



ICADE – RESULTS AS OF MARCH 31, 2021

**Q1 2021 REVENUE AT €392.5M
+44% ON Q1 2020, +30% ON Q1 2019**

POSITIVE SALES PERFORMANCE AS OF THE END OF MARCH 2021 DESPITE THE CONTINUING HEALTH CRISIS

- **Property Investment: gross rental income up +1.5% to €171.5m:**
 - **Office Property Investment:** gross rental income broadly stable at nearly €94m; > 65,000 sq.m in leases signed or renewed
 - **Healthcare Property Investment:** gross rental income up +4.7% to €78.1m
- **High rent collection rates, in line with pre-Covid levels:** over 97% for Q1 (NB: the 2020 collection rate stood at 99%)
- **Development pipeline:** projects completed or to be completed in 2021 have been **63%** pre-let
- **Asset rotation:** two asset disposals completed for a total of over **€320m: +6% premium to NAV** as of 12/31/2020, in line with NAV as of 12/31/2019
- **Property Development: strong business recovery with revenue¹ as of March 31 up 128%**, mainly driven by the residential segment; **orders and sales up² 126% and 92%**, respectively, compared to Q1 2020

FINANCIAL STRUCTURE: OPTIMISING THE COMPANY'S FUNDING ON VERY FAVOURABLE TERMS

- **10-year, €600m** bond issued in January with a coupon of **0.625%**, the lowest ever for Icade

2021 GUIDANCE & DIVIDEND CONFIRMED

- **2021 Group NCCF 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

“Against the backdrop of an ongoing health crisis, our level of business activity, 44% higher than in Q1 2020 and 30% higher than in Q1 2019, reflects the resilience of our business model. The Office Property Investment business has once again demonstrated the strength of its fundamentals with stable rental income and the active resumption of asset rotation, with nearly €320m of assets sold on very favourable terms. The Healthcare Property Investment Division continues to grow in a disciplined manner. And the resumption of the Property Development Division’s activities in Q1 2021 has reinforced the implementation of its roadmap, with ambitious short- and medium-term objectives. The teams are fully mobilised and Icade has adapted to the current environment. We are now confident that we will achieve the objectives announced for 2021, despite the third lockdown.” Olivier Wigniolle, CEO

<i>(in millions of euros)</i>	03/31/2021	03/31/2020	Change (%)	Like-for-like change (%)
Gross rental income from Office Property Investment ³	89.3	89.8	(0.6)%	(2.0)%
Gross rental income from Healthcare Property Investment	78.1	74.6	4.7%	0.4%
Other income *	4.2	4.6	(8.2)%	(7.0)%
Gross rental income from Property Investment	171.5	168.9	1.5%	(1.1)%
Property Development revenue	217.4	101.1	115.0%	115.0%
Other revenue **	3.6	1.8	N/A	N/A
CONSOLIDATED REVENUE	392.5	271.9	44.4%	43.2%

*: Other Office Property Investment assets and intra-group operations

**：“Other revenue” mainly includes intra-group revenue eliminations

¹ Economic revenue

² In volume terms

³ Offices and business parks

1. PROPERTY INVESTMENT DIVISIONS

1.1 OFFICE PROPERTY INVESTMENT: RESILIENT RENTAL INCOME, ASSET ROTATION HAS ACTIVELY RESUMED

Q1 rental income and leasing activity

(in millions of euros)	03/31/2020	Completions/ Developments/ Refurbishments	Disposals	Leasing activity and index-linked rent reviews	03/31/2021	Change (%)	Like-for-like change (%)
Offices	65.7	1.5	-	(1.4)	65.8	0.2%	(2.1)%
Business parks	24.1	(0.0)	(0.3)	(0.4)	23.4	(2.8)%	(1.6)%
GROSS RENTAL INCOME FROM OFFICES AND BUSINESS PARKS	89.8	1.5	(0.3)	(1.8)	89.3	(0.6)%	(2.0)%
Other assets	4.9	-	(0.0)	(0.2)	4.6	(5.9)%	(5.6)%
Intra-group transactions from Office Property Investment	(0.3)	(0.1)		(0.0)	(0.4)	28.0%	N/A
GROSS RENTAL INCOME FROM OFFICE PROPERTY INVESTMENT	94.4	1.4	(0.3)	(2.0)	93.5	(1.0)%	(2.2)%

In an environment still marked by the health crisis and a shrinking rental market, **gross rental income for Office Property Investment** as of March 31, 2021 stood at €93.5m, down by only -1.0% compared to Q1 2020 and in line with our expectations.

