PRESS RELEASE

Paris, February 22, 2021, 7:30 a.m.

ICADE: SOLID 2020 RESULTS DESPITE THE CRISIS, NCCF ABOVE GUIDANCE, POSITIVE OUTLOOK FOR 2021

Group: solid indicators, limited impact from the crisis

- **2020 revenue** at **€1.4bn** (-5.4% vs. 2019)
- **Net current cash flow at €358m, i.e. €4.84 per share, above October 2020 guidance**
- **EPRA NTA at €93.2 per share, +1.1% (cum dividend)**
- **2020 dividend[1]: stable** at €4.01 per share

Property Investment: rental income growth, resilient portfolios

- **Gross rental income on the rise**: €678m, +**6.7%**, +**2.0% like-for-like**
- **Average annual rent collection rate for both Property Investment Divisions close to 99%**
- **Property portfolio of €11.8bn** (€14.7bn on a full consolidation basis), **up +2.2% year-on-year** (-2% like-for-like)

Property Development: an unprecedented 2020, rebound expected in 2021

- **Economic revenue** of €825m, -15% year-on-year, impact of 2.5-month site shutdowns
- **Orders up[2] +8%** and **notarised sales up +15%** year-on-year
- **Backlog of €1.4bn, up +14%,** driven by the residential segment (+21%)

Positive outlook for 2021*

- **2021 Group net current cash flow per share: expected to grow by ~+3%,** (excluding the impact of 2021 disposals)
- **2021 dividend: expected to increase by +3%:** payout ratio in line with 2020 (83%) + distribution of part of the gains on disposals

* assuming the health and economic situation remains stable

"Icade delivered solid results in 2020 despite an unprecedented health and economic crisis, demonstrating the strength of its fundamentals and relevance of its diversified business model. The Property Investment Divisions have been particularly resilient—gross rental income went up by +6.7%, with an almost +14% increase recorded by the Healthcare Property Investment Division. While it is true that the Property Development business suffered from the sudden shutdown of its construction sites, demand is still present. The Division's positive sales momentum is reflected in its operational indicators, such as orders and sales, up by +8% and +15% respectively on a year-on-year basis. The fact that our financial structure remains very strong is just one more advantage that has helped us get through this challenging period. Our outlook for 2021 is positive with NCCF expected to increase by 3% excluding the impact of disposals with dividends also expected to rise by 3%. We have full confidence in the Group's ability to deliver value for its shareholders over the medium term."

Olivier Wigniolle, CEO of Icade

[1] Subject to approval at the General Meeting to be held on April 23, 2021
[2] In value terms

At its meeting held on Friday, February 19, 2021, Icade's Board of Directors chaired by Mr Frédéric THOMAS approved the financial statements for the year 2020:

	12/31/2020	12/31/2019	Change 2020 vs. 2019 (%)
Revenue (in €m)	**1,440.2**	**1,522.9**	**-5.4%**
Adjusted EPRA earnings from Property Investment (in €m)	**351.0**	**358.7**	**-2.2%**
Adjusted EPRA earnings from Property Investment per share	4.74	4.85	-2.1%
Net current cash flow from Property Development (in €m)	**2.5**	**33.1**	**-92.4%**
Group net current cash flow (in €m)	**358.3**	**389.2**	**-7.9%**
Group net current cash flow per share	4.84	5.26	-7.9%
Net profit/(loss) attributable to the Group (in €m)	**24.2**	**300.2**	**-91.9%**

	12/31/2020	12/31/2019	Change (%)
EPRA NTA per share	**€93.2**	**€96.1**	**-3.1%**
Average cost of drawn debt	**1.48%**	**1.54%**	**-6 bps**
LTV ratio (including duties)	**40.1%**	**38.0%**	**+210 bps**

1. Impact of the health and economic crisis

The impact of the crisis on **Group NCCF for 2020** stood at **-€27m, mainly relating to Property Development, with the closure of construction sites making it impossible to recognise revenue for 2.5 months:**

- **c. -€6m for Office Property Investment**: mainly due to delays and postponements in the completion of assets from the development pipeline, together with conditional measures to support tenants;
- **c. -€2m for Healthcare Property Investment**: a very limited impact, mainly relating to delays in investments and acquisitions;
- **c. -€19m for Property Development**: mainly due to the effect of construction site shutdowns (2.5 months on average) on revenue recognition using the percentage-of-completion method. As a reminder, 90% of the NCCF impact is expected to be pushed back in 2021 and subsequent years.

In addition, inefficiency costs, exceptional rent waivers (for small businesses) and asset impairment in the Office Property Investment Division as a result of the Covid-19 crisis reduced net profit by **c. -€52m**, bringing the total impact of the crisis on 2020 net profit attributable to the Group to **-€79m**.

2. 2020 performance by business line

2.1. Office Property Investment: resilient leasing activity and proactive crisis management

A business supported by a solid tenant portfolio and dynamic asset management

Gross rental income of €377m, up +2.3% on a like-for-like basis:

- **On a reported basis**, gross rental income from offices and business parks **rose by +4.8%[3]:**
  The impact of significant disposals in 2019 (over €1.1bn) was offset by an acquisition in H2 2019 and the completion of 11 assets from the development pipeline over the last 24 months. These assets included Pulse (Portes de Paris business park), B007 (Pont de Flandre, 19th district of Paris), Quai Rive Neuve (Marseille) and Park View (Lyon), completed in October 2020. Park View is the only asset completed in 2020 that has yet to be fully leased. Visits are currently being conducted to ensure that leases are in place for the entire building by the end of 2021.

- On a **like-for-like basis**, gross rental income from offices and business parks **continued to grow by +2.5%,** driven by index-linked rent reviews and resilient leasing activity in the context of a difficult year 2020, illustrating the strength of Icade's office tenant profiles:
  - 88% of rental income comes from large companies, listed companies, public sector companies, government agencies and middle-market companies;
  - In addition, Icade's approximately 860 tenants represent a wide range of industries. The Company therefore benefits from limited exposure to the sectors most affected by the crisis. The tourism, hotel and transport industries represent only around 12% of the tenant portfolio.

Average annual rent collection rate of nearly 98%.

[3] *It should be noted that the Eqho Tower is fully consolidated in the Group's financial statements.*

During the period, 160 leases were signed or renewed, representing almost 160,000 sq.m:

- The **new leases signed** were for an overall floor area of 60,543 sq.m (of which **more than 45,000 sq.m became effective in 2020**), with annualised headline rental income of €13m and a **WAULT to first break of 6.4 years**. Of particular note were leases for 12,500 sq.m in Park View (Lyon), nearly 9,000 sq.m in the Rungis business park and over 3,000 sq.m in the Initiale Tower[4] (La Défense).

- During the period, 54 leases were **renewed**, representing a floor area of roughly 98,000 sq.m. **These renewals secured annualised headline rental income of €24.4m, with a WAULT to first break of 7 years.**

The support measures granted to some of our tenants in 2020 in light of the Covid-19 crisis consisted of financial support, mainly in the form of rent-free periods, with the tenants in turn agreeing to extend their lease term, which secured future rental income.

The renewals thus extended the WAULT to break of the leases concerned by an average of 2.9 years.

Thanks to proactive crisis management, more than 80% of 2021 break options are estimated to have been prevented[5] or covered by the signing of new leases.

The **financial occupancy rate** stood at **92.5%** as of December 31, 2020, stable compared to December 31, 2019.

- The occupancy rate for offices was 94.9% (vs. 96.4% as of December 31, 2019), mainly due to the inclusion of Park View (Lyon) in the portfolio, 50% of the floor area of which is in the process of being let;
- The occupancy rate for business parks was 86.9% (vs. 83.6% as of December 31, 2019), driven in particular by the full occupancy of the Pulse building from 2020.

The **weighted average unexpired lease term to first break stood at 4.1 years** as of December 31, 2020.

Portfolio value stable year-on-year, down slightly on a like-for-like basis

As of December 31, 2020, the Office Property Investment **portfolio was worth €8.5bn** on a proportionate consolidation basis, stable year-on-year (-0.3%) in the context of a slowdown in investments over the period (no acquisitions, investments in the development pipeline scaled back due to the uncertain 2020 environment).

On a like-for-like basis, the value of the portfolio was down -3.1%, mainly due to operating assets, for which the external valuers revised some of their assumptions (index-linked rent reviews, time needed to find tenants).

- The **office portfolio was valued at €6.4bn**, up +0.3% on a reported basis, and down -2.7% like-for-like.
- The **business park portfolio was worth €1.8bn**, down -1.5% on a reported basis and -4.6% like-for-like.

On **a full consolidation basis**, the portfolio was valued at **€9.0bn**.

A more secure development pipeline, adapted to the market environment

Investments over the period totalled nearly €279m, down -48% year-on-year, with in particular:

- Investments in the development pipeline and off-plan sale projects for €206m, mainly ~€68m in Origine (Nanterre), ~€33m in Fresk (Paris/Issy-les-Moulineaux) and ~€25m in Park View (Lyon), completed in October 2020;
- "Other capex" and "Other" for ~€73m relating to building maintenance work and tenant improvements.
  Nearly **€10m of this amount will be used to meet our CSR commitments**, particularly our goals to reduce GHG (carbon) emissions.

In addition, Icade has pragmatically adjusted the sequencing of its pipeline investments in view of the current environment and in anticipation of the recovery:

- **Main focus on projects in the development pipeline worth €1.5bn**, with a residual investment of €408m over the next four years;
- **€826m relate to projects scheduled for completion in 2021, 63% of which have already been pre-let;**
- Additional opportunities worth €900m for projects ready to be launched when the market recovers and/or pre-lets are secured.

Asset rotation slowed down after a record year in 2019

After a volume of disposals of €1.1bn in 2019, no significant disposals had been planned or budgeted for in 2020.

[4] *33%-owned by Icade*

[5] *To date, over 80% of leases with a break option in 2021 have been renewed early, are likely be renewed according to the Asset Management Department's estimates or are covered by new leases coming into effect.*

2.2. Healthcare Property Investment: further growth, a non-cyclical asset class

Strong healthcare tenants little affected by the crisis

- 85% of rental income was generated by healthcare companies with revenue in excess of €500m.
- Supported by exceptional government measures since the start of the crisis, frontline healthcare providers have only been marginally impacted by the crisis from a financial standpoint. Short- and medium-term care facilities (87% of portfolio value) are supported by a predominantly publicly funded (>90%) healthcare system.
- Long-term care facilities (13% of portfolio value) have withstood the crisis very well. The occupancy rate for the facilities declined only slightly (to 95% on average), with no impact on the Healthcare Property Investment Division's rental income.

The rent collection rate in 2020 was over 99%.

Robust leasing activity

Gross rental income totalled €301m as of December 31, 2020, up **c. 14%** (+€37m), driven mainly by acquisitions in France and abroad since H2 2019 (+€15m and +€16m, respectively).
On a like-for-like basis, this represented an increase of **+1.7%.**

The **financial occupancy rate** of the portfolio as of December 31 remained unchanged at **100%**.

In addition, the **weighted average unexpired lease term to first break was 7.4 years**: 6.7 years for assets located in France and 15.9 years for assets located abroad.

Continued expansion: €440m[6] of acquisitions completed in 2020 (incl. preliminary agreements signed)

Investments remained strong, with almost €440m in transactions, including:

- Nearly **€250m of asset acquisitions, generating rental income immediately, both in France and abroad:**
  - **Acquisitions in France for nearly €100m, including:**
    - A nursing home operated by ORPEA in Marseille for €22.6m[7] (in July 2020);
    - The Navarre polyclinic in Pau for €36.2m (in November 2020);
    - The acquisition from Korian in December of four nursing homes for €33.6m as part of the partnership entered into in 2017.
  - **International acquisitions for €149m, including:**
    - The Q4 acquisition of seven nursing homes in Germany for €107m[8] as part of the acquisition of nine healthcare facilities in France and Germany from the operator ORPEA;
    - The acquisition of two long-term care facilities in Italy for close to €35m from Gheron and Lagune International, both operated by Gheron.

- **Nearly €190m of preliminary agreements signed, including €150m abroad:**
  - €117m in connection with the acquisition of a portfolio of nursing homes (two existing and four under construction) in northern Italy;
  - €36m for a preliminary agreement for an asset in Germany included as part of the transaction with the operator ORPEA;
  - €37m for off-plan acquisitions and property development contracts in France, including €22m for the off-plan acquisition of a healthcare facility.

With these investments, 60% of the €2.5bn Investment Plan was completed as of the end of 2020.

As of December 31, 2020, the development pipeline had grown significantly— €451m, up +55% year-on-year:
This development pipeline of nearly **€451m as of December 31, 2020,** of which €264.4m abroad, will eventually generate a total of €25m in additional rental income (expected average net initial yield: 5.5%).
This pipeline is fully pre-let.

Portfolio value up +9.2% year-on-year, +1.1% like-for-like, healthcare assets emerge stronger from the crisis and further prove their appeal

As of December 31, 2020, the Healthcare Property Investment **portfolio was worth** €3.3bn on a proportionate consolidation basis (**€5.7bn on a full consolidation basis**), i.e. +€279m.

- **The +9.2% increase on a reported basis** was mainly driven by the acquisition of 19 assets in 2020, bringing the number of healthcare properties to 175 as of December 31, 2020, including 139 in France.
- **On a like-for-like basis,** the portfolio grew by **+1.1%, reflecting the resilient and non-cyclical nature of the healthcare asset class**, which continues to attract strong investor interest both in France and elsewhere in Europe.

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[6] *On a full consolidation basis*
[7] *as part of preliminary agreements signed with ORPEA to acquire a property portfolio in France and Germany*
[8] *On a full consolidation basis; €88m based on proportionate consolidation of IHE*

2.3. Property Development: Business impacted by the halt in construction but growth potential intact

The lockdown that started in mid-March resulted in over 90% of the 170 construction sites being brought to a halt for around 2.5 months, sales offices being closed, the signing of notarial deeds being suspended and municipal elections being postponed. Given these circumstances and the revenue recognition method used (namely the percentage-of-completion method, which takes into account the progress of sales and construction work), Icade Promotion's property development revenue was inevitably impacted by the crisis.

Despite this, the faster pace of **digital transformation** and continued **sales momentum**—with bulk sales particularly strong in H1 and increased volumes of homes sold individually towards the end of the year—led to a **+5% increase in orders in volume terms and an +8% increase in value terms, as well as a +15% increase in notarised sales** in volume and value terms, compared to the previous year, **thereby limiting the fall in revenue.**

Economic revenue as of December 31, 2020 stood at **€825m**, down by -14.7%.

- **Revenue from the residential segment** was down -11% to €691m (up **+9% excluding the impact of the crisis).**
- The office segment experienced an even sharper drop in revenue, i.e. -36.9%. Had it not been for the crisis, it would have been stable.

Excluding the impact of the health crisis, **2020 economic revenue would be up by 8%.**

The current economic operating margin stood at 3.0% as of December 31, 2020, negatively impacted for the most part by a volume effect.

In this context, net current cash flow (NCCF) amounted to €2.5m as of December 31, 2020.

Continued momentum, growth potential:

Leading indicators for revenue, such as the controlled land portfolio and backlog, continue to show growth, ensuring a portion of revenue expected in 2021.

- **The total backlog of the Property Development Division as of December 31, 2020 was worth €1.4bn, up 14.4% year-on-year, fuelled by the residential segment (+21%);**
- Revenue expected from the residential land portfolio totalled **€2.1bn, up by 3.9%** compared to the previous year.

The most significant contracts for office developments signed by Icade Promotion in 2020 were as follows:

- **New off-plan sales** including:
  - Off-plan sale contract for around €20m, excluding taxes, for the construction of the Totem building in Lyon;
  - Off-plan sale contract for the first phase of the Ecla Campus residence in Villejuif (636 units, for ~€80m excluding taxes). This new generation student residence will be home to students, researchers and young workers and will offer state-of-the-art services and digital facilities;
  - Off-plan sale contract worth €109m, excluding taxes, signed with Primonial REIM for Urban Ivry, a 25,000-sq.m mixed-use development in Ivry-sur-Seine. The complex is scheduled for completion in Q4 2022;
  - Les Gradins, a 9,000-sq.m office building designed to facilitate new collaborative and flexible ways of working, as part of the construction of Block D of the Olympic and Paralympic Village in Saint-Ouen-sur-Seine. The building permit has been issued and construction is scheduled to start at the end of 2021;
  - The Barbusse project involving the overhaul of a former Post Office building totalling around 8,800 sq.m of office space in Marseille (ARKADEA). The building permit has been issued and construction is scheduled to start in H2 2021.

- **Agreement signed with CDC Habitat for the sale of nearly 900 residential units for a total of roughly €170m excluding taxes.** They will be located throughout France and combine social, intermediate and open-market housing.
- **Two major Delegated Project Management contracts awarded for healthcare and public infrastructure projects:**
  - With Rennes University Hospital for the construction of over 50,000 sq.m of medical space;
  - With UNESCO for the complete overhaul of a 16,000-sq.m building built by Jean Prouvé and Bernard Zehrfuss.

Total potential revenue over the medium term as of December 31, 2020 amounted to €6.9bn, on a proportionate consolidation basis for Icade Promotion and excluding taxes. It represents nearly 19,300 units for the residential segment and more than 336,000 sq.m for the office segment.

3. Strong financial structure

Thanks to its sound financial structure and close long-term banking relationships, the Icade Group benefited from **very favourable financing terms and stepped up its sustainable finance initiatives in 2020.**

First, by increasing its bank revolving credit facilities:

Undrawn revolving credit facilities grew by €390m over the financial year, bringing their total outstanding amount to €2.1bn, fully available as of December 31, 2020, including:

- A seven-year **€300m green RCF** whose innovative financial terms require a 45% reduction in the carbon intensity of the Office Property Investment Division between 2015 and 2025. If the objective is not achieved, the additional cost will be paid to an association having a positive impact on the environment;
- A five-year **€150m solidarity-based RCF** with a mechanism by which the banks waive part of their remuneration. These funds, combined with those donated by Icade for the same amount, have been allocated to research on Covid-19 vaccines carried out by Institut Pasteur.

Lastly, as market conditions improved substantially in H2, Icade Santé issued an **inaugural social bond** in September 2020. **This 10-year, €600m bond with a fixed coupon of 1.375%** was the first benchmark-size social bond ever issued by a company worldwide. This new bond issue was nearly 10 times oversubscribed and taken up by both French and international investors, confirming their interest in the fundamentals of Icade Santé.

Despite a challenging 2020, Icade further optimised its funding structure and substantially increased its sustainable bond issues while reducing its average cost of debt to a historical low (1.48%), keeping debt maturity stable at around 6 years and diversifying its financial resources.

Separately, **Standard & Poor's reaffirmed the long-term rating of BBB+ with a stable outlook for both Icade and Icade Santé in July 2020.**

As of December 31, 2020, debt ratios remained solid, well below bank covenants (which only apply to less than 16% of the Company's debt):

- The loan-to-value (LTV) ratio including duties stood at 40.1%,
- The interest coverage ratio (ICR) based on EBITDA remained at a high level of 5.38x.

4. Resilient 2020 results

Adjusted EPRA earnings from Property Investment totalled €351m, **down by only €8m (-2.2%) despite the Covid-19 health crisis. Excluding the impact of the crisis, Icade's adjusted EPRA earnings would have been broadly stable year-on-year** given the very significant disposal volume in 2019 from Office Property Investment (over €1bn) that impacted 2020 revenue.

This change resulted from:

- **Strong rental income growth** (+6.7%)
- A **solid net to gross rental income ratio** at 96.6%
- A **stable EPRA cost ratio** (excluding vacancy costs) at 11.7%, due in part to structural cost adjustments in 2020 (c. -7%)

Group net current cash flow stood at **€358.3m** (€4.84 per share), down a reasonable -7.9%, primarily due to slower recognition (POC method) of Property Development revenue.

As the Healthcare Property Investment Division's income increased during the period, its **contribution to Group NCCF grew by 7 pps to 37%[9] as of December 31, 2020 (vs. 30% in 2019).**

As of December 31, 2020, the **value of the property portfolio as a whole** on a proportionate consolidation basis totalled **€11.8bn, up +2.2% on a reported basis** and slightly down (-2.0%) on a like-for-like basis.

On a **full consolidation basis**, Icade's portfolio was worth **€14.7bn**, to be compared with €14.3bn at the end of 2019.

EPRA NTA (Net Tangible Assets) stood at €6,900m, **i.e. €93.2 per share, representing a small decrease of 3.1%.**

EPRA NDV[10] amounted to €6,376m, **i.e. €86.1 per share**, a sharper drop of -5.5% due to the negative impact of remeasuring fixed rate debt during the period (-€1.3 per share).

