loans and receivables	-	-	(0.2)
Other financial income	-	0.3	0.6
Other financial charges	(2.8)	(3.6)	(6.5)
Other financial income and charges	**(0.3)**	**(12.7)**	**(9.7)**
TOTAL FINANCIAL PROFIT/(LOSS)	**(62.3)**	**(79.9)**	**(140.7)**

6. TAXES

(in millions of euros)	30/06/2015	30/06/2014 restated	31/12/2014
Total tax charge recognized in the income statement	(38.1)	(13.0)	(34)
Tax on items recognised in equity	(0.4)	(0.1)	0.3

The half-year tax charge includes €16.8 million provision for tax risks (see note 17) and €9.2 million for the sale of Millénaire 3 (after imputing the tax loss carry forwards) as well as the 3% contribution on a portion of the dividends paid for €3.9 million.

7. GOODWILLS

	30/06/2015		
(in millions of euros)	Gross amount	Impairments	Net amount
Property investment	4.0	-	4.0
Property development	42.3	-	42.3
Services	23.5	(6.1)	17.5
GOODWILLS	**69.8**	**(6.1)**	**63.7**

	31/12/2014		
(in millions of euros)	Gross amount	Impairments	Net amount
Property investment	4.0	-	4.0
Property development	42.3	-	42.3
Services	23.5	(0.3)	23.2
GOODWILLS	**69.8**	**(0.3)**	**69.5**

An impairment test was carried out as at 30 June 2015 and 31 December 2014 based on valuations carried out by an expert.

The method used by the expert 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 2014 financial year.

The pre-tax discount rates accepted for determining the going-concern value varied from 6.01% to 10.81% as at 30 June 2015 (7.36% to 12.64% as at 31 December 2014) depending on the assets tested.

An impairment in an amount of €5.7 million affecting the property consulting sector of the Services division was recognised as at 30 June 2015.

8. TANGIBLE ASSETS AND INVESTMENT PROPERTIES AND SENSITIVITY OF NET BOOK VALUES

8.1. Table of changes

(in millions of euros)	Property, plant and equipment	Investment properties	including investment properties in lease-financing
Gross value at 01/01/2015	**140.8**	**9,033.2**	**516.5**
Increases (1)	1.2	190.6	54.7
Capitalised production	-	-	
Decreases	(0.1)	(147.1)	-
Impact of changes in scope	-	-	-
Fixed assets reclassified to "assets held for sale"	-	(34.8)	-
Other movements	0.1	-	(66.9)
Gross value at 30/06/2015	**141.9**	**9,041.9**	**504.3**
(1) including activated financial costs €2.7 M.			
Amortization at 01/01/2015	**(55.3)**	**(979.5)**	**(54.5)**
Increases	(3.9)	(130.1)	(8.5)
Decreases	0.1	0.6	-
Impact of changes in scope	-	-	-
Fixed assets reclassified to "assets held for sale"	-	5.7	-
Other movements	-	-	-
Amortization at 30/06/2015	**(59.1)**	**(1,103.2)**	**(63.0)**
Impairment at 01/01/2015	**-**	**(209.5)**	**-**
Increases	-	(148.4)	-
Decreases	-	67.9	-
Impact of changes in scope	-	-	-
Fixed assets reclassified to "assets held for sale"	-	5.3	-
Other movements	-	-	-
Impairment at 30/06/2015	**-**	**(284.7)**	**-**
Net value at 01/01/2015	**85.4**	**7,844.2**	**462.0**
Increases	(2.7)	(87.9)	46.2
Capitalised production	-	-	
Decreases	-	(78.6)	-
Impact of changes in scope	-	-	-
Fixed assets reclassified to "assets held for sale"	-	(23.8)	-
Other movements	0.1	-	(66.9)
Net value at 30/06/2015	**82.8**	**7,653.9**	**441.3**

8.2. Investment properties

The Property Investment Division operates principally in the offices and business parks segments in the Île-de-France region, as well as the healthcare facilities segment.

Twice a year, the investment properties of each property investment company are valued by independent property experts, who are members of the Association Française des Sociétés d'Expertises Immobilières (AFREXIM).

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.

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.

The 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, except for assets acquired at the second quarter and those held for sale whose fair values are defined in note 1.10 of the financial statements as at 31 December 2014.

8.3. Fair value of investment properties

Main valuation assumptions for investment properties

Asset types	Methods generally used	Cash flow discount rate (DCF)	Rate of return at exit (DCF)	Market rate of return (capitalisation)	Overall market rental value (in €/m²)
STRATEGIC ASSETS					
Offices					
Paris	DCF	5.75 %	4.40% - 4.90%		€582 - €692
La Défense/Around-Défense	DCF	5.75 % - 8.25 %	5.40% - 7.15 %		€223 - €519
Other Western Crescent	DCF	5.40 % - 7.40 %	5.05 % - 6.35 %		€360 - €642
Inner Ring	DCF	6.20 % - 7.15 %	5.40 % - 6.20 %		€267 - €295
Outer Ring	DCF	9.10 % - 12.15 %	8.25 % - 10.75 %		€114 - €122
Regional	DCF	7.75 % - 10.50 %	7 .00% - 9.75 %		€80 - €175
Business parks					
Paris	DCF	5.00 % - 8.50 %	5.10 % - 8.00 %		€187 - €383
La Défense/Around-Défense	DCF	6.10 % - 7.25 %	6.75 % - 7.50 %		€136 - €207
Other Western Crescent	DCF	6.00 % - 8.00 %	6.90 % - 7.75 %		€138 - €275
Inner Ring	DCF	5.75 % - 10.00 %	5.50 % - 10.20 %		€80 - €368
Outer Ring	DCF	5.60 % - 12.50 %	5.50 % - 10.00 %		€66 - €276
HEALTHCARE					
Paris and Inner Ring	Capitalisation and DCF	5.85 % - 6.75 %	6.00 % - 6.95 %	5.65 % - 6.45 %	(1)
Outer Ring	Capitalisation and DCF	6.45 % - 7.00 %	6.35 % - 6.80 %	5.90 % - 6.45 %	(1)
Regional	Capitalisation and DCF	6.25 % - 9.75 %	6.40 % - 10.05 %	5.90 % - 8.55 %	(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

	30/06/2015		31/12/2014	
(in millions of euros)	Net book value	Fair value	Net book value	Fair value
Office Investment Property – France	3,142.1	3,507.8	3,141.5	3,458.6
Business parks	2,957.3	3,915.9	3,206.3	4,162.9
Alternative assets (Healthcare)	1,994.3	2,434.3	1,961.4	2,350.7
Non-strategic assets	51.5	171.1	52.7	179.2
TOTAL	**8,145.2**	**10,029.2**	**8,361.9**	**10,151.4**
including investment properties and goodwill	7,655.0	9,438.1	7,845.4	9,549.00
including investment properties held by equity-accounted companies	166.8	171.4	179.8	184.2
including operating assets	74.7	162.2	76.7	154.9
including assets held for sale	-	-	-	-
including financial receivables and other appraised assets	248.7	257.5	260.0	263.2

The ratio of net financial debt to property asset value (Loan-to-Value) stands at 39.8% at 30 June 2015.

Sensitivity of the net book values of investment properties to potential changes in fair value

Impact on net carrying amounts	Investment properties' change in fair value			
(in millions of euros)	- 5.00%	- 2.50%	+ 2.50%	+ 5.00%
Offices				
Paris	0	0	0	0
La Défense/Around-Défense	(63.4)	(22)	+ 25.4	+ 47.4
Other Western Crescent	0	0	0	0
Inner Ring	0	0	0	0
Outer Ring	(0.3)	(0.1)	+ 0.1	+ 0.3
Sub-total IDF	**(63.7)**	**(22.1)**	**+ 25.5**	**+ 47.7**
Regional	0	0	0	0
Total offices	**(63.7)**	**(22.1)**	**+ 25.5**	**+ 47.7**
Business parks				
Paris	0	0	0	0
La Défense/Around-Défense	(7.4)	(2.9)	+ 3	+ 5.6
Other Western Crescent	(3.3)	(1.7)	+ 1.5	+ 3.2
Inner Ring	(6.3)	(3.2)	+ 3	+ 10.5
Outer Ring	(60.5)	(29.5)	+ 24.5	+ 37.6
Total business parks	**(77.5)**	**(37.4)**	**+ 31.9**	**+ 56.9**
TOTAL STRATEGIC ASSETS	**(141.2)**	**(59.5)**	**+ 57.5**	**+ 104.6**
Healthcare[1]				
Paris and Inner Ring	0	0	0	0
Outer Ring	0	0	0	0
Sub-total IDF	**0**	**0**	**0**	**0**
Regional	(12.1)	(0.2)	+ 0.2	+ 0.5
Total Healthcare	**(12.1)**	**(0.2)**	**+ 0.2**	**+ 0.5**
TOTAL NON-STRATEGIC ASSETS	**(0.5)**	**(0.2)**	**+ 0.2**	**+ 0.5**
TOTAL PROPERTY PORTFOLIO	**(153.8)**	**(60)**	**+ 57.9**	**+ 105.6**

