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ICADE

Foncière-développeur

Press release
Paris, 24 July 2013

Icade owns 88% of Silic before the reopening of the offer
EBITDA up 4.5% in the 1st half of 2013

Activity as at 30 June 2013

Icade's revenue was 695.8 million euros at 30 June 2013 compared with 683.3 million euros at 30 June 2012 (+ 1.8 %). This change is notably due to a significant increase in the rental revenue from strategic and alternative assets of 8.5% primarily due to effects of change of scope (acquisitions of healthcare properties and delivery of office properties), as well as leasing which occurred in 2012 and 2013 (1.8% increase in rent on a like-for-like basis), and an increase in revenue from the Development Division (+2.3%) thanks to commercial property development projects launched in 2012.

Icade's assets portfolio is now made up of 94% strategic assets (offices and business parks) and alternative assets (healthcare). Icade invested 195 million euros in these two asset classes in the 1st half of 2013, mainly in Healthcare (118 million euros) and disposed of 264 million euros of non-strategic assets (housing, warehouses and Germany) over the same period.

In July 2013, Icade delivered the EQHO Tower (79,000m²) in La Défense. Restructuring of the tower, which cost more than 300 million euros, positions the EQHO Tower at an equivalent level of services and environmental performance to the latest generation towers in La Défense.

As part of its policy to rotate its strategic assets, in June 2013 Icade signed a bilateral undertaking to sell the La Factory building in Boulogne-Billancourt with a leading investor, for 103 million euros net sale price.

During the 1st half of 2013, Icade Santé acquired three new clinics and an extension for 111 million euros. These new investments form part of the development strategy that Icade is operating in the healthcare sector (building up an attractive portfolio in terms of net yield with several operators and therefore ensure sufficient diversification to limit rental risk) and complete its nationwide coverage. During the 1st half of 2013, Icade raised 110 million euros from a French institutional investor, by increasing the reserved capital increase, to enable the continued development of its healthcare business.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) was 188.4 million euros at 30 June 2013 compared with 180.1 million euros at 30 June 2012, an increase of 4.5%, mainly due to efficient rental management, the effect of acquisitions and the reduction in intra-Group transactions between the Development and Property Investment Divisions. These factors resulted in a 4% increase in the Property Investment Division's EBITDA. The 6.1% decrease in the Development Division's EBITDA is mainly the result of a reduction in the Residential Property Development business's EBITDA following the end of the "Scellier" scheme and smaller margins on secure block sales.

Net current cash flow stood at 123.5 million euros as on 30 June 2013, up 9.3% compared with 30 June 2012 (113.0 million euros). This change is mainly due to the growth of the Commercial Property

Investment business related to commercial successes in 2012 and the high proportion of investment volumes in the healthcare sector in the 2nd half of 2012 (310 million euros) and is partially mitigated by losses of rental revenue as a result of the disposals carried out in 2012 and 2013. Restated for minority shareholders of Icade Santé, the net current cash flow stands at 107.9 million euros as on 30 June 2013 (2.08 euros per share), stable compared with the restated figure for 30 June 2012 (+0.2%).

Net profit group share was 44.7 million euros compared with 81.5 million euros on 30 June 2012, due in particular to the posting of provisions linked to the adjustment in asset values, in particular the value of the EQHO Tower.

Icade enjoys a sound financial structure with LTV stable and below 40%, favourable average maturity and cost of debt (4.3 years and 3.84% respectively) and large amount of undrawn facilities (870 million euros) covering 18 months of debt repayments in capital and interest.

The value of assets on 30 June 2013 is 6,746 million euros, down 0.3% on a like-for-like basis. Excluding the EQHO Tower, the change in value on a like-for-like basis is stable (+0.1%). On 30 June 2013, the adjusted EPRA triple net asset value came to 4,079.5 million euros or 78.9 euros per share, i.e. a 2.2% fall compared with 31 December 2012. The restatement of the dividend of 3.64 euros per share, paid in April 2013, has shown a 2.3% increase in the EPRA triple net asset value compared with 31 December, 2012.

Acquisition of Silic and outlook

The public offering initiated by Icade for Silic has been a great success. Following payment/delivery of the initial offer, Icade owns 88% of Silic's capital and voting rights. The offer will be reopened for 10 days of negotiation between 22 July 2013 and 2 August 2013 inclusive. The results of the re-opened offer will be published by 9 August 2013 at the latest and payment-delivery will occur on 12 August 2013.

The strategy of the combined entity will focus on securing recurring cash-flows drawing on more than 10 billion euros in assets, 69% of which is offices and business parks located in the heart of Greater Paris and benefiting from recent or planned public transport development in four main areas (Roissy, Paris Nord Est, Orly and La Défense/Nanterre) and comprising buildings in line with tenants' expectations both in terms of their technical and environmental characteristics and their levels of rent.

The new entity enjoys very good prospects with a solid rental basis, annual rents of 570 million euros, a preserved financial structure, a well in-hand pipeline and nearly 2 million m² of buildable land reserves. Developments will be carried out based on changes in demand and arbitrage of mature and/or non-strategic assets by drawing on teams with recognised expertise.

Over the coming years, Icade therefore intends to continue improving its net current cash-flow, drawing on the strengths of its model. A perfect example of this is acquisition of Silic, which will enable the combined entity to position itself as a leader in French commercial property investment.

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Coming events:

Revenues for Q3 2012: 24 October 2013
2013 annual results: 19 February 2014

The half-yearly financial report of 30 June 2013 has been submitted to the French financial markets authority (AMF) and a full version can be found on the company's Internet site: http://www.icade.fr/finance/resultats-publications/rapport-annuel-document-reference-rapport-financier-semestriel

About Icade:

Icade is a listed real-estate company, a subsidiary of Caisse des Depôts an investor, developer and service provider in private and public property. Its expertise in its various business lines enables Icade to provide its clients with tailored solutions and have comprehensive involvement in current real-estate issues.
On 31 December 2012, Icade posted consolidated revenue of 1499.3 million euros and had net current cash flow of 251.4 million euros. As of 30 June 2013, its EPRA triple net asset value was 4,079.5 million euros or 78.9 euros per share.

The half-year consolidated financial statements have been subject to a limited examination by the auditors.
This press release does not constitute an offer, or a solicitation of an offer to sell or exchange any shares or a recommendation to subscribe, buy or sell any Icade shares. The distribution of this press release may be limited in certain countries by legislation or regulations. Therefore persons who come into possession of this press release are required to obtain information about these restrictions and respect them. To the fullest extent permitted by the applicable law, Icade disclaims any responsibility or liability for the violation of any such restrictions by any person.

Serge Grzybowski and Nathalie Palladitcheff will be presenting the half-year results for 2012 to analysts on 25 July 2013 at 8.30am in the EQHO TOWER.
The slide show, with commentary, will be available through the following links:
In French: http://www.icade.fr/finance/resultats-publications/presentations-financieres
In English: http://www.icade.fr/en/finance/results-and-publications/financial-presentations

For participants wishing to hear the conference in French or English, we advise you to register in advance via the following links:
In French: https://eventreg2.conferencing.com/webportal3/reg.html?Acc=442938&Conf=212503
In English: https://eventreg2.conferencing.com/webportal3/reg.html?Acc=442938&Conf=212504

Each participant will receive a participating access code, conference access code and the telephone number to call as well as instructions for joining the conference.

Registration in French and in English for this presentation will be available for 10 days from 25 July 2013 to midnight on 5 August 2013.

To hear the information again, the phone numbers are:
+33 (0) 170993529 – France Paris – access code: 934536 French version
020 7031 4064 – UK London – access code: 2893472 English version

Appendices

I- CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET AS AT 30 June 2013 6
II – ANALYSIS AND COMMENTS ON THE RESULTS AND THE ACTIVITIES 9
A - HIGHLIGHTS / KEY FIGURES - 1st half of 2013 9
1. Highlights of the 1st half of 2013 9
2. Combination with Silic 12
3. Key figures 14
B - ACTIVITIES AND RESULTS 1st half of 2013..18
1. Property Investment Division 18
2. Development Division.. 31
3. Services Division 42
4. Other 43
5. Profit/loss for the 1st half of 2013.. 44
III - ADJUSTED NET ASSET VALUE AS AT 30 June 2013 45
A. VALUATION OF PROPERTY ASSETS..45
1. Summary of expert valuations of Icade's assets.. 45
2. Strategic assets portfolio 47
2.1 Offices in France 48
2.2 Business Parks 49
3. Alternative assets portfolio.. 50
3.1 Shops and Shopping Centres 50
3.2 Healthcare 51
4. Non-strategic assets portfolio.. 52
4.1 Warehouses 52
4.2 Offices in Germany 52
4.3 Residential 53
5. Methodology used by the surveyors 53
B – VALUATION OF SERVICE AND DEVELOPMENT BUSINESSES 53
C – METHODOLOGY FOR CALCULATING NET ASSET VALUE..54
D – CALCULATION OF THE EPRA NET ASSET VALUE..55
1. Consolidated shareholders' equity 55
2. Unrealised capital gains on property assets 55
3. Unrealised capital gains on development and services companies 55
4. Market value of debt 55
5. Calculation of unrealised tax.. 55
6. Treasury shares and securities giving rights to capital 56
IV - FINANCIAL RESOURCES..58
A. LIQUID ASSETS 58
B. DEBT STRUCTURE AS AT 30 JUNE 2013 58
1. Nature of debt 58
2. Maturity of debt 59
3. Debt by business.. 59
4. Average cost of debt.. 60
5. Interest rate risk 60
C. FINANCIAL STRUCTURE 62
1. Financial structure ratio 62
2. Interest hedging ratio 62
3. Covenants table 63

I- CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET AS AT 30 JUNE 2013

(in millions of euros)	30/06/2013	30/06/2012
Revenue	**695.8**	**683.3**
EBITDA	**188.4**	**180.1**
As a % of revenues	*27.1%*	*26.4%*
Depreciation charges net of investment grants	(79.7)	(82.8)
Charges and reversals related to loss in value on tangible, financial and other current assets	(29.6)	(3.6)
Profit/loss from disposals	39.4	60.1
Depreciation of goodwill and intangible assets	-	-
Operating Profit	**118.5**	**153.8**
As a % of revenues	*17.0%*	*22.5%*
Financial Profit/Loss	**(53.3)**	**(51.6)**
Profit tax	(14.0)	(18.0)
Net Income	**52.3**	**84.2**
Net income, group share	**44.7**	**81.5**
Consolidated net current cash flow	**123.5**	**113.0**
Net current cash flow restated for Icade Santé minority shareholders	**107.9**	**107.7**
Data per share in euros:		
Number of diluted shares in circulation used in the calculation	*51,807,791*	*51,762,193*
Group share of net diluted earnings per share	*0.86 €*	*1.57 €*
NCCF per diluted share restated for Icade Santé minority shareholders	*2.08 €*	*2.08 €*

(in millions of euros)	30/06/2013	31/12/2012 restated (*)	31/12/2012
Goodwill	72.5	77.2	77.2
Net intangible assets	5.7	5.8	5.8
Net tangible assets	117.1	121.5	121.5
Net investment property	4,777.8	4,820.4	4,820.4
Non-current securities available for sale	2.7	2.5	2.5
Equity-accounted securities	(0.3)	0.0	0.0
Other non-current financial assets	3.6	5.1	5.1
Deferred tax assets	20.7	13.8	14.8
TOTAL NON-CURRENT ASSETS	**4,999.8**	**5,046.3**	**5,047.3**
Stocks and work in progress	724.3	692.3	692.3
Accounts Receivable	558.9	584.2	584.2
Amounts due from customers (building contracts and off-plan sales)	12.7	18.8	18.8
Tax receivables	4.1	10.5	10.5
Miscellaneous receivables	387.3	383.0	383.0
Current securities available for sale	0.1	0.8	0.8
Other current financial assets	403.7	407.5	407.6
Cash and cash equivalents	324.3	443.6	443.6
Assets held for sale	110.5	214.9	214.9
TOTAL CURRENT ASSETS	**2,525.9**	**2,755.6**	**2,755.6**
TOTAL ASSETS	**7,525.7**	**7,801.9**	**7,802.9**

(in millions of euros)	30/06/2013	31/12/2012 restated (*)	31/12/2012
Capital and reserves - Group share	2,558.9	2,655.4	2,652.9
Minority interests	401.2	310.7	310.7
SHAREHOLDERS' EQUITY	**2,960.1**	**2,966.1**	**2,963.6**
Non-current provisions	41.5	38.9	42.5
Long-term financial borrowings	2,992.3	2,878.4	2,878.4
Tax payable	3.2	3.4	3.4
Deferred tax payable	14.8	9.6	9.6
Other non-current liabilities	159.7	219.8	219.8
TOTAL NON-CURRENT LIABILITIES	**3,211.5**	**3,150.1**	**3,153.7**
Current provisions	13.1	16.8	16.8
Current financial liabilities	261.5	510.6	510.6
Tax payable	7.0	7.2	7.2
Trade payables	501.7	550.2	550.2
Amounts due to customers (building contracts and off-plan sales)	6.8	8.1	8.1
Miscellaneous payables	551.3	549.6	549.6
Other current financial liabilities	12.7	18.1	18.1
Liabilities intended to be sold	0.0	25.1	25.0
TOTAL CURRENT LIABILITIES	**1,354.1**	**1,685.7**	**1,685.6**
TOTAL LIABILITIES AND CAPITAL AND RESERVES	**7,525.7**	**7,801.9**	**7,802.9**

(*) The 2012 published accounts are restated for the first application of IAS 19 as amended

NAV (in millions of euros)	30/06/2013	31/12/2012	Change (in value)	Change (as %)
Group share of EPRA NAV	4,224.4	4,399.7	(175.3)	(4.0)%
EPRA NAV per share (Group share - fully diluted in €)	81.7	84.7	(3.0) €	(3.6)%
Group share of EPRA triple net NAV	4,079.5	4,190.1	(110.6)	(2.6)%
EPRA triple net NAV per share (Group share - fully diluted in €)	**78.9**	**80.7**	**(1.8) €**	**(2.2)%**

(in millions of euros)	30/06/2013	31/12/2012	Change (in value)	Change (as %)
Net financial debt	2,661.5	2,725.4	(63.9)	(2.3)%
Appraisal value of Property Investment Portfolio	6,746.4	6,849.7	(103.3)	(1.5)%
Loan to value (LTV)	**39.5%**	**39.8%**		

II – ANALYSIS AND COMMENTS ON THE RESULTS AND THE ACTIVITIES

A - HIGHLIGHTS / KEY FIGURES - 1st half of 2013

1. Highlights of the 1st half of 2013

PROPERTY INVESTMENT DIVISION: continuation in sales of non-strategic assets

In an extension of the disposals carried out during the 2012 financial year, activity in the 1st half of 2013 was mainly characterised by the final completion of the planned sales, and the continued refocusing of its assets on commercial property.

Over the half-year, this resulted in the following completed or pending disposals:

- Completed sales of 264 million euros for non-strategic assets (block sales of residential units, logistics platforms, offices and land in Germany, jointly-owned office space);

- New undertakings signed, worth a total of 49 million euros (including 6 million euros subject to the signing of final completion deeds in July 2013);

- Exclusive negotiations conducted regarding the sale in the 2nd half of 2013 of an office building in Munich.

Following integration of the completed or pending transactions referred to above, non-strategic properties now represent just 4% of assets, compared with 10.0% as at 31 December 2012.

Finally, as part of its policy to rotate its strategic assets, in June 2013 Icade signed a bilateral undertaking to sell the La Factory building in Boulogne-Billancourt with a leading investor, for 103 million euros net sales price.

But also by investments:

- Delivery in July 2013 of the restructuring works on the EQHO Tower (79,000m²) in La Défense (92). The total cost of the works, which was over 300 million euros, positions the EQHO Tower at an equivalent level to the latest generation towers in La Défense (quality of services and environmental labels). The cost of works in the 1st half of 2013 amounted to 32.7 million euros;

- The start of works on Le Millénaire 3 (32,000m² - Paris 19) for an amount of 14.4 million euros in the 1st half of 2013 (leased to the Ministry of Justice);

- The acquisition of three clinics and an extension for 111 million euros, entirely financed by a new capital increase with a French institutional investor.

DEVELOPMENT DIVISION: sustained activity, profitability down for residential.

In a sluggish market in the 1st half of the year, the operating profit of the Development Division, as at 30 June 2013, amounted to 23.9 million euros compared with 32.7 million euros during the same period in 2012 (restated for businesses sold in 2013) representing a decline of 27.1%.

The Residential Property Development business recorded revenue almost stable compared with 30 June 2012 at 315 million euros, but a fall of 14.0 million euros in EBITDA, or 56%, compared with 30 June 2012.