- On a **reported basis**, gross rental income from offices and business parks was slightly down by -0.6%, though remaining stable for offices;
- On a **like-for-like basis**, gross rental income dropped -2.0% due to the slowdown in leasing activity.

Despite still unsettled market conditions in Q1 2021, the Asset Management teams managed to sign or renew **33 leases covering more than 65,000 sq.m, for annualised headline rental income of €11.3m.**

The main lease renewal for the period related to a tenant in the Portes de Paris business park for over 38,000 sq.m.

Since the beginning of the year, Icade has signed 3 new leases totalling over 2,300 sq.m of floor space in the Paris Orly-Rungis business park. (For further information, see the dedicated press release published today: "[A strong start for Icade in 2021](#)")

The balance between additions and exits over the period was strongly positive at +28,500 sq.m (additions of 79,100 sq.m and exits of 50,600 sq.m), thanks mainly to the start of the Technip (51,500 sq.m in Origine) and Latécoère leases (13,100 sq.m). This balance represents additional annualised headline rental income of **+€12.4m.**

Thanks to continued proactive crisis management with our tenants, **at the end of March more than 85% of 2021 break options were estimated to have been prevented or covered by the signing of new leases⁴.**

The **financial occupancy rate** stood at **90.4%** as of March 31, 2021, **down -2.1 pps** on December 31, 2020 (92.5%), in line with the tenant departures communicated in 2020 and effective from Q1 2021.

Asset classes	Financial occupancy rate (in %) (**)			Weighted average unexpired lease term (in years) (**)	
	03/31/2021	12/31/2020	Like-for-like change*	03/31/2021	12/31/2020
Offices	92.4%	94.9%	(1.3) pp	4.6	4.4
Business parks	84.9%	86.9%	(1.9) pp	3.1	2.9
OFFICE AND BUSINESS PARK ASSETS	90.4%	92.6%	(1.4) pp	4.2	3.9
Other assets	89.9%	91.3%	(1.4) pp	6.8	6.7
OFFICE PROPERTY INVESTMENT	90.4%	92.5%	(1.4) pp	4.4	4.1

(*) Change between December 31, 2020 and March 31, 2021, excluding completions, acquisitions and disposals for the period.

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

⁴Renewed early or very likely to be renewed according to the Asset Management Department's estimates to date or covered by new leases coming into effect.

- The occupancy rate for offices stood at 92.4% (94.9% as of December 31, 2020) down -2.5 pps (-1.3 pp like-for-like). At the end of March, it was impacted by the completion of Origine during the quarter, 79.0% of which has been leased;
- The occupancy rate for business parks was 84.9% (86.9% as of December 31, 2020), down -2.0 pps (-1.9 pp like-for-like).

No significant tenant departures were communicated to Icade in Q1 2021.

The **weighted average unexpired lease term to first break stood at 4.4 years**, up +0.3 year compared to December 31, 2020.

The **rent collection rate remained high, in line with pre-Covid levels**: 96% for Q1 2021 rents and over 98% for 2020 rents.

Investments as of March 31, 2021

<i>(in millions of euros)</i>	Off-plan acquisitions	Projects under development	Other capex	Other	Total
Offices	0.3	29.5	4.9	2.4	37.1
Business parks	0.0	4.9	5.5	5.2	15.6
OFFICES AND BUSINESS PARKS	0.3	34.3	10.4	7.7	52.8
Other assets	0.0	0.0	0.1	0.0	0.1
OFFICE PROPERTY INVESTMENT	0.3	34.3	10.4	7.7	52.8

Year-to-date **investments** as of March 31, 2021 totalled nearly **€53m**, down from Q1 2020 (~€61m) and included in particular:

- Investments in the **development pipeline and off-plan sale projects for roughly €35m**, comprising mainly the Origine project (Nanterre) for ~€16m and the Fresk project (Issy-les-Moulineaux) for ~€8.0m;
- “Other capex” and “Other” for ~€18m relating to building maintenance work and tenant improvements.