Net profit/(loss) attributable to the Group totalled €24.2m. This amount notably includes non-current items stemming from the health crisis for -€52m. It should be noted that the year 2019 was fuelled by a large volume of disposals that resulted in capital gains of €209m. As no disposals were made in 2020, no direct comparison can be made between net profit/(loss) attributable to the Group for 2019 and 2020.

9 On a full consolidation basis

10 EPRA NDV: Net Disposal Value

5. Low-carbon strategy: heading towards a 1.5°C pathway

On February 2, 2021, Icade unveiled its **Low Carbon by Icade** strategy aimed at reducing its greenhouse gas (GHG) emissions **by stepping up efforts to achieve a 1.5°C pathway** through four additional commitments:

- Much higher goals for reducing greenhouse gas emissions;
- An ambitious and responsible carbon offsetting policy (16,000 tonnes of CO_2 offset in 2020);
- Greater focus on low-carbon construction, including the launch of Urbain des Bois, a subsidiary of Icade Promotion specialised in timber construction;
- Creation of a Climate Fund with €2.5m to draw on starting in 2021 to facilitate the funding of innovation as part of Icade's low-carbon policy.

Link to Icade's low-carbon strategy (press release published on February 2, 2020 and videos)

Icade is once again one of the CSR leaders atop 2020 rankings from ESG rating agencies:

- GRESB ranked Icade "Sector Leader" in the category of listed diversified companies in Europe.
- Icade was ranked 3rd out of 420 listed real estate investment companies worldwide by Sustainalytics.
- By obtaining a score of A- in 2020 from the Climate Disclosure Project (CDP), Icade reached the leadership level and is in the top 25% of the highest scoring companies.

6. 2020 dividend

The Board of Directors will ask shareholders at the General Meeting to be held on April 23, 2021 to approve a dividend of €4.01 per share, stable compared to the 2019 amount.

As a result, the dividend yield stood at 6.4% based on the share price as of December 31, 2020.

This amount implies a payout ratio of 83% of 2020 net current cash flow.

The dividend will be paid in two instalments with a scrip dividend option for the final dividend:

- 50% of the dividend will be paid in cash as an interim dividend of €2.01 per share on March 5, 2021, with shares going ex-dividend on March 3, 2021;
- A scrip dividend option will be available for the final dividend.

The payment method will be determined by the Board of Directors on March 12, 2021.

7. Governance: a Board of Directors supporting management

The Board of Directors—composed of members with diverse profiles including expertise in real estate and finance in addition to five independent directors—has helped management throughout the year in its handling of the crisis.

The changes to the 2021–2023 Strategic Plan proposed by management and made necessary due to the impact of the Covid-19 crisis were unanimously approved by the Board of Directors.

In light of the unprecedented crisis in 2020, the Board also decided to donate its fees for attending special Board meetings to socially responsible initiatives.

Lastly, at its meeting held on February 19, 2021, the Board of Directors duly noted that Caisse des Dépôts appointed Carole ABBEY as its new permanent representative to the Board, to replace Virginie FERNANDES.

As a result, the Board of Directors is still composed of 15 members, including 5 independent directors with 40% of all director positions held by women, in line with good governance practice.

8. 2021 Outlook

Due to the active management of disposals in H2 2020, we are today able to announce **the signing of two preliminary sale agreements totalling over €320m, with valuations in line with the net asset value as of December 31, 2020[11].**

In 2021, Icade hopes to return to a volume of disposals in line with the average of those made over the past three years.

In addition, Icade has entered into exclusive talks with a major operating group for the acquisition of a property portfolio of nursing homes in Spain.

For its refinancing needs, **the Group issued a €600m, 10-year bond with an annual coupon of 0.625%, the lowest ever for Icade, on January 11, 2021.**

Most of the proceeds from this issue will be allocated to the early redemption of a bond maturing in 2022 for a total of €396m, scheduled for February 24, 2021. It should be noted that on January 18, 2021, the Group also redeemed a bond before its scheduled maturity in April 2021 for a total of €257m.

Icade thus continues to pursue its active policy of optimising its funding structure which should have a positive effect on NCCF as early as 2021.

Icade's priorities for the year 2021 are as follows:

- **Office Property Investment: Asset rotation and value creation through a pipeline of pre-let projects**
- **Healthcare Property Investment: Further growth and international expansion, preparation for liquidity event**
- **Property Development: Increase revenue and achieve higher margins**
- **CSR: Ramp up our low-carbon strategy, launch Urbain des Bois**
- **Integrate our Purpose into our operations**

FY 2021 guidance (subject to the health and economic situation not worsening significantly)

- **In 2021, Group net current cash flow per share should grow by ~+3%, excluding the impact of 2021 disposals.**
  The 2021 dividend is expected to increase by +3%: payout ratio in line with 2020 (83%) + distribution of part of the gains on disposals

[11] See the press release entitled "Icade signs two preliminary sale agreements for more than €320m" published on February 22, 2021

FINANCIAL CALENDAR

Annual General Meeting: April 23, 2021
Q1 financial data: April 23, 2021 after the market closes.
Half Year Results: July 26, 2021 before the market opens.
Q3 financial data: October 25, 2021 before the market opens.

The consolidated financial statements as approved by the Board of Directors on February 19 have been audited. The Statutory Auditors' report will be issued after the Board of Directors meeting to be held to approve the draft resolutions submitted to the General Meeting.

The consolidated financial statements are available for **viewing or downloading on the Icade website** (www.icade.fr/en/), in the section:
In French: https://www.icade.fr/finance/resultats-financiers*(Résultats financiers _ FY 2020 _ Données)*
In English: https://www.icade.fr/en/finance/financial-results*(Keys figures _ FY 2020 _ Data)*

Frédéric Thomas, Chairman of the Board, Olivier Wigniolle, CEO, and Victoire Aubry, member of the Executive Committee in charge of Finance, will present the 2020 Full Year Results today at 10:00 a.m. (CET).

The slideshow will be available on the website at 9:30 a.m. (Paris time):
In French: https://www.icade.fr/finance/resultats-financiers
In English: https://www.icade.fr/en/finance/financial-results

The event will be held virtually in English and broadcast live with synchronised slides

Direct access to the webcast: https://channel.royalcast.com/landingpage/icadeen/20210222_1/

Access to the audio-only version (questions may be asked verbally)

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UK (Standard International Access)	+44(0)33 0551 0200
USA	+1212 999 6659

Conference ID: ICADE FR / Conference ID: ICADE EN

The recording will be available after the conference call via the following link:
https://channel.royalcast.com/landingpage/icadeen/20210222_1/

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ABOUT ICADE

DESIRABLE PLACES TO LIVE

As an office and healthcare property investment company (portfolio worth €14.7bn on a full consolidation basis as of 12/31/2020) and a developer of homes, offices and public amenities (2020 economic revenue of nearly €825m), Icade designs, builds, manages and invests in cities, neighbourhoods and buildings that are innovative, diverse, inclusive and connected, with a reduced carbon footprint. Desirable places to live and work. In collaboration with its stakeholders, Icade has made low carbon a strategic priority in order to reinvent real estate and create cities that are healthier, happier and more hospitable. Icade is a key player in Greater Paris and major French cities. It is listed as a "SIIC" on Euronext Paris and its leading shareholder is the Caisse des Dépôts group.

The text of this press release is available on the Icade website: www.icade.fr/en/

CONTACTS

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APPENDICES

December 31, 2020

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1. Consolidated financial statements

1.1. Consolidated income statement

(in millions of euros)	12/31/2020	12/31/2019
Revenue	**1,440.2**	**1,522.9**
Other income from operations	6.5	4.3
Income from operating activities	**1,446.7**	**1,527.2**
Purchases used	(615.8)	(704.6)
Outside services	(92.0)	(83.9)
Taxes, duties and similar payments	(5.4)	(5.5)
Staff costs, performance incentive scheme and profit sharing	(130.3)	(134.4)
Other operating expenses	(29.4)	(12.7)
Expenses from operating activities	**(873.0)**	**(941.1)**
EBITDA	573.7	586.1
Depreciation charges net of government investment grants	(358.7)	(336.6)
Charges and reversals related to impairment of tangible, financial and other current assets	(32.0)	9.9
Profit/(loss) from acquisitions	(1.6)	(5.1)
Profit/(loss) on asset disposals	13.2	207.3
Share of net profit/(loss) of equity-accounted companies	(10.6)	(10.7)
OPERATING PROFIT/(LOSS)	184.0	450.9
Cost of gross debt	(113.1)	(105.5)
Net income from cash and cash equivalents, related loans and receivables	8.4	7.0
Cost of net financial liabilities	**(104.7)**	**(98.5)**
Other finance income and expenses	(13.9)	(8.5)
FINANCE INCOME/(EXPENSE)	(118.6)	(107.0)
Tax expense	(5.2)	(8.1)
Net profit/(loss) from continuing operations	**60.3**	**335.7**
Profit/(loss) from discontinued operations	3.2	2.5
NET PROFIT/(LOSS)	63.4	338.2
Including net profit/(loss) attributable to the Group	**24.2**	**300.2**
- Including continuing operations	21.1	297.7
- Including discontinued operations	3.2	2.5
Including net profit/(loss) attributable to non-controlling interests	**39.2**	**38.0**
Basic earnings per share attributable to the Group (in €)	**0.33**	**4.06**
- Including continuing operations per share	0.28	4.03
- Including discontinued operations per share	0.04	0.03
Diluted earnings per share attributable to the Group (in €)	**0.33**	**4.06**
- Including continuing operations per share	0.28	4.02
- Including discontinued operations per share	0.04	0.03

1.2. Consolidated balance sheet

ASSETS

(in millions of euros)	12/31/2020	12/31/2019
Goodwill	45.3	45.3
Other intangible fixed assets	21.7	19.5
Tangible fixed assets	52.4	61.2
Net investment property	9,985.9	9,760.7
Equity-accounted investments	122.0	132.1
Financial assets at fair value through profit or loss	22.2	23.8
Financial assets at amortised cost	41.0	8.1
Derivative assets	0.0	0.4
Deferred tax assets	18.0	14.8
NON-CURRENT ASSETS	10,308.5	10,065.8
Inventories and work in progress	472.1	563.1
Contract assets	125.9	327.3
Accounts receivable	319.9	344.5
Tax receivables	6.2	19.6
Miscellaneous receivables	291.0	344.0
Other financial assets at fair value through profit or loss	0.0	0.0
Financial assets at amortised cost	97.0	66.5
Derivative assets	7.0	5.9
Cash and cash equivalents	1,190.1	767.1
Assets held for sale and discontinued operations		9.8
CURRENT ASSETS	2,509.2	2,447.7
TOTAL ASSETS	**12,817.7**	**12,513.5**

LIABILITIES

(in millions of euros)	12/31/2020	12/31/2019
Share capital	113.6	113.6
Share premium	2,644.4	2,644.4
Treasury shares	(39.2)	(43.6)
Revaluation reserves	(53.1)	(34.8)
Other reserves	166.7	188.9
Net profit/(loss) attributable to the Group	24.2	300.2
Equity attributable to the Group	**2,856.5**	**3,168.7**
Non-controlling interests	894.9	926.1
EQUITY	3,751.4	4,094.8
Provisions	32.1	32.0
Financial liabilities at amortised cost	6,352.0	6,134.7
Lease liabilities	50.5	59.1
Tax liabilities	10.5	15.2
Deferred tax liabilities	12.6	13.3
Other financial liabilities	73.6	69.2
Derivative liabilities	73.8	53.6
NON-CURRENT LIABILITIES	6,605.1	6,377.1
Provisions	37.6	42.8
Financial liabilities at amortised cost	1,311.8	703.3
Lease liabilities	8.0	8.9
Tax liabilities	15.0	16.0
Contract liabilities	43.8	12.1
Accounts payable	491.1	662.0
Amounts due to customers (construction contracts and off-plan sales)	-	-
Miscellaneous payables	548.9	588.1
Other financial liabilities	1.2	1.4
Derivative liabilities	0.8	0.8
Liabilities related to assets held for sale and discontinued operations	3.1	6.3
CURRENT LIABILITIES	**2,461.2**	**2,041.6**

2. Group summary

2.1. Highlights of the financial year 2020

2020 was marked by the Covid-19 crisis, a health crisis unprecedented in its scope.

Despite this, Icade demonstrated the strength and resilience of its three business lines and balance sheet, with solid results for the year:

- Rental income from the Property Investment Divisions was up +6.7%, or +€42.5 million, on 2019. The Office Property Investment Division's tenants remained solid and Icade's portfolio was ultimately little affected by the crisis. Healthcare facility operators, while on the front line in operational terms, were fully supported by the government and did not experience financial difficulties;
- The impact of the crisis on net current cash flow was -€27 million, three quarters of which will be recovered in 2021 and subsequent years. The main cause of this reduction in cash flow was the technical impossibility of recognising Property Development revenue during the lockdown period in March and April;
- NCCF stood at €4.84 per share, above October 2020 guidance;
- The cost of measures to support tenants during the crisis amounted to €5.2 million;
- Net profit attributable to the Group remained positive at €24.2 million, despite the lack of disposals and associated capital gains during the year.

Icade once again demonstrated its robustness and the solidity of its balance sheet:

- Top-notch shareholders with a long-term vision;
- Solid debt ratios and improved liquidity position: cash and undrawn RCFs covering nearly 5 years of principal and interest payments;
- Recognised financial strength that attracts investors; rating reaffirmed by S&P in July 2020 for both Icade and Icade Santé: BBB+ with a stable outlook;
- The scrip dividend option will strengthen the Company's balance sheet.

General Meeting and governance

The Combined General Meeting was held on April 24, 2020 behind closed doors, without the physical presence of the shareholders and other persons entitled to attend.

In accordance with the decision made by the Board of Directors on April 1, 2020, a gross cash dividend of €4.01 per share was set for the financial year 2019. A first interim dividend of €2.41 per share was paid on March 6, 2020. For the balance payment, a final dividend of €1.60 per share was paid on July 8, 2020 and shares went ex-dividend on July 6, 2020.

The resolution relating to Icade's Purpose was approved by over 99% of votes. Icade's Purpose now appears in the preamble of its Articles of Association: Designing, Building, Managing and Investing in cities, neighbourhoods and buildings that are innovative, diverse, inclusive and connected with a reduced carbon footprint. Desirable places to live and work. This is our ambition. This is our goal. This is our Purpose.

In addition, on April 24, 2020 the General Meeting:

- Ratified the co-option of Marianne LOURADOUR, Olivier FABAS and Laurence GIRAUDON, all three directors representing the Caisse des Dépôts Group;
- Reappointed Frédéric THOMAS, Georges RALLI, Marie-Christine LAMBERT, Florence PÉRONNAU and Laurence GIRAUDON as directors for four years.

Following the General Meeting, the Board of Directors unanimously:

- Reappointed Frédéric THOMAS as Chairman of the Board of Directors;
- Reappointed Florence PÉRONNAU as Vice-Chairwoman of the Board of Directors, who will also serve as Lead Independent Director.

In addition, on the recommendation of the Appointments and Remuneration Committee, the Company's Board of Directors, at its meeting held on October 6, 2020, co-opted the following persons as directors:

- Bernard SPITZ, to replace Jean-Paul FAUGÈRE, who resigned in July due to his appointment as Vice-Chairman of ACPR (French Prudential Supervisory and Resolution Authority), an independent administrative authority operating under the auspices of Banque de France, the French central bank, responsible for the supervision of the banking and insurance sectors in France;
- Antoine SAINTOYANT, to replace Waël RIZK following his resignation.

The directors Bernard SPITZ and Antoine SAINTOYANT will represent Caisse des Dépôts.

Bernard SPITZ will be a member of the Strategy and Investment Committee.

The Board of Directors is now composed of 15 members, including 5 independent directors (i.e. 33%) and 40% of women.

The Company's corporate governance fully complies with Afep-Medef recommendations.

Highlights of the Property Investment business:

Office Property Investment: a resilient business, with new leases and lease renewals stable despite the Covid-19 crisis.

During 2020, and despite the health crisis, Icade carried out major lease transactions, notably:

- Over 12,500 sq.m leased in the Park View building in Villeurbanne (Lyon metropolitan area);
- A 12-year off-plan lease with no break option signed on June 16, 2020 with easyHotel for a 180-room hotel (4,000 sq.m) in the Portes de Paris business park in Aubervilliers (scheduled for completion in Q1 2023);
- A nine-year lease with no break option signed with Action Logement (2,300 sq.m of office space in the EKO Active building in Marseille);
- A lease signed with France Télévisions for 3,300 sq.m of office space in the Le Ponant building in the 15th district of Paris;
- The signing on July 31 with Edvance, EDF's engineering subsidiary, of a 12-year lease with no break option for nearly 3,000 sq.m of office space and business premises in the Rungis business park.

In addition, Icade was able to renew 54 leases during the year, thus securing €24.4 million in annualised headline rental income.

Furthermore, in 2020 the Office Property Investment Division completed three assets from the development pipeline with a total floor area of nearly 35,000 sq.m (€9.2 million in potential rental income).

In H1 2020, Icade gave support to the tenants hardest hit by the crisis by allowing them to defer and/or spread out their rental payments. In addition, during the first lockdown period, Icade waived the equivalent of two months' rental income from small businesses closed by decree; this impacted results for 2020 by less than €2 million.

At the end of 2020, the rent collection rate for the year was 96%, illustrating the solidity of the Office Property Investment Division's tenants.

Healthcare Property Investment: The healthcare portfolio demonstrated its non-cyclical nature, with the Healthcare Property Investment Division only slightly impacted by the health crisis.

At the peak of the crisis in March and April 2020, the Healthcare Property Investment Division supported operators of private healthcare facilities and nursing homes by deferring rent payments for three months. Actively involved in supporting the public sector in the midst of the crisis during the spring of 2020, private healthcare operators also benefited from exceptional government measures to compensate them for all revenue lost as a result. The impact on their financial strength was therefore minimal and the Division's rent collection rate was almost 100% for the year 2020 as a whole.

By demonstrating its resilience, this asset class has emerged stronger from the crisis. After slowing during the first half of the year, investment activity accelerated from the end of the lockdown in early May, with continued international diversification and growth of the portfolio in France, notably:

- The acquisition from ORPEA of eight nursing homes in Germany and another in Marseille for €165 million including duties on a full consolidation basis, including a preliminary agreement;
- The acquisition on November 5, 2020, of the Navarre polyclinic in Pau for €36.2 million;
- On December 18, 2020, the Healthcare Property Investment Division acquired a portfolio of seven nursing home properties located in Northern Italy for a total of €130 million including duties. The facilities were fully let or pre-let on leases for an initial term of 18 years with no break option;
- Icade Santé acquired four nursing homes from Korian for €33.6 million including duties. Korian has agreed to lease back these properties through the signing of a 12-year lease with no break option for the Thise nursing home and 9-year leases with no break option for the other three facilities. As a result, these investments will start generating rental income immediately.

In addition, Icade increased its ownership interest in Icade Santé in France from 56.8% to 58.3% by acquiring Macif's stake in the business.

Property Development: an abrupt halt to construction work in March and April 2020 followed by a rapid recovery in business, particularly in the residential segment.

The lockdown implemented on March 17, 2020 directly impacted the Property Development business, with the closure of 90% of construction sites for 2.5 months preventing the recognition of revenue (percentage of completion) during that period, suspending the signing of notarial deeds and causing the municipal elections to be postponed (impacting the granting of building permits).

The health measures adopted during the second lockdown were less disruptive to business, thus promoting a stronger-than-expected recovery in the second half of the year.

As a result, Icade Promotion noted an improvement in its business performance indicators, with a +5% increase in orders in volume terms and +8% in value terms, and a +15% increase in notarised sales in volume and value terms compared to the previous year. This growth was driven by increased sales to institutional investors in Q4 2020. In particular, the agreement signed with CDC Habitat for around 900 housing units led to 453 notarised sales this year.

The Office Property Development business was more adversely affected by the crisis with only a few signings. The uncertainty about the economic outlook and changes in the way people work led to investors adopting a wait-and-see attitude.

Overall, Icade Promotion's 2020 economic revenue totalled €825.4 million, a moderate decrease of -14.7%.

Excluding the impact of the health crisis, **economic revenue for the year would be up by +8%.**

Leading indicators for revenue, such as the land portfolio and backlog, continue to show growth, ensuring a portion of revenue expected in 2021, in particular:

- Backlog at €1.4 billion, up +14.4% compared with December 31, 2019.