This fall can mainly be explained by a decline in the gross margin from transactions due to the delivery of programmes which had benefitted from the Scellier scheme, with higher margins, and the launch in 2012 and 2013 of programmes sold to corporate investors, with lower margin levels.

The backlog is up by more than 7% compared with 31 December 2012. The 1st half of the year was characterised by the launch of 2,665 housing units, representing potential revenue of 661 million euros (compared with just 652 housing units launched in the 1st half of 2012 representing potential revenue of 156 million euros).

The launch of major new projects in the 1st half of 2013 will contribute, through a slight increase in gross margin, to improving the EBITDA/turnover ratio over 2013.

Concerning the Commercial Property Development business, and in line with the 2nd half of 2012, office transactions launched in the previous financial year reveal EBITDA of 12.5 million euros as at 30 June 2013, and an EBITDA/revenue ratio of 7.4%, significantly more than as at 30 June 2012 (3.2 million euros and 2.2%).

As announced in the financial communication closing the 2012 accounts, Icade has disposed of its stake in development company PNE SAS (29% of the capital) by selling its shares to Caisse des Dépôts.

Finally, in the 1st half of 2013, Icade sold the Development Division's Building Engineering business.

SERVICES DIVISION

In the 1st half of 2013, Icade continued to refocus its service activities by the sale, in April 2013, of Icade Suretis, a company specialising in managing security and remote surveillance services.

VALUATION OF ASSETS

The value of Icade's property assets fell by 1.5% compared with 31 December 2012. It stands at 6746.4 million euros. Strategic and alternative assets, which represent almost 94% of total assets, have increased by 2.5%.

On a like-for-like basis, and excluding variation in the EQHO Tower, the value of the whole portfolio is up by 0.1%, but down by 0.3% after taking into account a new adjustment in the appraisal value of the EQHO Tower of 25.3 million euros.

Events after the year-end:

The Icade Group's scope is set to change in the 2^{nd} half of 2013, following the takeover of the SILIC Group on the date of payment/delivery of the shares, i.e. 22 July 2013 (see paragraph 2).

The cash advance of 50 million euros granted to Silic in a private deed dated 20 July 2012 was drawn down in full on 2 July 2013. The meeting of the Icade Board of Directors on 24 July 2013 authorised the addition of an addendum to this advance agreement, setting its repayment date at 19 July 2014.

The meeting of the Icade Board of Directors on 24 July 2013 also authorised the establishment of an additional advance to Silic of 260 million euros for a period of one year.

2. Combination with Silic

<u>Recap of events and next steps:</u>

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

The combination between Icade and Silic is structured in three stages:

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

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

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

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

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

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

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

   After permission was obtained from the Competition Authority on 13 February 2012, the CDC and Groupama, as shareholders of HoldCo SIIC, approved the contribution by Groupama of 37.44% of the capital and voting rights in Silic following a decision on 16 February 2012. The balance of Silic shares owned by Groupama was contributed according to the same parity as the 1st contributions, i.e. five Icade shares for four Silic shares, 2011 dividend attached for each of the companies.

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

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

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

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

   The terms of the offer are as follows:

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

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

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

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

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

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

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

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

As of the date of this half-yearly financial report, Icade therefore owns 15,436,284 Silic shares, representing 87.98% of its capital and the voting rights. Furthermore, 99,520 ORNANEs have been contributed to the public offer.

In a notice dated 19 July 2013 (see AMF notice no. 213C0985), the AMF set the closing date for the re-opened offer as 2 August 2013. The results of the re-opened offer will be published by the AMF on 9 August 2013 and payment-delivery will occur on 12 August 2013.

3. Key figures

(in millions of euros)	30/06/2013	30/06/2012	Change
Revenue	**695.8**	**683.3**	**1.8%**
EBITDA	**188.4**	**180.1**	**4.5%**
Profit/loss from disposals	**39.4**	**60.1**	**(34.3)%**
Operating Profit	**118.5**	**153.8**	**(22.9)%**
Financial Profit/Loss	**(53.3)**	**(51.6)**	**3.5%**
Tax expense	**(14.0)**	**(18.0)**	**(22.7)%**
Net income, group share	**44.7**	**81.5**	**(45.1)%**
Consolidated net current cash flow	**123.5**	**113.0**	**9.3%**

Icade's **revenue** was 695.8 million euros at 30 June 2013 compared with 683.3 million euros at 30 June 2012. This change is notably due to a significant increase in the revenue of the Property Development activity (+10.8 million euros compared with 30 June 2012) mainly due to revenue generated by commercial property development projects launched in 2012.

(in millions of euros)	30/06/2013	30/06/2012	Change	Change on a like-for-like basis
Revenue				
Property investment	201.5	196.5	2.5%	1.8%
Development	482.7	471.8	2.3%	4.2%
Services	23.3	34.8	(33.1)%	(3.6)%
Other (*)	(11.6)	(19.8)	(41.7)%	(41.7)%
Total revenues	**695.8**	**683.3**	**1.8%**	**4.4%**

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

The revenue of the **Commercial Property Investment Division** at 30 June 2013 is divided between 89.1% for strategic and alternative assets and 10.9% for non-strategic assets (compared with 84.3% and 15.7% respectively as at 30 June 2012).

Revenue from strategic and alternative assets increased by 8.5% compared with 30 June 2012, to stand at 179.0 million euros. This increase is mainly related to the effects of change in the scope (acquisitions of healthcare assets, deliveries of office assets, as well as sales which occurred in 2012 and 2013).

The revenue of the Development Division as at 30 June 2013 was up 2.3% compared with the same period in 2012. Excluding effects of change in scope (sale of the SAS PNE Engineering and Development business at the start of 2013), revenue is up 4.2%. This favourable change is mostly explained by the launch of new commercial projects in 2012 (24.8 million euros in additional revenue for this business).

The revenue of the **Services Division** has fallen by 11.5 million euros compared with 30 June, 2012. This change is essentially related to variations in the scope of the division which took place in 2012 (sale of Icade Résidences Services specialising in the management of student residences) and 2013 (sale of Icade Suretis).

The change in **Other** revenue, corresponding to the elimination of intra-group transactions, reflects the reduction in the number of transactions by the Development Division on behalf of the Property Investment Division.

The **EBITDA** came to 188.4 million euros as at 30 June 2013, as opposed to 180.1 million euros at the same date in 2012.

(in millions of euros)	30/06/2013	30/06/2012	Change
EBITDA			
Property investment	167.2	160.8	4.0%
Development	23.5	25.0	(6.1)%
Services	0.5	1.6	(67.7)%
Other (*)	(2.8)	(7.1)	(61.0)%
Total EBITDA	**188.4**	**180.1**	**4.5%**

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

The EBITDA/revenue ratio for the **Property Investment Division** was 83.0% as at 30 June 2013 compared with 81.8% as at 30 June 2012. This improvement came predominantly from an increase in commercial property assets, for which the EBITDA/revenue ratio 86.0% as at 30 June 2013. The contribution made by the residential property business as at 30 June 2013 was negligible (1.6 million euros).

The 6.1% fall in EBITDA for the **Development Division** is mainly linked to a fall in EBITDA from the Residential Property Development business. This fall is explained by seasonality, with revenue based on percentage-of-completion representing 42% of the projected budget for the year at the end of June 2013, and by a 3 point fall in the average gross margin rate on all sales. This fall in gross margins is due to the end of the Scellier scheme and smaller margins on secure block sales.

The EDITDA of the **Services Division** as at 30 June 2013 was down by 67.7% compared with 30 June 2012. The companies sold in 2012 and 2013 contributed 0.3 million euros to the EBITDA.

Operating profit totalled 118.5 million euros as at 30 June 2013 compared with 153.8 million euros as at 30 June 2012.

(in millions of euros)	30/06/2013	30/06/2012	Change
Operating Profit			
Property investment	96.9	113.8	**(14.8)%**
Development	23.9	25.5	**(6.3)%**
Services	0.3	0.4	**(22.6)%**
Other (*)	(2.6)	14.0	**(118.6)%**
Total Operating Profit	**118.5**	**153.8**	**(22.9)%**

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

The change between 2012 and 2013 in the components of the EBITDA and the operating profit are as follows:

- the net capital gains on disposals as at 30 June 2013 were 39.4 million euros, compared with 60.0 million euros at the same date in 2012. This difference is principally related to sales of residential property assets;

- The net depreciation and amortization expenses as at 30 June 2013 were 79.7 million euros compared with 82.8 million euros at the same date in 2012.

- The charges and reversals linked to loss in value on assets, as at 30 June 2013, consisted of a net allocation of 29.6 million euros compared with 3.6 million euros at 30 June 2012. This change is essentially due to an additional provision for loss in value of the EQHO Tower of 25.2 million euros as at 30 June 2013.

The **Net Profit, Group Share** reached 44.7 million euros compared with 81.5 million euros as at 30 June, 2012.

Net Current Cash Flow stood at 123.5 million euros as at 30 June 2013, up 9.3% compared with 30 June, 2012 (113.0 million euros).

This change is mainly due to the growth of the Commercial Property Investment business related to commercial successes in 2012 and the high proportion of investment volumes in the health sector in the 2nd half of 2012 (310 million euros) and is partially mitigated by losses of rental revenue as a result of the disposals carried out in 2012 and 2013. The increased financial expense can mainly be explained by the rise in the financial debt due to financing of investments, partially offset by the fall in the average cost of debt. The fall in the current tax liabilities is mainly related to the fall in taxable profit/loss of the Residential Property Development Division.

Key figures (in millions of euros)	30/06/2013	30/06/2012	Change
EBITDA	**188.4**	**180.1**	**4.5%**
Financial Profit/Loss	**(53.3)**	**(51.6)**	**3.5%**
Corporate tax (*)	(14.0)	(18.0)	
Tax on provision for depreciation on client contracts and net release of investment provisions – Development Division	0.3	1.0	
Tax of 3% on distributed dividends	2.6		
Tax on capital gains from sales	(0.5)	1.3	
Current corporate tax	**(11.6)**	**(15.7)**	**(26.2)%**
CONSOLIDATED NET CURRENT CASH FLOW	**123.5**	**113.0**	**9.3%**

(*) The corporate tax results partly from the activities of the Property Development and Services Divisions and partly from Icade's Holding business.

Restated for minority shareholders of Icade Santé, the **Net Current Cash Flow** stands at 107.9 million euros as at 30 June 2013, up compared with the restated figure for 30 June 2012 (+0.2%).

Loan to value (LTV):

key figures (in millions of euros)	30/06/2013	31/12/2012	Change
Net financial debt	2,661.5	2,725.4	(2.3)%
Appraisal value of Property Investment Portfolio	6,746.4	6,849.7	(1.5)%
Loan to value (LTV)	**39.5%**	**39.8%**	

Icade's **"loan to value" (LTV)** ratio is calculated using the conservative method as the ratio between the group's net debt on all business activities including funding development, service and public & private partnership (PPP) operations, and the appraisal value of the assets (excluding rights) of the Property Investment Division.

NAV:

NAV (in millions of euros)	30/06/2013	31/12/2012	Change (in value)	Change (as %)
Group share of EPRA NAV	4,224.4	4,399.7	(175.3)	(4.0)%
EPRA NAV per share (Group share - fully diluted in €)	81.7	84.7	(3.0),€	(3.6)%
Group share of EPRA triple net NAV	4,079.5	4,190.1	(110.6)	(2.6)%
EPRA triple net NAV per share (Group share - fully diluted in €)	**78.9**	**80.7**	**(1.8),€**	**(2.2)%**

As at 30 June 2013, the EPRA single net asset value is 4,224.4 million euros, i.e. 84.2 euros per share, down 3.6% compared with 31 December 2012 and the EPRA triple net asset value is 4,079.5 million euros, i.e. 78.9 euros per share, down 2.2% compared with 31 December 2011.

The restatement of the dividend of 3.64 euros per share, paid in April 2013, has shown a 2.3% increase in the EPRA triple net asset value compared with 31 December, 2012.

B - ACTIVITIES AND RESULTS 1st half of 2013

1. Property Investment Division

1.1 Overview

key figures (in millions of euros)	30/06/2013	30/06/2012	Change
Revenue	201.5	196.5	2.5%
EBITDA	167.2	160.8	4.0%
EBITDA/Revenue	*83.0%*	*81.8%*	
Operating Profit	96.9	113.8	(14.8)%

Icade's **Property Investment Division** operates principally in the Offices and Business Parks segments in the Ile-de-France area. Icade also operates in the healthcare establishment and shopping centre segments. Finally, Icade has a more marginal presence in segments that are not active targets, such as logistics platforms and offices in Germany.

Strategic assets portfolio:

- **Offices** in France:

Icade owns office buildings (with a total area of 400,000 m²) primarily in Paris, La Défense, the Western Crescent and Villejuif.

- **Business Parks**:

Icade owns a site of nearly 80 hectares in the communes of Paris 19, Saint-Denis and Aubervilliers. It is creating a business campus there, combining diversity and services with the aim of sustainable development.

The Business Parks business is distinguished by its strong organic growth potential. That is why the Commercial Property Investment Division is concentrating a significant proportion of its medium-term investments in this segment, both for the refurbishment of existing assets and the construction of new assets. This business is a future cash flow generator and a significant value creator.

Alternative assets portfolio:

- **Shops and Shopping Centres**:

This activity covers:

- The ownership, since its delivery in October 2009, of a shopping centre in Montpellier (50% ownership, jointly with Klépierre);
- The ownership, since its delivery in April 2011, of a shopping centre in Aubervilliers (50% ownership, jointly with Klépierre);

- The ownership of stores such as "Mr Bricolage" which are instant and recurring cash-flow generators;

- **Healthcare**:

Icade has become a major player in healthcare. Since 2007, Icade has been building a portfolio of 58 healthcare establishments, which are characterised by:

- Assets that generate immediate cash flows;
- Initial fixed-term leases of 12 years;
- Rental margins (net rental/gross rental) of close on 100%

Icade benefits here from a reputable team and expertise in this market.

To support its development and maintain the Group's key balance sheet ratios, Icade Santé opened 250 million euros of its capital, during the 1st half of 2012, to three institutional investors, the main ones of which are Crédit Agricole Assurance and BNP Paribas Cardif. In December 2012, a second capital increase of 110 million euros was carried out to support investments made in the 2nd half of the year. In the 1st half of 2013, 2012, a further capital increase of 110 million euros was carried out with a new institutional investor.

As at 30 June 2013, Icade's stake in Icade Santé stands at 56.5%.

Change in **Icade Santé's Net Current Cash Flow** restated for minority shareholders:

Key figures	HY1 2011	HY2 2011	HY1 2012	HY2 2012	HY1 2013
Icade Santé's NCCF *(in millions of euros)*	18.2	20.5	29.7	36.9	44.9
Change		13%	45%	24%	21%
NCCF share *(in millions of euros)(*)*	18.2	20.5	24.4	25.8	29.3
Change		13%	*19%*	*6%*	*13%*
Icade's average stake in Icade Santé	*100%*	*100%*	*78.7%*	*66.7%*	*61.3%*
Stake at end of year	*100%*	*100%*	*68.9%*	*62.8%*	*56.5%*

(*) NCCF including management fees

Icade's stake in Icade Santé fell from 100% as at 1 January 2012 to nearly 57% as at 30 June 2013 following a series of capital increases. As a result, despite the dilution of Icade's ownership of Icade Santé, Icade Santé's Net Current Cash Flow restated for minority shareholders is increasing.

Non-strategic assets portfolio:

- **Warehouses**:

Most assets leased to the Casino group were sold during the 1st half of 2013 (11 warehouses sold in April 2013).
The remaining balance comprises nine logistics platforms of a total surface area of 180,000m².

- **Offices in Germany**:

Icade owns a residual portfolio of offices in Germany, currently consisting of three buildings (with a total surface area of 75,700m²) located in Munich, Hamburg and Frankfurt, plus six hectares of land banks.

- **Residential Property Investment**:

  Icade owns a residual portfolio of 3,347 residential properties, 28,000 m² of retail property and nursing homes and 153 hectares of land banks.