[1] *Net book value on a 100% basis.*

9. SECURITIES AVAILABLE FOR SALE

	30/06/2015		
(in millions of euros)	Gross	Impairments	Net
Shares and other variable income securities	13.2	(0.6)	12.6
NON-CURRENT SECURITIES AVAILABLE FOR SALE	13.2	(0.6)	12.6
Other current securities available for sale	-	-	-
CURRENT SECURITIES AVAILABLE FOR SALE	-	-	-
TOTAL SECURITIES AVAILABLE FOR SALE	**13.2**	**(0.6)**	**12.6**

(in millions of euros)	Net
Balance at 31/12/2014	16.9
Acquisitions	-
Disposals	-
Impact of changes of value in equity	-
Net charges related to impairment in profit/(loss)	-
Impact of changes in scope and capital	-
Other	(4.3)
BALANCE AT 30/06/2015	**12.6**

10. OTHER NON-CURRENT FINANCIAL ASSETS

		30/06/2015		
(in millions of euros)	Notes	Gross	Impairments	Net
Investment-related receivables and other related parties		0.8	(0.8)	-
Loans		0.2	-	0.2
Deposits and guarantees paid		2.1	-	2.1
Other		-	-	-
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS AT AMORTISED COSTS		3.1	(0.8)	2.3
Other financial assets at fair value by profit/(loss)		-	-	-
Derivatives	19	5.9	-	5.9
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS		**9.0**	**(0.8)**	**8.2**

(in millions of euros)	Non-current financial assets
Balance at 31/12/2014	3.2
Acquisitions	0.9
Disposals/Redemptions	(0.7)
Effects of changes in fair value	4.7
Net charges related to impairment in profit/(loss)	-
Impact of changes in scope and capital	-
Other	-
BALANCE AT 30/06/2015	**8.2**

Financial assets at amortised cost

(in millions of euros)	30/06/2015	Share at less than one year (current)	Share between one and five years (non-current)	Share at more than five years (non-current)	Total non-current share
Investment-related receivables and other related parties	51.7	51.7	-	-	-
Loans	0.2	-	0.2	-	0.2
Deposits and guarantees paid	2.4	0.3	0.5	1.6	2.1
Related current accounts	72.8	72.8	-	-	-
Other	-	-	-	-	-
TOTAL OTHER FINANCIAL ASSETS AT AMORTISED COST	**127.1**	**124.8**	**0.7**	**1.6**	**2.3**

11. STOCKS AND IN-PROGRESS

Analysis of inventories and impairment

	30/06/2015						
	Property investment			Property development			Total
(in millions of euros)	Gross amount	Impairments	Net amount	Gross amount	Impairments	Net amount	Net amount
Analysis of stocks							
Land and property reserves	1.2	(0.2)	1.0	83.1	(14.4)	68.7	69.7
Works in progress	-	-	-	347.1	(8.0)	339.1	339.1
Finished but unsold plots	-	-	-	34.5	(0.7)	33.7	33.7
INVENTORY AND IN-PROGRESS AT CLOSE OF YEAR	**1.2**	**(0.2)**	**1.0**	**464.7**	**(23.2)**	**441.5**	**442.5**
IMPAIRMENT: OPENING BALANCE		**(0.2)**			**(20.7)**		**(21.0)**
IMPAIRMENT: CHANGE IN THE FINANCIAL YEAR		**-**			**(2.5)**		**(2.4)**
inc. Provisions in the financial year		-			(2.6)		(2.6)
inc, Impact of changes in scope		-			-		-
inc. Reversals in the financial year		-			(0.1)		(0.1)
inc. Transfer to assets held for sale		-			-		-
inc. Other		-			-		-

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12. 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)	30/06/2015 Commercial	30/06/2015 Intra-group inter-business eliminations	30/06/2015 Total	31/12/2014 Commercial	31/12/2014 Intra-group inter-business eliminations	31/12/2014 Total
Aggregate receivables, including tax, according to the progress method	211.1	-	211.1	219.6	-	219.6
Works in progress	20.4	-	20.4	28.9	-	28.9
Termination loss	-	-	-	-	-	-
Collected calls for funds	(214.4)	-	(214.4)	(228.3)	-	(228.3)
AMOUNT DUE FROM CUSTOMERS	**26.5**	**-**	**26.5**	**21.9**	**-**	**21.9**
AMOUT DUE TO CUSTOMERS	**(9.3)**	**-**	**(9.3)**	**(1.6)**	**-**	**(1.6)**
INCOME FOR THE HALF-YEAR	**59.6**	**-**	**59.6**	**117.3**	**-**	**117.3**

13. OTHER CURRENT FINANCIAL ASSETS

(in millions of euros)	Notes	30/06/2015 Gross	30/06/2015 Impairments	30/06/2015 Net
Investment-related receivables and other related parties		51.9	(0.3)	51.7
Loans		-	-	-
Deposits and guarantees paid		0.3	-	0.3
Related current accounts		72.8	-	72.8
Other		-	-	-
TOTAL OTHER CURRENT FINANCIAL ASSETS AT AMORTISED COST	**10**	**125.0**	**(0.3)**	**124.8**
Other financial assets at fair value by profit/(loss)		0.1	-	0.1
Derivatives (including margin calls)	19	14.1	-	14.1
TOTAL OTHER CURRENT FINANCIAL ASSETS		**139.3**	**(0.3)**	**139.0**

(in millions of euros)	Current financial assets
Balance at 31/12/2014	**139.6**
Acquisitions	18.0
Disposals	(9.2)
Impact of changes in fair value through profit or loss	-
Short-term change in financial assets	(9.8)
Short-term change in interest accrued not due	(2.8)
Net charges related to impairment in profit/(loss)	-
Impact of changes in scope and capital	3.1
Other	-
BALANCE AT 30/06/2015	**139.0**

14. CASH AND CASH EQUIVALENTS

(in millions of euros)	30/06/2015	31/12/2014
Money-market UCITS	150.6	127.0
CASH EQUIVALENTS	**150.6**	**127.0**
Cash assets (including bank interest receivable)	202.0	351.2
CASH AND CASH EQUIVALENTS	**352.7**	**478.2**

15. INVESTMENT PROPERTIES AND OTHER ASSETS HELD FOR SALE

	30/06/2015		
(in millions of euros)	Investment properties held for sale	Other assets held for sale	Total assets held for sale
Balance at 31/12/2014	-	-	-
Assets reclassified as "assets held for sale"	23.8	-	23.8
Impact of changes in scope	-	-	-
Decreases	(23.8)	-	(23.8)
Other movements	-	-	-
BALANCE AT 30/06/2015	-	-	-

The change in investment properties held for sale mainly corresponds to the sale of various assets in the first half of 2015 in the outer ring.

16. CAPITAL AND RESERVES

16.1. Changes in number of shares in circulation

	Number	Capital (in € million)
Share capital at 31/12/2014	**74,022,386**	**112.8**
Increase in capital related to the exercise of stock options	88,800	0.2
Share capital at 30/06/2015	**74,111,186**	**113**

ICADE capital is held by the company HoldCo SIIC at 51.94% which is respectively held by the Caisse des dépôts at 75.07% and Groupama at24.93%.

16.2. Dividends

(in millions of euros)	30/06/2015	31/12/2014
Payment to shareholders of Icade SA		
- dividends deducted from taxable income exempt from tax (pursuant to the SIIC treatment)	275.1	270.9
- dividends deducted from profits taxable at the ordinary rate	-	-
- interim dividends	-	-
TOTAL	**275.1**	**270.9**

Per-share dividends distributed in 2015 and 2014 for the 2014 and 2013 financial years were €3.73 and €3.67 respectively.

17. PROVISIONS

(in millions of euros)	31/12/2014	Allocations	Utilisations	Reversals	Variations in consolidation scope	Actuarial gains/losses	Reclassification	30/06/2015
Pension payments and similar commitments	31.2	0.6	(0.4)	-	-	(1.7)	-	29.8
Losses on contracts	1.5	0.3	-	-	-	-	(0.7)	1.1
Tax risks	6.8	16.8	-	(0.2)	-	-	(2.5)	20.9
Risks and charges – Other	35.3	1.3	(3.8)	(2.0)	-	-	3.2	34.0
TOTAL	**74.8**	**19.1**	**(4.2)**	**(2.2)**	**-**	**(1.7)**	**-**	**85.8**
Non-current provisions	35.7	0.7	(1.2)	-	-	(1.7)	-	33.5
Current provisions	39.1	18.4	(3.0)	(2.2)	-	-	-	52.3
Including: Operating profit/(loss)		2.2	(4.2)	(2.0)				
including: financial profit/(loss)		-	-	-				
including: tax charges		16.8	-	(0.2)				

Icade identifies several types of provisions. In addition to pension payments and similar commitments, which are subject to specific explanations (see note 23, 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 30 June 2015;

  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 (by Icade) as at 1 January 2007. As a result, the exit tax bases were increased, generating an 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.