A number of sales and a significant agreement signed:

- On June 29, 2020, Icade Promotion signed an off-plan sale agreement worth **€109 million, excluding taxes**, with Primonial REIM for Urban Ivry, a 25,000-sq.m mixed-use complex in Ivry-sur-Seine. The complex is scheduled for completion at the start of Q4 2022;
- On July 21, 2020, Icade Promotion and CDC Habitat signed an off-plan sale agreement for 900 housing units in France worth **€107 million, excluding taxes**. This agreement covers 40 separate developments and approximately 25% of Icade Promotion's housing stock;
- On September 24, 2020, Icade and Segro signed preliminary agreements with SNCF to acquire land for their project on the site of the Gobelins train station in the 13th district of Paris. This acquisition is part of the "Reprendre Racines" project, which includes mixed-use space built by Icade (two 14,000-sq.m office buildings, 4,600 sq.m dedicated to sports, greenhouses and a 1.3-hectare garden) and a 75,000-sq.m underground urban distribution centre developed by Segro.

Major projects completed in 2020 include:

- Completion of a 5,900-sq.m, 119-bed nursing home in Miramont-de-Guyenne (Lot-et Garonne) for Axentia;
- On July 10, 2020, completion of an 18,196-sq.m office building in Villejuif (Val-de-Marne) handed over to the Élysées Pierre SCPI fund managed by HSBC REIM under an off-plan sale contract signed in 2018 with the Orange Group;
- Completion of the 7,517-sq.m K-Bis office building handed over to Société de la Tour Eiffel in the Carré de Soie district in Vaulx-en-Velin, one of the four major business hubs in Greater Lyon.

In addition, on December 30, 2020, Icade strengthened its position in the Occitanie region by completing the acquisition of Montpellier-based Ad Vitam, representing potential revenue of €70 million, excluding taxes.

Balance sheet: Icade strengthened its liquidity position to help weather the crisis and issued its first social bond to finance its healthcare activities.

These three new revolving credit facilities, all with a maturity of at least 5 years, brought Icade's secured credit lines to over €2 billion as of December 31, 2020, covering nearly five years of debt principal and interest payments.

In September 2020, less than a year after launching its inaugural bond, Icade Santé successfully issued its first social bond, totalling €600 million and maturing in 2030 with a fixed coupon of 1.375%.

In addition, following its annual review, Standard & Poor's affirmed Icade's and Icade Santé's long-term rating of BBB+ and short-term rating of A-2 with a stable outlook.

Events after the reporting period

On January 11, 2021, Icade successfully issued a 10-year, €600 million bond with an annual coupon of 0.625%. This represented a historically low cost of 10-year debt for Icade. Nearly three times oversubscribed by major investors, this transaction reflects the credit market's confidence in Icade's credit quality. This has enabled the Company to enjoy historically low spreads, with 85 bps over the swap.

Most of the proceeds from this issue will be allocated to the early redemption of a bond maturing in 2022 for a total of €395.7 million, scheduled for February 24, 2021. On January 18, 2021, the Group also redeemed a bond before its scheduled maturity in April 2021 for a total of €257.1 million in accordance with its terms and conditions.

Through this transaction, Icade has continued to proactively manage its balance sheet while benefiting from favourable market conditions. In particular, the Company has further optimised its average cost of debt and extended its average debt maturity.

In addition, on February 1 and 22, 2021, Icade signed two preliminary agreements to sell the Millénaire 1 building in Aubervilliers and the Le Loire building in Villejuif for over €300 million. These sales were completed at prices in line with both fair market values and fair values as of December 31, 2020.

2.2. The Group's key indicators

Icade's financial performance indicators and business activities have shown great resilience throughout the health crisis, despite its significant impact on the real estate and construction industries.

	12/31/2020	12/31/2019	Change 2020 vs. 2019 (%)
Adjusted EPRA earnings from Property Investment (in €m)	**351.0**	**358.7**	**-2.2%**
Adjusted EPRA earnings from Property Investment per share	4.74	4.85	-2.1%
Net current cash flow from Property Investment (in €m)	**363.4**	**368.8**	**-1.5%**
Net current cash flow from Property Investment per share	4.91	4.98	-1.4%
Net current cash flow from Property Development (in €m)	**2.5**	**33.1**	**-92.4%**
Net current cash flow from Property Development per share	0.03	0.45	-92.4%
Other (in €m)	**(7.6)**	**(12.7)**	**-40.0%**
Group net current cash flow (in €m)	**358.3**	**389.2**	**-7.9%**
Group net current cash flow per share	4.84	5.26	-7.9%

	12/31/2020	12/31/2019	Change (%)
EPRA NTA per share (in €)	**93.2**	**96.1**	**-3.1%**
Average cost of drawn debt	**1.48%**	**1.54%**	**-6 bps**
LTV ratio (including duties)	**40.1%**	**38.0%**	**+210 bps**

Group net current cash flow reflects the operating and financial performance of the Office Property Investment, Healthcare Property Investment and Property Development Divisions. The Group's dividend policy is based on this indicator. It primarily comprises the following two items:

- Net current cash flow from Property Investment, which is calculated based on "Adjusted EPRA earnings from Property Investment", an earnings indicator for Property Investment activities in accordance with EPRA recommendations (European Public Real Estate Association). The difference between NCCF and adjusted EPRA earnings is primarily due to depreciation charges on operating assets; and
- Net current cash flow from Property Development which measures current operational performance.

Group net current cash flow decreased by -7.9% to €358.3 million (€4.84 per share) as of December 31, 2020 from €389.2 million as of December 31, 2019 (€5.26 per share), in line with the updated guidance announced to the market in the autumn of 2020.

This change resulted primarily from the impact of the Covid-19 crisis on the Property Development business from mid-March 2020 (2.5-month shutdown of construction sites, impact on percentages of completion).

Adjusted EPRA earnings from Property Investment were down by only -2.2% to **€351.0 million**. The Healthcare Property Investment Division's contribution to Group NCCF continued its upward trend to 38.1% as of December 31, 2020 (vs. 30.8% as of December 31, 2019).

The Group's second key indicator is EPRA NTA, which assesses changes in the Company's valuation over the financial year (see section 2.3.1). This indicator fell by -3.1%, impacted in particular by the decrease in asset values over the year (-2.0% on a like-for-like basis).

Lastly, the LTV ratio, which measures the ratio between the Group's net debt and the value of its balance sheet assets, stood at 40.1%, up year-on-year due to a moderate decline in the value of the office portfolio and a +6.4% increase in net debt.

2.2.1. Summary IFRS consolidated income statement

(in millions of euros)	12/31/2020	12/31/2019	Change	Change (%)
Revenue	**1,440.2**	**1,522.9**	**(82.8)**	**(5.4%)**
EBITDA	**573.7**	**586.1**	**(12.4)**	**(2.1%)**
Operating profit/(loss)	**184.0**	**450.9**	**(266.8)**	**(59.2%)**
Finance income/(expense)	**(118.6)**	**(107.0)**	**(11.5)**	**10.8%**
Net profit/(loss)	**63.4**	**338.2**	**(274.7)**	**(81.2%)**
NET PROFIT/(LOSS) attributable to the Group	**24.2**	**300.2**	**(275.9)**	**(91.9%)**
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP (in euros per share after dilution)	**0.33**	**4.06**	**(3.7)**	**(91.9%)**
Non-current items (a)	**(334.0)**	**(89.0)**	**(245.0)**	**275.3%**
GROUP NET CURRENT CASH FLOW	**358.3**	**389.2**	**(30.9)**	**(7.9%)**

(a) "Non-current items" include depreciation charges, gains or losses on disposals, fair value adjustments to financial instruments, and other non-current items.

The Icade Group's IFRS revenue fell by -5.4% due to the combined effects of the following:

- A marked increase in gross rental income for the Healthcare Property Investment Division (+13.9%) due to the acquisitions made in H2 2019;
- A +1.6% increase in gross rental income for the Office Property Investment Division, despite the very significant disposals made in H2 2019;
- A -16.6% fall in IFRS revenue for the Property Development Division as a result of the Covid-19 health crisis (impact of construction site shutdowns on percentages of completion).

Net profit/(loss) attributable to the Icade Group was directly impacted by the health crisis, mainly as a result of the following:

- A negative impact of -€27 million on Group net current cash flow stemming from:
  - Lower Property Development revenue and operating margins due to construction site shutdowns that inevitably led to a drop in revenue, reducing Group net current cash flow by -€19 million;
  - The impact of postponed completions and acquisitions for the Office Property Investment Division's leasing activity that represented a drop of -€5 million due to the wait-and-see attitude of institutional investors amid the health crisis.
- A non-current negative impact of -€52 million stemming from:
  - Inefficiency costs in connection with the resumption of activity at the Property Development Division's construction sites and impairment losses amounting to a negative -€9 million;
  - Support measures granted to tenants for -€5 million;
  - Net impairment losses of -€37 million on the assets of the Office Property Investment Division resulting from decreases in value of some portfolio assets as a direct consequence of the Covid-19 crisis.
- In addition, Icade recorded a low volume of disposals in its Property Investment portfolios in 2020 (only €5 million) unlike in 2019 when significant gains on disposals were generated (€207 million).

As a result, net profit attributable to the Group for the financial year 2020 was down at €24.2 million as no significant disposals were completed during the year.

2.2.2. Summary segment information

Icade's segment reporting is divided into four main categories: Office Property Investment, Healthcare Property Investment, Property Development and "Other".

(in millions of euros)	12/31/2020				12/31/2019				Change 2020 vs. 2019	
	Adjusted EPRA earnings from Property Investment	%	NCCF	%	Adjusted EPRA earnings from Property Investment	%	NCCF	%	Adjusted EPRA earnings from Property Investment	NCCF
Office Property Investment	214.3	61.1%	226.7	63.3%	238.9	66.6%	249.0	64.0%	(10.3%)	(8.9%)
Healthcare Property Investment	136.7	38.9%	136.7	38.1%	119.8	33.4%	119.8	30.8%	14.0%	14.0%
Total Property Investment (a)	**351.0**	**100.0%**	**363.4**	**101.4%**	**358.7**	**100.0%**	**368.8**	**94.8%**	**(2.2%)**	**(1.5%)**
Property Development			2.5	0.7%			33.1	8.5%		(92.4%)
Other (b)			(7.6)	(2.1%)			(12.7)	(3.3%)		(40.0%)
Total Group			**358.3**	**100.0%**			**389.2**	**100.0%**		**(7.9%)**
Total Group - in euros per share	**4.74**		**4.84**		**4.85**		**5.26**		**(2.1%)**	**(7.9%)**

(a) "Adjusted EPRA earnings" includes the depreciation of operating assets which are excluded from net current cash flow.
(b) "Other" includes "Intersegment transactions and other items", as well as discontinued operations.

2.3. EPRA reporting as of December 31, 2020

Icade presents below all its performance indicators as defined by the European Public Real Estate Association (EPRA) and as calculated in accordance with its recommendations.

Adjusted EPRA earnings from Property Investment include the Office and Healthcare Property Investment segments.

EPRA net asset value (NAV) is estimated based on all of the Group's assets (including the value of property development companies).

Note: NCCF presented for all three business lines (Office Property Investment, Healthcare Property Investment and Property Development) is not an EPRA indicator. However, the Icade Group uses it as a single performance indicator for its three business lines.

2.3.1. EPRA net asset value as of December 31, 2020

EPRA net asset value measures the value of the Company based on changes in equity and changes in value of asset portfolios, liabilities and property development companies.

EPRA published new recommendations in October 2019 introducing changes to the calculation of NAV.

EPRA now recommends the use of three NAV metrics:

- A NAV metric that represents the shareholders' net assets under a disposal scenario: EPRA Net Disposal Value (NDV), which includes the fair value of fixed rate debt;
- A NAV metric which focuses on real estate activities: EPRA Net Tangible Assets (NTA), which excludes the fair value of fixed rate debt;
- A reinstatement NAV: EPRA Net Reinstatement Value (NRV), a NAV including duties.

The Icade Group's EPRA NDV stood at **€6,375.7 million** (€86.1 per share) as of December 31, 2020, down -€371.2 million (i.e. -5.5%) compared to December 31, 2019, mainly due to the combined effects of the following:

- The -€95.5 million (-€1.3 per share) negative impact of the fair value of fixed rate debt during the period;
- The downward adjustment of property values on a like-for-like basis (-€229.2 million, i.e. -€3.1 per share).

The Icade Group's EPRA NTA amounted to €6,900.0 million (€93.2 per share). It reflects the value of Icade excluding changes in fair value of financial instruments. It was down -3.1% compared to December 31, 2019 due to the valuations of office and business park assets.

Lastly, the Icade Group's EPRA NRV stood at €7,447.6 million as of December 31, 2020 (€100.6 per share), following the same downward trend, with -3% year-on-year.

Presentation of new EPRA NAV metrics for three periods including two comparative periods

(In millions of euros)		12/31/2020	06/30/2020	12/31/2019
Consolidated equity attributable to the Group	(1)	**2,856.5**	**2,858.8**	**3,168.7**
Amounts payable to shareholders [(a)]	(2)	-	119.3	-
Impact of dilution from securities entitling their holders to shares in the Company [(b)]	(3)	-	-	0.2
Unrealised capital gains on property assets and property development companies	(4)	3,856.5	3,884.8	3,823.1
Tax on unrealised capital gains	(5)	(9.9)	(11.3)	(13.3)
Other goodwill	(6)	(2.9)	(2.9)	(2.9)
Remeasurement gains or losses on fixed rate debt	(7)	(324.5)	(25.4)	(229.0)
EPRA NDV (Net Disposal Value)	**(8) =**	**6,375.7**	**6,823.3**	**6,746.9**
EPRA NDV per share (in €)	***(8)/N***	***86.1***	***92.2***	***91.1***
Year-on-year change		***(5.5%)***		
Adjustment for tax on unrealised capital gains	(9)	9.9	11.3	13.3
Intangible fixed assets	(10)	(21.7)	(20.0)	(19.5)
Optimisation of transfer tax on the fair value of property assets	(11)	152.7	124.5	111.3
Adjustment for remeasurement gains or losses on fixed rate debt	(12)	324.5	25.4	229.0
Adjustment for remeasurement gains or losses on interest rate hedges	(13)	58.9	53.4	35.4
EPRA NTA (Net Tangible Assets)	**(14) =**	**6,900.0**	**7,017.8**	**7,116.4**
EPRA NTA per share (in €)	***(14)/N***	***93.2***	***94.9***	***96.1***
Year-on-year change		***(3.1%)***		
Other goodwill	(15)	2.9	2.9	2.9
Adjustment for intangible fixed assets	(16)	21.7	20.0	19.5
Adjustment for the optimisation of transfer tax on the fair value of property assets	(17)	(152.7)	(124.5)	(111.3)
Transfer tax on the fair value of property assets	(18)	675.6	665.1	644.6
EPRA NRV (Net Reinstatement Value)	**(19) =**	**7,447.6**	**7,581.3**	**7,672.1**
EPRA NRV per share (in €)	***(19)/N***	**100.6**	**102.5**	**103.6**
Year-on-year change		***(3.0%)***		
NUMBER OF FULLY DILUTED SHARES [(c)]	*N*	74,066,902	73,986,939	74,029,822

(a) Final dividend for financial year 2019 paid in July 2020.

(b) Dilution related to stock options which had the effect of increasing consolidated equity and the number of shares. This increase can be up to the number of shares that can be obtained from the stock options exercisable at the end of the period.

(c) Stood at 74,066,902 as of December 31, 2020, after cancelling treasury (-540,269 shares) and the positive impact of dilutive instruments (+71,430 shares).

Bridge between the previous and new EPRA NAV metrics for 2019

	12/31/2019				
	New indicators			Former indicators	
(In millions of euros)	EPRA NDV	EPRA NTA	EPRA NRV	EPRA NNNAV	EPRA NAV
Consolidated equity attributable to the Group	**3,168.7**	**3,168.7**	**3,168.7**	**3,168.7**	**3,168.7**
Amounts payable to shareholders	0.0	0.0	0.0	0.0	0.0
Impact of dilution from securities entitling their holders to shares in the Company [(a)]	0.2	0.2	0.2	0.2	0.2
Unrealised capital gains on property assets and property development companies	3,823.1	3,823.1	3,823.1	3,823.1	3,823.1
Tax on unrealised capital gains	(13.3)			(13.3)	
Adjustment for remeasurement gains or losses on interest rate hedges		35.4	35.4		35.4
Other goodwill	(2.9)	(2.9)			
Intangible fixed assets		(19.5)			
Remeasurement gains or losses on fixed rate debt	(229.0)			(229.0)	
Transfer tax on the fair value of property assets [(b)]		111.3	644.6		
EPRA NAV	**6,746.9**	**7,116.4**	**7,672.1**	**6,749.8**	**7,027.5**
EPRA NAV per share (in €)	***91.1***	***96.1***	***103.6***	***91.2***	***94.9***
Number of fully diluted shares [(c)]	*74,029,822*				

(a) Dilution related to stock options which had the effect of increasing consolidated equity and the number of shares. This increase can be up to the number of shares that can be obtained from the stock options exercisable at the end of the period.

(b) EPRA NTA includes the optimisation of transfer tax on the fair value of property assets while EPRA NDV includes the entire transfer tax on the fair value of property assets.

(c) Stood at 74,029,822 as of December 31, 2019, after cancelling treasury shares (-594,031 shares) and the positive impact of dilutive instruments (+88,112 shares).

2.3.2. Adjusted EPRA earnings from Property Investment

Adjusted EPRA earnings from Property Investment measure the performance of the recurring operations of the Office Property Investment and Healthcare Property Investment Divisions.

(in millions of euros)		12/31/2020	12/31/2019	Change 2020 vs. 2019 (%)
	NET PROFIT/(LOSS)	63.4	338.2	
	Net profit/(loss) from other activities [a]	(12.2)	27.6	
(a)	NET PROFIT/(LOSS) FROM PROPERTY INVESTMENT	75.6	310.6	
(i)	Changes in value of investment property and depreciation charges	(370.4)	(312.5)	
(ii)	Profit/(loss) on asset disposals	3.4	207.0	
(iii)	Profit/(loss) from acquisitions	(1.5)	(10.3)	
(iv)	Tax on profits or losses on disposals and impairment losses			
(v)	Negative goodwill / goodwill impairment		2.0	
(vi)	Changes in fair value of financial instruments and restructuring of financial liabilities	(2.3)	(17.0)	
(vii)	Acquisition costs on share deals			
(viii)	Tax expense related to EPRA adjustments	0.5	0.7	
(ix)	Adjustment for equity-accounted companies	(16.1)	(13.3)	
(x)	Non-controlling interests	117.7	97.8	
(b)	TOTAL ADJUSTMENTS	(268.8)	(45.7)	
(a-b)	**EPRA EARNINGS**	**344.4**	**356.3**	**-3.3%**
(c)	Other non-recurring items	(6.6)	(2.4)	
(a-b-c)	**ADJUSTED EPRA EARNINGS FROM PROPERTY INVESTMENT**	**351.0**	**358.7**	**-2.2%**
	Average number of diluted shares outstanding used in the calculation	73,992,606	74,012,275	
	ADJUSTED EPRA EARNINGS FROM PROPERTY INVESTMENT IN € PER SHARE	**€4.74**	**€4.85**	**-2.1%**

(a) "Other activities" include property development, "Intersegment transactions and other items", as well as discontinued operations.

Adjusted EPRA earnings from Property Investment totalled €351.0 million as of December 31, 2020, down by only -2.2% year-on-year, driven by the strong operational performance of the Healthcare Property Investment Division and the operational resilience of the Office Property Investment Division in the face of the 2020 health crisis which impacted leasing activity, and despite the major disposals in 2019.

2.3.3. EPRA yield

The table below presents the adjustments to Icade's net yields that are required to obtain EPRA yields. The calculation includes Icade's three types of assets: offices, business parks and healthcare property assets. It is presented on a proportionate consolidation basis.

Icade's net yield (including duties) stood at 5.5%, in line with its June 2020 level.

It should be noted that Icade previously reported its net yield excluding duties but now reports this indicator with duties included as this is more comparable with the market yields generally referred to in market research reports. For reference purposes, the table below shows Icade's net yield including and excluding duties for the last three periods.

Using the EPRA calculation method, the EPRA net initial yield on the office and healthcare portfolios stood at 4.8%, in line with the June 2020 yield and 10 bps above the yield at the end of December 2019. This illustrates the limited impact of the health crisis on the net initial yields on Icade's portfolios. These net initial yields include the impact of vacancy costs and rent-free periods granted.

(operating assets, on a proportionate consolidation basis)	12/31/2020	06/30/2020	12/31/2019
NET YIELD – Excluding duties [a]	5.9%	5.8%	5.8%
Impact of estimated duties and costs	(0.3)%	(0.3)%	(0.3)%
ICADE NET YIELD – Including duties [a]	**5.5%**	**5.5%**	**5.4%**
Adjustment for potential rental income from vacant properties	(0.3)%	(0.3)%	(0.3)%
EPRA TOPPED-UP NET INITIAL YIELD [b]	**5.2%**	**5.1%**	**5.1%**
Inclusion of rent-free periods	(0.4)%	(0.4)%	(0.4)%
EPRA NET INITIAL YIELD [c]	**4.8%**	**4.8%**	**4.7%**

(a) Annualised net rental income from leased space plus potential net rental income from vacant space at estimated rental value, excluding lease incentives, divided by the appraised value (excluding duties or including duties as specified) of operating properties.
(b) Annualised net rental income from leased space, excluding lease incentives, divided by the appraised value (including duties) of operating properties.
(c) Annualised net rental income from leased space, including lease incentives, divided by the appraised value (including duties) of operating properties.