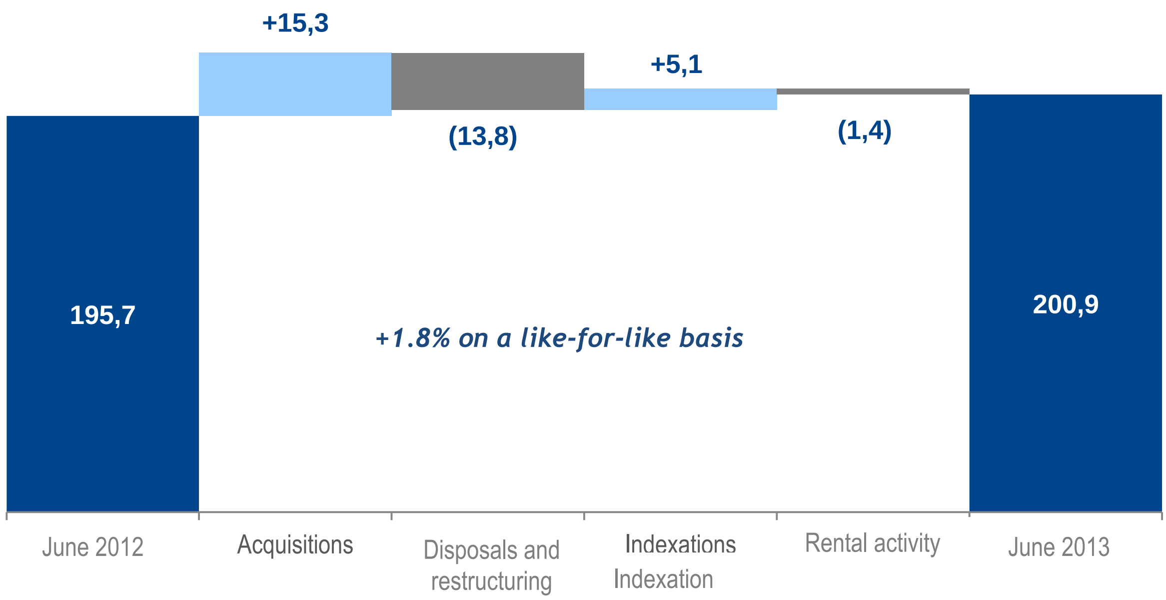
The aim is to continue withdrawing from these assets in the short or medium term.

1.2 Key figures as at 30 June 2013

The **revenue** of the Property Investment Division, as at 30 June 2013, was 201.5 million euros up by 2.5% compared with 30 June 2012. On a like-for-like basis, it grew 1.8%.

Revenue (in millions of euros)	30/06/2013	30/06/2012	Change	Change on a like-for-like basis
Offices in France	57.8	62.5	(4.8)	0.0
Business Parks	50.0	47.9	2.1	2.5
Strategic assets portfolio	**107.7**	**110.5**	**(2.7)**	**2.5**
Shops and shopping centres	12.7	12.4	0.3	0.3
Healthcare	59.6	43.1	16.5	1.9
Alternative assets portfolio	**72.3**	**55.5**	**16.8**	**2.2**
Non-strategic assets portfolio	**22.0**	**30.9**	**(8.9)**	**(0.9)**
Investment intra-group businesses	(0.6)	(0.3)	(0.3)	(0.3)
Property Investment Division	**201.5**	**196.5**	**4.9**	**3.5**

The table below displays the changes **in rental income** from 2012 to 2013:



Rental income (on a like for like basis) showed an improvement of 1.8% compared with 30 June 2012.

Rental Income (in millions of euros)	30/06/2012	Acquisitions/ deliveries	Disposals/ restructuring	Indexing	Rental Business	30/06/2013
Offices in France	61.9	0.6	(5.4)	1.2	(0.5)	57.8
Business Parks	47.9		(0.4)	1.6	(0.2)	48.9
Strategic assets portfolio	**109.8**	**0.6**	**(5.8)**	**2.8**	**(0.7)**	**106.7**
Shops and shopping centres	12.4			0.5	(0.2)	12.7
Healthcare	43.1	14.7		1.7	0.2	59.6
Alternative assets portfolio	**55.4**	**14.6**		**2.2**	**0.0**	**72.3**
Non-strategic assets portfolio	**30.5**		**(8.0)**	**0.2**	**(0.7)**	**22.0**
Investment intra-group businesses	(0.1)					(0.1)
Property Investment Division - Rental Income	**195.7**	**15.3**	**(13.8)**	**5.1**	**(1.4)**	**200.9**
Other Revenues	0.8				(0.2)	0.6
Property Investment Division - Revenue	**196.5**	**15.3**	**(13.8)**	**5.1**	**(1.6)**	**201.5**

Acquisitions and deliveries of assets: have generated 15.3 million euros in additional revenue during the 1st half of 2013 and mainly consist of:

- Investments made by Icade Santé, which has acquired 14 new clinics since June 2012, generating 14.6 million euros in additional revenue during the 1st half of 2013.

- The delivery of the final phase of offices in Villejuif (0.6 million euros in additional rent) completed in March 2012 and leased to LCL.

Disposals and restructuring: 13.8 million euros in lost rent during the 1st half of 2013

- Sales of non-strategic assets in the past year represent 8 million euros in lost revenue.
- The 5.8 million euro reduction in revenue from strategic activities is also the result of arbitrage in the 4th quarter of 2012 involving the building at 7 Avenue de Messine in Paris (2.5 million euro impact), the Neuilly Madrid building (0.5 million euros) and the Areva Tower in La Défense (0.4 million euros).
- Partial restructuring of the PB5 Tower in La Défense reduced rental income by 1.7 million euros.

Rentals (rentals, re-rentals, renewals and departures) and other: 1.6 million euro decrease in rent

This mainly concerns lettings which occurred between the 2nd half of 2012 and the 1st half of 2013, the main effects of which are:

- A 0.7 million euro fall in revenue from strategic and alternative assets, including:

 - 0.8 million euros resulting from the departure at the end of 2012 of the tenant Scor, which has been partially replaced, from the PB5 asset;

 - 0.7 million euros resulting from lease renewals including a fall in rent in relation to article L145.39 of the French Commercial Code;

 - 0.3 million euros resulting from the effect of lease renewals and incoming and departing tenants;

 - an increase of 1.2 million euros generated by additional lettings for H2O in Rueil Malmaison and Factory in Boulogne Billancourt between July 2012 and June 2013.

- A 0.7 million euro fall in revenue from non-strategic assets generated by departing tenants and lease renewals.

The **net rental income** of the Commercial Property Investment Division stands, at 30 June 2013, at 178.6 million euros, i.e. a margin of 88.9%.

	30/06/2013		30/06/2012	
(in millions of euros)	Net rental income	Margin	Net rental income	Margin
Offices in France	52.3	90.4%	58.2	94.0%
Business Parks	43.1	88.1%	39.2	81.7%
Strategic assets portfolio	**95.4**	**89.4%**	**97.3**	**88.6%**
Retail and Shopping Centres	10.6	83.6%	11.2	90.5%
Healthcare	58.9	98.8%	42.5	98.8%
Alternative assets portfolio	**69.5**	**96.1%**	**53.8**	**96.9%**
Non-strategic assets portfolio	**13.3**	**60.6%**	**20.6**	**67.4%**
Investment intra-group businesses	0.4		0.2	
Property Investment Division	**178.6**	**88.9%**	**171.8**	**87.8%**

The Property Investment Division's net rent rose 4.0% compared with the 1st half of 2012, with an improved margin (+1.1 point). The increase in the Healthcare and Business Park Division's net rent offsets lost rental revenue from non-strategic assets and offices due to asset disposals and tenants leaving the PB5 Tower.

- The lower margin from offices is due to the departure of the tenant Scor from the PB5 Tower and the sale of the Avenue de Messine and Neuilly Madrid buildings.

- The improvement in net rent and the rate of recovery of charges from Business Parks is the result firstly of the effects of rent indexation (+1.6 million euros), and secondly the reduction in rental risks, which have not generated losses, unlike 2012 when losses of 2.0 million euros were recorded for unrecoverable receivables.

- The reduction in margin from Shops and Shopping Centres is the result of nearly 0.4 million euros in losses from unrecoverable receivables in 2013 from the Millénaire and Odysséum Shopping Centres.

- The increase in the rental revenue from the Healthcare Division is due to the acquisition of 13 clinics since 2012. The rate of recovery of charges remains stable at 98.8%.

- The reduction in net rent from non-strategic activities is due to the group's withdrawal from warehouse and residential leasing activities.

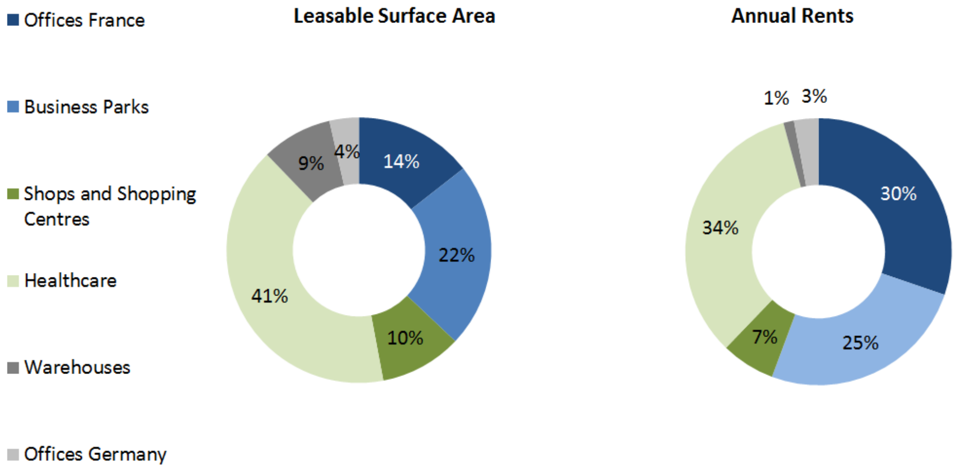
The **Operating profit** for the Commercial Property Investments Division was 96.9 million euros as of 30 June 2013, 16.9 million euros less than on 30 June 2012.

	30/06/2013		30/06/2012	
(in millions of euros)	Operating profit	Operating profit/revenue	Operating profit	Operating profit/revenue
Offices in France	0.3	0.6%	32.2	51.7%
Business Parks	19.0	38.0%	22.0	45.9%
Strategic assets portfolio	**19.3**	**17.9%**	**54.3**	**49.2%**
Retail and Shopping Centres	3.0	23.4%	3.2	26.2%
Healthcare	28.9	48.5%	19.8	46.1%
Alternative assets portfolio	**31.9**	**44.1%**	**23.1**	**41.6%**
Non-strategic assets portfolio	**45.7**	**207.8%**	**36.4**	**117.8%**
Property Investment Division	**96.9**	**48.1%**	**113.8**	**57.9%**

The fall observed in the operating profit is mainly due to an additional provision for loss in value of the EQHO Tower of 25.2 million euros.

1.3 Rental Business

Breakdown of indicators by business



Classes of assets	Leasable Surface Area (m^2)	Leased Surface Area (m^2)	Financial Occupancy Rate	Index-linked IFRS Rental Income (in millions of euros)	Fixed lease residual duration (years) [b]
Offices in France	305,161	290,660	96.9%[c]	120.0,[a]	5.4
Business Parks	476,904	444,281	91.5%	96.1	3.9
Parc du Mauvin	16,305	15,148	92.7%	2.1	2.7
Parc du Millénaire	66,652	66,169	99.3%	21.6	4.1
Parc du Pont de Flandre	90,513	77,432	84.4%	23.9	5.3
Parc des Portes de Paris Aubervilliers	232,741	221,406	92.9%	37.3	2.8
Parc des Portes de Paris Saint Denis	65,364	58,796	88.3%	10.0	4.8
Quartier du Canal	5,329	5,329	100.0%	1.2	0.3
Retail and Shopping Centres	211,346	208,620	96.7%	24.7	4.6
Shopping centres	53,482	50,756	94.6%	14.7	2.0
Mr. Bricolage stores	157,864	157,864	100.0%	10.0	8.4
Healthcare	860,570	860,570	100.0%	126.7	9.4
Warehouses	182,098	130,390	69.2%	4.9	1.7
Offices in Germany	75,741	68,902	94.0%	11.2	8.0
COMMERCIAL PROPERTY INVESTMENT	**2,111,819**	**2,003,423**	**95.9%[c]**	**383.6**	**6.3**

(a) Including 5.8 million euros in revenue from four PPPs that are consolidated but are not included in the other indicators.
(b) All of the rents collected for the term of the lease.
(c) Taking into account the EQHO Tower, the financial occupancy rate for Offices in France would be 75.8% and for Commercial Property Investment it would be 88.5%.

The **financial occupancy rate** was up 1.1 points at 95.9% as at 30 June 2013 compared with 31 December 2012 (94.8%) following the various arbitrages and lettings during the 1st half of 2013.

The management indicators above are presented before taking into account the EQHO Tower, since delivery occurred at the start of July 2013. Inclusion of the EQHO Tower decreases the financial occupancy rate for the Office in France segment to 75.8% and the Commercial Property Investment Division to 88.5% compared with 95.9% as at 30 June 2013.

Before the effect of integration of the four consolidated PPPs (Public-Private Partnerships), current IFRS rents were down 1.2% compared with 31 December 2012, mainly due to arbitrage.

As at 30 June 2013, the **average fixed lease term** is 6.3 years and is stable compared with 31 December 2012. This strong performance is related to lease renewals signed in 2013 and new lettings during the 1st half of 2013.

New Signings

In the 1st half of 2013, Icade signed 33 **new leases,** relating to nearly 20,200 m^2 (including 13,100 m^2 of strategic assets) and representing 5.1 million euros in annualised rents.

During the 1st half of 2013, Icade has recorded:

- Letting of 70% of the vacant space in the **Factory property** in Boulogne (92) in June 2013 to Paris Saint Germain (5400 m^2 - effective from 06 June 2013);
- Letting of 76% of vacant surface areas in **Millénaire 5** to the Numergy group (965 m^2 - start date **18 February 2013**) and to the Radiall group (944 m^2 - start date **1 December 2013**).
- Signing of a lease on the Hamburg building with InnoGames GmbH (6684 m^2 - start date **1 February 2014**).

Renewals

In 2013, Icade has continued its rental policy, which consists of offering its main tenants a **renewal** of their leases before they end in order to secure its long-term cash flow. This asset management work resulted in the signing of 12 leases covering 23,900 m^2.

Lease renewals/renegotiations have secured 2.9 million euros in rents over an average fixed term of eight years. Loss of rental income in relation to renewals achieved amounted to 0.2% of current IFRS rents.

Lease renewals/renegotiations:

- Renewal of the Services Fiscaux de l'Essonne lease (3000 m^2) in the L'Européen building for six years (start date January 2013).
- Renewal of leases for Générale de Santé (13,500 m^2) in CERS and Cap Breton for a fixed term of 12 years (start date 1 January 2013)
- Renewal of the Oddo et Cie lease (3500 m^2) in Millénaire 1 for a fixed term of six years (start date 2 April 2013).

Tenant Departures

Departures during the 1st half of 2013 involved 33 leases (17,100 m^2) and represented lost rents of 2.8 million euros. In terms of strategic assets, departures amounted to 28 leases for 8600 m^2.

The nature of the **vacant space** as at 30 June 2013 is diverse and should therefore be adjusted in terms of the impact, depending on the designated use. It mainly involves the following assets:

Assets in Operation	Towns	Vacant Space (m^2)	Potential annual rental income (in millions of euros)
29-31-33 Champs Elysées	Paris	2,700	
Le Mozart	Evry	3,400	
Factory	Boulogne	2,500	
Other Offices France		5,900	
	Subtotal Offices France[(a)]	**14,500**	**3.7**
Building 521	Aubervilliers	2,100	
Building 265	Aubervilliers	6,600	
Building 028	Paris	8,400	
Other Business Parks		15,500	
	Subtotal Business Parks	**32,600**	**8.9**
Le Millénaire Shopping Centre	Aubervilliers	1,500	
Other Shopping Centres		1,200	.
	Subtotal Shopping Centres	**2,700**	**0.8**
Tharabie	Saint Quentin Fallavier (38)	31,500	
Other Warehouses		20,200	
	Subtotal Warehouses	**51,700**	**2.2**
Other Offices Germany		6.900	
	Subtotal Offices Germany	**6,900**	**0.7**
	COMMERCIAL PROPERTY INVESTMENT [(a)]	**108,400**	**16.3**

(a) *After inclusion of the EQHO Tower, vacant surface areas in the Offices in France segment represent a total of 93,700 m² and the Commercial Property Investment a total of 187,600 m². The potential rent would be 49.1 million euros.*

List of main tenants as at 30 June 2013

- Assets excluding 93 700 m²

Occupants	Annual rent	Leased surface area
	%	%
PwC	8.9%	2.7%
Crédit Agricole SA	8.0%	6.4%
Ministry of the Interior	4.6%	2.2%
Mr Bricolage Group (38 stores)	3.8%	13.1%
Icade Group	3.3%	1.8%
GMG (T-Systems)	2.6%	3.5%
Pierre & Vacances Group	2.4%	1.7%
Rhodia Group	2.1%	3.5%
Agence Régionale de Santé	2.1%	1.5%
Ingenico Group	1.9%	0.9%
Euro Média France	1.6%	2.7%
Club Mediterrannée	1.5%	1.1%
I.F.F.	1.5%	0.4%
Coca-Cola Group	1.4%	0.8%
RTE Group	1.4%	0.5%
UBS Securities	1.4%	0.5%
Tribunal de Grande Instance (regional court)	1.3%	0.7%
IdF Urssaf	1.3%	0.8%
Eurasia Group	1.3%	1.8%
Heineken Group	1.2%	0.8%
Balance	46.5%	52.4%
	100%	**100%**

As at 30 June 2013, the 10 biggest tenants accounted for total annual rents of 99.7 million euros (40% of annual rents from assets excluding healthcare).