  This deferral was obtained after the submission of a bank guarantee covering the entire tax bill (excluding late-payment interest).

  In not replying to the Company's claim, the tax authorities implicitly rejected it.

  As a result, in consultation with its legal firms, Icade filed an action with the competent Administrative Court on 17 December 2014 challenging the entire amount of the proposed reassessment.

  In this context, Icade requested the court to transmit to the French Council of State, for the purposes of transmission to the Constitutional Council, a priority question of constitutionality ("QPC"), concerning the provisions of Article 208 C ter of the French General Tax Code, having an impact on the tax rate applicable to fractions of the exit tax paid for the financial years 2009 and 2010.

  Considering that this QPC is serious new and applicable to the dispute, the administrative Court of Montreuil ordered its transmission to the French Council of State by a ruling dated 16 February 2015, as well as a stay on the main petition.

  Likewise, the French Council of State decided to transmit this QPC to the Constitutional Council, by a judgement dated 29 April 2015.

  The Constitutional Council, after having heard the parties during its hearing on 16 June 2015, stated that the provisions of Article 208 C ter of the French General Tax Code are in keeping with the Constitution, by a decision dated 26 June 2015.

This final decision, with no impact on the issue of the valuations of the buildings, leads to admit the merits of the rectifications of the exit tax rate applicable to fractions of taxation spontaneously settled. Now therefore, a €16.8 million provision was set up as at 30 June 2015.
It's up to the Administrative Court to determine the main petition. As on 31 December 2014, any provision has been built up for the corrections resulting from the questioning of the market values.

- Other provisions for risks, amounting to €34 million, mainly cover property development and property investment for €22.5 million and €9 million respectively. These essentially relate to business risks, labour tribunal disputes and litigation.

18. FINANCIAL DEBT

18.1. Net financial debt

(in millions of euros)	30/06/2015	31/12/2014
Long- and medium-term financial debt (non-current)	3,591.8	3,671.5
Short-term financial debt (current)	803.5	704.7
GROSS FINANCIAL DEBT	**4,395.3**	**4,376.2**
Interest rate risk derivatives (assets and liabilities)	67.4	91.1
GROSS FINANCIAL DEBT AFTER ACCOUNTING FOR DERIVATIVES	**4,462.8**	**4,467.3**
Securities available for sale and other non-current financial assets (excluding interest-rate risk derivatives and deposits paid)	(12.7)	(17.5)
Securities available for sale and other current financial assets (excluding interest-rate risk derivatives and deposits paid)	(124.6)	(122.6)
Cash and cash equivalents	(352.7)	(478.2)
NET FINANCIAL DEBT	**3,972.7**	**3,849.1**

18.2. Financial debt by category

(in millions of euros)	30/06/2015	31/12/2014
Bond issues	1,293.0	1,291.6
Bonds redeemable in cash and new and existing shares	47.3	48.7
Loans with credit institutions (2)	1,961.7	2,028.3
Direct financing leases	196.3	209.4
Other loans and similar debts (3)	93.5	93.5
Debts associated with equity interests	-	-
LONG AND MEDIUM-TERM FINANCIAL DEBT	**3,591.8**	**3,671.5**
Bond issues	11.8	18.6
Bonds redeemable in cash and new and existing shares	0.6	1.1
Loans with credit institutions (2)	447.5	415.9
Direct financing leases	23.3	23.1
Other loans and similar debts (3)	0.6	0.6
Debts associated with equity interests	6.4	7.8
Commercial Paper	279.5	203.0
Bank overdrafts (1)	33.9	34.7
SHORT-TERM FINANCIAL DEBT	**803.5**	**704.7**
TOTAL GROSS FINANCIAL DEBT	**4,395.3**	**4,376.2**

(1) Including interest accrued not due.
(2) Including mortgage financing: €824 million.
(3) Private investments for the same amount.

Gross financial debt totalled €4,395.3 million as at 30 June 2015, up by €19.1 million compared with 31 December 2014. This change mainly reflects:

- the net increase in commercial paper outstanding of €76.5 million;
- a normal amortisation of borrowings from credit institutions and finance leases for €50 million;
- a decrease in the fair value of ORNANEs of €1.5 million.

18.3. Financial debt by maturity

(in millions of euros)	30/06/2015	Share at less than one year	Share of one to two years	Share of two to three years	Share of three to four years	Share of four to five years	Share - more than five years
Bond issues	1,304.8	11.8	-	-	493.8	-	799.2
Bonds redeemable in cash and new and existing shares	47.8	0.6	47.3	-	-	-	-
Loans with credit institutions	2,409.2	447.5	480.7	283.9	316.8	50.6	829.8
Direct financing leases	219.6	23.3	24.3	24.8	19.9	18.6	108.7
Other loans and similar debts	94.1	0.6	8.5	8.5	8.5	8.4	59.5
Hybrid instruments	-	-	-	-	-	-	-
Debts associated with equity interests	6.4	6.4	-	-	-	-	-
Commercial Paper	279.5	279.5	-	-	-	-	-
Bank overdrafts (1)	33.9	33.9	-	-	-	-	-
TOTAL FINANCIAL DEBT	**4,395.3**	**803.5**	**560.8**	**317.1**	**839.1**	**77.6**	**1,797.2**

(1) Including interest accrued not due.

The average term of the debt was 4.3 years as at 30 June 2015 (excluding commercial paper). It stood at 4.7 years as at 31 December 2014.

No new financing (excluding commercial paper) had been obtained and drawn over the period.

The average term of variable-rate debt was 2.4 years, and of associated hedges was 3.1 years, providing adequate hedging and the capacity for hedging future financing requirements.

Financial covenants

Nature of the limit	Direction	Threshold	30/06/2015
LTV (1)	Maximum	50% or 52%	39.8%
ICR	Minimum	2.00x	2.73x
Control of the Caisse des dépôts (CDC) (2)	Minimum	34%, 50% or 51%	51.94%
Value of the Property Investment portfolio (3)	Minimum	3,4,5 or 7 billion euros	€10 billion
Debt ratio of property development subsidiaries/Consolidated gross debt	Maximum	20.0%	0.7%
Guarantees on assets (4)	Maximum	20% of the property investment portfolio	10.5%

(1) Around 85% of the debt relating to an LTV covenant has a limit of 52%, while the remaining 15% has a limit of 50%.

(2) Around 96% 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 4%.

(3) Around 19% of the debt relating to the value of the Property Investment portfolio covenant has a limit of €3 billion, 3% of the debt has a limit of €4 billion, 12% of the debt has a limit of €5 billion, and the remaining 66% has a limit of €7 billion.

(4) Maximum calculation with regard to the clauses in the documentation.

Borrowings taken out by Icade are subject to covenants based on financial ratios (loan-to-value and interest charge hedging concepts) which may lead to an early repayment obligation. As at 30 June 2015, these ratios have been complied with.

At 30 June 2015, the company HoldCo SIIC, which is 75.07% controlled by the Caisse des Dépôts, held 52.23 % of the voting rights and 51.94 % of the capital of Icade.

18.4. Financial debt by rate category

	30/06/2015		
	Distribution by rate category		
(in millions of euros)	Total	Fixed	Variable
Bond issues	1,304.8	1,304.8	-
Bonds redeemable in cash and new and existing shares	47.8	47.8	-
Loans with credit institutions	2,409.2	401.3	2,007.9
Direct financing leases	219.6	50.3	169.3
Other loans and similar debts	94.1	94.1	-
Hybrid instruments	-	-	-
Debts associated with equity interests	6.4	-	6.4
Commercial Paper	279.5	279.5	-
Bank overdrafts (1)	33.9	-	33.9
TOTAL FINANCIAL DEBT	**4,395.3**	**2,177.8**	**2,217.5**
TOTAL FAIR VALUE	**4,481.5**	**2,265.3**	**2,216.2**

(1) Including interest accrued not due.