2.3.4. EPRA vacancy rate

The EPRA vacancy rate is defined as the ratio between the estimated rental value of vacant space and the estimated rental value of the whole portfolio. It is calculated based on operating assets as of December 31, 2020.

Below are detailed figures concerning the vacancy rate for both Property Investment portfolios, on a proportionate consolidation basis.

(operating assets, on a proportionate consolidation basis)	12/31/2020	12/31/2019
Offices	5.3%	4.2%
Business parks	13.2%	16.3%
OFFICE PROPERTY INVESTMENT [a]	**8.1%**	**8.3%**
HEALTHCARE PROPERTY INVESTMENT	**0.0%**	**0.0%**
TOTAL PROPERTY INVESTMENT [a]	**5.6%**	**5.9%**

[a] Excluding residential properties and PPPs, including "Other assets"

The EPRA vacancy rate for the business park portfolio fell from 16.3% to 13.2% as the lease began for the Pulse building (28,860 sq.m in the Portes de Paris business park) signed with the Organising Committee for the Paris 2024 Olympic and Paralympic Games. The EPRA vacancy rate for the office segment was down slightly to 5.3%, mainly due to the completion of the Park View building, half of which has been leased.

The vacancy rate across the entire Office Property Investment portfolio improved by 0.2 pp year-on-year, illustrating once again the strength of its tenant portfolio, with tenants for the most part only indirectly affected by the health crisis.

As in previous years, the Healthcare Property Investment Division's EPRA vacancy rate was zero, lowering the Icade Group's average EPRA vacancy rate, which stood at 5.6% at the end of December 2020, an improvement of 0.3 pp.

2.3.5. EPRA cost ratio for the Property Investment Division

Detailed figures concerning the EPRA cost ratio for the Office and Healthcare Property Investment portfolios are presented below.

		12/31/2020	12/31/2019
	Including:		
	Structural costs and other overhead expenses	(103.1)	(110.7)
	Service charges net of recharges to tenants	(22.0)	(8.5)
	Other recharges intended to cover overhead expenses	40.9	46.8
	Share of overheads and expenses of equity-accounted companies	(4.9)	(5.4)
	Share of overheads and expenses of non-controlling interests	10.8	9.1
	Excluding:		
	Ground rent costs	0.1	0.0
	Other service charges recovered through rents but not separately invoiced		(0.1)
(A)	**EPRA COSTS (INCLUDING DIRECT VACANCY COSTS)**	**(78.3)**	**(68.7)**
	Less: direct vacancy costs	(15.7)	(11.9)
(B)	**EPRA COSTS (EXCLUDING DIRECT VACANCY COSTS)**	**(62.6)**	**(56.8)**
	Gross rental income less ground rent costs	676.0	623.1
	Plus: share of gross rental income less ground rent costs of equity-accounted companies	8.3	6.3
	Share of gross rental income less ground rent costs of non-controlling interests	(148.7)	(134.6)
(C)	**GROSS RENTAL INCOME**	**535.5**	**494.9**
(A/C)	**EPRA COST RATIO – PROPERTY INVESTMENT (INCL. DIRECT VACANCY COSTS)**	**14.6%**	**13.9%**
(B/C)	**EPRA COST RATIO – PROPERTY INVESTMENT (EXCL. DIRECT VACANCY COSTS)**	**11.7%**	**11.5%**

As of December 31, 2020, the EPRA cost ratio was slightly up year-on-year due to the unprecedented health crisis:

- +0.7 pp to 14.6% including vacancy costs;
- +0.2 pp to 11.7% excluding vacancy costs.

However, Icade's EPRA cost ratio is one of the lowest in the real estate sector.

This change was mainly the result of:

- In 2020, structural costs fell a substantial -€7.6 million (i.e. -6.9%), reflecting the Group's strong efforts to control operating costs throughout the year.

- A +€13.5 million increase in service charges net of recharges to tenants compared to December 31, 2019, stemming primarily from:
  - An unfavourable 2019 base effect: early termination payments received in 2019 for €5.5 million;

- A limited increase in bad debt provisions net of recoveries for €5.6 million;
- An increase in vacancy costs for operating assets of €3.8 million (including the share of equity-accounted companies).

- In addition, the slowdown in investment activity resulted in a decrease in intra-group costs (recharges intended to cover overhead expenses) of around -€5.9 million.

2.4. Financial resources

In H1 2020, the crisis roiled financial markets, especially money markets. The sudden shutdown of the economy impacted the liquidity of companies for several weeks and led to the abrupt two-week closure of the NEU Commercial Paper money market for the first time in its history. The intervention of the European Central Bank through France's central bank (Banque de France) enabled the market to gradually get back to business.

Thanks to its solid fundamentals and close long-term banking relationships, the Icade Group has continued to easily access liquidity on favourable terms. In the face of this unprecedented crisis, in 2020 Icade sought to bolster its financial capacity by increasing bank its revolving credit facilities.

As a result, revolving credit facilities grew by €390 million over the financial year to a total of €2,130 million, fully undrawn as of December 31, 2020. Icade also secured credit lines that reflect its desire to promote sustainable finance:

- A seven-year €300 million green RCF replacing lines totalling €290 million before their maturity. The innovative financial terms are based on a 45% target reduction in the carbon intensity of the Office Property Investment Division between 2015 and 2025. If the objective is not achieved, the additional cost will be paid to an association having a positive impact on the environment;
- A five-year €150 million solidarity-based RCF with a mechanism by which the banks waive part of their remuneration. These funds, combined with those donated by Icade for the same amount, have been allocated to research on Covid-19 vaccines carried out by Institut Pasteur.

As market conditions improved substantially in H2, Icade Santé issued an inaugural euro-denominated social bond in September 2020. This 10-year, €600 million bond had a margin of 155 bps and a fixed coupon of 1.375%. This was the first benchmark-size social bond ever issued by a company worldwide. This new bond issue was nearly ten times oversubscribed and taken up by both French and international investors, confirming their interest in the fundamentals of Icade Santé. It also underscores the intrinsic social nature of its business.

Over the course of 2020, the Group also carried out a number of financial transactions including:

- €70 million in borrowings obtained by Icade Santé in the form of finance leases;
- €95 million in short-term debt prepaid by Icade.

All these transactions allowed the Group to continue to implement an appropriate and optimised financial policy. This resulted in the average cost of debt dropping to its historical low, average debt maturity remaining stable and more diversified financial resources being available compared to December 31, 2019.

The Icade Group has very strong balance sheet fundamentals:

- At year end, the loan-to-value (LTV) ratio including duties stood at 40.1% (42.3% excluding duties), its target level, and the interest coverage ratio (ICR) based on EBITDA remained at a high level of 5.38x;
- In 2020, Standard & Poor's affirmed Icade's rating of BBB+ with a stable outlook.

2.4.1. Liquidity

Thanks to our teams' proactive management of new issues on the money market, the outstanding amount of NEU Commercial Paper increased by €295 million to €736 million as of December 31, 2020. As part of its cash management activities, Icade borrows funds at negative interest rates over periods that range from 1 to 12 months. It should be noted that thanks to its credit quality, Icade was able to issue short-term debt despite the challenging market conditions that prevailed at the height of the health crisis.

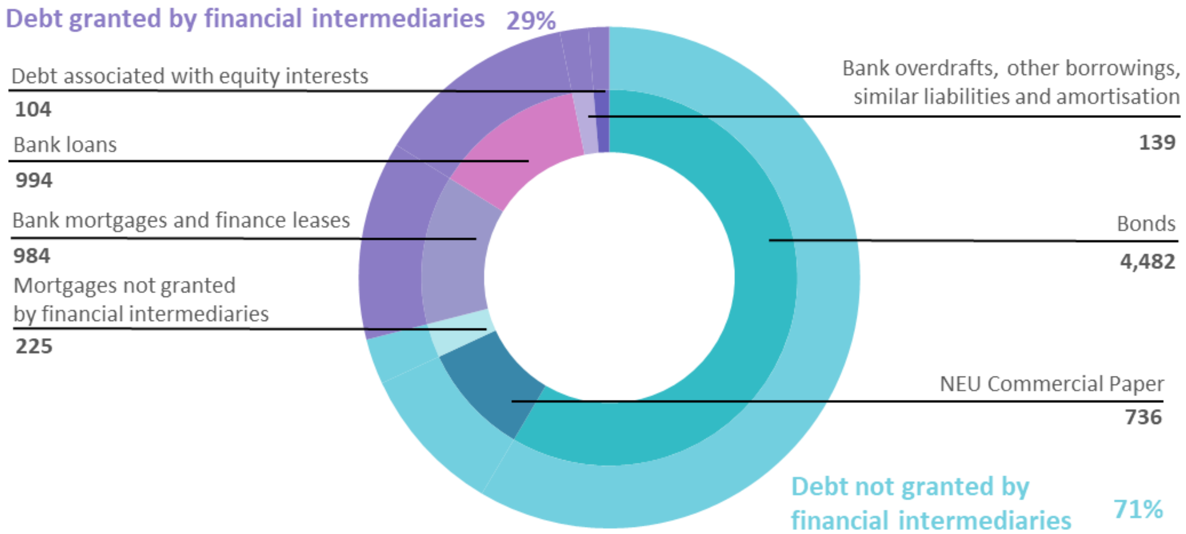
Icade has a fully available undrawn amount from short- and long-term credit lines of **€2,130 million** (excluding credit lines for property development projects), a €390 million increase compared to December 31, 2019. Icade's cash position also was at a comfortable level of €1,087 million as of December 31, 2020, bolstering the Group's liquidity.

The Group's undrawn credit lines and cash position as of December 31, 2020 covered nearly five years of debt principal and interest payments.

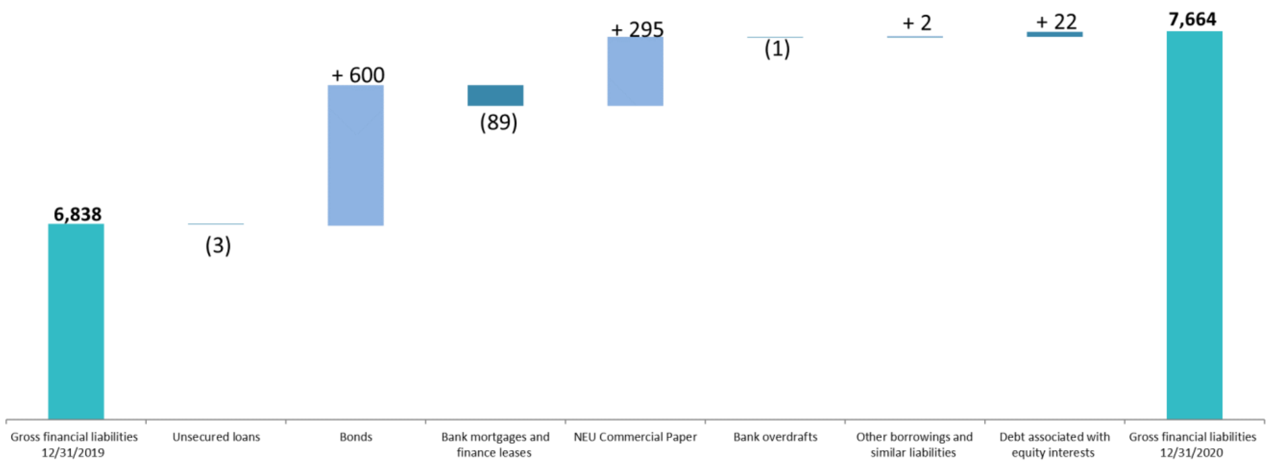
2.4.2. Debt structure as of December 31, 2020

2.4.2.1. Debt by type

As of December 31, 2020, gross financial liabilities stood at €7,663.8 million and broke down as follows:



With 71% of its debt not granted by financial intermediaries as of December 31, 2020, Icade enjoys a well-balanced debt structure and has been able to take advantage of market conditions that have remained very favourable.



The increase in gross debt is mainly explained by the issue of a €600 million social bond by Icade Santé and a €295 million rise in NEU Commercial Paper outstanding.

Net financial liabilities amounted to €6,416.8 million as of December 31, 2020, representing an increase of €388.0 million compared to December 31, 2019.

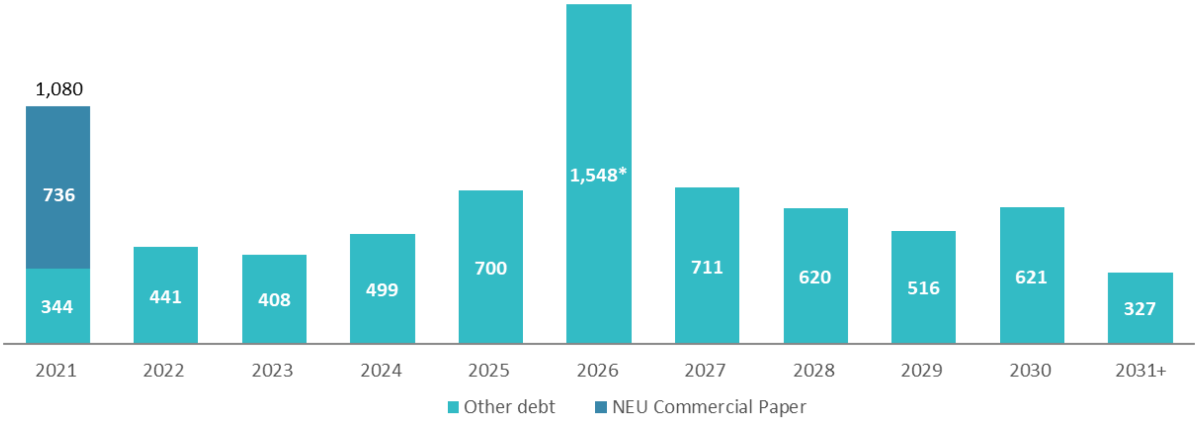
New debt secured in 2020 for a total of €645 million (excluding NEU Commercial Paper and revolving credit lines) had an average maturity of 9.0 years.

2.4.2.2. Debt by maturity

The maturity schedule of debt drawn by Icade (excluding overdrafts) as of December 31, 2020 is as follows:

MATURITY SCHEDULE OF DRAWN DEBT

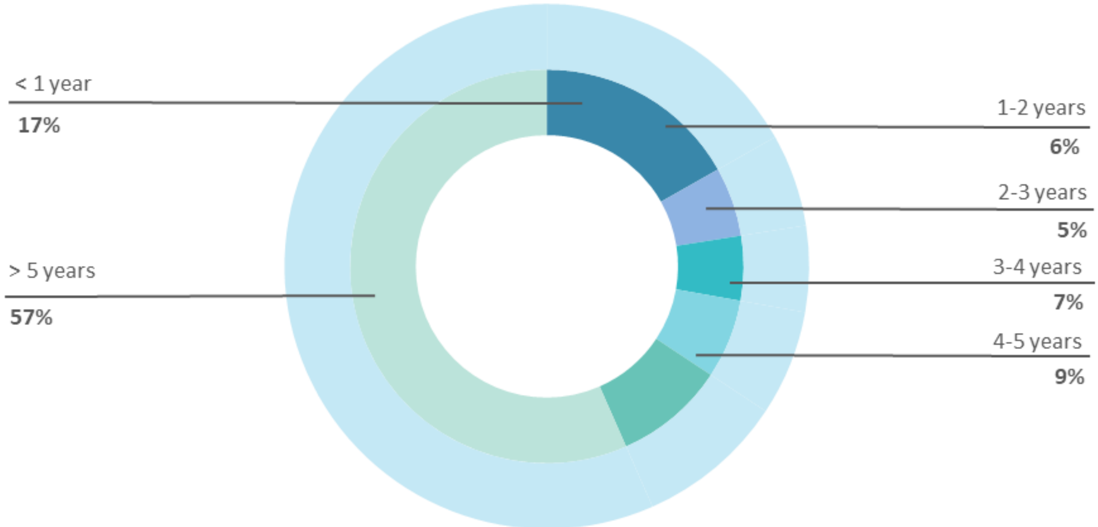
(December 31, 2020, in millions of euros)



*Including €440 million relating to the debt of Tour Eqho

BREAKDOWN OF DEBT BY MATURITY

(December 31, 2020)



The average debt maturity was 5.9 years as of December 31, 2020 (excluding NEU Commercial Paper). It stood at 6.4 years as of December 31, 2019.

2.4.2.3. Debt by division

After allocation of intra-group financing, over 95% of the Group's debt is used by the Office and Healthcare Property Investment Divisions.

2.4.2.4. Average cost of drawn debt

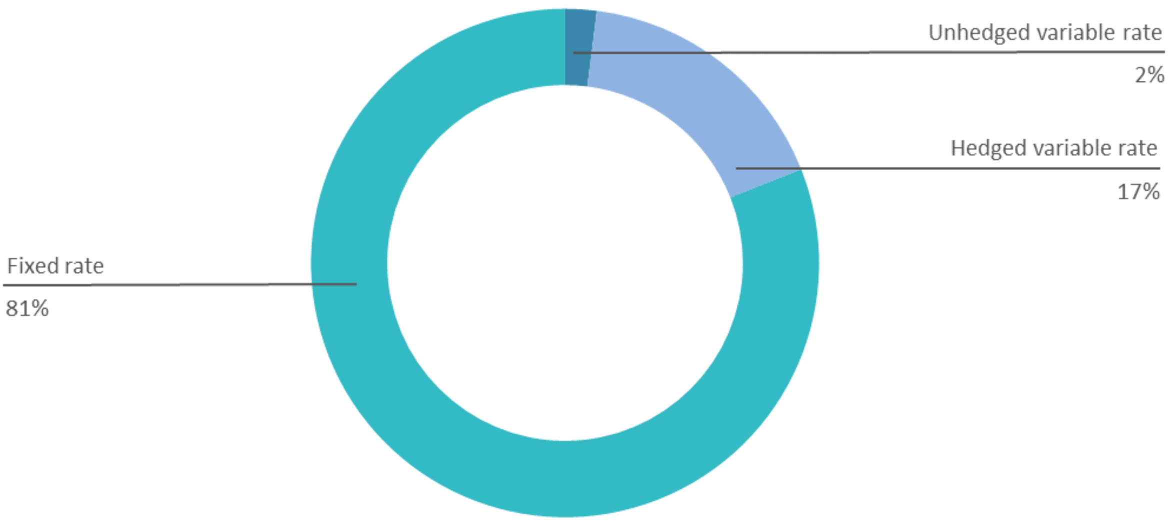
Against the backdrop of a volatile credit market, with a credit spread that more than doubled in the middle of the year before returning to its late 2019 levels at the end of the year, Icade proactively managed its liabilities and further improved its cost of debt. On average over the financial year 2020, it stood at **1.33% before hedging** and **1.48% after hedging**, its lowest level ever, vs. 1.37% and 1.54% in 2019, respectively.

2.4.2.5. Management of interest rate risk exposure

Variable rate debt represented nearly 19% of the Group's total debt as of December 31, 2020 (excluding debt associated with equity interests and bank overdrafts), with a high percentage of debt hedged (91% of variable rate debt).