- Icade Santé assets

Occupants	Annual rent	Leased surface area
	%	%
Vedici Group (16 facilities)	29.0%	31.9%
Générale de Santé (13 facilities)	27.3%	20.5%
Médi Partenaire Group (15 facilities)	25.4%	24.2%
Harpin Group (two facilities)	5.8%	5.8%
3H Group (four facilities)	4.8%	5.6%
Clinipôle Group (three facilities)	3.0%	3.3%
C2S Group (three facilities)	2.4%	3.7%
Ramsay Group (two facilities)	2.3%	5.1%
58 facilities as at 30 June 2013	**100%**	**100%**

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

Businesses	Offices in France	Business Parks	Retail and Shopping Centres	Healthcare	Warehouses	Offices in Germany	Total	%
2013	8.5	9.5	1.6	0.3		0.2	**20.1**	**5.3%**
2014	13.4	13.0	3.6	0.0	3.4	0.0	**33.4**	**8.8%**
2015	14.7	12.4	6.2		1.3	0.2	**34.9**	**9.2%**
2016	9.1	19.0	2.4			0.5	**31.1**	**8.2%**
2017	8.2	10.1				0.2	**18.6**	**4.9%**
2018	10.9	5.1					**16.0**	**4.2%**
2019	2.8	12.3	0.9	9.0	0.2	3.5	**28.6**	**7.6%**
2020	3.7	2.2	0.2	30.4			**36.4**	**9.6%**
2021	30.2	11.3	9.1	6.8			**57.4**	**15.2%**
>2021	12.7	1.1	0.7	80.2		6.5	**101.3**	**26.8%**
Total	**114.2**	**96.1**	**24.7**	**126.7**	**4.9**	**11.2**	**377.8**	**100.0%**

In the 2nd half of 2013, the risk of significant numbers of tenants departing when their leases expire remains low. This is because there are a total of 34 leases representing revenue of more than 0.1 million euros, demonstrating a major dispersion of risk. Furthermore, rental income from the largest tenant, whose lease expires in the 2nd half of the year, amounts to less than 3 million euros.

Average age of the property assets in use, broken down by business

Businesses	**Appraisal** 06/2013 (millions of euros)	o/w HQE	< 10 years	> 10 years
Offices in France	1,982	610	1,509	473
Business Parks	1,560	491	592	968
Retail and Shopping Centres	468	199	371	97
Healthcare	1,950		1,417	534
Warehouses	51		41	10
Offices in Germany	151		130	21
COMMERCIAL PROPERTY INVESTMENT	**6,162**	**1,301**	**4,059**	**2,103**
			66%[(a)]	**34%**

(a) Taking into account the EQHO Tower, this ratio would be 69%

In addition, the share of HQE certified assets in operation is just over 21% as at 30 June 2013, which is stable compared with 31 December 2012 (the EQHO Tower does not fall within this indicator since it was under development as at 30 June 2013, although on delivery it will receive the “BBC Renovation” label). Taking into account the EQHO Tower, this ratio would be more than 27% In the coming years, Véolia’s future head office and Le Millénaire 3 should further improve this ratio.

<u>Geographical Breakdown of Assets</u>

Geographic region	Annual rental income (in millions of euros)	%	Leasable Surface Area	%
Paris CBD	10.0	2.7%	17,174	0.8%
Western suburb	73.0	19.3%	154,833	7.3%
Other Paris	48.5	12.8%	161,753	7.7%
Other suburb	110.9	29.4%	593,065	28.1%
Regional	124.1	32.9%	1,109,253	52.5%
Rest of the World	11.2	3.0%	75,741	3.6%
COMMERCIAL PROPERTY INVESTMENT	**377.8**	**100.0%**	**2,111,819**	**100.0%**

The Office and Business Park assets of the Commercial Property Investment Division are located in Paris and Ile-de-France. The shops, shopping centres, logistics and healthcare establishments are mainly located in Ile de France and the regions.

1.4 Investment

Icade has continued to add value to its assets in order to increase the generation of cash flows in the longer term. At the same time it has acquired healthcare assets which generate immediate cash flows. Total investments over the period amounted to **199.4 million euros**.

Assets	Total	Asset acquisitions	Asset refurbishments	Construction extensions	Renovation/ major maintenance
Offices in France	39.4		36.8		2.7
Business Parks	37.3			26.5	10.7
Strategic assets portfolio	**76.7**		**36.8**	**26.5**	**13.4**
Shops and Shopping Centres	0.8				0.8
Healthcare	117.7	110.6		7.1	0.1
Alternative assets portfolio	**118.5**	**110.6**		**7.1**	**0.9**
Non-strategic assets portfolio	**4.1**				**4.1**
Property Investment Division	**199.4**	**110.6**	**36.8**	**33.6**	**18.4**

<u>Asset restructuring</u>: selective strategy to develop the assets generating a significant potential for profitability. This includes:

- Offices in France for 36.8 million euros, relating to work on the EQHO Tower relating to its restructuring (32.7 million euros) and the PB5 Tower(4.0 million euros);

<u>Constructions & extensions of assets</u>: The investments primarily concern:

- Business Parks: investments in the 1st half of the year represent 26.5 million euros. These relate to the cost of studies prior to construction works for the Veolia project of 8.6 million euros, Millénaire 3 construction costs of 14.4 million euros and study costs for Block E of 3.1 million euros.

Millénaire 3:

Signature, in February 2011, of a firm agreement with the Government for the lease and/or the sale to the Ministry of Justice of a building with approximately 32,000 m² net floor area whose building permit, submitted in July 2011, was obtained on 9 December 2011. From 2015, this building will house the Chancellery's central administrations.

In January 2012, Icade therefore launched the construction studies for the building. Work began in early 2013, in accordance with the schedule for provisional delivery in April 2015. The ceremony for the laying of the first stone took place on 27 June 2013 attended by the Minister of Justice.

It is a new-build with seven levels over the ground floor and two infrastructure levels containing 345 parking spaces and archive premises. The project, entrusted to the KPF architectural firm, is based on an atrium protected by a glass roof, at the base of which all of the services will be grouped together (lobbies, restaurant, cafeteria, concierge service).

Millénaire 3 will have HQE and BREEAM Excellent certification, as well as the BBC label.

Veolia:

Following the signing of an off-plan lease on 31 January 2013, the building permit application for the future Veolia Environnement head office was submitted on 30 April, in line with the target. The building, designed by architect Dietmar Feichtinger, will house more than 2000 employees from several of the group's business lines in a surface area of 45,000 m² from summer 2016.

With this project, Icade is pursuing development of the Millénaire district in Porte d'Aubervilliers. After several Administrations, including the Ministry of Justice, the installation of a CAC 40 group confirms the area's appeal. The transport and retail offer as well as Icade's ability to construct large complexes responding to the latest environmental standards (HQE and BREEAM for the Veolia building) represent the main advantages of this new district.

- Healthcare: This essentially involves construction or extension work on clinics, to a sum of 7.1 million euros. This work is part of the rental conditions, fixed contractually on acquisition, and will lead to a rent supplement on delivery.

Acquisitions:

- Healthcare: During the 1st half of 2013, Icade Santé acquired three new clinics and an extension for 110.6 million euros.

These new investments form part of the development strategy that Icade is operating in the healthcare sector (a strategy of building up an attractive portfolio in terms of net yield, with several operators and therefore with enough diversification to limit rental risk). The investments also complete Icade's nationwide coverage, with a total portfolio of 10,512 beds and a floor area of nearly 860,000 m².

Finally, it is worth noting that the majority of the leases are very favourable to the Clinics business, since the tenant is contractually obliged to take on all the charges and the expenses for maintenance and renovation (net triple rent).

During the 1st half of 2013, Icade raised 110 million euros from a French institutional investor in its subsidiary Icade Santé, by increasing the reserved capital, to enable the continued development of its healthcare business.

Renovations/Major Maintenance & Repairs: mainly refer to the expenses of renovation work on business parks and accompanying measures (leaseholders' work).

1.5 Trade-offs

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

- Optimisation and revenue: sale of mature assets, for which most of the asset management work has been done and where there is a high probability of capital gain on the sales;

- Portfolio rationalisation: sale of assets of modest size or held under joint ownership;

- Shift to the commercial sector, disposal of non-strategic assets: sale of assets, which do not belong in the core business of the Commercial Property Investment Division.

The value of sales realised up to 30 June 2013 was 263.6 million euros.

Assets	Total	Optimisation	Portfolio rationalisation	Shift to the commercial sector
Offices in France	7.4		7.3	
Business Parks	12.9			12.9
Strategic assets portfolio	**20.2**		**7.3**	**12.9**
Alternative assets portfolio				
Non-strategic assets portfolio	**243.5**			**243.5**
Property Investment Division	**263.6**		**7.3**	**256.4**

This relates primarily to the following:

- The sale in April 2013 and May 2013 of 11 logistics platforms mainly operated by the Casino group. This sale was carried out for 145 million euros;

- In 2013, Icade continued the process of selling residential units, notably including the block sale of 849 units located in Sarcelles for 43.2 million euros and of 50 single units for a total amount of 5.5 million euros;

- The sale in June 2013 of land to the north of the Parc des Portes de Paris, for the future Condorcet campus, for 12.8 million euros;

- The sale in June 2013 of a jointly owned building on Rue Armant Moisant in Paris for 7 million euros;

- Sales underway in the 1st half of the year of a business park in Berlin and an office building in Stuttgart for 49.5 million euros.

During the period spanning the 1st half of 2013 and July 2013, Icade signed the following undertakings to sell:

- On 6 June 2013, Icade signed an undertaking to sell the La Factory building in Boulogne-Billancourt, with a surface area of 13,800 m². The sale is expected to be completed during the 2nd half of 2013;

- On 5 April 2013, Icade signed undertakings to sell the Ris Orangis and Cholet warehouses, with surface areas of 9,600 m² and 6,900 m² respectively. Final completion took place in July 2013;

- On 14 November 2012, Icade signed an undertaking to sell the land in Munich with a surface area of 7,018 m^2. Final completion is expected to take place during the 2^{nd} half of 2013;

- In June 2013, Icade signed an undertaking to sell the land in Berlin and Dusseldorf. Final completion of the sale is expected to take place during the 2^{nd} half of 2013.

2. Development Division

2.1 Key figures

Real-estate markets are experiencing a slowdown in 2013. Macro-economic indicators and a lack of confidence among private individuals as well as investors are encouraging caution and limiting investment decisions.

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

The Residential market is heading for a new fall in volume to approximately 60,000/70,000 plots in 2013, as well as in value with a more significant fall in prices regionally than in Paris and areas with a supply shortage, and increasing numbers of sales incentives.

The level of activity in the 1st half of 2013 for the Residential Property Development business is slightly down by 1.6% compared with the 1st half of 2012. This change is explained by:

- A fall in revenue linked to a long period of bad winter weather at the start of the year, without threatening the projection for the financial year;
- Numerous projects launched late in the 1st half of 2013.

EBITDA stands at 11.0 million euros, a fall of 14.0 million euros (-56.1%) between June 2012 and June 2013, particularly due to:

- More significant effect of seasonality on revenue than in 2012;
- The end of the Scellier scheme, which in 2011 generated higher project margins;
- Contraction in margins on block sales carried out in 2012 and 2013 to social-housing companies, to replace the rental investment sales carried out previously.

Operating profit for the Residential Property Development Division is down 58.5% (11.2 million euros as at 30 June 2013 compared with 26.9 million euros as at 30 June 2012).

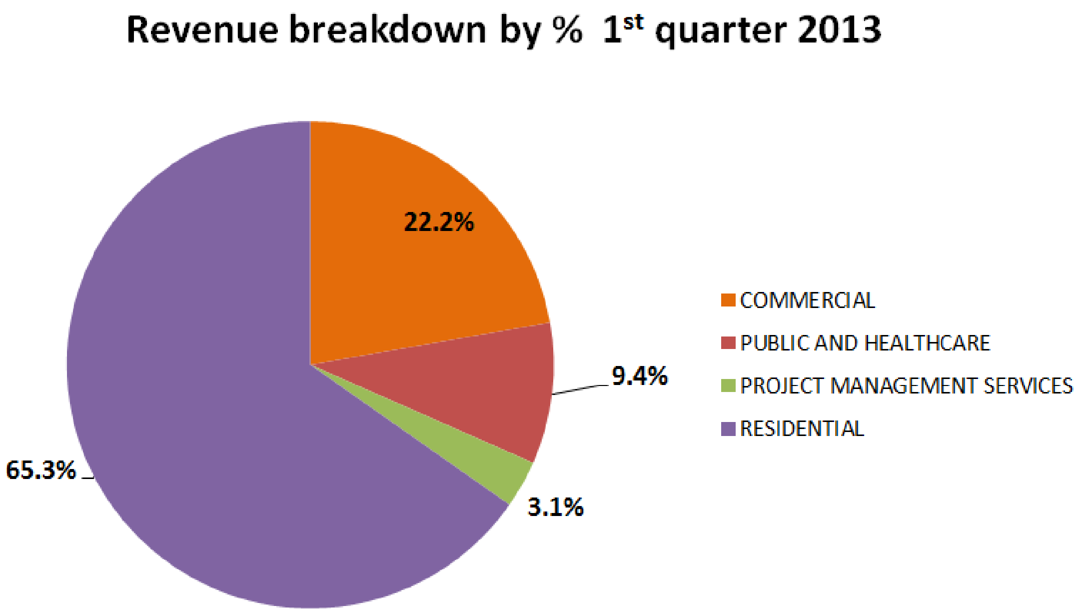
Operating profits are up sharply in the Commercial Property Development business, doubling compared with 2012 to reach 12.7 million euros (5.8 million euros as at 30 June 2012) due in particular to large projects such as the Dijon Coy Mutualité project and office projects launched in the Ile-de-France (Zac de Rungis, Joinville, Guyancourt and Lyon Nexans).

At 30 June 2013, the operating profit for the division stood at 23.9 million euros or 4.9% of the revenue, as opposed to 32.7 million euros, or 7.1% of the revenue in the 1st half of 2012 (restated for companies sold in 2013).

Key Figures (in millions of euros)	30/06/2013	30/06/2012 after reclassification	Reclassifications (**)	30/06/2012 published	Change
Residential Property Development	315.0	320.2	0.0	320.2	(1.6)%
Commercial Property Development	167.7	142.9	(13.0)	155.9	17.4%
PNE Development	0.0	0.0	(12.0)	12.0	0.0%
Inter-business Development	0.0	(0.1)	16.1	(16.2)	N/A
Businesses Sold	0.0	8.9	8.9	0.0	N/A
Revenue (*)	**482.7**	**471.8**	**0.0**	**471.8**	**2.3%**
Residential Property Development	11.0	25.0	0.0	25.0	(56.1)%
Commercial Property Development	12.5	3.2	1.4	1.8	294.2%
PNE Development	0.0	0.0	6.6	(6.6)	0.0%
Inter-business Development	0.0	0.0	(4.8)	4.8	0.0%
Businesses Sold	0.0	(3.2)	(3.2)		N/A
EBITDA	**23.5**	**25.0**	**0.0**	**25.0**	**(6.1)%**
Residential Property Development	11.2	26.9	0.0	26.9	(58.5)%
Commercial Property Development	12.7	5.8	1.5	4.4	118.5%
PNE Development	0.0	0.0	8.3	(8.3)	0.0%
Inter-business Development	0.0	0.0	(2.5)	2.5	0.0%
Businesses Sold	0.0	(7.3)	(7.3)	0.0	N/A
Operating profit	**23.9**	**25.5**	**0.0**	**25.5**	**(6.3)%**

(*) Revenue based on progress, after inclusion of the commercial progress and work progress of each operation.
(**) Transfer in 2013 of the businesses sold (Icade Arcoba, Icade Sethri, Icade Gestec and SAS PNE) to the "Businesses Sold" row following the sale of these entities in the 1st half of 2013.

Revenue:



(*) excluding intra-business development eliminations

The Residential Property Development business is the main contributor, representing 65.3% of the overall business (69.2% pro forma in the 1st half of 2012).

The Commercial Property Development business is up overall (167.7 million euros, +17.4%) with a decline in public facilities and healthcare (-42% to 45.2 million euros), which is offset by Commercial Property Development (+137% to 107.3 million euros).

