



## MERGER OF ANF IMMOBILIER INTO ICADE

*This release (exemption from registered document) has been issued in accordance with Article 17 of the Instruction of the French Autorité des marchés financiers DOC-2016-04 dated 21 October 2016, as amended.*

### 1. BACKGROUND OF AND REASONS FOR THE MERGER

At the date hereof, Icade holds 17,267,439 shares of ANF Immobilier, accounting for 90.84% of the stock and 90.56% of the votes in that company (including 1,000 shares lent by Icade to certain members of the Supervisory Board of ANF Immobilier which will be returned to Icade prior to the completion date of the Merger).

Further to the announcements made on 12 February 2018 of a proposed merger by absorption of ANF Immobilier into Icade (the "**Merger**") and on 25 April 2018 relating to the narrowing of the indicative exchange ratio range, the Board of Directors of Icade and the Supervisory Board and Management Board of ANF Immobilier dated 16 May 2018 unanimously approved the final terms of this proposed Merger and authorized the execution of a Merger agreement.

The Merger agreement was signed on 16 May 2018. The Merger agreement and the Merger notice have been, in accordance with Articles R. 236-2 and R. 236-2-1 of the French Commercial Code, made available on the websites of Icade and ANF Immobilier on 17 May 2018. The Merger notice will also be published in the *Bulletin des Annonces Légales Obligatoires* and in the *Bulletin Officiel des Annonces Civiles et Commerciales*.

This transaction is part of the simplification of the structure of the Icade group and in line with the transactions performed in 2017, namely, Icade's acquisition of the controlling interest held by Eurazeo in ANF Immobilier on 23 October 2017 and the related take-over bid issued by Icade for ANF Immobilier and closed on 6 December 2017.

The sole Employee Representative Committee (*Délégation Unique du Personnel*) of ANF Immobilier and the Works Council of Icade, respectively, issued an unfavourable opinion and a favourable opinion regarding the proposed Merger on 14 May 2018 and 16 May 2018.

The proposed Merger shall be submitted for approval to the extraordinary meetings of shareholders of ANF Immobilier (including the special meeting of holders of shares carrying double voting rights) and of Icade to be held on 28 June 2018 and 29 June 2018, respectively. The agenda and draft resolutions for the meeting of shareholders of Icade shall be published shortly in the *Bulletin des Annonces Légales Obligatoires*.

The main features of the Merger, its valuation and the related consideration are summarised below.