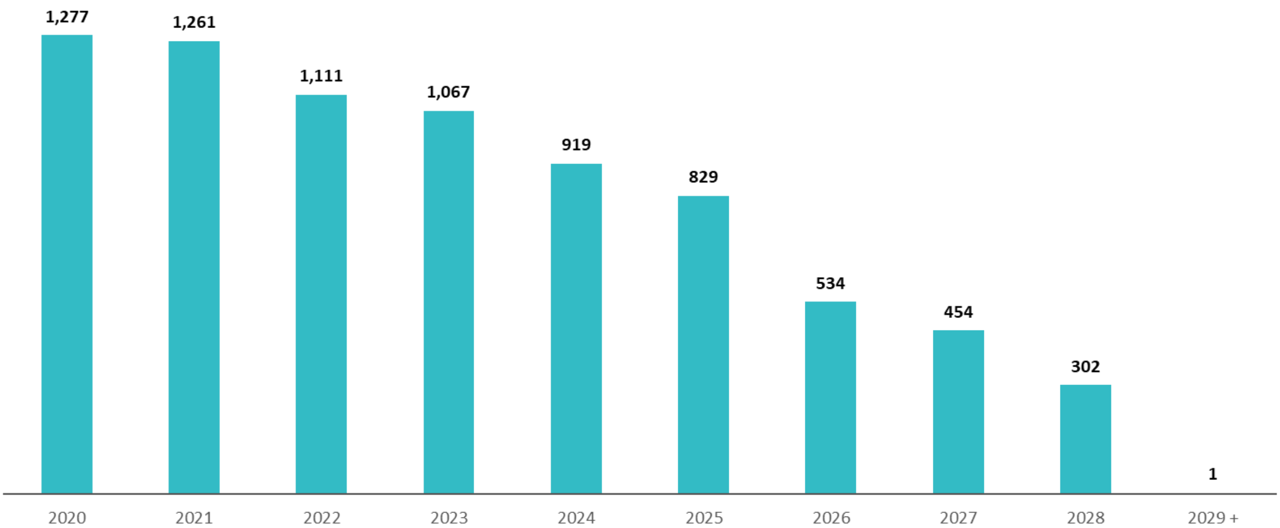
BREAKDOWN OF DEBT BY TYPE OF RATE (EXCLUDING DEBT ASSOCIATED WITH EQUITY INTERESTS AND BANK OVERDRAFTS)

(December 31, 2020)



OUTSTANDING HEDGING POSITIONS

(December 31, 2020, in millions of euros)



Most of the debt (98%) is protected against an increase in interest rates (fixed rate debt or variable rate debt hedged by interest rate swaps). A detailed analysis of the notional amounts of hedging instruments is shown in the notes to the consolidated financial statements.

In 2020, Icade continued its prudent debt management policy, maintaining limited exposure to interest rate risk while taking advantage of low interest rates, by entering into appropriate hedging contracts which also cover future financing needs (vanilla swaps).

The average maturity was 4.5 years for variable rate debt and 5.6 years for the related hedges, reflecting Icade's policy of anticipating coverage of future financing needs.

2.4.3. Icade's and Icade Santé's credit ratings

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

After its annual review, in July 2020, Standard & Poor's affirmed Icade's long-term rating at BBB+ with a stable outlook and its short-term rating at A-2. These ratings reflect its confidence in Icade's credit profile despite the unprecedented crisis that started in 2020.

2.4.4. Financial structure

2.4.4.1. Financial structure ratios

2.4.4.1.1. Loan-to-value (LTV) ratio

The LTV ratio is the ratio of net financial liabilities to the latest valuation of the property portfolio including duties (on a full consolidation basis) of both Property Investment Divisions plus the value of property development companies.

It stood at **40.1% as of December 31, 2020** (vs. 38.0% as of December 31, 2019). Based on the latest valuation of the portfolio excluding duties, the ratio was 42.3% as of December 31, 2020 (vs. 40.1% as of December 31, 2019).

The LTV ratio calculated for the purposes of bank agreements was 43.7%, well below the covenant of 60%.

The slightly higher LTV ratio as of December 31, 2020 was in line with the extraordinary circumstances that characterised 2020 as the slowdown in Icade's core business, namely office real estate, resulted in a small drop in asset values. At its November 2020 Investor Meeting, the Group announced its intention to gradually lower its LTV ratio to 36/37% by the end of 2023.

2.4.4.1.2. Interest coverage ratio (ICR)

The interest coverage ratio (ICR) (the ratio of EBITDA plus the Group's share in profit/(loss) of equity-accounted companies to the Group's interest expense) was **5.38x for the financial year 2020** (5.84x in 2019).

This ratio is high, demonstrating the Company's ability to comfortably comply with its bank covenants (see table in section 2.4.4.2).

	12/31/2020	12/31/2019
Ratio of net financial liabilities/portfolio value incl. duties (LTV) [(a)]	40.1%	38.0%
Interest coverage ratio (ICR) based on EBITDA plus the Group's share in profit/(loss) of equity-accounted companies	5.38x	5.84x

(a) Includes the balance sheet value of property development companies.

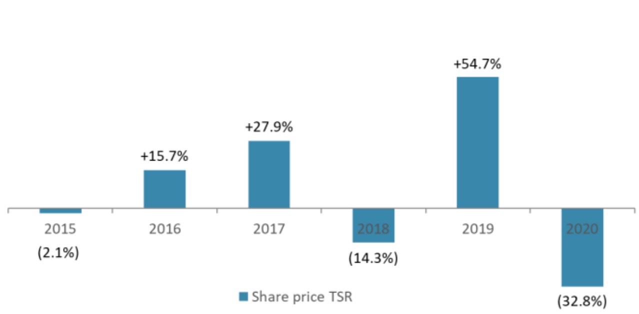
2.4.4.2. Summary table of covenants

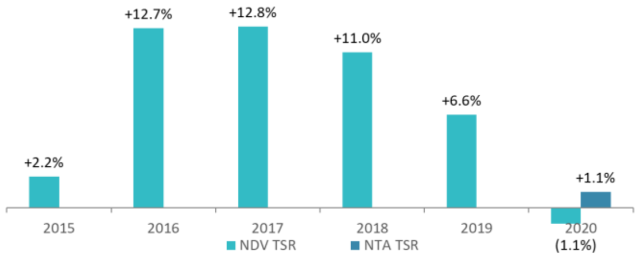
		Covenants	12/31/2020
LTV bank covenant	Maximum	< 60%	43.7%
ICR	Minimum	> 2	5.38x
CDC's stake	Minimum	34%	39.04%
Value of the property portfolio [(a)]	Minimum	from > €2bn to > €7bn	€14.7bn
Debt from property development subsidiaries/ consolidated gross debt	Maximum	< 20%	1.6%
Security interests in assets	Maximum	< 20% of the property portfolio	8.3%

(a) Around 20% of the debt subject to a covenant on the value of the property portfolio has a limit of €2 billion, 7% of the debt has a limit of €5 billion and the remaining 73% has a limit of €7 billion.

All covenants were met as of December 31, 2020 and remained comfortably within the limits.

2.5. Share performance and NAV performance





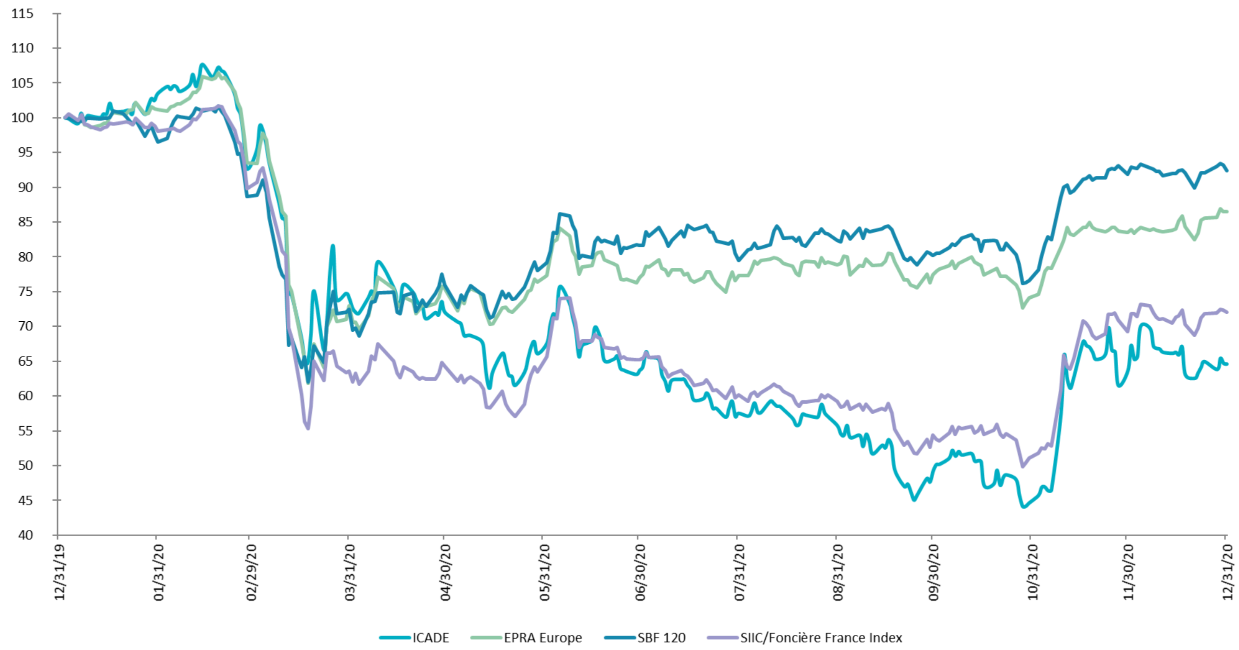
1) *The share price TSR is calculated as the difference between the share price at the end of the previous reporting period and the share price at the end of the reporting period under consideration (assuming that all dividends paid out are reinvested in shares at the closing share price as of the ex-dividend date; for the purpose of calculating 2020 TSR, the €2.41 interim dividend is assumed to be reinvested at the closing share price of March 4, 2020 and the €1.60 final dividend at the closing share price of July 6, 2020), divided by the share price at the end of the previous reporting period.*
2) *The NDV TSR is calculated as the difference between the EPRA NDV per share at the end of the previous reporting period and that recorded at the end of the reporting period under consideration (including, for the purpose of calculating 2020 TSR, the €4.01 dividend paid during the period), divided by the EPRA triple net asset value per share at the end of the previous reporting period.*

Icade's share price stood at €62.90 as of December 31, 2020, a decrease of -35.2% for the year 2020 (-31.9% with dividends reinvested), with the EPRA Europe Index down by -13.08% and the EPRA France Index by -31.6%.

Against the backdrop of an exceptionally disruptive health crisis and severe turbulence on the financial markets, the share price TSR with dividends reinvested stood at -32.8%.

The NTA TSR, calculated on the basis of changes in EPRA NTA, was up +1.1% for the financial year 2020, adversely affected by the decrease in asset values over the year (-2.0% on a like-for-like basis) as a result of the health crisis.

Icade's share price vs. EPRA Europe, SBF 120 and SIIC from 12/31/2019 to 12/31/2020
(rebased to 100 at 12/31/2019)



In Q4 2020, the share price nonetheless increased by 31%, driven by progress in the search for a Covid-19 vaccine from November 2020.

2.6. Outlook

Icade's priorities for the year 2021 are as follows:

- Office Property Investment: Asset rotation and value creation through a pipeline of pre-let projects;
- Healthcare Property Investment: Further growth and international expansion, preparation for liquidity event;
- Property Development: Increase revenue and achieve higher margins;
- CSR: Ramp up our low-carbon strategy, launch Urbain des Bois;
- Integrate our Purpose into our operations

FY 2021 guidance (subject to the health and economic situation not worsening significantly):

- **In 2021, Group net current cash flow per share should grow by ~+3%, excluding the impact of 2021 disposals.**
- **The 2021 dividend is expected to increase by +3%:** payout ratio in line with 2020 (83%) + distribution of part of the gains on disposals.

3. Property Investment Divisions

3.1. Summary income statement and valuation of property assets for the Property Investment Divisions (EPRA indicators)

Icade is a property investment company with two main asset classes: offices and healthcare property assets.

- The Office Property Investment Division's assets are valued at €8.5 billion on a proportionate consolidation basis (€9.0 billion on a full consolidation basis) and are primarily located in the Paris region and, to a lesser extent, in the major French cities outside Paris (nearly 10% of portfolio value). The portfolio breaks down between office assets worth €6.4 billion and business parks (mainly comprising office assets and business premises) valued at €1.8 billion. It also includes residual assets (€337 million as of December 31, 2020, accounting for 4.0% of the Office Property Investment Division's portfolio), mainly consisting of hotels leased to the B&B group, retail assets and a residual residential portfolio;

- The Healthcare Property Investment Division's portfolio consists of short- and long-term care facilities located in France, Germany and Italy worth €3.3 billion on a proportionate consolidation basis (€5.7 billion on a full consolidation basis). Icade has also relied on some of its minority shareholders (French life insurers) to help develop this division. The portfolio is held by two dedicated entities: Icade Santé, a 58.3% subsidiary of Icade which holds all the assets located in France, and Icade Healthcare Europe (IHE), a 59.39% subsidiary of Icade, whose assets are located in the eurozone excluding France:
  - The assets located in France mainly include private healthcare properties such as acute care facilities (medicine, surgery and obstetrics – nearly 86% of the French portfolio), post-acute care facilities (PAC – 6% of the French portfolio) and nursing homes (7% of the French portfolio);
  - Icade Healthcare Europe's assets are located in Germany and Italy. Valued at €451 million on a full consolidation basis (€264 million on a proportionate consolidation basis) as of December 31, 2020, this portfolio consists primarily of nursing homes.

3.1.1. Summary EPRA income statement for the Property Investment Divisions: resilient performance

The following table summarises the EPRA income statement, the main indicator used to analyse the performance of these two divisions.

Adjusted EPRA earnings stood at €351.0 million, down only -2.2% on 2019, despite the health crisis that started in 2020, which illustrates the resilience of these two business lines:

- With a very strong performance by Healthcare Property Investment; and
- The resilience of Office Property Investment, which, after record disposals in 2019, and despite the health crisis, was able to limit the decrease in adjusted EPRA earnings thanks to completions from its development pipeline and acquisitions from the end of 2019.

(in millions of euros)	12/31/2020	12/31/2019	Change	Change (%)
GROSS RENTAL INCOME	678.4	635.9	42.5	6.7%
Net rental income	655.2	621.3	33.9	5.5%
Net to gross rental income ratio	*96.6%*	*97.7%*	*-1.1%*	*-1.13 pp*
RECURRING OPERATING PROFIT/(LOSS)	583.6	546.2	37.5	6.9%
RECURRING FINANCE INCOME/(EXPENSE)	(108.3)	(85.0)	(23.3)	27.5%
ADJUSTED EPRA EARNINGS	468.6	456.5	12.2	2.7%
ADJUSTED EPRA EARNINGS ATTRIBUTABLE TO THE GROUP	**351.0**	**358.7**	**(7.7)**	**-2.2%**

3.1.2. Valuation of the Property Investment Divisions' property assets

The valuation methods used by the property valuers are described in the notes to the consolidated financial statements.

In summary, assets are classified as follows:

- Offices (75% of the Office Property Investment assets) and business parks (21%) of the Office Property Investment Division;
- Other Office Property Investment assets [12] (4% of total);
- The assets of the Healthcare Property Investment Division.

As of December 31, 2020, the aggregate value of the property portfolios of the two Property Investment Divisions stood at €14,677.5 million (€11,795.4 million on a proportionate consolidation basis), i.e. +2.4% on a reported basis (+2.2% on a proportionate consolidation basis) and -1.6% on a like-for-like basis (-2.0% on a proportionate consolidation basis), reflecting in particular the impact of the health crisis on the value of Office Property Investment assets.

The total portfolio value including duties came in at €15,534.6 million (€12,471.0 million on a proportionate consolidation basis).

The Office Property Investment portfolio was valued at €9.0 billion (€8.5 billion on a proportionate consolidation basis), down -0.3% on a reported basis and -3.2% like-for-like (-3.1% on a proportionate consolidation basis).

[12] Consist of housing units, hotels, warehouses, public-sector properties and projects held as part of public-private partnerships, and retail assets (especially the Le Millénaire shopping centre)

The value of the Healthcare Property Investment portfolio grew by 7.0% (9.2% on a proportionate consolidation basis), due mainly to acquisitions in Germany, France and Italy. On a like-for-like basis, the value of the Healthcare Property Investment portfolio was up +1.1%. It was worth €5.7 billion as of December 31, 2020 (i.e. €3.3 billion on a proportionate consolidation basis).

Note: It should be noted that the values reported by Icade are excluding duties, unless otherwise specified.

(Portfolio value excl. duties on a proportionate consolidation basis)	12/31/2020 (in €m)	12/31/2019 Restated* (in €m)	Change (in €m)	Change (in %)	LFL change (in €m) [(a)]	LFL change (in %) [(a)]	Total floor area on a proportionate consolidation basis (in sq.m)	Price [(b)] (in €/sq.m)	Net initial yield incl. duties (in %) [(c)]	Net initial yield excl. duties (in %) [(c)]	EPRA vacancy rate (in %) [(d)]
Offices											
Paris	1,777.1	1,783.3	(6.2)	(0.3%)	(38.4)	(2.2%)	200,699	8,854	4.2%	4.4%	1.0%
La Défense/Peri-Défense	1,588.7	1,654.3	(65.6)	(4.0%)	(75.8)	(4.6%)	232,890	6,822	5.4%	5.8%	6.2%
Other Western Crescent	71.0	70.2	+0.8	+1.1%	(0.7)	(1.0%)	8,579	8,276	4.9%	5.2%	2.0%
Inner Ring	1,174.6	1,233.1	(58.6)	(4.7%)	(54.5)	(4.4%)	191,349	6,138	5.2%	5.5%	7.0%
Total Paris region	**4,611.3**	**4,740.9**	**(129.6)**	**(2.7%)**	**(169.3)**	**(3.6%)**	**633,517**	**7,279**	**4.9%**	**5.2%**	**4.6%**
France outside the Paris region	673.3	661.5	+11.8	+1.8%	+3.0	+0.4%	185,857	3,623	5.6%	5.9%	10.1%
Total operating office assets	**5,284.6**	**5,402.4**	**(117.8)**	**(2.2%)**	**(166.3)**	**(3.1%)**	**819,375**	**6,450**	**5.0%**	**5.3%**	**5.3%**
Projects under development and off-plan sales	1,097.1	962.6	+134.6	+14.0%	(6.5)	(0.7%)					
Land bank and floor space awaiting refurbishment (not leased) (e)	12.2	10.9	+1.3	+11.6%	+1.3	+11.6%					
TOTAL OFFICES	**6,393.9**	**6,375.9**	**+18.0**	**+0.3%**	**(171.5)**	**(2.7%)**	**819,375**	**6,450**	**5.0%**	**5.3%**	**5.3%**
Business parks											
Inner Ring	862.7	863.3	(0.6)	(0.1%)	(29.4)	(3.4%)	317,618	2,716	7.0%	7.5%	8.4%
Outer Ring	733.7	767.4	(33.7)	(4.4%)	(46.9)	(6.1%)	384,294	1,909	8.1%	8.7%	18.4%
Total Paris region	**1,596.4**	**1,630.7**	**(34.4)**	**(2.1%)**	**(76.3)**	**(4.7%)**	**701,912**	**2,274**	**7.5%**	**8.0%**	**13.2%**
Projects under development	29.4	18.2	+11.2	+61.3%	+4.1	+22.7%					
Land bank and floor space awaiting refurbishment (not leased) (e)	140.7	144.4	(3.8)	(2.6%)	(10.3)	(7.2%)					
TOTAL BUSINESS PARKS	**1,766.4**	**1,793.4**	**(26.9)**	**(1.5%)**	**(82.5)**	**(4.6%)**	**701,912**	**2,274**	**7.5%**	**8.0%**	**13.2%**
TOTAL OFFICES AND BUSINESS PARKS	**8,160.3**	**8,169.2**	**(8.9)**	**(0.1%)**	**(254.0)**	**(3.1%)**	**1,521,287**	**4,523**	**5.6%**	**5.9%**	**7.9%**
Other Office Property Investment assets [(f)]	337.4	350.7	(13.3)	(3.8%)	(9.0)	(2.6%)	123,961	1,578	8.7%	9.3%	15.0%
TOTAL OFFICE PROPERTY INVESTMENT ASSETS	**8,497.8**	**8,519.9**	**(22.2)**	**(0.3%)**	**(263.1)**	**(3.1%)**	**1,645,247**	**4,301**	**5.7%**	**6.0%**	**8.1%**
HEALTHCARE PROPERTY INVESTMENT											
Paris region	405.6	389.9	+15.8	+4.0%	+5.2	+1.3%	103,298	3,927	5.3%	5.6%	0.0%
France outside the Paris region	2,584.7	2,419.3	+165.3	+6.8%	+23.9	+1.0%	899,842	2,872	5.3%	5.6%	0.0%
International	259.1	182.0	+77.1	+42.3%	+3.7	+2.0%	127,158	2,038	4.8%	5.2%	0.0%
TOTAL HEALTHCARE PROPERTY INVESTMENT – operating assets	**3,249.5**	**2,991.2**	**+258.2**	**+8.6%**	**+32.7**	**+1.1%**	**1,130,298**	**2,875**	**5.3%**	**5.6%**	**0.0%**
Projects under development and off-plan sales	47.1	26.1	+21.0	+80.5%	+1.2	+4.8%					
Land bank and floor space awaiting refurbishment (not leased) (e)	1.0	1.1	(0.1)	(5.5%)	(0.1)	(7.9%)					
TOTAL HEALTHCARE PROPERTY INVESTMENT	**3,297.6**	**3,018.4**	**+279.2**	**+9.2%**	**+33.9**	**+1.1%**	**1,130,298**	**2,917**	**5.3%**	**5.6%**	**0.0%**
Incl. France	3,034.0	2,831.7	+202.3	+7.1%	+30.4	+1.1%	1,003,140	3,024	5.3%	5.6%	0.0%
Incl. outside France	263.6	186.7	+76.9		+3.5	+1.9%	127,158	2,073	4.8%	5.2%	0.0%
GRAND TOTAL	**11,795.4**	**11,538.4**	**+257.0**	**+2.2%**	**(229.2)**	**(2.0%)**	**2,775,545**	**3,738**	**5.5%**	**5.9%**	**5.6%**
Including assets consolidated using the equity method	*128.3*	*137.6*	*(9.3)*	*(6.8%)*	*(14.0)*	*(10.2%)*					

** Adjusted for the asset reclassifications made between the two periods, including reclassifications from “Projects under development” to the “Operating” category upon completion of a property.*

(a) Net change in disposals for the period, investments and changes in value of assets treated as financial receivables (PPPs).