Development backlog and Order book:

The backlog represents the revenue signed (before tax) but not yet recognized on 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.

Development backlog as at 30 June 2013 (in millions of euros)	Total	Ile-de-France	Regions
Residential development (inc. subdivision)	1,159.6	676.2	483.4
Commercial Property Development	281.6	240.5	41.1
Shops Development			
Public and Healthcare Development	95.3	18.5	76.8
Project management services order book	57.3	33.5	23.8
TOTAL	**1,593.8**	**968.7**	**625.1**
	100%	**61%**	**39%**

The total backlog of the Development Division is down by 3.7% compared with 31 December 2012, totalling 1,593.8 million euros (compared with 1,654.6 million euros as at 31 December 2012).

These changes can be analysed as follows:

- A 7.2% increase in the Residential Property Development backlog, from 1,081.6 million euros to 1,159.6 million euros (equivalent to 19 months of activity), reflecting strong sales activity during the half-year. The secure share corresponding to completed sales, represents 59% of the total (compared with 58% on 31 December 2012) or equivalent to around 11 months of activity.

- A fall in the Commercial Property Development backlog which has gone from 380.8 million euros to 281.6 million euros (-26.1%), mainly due to the progress of operations signed in 2011 and 2012 (Joinville Urbagreen, Paris-Pyrénées Garance, Saint-Denis Sisley, Lyon Opale et Ambre, Paris Nord Est, Paris ZAC de Rungis Pushed Slab and Guyancourt) and delivery of the Prélude project in Bordeaux.

- A fall in the "Public Facilities and Healthcare" backlog which has dropped 22.9% from 123.5 million euros to 95.3 million euros.

- A 16.5% decrease in the Services Division order book to 57.3 million euros.

2.2 Residential Property Development

(in millions of euros)	30/06/2013	30 June 2012 restated	Reclassifications	30/06/2012	Change on a like-for-like basis
Revenues (*)	315.0	320.2		320.2	(1.6)%
EBITDA	11.0	25.0		25.0	(56.1)%
Margin (EBITDA/Revenues)	*3.5%*	*7.8%*		*7.8%*	
Operating profit	11.2	26.9		26.9	(58.5)%

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

Revenues are almost stable (fall of 1.6%) to 315.0 million euros compared with 320.2 million euros in the 1st half of 2012.

In the 1st half of the year, the market was supported by first-time buyer products and block sales. The flow of commercial stock has slowed down (flow has fallen 7.1% compared with 8.2% during the 1st half of the year), due to the decline in private investors.

EBITDA is 11.0 million euros, i.e. 3.5% of revenues (compared with 7.8% of revenues during the 1st half of 2012 at 25.0 million euros). This fall is a direct result of the decline in gross margin from newly launched projects and the seasonality of this activity.

As at 30 June 2013, the level of unsold completed stock is very low at 128 residential properties representing 22.2 million euros in revenues.

Marketing of new properties and plots of building land over the 1st half of 2013

	Ile-de-France	Regions	TOTAL
Number of plots	1,050	851	1,901
Revenues (potential in millions of euros)	260.5	203.2	463.7

The number of properties and plots of building land for sale is 1,901 in the 1st half of the year, compared with 3,548 during the same period last year. The fall is the result of the decline in regional sales launches.

Start of operations concerning new properties and plots of building land over the 1st half of 2013

	Ile-de-France	Regions	TOTAL
Number of plots	1,720	945	2,665
Revenues (potential in millions of euros)	481.4	179.3	660.7

In the 1st half of 2013, 2,665 residential properties and building plots were launched compared with 652 for the same period the previous year. The 1st half of 2012 saw a particularly low and insignificant number of launches. Launches in the 1st half of 2013, on the other hand, are in line with the targets for the year, with the launch of large-scale projects such as Paris 19 Mac Donald (1,125 plots) and Boulogne Trapèze Est B5 (411 plots).

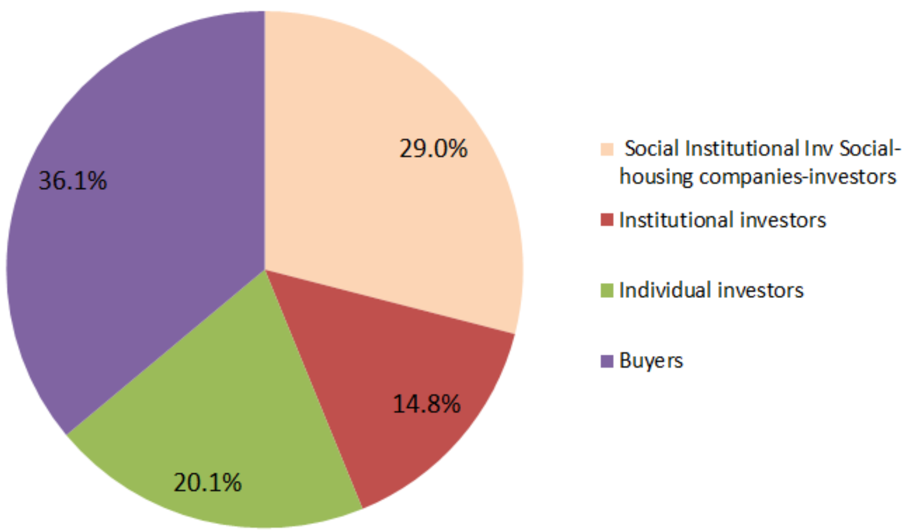
Reservations of new homes and plots of building land

	30/06/2013	30/06/2012	Change
Number of housing reservations	1,948	2,517	(22.6)%
Housing reservations in millions of euros (including tax)	453.6	460.6	(1.5)%
Housing withdrawal rate	25.7%	15.0%	
Number of building plot reservations	37	24	54.2%
Reservations of building plots in € millions (including tax)	4.0	2.3	73.9%

Reserved revenue is almost identical to 30 June 2012. In terms of numbers, reservations of new homes is down by 22.6% in the 1st half of 2013 (1,948 in total) due to the absence of student and senior housing.

Sales of plots of building land are up 73.9% (although at a low volume).

Breakdown by type of housing customer



During the 1st half of 2013, reservations for buyers (main residence and secondary residence) accounted for 772 residential properties and plots, i.e. 36.1% of the sales activity (compared with 34.3% in 2012). The number of private individual investors (431 reservations) is up, at 20.1% (18.6% in 2012), the number of corporate investors and institutional investors (938 reserved properties) fell to 43.8% of reservations compared with 47.1% for 2012.

Average sale price and average surface area based on reservations

	30/06/2013	30/06/2012	Change
Average price including taxes per habitable m² (€/m²)	3,621	3,539	2.3%
Average budget including tax per residential unit (€K)	233	183	27.3%
Average floor area per residential unit (m²)	64	52	24.4%

The average budget for residential units reserved over the six months is 233.0 thousand euros (up 27.3%).
The average price including tax per m² is 3,621 euros and has increased compared with the 1st half of 2012 (+2.3%).

Following the sale of several student and senior residences over the 1st half of 2012, which had a direct effect on the fall in average surface area sold, the average budget per residential unit and the increase in the average price per m^2 compared with 2011, the average surface area sold during the 1st half of 2013 is 24.4% higher, reflecting a return to normal of the average budget per home (+27.3%); the average price per m² is up 2.3% compared with 2012, reflecting strong resilience of process, particularly in areas with a shortage of supply (Ile-de-France, Nice, Aix, etc.).

As at 30 June 2013, the number of notarised sales has increased by 29.3%, and also by amount, to 365.6 million euros for 1,655 residential units and plots compared with 279.6 million euros and 1,280 residential units and plots as at 30 June 2012.

Property portfolio

The land reserves portfolio of residential units and building plots is 6,878 plots (6,805 plots as at 30 June 2012) for potential revenues estimated at 1.5 billion euros (compared with 1.5 billion euros as at 30 June 2012), almost stable compared with the 1st half of 2012. Production under development represents approximately 21 months' activity.

2.3 Commercial Property Development

(in millions of euros)	30/06/2013	30 June 2012 restated	Reclassifications	30/06/2012	Change on a like-for-like basis
Revenues (*)	167.7	142.9	(13.0)	155.9	17.4%
EBITDA	12.5	3.2	1.4	1.8	294.2%
Margin (EBITDA/Revenues)	*7.4%*	*2.2%*		*1.2%*	
Operating profit	12.7	5.8	1.5	4.4	118.5%

Revenue (in millions of euros)	30/06/2013	30 June 2012 restated	Reclassifications	30/06/2012	Change on a like-for-like basis
Commercial Property Development	**167.7**	**142.9**		**155.9**	**17.4%**
. Public and Healthcare	45.2	78.2		78.2	(42.2)%
. Services	107.3	45.3		45.3	136.9%
. Shops	0.0	0.0		0.0	0.0%
. Project Management Assistance	15.2	19.3		19.3	(21.2)%
. Engineering	0.0	0.0	(13.0)	13.0	0.0%
. Others	0.0	0.0		0.0	0.0%

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

Public and Healthcare:

In the Public and Healthcare area, the highlights for the 1st half of 2013 were as follows:

- In the medical-social sector, having signed more than 65 million euros of property development contracts in 2012, Icade continued to expand in this strategic area with the signing of several new contracts for residential homes for the elderly (EHPAD) and sheltered housing;

- In the PPP area (public-private partnerships), the work on the Zoo de Vincennes is on target for planned delivery before the end of 2013, entering service in the spring of 2014;

- In the Project Management Assistance business, the new Versailles university library, constructed on behalf of the Ile-de-France Region, was opened in June 2013, along with the first phase of the Le Bourget Air Museum;

- In healthcare, the construction site for the Nouméa hospital is progressing, while a property development contract has been signed for the construction of an associated clinic (Médipôle de Koutio). Hospital studies are being renewed, prior to new investment projects: this quarter, Icade was awarded the studies for the hospitals in Suresnes, Plaisir, the Institut Curie in Paris and the university hospitals in Rouen and Marseille;

- The consultancy assignment for the new hospital in Monaco was renewed, while the project management competition resulted in the AIA agency's project being chosen.

In the 1st half of 2013, revenues from the "Public and Healthcare" Property Development business fell 42.2% to 45.2 million euros. This foreseeable decline in business is mainly due to the end of the various PPP projects (hospital at Saint Nazaire, delivered in February 2012, and the MuCEM conservation centre delivered in October 2012) whose revenues were only partially replaced.

At 30 June 2013, the portfolio of projects in Public and Healthcare Development amounted to 108,964 m² (111,490 m² at 31 December 2012) of projects under construction, including 10,000 m² for PPPs (10,000 m²as at 31 December 2012) and 189,154 m² of projects at the initial setup stage (87,227 m² at 31 December 2012).

At 30 June 2013, the principal operations in progress were as follows:

Operations in progress	Total rounded floor area (in m² Net Floor Area)	Type of development	Set-up	Location	Expected completion date
Vincennes Zoo (PPP)	10,000	Zoological gardens	Property development contract	Paris 12 (75)	2013
Montpellier Grisettes	7,405	Medical-social facility	Property development contract	Montpellier (34)	2013
Loire site nursing home	8,664	Medical-social facility	Property development contract	Tours (37)	2014
Cerdagne **geriatric centre**	6,103	Medical-social facility	Property development contract	Err (66)	2014
Dijon Mutualité Gérontopôle	13,000	Medical-social establishment	Off-plan	Dijon (21)	2013
University hospital car park	7,441	Car park	Property development contract	St Denis de La Réunion (974)	2013

The main projects delivered over the half year are:

- The JCLT school in Monnaie (37): 1,720 m2 sold off-plan;
- Housing and the Parish Church Centre in Veigné (37): 3,142 m^2 sold off-plan;
- The 42 housing units in Chevilly Larue B4 (94): 2,857 m^2 sold off-plan

Since 1 January 2013, 20.5 million euros (Icade's proportional share) of contracts were signed for off-plan sales or property development contracts:

- A physical medicine and rehabilitation centre in Saint-Nazaire (44): 9,934 m^2 as a property development contract;

Commercial Property and Shops:

Over the 1st half of 2013, revenues of the Offices and Shops Development (107.3 million euros compared with 45.3 million euros last year) have clearly increased, due to the start of new operations, particularly in Ile de France.

The main operations that have contributed to the revenue for the 1st half of 2013 are:

- Joinville "Urbagreen" for WERELDHAVE;
- Paris Zac de Rungis "Le Pushed Slab" (Paris 13) for BPRP
- Paris "Le Garance" (Paris 20) for the RATP
- Lyon NEXANS "Opale et Ambre" for ARKEA.
- Lille "250 Avenue de la République" for SCPI NOTAPIERRE- UNIFO
- Guyancourt "START" for SAS COLIGNY
- Nantes "Viviani" for the City of Nantes and the Loire-Atlantique General Council
- Saint Denis Landy – "LE SISLEY" for SILIC
- North-east Paris offices for BNP PARIBAS.

The main projects delivered over the half year are:

- Bordeaux "Prélude Armagnac" for UFG.

As at 30 June 2013, Icade Promotion had a **portfolio of projects** in Commercial Property Development and Shops of about 883,268 m^2 (891,112 m^2 as at 31 December 2012), which breaks down as:

- Projects under construction for 215,175 m^2 (220,308 m^2 as at 31 December 2012), representing future revenue of 281.2 million euros (380.8 million euros as at 31 December 2012).

The main projects currently under development are summarised in the table below:

Operations in progress	Total rounded floor area (in m² Net Floor Area)	Type of development	Set-up	Purchasers	Expected completion date
Saint Denis Landy (50%) SISLEY	22 001	Offices	Property development contract	SILIC	2014
Lyon Nexans Block L "Opale" (50%)	12,837	Offices	Off-plan	ARKEA – Crédit Mutuel	2014
Joinville "Urbagreen"	18,950	Offices	Off-plan	Wereldhave	2013
ZAC RUNGIS – PARIS 13 "Pushed Slab"	18,900	Offices	Off-plan	BPRP	2014
Toulon	6,838	Offices	Off-plan	SCP AGPM	2014
La Madeleine - 250 Av de la République	4,468	Offices	Off-plan	SCPI NOTAPIERRE-UNIFO	2013
Lyon Nexans Block M "Ambre" (50%)	12,320	Offices	Off-plan	ARKEA – Crédit Mutuel	2013
Guyancourt (50%) "Start"	30,241	Offices	Off-plan	SAS COLIGNY	2013
Nantes Viviani	6,271	Office equipment	Off-plan	City of Nantes/Loire-Atlantique General Council	2014
Orléans Calvin block (45%)	5,324	Offices	Property development contract	Lemeunier- Lelièvre + CDC	2013
Paris North-East "Activities"	15,368	Business premises	Off-plan	RIVP	2015
Paris North-East "Offices" (50%)	27,624	Offices	Off-plan	BNP PARIBAS	2014
Paris 20 – PYRENEES "Garance"	1,814	Offices	Property development contract/Off-plan	CICOBAIL/NatioCrédit Bail	2015
Paris 20 – PYRENEES "Garance"	28,186	Offices	Off-plan	*	2015
Cayenne SOFILO EDF	4,033	Offices	Property development contract	SOFILO	2013
Total	**215,175**				

(*) Operation under speculative development.

As at 30 June 2013, 86.9% of surfaces under construction had been sold (90.5% as at 30 June 2012).

- Projects under construction consolidated using the equity method for 92,207 m² (same as 31 December 2012);
- Projects under construction for 575,886 m² (578,597 m² as at 31 December 2012), representing revenues of 1,088.5 million euros (1,029.3 million euros as at 31 December 2012). The latter represent projects not yet initiated or delivered for which either a promise of the sale of land for the proposed building (in the case of an off-plan project), or a preliminary contract with the investing customer or user (in the case of a Property Development project), or a partnership agreement for a joint operation has been signed. Some may have planning permission, applied for or obtained (with or without appeals resolved) and others may not;
- Finally, ICADE is preparing the construction permits for the major development operation of the new Espace Océan district in Saint Denis de la Réunion, for which a concession agreement was signed in May 2012 with the town of Saint Denis. The project relates to 82,516 m² of a shopping centre, offices and homes.

The operations that are in the process of being set up, with planning permission applied for or obtained, are summarised in the following table:

Total rounded floor area (in m² Net Floor Area)	Type of development (offices, shops, etc.)	Expected completion date	Location
3,200	Offices	2015	Lyon – Limonest (69)
5,300	Offices	2015	Choisy (94)
11,995	Offices	2015	Cachan (94)
5,535	Offices	2016	Bordeaux (33)
6,334	Offices	2014	Bordeaux (33)
996	Offices	2014	Evreux (27)
5,461	Offices	2015	Nantes (44)
58,982	Shops	2015	Marseille (13)
97,803	**Total**		

Operations at the initial development stage, with controlled land but without planning permission, are summarised in the following table:

Total rounded floor area (in m² Net Floor Area)	Type of development (offices, shops, etc.)	Expected completion date
30,815	Offices	2017
31,890	Offices	2017
11,726	Offices	2016
2,938	Offices	2014
77,110	Offices	2018
7,694	Offices	2015
16,443	Offices + shops	2017
17,286	Offices + businesses	2018
195,902	**Total**	

Speculative operations not pre-sold or not pre-leased represent an irreversible commitment of 234.2 million euros (excluding tax).