### 2. MAIN FEATURES OF THE MERGER

<b>Surviving company</b>	<b>Icade</b> , a public limited company ( <i>société anonyme</i> ) managed by a Board of Directors, with a share capital of EUR 112,966,652.03, having its registered office at 27, rue Camille Desmoulins, 92130 Issy-les-Moulineaux, identified with the Nanterre Registry of Commerce and Companies under number 582 074 944.  Icade shares are listed for trading in Compartment A of Euronext Paris under ISIN code FR0000035081.
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<b>Merged company</b>	<p><b>ANF Immobilier</b>, a public limited company (<i>société anonyme</i>) managed by a Management Board and Supervisory Board, with a share capital of EUR 19,009,271, having its registered office at 27, rue Camille Desmoulins, 92130 Issy-les-Moulineaux, identified with the Nanterre Registry of Commerce and Companies under number 568 801 377.</p> <p>ANF Immobilier shares are listed for trading in Compartment B of Euronext Paris under ISIN code FR0000063091.</p>	
<b>Ownership connections between the companies</b>	<p>At the date hereof, Icade holds 17,267,439 shares of ANF Immobilier, accounting for 90,84% of the stock and 90,56% of the votes in that company.</p> <p>Among the 17,267,439 shares of ANF Immobilier held by Icade, 1,000 shares have been lent by Icade to certain members of the Supervisory Board of ANF Immobilier under simple loans of shares which will be terminated prior to the Completion Date.</p>	
<b>Shared officers</b>	<p>Mr. Olivier Wigniolle is the Chief Executive Officer of Icade and Chairman of the Supervisory Board of ANF Immobilier.</p> <p>Ms. Emmanuelle Baboulin, Chairperson of the Management Board of ANF Immobilier, is also a member of the Icade Executive Committee.</p> <p>Ms. Victoire Aubry, member of the Supervisory Board of ANF Immobilier, is also a member of the Icade Executive Committee.</p> <p>Mr. Antoine de Chabannes, member of the Supervisory Board of ANF Immobilier, is also a member of the Icade Executive Committee.</p>	
<b>DESCRIPTION AND VALUATION OF THE ASSETS AND LIABILITIES TRANSFERRED</b>		
<b>Items transferred</b>	Transfer to Icade, subject to satisfaction of the conditions precedent specified hereinafter, of all of the assets and liabilities of ANF Immobilier in their condition at the Completion Date (as hereinafter defined).	
<b>Accounts used to determine the terms of the Merger</b>	The accounts used to determine the terms of the Merger are the corporate accounts and consolidated accounts as of 31 December 2017 of ANF Immobilier and of Icade, as included in their registration documents for 2017 filed with the French <i>Autorité des marchés financiers</i> (" <b>AMF</b> ") on 30 March 2018 under number D.18-0230 and on 29 March 2018 under number D.18-0218, respectively, as audited and certified by the statutory auditors of each company and approved by the annual ordinary meetings of shareholders of ANF Immobilier and Icade held on 24 April 2018 and 25 April 2018, respectively.	
<b>Valuation method</b>	In accordance with Articles 701-1 <i>et seq.</i> of the French <i>Plan Comptable Général</i> in force as of 1 January 2018 relating to the accounting treatment of mergers and similar transactions, since Icade controls ANF Immobilier, the assets and liabilities transferred by ANF Immobilier to Icade pursuant to the Merger will be booked in Icade's accounts for their net book value as of 31 December 2017, the closing date of the latest financial year.	
<b>Total amount of assets transferred</b>	Gross value	EUR 368,309,629
	Amortisation and depreciation	EUR 32,329,951
	Net value	EUR 335,979,678
<b>Total amount of liabilities assumed</b>	EUR 22,357,276	
<b>Value of net assets transferred</b>	The net book value of the net assets transferred by ANF Immobilier to Icade pursuant to the Merger at the Completion Date (the " <b>Net Assets Transferred</b> ") amounts to :	

	NET VALUE (EUR)
Total amount of assets contributed	335,979,678
Total amount of liabilities assumed	22,357,276
Net Assets Contributed before payment by ANF Immobilier of dividends in an amount of EUR 14,675,280 (the "Payment")	313,622,402
Deduction of net book value of the 200,808 ANF Immobilier treasury shares held by ANF Immobilier and not used to cover the commitments of ANF Immobilier under the ANF Free Share Plans and ANF Option Plans (as hereinafter defined) - together the "Other ANF Treasury Shares"	4,439,865
Deduction of the amount of Payment before completion of the Merger	14,675,280
Net Assets Transferred (after deduction (i) of the amount of the Payment and (ii) of the net book value of Other ANF Treasury Shares)	294,507,257

#### EXCHANGE RATIO AND CONSIDERATION FOR THE MERGER

<b>Exchange ratio</b>	<p>3 Icade shares for 11 ANF Immobilier shares (the "Exchange Parity"), i.e., an exchange ratio of 0.273 Icade share for one ANF Immobilier share (the "Exchange Ratio")</p> <p>The Exchange Parity was set on 16 May 2018 and determined on the basis of a multi-criteria approach relying on customary valuation methods suited to the property company sector.</p> <p><b>Main methods used</b></p> <ul style="list-style-type: none"> <li>- analysis of the share prices of Icade and ANF Immobilier since 6 December 2017, the date of close of the simplified take-over bid issued by Icade for the shares of ANF Immobilier on 25 October 2017, and</li> <li>- analysis of the triple net EPRA net asset values of Icade and ANF Immobilier as of 31 December 2017, published by Icade and ANF Immobilier on 12 February 2018.</li> </ul> <p><b>Method used for information</b></p> <ul style="list-style-type: none"> <li>- trading multiples of companies comparable to Icade and ANF Immobilier.</li> </ul>
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#### Summary of the methods used to assess the Exchange Parity of the Merger