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19. OTHER FINANCIAL LIABILITIES AND DERIVATIVES

19.1. Presentation of other financial liabilities (excluding derivatives)

(in millions of euros)	30/06/2015	31/12/2014
Deposits and sureties received	66.0	66.0
Other	-	-
Other non-current financial liabilities	**66.0**	**66.0**
Deposits and sureties received	1.6	1.6
Other	-	-
Other current financial liabilities	**1.6**	**1.6**

19.2. Derivatives: presentation in the balance sheet

(in millions of euros)		Notes	30/06/2015	31/12/2014
Assets:	non-current	10	5.9	0.6
	current	13	14.1	16.7
Liabilities:	non-current		(79.6)	(96.5)
	current		(7.8)	(11.9)
TOTAL DERIVATIVES - INTEREST RATE RISK			**(67.4)**	**(91.1)**
Assets:	non-current		-	-
	current		-	-
Liabilities:	non-current		-	-
	current		-	-
TOTAL DERIVATIVES – PRICE RISK			**-**	**-**
TOTAL DERIVATIVES			**(67.4)**	**(91.1)**

19.3. Derivatives: analysis of notional amounts by maturity

	30/06/2015				
(in millions of euros)	Average rate	Total	Share at less than one year	Share between one and five years	Share - more than five years
Interest Rate swaps – fixed payer	3.02%	1,288.0	74.2	881.2	332.6
Interest Rate options - CAP	1.45%	535.9	50.9	485	-
Interest Rate options - FLOOR	0.00%	300.0	-	300.0	-
TOTAL DERIVATIVES - INTEREST RATE RISK	**-**	**2,123.9**	**125.1**	**1,666.2**	**332.6**

19.4. Derivatives: effects of changes in fair value

(in millions of euros)	Fair value 31/12/2014 (1)	Additions to the consolidation scope (2)	Acquisition (3)	Payment for guarantee (4)	Change of fair value in profit/(loss) (5)	Impact of downgrades and disposals (6)	Change of fair value in equity (7)	Fair value 30/06/2015 (8) = (1) to (7) inclusive
Swaps and interest rate options – fixed payer	(108.1)	-	0.8	-	-	(0.3)	25.4	(82.2)
- including change of ICNE					-			
- including ineffective portion					-			
TOTAL FUTURE CASH FLOW HEDGES (1)	**(108.1)**	**-**	**0.8**	**-**	**-**	**(0.3)**	**25.4**	**(82.2)**
Interest Rate swaps – fixed payer	-	-	-	-	-	-	-	-
Interest Rate options	0.3	-	-	-	0.4	-	-	0.7
TOTAL NON-QUALIFIED HEDGES (2)	**0.3**	**-**	**-**	**-**	**0.4**	**-**	**-**	**0.7**
TOTAL INEREST RATE RISK INSTRUMENTS EXCLUDING MARGIN CALLS (3) = (1) + (2)	**(107.8)**	**-**	**0.8**	**-**	**0.3**	**(0.3)**	**25.4**	**(81.5)**
Derivatives: margin calls (4)	**16.7**	**-**	**-**	**(2.6)**	**-**	**-**	**-**	**14.1**
TOTAL INTEREST RATE RISK INSTRUMENTS (5) = (3) + (4)	**(91.1)**	**-**	**0.8**	**(2.6)**	**0.3**	**(0.3)**	**25.4**	**(67.4)**

20. MANAGEMENT OF FINANCIAL RISKS

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

The department 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.

20.1. Liquidity risk

The Group has drawing capacity on short and medium-term credit lines of nearly €1,370 million, to be used entirely as it sees fit. This amount does not include drawing capacity on development transactions allocated to the dedicated programmes.

During this year, Icade has continued to access liquidity under good conditions and has a substantial margin of manoeuvre in terms of the mobilisation of funds.

The residual contractual maturities of financial liabilities (excluding building contracts and off-plan sales shown in note 12) can be analysed as follows:

	30/06/2015									
		Share at less than one year		Share at more than one year and less than three years		Share at more than three years and less than five years		Share - more than five years		
(in millions of euros)	Share due immediately	Redemptions	Interest	Redemptions	Interest	Redemptions	Interest	Redemptions	Interest	Total
Bond issues	-	-	32.6	-	65.3	500.0	54.0	800.0	51.8	1,503.6
Bonds redeemable in cash and new and existing shares	-	-	1.1	47.3	1.1	-	-	-	-	49.5
Loans with credit institutions	-	452.9	36.1	766.7	56.0	370.0	40.1	840.7	99.5	2,661.9
Direct financing leases	-	23.4	4.7	49.2	7.8	38.6	6.8	108.8	9.7	248.9
Other loans and similar debts	-	-	4.7	17.0	8.6	17.0	6.9	59.7	10.6	124.6
Hybrid instruments	-	-	-	-	-	-	-	-	-	-
Debts associated with equity interests	-	6.4	6.9	-	10.7	-	6.6	-	7.3	38.0
Commercial Paper	-	279.5	-	-	-	-	-	-	-	279.5
Bank overdrafts	-	33.9	-	-	-	-	-	-	-	33.9
Accounts payable and tax debts	-	379.1	-	1.2	-	-	-	-	-	380.3
Financial derivatives	-	475.1	33.4	1,270	45.9	397.2	6.9	350.9	7.4	2,586.9
TOTAL	**-**	**1,650.3**	**119.5**	**2,151.4**	**195.4**	**1,322.8**	**121.3**	**2,160.1**	**186.3**	**7,907.2**

The maturities related to interest on loans and derivative instruments are determined based on the latest known rates.

20.2. Interest rate risk

	30/06/2015									
	Financial assets (a)		Financial liabilities (b)		Net exposure before hedging (c) = (b) - (a)		Interest Rate hedging instrument (d)		Net exposure after hedging (e) = (d) - (c)	
(in millions of euros)	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate	Floating Rate
Less than one year	-	477.2	307.5	496	307.5	18.7	-	125.1	(307.5)	106.4
One to two years	-	-	132.0	483.6	131.9	483.6	-	193.4	(131.9)	(290.2)
Two to three years	0.1	-	77.0	287.1	76.9	287.1	-	776.6	(76.9)	489.5
Three to four years	-	-	376.1	315.5	376.1	315.5	-	374.4	(376.1)	58.9
Four to five years	0.1	0.3	73.5	50.0	73.5	49.7	-	21.8	(73.5)	(27.9)
Over five years	0.1	12.2	1,211.8	585.5	1,211.6	573.3	-	332.6	(1,211.6)	(240.7)
TOTAL	**0.3**	**489.7**	**2,177.8**	**2,217.5**	**2,177.5**	**1,727.8**	**-**	**1,823.9**	**(2,177.5)**	**96.1**

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 also uses floating rate debt, which is then hedged, thus conserving its ability to prepay loans without penalties. This debt represents, before hedging, nearly 50% of its total debt as at 30 June 2015 (excluding debts associated with equity interests and bank overdrafts).

During the first half of 2015, Icade continued a prudent management policy for its debt, maintaining a limited exposure to interest rate risks, profiting from low rates, setting up appropriate hedging contracts (vanilla swaps) and substituting historical caps with high rate strike, with new caps having the same features with reduced rate strike.

The average term of variable floating rate debt was 2.4 years and of associated hedges was 3.1 years, providing adequate hedging, and the capacity for hedging future financing requirements.

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 capital and reserves of €25.4 million.

	30/06/2015	
	Impact on equity before taxes (M€)	impact on profit/(loss) before taxes (M€)
Impact of +1% change in interest rates	45.6	2.7
Impact of -1% change in interest rates	(48.6)	4.8

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 €45.6 million on equity and a positive impact of €2.7 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 €48.6 million on equity and a positive impact of €4.8 million on the income statement.

20.3. Foreign exchange risk

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

20.4. Credit risk

In part, credit and counterparty risk concerns cash and cash equivalents, as well as the banks at which they are placed. The investment vehicles chosen have maturities of less than one year and a very low risk profile, and are monitored daily. A regular review of authorisations on those vehicles completes the control process. Additionally, in order to limit its counterparty risk, Icade only deals in rate derivatives with first-class banking institutions, with which it has relations to finance its development. With both types of instruments, Icade applies a principle of dispersion of risk, avoiding any concentration of exposure to any single counterparty.

Credit and/or counterparty risk also applies in respect of tenants. 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 the 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.

The Group's maximum exposure to credit risk corresponds to the book value of accounts receivable less deposits received from customers, i.e., €198.5 million as at 30 June 2015, compared with €223.5 million as at 31 December 2014.

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

20.5. 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 ratio (net financial debt divided by the revalued real estate assets excluding duties increased by the value of the property development and services companies) totalled 38.2% as at 30 June 2015 (compared with 36.9% as at 31 December 2014).

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). These covenants do not include the value of property development and services companies when calculating the ratio, making it at 39.8% (compared with 38.2% as at 31 December 2014).

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 35.8 % as at 30 June 2015.