Project management assistance:

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

In the 1st half of 2013, revenue from project management assistance fell 21.2% to 15.2 million euros, reflecting the steady decline in assignments from the public sector.

In the offices segment, the principal contracts for 2013 relate to the Commercial Property Investment Division's projects:

- The EQHO Tower in La Défense
- The Block E building in Saint Denis;
- The Millénaire 3 and 4 buildings in Paris 19.

In the context of the internal restructuring of the Icade Group, these contracts will be taken over by the Property Investment Division from the 2nd half of 2013.

The order book totals 57.3 million euros, representing approximately 18 months of business (revenues based on the last 12 months).

Intra-group operations with the Commercial Property Investment Division

For Project Management Assistance:

Renovation of the EQHO Tower in La Défense (92),

Targeted revenue as at 30 June 2013 amounted to 0.9 million euros.

Requirements for working capital and borrowing

The slowdown in activity and the lengthening of production and marketing cycles are having a negative impact on the cash-flow and working capital requirements.

The Division's working capital requirements are therefore up by 41.4 million euros to 390.1 million euros as at 30 June 2013 compared with 348.6 million euros as at 31 December 2012, mainly impacted by the financing needs of major commercial and residential projects.

The net borrowing has increased sharply from 19.6 million euros to 51.6 million euros in line with the deterioration in working capital requirements.

Forecast sales of residential property, combined with stability in the commercial sector mean a slight improvement is likely in working capital requirements and therefore the net debt of the Development Division in the 2nd half of 2013.

3. Services Division

The Services Division now consists of two divisions: the Property Management business and the Consultancy and Solutions business.

Key Figures (in millions of euros)	30/06/2013	30/06/2012	Change
REVENUES	**23.3**	**34.8**	**(33.1)%**
Property Management	15.4	17.2	(10.8)%
Consultancy and Solutions	6.0	6.6	(7.8)%
O/w Icade Solutions Immobilière (ISI)	4.9	4.8	3.6%
O/w Others	1.1	1.8	(37.8)%
Intra-business services	(0.1)	(0.2)	(54.1)%
Businesses sold	1.9	11.2	(82.7)%
EBITDA	**0.5**	**1.6**	**(67.7)%**
Property Management	1.0	1.9	(45.3)%
Consultancy and Solutions	(0.7)	(0.5)	21.1%
O/w Icade Solutions Immobilière (ISI)	(0.4)	(0.4)	(17.6)%
O/w Others	(0.3)	(0.1)	172.3%
Intra-business services	0.0	0.0	
Businesses sold	0.2	0.2	(38.0)%
OPERATING PROFIT	**0.3**	**0.4**	**(22.6)%**
Property Management	0.9	1.5	(37.2)%
Consultancy and Solutions	(0.8)	(0.8)	(0.8)%
O/w Icade Solutions Immobilière (ISI)	(0.5)	(0.6)	(15.3)%
O/w Others	(0.3)	(0.2)	33.5%
Intra-business services	0.0	0.0	
Businesses sold	0.2	(0.3)	(168.0)%

Revenues from the Services Division reached 23.3 million euros as at 30 June 2013 compared with 34.8 million euros as at 30 June 2012. This change is mainly related to the effects of change in the scope. The sale in 2012 of the subsidiary specialising in the management of student residences, Icade Résidences Services, led to a loss in revenue of 7.3 million euros.

On a like-for-like basis, the revenue represents 21.4 million euros as at 30 June 2013, down 10.0% compared with 30 June 2012 (23.8 million euros).

This decrease as at 30 June is mainly due to:

- a fall in revenue from the Property Management business compared with 30 June 2012, mainly due to strategic rationalisation of the management mandate portfolio and the refocusing of Icade's internal activities on the Property Investment Division, amounting to 1.7 million euros ;

- revenue of 1.1 million euros recorded by the Transaction business, down 35% compared with June 2012, relating to the reduction in the portfolio of outstanding undertakings;

The refocusing of activities continued with the disposal in the 1st quarter of 2013 of Icade Suretis, a company specialised in managing security and remote surveillance services.

Assets managed in France as at 30 June 2013:
2,573,000 m² as the manager;
1,416,000 m² as the managing agent;
227,000 m² as the controller;
15,300 residential units managed for institutional owners.

The assets managed at 30 June 2013 are stable compared with 31 December 2012.

The **EBITDA** is down 1.1 million euros. The companies sold contributed 0.2 million euros to the 2012 EBITDA. Excluding the impact of changes in consolidation scope, EBITDA is down 1.0 million euros, particularly due to the reduction in commitments to new works during the half-year and a reduction in letting fees from the assets under management.

The **operating profit** is down 0.1 million euros as at 30 June 2013.

Intra-group operations with Icade's other business lines.

The consulting and expertise activities are associated with the disposal of various commercial property assets by Icade (warehouse portfolio). In addition, the Services Division is involved in the management and sale of the residual residential property portfolio.

4. Other

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

The **revenues** for "Other" reached (11.6) million euros as at 30 June 2013 compared with (19.8) million euros as at 30 June 2012. This corresponds in essence to the elimination of revenue related to intra-group transactions.

The Property Development Division purchases property development contracts and assistance for contracting authorities from the Commercial Property Development Division: Millénaire 3 in Paris 19, the Veolia Project in Aubervilliers (93) and the EQHO Tower in La Défense (92). The impact on revenues is (3.0) million euros as at 30 June 2013 compared with (9.7) million euros as at 30 June 2012.

Further to the opening of Icade Santé's capital to external investors in 2012, Icade supplied and invoiced various services to Icade Santé (asset management and property management contracts). Revenues made over the 1st half of 2013 amounted to 4.5 million euros compared with 2.1 million euros as at 30 June 2012.

The "Other" **operating profit** stood at (2.6) million euros as at 30 June 2013 compared with 14.0 million euros as at 30 June 2012. This change is due to receipt in June 2012 of the profit from the sale of Icade Résidences Services, which took place in March 2012.

Over the 1st half of 2013, it consisted of:

- Margin eliminations on Icade's intra-group operations and other eliminations for (0.3) million euros;
- The negative contribution of Icade's "head office" charges for (2.3) million euros;

5. Profit/loss for the 1st half of 2013

5.1 Financial Profit/Loss

At 30 June 2013, Icade produced a financial loss of 53.3 million euros compared with a loss of 51.6 million euros at 30 June 2012, representing a decline of 1.7 million euros.

This change is mainly due to the increase in gross debt between June 2012 and June 2013 of around 411 million euros (Club Deal in July 2012 and mortgage loan in January 2013). The average cost of the debt, after hedging, fell from 4.08% as at 30 June 2012 to 3.84% as at 30 June 2013, limiting the increase in the financial burden in the 1st half of 2013.

This is part of the policy of continuous improvement for Icade's financial resources, accompanied by prudent management of interest rate risks and stabilisation of its Loan to Value ratio at below 40%.

5.2 Tax expense

The tax charge for the 1st half of 2013 amounts to (14.0) million euros compared with (18.0) million euros as at 30 June 2012. This fall is mainly related to the fall in the Property Development business.
Furthermore, the asset sales carried out in 2012 and 2013 on assets located in Germany resulted in a decrease in the taxable base (due to a reduction in Net Current Cash Flow in this area), leading to a tax saving of 1.1 million euros between June 2012 and June 2013.

We recall that the accounts of Icade SA were audited during the 2010 financial year.
In its proposed correction dated 8 December 2010, the tax authorities questioned the market values as of 31 December 2006, based on the property valuations that were used as the basis for calculating the exit tax (corporate tax at the rate of 16.50%) during the combination/absorption of Icade Patrimoine (Assets) with Icade as of 1 January 2007. As a result, the exit tax bases were increased, generating additional tax of 204 million euros in principal. After taking note of the Company's observations (on 11 February 2011), the tax authorities reduced the amount of this supplementary tax (on 26 September 2011), taking it to 180 million euros, in principal. In another proposed correction dated 26 April 2012, the tax authorities informed Icade that it was considering changing the rate of taxation applicable to some of the revised amounts from 16.5 % to 19%. The additional tax would then be 206 million euros. In consultation with its legal firms, the Company continues to dispute this assessment.

The disagreement between the tax authorities and Icade on the value of these assets as at 31 December 2006 is subject to the opinion of the "Commission Nationale des Impôts Directs et Taxes sur le Chiffre d'Affaires" [National Commission for Direct Taxes and Revenue Taxes] in a hearing on 5 July 2013. The Commission's judgement will be communicated to Icade in the coming months. Consequently, as was the case at 31 December 2012, no provision was recorded for this purpose at 30 June 2013.

5.3 Net Profit Group Share

After taking the above information into consideration, the **Group Share of Net Profit** was 44.7 million euros as at 30 June 2013, compared with 81.5 million euros as at 30 June 2012. It also includes the minority interests of new investors in Icade Santé for 7.0 million euros.

III - ADJUSTED NET ASSET VALUE AS AT 30 JUNE 2013

As at 30 June 2013, the simple EPRA adjusted net asset value came to 4,224.4 million euros or 81.7 euros per share, i.e. a 3.6% fall compared with 31 December 2012, and the triple EPRA net asset value came to 4,079.5 million euros or 78.9 euros per share, i.e. a 2.2% fall compared with 31 December 2012. After adjustment for the dividend of 3.64 euros per share that was paid out in April 2013, the triple EPRA net asset value per share is up by 2.3%.

A. VALUATION OF PROPERTY ASSETS

1. Summary of expert valuations of Icade's assets

Icade's assets work out at 6,746.4 million euros excluding duties, compared with 6,849.7 million euros at the end of 2012, i.e. a change of -103.3 million euros over the 1st half of 2013 (-1.5%). On a like-for-like basis, the half-yearly change in portfolio value excluding the EQHO Tower stands at 4.9 million euros, i.e. an increase of 0.1% compared with 31 December 2012. For all assets, the change on a like-for-like basis is (21.4) million euros, i.e. a decrease of (0.3)%, as shown in the table below:

Value of assets excl. duties in millions of euros [(1)]	30/06/2013	31/12/2012	Change (in millions of euros)	Change (as %)	Change on a like-for-like basis (in millions of euros) [(2)]	Change on a like-for-like basis (as %) [(2)]
Strategic assets [(3)]	4 026.1	3 996.4	+29.7	+0.7%	(15.8)	(0.4)%
Alternative assets [(4)]	2 291.5	2 166.0	+125.5	+5.8%	+13.8	+0.6%
Non-strategic assets [(5)]	428.8	687.3	(258.5)	(37.6)%	(19.4)	(4.3)%
Value of the property assets	**6 746.4**	**6 849.7**	**(103.3)**	**(1.5)%**	**(21.4)**	**(0.3)%**

(1) Based on the scope of consolidation as at 30 June 2013 (100% of assets consolidated by the full consolidation method and up to the percentage interest for other consolidated assets).
(2) Net variation in disposals and investments during the period.
(3) Includes Offices France and Business Parks.
(4) Includes Shops and Shopping Centres and Healthcare.
(5) Includes Warehouses, Offices Germany and Residential.

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

The property valuations were performed by Jones Lang LaSalle Expertises, DTZ Eurexi, CBRE Valuation et Catella Valuation FCC.

At the beginning of 2011, Icade launched a consultation with the main property surveyors as part of the renewal of property valuations of its office assets in France, business parks, shops and shopping centres and warehouses. The surveyors were retained not only according to the criteria of independence, qualification, reputation, skill in property valuation, organizational ability and resourcefulness and proposed price level, but also with a desire to conduct a rotation of surveyors by portfolio. At the end of this process, a three-year contract was signed with the surveyors used.

At the start of 2012, the mission to value the Santé portfolio was renewed for three years.

For the office portfolios in Germany and housing, a valuation contract renewable every year was established between Icade and the property surveyors, conducting an internal rotation of their teams at the end of seven years.

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

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

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

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

On each valuation assignment and during the presentation of values, Icade ensures the consistency of the methods used for valuation of these 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 organized 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 their work, the surveyors issue a surveyor's report, which is generally presented in the form of a summary surveyor's report and/or a surveying certificate. For assets that were not surveyed, the surveyors update their previous reports after reviewing changes that have occurred in their legal, urban planning or rental situations.

Following the procedures currently in practice within the Group, all Icade's assets were valued at 30 June 2013, with the exception of:

- Properties currently the subject of an expert opinion, 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 2013, this applies to the Goldsteinstrasse office building in Frankfurt, jointly-owned lots in the Arago Tower, the Ris-Orangis and Cholet warehouses, the La Flèche shop and a plot of land in Pierrefitte-sur-Seine. It should be noted that the La Factory office building was valued on 30 June 2013, but retained the value stated in the undertaking to sell signed in the 1st half of 2013;

- Buildings underlying a financial operation (i.e. capital leasing or rent with the option to buy where Icade acts exceptionally as the leaser) which are maintained at the total financial debt entered in the accounts, or as in this case, the purchase option cited in the contract; the Levallois-Perret office block leased to the Ministry of the Interior for a 20-year duration with a purchase option (LDA) is the only building which figures in that category on 30 June 2013;

- Public buildings and works held via a PPP (public-private partnership) which are not valued, as the ownership ultimately returns to the State at the end of the concession. These assets are therefore held at the net book value and are not listed in the property assets currently published by Icade.

- Buildings acquired less than three months before the semi-annual or annual closing date, which are maintained at book value. As at 30 June 2013, this category contains 4 Healthcare portfolio assets: the Les Fleurs nephrology centre in Ollioules, the Union clinic and the Le Marquisat centre in Saint-Jean and the private hospital of La Loire in Saint-Etienne.

2. Strategic assets portfolio

The overall value of this strategic portfolio stood at 4,026.1 million euros excluding transfer duties at 30 June 2013 compared with 3,996.4 million euros at the end of 2012, representing an increase of 29.7 million euros (+0.7%).

Strategic property portfolio (excluding duties) in millions of euros	30/06/13	31/12/12	Change (in millions of euros)	Change (as %)	Change on a like-for-like basis (in millions of euros)	Change on a like-for-like basis (as %)
Offices in France	2,423.1	2,426.1	(3.0)	(0.1)%	(25.4)	(1.1)%
Business Parks	1,603.0	1,570.3	+32.7	+2.1%	+9.6	+0.6%
Strategic	**4,026.1**	**3,996.4**	**+29.7**	**+0.7%**	**(15.8)**	**(0.4)%**

By neutralising the impact of the investments and sales carried out in the 1st half of 2013, he change in the value of strategic assets excluding the EQHO Tower amounted to +0.3% on a like-for-like basis (-0.4% for all strategic assets).

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

Valuation of the strategic property assets by geographical sector	Valuation excluding duties (in millions of euros)		Change (in millions of euros)	Change on a like-for-like basis (in millions of euros)	Change on a like-for-like basis (as %)
	30/06/13	31/12/12			
Paris CBD	190	183	+7	+6	+3.5%
Paris (excluding CBD)	888	878	+10	0	0.0%
La Défense	716	707	+9	(28)	(4.0)%
Western Crescent	1,001	1,006	(5)	+3	+0.3%
Inner Ring	1,163	1,148	+15	+9	+0.8%
Outer Ring	35	36	(1)	(2)	(5.0)%
Subtotal for the Ile-de-France region	**3,993**	**3,958**	**+35**	**(12)**	**(0.3)%**
Regional	33	38	(5)	(4)	(11.1)%
TOTAL	**4,026**	**3,996**	**+30**	**(16)**	**(0.4)%**

The amount of land and projects under development amounted to 697.1 million euros as at 30 June 2013 and breaks down to 23.4 million euros in land and 673.7 million euros in projects under development.

2.1 Offices in France

The overall value of this portfolio stood at 2,423.1 million euros excluding duties at 30 June 2013 compared with 2,426.1 million euros at the end of 2012, representing a decrease of 3.0 million euros.

During the 1st half of 2013, investments made in office assets, which mainly include work on the EQHO Tower, amounted to a total of 30.8 million euros. After eliminating the impact of these investments and disposals of the jointly-owned plots in the Moisant building in Paris and the Fontaine-les-Dijon offices, the change in value of the assets of the Offices Division as at 30 June 2013 is -25.4 million euros on a like-for-like basis, i.e. -1.1%. It should be noted that the change in value of the EQHO Tower alone in the 1st half of the year was -26.3 million euros notably due to the upward revision in the rates of return used by experts to value the assets and the deterioration in letting assumptions.