(in € per share)	ANF	Icade	Implied exchange ratio
<b>Primary methods</b>			
Closing price as of May 11 <sup>th</sup> , 2018	20.7	80.0	<b>0.26</b>
1-month volume-weighted average price	20.2	76.7	<b>0.26</b>
3-month volume-weighted average price	20.9	76.1	<b>0.27</b>
Volume-weighted average price since December 6 <sup>th</sup> , 2017	21.0	77.3	<b>0.27</b>
EPRA Triple net NAV per share (excluding rights) as of December 31 <sup>st</sup> , 2017 before dividend payment*	21.8	84.8	<b>0.26</b>
EPRA Triple net NAV per share (excluding rights) as of December 31 <sup>st</sup> , 2017 after dividend payment*	21.0	80.5	<b>0.26</b>
<b>Illustrative method</b>			
Trading comparables approach	19.4	90.0	<b>0.22</b>

Note : Market data as of May 11<sup>th</sup>, 2018 after payments of Icade's and ANF's dividends.

\* Dividend of €4.3 per share for Icade and €0.8 per share for ANF, paid on May 2<sup>nd</sup>, 2018.

<p><b>Consideration for the Merger</b></p>	<p>In accordance with Article L. 263-3 of the French Commercial Code, the ANF Immobilier shares held by Icade, i.e., 17,267,439 shares of ANF Immobilier, will not be exchanged, and the 200,808 Other ANF Treasury Shares will not be exchanged, and they will be cancelled as of right at the Completion Date.</p> <p>By way of consideration for the contribution resulting from the merger of ANF Immobilier, Icade would perform, at the Completion Date, in accordance with the Exchange Parity, an increase in its capital with a face value of EUR 640,568.91, in order to raise the corporate capital from EUR 112,966,652.03 to EUR 113,607,220.94 (exclusive of any exercise of options to subscribe for Icade shares that could result in the issuance, prior to the Merger Completion Date, of up to 24,800 Icade shares), by means of creation of 420,242 new shares, allotted to the shareholders of ANF Immobilier other than Icade (as regards the ANF Immobilier shares held by Icade) and ANF Immobilier (as regards the Other ANF Treasury Shares), and, by way of exception from Article L. 236-3 of the French Commercial Code, to Icade as regards the ANF Immobilier treasury shares held by ANF Immobilier and used to cover the commitments of ANF Immobilier pursuant to the ANF Free Share Plans and the ANF Option Plans as of 15 May 2018, on the basis of the number of shares making up the stock of ANF Immobilier as of 16 May 2018. Such capital increase would represent a dilution of 0.57% of the corporate capital of Icade.</p> <p>Issuance of the new Icade shares by way of consideration for the Merger would be decided upon by the extraordinary meeting of shareholders of Icade to be held on 29 June 2018. Subject (i) to the residual holding period applicable to the Vested ANF Free Shares (as hereinafter defined) and (ii) the lock-up period applicable to ANF Immobilier shares acquired or that may be acquired pursuant to the ANF Options (as hereinafter defined) awarded on 12 November 2014, such new Icade shares will carry dividend immediately and enjoy the same rights and be treated in all respects <i>pari passu</i> with shares of common stock previously issued and making up the corporate capital of Icade. They will be (i) fully paid-in, (ii) free of any encumbrance, and (iii) admitted for trading in Compartment A of Euronext Paris, as soon as possible after issuance (i.e., beginning of July), under the same identification number as the shares of common stock previously issued and making up the corporate capital of Icade (ISIN code FR0000035081).</p> <p>If the ANF Immobilier Shares held by Icade and/or the number of shares making up of the corporate capital of Icade are modified, the number of Icade shares to be issued by way of consideration for the Merger and, correlatively, the face value of the subsequent share capital increase, will consequently be adjusted as of right.</p>
<p><b>Treatment of fractional shares</b></p>	<p>If any shareholders of ANF Immobilier do not hold the number of ANF Immobilier shares required to obtain, pursuant to the Exchange Parity, a whole number of Icade shares, the shareholders concerned would be responsible for acquisition or sale of the fractional shares.</p> <p>However, if, at the Completion Date, any shareholders of ANF Immobilier do not hold the number of ANF Immobilier shares required to obtain, pursuant to the Exchange Parity, a whole number of Icade shares, the intermediaries mentioned under paragraphs 2° to 7° of Article L. 542-1 of the French Monetary and Financial Code (i) would sell on the Euronext Paris market the unallotted Icade shares relating to the fractional rights in the manner provided for under Articles L. 228-6-1 and R. 228-12 of the French Commercial Code, and (ii) would allot the proceeds thereof among the holders of fractional rights in proportion of their rights.</p>
<p><b>Merger premium</b></p>	<p>The difference between (i) the amount of the portion of the net book value of the Net Assets Transferred that relates to the ANF Immobilier shares not held by Icade or by ANF Immobilier (other than ANF Immobilier treasury shares used to cover the commitments of ANF Immobilier under the ANF Free Share Plans and ANF Option Plans (as hereinafter defined) and accordingly taken into account in the net book value of the Net Assets Transferred) and (ii) the face value of the increase in Icade's capital, shall constitute a merger premium (the "<b>Merger Premium</b>").</p> <p>The Merger Premium shall amount to EUR 23,489,140.74 on the basis of the number of shares making up the stock of ANF Immobilier exclusive of Other ANF Treasury Shares as of 15 May 2018, calculated as follows:</p>