- **Interest coverage ratio**

The interest coverage ratio by the operating profit/(loss) (corrected for depreciation & amortisation) totalled 2.73x in the first half of 2015. This ratio is down compared with preceding years (4.74x in 2014), considering primarily the impact of impairment provisions for the half-year. The ratio in terms of EBITDA was 3.90x.

21. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

		30/06/2015				
		Book value				Fair value
(in millions of euros)	Notes	Assets available for sale	Loans and receivables	Assets at fair value by profit/(loss)	Total	Total
Financial assets						
Current and non-current securities available for sale	9	12.6			12.6	12.6
Other current and non-current financial assets and derivatives	10-13-19		127.1	20.1	147.2	147.2
Trade receivables			513.8		513.8	513.8
Other operating receivables (1)			54.5		54.5	54.5
Cash equivalents	14			150.6	150.6	150.6
TOTAL FINANCIAL ASSETS		**12.6**	**695.4**	**170.7**	**878.7**	**878.7**

(1) Excluding agency transactions, prepaid expenses and social security and tax receivables.

		30/06/2015				
		Book value				Fair value
(in millions of euros)	Notes	Liabilities at amortized cost	Liabilities at fair value by equity	Liabilities at fair value by income statement and held for trading	Total	Total
Financial liabilities						
Current and non-current financial debt	18	4,347.5		47.8	4,395.3	4,481.5
Other current and non-current financial liabilities and derivatives	19	67.6	81.3	6.1	155	155.0
Trade payables		365.3			365.3	365.3
Other operating debts (1)		230.6			230.6	230.6
TOTAL FINANCIAL LIABILITIES		**5,011**	**81.3**	**53.9**	**5,146.2**	**5,232.3**

(1) Excluding agency transactions, prepaid income and social security and tax debts.

FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The table below presents the fair value hierarchy of financial assets and liabilities according to the following three levels:

- 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.

		30/06/2015			
(in millions of euros)	Notes	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 as at 30/06/2015 (fair value)
Assets					
Financial assets designated at fair value by profit or loss					-
Derivatives excluding margin calls (assets)	10-19		5.9		5.9
Assets available for sale	9	-		12.6	12.6
Cash equivalents	14	150.6			150.6
Liabilities					
Liabilities designated at fair value					-
Financial liabilities designated at fair value through profit or loss	18			47.8	47.8
Derivatives (liabilities)	19		87.4		87.4

Financial instruments whose fair value is determined using a valuation technique based on non-observable data correspond to non-consolidated unlisted securities.

22. EARNINGS PER SHARE

	30/06/2015	30/06/2014 restated	31/12/2014
Net profit for calculating earnings per share			
Net income Group share	(78.4)	(3.5)	151.5
Impact of dilutive instruments	-	-	-
Diluted net income attributable to owners of the company	(78.4)	(3.5)	151.5
Net income attributable to owners of the company from discontinued operations	-	-	-
Impact of dilutive instruments	-	-	-
Diluted net income attributable to owners of the company from discontinued operations	-	-	-
Net income attributable to owners of the company from continuing operations	(78.4)	(3.5)	151.5
Impact of dilutive instruments	-	-	-
Diluted net income attributable to owners of the company from continuing operations	(78.4)	(3.5)	151.5
Number of shares used for calculating earnings per share			
Average number of shares outstanding (1)	73,771,556	73,743,696	73,686,607
Average number of shares used for the calculation	73,771,556	73,743,696	73,686,607
Impact of dilutive instruments (stock options and bonus shares)	*32,308*	*52,461*	*48,705*
Average diluted number of shares in circulation	73,803,864	73,796,157	73,735,312
Earnings per share (in €)			
Net income attributable to owners of the company per share	(1.06)	(0.05)	2.06
Diluted net income attributable to owners of the company per share	(1.06)	0.05	2.05
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	(1.06)	(0.05)	2.06
Diluted net income attributable to owners of the company from continuing operations per share	(1.06)	(0.05)	2.05

Note (1)			
Number of shares at the opening of the financial year:	74,022,386	73,916,109	73,916,109
Increase in the average number of shares associated with the exercise of stock options	60,415	39,081	72,955
Average number of treasury shares outstanding:	311,245	211,494	302,457
Average number of shares used for the calculation	73,771,556	73,743,696	73,686,607

23. COMMITMENTS TO PERSONNEL

(in millions of euros)		30/06/2015	31/12/2014
ACTUARIAL DEBT AT OPENING	(1)	26.3	21.1
Impact of changes in scope and other movements	**(2)**	**-**	**-**
Cost of services rendered during the year	(a)	1.0	1.7
Financial cost for the year	(a)	0.2	0.6
Costs for the period	**Σ (a)**	**1.2**	**2.3**
Benefits paid	(3)	(0.8)	(2.0)
Net charge accounted for by profit/(loss)	**b=Σ(a)+(3)**	**0.4**	**0.3**
Actuarial (gains) losses for the year	(4)	(1.7)	4.9
NET LIABILITIES AT CLOSING	(A)=(1)+(2) +(b)+(4)	25.0	26.3
ACTUARIAL DEBT AT CLOSING	(B)=(1)+(2) +Σ(a)+(3)+(4)	25.0	26.3

Commitments to personnel are valued at 30 June 2015 according to the terms of the Single Group Agreement signed on 17 December 2012.

The following actuarial assumptions were used:

- discount rate: 1.60% at 30 June 2015 and 1.66 % at 31 December 2014:
- The discount rate used at the 30 June 2015 closing is defined in relation to the iBoxx € Corporates AA 10+ reference system. This reference system explicitly presents the return from category 1 corporate bonds as at 30 June 2015;
- male/female mortality tables:
  - male/female INSEE tables for 2011-2013 as at 30 June 2015,
  - male/female INSEE tables for 2010-2012 as at 31 December 2014;
- 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.

24. IMPACT ON PROFIT/(LOSS) OF STOCK OPTION PLANS AND BONUS SHARES

Considering the acquisition conditions according to the length of service in the Group, the impact relating to the stock options plans and to the bonus share plans corresponds to income of €1.2 million for the first half of 2015 including €0.2 million for the related parties versus a charge of €1.3 million as at 30 June 2014 including €0.4 million for the related parties.

25. OFF-BALANCE-SHEET COMMITMENTS

There was no significant change during the first half of 2015.

26. EQUITY-ACCOUNTED SECURITIES

(in millions of euros)	
SHARE IN THE NET ASSET OF EQUITY ACCOUNTED COMPANIES AT 01/01/2015	**137.0**
Share in profit/(loss) of the financial year	(8.5)
Dividends paid	(11.4)
Impact of changes in scope	-
Other movements	-
SHARE IN THE NET ASSET OF EQUITY ACCOUNTED COMPANIES AT 30/06/2015	**117.1**

	30/06/2015		
(in millions of euros)	Net book value	Market value of securities	Unrealised capital gains
Property investment	111.4	116.0	4.6
Property development	5.7	32.3	26.6
TOTAL	**117.1**	**148.3**	**31.2**

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27. EQUITY INTERESTS IN JOINT VENTURES AND ASSOCIATED ENTITIES

Joint ventures

Joint ventures are companies over which the Group contractually exercises joint control.

The income statement of joint enterprises as a proportion of the Group including consolidation restatements is shown below:

	30/06/2015			30/06/2014 restated (1)			31/12/2014		
(in millions of euros)	Property investment	Property development	Total	Property investment	Property development	Total	Property investment	Property development	Total
Revenue	4.9	19.9	24.8	6	53.6	59.6	10.5	79.6	90.2
Net rental income	-	-	-	-	-	-	-	-	-
EBITDA	2.9	2.4	5.3	3.8	4.4	8.3	7.4	5.9	13.4
OPERATING PROFIT/(LOSS)	**(10.9)**	**2.4**	**(8.5)**	**0.5**	**4.4**	**5**	**0.8**	**5.9**	**6.8**
Cost of gross debt	-	-	-	-	-	-	-	-	-
Cost of net debt	(0.9)	-	(0.9)	(1.3)	-	(1.3)	(2.3)	0.2	(2.1)
FINANCIAL PROFIT/(LOSS)	**(0.9)**	**-**	**(0.9)**	**(1.3)**	**0.1**	**(1.2)**	**(2.3)**	**0.2**	**(2.1)**
Profit tax	-	(0.1)	(0.1)	-	0.1	0.1	-	-	-
NET PROFIT/(LOSS)	**(11.8)**	**2.3**	**(9.5)**	**(0.7)**	**4.6**	**3.8**	**(1.4)**	**6.1**	**4.7**
including amortization net of subsidies	(3.4)	-	(3.4)	(3.3)	-	(3.3)	(6.6)	-	(6.6)

(1) Taking account of the application of the IFRIC 21 interpretation

Associated entities

Associated entities are companies over which the Group exercises significant influence.