(b) Established based on the appraised value excluding duties.

(c) Annualised net rental income from leased space plus potential net rental income from vacant space at estimated rental value, divided by the appraised value including duties (or excluding duties as specified) of leasable space.

(d) Calculated based on the estimated rental value of vacant space divided by the overall estimated rental value.

(e) Properties that are completely vacant, held for sale, or due to be refurbished or demolished.

(f) Indicators (total floor area, price in €/sq.m, net initial yield excluding duties, and EPRA vacancy rate) are presented excluding PPPs and residential properties.

3.2. Office Property Investment Division

3.2.1. Changes in value of the Office Property Investment portfolio on a proportionate consolidation basis

On a proportionate consolidation basis	Fair value as of 12/31/2019	Fair value of assets sold as of 12/31/2019 (a)	Investments and other (b)	Like-for-like change (€m)	Like-for-like change (%)	Fair value as of 12/31/2020
Offices	6,375.9	(0.3)	189.9	(171.5)	(2.7%)	6,393.9
Business parks	1,793.4	-	55.5	(82.5)	(4.6%)	1,766.4
OFFICES AND BUSINESS PARKS	8,169.2	(0.3)	245.4	(254.0)	(3.1%)	8,160.3
Other Office Property Investment assets	350.7	(2.6)	(1.6)	(9.0)	(2.6%)	337.4
TOTAL	**8,519.9**	**(2.9)**	**243.8**	**(263.1)**	**(3.1%)**	**8,497.8**

(a) Includes bulk sales and partial sales (assets for which Icade's ownership interest decreased during the period).

(b) Includes capex, the amounts invested in 2020 in off-plan acquisitions, and acquisitions (bulk acquisitions and assets for which Icade's ownership interest increased during the period). Also includes the restatement of transfer duties and acquisition costs, changes in value of assets acquired during the financial year, works to properties sold, changes in transfer duties and changes in value of assets treated as financial receivables.

On a proportionate consolidation basis, the overall value of the Office Property Investment Division's portfolio was €8,497.8 million excluding duties as of December 31, 2020 vs. €8,519.9 million at the end of 2019, i.e. a €22.2 million decrease (-0.3%) in portfolio value.

On a full consolidation basis, the value of the Office Property Investment Division's portfolio was €9,022.7 million vs. €9,054.2 million as of December 31, 2019 (the difference between the value on a proportionate consolidation basis and the value on a full consolidation basis mostly stems from a 49% interest in the company holding the Eqho Tower held by an OPPCI fund owned by South Korean investors).

Excluding the impact of investments and disposals completed during the year, the like-for-like change in value of the assets of the Office Property Investment Division was -€263.1 million, i.e. -3.1%.

This decrease mostly affected operating assets. It resulted from the health crisis and the related slowdown in the office market. As a result, property valuers have revised some of their assumptions, including: (i) downward revisions in index-linked rent review assumptions, (ii) longer time needed to find tenants and higher lease incentives, (iii) adjustments to estimated rental values in certain geographical areas and (iv) higher risk premiums, especially for developments which have yet to be let.

OFFICES

As of December 31, 2020, the office portfolio was valued at €6,393.9 million vs. €6,375.9 million at the end of 2019, an increase of €18.0 million. On a like-for-like basis, the change in value represented -€171.5 million (i.e. -2.7%) based on the assumptions used for annual appraisals (see comment above).

At the end of 2020, the value of operating assets in major French cities outside Paris increased by +0.4% like-for-like, driven not only by the appeal of these markets but also by the strong rental performance of recently completed properties.

Completions (Park View in Lyon, PAT007 in Paris and Quai Rive Neuve in Marseille) had a positive impact on the value of the office portfolio (+€17.5 million on a like-for like basis).

On a full consolidation basis and assuming the company holding the Eqho Tower is wholly owned, the office portfolio was worth €6,899.6 million vs. €6,891.0 million as of December 31, 2019.

BUSINESS PARKS

As of December 31, 2020, the value of the business park portfolio was €1,766.4 million vs. €1,793.4 million as of the end of 2019, i.e. a decrease of -€26.9 million (-1.5%). On a like-for-like basis, the change in value of business parks was -€82.5 million over the year, i.e. a decrease of -4.6% (see comment above on the assumptions used by property valuers to value the asset portfolio).

OTHER OFFICE PROPERTY INVESTMENT ASSETS

As of December 31, 2020, other Office Property Investment assets were valued at €337.4 million vs. €350.7 million as of the end of 2019, down €13.3 million (-3.8%).

On a like-for-like basis, the change in value of other Office Property Investment assets stood at -€9.0 million as of December 31, 2020, i.e. a decrease of -2.6%.

The decline in value recorded in this segment is explained by the fact that most retail assets (especially the Cerisaie retail park in Fresnes and the Le Millénaire shopping centre in Aubervilliers) were closed during the lockdown.

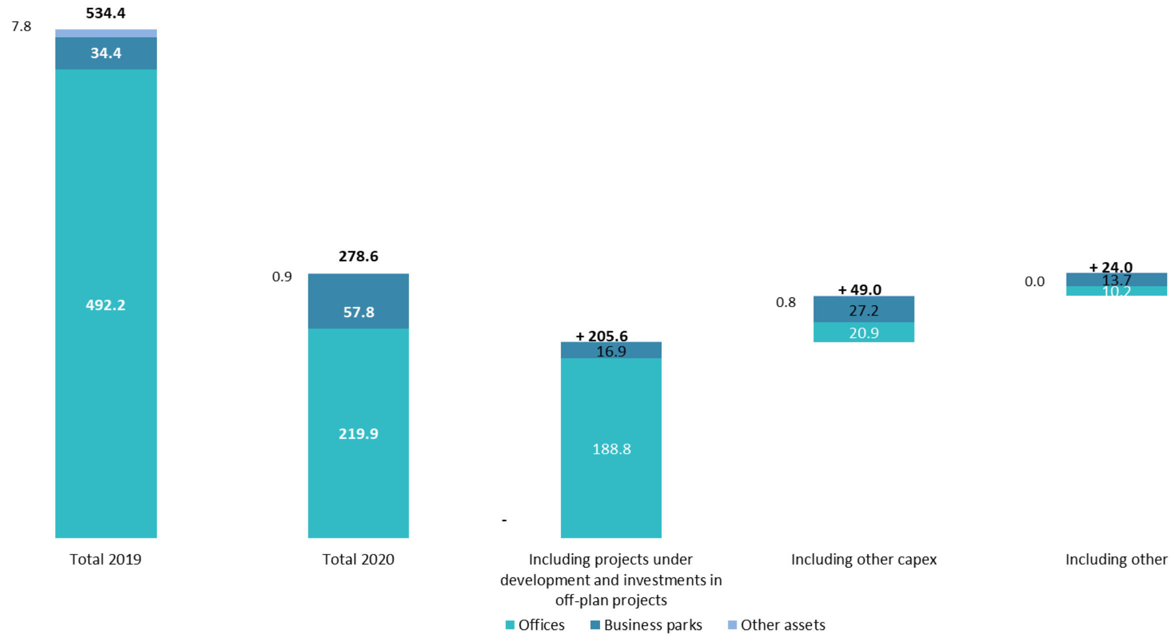
On a full consolidation basis, other Office Property Investment assets were worth €356.6 million vs. €369.8 million as of December 31, 2019.

3.2.2. Investments

As of December 31, 2020, **total investments amounted to €278.6 million** (vs. €534.4 million in 2019), a significant decrease of -€255.8 million. They broke down as follows:

- €205.6 million, representing nearly 75% of total investments, were allocated to projects under development and off-plan sale projects, including: €68.0 million for the Origine project in Nanterre (Hauts-de-Seine), €32.8 million for the refurbishment of the Fresk building in Paris (15th district) and €14.6 million for the off-plan sale of the Latécoère building in Toulouse. These assets are scheduled for completion in 2021. It should be noted that €25.1 million were invested in the Park View complex which was completed in 2020;
- Other investments, encompassing "Other capex" and "Other" for €72.9 million, related mainly to building maintenance work and tenant improvements made in the context of negotiations with tenants.

No assets were acquired in 2020.



Development projects

Icade revised its development pipeline to take into account new market conditions. Pipeline projects now represent a total investment of €1.5 billion (210,000 sq.m), including 138,000 sq.m already started.

Projects already started are 59% pre-let.

The expected yield on cost of these projects is 5.7%.

Project name (a)	Location	Type of works	In progress	Type	Estimated date of completion	Floor area	Expected rental income	Yield on cost (b)	Total investment (c)	Remaining to be invested > 2020	% pre-let
TOULOUSE - LATÉCOÈRE	TOULOUSE	Construction	✓	Office	Q1 2021	12,717			43	1	100%
ORIGINE	NANTERRE	Redevelopment	✓	Office	Q2 2021	65,000			450	51	79%
FONTANOT	NANTERRE	Refurbishment	✓	Office	Q2 2021	16,350			110	8	100%
FRESK	SOUTHERN LOOP	Refurbishment	✓	Office	Q3 2021	20,542			223	24	0%
B034	PONT DE FLANDRE	Refurbishment	✓	Hotel	Q2 2022	4,826			33	15	100%
JUMP (formerly Block D)	PORTES DE PARIS	Construction		Office / Hotel	Q1 2023	18,784			94	75	19%
TOTAL PROJECTS STARTED						**138,219**	**54.5**	**5.7%**	**952**	**173**	**59%**
TOTAL UNCOMMITTED PROJECTS						**72,014**	**29.1**	**5.6%**	**520**	**318**	**0%**
TOTAL PIPELINE						**210,233**	**83.6**	**5.7%**	**1,472**	**491**	**39%**

Notes: on a full consolidation basis

(a) Includes identified projects on secured plots of land, which have started or are yet to be started.

(b) YoC = headline rental income / cost of the project as approved by Icade's governance bodies (as defined in (c)).

(c) Total investment includes the fair value of land (or building), cost of works, tenant improvements, finance costs and other fees.

In addition, three office buildings in the development pipeline were completed during the past financial year. Two assets were completed outside the Paris region: the 3,112-sq.m Quai Rive Neuve building in Marseille and the 23,200-sq.m Park View building in Lyon. The B007 building leased to URSSAF was completed in the Pont de Flandre business park, in the 19th district of Paris. These projects have been 72.0% pre-let, representing €9.2 million in potential rental income.

3.2.3. Asset disposals

Asset disposals amounted to €4.6 million and related to non-strategic assets.

In the aggregate, these transactions generated a capital gain of €3.7 million.

3.2.4. Adjusted EPRA earnings from Office Property Investment as of December 31, 2020

Adjusted EPRA earnings from Office Property Investment were down -€24.6 million on 2019, mainly due to the major disposals that took place in 2019 (Crystal Park and a 49% interest in SAS Tour Eqho).

In addition, the effect of the Covid-19 crisis on adjusted EPRA earnings from Office Property Investment was limited to -€6 million, illustrating the resilience of the division's tenant portfolio, which has minimal exposure to sectors directly affected by the crisis.

Icade's teams worked tirelessly during this period to ensure the continuation of leasing activity and support for tenants. This meant the impact on rental income was minimal.

As a result, at the end of 2020, **the collection rate for 2020 rents stood at 96%**, i.e. €23.7 million uncollected (50% of which related to Q4 2020 rents).

(in millions of euros)	12/31/2020	12/31/2019	Change	Change (%)
GROSS RENTAL INCOME	377.0	371.2	5.8	1.6%
Net rental income	359.5	357.9	1.6	0.5%
Net to gross rental income ratio	95.4%	96.4%	-1.0%	(1.04 pp)
RECURRING OPERATING PROFIT/(LOSS)	306.3	299.0	7.4	2.5%
RECURRING FINANCE INCOME/(EXPENSE)	(71.9)	(51.6)	(20.4)	39.5%
ADJUSTED EPRA EARNINGS	231.9	245.4	(13.5)	-5.5%
ADJUSTED EPRA EARNINGS ATTRIBUTABLE TO THE GROUP	**214.3**	**238.9**	**(24.6)**	**-10.3%**

Recurring operating profit stood at €306.3 million, up +2.5% on 2019. It notably included:

- Gross and net rental income (see section 2.2.7 below for further details);
- Net operating costs from the Office Property Investment Division fell by nearly 12% over the year to €43.9 million, illustrating the Company's great efforts to keep its costs under control amid the crisis (see section 1.3.5 "EPRA reporting – EPRA cost ratio from Property Investment").

The recurring portion of finance income/(expense) from Office Property Investment amounted to -€71.9 million as of December 31, 2020 vs. -€51.6 million as of December 31, 2019. This 39.5% drop stems primarily from around €15 million in dividends received in 2019 from unconsolidated companies as part of the early exit from a project.

Finance costs decreased by 5.8% over the year due to lower intragroup finance income as intragroup loans were prepaid by the Healthcare Property Investment Division and Icade Santé has gradually become more and more independent.

Thus, adjusted EPRA earnings from Office Property Investment totalled €214.3 million (€2.90 per share) as of December 31, 2020 vs. €238.9 million (€3.23 per share) as of December 31, 2019, i.e. a 10.3% year-on-year drop.

3.2.5. Rental income from Office Property Investment as of December 31, 2020

(in millions of euros)	12/31/2019	Asset acquisitions	Asset disposals	Completions/ Developments/ Refurbishments	Leasing activity and index-linked rent reviews	12/31/2020	Total change	Like-for-like change
Offices	248.1	6.0	(12.1)	14.4	7.4	263.9	6.4%	3.5%
Business parks	94.6	-	(0.1)	0.4	0.3	95.2	0.6%	0.3%
OFFICES AND BUSINESS PARKS	342.7	6.0	(12.2)	14.8	7.7	359.1	4.8%	2.5%
Other assets	29.8	-	(10.3)		(0.2)	19.3	-35.3%	(1.1%)
Intra-group transactions from Property Investment	(1.3)			(0.0)	(0.1)	(1.4)	10.3%	N/A
GROSS RENTAL INCOME	371.2	6.0	(22.5)	14.8	7.4	376.9	1.6%	2.3%

Gross rental income from Office Property Investment for the financial year 2020 rose by +1.6% to €376.9 million.

The office and business park segments recorded growth of +6.4% and +0.6%, respectively, over the period.

In the office segment, this increase was fuelled in particular by the impact of developments/completions (+€14.4 million) in 2019 and 2020.

On a like-for-like basis, gross rental income went up by +2.3%, buoyed by resilient leasing activity for offices (+3.5%), business parks (+0.3%) and the impact of index-linked rent reviews (c. +1.8%).

It should be noted that gross rental income from other assets declined noticeably (-€10.3 million), due in particular to significant disposals of residential assets (bulk sales) in 2019.

Net rental income from Office Property Investment totalled €359.5 million for the year 2020, a slight increase of €1.6 million compared to 2019 (+0.5%).

The net to gross rental income ratio dropped 1.0 pp to 95.4% (vs. 96.4% in 2019), due in particular to the -4.4-pp decline in this ratio for the business park segment as a result of a slowdown in lettings amid the Covid-19 crisis.

Net rental income in millions of euros and net to gross rental income ratio

	12/31/2020		12/31/2019	
(in millions of euros)	Net rental income	Net to gross ratio	Net rental income	Net to gross ratio
Offices	254.2	96.3%	240.0	96.8%
Business parks	81.2	85.3%	84.8	89.7%
OFFICES AND BUSINESS PARKS	335.4	93.4%	324.9	94.8%
Other assets	15.5	80.5%	23.7	79.8%
Intra-group transactions from Office Property Investment	8.6	N/A	9.2	N/A
NET RENTAL INCOME	359.5	95.4%	357.9	96.4%

3.2.6. Leasing activity of the Office Property Investment Division

	12/31/2019	Changes in 2020				12/31/2020	New leases signed		12/31/2020
Asset classes On a full consolidation basis	Leased floor area	Additions	Exits	Exits due to disposals	Floor area adjustments (a)	Leased floor area	Leases starting in 2020	Leases starting after 2020	Total
	(sq.m)	*(sq.m)*	*(sq.m)*	*(sq.m)*	*(sq.m)*	*(sq.m)*	*(sq.m)*	*(sq.m)*	*(sq.m)*
Offices	812,448	15,918	(26,378)	-	(26)	801,962	10,730	1,542	12,271
Business parks	591,267	50,538	(52,032)	-	(199)	589,574	15,479	9,718	25,197
Other	151,331	1,308	(4,382)	-	(54)	148,202	1,308	-	1,308
LIKE-FOR-LIKE SCOPE (A)	1,555,046	67,764	(82,793)	-	(279)	1,539,738	27,517	11,260	38,776
Offices	25,749	30,189	(5,474)	-	37	50,500	14,946	-	14,946
Business parks	8,190	2,876	(5,586)	-	-	5,480	2,876	3,945	6,821
Other	-	-	-	-	-	-	-	-	-
ACQUISITIONS / COMPLETIONS / REFURBISHMENTS (B)	33,939	33,065	(11,060)	-	37	55,981	17,822	3,945	21,767
SUBTOTAL (A+B)	1,588,985	100,829	(93,853)	-	(243)	1,595,719	45,339	15,205	60,543
Offices	387	-	-	(387)	-	-	-	-	-
Business parks	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
DISPOSALS (C)	387	-	-	(387)	-	-	-	-	-
OFFICE PROPERTY INVESTMENT (A)+(B)+(C)	1,589,372	100,829	(93,853)	(387)	(243)	1,595,719	45,339	15,205	60,543

(a) Change in floor areas as a result of a new survey by a licensed surveyor

As of December 31, 2020, **leased space** totalled 1,595,719 sq.m, up 6,347 sq.m from 2019.

This increase resulted from the positive balance between additions and exits, in particular from the addition of substantial leased space relating to buildings completed in 2020, including Park View (12,630 sq.m) and B007 (8,552 sq.m).

In total, **additions** recorded in 2020 represented 100,829 sq.m and €28.7 million in annualised headline rental income.

Additions recorded on **a like-for-like basis** totalled nearly 68,000 sq.m, and mainly related to:

- The Portes de Paris business park, with almost 46,000 sq.m leased;
- Leases secured outside the Paris region for about 6,500 sq.m.

Properties totalling a floor area of about 94,000 sq.m and annualised headline rental income of €20.1 million were **vacated** during the period:

- 11,100 sq.m are earmarked for refurbishment;
- 82,800 sq.m are associated with leasing activity;
- 400 sq.m were sold during the year.

In terms of annualised headline rental income, the balance between additions and exits was positive, at +€8.5 million (positive balance of +6,976 sq.m in terms of floor area).

The **106 leases signed** during the financial year totalled 60,543 sq.m (45,339 sq.m for those starting in 2020), representing annualised headline rental income of €13.0 million.

The main leases signed in 2020 related to the Park View building (Lyon), generating €2.8 million in headline rental income (12,517 sq.m).

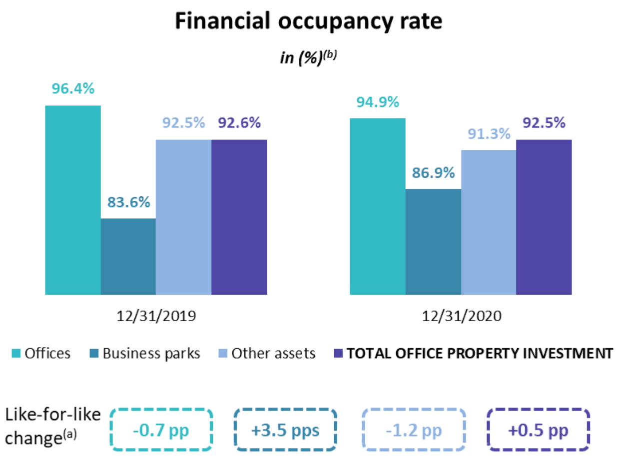
Leases renewed during the year totalled 97,825 sq.m (54 leases). These renewals secured annualised headline rental income of €24.4 million.