The overall change can be explained by the impact of the rise in rates of return and discount rates used by experts to reflect changes in the real-estate market of -40.2 million euros, and the impact of buildings' business plans, particularly including changes in the rental situation locative and in works budgets and the effect of rent indexations, of +14.8 million euros.

Return on assets and reversion potential

Valuation of Office France property assets	Valuation, including duties (in millions of euros) (1)	Valuation excluding duties (in millions of euros) (2)	Net return (excl. duties) (3)	Average price €/m² (4)
Paris	305	291	6.0%	10,460
La Défense	208	196	8.7%	4,533,,,
Western Crescent	1,043	999	6.6%	7,975,,,
Inner Ring	353	347	6.5%	4,764,,,
Outer Ring	37	35	11.6%	1,214,,,
Total for the Ile-de-France region	**1,946**	**1,868**	**6.8%**	**6,269,,,**
Regional	**36**	**34**	8.0%	1,595,,,
TOTAL	**1982**	**1,902**	**6.8%**	**5,961,,,**
Property reserves and projects under development(5)	531	521	n/a	n/a
TOTAL	**2,513**	**2,423**		

(1) Valuation (including duties) of office assets established from the average of surveyed values as at 30 June 2013.
(2) Valuation (excluding duties) of Offices France established from the average surveyed values as at 30 June 2013 (after deducting fees and lump-sum legal expenses calculated by the surveyors).
(3) Net annualised rents for rented floor areas added to potential net rents of vacant floor areas at the market rental value related to the surveyed value excl. duties of the rentable floor areas.
(4) Established according to the appraisal value excluding duties.
(5) Mainly includes the EQHO Tower.

The return from the Office France Division's buildings was 6.8% at 30 June 2013 (compared with 6.7% at the end of 2012) for a reversion potential (*) valued at -4.8% according to the market rental values estimated by the property surveyors.

(*) reversion potential: difference ascertained between the market rental value of the rented space 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.

2.2 Business Parks

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

The market value of the business park assets was assessed at 1,603.0 million euros excluding duties at 30 June 2013 compared with 1,570.3 million euros at 31 December 2012, representing an upward change of 32.7 million euros (+2.1%).

Icade made 35.9 million euros of maintenance and development investments in its business parks during the 1st half of 2013.

On a like-for-like basis, after neutralising investments and the sales of two plots of land in Aubervilliers, the value of the business park assets increased by 9.6 million euros over the half-year, a change of +0.6%.

This change can be explained by the impact of a business plan for the buildings, which includes the change in the rental situation and the works budget and the effect of indexation on rent, of +12.2 million euros, and the impact of the upward adjustment in rates of return and discount rates used by the property surveyors to reflect changes in the real-estate market, of -2.6 million euros.

Geographical breakdown of assets

Value of the property assets of Business Parks	Valuation excluding duties	
	(in millions of euros)	(as %)
Paris (75)	787	49.1%
Saint Denis (93)	165	10.3%
Aubervilliers (93)	651	40.6%
TOTAL	**1,603**	**100%**

The value of the parks located in Seine-Saint Denis (93) accounts for about 51% of the total value of the business parks, with those located in Paris accounting for the remaining 49% (Parc du Pont de Flandre and Parc du Millénaire).

Return on assets and reversion potential

Value of the property assets of Business Parks	Valuation, including duties (in millions of euros)	Valuation excluding duties (in millions of euros)	Net return (excl. duties)	Average price €/m²
Parc du Pont de Flandre	423	402	7.3%	4,438
Parc des Portes de Paris	714	676	8.7%	2,140
Parc du Millénaire	342	322	6.8%	4,835
Parc le Mauvin	29	27	8.6%	1,658
TOTAL	**1,508**	**1,427**	**7.9%**	**2,915**
Property reserves and projects under development(1)	178	176	n/a	n/a
TOTAL	**1,686**	**1,603**		

(1) Mainly includes property reserves and projects under construction (including the Portes de Paris park: Block E, Veolia and Millénaire 3 and 4).

The return from the Business Park Division's buildings was 7.9% at 30 June 2013 (compared with 7.8% at the end of 2012) for a reversion potential (*) valued at +0.1% according to the market rental values estimated by the property surveyors.

3. Alternative assets portfolio

These assets include Shops and Shopping Centres and the Healthcare portfolio.

Value of assets excl. duties in millions of euros	30/06/13	31/12/12	Change (in millions of euros)	Change (as %)	Change on a like-for-like basis (in millions of euros)	Change on a like-for-like basis (as %)
Retail and Shopping Centres	446.6	441.5	+5.1	+1.1%	+3.9	+0.9%
Healthcare	1,844.9	1,724.5	+120.4	+7.0%	+9.9	+0.6%
Alternative	**2,291.5**	**2,166.0**	**+125.5**	**+5.8%**	**+13.8**	**+0.6%**

3.1 Shops and Shopping Centres

At 30 June 2013, this class of assets includes the Odysseum shopping centre in Montpellier opened in 2009, the Le Millénaire shopping centre located in Aubervilliers, delivered in April 2011, as well as the portfolio of Mr. Bricolage stores acquired at the beginning of 2008. Both shopping centres were developed by Icade’s Development Division and are owned in a 50/50 partnership with Klépierre.

At 30 June 2013, the overall value of the Shops and Shopping Centre assets stood at 446.6 million euros excluding duties, compared with 441.5 million euros at the end of 2012, representing an increase of 5.1 million euros (+1.1%).

Valuation of Shop and Shopping Centre assets in €M	30/06/13	31/12/12	Change (in millions of euros)	Change (as %)	Change on a like-for-like basis (in millions of euros)	Change on a like-for-like basis (as %)
Shopping centres	325.0	319.4	+5.6	+1.8%	+4.4	+1.4%
Icade Bricolage	121.6	122.1	(0.5)	(0.4)%	(0.5)	(0.4)%
TOTAL	**446.6**	**441.5**	**+5.1**	**+1.1%**	**+3.9**	**+0.9%**

The like-for-like change in the valuation of Shops and Shopping Centres amounted to +3.9 million euros over the 1st half of 2013 (+0.9%). About +3.2 million euros of this change can be explained by a downward adjustment in the return and discount rates used by the property surveyors; the revision of the business plan assumptions for the buildings accounts for +0.7 million euros.

Return on assets

Valuation of Shop and Shopping Centre assets	Valuation, including duties (in millions of euros)	Valuation excluding duties (in millions of euros)	Net return (excl. duties)	Average price €/m²
Paris	8	8	6,3%	3,198
Inner Ring	199	188	5,6%	6,290
Outer Ring	4	4	7,8%	744
Regional	257	247	6,7%	1,405
TOTAL	**468**	**447**	**6,3%**	**2,091**

The net return on the Retail portfolio was 6.3% as at 30 June 2013 (compared with 6.2% at the end of 2012).

3.2 Healthcare

The Healthcare property portfolio consists of clinics and healthcare establishments.

The overall value of this portfolio was estimated at 1,844.9 million euros excluding duties at 30 June 2013, compared with 1,724.5 million euros at the end of 2012, representing an increase of 120.4 million euros, mainly due to the acquisition of Healthcare facilities at the end of the year.

On a like-for-like basis, after eliminating investments during the year of 7.7 million euros and acquisitions of 102.8 million euros, the value of the portfolio changed by +9.9 million euros over the 1st half of 2013, i.e. +0.6%. This change can be explained by the impact of interest rates (+7.2 million euros) and the impact of buildings' business plans (+2.7 million euros).

Geographical breakdown of assets

Valuation of Healthcare assets	Valuation excluding duties	
	(in millions of euros)	(as %)
Inner Ring	70	3.8%
Outer Ring	315	17.0%
Total for the Ile-de-France region	**385**	**20.8%**
Regional	1,460	79.2%
TOTAL	**1,845**	**100%**

Return on assets

Valuation of Healthcare assets	Valuation, including duties (in millions of euros)	Valuation excluding duties (in millions of euros)	Net return (excl. duties) (1)	Average price €/m²
Clinics and other healthcare establishments	1,950	1,845	6.9%	2,144
Property reserves and projects under development	0	0	n/a	n/a
TOTAL	**1,950**	**1,845**		

(1) Annualised rent net of non-recoverable charges for assets related to their surveyed value excl. duties, supplemented where necessary by additional rent contracted if work is carried out.

The net return on the Clinics portfolio was 6.9% as at 30 June 2013, unchanged compared with the end of 2012.

4. Non-strategic assets portfolio

These assets include Warehouses, Offices in Germany and Residential.

Value of non-strategic assets excl. duties in millions of euros	30/06/13	31/12/12	Change (in millions of euros)	Change (as %)	Change on a like-for-like basis (in millions of euros)	Change on a like-for-like basis (as %)
Warehouses	48.0	197.4	(149.4)	(75.7)%	(5.9)	(10.9)%
Offices in Germany	181.5	233.0	(51.5)	(22.1)%	(3.5)	(1.9)%
Residential	199.3	256.9	(57.6)	(22.4)%	(10.0)	(4.8)%
Non-Strategic	428.8	687.3	(258.5)	(37.6)%	(19.4)	(4.3)%

4.1 Warehouses

The market value of the warehouse assets was assessed at 48.0 million euros excluding duties at 30 June 2013 compared with 197.4 million euros at 31 December 2013, representing a downward change of -149.4 million euros (-75.7%).

This sharp decline is mainly due to the sale of 11 warehouses in April 2013.

It should be noted that an undertaking to sell was signed for two warehouses in Ris-Orangis and Cholet. Restated for these two properties, the Warehouses asset value is 42.4 million euros.

The change of -5.9 million euros or -10.9% on a like-for-like basis can be explained by the effect of buildings' business plans of -5.2 million euros and by the effect of rates of return and discount rates of -0.7 million euros.

4.2 Offices in Germany

The market value of the Offices in Germany assets was assessed at 181.5 million euros excluding duties at 30 June 2013 compared with 233.0 million euros at 31 December 2012, representing a downward change of 51.5 million euros (-22.1%).

This change can be explained by the sale during the half-year of a real-estate complex in Berlin and a building in Stuttgart.
It should be noted that exclusive negotiations are underway with a view to selling the building in Munich during the 2nd half of the year.

On a like-for-like basis, the value of the German assets is down -3.5 million euros over the half-year, or -1.9%, due to the impact of interest rates for -2.1 million euros and the impact of buildings' business plans for -1.4 million euros.

4.3 Residential

The assets of the Residential Property Investment Division as at 30 June 2013 are composed of buildings managed by the SNI, together with the joint ownership housing and various residual assets of the Residential Property Investment Division, which were valued on the basis of property valuations.

The value of the Residential Property Investment Division's portfolio stood at 199.3 million euros excluding duties at 30 June 2013, compared with 256.9 million euros at the end of 2012, representing a change of 57.6 million euros (-22.4%).

This change is mainly due to the effect of disposals. On a like-for-like basis, the change in the valuation of the Residential Property Division's assets is -10.0 million euros (-4.8%).

5. Methodology used by the surveyors

The methods used by the surveyors are identical to those used for the previous financial year (see 2012 reference document).

B – VALUATION OF SERVICE AND DEVELOPMENT BUSINESSES

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

On this basis, at 30 June 2013, the company value of the property development and service businesses corresponded to 505.7 million euros compared with 470.4 million euros at the end of 2012, an increase of 7.5%.

The equity value used to calculate NAV was reached by deducting net debt from the company value.

Consequently, the equity value of services and property development companies was 418.1 million euros compared with 426.7 million euros at 31 December 2012, representing a 2.0% decrease. Once the value of Arcoba, Sethri and Suretis, companies which were sold during the 1st half of 2013, is subtracted, the decrease in value is -0.2%.

Change from company value to equity value

Value of development and service companies	30/06/13	31/12/12	Change
Company value	505.7	470.4	+35.3
Net debt	(45.7)	(1.3)	(44.4)
Other adjustments (other provisions)	(41.9)	(42.4)	+0.5
Equity value	**418.1**	**426.7**	**(8.6)**

Between December 2012 and June 2013, the Development Division's working capital requirements increased by 41.4 million euros in line with the deterioration in the net financial debt.

The provisional working capital requirement, which is a component of company value, remained stable between the two periods. That automatically improves the change in working capital requirements over the valuation period, thereby improving company value. Net financial debt, however, deteriorated by 44 million euros.

The value of these companies on 30 June 2013 breaks down as 91% for the development companies and 9% for the service companies.

Among the financial parameters adopted, the surveyor used a lower weighted average cost of capital (as compared with the valuation made at the end of 2012), ranging from 8.82% to 12.49% for the development companies and from 7.96% to 10.40% for the service companies.

C – METHODOLOGY FOR CALCULATING NET ASSET VALUE

The EPRA single Net Asset Value (NAV) was calculated on the basis of the shareholders' equity established according to the IFRS standards, the following items being added or subtracted:

(+) the impact of the dilution of securities providing access to capital;

(+) the unrealised capital gain on property assets established on the basis of property valuations, excluding conveyance charges and asset disposal costs. For assets under promises of sale signed during the year, the reference value is that appearing in the promise;

(+) the unrealised capital gain on the property development values and the service companies established on the basis of the independent valuation that was carried out;

(+/-) the cancellation of the positive or negative effects of converting cash flow hedging instruments at market value, included in the consolidated capital and reserves as per the IFRS standards;

The **EPRA triple net NAV is the simple net EPRA NAV** minus the following items:

(+/-) the consideration of the positive or negative effects of emphasising the cash flow hedge instrument market, accounted for in the consolidated shareholders' equity in IFRS standards;

(+/-) (+/-) the positive or negative effects of conversion to market value of fixed-rate financial debts not taken into account under the IFRS standards (according to the IFRS standards, derivative financial instruments are shown on the balance sheet at their fair value and the financial liabilities are carried at cost);

(-) the tax position on unrealised capital gains on buildings (this tax position being limited to unrealised capital gains on assets not eligible for the SIIC regime) and unrealised capital gains on holdings in development and service companies.

The capital and reserves used as a reference for calculating the EPRA NAV include the net result for the reference period. The EPRA NAV is calculated in terms of group share and then diluted per share after cancelling any treasury shares and taking account of the diluting impact of stock options or stock purchases.

D – CALCULATION OF THE EPRA NET ASSET VALUE

1. Consolidated shareholders' equity

As at 30 June 2013, the group share of consolidated capital and reserves came to 2,558.9 million euros, including a group share of net profit of 44.7 million euros. Over the half-year, the development of the hedge instrument cash flow market had a positive impact of 51.4 million euros on capital.

2. Unrealised capital gains on property assets

Unrealised capital gains to be taken into account stem from the valuation of property assets which are still accounted for at cost on the balance sheet. At 30 June 2013, unrealised capital gains excluding duties and legal fees came to 1,500.2 million euros.

3. Unrealised capital gains on development and services companies

A valuation of development and service companies was carried out on 30 June 2013 by an independent surveyor. It showed unrealised capital gains of 44.0 million euros which were taken into account in the calculation of the EPRA NAV at 30 June 2013, compared with unrealised capital gains of 71.3 million euros at 31 December 2012.

This sharp fall is partly due to a fall in unrealised capital gains as a result of the sale of Arcoba, Sethri and Suretis and partly due to the impact of the undistributed profits for 2012 of development companies on the capital included in the calculation of unrealised capital gains.

4. Market value of debt

Pursuant to IFRS rules, derivative financial instruments are accounted for on Icade's consolidated balance sheet at their fair value. Converting fixed rate debt to fair value had a negative impact of 11.3 million euros and is taken into account in the calculation of the EPRA Net Asset Value.

5. Calculation of unrealised tax

The tax liability on unrealised capital gains on buildings not eligible for the SIIC regime is calculated at a rate of 34.43% on the difference between the fair value of the assets and their net book value. This amounted to 0.7 million euros at 30 June 2013, corresponding to the assets of Icade REIT in Germany, taxed at 15.83%.

The tax liability on unrealised capital gains on holdings in service and development companies is calculated at a rate of 34.43% for securities held for less than two years and a rate of 4.13% for securities held for over two years. These rates increased to 36.10% and 4.33% respectively for the exceptional contribution for the shares that Icade held directly. As at 30 June 2013, the tax liability on unrealised capital gains on equity shares totalled 11.6 million euros.

6. Treasury shares and securities giving rights to capital

The number of fully-diluted shares used when calculating the EPRA NAV at 30 June 2013 was 51,711,090, after cancelling treasury stock (346,349 shares) and the impact of diluting instruments (50,122 shares) as at 30 June 2013.

In the EPRA NAV calculation, the dilution related to stock-options had the effect of increasing consolidated shareholders' equity and the number of shares will be deducted from the number of exercisable shares at the end of the fiscal year.