		<b>NET VALUE (EUR)</b>									
	Amount of portion of Net Assets Transferred by ANF Immobilier to Icade that relates to the ANF Immobilier shares not held by Icade or by ANF Immobilier	24,129,709.65									
	Face value of increase in Icade's capital	640,568.91									
	<b>= Amount of Merger Premium</b>	<b>23,489,140.74</b>									
<b>Merger loss</b>	<p>The difference between the net book value of the ANF Immobilier shares held by Icade and the amount of the Net Assets Transferred by ANF Immobilier relating to the ANF Immobilier shares held by Icade shall constitute a merger loss (the "<b>Merger Loss</b>").</p> <p>The Merger Loss shall amount to EUR 111,866,106.55 on the basis of the number of shares making up the stock of ANF Immobilier exclusive of Other ANF Treasury Shares as of 15 May 2018, calculated as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;"><b>NET VALUE (EUR)</b></th> </tr> </thead> <tbody> <tr> <td>Net book value of ANF Immobilier shares held by Icade</td> <td style="text-align: right;">382,243,654.09</td> </tr> <tr> <td>Amount of portion of Net Assets Transferred relating to the ANF Immobilier shares held by Icade</td> <td style="text-align: right;">270,377,547.54</td> </tr> <tr> <td><b>= Amount of Merger Loss</b></td> <td style="text-align: right;"><b>111,866,106.55</b></td> </tr> </tbody> </table>				<b>NET VALUE (EUR)</b>	Net book value of ANF Immobilier shares held by Icade	382,243,654.09	Amount of portion of Net Assets Transferred relating to the ANF Immobilier shares held by Icade	270,377,547.54	<b>= Amount of Merger Loss</b>	<b>111,866,106.55</b>
	<b>NET VALUE (EUR)</b>										
Net book value of ANF Immobilier shares held by Icade	382,243,654.09										
Amount of portion of Net Assets Transferred relating to the ANF Immobilier shares held by Icade	270,377,547.54										
<b>= Amount of Merger Loss</b>	<b>111,866,106.55</b>										
<b>EFFECT OF MERGER ON THE ANF IMMOBILIER OPTIONS AND ANF IMMOBILIER FREE SHARES</b>											
<b>Principle</b>	<p>At the Completion Date, all of the commitments made by ANF Immobilier in favour of (i) the holders of options to acquire ANF Immobilier shares (the "<b>ANF Options</b>") pursuant to the stock-option plans set up by ANF Immobilier between 2009 and 2014 (the "<b>ANF Option Plans</b>") and (ii) the beneficiaries of awards of ANF Immobilier free shares pursuant to the free share award plans granted in 2015 (the "<b>ANF 2014 AGA Plan</b>") and 2016 (the "<b>ANF 2015 AGA Plan</b>" and, together with the ANF 2014 AGA Plan, the "<b>ANF Free Share Plans</b>"), would be transferred to Icade as of right.</p>										
<b>Effect of Merger on the stock options of ANF Immobilier</b>	<p>The ANF Options would be shifted to the Icade shares, and the total number of shares subject to ANF Options and the strike price thereof would be adjusted, in accordance with the following terms, to take account of the Exchange Parity:</p> <ul style="list-style-type: none"> <li>- the number of Icade shares that each holder of ANF Options may acquire would be the number of ANF Immobilier shares that he or she could have acquired pursuant to the ANF Option Plans, multiplied by the Exchange Ratio, and the number so determined being rounded to the nearest inferior whole number;</li> <li>- the acquisition price per Icade share would be equal to the acquisition price per ANF Immobilier share divided by the Exchange Ratio, provided that (i) the acquisition price so determined would be rounded to the nearest euro cent and (ii) the other terms of the ANF Option Plans would remain unchanged.</li> </ul>										
<b>Effect of Merger on ANF Immobilier free shares to be acquired</b>	<p>In accordance with Article L. 225-197-1, III of the French Commercial Code, Icade would be substituted as of right on the Completion Date for ANF Immobilier in its obligations to the beneficiaries of awards of ANF Immobilier free shares to be acquired pursuant to the ANF 2015 AGA Plan (the "<b>Unvested ANF Free Shares</b>").</p>										