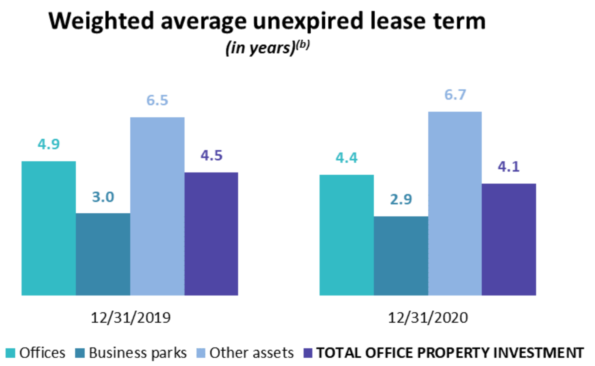
The weighted average unexpired lease term to first break for these leases was 7.0 years, contributing positively to maintaining the average lease term for the portfolio as a whole.

As of December 31, 2020, the ten largest tenants generated annualised rental income of €127.2 million (33.0% of annualised rental income from the Office Property Investment portfolio), excluding public entities.

During the financial year, the Office Property Investment Division completed three assets in the development pipeline (32,432 sq.m), contributing an additional €9.2 million in potential annualised headline rental income.

Financial occupancy rate





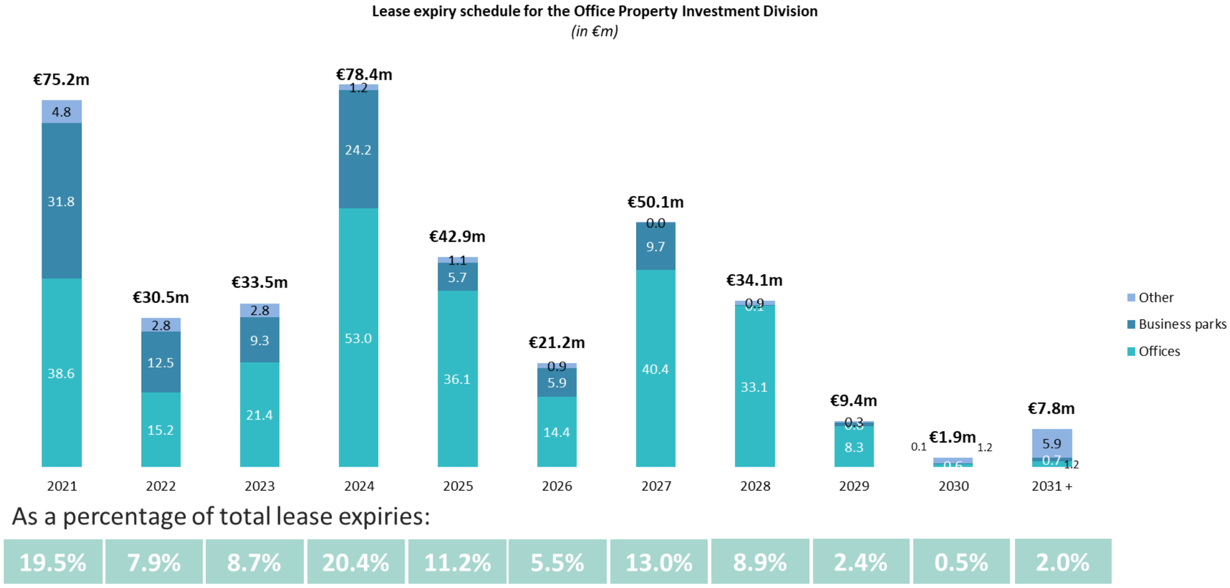
(a) On a full consolidation basis, except for equity-accounted assets which are included on a proportionate consolidation basis.

As of December 31, 2020, the **financial occupancy rate** stood at 92.5%, stable compared to December 31, 2019. **On a like-for-like basis, it was up 0.5 pp.**

The financial occupancy rate stood at 94.9% for offices and 86.9% for business parks. Business parks saw a significant increase of +3.3 pps (+3.5 pps like-for-like) compared to 2019 as leases were signed for the entire floor area of the Pulse building.

The weighted average unexpired lease term to first break was 4.1 years, down by only -0.4 pp compared to 2019 (4.5 years).

Lease expiry schedule by segment in terms of IFRS annualised rental income (in millions of euros, on a full consolidation basis)



It should be noted that in 2020, among all leases at risk of break or expiry, which totalled €55.3 million in rental income (14.8% of the portfolio's IFRS rental income), 31% were terminated or not renewed vs. 27% in 2019 (excluding disposals/refurbishments and tenants relocating to other Icade properties).

Leases having a break or expiry in 2021 represented €75.2 million, i.e. 19.5% of the portfolio's IFRS rental income.

3.3. Healthcare Property Investment Division

3.3.1. Changes in value of Healthcare Property Investment assets on a proportionate consolidation basis

(on a proportionate consolidation basis)	Fair value as of 12/31/2019	Fair value of assets sold as of 12/31/2019	Investments and other [(a)]	Like-for-like change (€m)	Like-for-like change (%)	Fair value as of 12/31/2020
France	2,831.7	-	171.9	30.4	+1.1%	3,034.0
International	186.7	-	73.4	3.5	+1.9%	263.6
Healthcare Property Investment	**3,018.4**	**-**	**245.3**	**33.9**	**+1.1%**	**3,297.6**

(a) Includes capex, the amounts invested in 2020 in off-plan acquisitions, and acquisitions (bulk acquisitions and assets for which Icade's ownership interest increased during the period). Also includes the restatement of transfer duties and acquisition costs, changes in value of assets acquired during the financial year, works to properties sold, changes in transfer duties and changes in value of assets treated as financial receivables.

As of the end of December 2020, the overall value of the Icade Group's healthcare portfolio increased by a substantial +€279.2 million (+9.2%) year-on-year to €3,297.6 million excluding duties on a proportionate consolidation basis.

This value increase was mainly driven by investments made during the period (€253.2 million, of which €213.4 million for acquisitions (including acquisitions of own shares from minority shareholders)) and €39.8 million in capex (i.e. €324.5 million on a full consolidation basis). The financial year 2020 was marked by the acquisition of 19 assets, of which nine in France, three in Italy and seven in Germany (see paragraph below).

Over the same period and on a like-for-like basis, the value of the Icade Group's healthcare portfolio grew by +€33.9 million on a proportionate consolidation basis, i.e. +1.1% (+€59.1 million on a full consolidation basis). This increase reflects the resilient and non-cyclical nature of the healthcare asset class, which continues to attract strong investor interest both in France and elsewhere in Europe.

On a full consolidation basis, the value of the Healthcare Property Investment portfolio stood at €5,654.8 million as of December 31, 2020 vs. €5,286.2 million as of the end of 2019 (+€368.6 million).

3.3.2. Investments

Investments made in the financial year 2020 came to **€324.5 million** as the Company continued to pursue its growth objectives both in France and elsewhere in Europe, with asset acquisitions accounting for €99.8 million and €149.2 million, respectively, representing a total amount of €249.0 million over the financial year.

- **Investments in France (on a full consolidation basis):**

Investments totalled **€174.3 million**, including €99.8 million from asset acquisitions, and related principally to the following transactions:

- The acquisition on July 21, 2020, of a nursing home operated by ORPEA in Marseille for €22.6 million as part of preliminary agreements signed with that company to acquire a property portfolio in France and Germany;
- The acquisition on November 5, 2020, of the Navarre polyclinic in Pau for €36.2 million;
- The acquisition from Korian on December 19, 2020, of four nursing homes for €33.6 million as part of the partnership commenced in 2017.

The year also saw the acquisition by Icade Santé of 2.51% of the shares in its own capital from a minority shareholder for €79.7 million on September 7, 2020. As a result, Icade increased its stake in Icade Santé from 56.84% to 58.30%.

This is in addition to €49.9 million in investments made during the financial year in the development pipeline as part of the following projects:

- Project for the construction of the Grand Narbonne private hospital, scheduled for completion in Q2 2021, for €14.1 million;
- Extension of the Le Parc polyclinic in Caen for €7.8 million;
- €6.3 million for the off-plan sale of the Joncs Marins PAC facility in Le Perreux-sur-Marne;
- Project for the construction of the Pôle Santé Lunellois health complex for €6.1 million;
- Other projects in the development pipeline totalled €15.7 million.

Other works and other investments during the financial year came in at €24.5 million, including €11.4 million for operational capex.

- **International investments (on a full consolidation basis):**

Investments in international assets amounted to **€150.2 million**. Acquisitions represented €149.2 million and related primarily to the following transactions:

- The Q2 acquisition of the Debouchè nursing home in Italy for €20.9 million;
- The Q4 acquisition of seven nursing homes in Germany for €106.6 million as part of the acquisition of a total of nine healthcare facilities in France and Germany from the operator ORPEA;
- The Q4 acquisition of a nursing home operated by the Gheron group for €14.4 million. This acquisition is part of the preliminary agreement signed by Icade to purchase a property portfolio comprising seven healthcare facilities in northern Italy from Lagune International for a total of €130 million including duties in December 2020.

Development pipeline on a full consolidation basis

Project (€m)	Estimated date of completion	Operator	Number of beds and places	Rental income	Yield on Cost [(a)]	Total cost of project	Remaining to be invested > 2020
Grand Narbonne private hospital – Montredon-des-Corbières	Q2 2021	Elsan	283			47.8	4.4
Saint-Charles private hospital – La Roche-sur-Yon	Q2 2022	Sisio	210			14.3	10.4
Le Parc polyclinic – Caen	Q1 2022	Elsan	288			21.2	9.2
Mornay PAC facility – Saintes	Q3 2021	Korian	82			10.2	3.0
Pôle Santé Lunellois health complex – Lunel	Q3 2021	Clinipôle	79			11.6	3.2
Joncs Marins PAC facility – Le Perreux-sur-Marne	Q2 2022	Korian	136			21.9	15.6
Saint-Roch polyclinic – Cabestany	Q2 2022	Elsan	332			10.1	7.1
Saint-Augustin private hospital – Bordeaux	Q2 2023	Elsan	297			25.7	25.6
Saint-Pierre private hospital – Perpignan	Q3 2022	Elsan	249			8.8	4.9
Nursing home – Blagnac	Q3 2022	Korian	80			14.9	11.4
Pipeline France			**2,036**			**186.4**	**94.9**
Italy – Gheron – 5 facilities	2021-2024	Gheron	840			79.2	79.2
Italy – KOS – Villalba	Q2 2021	KOS	80			12.8	12.8
Italy – KOS – Grosseto	Q1 2021	KOS	120			11.4	11.4
Italy – Alba portfolio	2022-2024	Gheron	936			116.8	116.8
Germany – Oricade – Berlin Weissensee	Q1 2021	ORPEA	124			36.5	36.5
Germany – Horizon – Tangerhütte	Q2 2021	EMVIA LIVING	66			7.6	0.1
Pipeline outside France			**2,166**			**264.4**	**256.9**
TOTAL PIPELINE			**4,202**	**24.6**	**5.5%**	**450.9**	**351.7**

(a) YoC = headline rental income / cost of the project as approved by Icade's governance bodies. This cost includes the carrying amount of land, cost of works (excluding intra-group costs), carrying costs and any lease incentives.

The total cost of projects in the Healthcare Property Investment development pipeline is estimated at €450.9 million (**€24.6 million in potential additional rental income**), including €264.4 million of investments in international developments.

The average yield on cost expected for these projects is **5.5%**.

This pipeline is fully pre-let.

3.3.3. Asset disposals

No significant disposals were made during the financial year ended.

3.3.4. Adjusted EPRA earnings from Healthcare Property Investment as of December 31, 2020

The Covid-19 crisis had no impact on IFRS rental income, the only concrete effects of the crisis being the deferrals of Q2 rents for one quarter for operators focusing on long-term care. At the end of June, the situation had returned to normal, with all rents collected.

Indeed, private healthcare facilities, which were very active during the crisis, benefited from exceptional government support measures. For operators, these measures took the form of income that was calculated based on the financial year N-1 in order to offset losses of revenue due to the use of private healthcare facilities to treat Covid-19 patients.

(in millions of euros)	12/31/2020	12/31/2019	Change	Change (%)
GROSS RENTAL INCOME	301.4	264.7	36.7	13.9%
Net rental income	295.7	263.4	32.2	12.2%
Net to gross rental income ratio	98.1%	99.5%	-1.4%	1.4 pp
RECURRING OPERATING PROFIT/(LOSS)	277.3	247.2	30.1	12.2%
RECURRING FINANCE INCOME/(EXPENSE)	(36.4)	(33.4)	(3.0)	8.9%
ADJUSTED EPRA EARNINGS	236.8	211.1	25.7	12.2%
ADJUSTED EPRA EARNINGS ATTRIBUTABLE TO THE GROUP	**136.7**	**119.8**	**16.8**	**14.0%**

Recurring operating profit stood at €277.3 million, up +12.2% on 2019. It notably included:

- Gross rental income from Healthcare Property Investment amounted to €301.4 million as of December 31, 2020, a significant increase of 13.9% compared to December 31, 2019, driven by substantial acquisitions carried out in France, Italy and Germany;
- Net operating costs were up by only €2.1 million due to growth in portfolio assets and the costs incurred by stepped-up investments in Europe.

The recurring finance expense of the Healthcare Property Investment Division as of December 31, 2020 stood at -€36.4 million, a -€3.0 million drop compared to December 31, 2019 due to growth in investments and the resulting increase in debt volume.

The price effect of debt was significant as Icade Santé sharply reduced its average cost of debt to 1.57% from 1.93% as of December 31, 2019. This was achieved by optimising the company's debt structure as its first-time rating assignment in the autumn of 2019 allowed it to raise finance in the capital markets while benefiting from the increasingly favourable financing terms that have defined the past few years.

Over the year, this resulted in:

- A -€6.2 million increase in interest paid on bonds compared to 2019 due to the full-year impact of a €500 million bond issued in October 2019 combined with the impact of a €600 million bond issued in September 2020;
- A +€3.0 million decrease in interest paid on intra-group loans due to the prepayments carried out by Icade Santé in 2020 which were made possible in part by the above-mentioned bond issues.

Consequently, adjusted EPRA earnings attributable to the Group from Healthcare Property Investment as of December 31, 2020 amounted to €136.7 million, up +14.0% compared to December 31, 2019.

3.3.5. Rental income from Healthcare Property Investment as of December 31, 2020

GROSS AND NET RENTAL INCOME FROM THE HEALTHCARE PROPERTY INVESTMENT DIVISION

(in millions of euros)	12/31/2019	Asset acquisitions	Asset disposals	New builds / Refurbishments	Leasing activity and index-linked rent reviews	12/31/2020	Total change	Like-for-like change
France	264.1	15.5	(1.0)	2.1	4.0	284.7	20.6	1.6%
International	0.6	15.9	-	-	0.2	16.8	16.2	
HEALTHCARE PROPERTY INVESTMENT	264.7	31.4	(1.0)	2.1	4.2	301.4	36.7	1.7%

Driven by portfolio growth, gross rental income from Healthcare Property Investment grew by a solid +13.9% (+€36.7 million) on a reported basis to €301.4 million as of December 31, 2020.

On a like-for-like basis, a +1.7% increase was observed, mostly thanks to index-linked rent reviews.

On a reported basis, rental growth was driven by:

- Acquisitions in France for +€15.5 million;
- Further acquisitions outside France for +€15.9 million;
- Completions of pipeline assets and other refurbishments and extensions for +€2.1 million.

(in millions of euros)	12/31/2020 Net rental income	12/31/2020 Net to gross ratio	12/31/2019 Net rental income	12/31/2019 Net to gross ratio
France Healthcare	279.3	98.1%	262.8	99.5%
International Healthcare	16.4	97.5%	0.6	90.9%
HEALTHCARE PROPERTY INVESTMENT	**295.7**	**98.1%**	**263.4**	**99.5%**

Net rental income from Healthcare Property Investment for the year 2020 totalled €295.7 million, implying a high net to gross ratio of 98.1%. As a reminder, the high ratio recorded in 2019 resulted from early termination payments received.

3.3.6. Leasing activity of the Healthcare Property Investment Division

As of December 31, 2020, the financial occupancy rate remained unchanged compared to December 31, 2019, at 100%.

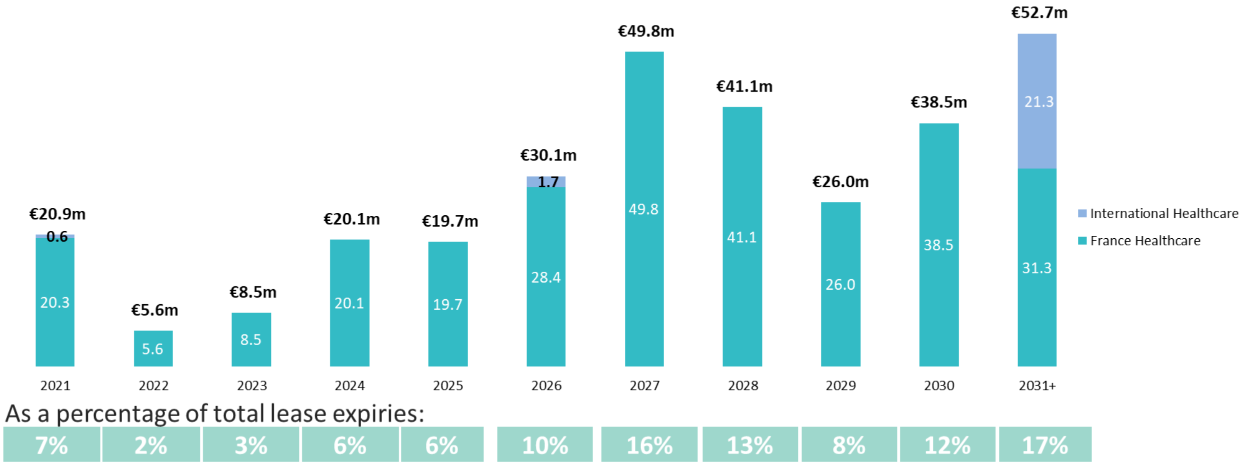
The weighted average unexpired lease term to first break for the portfolio as a whole was slightly down compared to December 31, 2019, at 7.4 years (-0.6 year). The weighted average unexpired lease term to first break stood at 6.7 years for assets located in France and 15.9 years for assets located abroad.

During the financial year, eight leases were renewed or extended, representing €25.8 million in annualised headline rental income for an average lease term of 8.5 years. They had a +0.2-year impact on the Healthcare Property Investment Division's weighted average unexpired lease term to first break.

Negotiations are underway with healthcare tenants to extend leases expiring in 2021.

LEASE EXPIRY SCHEDULE IN TERMS OF ANNUALISED IFRS RENTAL INCOME

(in millions of euros)



4. Property Development Division

4.1. Income statement and performance indicators

Property Development business

The first 2.5-month lockdown in H1 resulted in over 90% of the 170 construction sites being brought to a halt, sales offices being closed, the signing of notarial deeds being suspended and municipal elections being postponed. The organisation put in place by Icade Promotion, in particular the digitalisation of the marketing process, nevertheless made it possible to record a number of orders close to that of the previous year by the end of June 2020.

The health measures adopted during the second lockdown were less disruptive to business, thus promoting a stronger-than-expected recovery in the second half of the year.

As a result, Icade Promotion noted an improvement in its business performance indicators, **with a +5% increase in orders in volume terms and 8% in value terms, and a +15% increase in notarised sales in volume and value terms compared to the previous year.** This growth was driven by increased sales to institutional investors in Q4 2020. The agreement signed with CDC Habitat for around 900 housing units brought the total number of orders to 718 and notarised sales to 453 for the year.

The Office Property Development business was more adversely affected by the crisis with only a few signings. The uncertainty about the economic outlook and changes in the way people work led to investors adopting a wait-and-see attitude.

The 2.5-month shutdown of construction sites during the first lockdown inevitably impacted the recognition of the year's revenue (using the percentage-of-completion method, which takes into account the progress of sales and construction work).

Economic revenue as of December 31, 2020 stood at **€825.4 million, down by a modest -14.7%.**

Revenue from the residential segment decreased by -11% to €690.6 million. Had it not been for the crisis, it would have been up by 9%.
The office segment experienced an even sharper drop in revenue, i.e. -36.9%. Had it not been for the crisis, it would have been stable.
Excluding the impact of the health crisis, 2020 economic revenue would be up by 8%.

Even though financial results have been significantly impacted, leading indicators for revenue, such as the land portfolio and backlog, continue to show growth, ensuring a portion of revenue expected in 2021.

The total backlog of the Property Development Division as of December 31, 2020 amounted to €1.4 billion, i.e. a year-on-year increase of 14.4%. This rise was fuelled by the residential segment (+20.8%).

Revenue expected from the residential land portfolio[13] totalled **€2.1 billion**[14]**, up by 3.9%** compared to the previous year.