The income statement of the associated entities as a proportion of the Group including consolidation restatements is shown below:

	30/06/2015	30/06/2014	31/12/2014
(in millions of euros)	Property development	Property development	Property development
Revenue	12.1	10.7	22.2
EBITDA	1	0.6	1.6
OPERATING PROFIT/(LOSS)	**1**	**0.7**	**1.7**
FINANCIAL PROFIT/(LOSS)	**-**	**-**	**-**
Profit tax	0.1	-	(0.2)
NET PROFIT/(LOSS)	**1**	**0.7**	**1.5**
including amortization net of subsidies	-	-	-

28. POST-CLOSING EVENTS

None

29. CONSOLIDATION SCOPE

Financial year		30/06/2015				2014
Company name	Legal form	% Direct holding	% Interest 2015	Joint Ventures/Associated Entities	Method of consolidation	% Interest 2014
ICADE	SA	100.00	100.00		IG	100.00
GIE ICADE MANAGEMENT	GIE	100.00	100.00		IG	100.00
PROPERTY INVESTMENT						
Business Parks						
BATI GAUTIER	SCI	100.00	100.00		IG	100.00
BASSIN NORD	SCI	50.00	50.00	Joint ventures	EM	50.00
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
France Offices						
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	Joint ventures	EM	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 SOUTHERN BUILDING IN PONTOISE HOSPITAL	SCI	100.00	100.00		IG	100.00
SCI BSM IN CHU AT NANCY	SCI	100.00	100.00		IG	100.00
LE TOLBIAC	SCI	100.00	100		IG	100.00
MONDOTTE	SCI		Merged		IG	100.00
SCI 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
Public and Healthcare						
ICADE SANTE	SAS	56.51	56.51		IG	56.51
Housing						
PAYS DE LOIRE	SCI	100.00	100.00		IG	100.00
SARVILEP	SAS	100.00	100.00		IG	100.00
DEVELOPMENT						
ICADE GROUP HOUSING DEVELOPMENT						
SNC du Castillet	SNC	100.00	100.00		IG	100.00
SARL B.A.T.I.R. ENTREPRISES	SARL	100.00	100.00		IG	100.00
SCI LONGCHAMP CENTRAL FAC	SCI	100.00	100.00		IG	100.00
ST CHARLES CHANCEL	SCI	100.00	100.00		IG	100.00
SARL FONCIERE ESPACE ST CHARLES	SARL	86.00	86.00		IG	86.00
MONTPELLIERAINE DE RENOVATION	SARL	86.00	86.00		IG	86.00
SCI ST CHARLES PARVIS SUD	SCI	58.00	58.00		IG	58.00
MSH	SARL	100.00	100.00		IG	100.00
SARL GRP ELLUL-PARA BRUGUIERE	SARL	100.00	100.00		IG	100.00
SNC LE CLOS DU MONESTIER	SNC	100.00	100.00		IG	100.00
SCI LES ANGLES 2	SCI	75.50	75.50		IG	75.50
SARL DOMAINE DE LA GRANGE	SARL	51.00	51.00		IG	51.00
SCI CASTEL D'UZEGES	SCI	62.50	62.50		IG	62.50

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Financial year		30/06/2015				2014
Company name	Legal form	% Direct holding	% Interest 2015	Joint Ventures/Associated Entities	Method of consolidation	% Interest 2014
SNC MARINAS DEL SOL	SNC	100.00	100.00		IG	100.00
SCI LE BELEM	SCI	100.00	100.00		IG	100.00
SCI CŒUR MARINE	SCI	99.00	99.00		IG	99.00
SCI LES BASTIDES D'UZEGES	SCI	62.50	62.50		IG	62.50
SCI LES JARDINS D'HARMONY	SCI	100.00	100.00		IG	100.00
SCI CŒUR CATALUNA	SCI	100.00	100.00		IG	100.00
SNC MEDITERRANEE GRAND ARC	SNC	50.00	50.00	Joint ventures	EM	50.00
SCI ROYAL PALMERAIE	SCI	100.00	100.00		IG	100.00
SCI LA SEIGNEURIE	SCI	62.50	62.50		IG	62.50
ICADE HOUSING DEVELOPMENT	SAS	100.00	100.00		IG	100.00
CAPRI PIERRE	SARL	99.92	99.92		IG	99.92
SNC CHARLES	SNC	50.00	50.00	Joint ventures	EM	50.00
SCI TERRASSE GARONNE	SCI	49.00	49.00	Joint ventures	EM	49.00
SCI MONNAIE – GOUVERNEURS	SCI	70.00	70.00		IG	70.00
SCI ERSTEIN LA FILATURE 3	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI STIRING WENDEL	SCI	75.00	75.00		IG	75.00
STRASBOURG R. DE LA LISIERE	SCI	33.00	33.00	Joint ventures	EM	33.00
SCI KEMBS	SCI	50.00	50.00	Joint ventures	EM	50.00
SNC LES SYMPHONIES	SNC	66.70	66.70		IG	66.70
SCI LES PLEIADES	SCI	50.00	50.00	Joint ventures	EM	50.00
SNC LA POSEIDON	SNC	85.00	85.00		IG	85.00
SCI 225 CAILLOLS	SCI	50.00	50.00	Joint ventures	EM	50.00
JARDINS D ALMERIA	SCI	50.00	50.00	Joint ventures	EM	50.00
TERRASSES ALHAMBRA	SCI	50.00	50.00	Joint ventures	EM	50.00
MARSEILLE PARC	SCI	50.00	50.00	Joint ventures	EM	50.00
LE PRINTEMPS DES ROUGIERES	SARL	96.00	96.00		IG	96.00
LES ALPINES	SCI	90.00	90.00		IG	90.00
SCI PRADO ROUET	SCI	50.00	50.00	Joint ventures	EM	50.00
SNC MONTBRILLAND	SNC	87.00	87.00		IG	87.00
SNC STE FOY – VALLON DES PRES	SNC	50.00	50.00	Joint ventures	EM	50.00
SCI PIERRE AUDRY	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI BRENIER	SCI	95.00	95.00		IG	95.00
SCI GERLAND ILOT 3	SCI	40.00	40.00	Joint ventures	EM	40.00
SCI GERLAND ILOT 4	SCI	40.00	40.00	Joint ventures	EM	40.00
LES CHENES	SNC	100.00	100.00		IG	100.00
SCI 460 AVENUE DE PESSICART	SCI	50.00	50.00	Joint ventures	EM	50.00
PARC DU ROY D'Espagne	SNC	50.00	50.00	Joint ventures	EM	50.00
LE DOMAINE DU ROY	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI JEAN DE LA FONTAINE	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI 101 CHEMIN DE CREMAT	SCI	50.00	50.00	Joint ventures	EM	50.00
MARSEILLE PINATEL	SNC	50.00	50.00	Joint ventures	EM	50.00
SNC 164 PONT DE SEVRES	SNC	65.00	65.00		IG	65.00
SCI LILLE LE BOIS VERT	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI LES LYS DE MARGNY	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI GARCHES 82 GRANDE RUE	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI RUEIL CHARLES FLOQUET	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI VALENCIENNES RÉSIDENCE DE L'HIPPODROME	SCI	75.00	75.00		IG	75.00
SCI COLOMBES ESTIENNES D'ORVES	SCI	50.00	50.00	Joint ventures	EM	50.00