	<p>Accordingly, the rights of beneficiaries of awards of Unvested ANF Free Shares would be shifted to Icade shares on the basis of the Exchange Parity. As a result, the number of Icade shares to which each beneficiary of awards of Unvested ANF Free Shares would be entitled pursuant to the ANF 2015 AGA Plan would be the number of ANF Immobilier shares to which he or she would have been entitled under such plans multiplied by the Exchange Ratio, provided that (i) the number so determined would be rounded to the nearest inferior whole number and (ii) the other terms of the ANF 2015 AGA Plan would remain unchanged, subject to the analysis criteria of the condition of share price performance on which the final vesting of the free shares in favour of certain beneficiaries is contingent, which will be adapted by Icade due to the Merger and in the context of the assumption of the ANF 2015 AGA Plan.</p>
<b>Effect of Merger on the vested ANF Immobilier free shares</b>	<p>The new Icade shares issued in consideration of the Merger and exchanged for the ANF Immobilier free shares acquired pursuant to the ANF 2014 AGA Plan but remaining subject to a lock-up period for the purposes of tax and welfare charges at the Completion Date (the "<b>Vested ANF Free Shares</b>"), and, together with the Unvested ANF Free Shares, the "<b>ANF Free Shares</b>") would be, in accordance with Article L. 225-197-1, III, of the French Commercial Code, subject to their residual holding period, i.e., until 16 March 2019.</p>
<b>CONDITIONS PRECEDENT TO THE COMPLETION OF THE MERGER</b>	
	<p>Completion of the Merger and of the related increase in Icade's capital shall be subject to satisfaction of the following conditions precedent:</p> <ul style="list-style-type: none"> <li>- decision by the AMF finding that there is no need to issue a compulsory buy-out bid for the ANF Immobilier shares on the basis of Article 236-6 of the AMF General Regulations;</li> <li>- approval of the Merger by the extraordinary meeting of shareholders of ANF Immobilier (including in particular approval of its dissolution without liquidation and transfer of all of its assets and liabilities to Icade);</li> <li>- approval of the Merger by the special meeting of holders of double-voting rights shares of ANF Immobilier in accordance with Article L. 225-99 of the French Commercial Code; and</li> <li>- approval of the Merger by the extraordinary meeting of shareholders of Icade (including in particular approval of the net book value of the Net Assets Transferred, the Exchange Parity and the increase in Icade's capital by way of consideration for the Merger).</li> </ul>
<b>COMPLETION DATE AND EFFECTIVE DATE OF THE MERGER</b>	
<b>Completion date and effective date of the Merger</b>	<p>The Merger and the resulting dissolution of ANF Immobilier will be finally completed on the date of approval of the Merger by the extraordinary meeting of shareholders of Icade, which is scheduled for 29 June 2018 (the "<b>Completion Date</b>").</p> <p>In accordance with Article L. 236-4 2° of the French Commercial Code, the Merger will be effective, for accounting and tax purposes, retroactively on the first day of the current financial year of the companies involved, i.e., 1<sup>st</sup> January 2018.</p>
<b>AUDITING OF THE MERGER</b>	
<b>Merger auditors</b>	<p>The Merger has been reviewed in two reports dated 16 May 2018 by Mr. Didier Kling and Finexsi Audit firm, acting through Mr. Oliver Péronnet, both appointed as merger auditors by order of the President of the Nanterre Commercial Court on 14 February 2018. Such reports show that:</p> <ul style="list-style-type: none"> <li>- the value of the contributions is not over-estimated and the Net Assets Transferred by ANF Immobilier are no less than the amount of the increase in Icade's capital plus the Merger Premium; and</li> <li>- the Exchange Parity is fair.</li> </ul> <p>The reports of the merger auditors are available to Icade's shareholders at the registered office of Icade and with BNP Paribas Securities Services, 9 rue du Débarcadère, 93761 Pantin. They are available on Icade's website (<a href="http://www.icable.fr">www.icable.fr</a>). The report on valuation of the contributions shall be filed with the Registry of the Nanterre Commercial Court within the period required by law.</p>