The group share of the simple EPRA NAV was 4,224.4 million euros at 30 June 2013, i.e. 81.7 euros per share.

The group share of the triple EPRA NAV was 4,079.5 million euros at 30 June 2013, i.e. 78.9 euros per share.

Determination of the EPRA NAV Group share (in millions of euros)		30/06/13	31/12/12
Group share of consolidated capital	(1)	2,558.9	2,652.9
Impact of share dilution giving access to capital	(2)	0.0	7.4
Unrealised capital gain on property assets (excl. duties)	(3)	1,500.2	1,495.4
Unrealised capital gain on development companies (1)	(4)	32.3	58.4
Unrealised capital gain on service companies	(5)	11.7	12.9
Restatement of the revaluation of rate hedging instruments	(6)	121.3	172.7
EPRA single net NAV group share	(7)=(1)+(2)+(3)+(4) +(5)+(6)	**4,224.4**	**4,399.7**
Restatement of the revaluation of rate hedging instruments	(8)	-121.3	(172.7)
Revaluation of fixed-rate debt	(9)	-11.3	(23.1)
Tax liability on unrealised capital gain on property assets (excl. duties)	(10)	-0.7	(1.7)
Tax liability on unrealised capital gain on securities for development companies	(11)	-10.7	(10.6)
Tax liability on unrealised capital gain on securities for service companies	(12)	-0.9	(1.5)
Group share EPRA triple net NAV	(13)=(7)+(8) +(9)+(10)+(11)+(12)	**4,079.5**	**4,190.1**
Number of fully diluted shares in millions	n	51.7	51.9
EPRA NAV per share *(Group share - fully diluted in €)*	(7)/n	**81.7**	**84.7**
Half-year increase			**-3.6%**
EPRA triple net NAV per share *(Group share - fully diluted in €)*	(13)/n	**78.9**	**80.7**
Half-year increase			*-2.2%*

(1) The reduction in unrealised capital gains is due to the impact of the undistributed profit for 2012 taken into account in the calculation of the capital of development companies and the sale of Arcoba, Sethri and Suretis.

Change in EPRA triple net NAV in euros per share

EPRA triple net NAV, Group share as at 31/12/12 (in euros per share)	80.7 €
Dividends paid during the 1st half of the year	(3.6) €
Group share of consolidated profit for the 1st half of the year	+0.9 €
Change in fair value of financial derivative instruments	+1.0 €
Impact of the opening of the capital of Icade Santé (1)	+0.2 €
Change in capital gains on property assets	+0.1 €
Change in the capital gain on property-development and service companies	(0.5) €
Change in the fair value of fixed-rate debt	+0.2 €
Others	(0.1) €
EPRA triple net NAV, Group share as at 30 June 2013 (in euros per share)	78.9€

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

The EPRA triple net NAV has fallen 2.2% during the 1st half of 2013 but is up 2.3% after the restatement of the dividend of 3.64 euros per share paid in April 2013.

Rationalisation of this change should be considered in light of the fact that changes in asset value can impact two lines: both unrealized capital gains for assets and directly on profit-loss for depreciated assets and assets and securities sold during the year. Changes in scope can also have an impact on unrealised capital gains and on equity, for example Icade Santé's share capital increase.

IV - FINANCIAL RESOURCES

In preparation for the combination with Silic, Icade continued to strengthen its liabilities structure, now at an adequate level of available lines, and pursued discussions with banking partners to anticipate debt management of the new combination.

As part of the continued diversification of its funding sources, at the start of the year Icade raised mortgage financing funds from its Pont de Flandre business park in Paris. These funds, raised from a large insurer, are contributing to maintaining an average lifespan for its debt in line with its finance management policy.

A. LIQUID ASSETS

New financial resources were obtained during the 1st half of 2013 by renewing existing credit lines and by setting up new confirmed credit lines. The main financing activities were as follows:

- Setting-up of 50 million euros of short-term revolving credit lines;
- Setting-up of a 100 million euro medium-term credit line;

The credit lines have an average spread of 98 base points and an average term of 2.3 years.

Icade has drawing capacity on short and medium-term credit lines of 870 million euros, to be used entirely as it sees fit. These backup lines of credit and available cash as at 30 June 2013 cover more than 18 months of repayments of capital debt.

B. DEBT STRUCTURE AS AT 30 JUNE 2013

1. Nature of debt

The gross financial debt of 3,253.8 million euros as at 30 June 2013 consisted of the following:

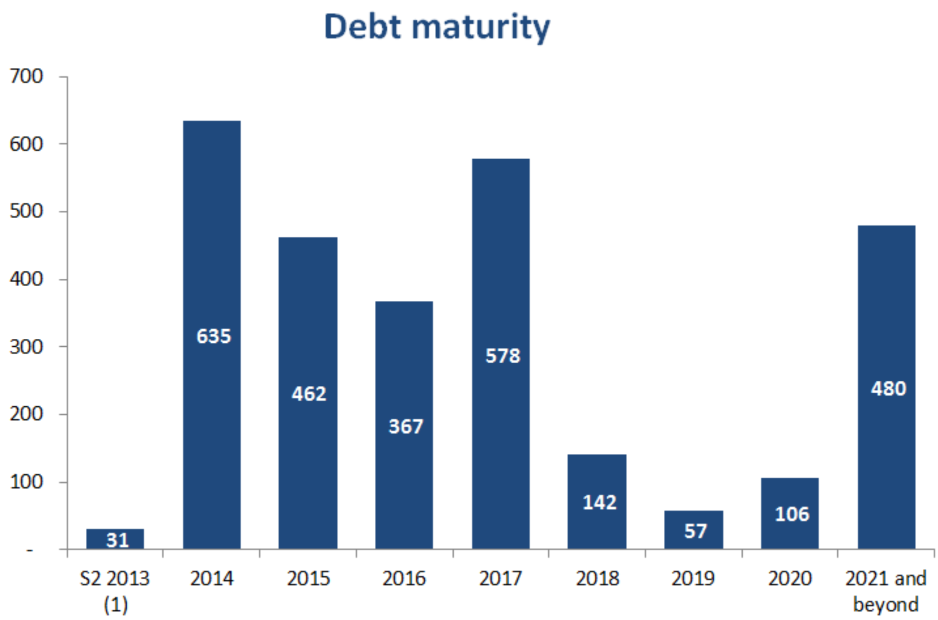
- 2,378.2 million euros in corporate loans;
- 577.4 million euros in mortgage financing;
- 93.5 million euros in private investment;
- 138.0 million euros in direct-financing leases;
- 11.4 million euros in other debt (feeder loans, debt associated with holdings);
- 55.2 million euros in bank overdrafts.

Net financial debt totalled 2,661.5 million euros at 30 June 2013, down by 64 million euros compared with 31 December 2012. The change between these dates primarily reflects:

- New debts for 205 million euros (corresponding to 200 million euros raised in mortgage financing from its Pont de Flandre business park, and approximately 5 million euros of long-term loans following Icade Santé's acquisition of properties);
- Natural debt amortization and repayments of corporate credit lines for a total of 315 million euros;
- Natural amortization on finance leases up to 10 million euros;
- A 41 million euros increase in the value of hedging instruments;
- A decrease of around 119 million euros in cash and an increase of 7 million euros in other current financial assets.

2. Maturity of debt

The maturity schedule of the debts drawn by Icade (excluding overdrafts and excluding repayment of the Silic intra-group loan) as at 30 June 2013 is given below, in millions of euros:



(1) excluding fall of 80 million euros currently being renewed

The average debt maturity as at 30 June 2013 stands at 4.3 years and remains stable compared with 31 December 2012

3. Debt by business

After allocation of the intra-group refinancing, nearly 93.2% of the Group's debt relates to the Property Investment Division and 6.8% relates to the Property Development Division. The share assigned to the Services business line is insignificant. These proportions are stable compared with the 2012 financial year.

4. Average cost of debt

During the 1st half of 2013, the average cost of financing came to 1.68% before hedging and 3.84% after hedging, compared with 1.79% and 3.83% respectively in 2012.

In light of the hedging in place, the average cost of Icade's debt remained stable over the half-year.

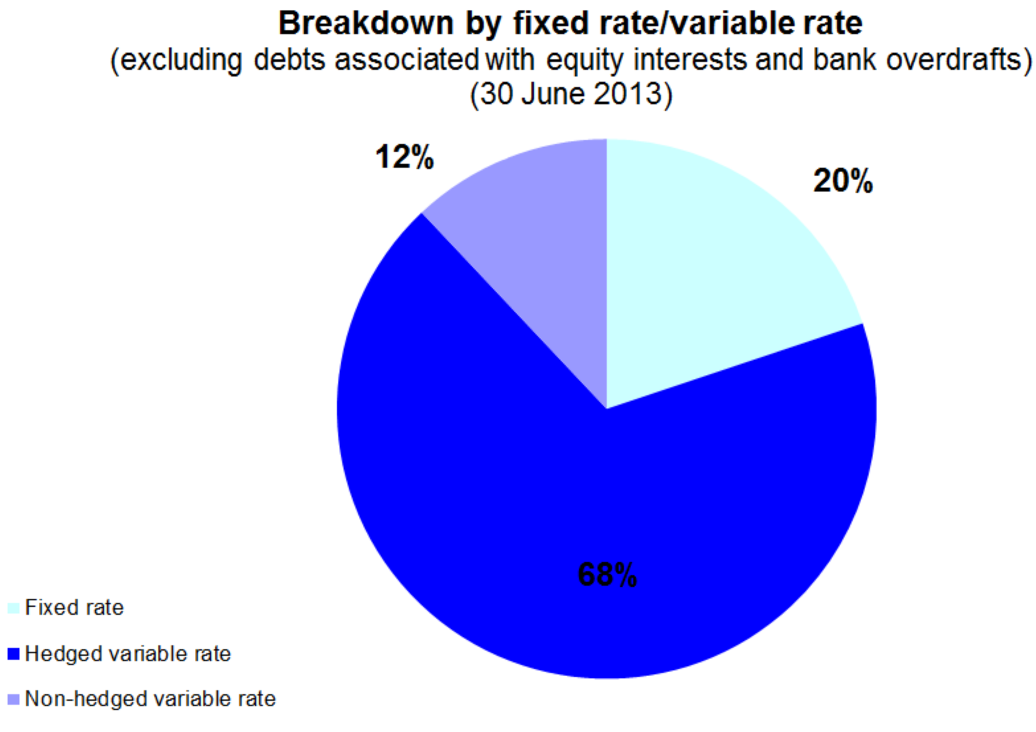
5. Interest rate risk

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

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

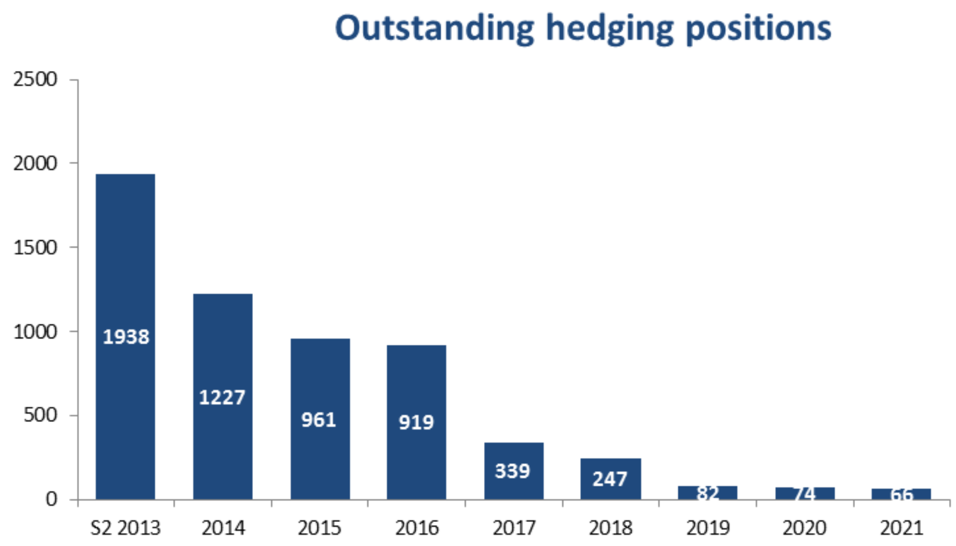
Changes in financial markets can entail a variation in interest rates, which may be reflected in an increase in the cost of refinancing. To finance its investments, Icade focuses on the use of floating-rate debt, which is then hedged, thus conserving its ability to prepay loans without penalties. This represents, before hedging, nearly 80.1% of its debt as at 30 June 2013 (excluding debts associated with equity interests and bank overdrafts).

In the 1st half of 2013, Icade continued its prudent debt management policy by maintaining limited exposure to interest-rate risks by setting up appropriate hedging contracts (only plain vanilla swaps).



The main amount of the debt (88.0%) is protected against a rise in interest rates (fixed rate debt or floating rate debt hedged by vanilla instruments such as swaps or caps).

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



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

(in millions of euros)

30/06/2013	Financial Assets (*) (a)		Financial Liabilities (**) (b)		Net Exposure before Hedging (c) = (a) - (b)		Rate hedging instrument (d)		Net Exposure after Hedging (e) = (c) + (d)	
	Fixed Rate	Variable Rate	Fixed Rate	Variable Rate	Fixed Rate	Variable Rate	Fixed Rate	Variable Rate	Fixed Rate	Variable Rate
Less than one year		728.9	16.6	244.9	-16.6	484.0		61.2	-16.6	545.2
More than 1 year and less than 5 years			89.4	2 241.4	-89.4	-2 241.4		1 598.4	-89.4	-643.0
More than 5 years			460.2	201.5	-460.2	-201.5		317.8	-460.2	116.3
Total		728.9	566.2	2 687.8	-566.2	-1 958.9		1 977.3	-566.2	18.5

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

The average term of variable rate debt works out at 3.1 years, whereas that of the associated hedging is on target with an average term of 3.0 years. .

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 recognized 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 47.9 million euros.

C. FINANCIAL STRUCTURE

1. Financial structure ratio

The LTV (Loan To Value) ratio: (Net financial debt / Net asset value ex. rights) comes out at 39.5% as at 30 June 2013 (compared with 39.8% as at 31 December 2012).

LTV is stable overall, given the cash-flows and disposals offsetting distribution of the dividend.

Of the slight fall compared with 31 December 2012, 0.9% is due to the decrease in net debt and 0.6% to the decrease in the net asset value.

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).

Undertakings to sell were also signed for some assets, meaning the restated LTV of these assets subject to undertakings was 38.4%.

Finally, the LTV calculated by Icade is the result of a prudent calculation because it includes all of Icade's debt (debt related to property-development, services and PPP, etc.) without taking into consideration the value of these assets or of these companies, since it is calculated only on the value of the assets of the Commercial Property Division, excluding duties. After taking the value of the development and services companies into account, the adjusted LTV ratio stood at 36.7% on 30 June 2013.

2. Interest hedging ratio

The ratio of interest hedging by operating profit (corrected for depreciation) was 3.31x over the 1st half of 2013. This ratio increased in comparison with previous years (3.52x in 2012), considering the increase in net debt. Compared with EBITDA, this ratio works out as 3.15x.

FINANCIAL RATIOS	**30/06/2013**	**31/12/2012**
Net financial debt/net asset value excl. duties (LTV)	39.5% / 38.4%(1)	39.8% / 38.4%(1)
Net financial debt/NAV including development and service companies (adjusted LTV)	36.7%	37.2%
Ratio of interest hedging to operating profit (ICR)	**3.31x**	**3.52x**

(1) LTV restated for assets subject to undertakings

3. Covenants table

		Covenants	30/06/2013
LTV [1]	Maximum	< 45% < 50% and < 52%	39.5%
ICR	Minimum	> 2	3.31x
CDC control[2]	Minimum	34% / 50% - 51%	55.56%
Value of investment property assets[3]	Minimum	> 3 billion euros > 4 billion euros > 5 billion euros	6.7 billion euros
Debt ratio of subsidiaries/Consolidated gross debt	Maximum	33%	10,56%
Surety on assets	Maximum	< 20% of property assets	11.25% [4]

(1) Around 41% of the debt relating to an LTV covenant has a limit of 52%, 55% of the debt has a limit of 50%, while the remaining 4% has a limit of 45%

(2) Around 89% of the debt relating to the covenant for the CDC change of control clause has a limit of 34%, while the remaining 11% has a limit of 50-51%

Around 53% of the debt relating to the Value of Investment Property Assets covenant has a limit of 3 billion euros, 3% of the debt has a limit of 4 billion euros, with a limit of 5 billion euros the remaining 44%

(4) Maximum calculation under the loan agreements

The covenants were respected as at 30 June 2013.