Financial year		30/06/2015				2014
Company name	Legal form	% Direct holding	% Interest 2015	Joint Ventures/Associated Entities	Method of consolidation	% Interest 2014
SCI VILLA DES GARDES	SCI	75.00	75.00		IG	75.00
SCI BOULOGNE SEINE D2	SCI	17.33	17.33	Associated entities	EM	17.33
BOULOGNE VILLE A2C	SCI	17.53	17.53	Associated entities	EM	17.53
BOULOGNE VILLE A2D	SCI	16.94	16.94	Associated entities	EM	16.94
BOULOGNE VILLE A2E	SCI	16.94	16.94	Associated entities	EM	16.94
BOULOGNE VILLE A2F	SCI	16.94	16.94	Associated entities	EM	16.94
BOULOGNE PARC B1	SCI	18.23	18.23	Associated entities	EM	18.23
BOULOGNE 3-5 RUE DE LA FERME	SCI	13.21	13.21	Associated entities	EM	13.21
BOULOGNE PARC B2	SCI	17.30	17.30	Associated entities	EM	17.30
SCI Lieusant Rue de Paris	SCI	50.00	50.00	Joint ventures	EM	50.00
BOULOGNE PARC B3A	SCI	16.94	16.94	Associated entities	EM	16.94
BOULOGNE PARC B3F	SCI	16.94	16.94	Associated entities	EM	16.94
SCI ROTONDE DE PUTEAUX	SCI	33.33	33.33	Joint ventures	EM	33.33
SCI COURBEVOIE LES LILAS D'Espagne	SCI	50.00	50.00	Joint ventures	EM	50.00
SAS AD2B	SAS	100.00	100.00		IG	100.00
SCI CHATILLON AVENUE DE PARIS	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI FRANCONVILLE – 1 RUE DES MARAIS	SCI	49.90	49.90	Joint ventures	EM	49.90
SCI CHATOU RUE DES BEAUNES	SCI	50.10	50.10	Joint ventures	EM	50.10
LES TUILERIES	SCI	50.00	50.00	Joint ventures	EM	50.00
ESSEY LES NANCY	SCI	75.00	75.00		IG	75.00
SCI LE CERCE DES ARTS – Housing	SCI	37.50	37.50		IG	37.50
LE CLOS STANISLAS	SCI	75.00	75.00		IG	75.00
LES ARCHES D'ARS	SCI	75.00	75.00		IG	75.00
ZAC DE LA FILATURE	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI LA SUCRERIE – Housing	SCI	37.50	37.50		IG	37.50
SCI LA JARDINERIE – Housing	SCI	37.50	37.50		IG	37.50
LES COTEAUX DE LORRY	SARL	50.00	50.00	Joint ventures	EM	50.00
SCI LE PERREUX ZAC DU CANAL	SCI	72.50	72.50		IG	72.50
SCI Boulogne Ville A3 LA	SCI	17.40	17.40	Associated entities	EM	17.40
SNC Nanterre MH17	SNC	50.00	50.00	Joint ventures	EM	50.00
SNC SOISY Avenue KELLERMAN	SNC	50.00	50.00	Joint ventures	EM	50.00
SNC ST FARGEAU HENRI IV	SNC	60.00	60.00		IG	60.00
SCI ORLEANS St JEAN LES CEDRES	SCI	49.00	49.00	Joint ventures	EM	49.00
RUE DE LA VILLE	SNC	100.00	99.99		IG	99.99
BEAU RIVAGE	SCI	100.00	99.99		IG	99.99
33 RUE DE LA REPUBLIQUE	SCI	55.00	55.00		IG	55.00
JARDINS DE LA SEIGNEURERIE	SCI	60.00	60.00		IG	60.00
LES RIVES DE LA THUR	SCI	100.00	100.00		IG	100.00
RUE DES HEROS	SCI	100.00	100.00		IG	100.00
RUE DU 11 NOVEMBRE	SCI	100.00	100.00		IG	100.00
RUE DES FABRIQUES	SCI	100.00	100.00		IG	100.00
RUE GUSTAVE PETIT	SCI	100.00	100.00		IG	100.00
RUE DEBLORY	SCI	100.00	100.00		IG	100.00
RUE DU MOULIN	SCI	100.00	100.00		IG	100.00
IMPASSE DU FORT	SCI	100.00	100.00		IG	100.00
RUE CHATEAUBRIAND	SCI	100.00	100.00		IG	100.00
SCI AVENUE DEGUISE	SCI	100.00	100.00		IG	100.00
LE GAND CHENE	SCI	100.00	100.00		IG	100.00

Financial year		30/06/2015				2014
Company name	Legal form	% Direct holding	% Interest 2015	Joint Ventures/Associated Entities	Method of consolidation	% Interest 2014
DUGUESCLIN DEVELOPPEMENT	SAS	100.00	100.00		IG	100.00
DUGUESCLIN & ASSOCIES MONTAGNE	SAS	100.00	100.00		IG	100.00
CHALET DE LA VANNOISE	SCI	33.33	33.33	Joint ventures	EM	33.33
BALCONS DU SOLEIL	SCI	40.00	40.00	Joint ventures	EM	40.00
DU LIZE LE MAS DES OLIVIERS	SCI	50.00	50.00	Joint ventures	EM	50.00
CDP THONON	SCI	33.33	33.33	Joint ventures	EM	33.33
SCI RESID. SERVICE DU PALAIS	SCI	100.00	100.00		IG	100.00
SCI RESID. HOTEL DU PALAIS	SCI	100.00	100.00		IG	100.00
SCI LE VERMONT	SCI	40.00	40.00	Joint ventures	EM	40.00
SCI HAGUENAU RUE DU FOULON	SCI	50.00	50.00	Joint ventures	EM	50.00
SNC URBAVIA	SNC	50.00	50.00	Joint ventures	EM	50.00
SCI GERTWILLER 1	SCI	50.00	50.00		IG	50.00
SCI ROUEN GRAMMONT	SCI	80.00	80.00		IG	80.00
SCCV LES VILLAS DU PARC	SCCV	100.00	100.00		IG	100.00
SCI RUE BARBUSSE	SCI	100.00	100.00		IG	100.00
SCCV NIMES ALIZES 2	SCCV	50.00	50.00	Joint ventures	EM	50.00
.SCI SOPHIA PARK	SCI	50.00	50.00	Joint ventures	EM	50.00
LES HAUTS DE L'ESTAQUE	SCI	51.00	51.00		IG	51.00
ROUBAIX RUE DE L'OUEST	SCCV	50.00	50.00	Joint ventures	EM	50.00
SCV CHATILLON MERMOZ FINLANDE	SCCV	50.00	50.00	Joint ventures	EM	50.00
SCI LES TERRASSES DES COSTIERES	SCI	60.00	60.00		IG	60.00
SARL LAS CLOSES	SARL	50.00	50.00	Joint ventures	EM	50.00
SCI CHAMPS S/MARNE RIVE GAUCHE	SCI	50.00	50.00	Joint ventures	EM	50.00
SCI BOULOGNE SEINE D3 PP	SCI	33.33	33.33	Associated entities	EM	33.33
SCI BOULOGNE SEINE D3 D1	SCI	16.94	16.94	Associated entities	EM	16.94
SCI BOULOGNE SEINE D3 E	SCI	16.94	16.94	Associated entities	EM	16.94
SCI BOULOGNE SEINE D3 DEF COMMERCES	SCI	27.82	27.82	Associated entities	EM	27.82
SCI BOULOGNE SEINE D3 ABC COMMERCES	SCI	27.82	27.82	Associated entities	EM	27.82
SCI BOULOGNE SEINE D3 F	SCI	16.94	16.94	Associated entities	EM	16.94
SCI BOULOGNE SEINE D3 C1	SCI	16.94	16.94	Associated entities	EM	16.94
LES COTEAUX DU VIGNOBLE	SAS	40.00	40.00	Joint ventures	EM	40.00
SCCV SAINTE MARGUERITE	SCCV	50.00	50.00	Joint ventures	EM	50.00
SNC ROBINI	SNC	50.00	50.00	Joint ventures	EM	50.00
SCI LES TERRASSES DU SABLASSOU	SCI	50.00	50.00	Joint ventures	EM	50.00
SCCV LES PATIOS D'OR – GRENOBLE	SCCV	80.00	80.00		IG	80.00
SCI DES AUBEPINES	SCI	60.00	60.00		IG	60.00
SCI LES BELLES DAMES	SCI	66.70	66.70		IG	66.70
SCI PLESSIS LEON BLUM	SCI	80.00	80.00		IG	80.00
SCCV RICHET	SCCV	100.00	100.00		IG	100.00
SCI BOULOGNE PARC B4B	SCI	20.00	20.00	Associated entities	EM	20.00
SCI ID	SCI	53.00	53.00		IG	53.00
SNC PARIS MACDONALD PROMOTION	SNC	100.00	100.00		IG	100.00
RESIDENCE LAKANAL	SCCV	50.00	50.00	Joint ventures	EM	50.00
COEUR DE VILLE	SARL	70.00	70.00		IG	70.00
SCI CLAUSE MESNIL	SCCV	50.00	50.00	Joint ventures	EM	50.00
ROUEN VIP	SCCV	100.00	100.00		IG	100.00
OVALIE 14	SCCV	80.00	80.00		IG	80.00
SCCV VILLA ALBERA	SCCV	50.00	50.00	Joint ventures	EM	50.00