**DOCUMENTS PROVIDED TO THE SHAREHOLDERS**

The Merger agreement, the report by the Board of Directors to the meeting of shareholders of Icade on 29 June 2018, the reports of the merger auditors dated 16 May 2018, the annual accounts approved by the meetings of shareholders and the annual reports for the past three financial years of the companies involved in the Merger, and all of the documents to be disclosed pursuant to the shareholders' right to ongoing disclosure, shall be made available to the shareholders at the registered office of Icade and with BNP Paribas Securities Services, 9 rue du Débarcadère, 93761 Pantin.

In addition, the Merger agreement and the reports of the merger auditors are available on Icade's website ([www.icable.fr](http://www.icable.fr)) and on ANF Immobilier's website ([www.anf-immobilier.com](http://www.anf-immobilier.com)).

The documents intended for the shareholders of ANF Immobilier for the purposes of the Merger shall also be made available to them within the period and in the manner required by the applicable legislation.

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## ABOUT ICADE

### Building for every future

As an investor and a developer, Icade is an integrated real estate player which designs innovative real estate products and services adapted to new urban lifestyles and habits. By placing corporate social responsibility and innovation at the core of its strategy, Icade is closely involved with stakeholders and users in the cities— local authorities and communities, companies and employees, institutions and associations... As a commercial and healthcare property investor (portfolio value of €10.8bn as of 12/31/17) and as a property developer (2017 economic revenues of €1,209m), Icade has been able to reinvent the real estate business and foster the emergence of tomorrow's greener, smarter and more responsible cities. Icade is a significant player in the Greater Paris area and major French cities. Icade is listed on Euronext Paris as a French Listed Real Estate Investment Company (SIIC). Its leading shareholder is the Caisse des Dépôts Group.

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