The Property Development Division's profitability, as measured by the current economic operating margin, stood at 3.0% as of December 31, 2020. It was negatively impacted by an inevitable decline in revenue despite effective cost control.

In this context, net current cash flow (NCCF) amounted to €2.5 million as of December 31, 2020.

SUMMARY TABLE

(in millions of euros)	12/31/2020	12/31/2019	Change	Change (%)
ECONOMIC REVENUE	825.4	967.8	(142.4)	-14.7%
CURRENT ECONOMIC OPERATING PROFIT/(LOSS) (a)	24.8	56.7	(31.9)	-56.3%
Current economic operating margin (current economic operating profit or loss/revenue)	3.0%	5.9%	-2.9%	-48.7%
CURRENT OPERATING PROFIT/(LOSS)	20.3	47.8	(27.5)	-57.5%
CURRENT FINANCE INCOME/(EXPENSE)	(8.1)	(5.0)	(3.1)	60.8%
NET CURRENT CASH FLOW	6.8	36.0	(29.2)	-81.1%
GROUP NET CURRENT CASH FLOW	**2.5**	**33.1**	**(30.6)**	**-92.4%**

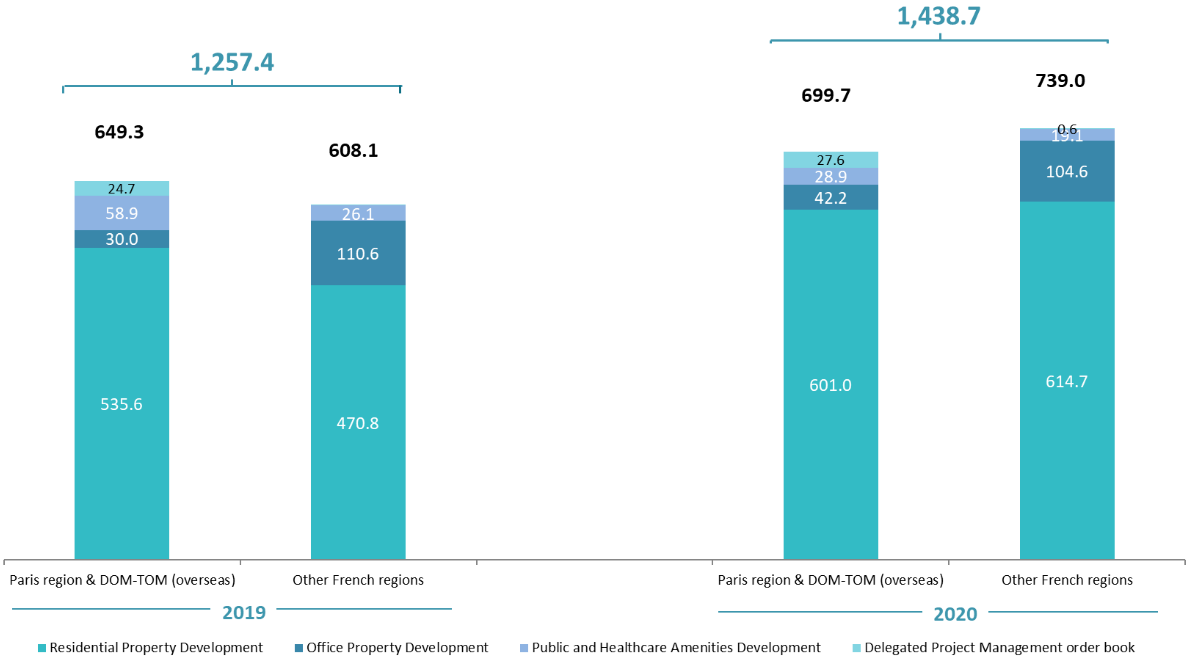
(a) Adjustment for trademark royalties and holding company costs.

[13] *Estimated number of units and revenue from projects for which a preliminary sale agreement for land has been signed and which have not yet been put on the market.*
[14] *Revenue excluding taxes taking into account the Group's ownership interest in joint ventures over which the Group exercises joint control.*

4.1.1. Property Development backlog and service order book

The backlog represents signed orders expressed in terms of revenues (excluding taxes) but not yet recognised for property development projects, based on the stage of completion.

The service order book represents service contracts (excluding taxes) that have been signed but have not yet been executed.



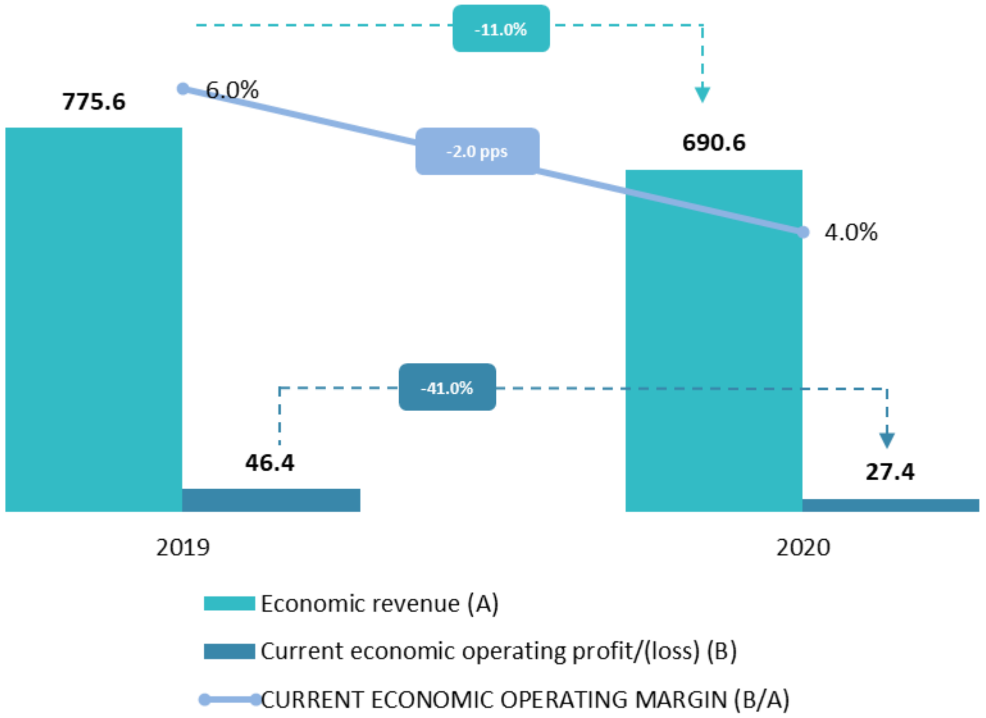
The Property Development Division's total backlog was up 14.4% to €1,438.7 million as of December 31, 2020 from €1,257.4 million as of December 31, 2019.

This change resulted from:

- A 20.8% increase in the Residential Property Development backlog in connection with the high level of housing orders (+8.4% in value terms) and slower revenue recognition (2.5-month shutdown of construction sites).
- A 14% drop in the Office Property Development and Public and Healthcare Amenities Development backlog, as a result of the lower level of new contracts signed for this segment and numerous completions during the year.

The year 2020 was marked by Icade's acquisition of Ad Vitam, a Montpellier-based property development company specialising in housing and offices, at the end of December. Through this acquisition, Icade aims to develop Ad Vitam by Icade, a brand that will focus on building eco-friendly, energy-efficient business campuses dedicated to sustainable industries. The acquired portfolio of development projects for homes, offices and business premises represents potential revenue of roughly €70 million excluding taxes. As a result, Icade Promotion has reinforced its position in the Occitanie region.

4.2. Residential Property Development



The contribution of bulk sales which became particularly strong in H1 and the increased volumes of homes sold individually towards the end of the year resulted in a year-on-year sales increase of +15% in volume terms (5,208 units in 2020 vs. 4,545 in 2019) and +15% in value terms (€1.1 billion in 2020 vs. €1 billion in 2019). However, revenue recognised over the period was down -11% due to the shutdown of construction sites during the first lockdown.

Excluding the impact of construction site shutdowns, residential revenue would be up +9%.

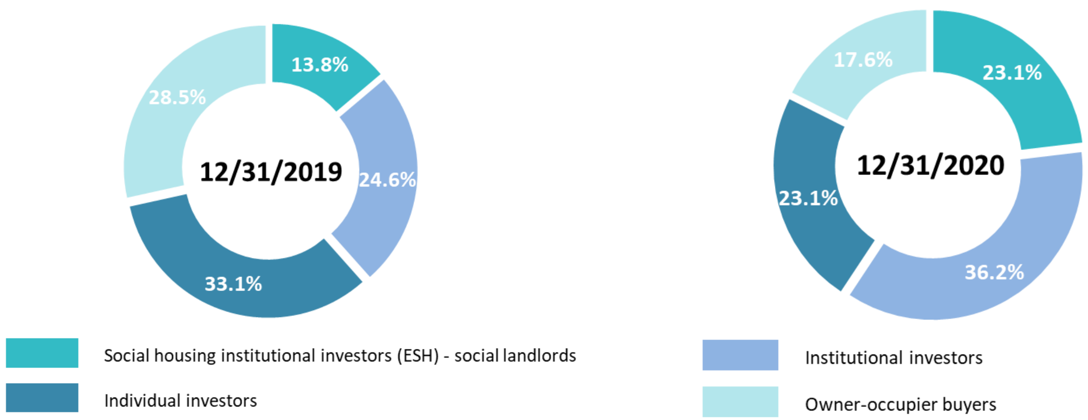
Current economic operating profit/(loss) from the Residential Property Development Division declined to €27.4 million as of December 31, 2020 from €46.4 million a year earlier. This trend is mainly explained by lower revenue recognised using the percentage-of-completion method.

Main physical indicators as of December 31, 2020

	12/31/2020	12/31/2019	Change
Properties put on the market			
Paris region & DOM-TOM (overseas)	1,638	2,459	(33.4%)
Other French regions	3,825	3,125	22.4%
TOTAL UNITS [(a)]	**5,463**	**5,584**	**(2.2%)**
Paris region & DOM-TOM (overseas)	374.1	661.3	(43.4%)
Other French regions	853.4	681.9	25.2%
TOTAL REVENUE *(potential in millions of euros)*	**1,227.5**	**1,343.2**	**(8.6%)**
Projects started			
Paris region & DOM-TOM (overseas)	2,385	2,161	10.4%
Other French regions	2,575	2,555	0.8%
TOTAL UNITS	**4,960**	**4,716**	**5.2%**
Paris region & DOM-TOM (overseas)	468.3	560.9	(16.5%)
Other French regions	566.0	570.6	(0.8%)
TOTAL REVENUE *(potential in millions of euros)*	**1,034.3**	**1,131.5**	**(8.6%)**
Net housing orders			
Housing orders *(in units)*	5,338	5,067	5.3%
Housing orders *(in millions of euros including taxes)*	1,214.5	1,120.6	8.4%
Housing order cancellation rate *(in %)*	13%	15%	-2.2 pps
Average sale price and average floor area based on housing orders			
Average price including taxes per habitable sq.m *(in €/sq.m)*	4,310	4,109	4.9%
Average budget including taxes per housing unit *(in €k)*	228.3	221.5	3.1%
Average floor area per housing unit *(in sq.m)*	53.0	53.9	(1.7%)

(a) "Units" means the number of residential units or equivalent residential units (for mixed-use developments) of any given development. The number of equivalent residential units is determined by dividing the floor area for each property type (business premises, shops, offices) by the average floor area of residential units calculated as of December 31 of the preceding year.

Breakdown of orders by type of customer



Thanks to the measures taken by Icade Promotion, including adapting its sales strategy to the Covid-19 environment, the company was able to outperform the market with net housing orders up 5.3% in volume terms compared to the previous year, totalling 5,338 orders (an increase of +8.4% in value terms).

During the first lockdown, the decision to make part of the housing stock available for sale to institutional investors led to a significant increase in the volume of bulk orders in 2020 compared to 2019 (+65%).

As a result, orders totalled 3,513 units in 2020, of which 2,067 in Q4. The agreement entered into with CDC Habitat for the sale of approximately 900 housing units made it possible to record 718 orders in 2020. Additionally, three projects were sold off plan to Aberdeen Standard Investments (Paris region, Nice and Toulouse), representing 261 units.

Serviced residences accounted for a significant 18% of total 2020 orders, a similar figure to 2019, thus securing future business for the Residential Property Development segment.

Orders from individual investors and owner-occupier buyers decreased as a result of reduced supply in this segment and the impact of the health crisis. A satisfactory volume of orders from individual buyers was made possible by the implementation of a secure online sales and order process.

The total order cancellation rate was down 2.2 pps between 2019 and 2020 due to a higher percentage of bulk orders during the year.

The higher average price per housing unit (€228.3 thousand in 2020 vs. €221.5 thousand in 2019) is due to the Property Development Division's projects available for sale being located in more expensive areas, particularly in the Paris region.

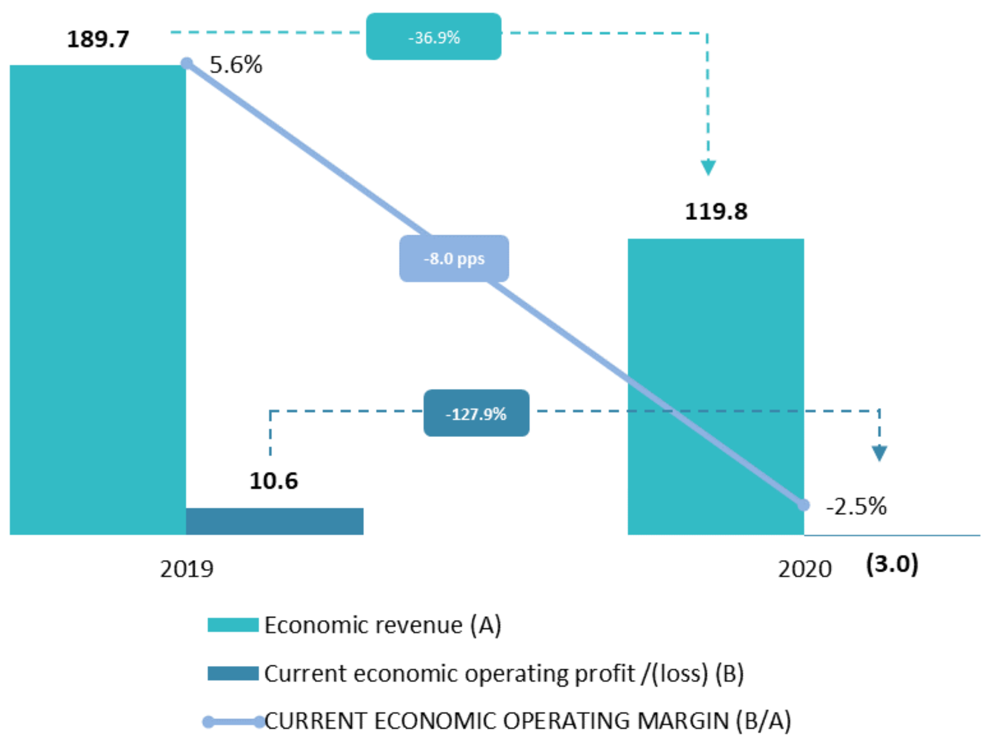
The volume of construction starts increased by +5.2% compared to the previous year and was down -8.6% in value terms. This difference observed between volume effect and price effect is due to the start of construction work on several significant projects for serviced residences (including the sale of 636 units for a student residence in Villejuif and sale of 769 units for another student residence, a seniors' residence and a hotel in Ivry-sur-Seine).

The unsold new housing stock totalled only €9.9 million as of December 31, 2020, down compared to December 31, 2019 (€15.2 million).

Land portfolio

The portfolio of residential land and building plots represented 10,156 units on a proportionate consolidation basis and potential revenue of €2.1 billion, i.e. a 3.9% increase in value terms compared to December 31, 2019 (10,456 units for €2.0 billion).

4.3. Office Property Development



As of December 31, 2020, Office Property Development and Public and Healthcare Amenities Development revenue declined sharply (€119.8 million at the end of 2020 vs. €189.7 million at the end of 2019). Excluding the impact of the health crisis, revenue would have remained stable compared to 2019.

Public and Healthcare Amenities Development

As of December 31, 2020, the portfolio of Public and Healthcare Amenities Development projects was equivalent to 117,845 sq.m (131,762 sq.m as of December 31, 2019), including 88,038 sq.m under construction. Most projects in this portfolio were located in metropolitan France outside the Paris region and in the French overseas departments and territories (DOM-TOM). Projects completed during the year represented 10,902 sq.m.

Agreements signed during the year:

- In June, the signing of an off-plan sale with Cofinance for the Totem office building in the Le Pôle district in Villeurbanne (6,150 sq.m);
- On behalf of Icade Santé, Icade Promotion signed the following agreements for facilities that will be leased to Korian as part of the partnership established with this operator:
    - An off-plan sale agreement for a 106-bed post-acute care facility in Le Perreux-sur-Marne;
    - A property development contract to build an 80-bed post-acute care facility in Toulouse-Blagnac.
- In December, a property development contract entered into with the archbishopric of the Aix-en-Provence region to build a complex of roughly 7,000 sq.m designed to accommodate seminarians.

The main projects completed during the financial year 2020 were as follows:

- Completion of a 5,900-sq.m, 119-bed nursing home in Miramont-de-Guyenne (Lot-et Garonne) for Axentia;
- In H1, completion of Take Off, a 6,760-sq.m office building sold to Foncière INEA in the immediate vicinity of the Toulouse-Blagnac International Airport;
- On July 10, 2020, completion of an 18,196-sq.m office building in Villejuif (Val-de-Marne) handed over to the Élysées Pierre SCPI fund managed by HSBC REIM under an off-plan sale contract signed in 2018 with the Orange Group;
- Completion of the 7,517-sq.m K-Bis office building handed over to Société de la Tour Eiffel in the Carré de Soie district in Vaulx-en-Velin, one of the four major business hubs in Greater Lyon;
- In Q4 2020, completion of a 2,609-sq.m social care centre for children in Pornic, following the signing of a property development contract with Association de Gestion de l'Immaculée des Cèdres Bleus.

An 11% increase in the Delegated Project Management order book:

- An 11% increase in the Delegated Project Management order book. Icade Promotion was awarded two major contracts for healthcare and public infrastructure projects:
    - With Rennes University Hospital for the construction of over 50,000 sq.m of medical space (Interventional and Surgical Centre), for €0.5 million;
    - With UNESCO for the complete overhaul of a building covering around 16,000 sq.m next to its Paris headquarters, for €0.9 million.

Office, Hotel and Retail Property Development

As of December 31, 2020, the Property Development Division had a portfolio of projects in the Office, Hotel and Retail Property Development segment of roughly 564,353 sq.m (vs. 680,422 sq.m as of December 31, 2019), including 65,825 sq.m under construction. In 2020, completions totalled 34,766 sq.m.

Agreements signed during the year:

- Two preliminary off-plan sale agreements signed with the Office Property Investment Division:
    - Les Gradins, a 9,000-sq.m office building designed to facilitate new collaborative and flexible ways of working, as part of the construction of Block D of the Olympic and Paralympic Village in Saint-Ouen-sur-Seine. The building permit has been issued and construction is scheduled to start at the end of 2021;
    - The Barbusse project involving the overhaul of a former Post Office building totalling around 8,800 sq.m of office space in Marseille. The building permit has been issued and construction is scheduled to start in H2 2021.

4.4. Revenue potential

In total, Icade Promotion's potential revenue is expected to amount to €6.9 billion in the coming years, slightly down compared to the previous year (€7.1 billion). In the medium term, it represents more than 19,300 housing units for the Residential segment and more than 336,000 sq.m for the Office segment. It includes the land portfolio of the Residential Property Development business estimated at €2.1 billion as of December 31, 2020, up 3.9% compared to December 31, 2019.

4.5. Working capital requirement and debt

(in millions of euros)	12/31/2020 (a)+(b)	12/31/2019 (a)+(b)	Change
Residential Property Development	(146.8)	(302.7)	155.9
Office Property Development	20.6	20.0	0.6
NET WORKING CAPITAL REQUIREMENT – PROPERTY DEVELOPMENT	**(126.2)**	**(282.7)**	**156.5**
NET DEBT – PROPERTY DEVELOPMENT	**(30.7)**	**132.8**	**(163.5)**

(a) A negative number is a net asset, while a positive number is a net liability.

(b) WCR and net debt do not include urban development projects and risky land owned by the Group.

Following numerous bulk sales and the implementation of operational measures to optimise Icade Promotion's cash position, net WCR improved substantially by €156.5 million as of December 31, 2020 compared to December 31, 2019. As of December 31, 2020, WCR represented 15.6% of 2020 economic revenue (vs. 29.3% at the end of 2019).

Icade Promotion's net financial liabilities also improved to a positive €30.7 million at the end of 2020.