Financial year		30/06/2015				2014
Company name	Legal form	% Direct holding	% Interest 2015	Joint Ventures/Associated Entities	Method of consolidation	% Interest 2014
SCCV 811 Av. Gal de GAULLE	SCCV	100.00	100.00		IG	100.00
SCI ARKADEA LA ROCHELLE	SCI	100.00	100.00		IG	100.00
SCCV FLEURY MEROGIS LOT1.1	SCCV	70.00	70.00		IG	70.00
SCCV FLEURY MEROGIS LOT1.2	SCCV	70.00	70.00		IG	70.00
SCCV FLEURY MEROGIS LOT3	SCCV	100.00	100.00		IG	100.00
SCI L'ENTREP'T MALRAUX	SCI	65.00	65.00		IG	65.00
SCCV CERGY – LES PATIOS D'OR	SCCV	67.00	67.00		IG	67.00
MULHOUSE LES PATIOS D'OR	SCCV	40.00	40.00	Joint ventures	EM	40.00
SCCV CLERMONT-FERRAND LA MONTAGNE	SCCV	90.00	90.00		IG	90.00
SCCV NICE GARE SUD	SCCV	50.00	50.00	Joint ventures	EM	100.00
SCCV COLOMBES MARINE LOT A	SCCV	25.00	25.00	Joint ventures	EM	25.00
SCCV COLOMBES MARINE LOT B	SCCV	25.00	25.00	Joint ventures	EM	25.00
SCCV COLOMBES MARINE LOT D	SCCV	25.00	25.00	Joint ventures	EM	25.00
SCCV COLOMBES MARINE LOT H	SCCV	25.00	25.00	Joint ventures	EM	25.00
SEP COLOMBES MARINE	SEP	25.00	25.00	Joint ventures	EM	25.00
SCI CLAYE SOUILLY – L'ORÉE DU BOIS	SCI	80.00	80.00		IG	80.00
SCI BONDOUFLE – LES PORTES DE BONDOUFLE	SCI	100.00	100.00		IG	100.00
SCCV ECOPARK	SCCV	90.00	90.00		IG	90.00
SCCV LES PATIOS D'OR – CHAMPAGNE	SCCV	100.00	100.00		IG	83.00
SCCV DUNKAN	SCCV	50.00	50.00	Joint ventures	EM	50.00
SCI FI BAGNOLET	SCI	90.00	90.00		IG	90.00
LES PATIONS D'OR – THONON LES BAINS	SCCV	100.00	100.00		IG	100.00
SCI ARKADEA TOULOUSE LARDENNE	SCI	100.00	100.00		IG	100.00
SCCV 25 BLD ARMEE DES ALPES	SCCV	50.00	50.00	Joint ventures	EM	50.00
SCCV HORIZON PROVENCE	SCCV	58.00	58.00		IG	58.00
SARL DOMAINE DE FAHAM	SARL	51.00	51.00	Joint ventures	EM	51.00
SCI ARKADEA LYON CROIX ROUSSE	SCI	70.00	70.00	Joint ventures	EM	70.00
SCCV SETE – QUAI DE BOSC	SCCV	90.00	90.00		IG	90.00
SCI SAINT FARGEAU CENTRE	SCI	70.00	70.00		IG	70.00
SCCV RIVES DE SEINE – BOULOGNE YC2	SCCV	80.00	80.00		IG	80.00
SCI BLACK SWANS	SCI	85.00	85.00		IG	85.00
SCCV CANAL STREET	SCCV	100.00	100.00		IG	100.00
SCCV BLACK SWANS TOUR B	SCCV	85.00	85.00		IG	85.00
SCCV ORCHIDEES	SCCV	100.00	99.96		IG	99.96
SCCV MEDICADE	SCCV	80.00	80.00		IG	80.00
SCI PERPIGNAN LESAGE	SCI	50.00	50.00	Joint ventures	EM	50.00
SNC TRIGONES NIMES	SNC	50.00	50.00	Joint ventures	EM	50.00
SCCV BAILLY CENTRE VILLE	SCCV	50.00	50.00	Joint ventures	EM	
SCCV MONTLHERY LA CHAPELLE	SCCV	100.00	100.00		IG	
SCI ARKADEA MARSEILLE SAINT VICTOR	SCI	51.00	51.00	Joint ventures	EM	
SCCV SAINT FARGEAU 23 FONTAINEBLEAU	SCCV	70.00	70.00		IG	
ICADE COMMERCIAL PROPERTY DEVELOPMENT						
PARIS BERTHELOT	SCI	50.00	50.00	Joint ventures	EM	50.00
ICADE G3A PROMOTION	SNC	100.00	100.00		IG	100.00
ICADLEO	SNC	66.67	66.67		IG	66.67
SORIF ICADE LES PORTES D'ESPAGNE	SNC	50.00	50.00	Joint ventures	EM	50.00
ICADE DOCKS DE PARIS	SNC	100.00	100.00		IG	100.00
PORTES DE CLICHY	SCI	50.00	50.00	Joint ventures	EM	50.00
MONTROUGE CAP SUD	SCI	50.00	50.00	Joint ventures	EM	50.00
SCCV SAINT DENIS LANDY 3	SCCV	50.00	50.00	Joint ventures	EM	50.00
SNC SAMICADE	SNC	50.00	50.00	Joint ventures	EM	50.00
SNC DU PLESSIS BOTANIQUE	SNC	100.00	100.00		IG	100.00
SNC GERLAND 1	SNC	50.00	50.00	Joint ventures	EM	50.00

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Financial year		30/06/2015				2014
Company name	Legal form	% Direct holding	% Interest 2015	Joint Ventures/Associated Entities	Method of consolidation	% Interest 2014
SNC GERLAND 2	SNC	50.00	50.00	Joint ventures	EM	50.00
CITE SANITAIRE NAZARIENNE	SNC	60.00	60.00		IG	60.00
SNC DU CANAL ST LOUIS	SNC	100.00	100.00		IG	100.00
CAP EST LOISIR	SCI	50.00	50.00	Joint ventures	EM	50.00
ICAPROM	SNC	45.00	45.00	Joint ventures	EM	45.00
SCCV LE PERREUX CANAL	SCCV	72.50	72.50		IG	72.50
ARKADEA	SAS	50.00	50.00	Joint ventures	EM	50.00
SAMICADE GUADELOUPE	SNC	40.00	40.00	Joint ventures	EM	40.00
CRHYSALIS DEVELOPPEMENT	SAS	35.00	35.00	Joint ventures	EM	35.00
MACDONALD BUREAUX	SCCV	50.00	50.00	Joint ventures	EM	50.00
SCI 15 AVENUE DU CENTRE	SCI	50.00	50.00	Joint ventures	EM	50.00
SAS CORNE OUEST VALORISATION	SAS	25.00	25.00	Associated entities	EM	25.00
SAS CORNE OUEST PROMOTION	SAS	25.00	25.00	Associated entities	EM	25.00
SAS ICADE-FF-SANTÉ	SAS	65.00	65.00		IG	65.00
SCI BOURBON CORNEILLE	SCI	100.00	100.00		IG	100.00
SCI SEINE CONFLUENCES	SCI	50.00	50.00	Joint ventures	EM	50.00
SCCV IVRY SEINE	SCCV	60.00	30.00	Joint ventures	EM	30.00
SCI ARKADEA FORT DE France	SCI	51.00	51.00		IG	51.00
SCCV SKY 56	SCCV	50.00	50.00	Joint ventures	EM	50.00
SCCV OCEAN COMMERCES	SCCV	100.00	99.99		IG	99.99
SCCV SILOPARK	SCCV	50.00	50.00	Joint ventures	EM	50.00
SCCV TECHNOFFICE	SCCV	50.00	50.00	Joint ventures	EM	50.00
SARL LE LEVANT DU JARDIN	SARL	50.67	50.67		IG	50.67
SAS OCEAN AMENAGEMENT	SAS	51.00	51.00		IG	51.00
SCI ARKADEA RENNES TRIGONNE	SCI	51.00	51.00	Joint ventures	EM	51.00
SCI ARKADEA LYON CREPET	SCI	100.00	100.00		IG	
SERVICES						
PROPERTY MANAGEMENT						
ICADE PROPERTY MANAGEMENT	SASU	100.00	100.00		IG	100.00
CONSULTANCY & SOLUTIONS						
I PORTA	SAS	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 TRANSACTIONS	SASU	100.00	100.00		IG	100.00
ICADE ASSET MANAGEMENT	SAS	100.00	100.00		IG	100.00

STATUTORY AUDITORS' REVIEW REPORT ON THE 2015 INTERIM FINANCIAL INFORMATION

This is a free translation into English of the Statutory Auditors'review 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 compliance with the assignment entrusted to us by shareholders' annual general meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (Code monétaire et financier) , we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of Icade, for the six months ended June;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - the standard of IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion expressed above, we draw your attention:

- on the note 1.1 to the financial statements which describes the effects of the change in accounting method due to the application of IFRIC 21 (Levies),
- on the part of the note 17 to the financial statements which presents the accounting treatment relating to the tax audit that your company has supported with regard to the fiscal year 2007.

II - Specific verification

We have also verified the information given in the interim management report on the condensed interim consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, July 22, 2015

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

Jean-Baptiste Deschryver

Associé

Mazars

Gilles Rainaut

Associé