Development pipeline: two major projects were completed during the quarter:

- The Origine building in Nanterre (Hauts-de-Seine), with a total floor area of 66,000 sq.m, nearly 80% of which has been pre-let to Technip. Designed based on bioclimatic architecture with a hybrid timber and concrete structure, this investment of close to €450m highlights Icade’s expertise in developing major office projects and in low-carbon construction. It will eventually generate nearly €29m in rental income.
- The 13,000-sq.m Latécoère building in Toulouse has been entirely leased for a term of 12 years by this aeronautical equipment manufacturer and will serve as its new headquarters.

Projects completed or to be completed in 2021 have been 63% pre-let.

Asset rotation has actively resumed

The Loire building in Villejuif (Val-de-Marne) and the Millénaire 1 building in the 19th district of Paris were sold on April 18 and 20, 2021. **The preliminary sale agreements had been announced on February 22, 2021 as part of the 2021 disposals plan and the resumption of opportunistic disposals of Core and Core+ assets in the Office Property Investment portfolio.**

These two sales totalling over €320m were completed at a +6% premium to NAV as of December 31, 2020 and in line with values as of December 31, 2019. The substantial capital gains realised on these disposals will add to the Group’s net profit for 2021.

The proceeds from these sales will be used to fund the Office Property Investment Division’s development pipeline, Icade Santé’s expansion and the Group’s deleveraging.

In addition, Icade signed a preliminary agreement to purchase a 13,400-sq.m value-add office asset in Nanterre Préfecture (Hauts-de-Seine), fully leased to a government tenant. The transaction is expected to be completed in Q2 2021.

For further information, see the dedicated press release published today: [“A strong start for Icade in 2021”](#)

1.2 HEALTHCARE PROPERTY INVESTMENT: CONTINUED EXPANSION

Gross rental income

(in millions of euros)	03/31/2020	Acquisitions	Completions/ Developments/ Refurbishments	Disposals	Leasing activity and index-linked rent reviews	03/31/2021	Change (%)	Like-for-like change (%)
France	70.7	1.4	0.1	(0.1)	0.3	72.3	2.3%	0.4%
International	3.9	1.9	-	-	0.0	5.7	48.9%	0.3%
GROSS RENTAL INCOME FROM HEALTHCARE PROPERTY INVESTMENT	74.6	3.3	0.1	(0.1)	0.3	78.1	4.7%	0.4%

Gross rental income from Healthcare Property Investment amounted to €78.1m in Q1 2021, up 4.7% on a reported basis (+€3.5m), mainly driven by 2020 acquisitions. A +0.4% increase was recorded on a like-for-like basis (index-linked rent reviews).

- **France:** gross rental income at €72.3m, +2.3%.
- **International:** gross rental income increases to €5.7m.
 - ◆ Germany: Acquisition of 7 nursing homes at the end of 2020 as part of the acquisition of a total of 9 healthcare facilities in France and Germany from the operator ORPEA.
 - ◆ Italy: Acquisition of two long-term care facilities from Gheron and Lagune International in Q2 and Q4 2020, both operated by Gheron.

The rent collection rate stood at nearly 100% at the end of March.

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

The WAULT to first break stood at 7.3 years, broadly stable compared to December 31, 2020.

- On average, it stood at 6.6 years for assets located in France and 16.1 years for assets located abroad.
- During the quarter, 4 leases were renewed or extended in France, representing €3.9m in annualised headline rental income for a further lease term of 6.4 years on average.

Asset classes	Financial occupancy rate (in %)		Weighted average unexpired lease term (in years)	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
France	100%	100%	6.6	6.7
International	100%	100%	16.1	15.9
HEALTHCARE PROPERTY INVESTMENT	100.0%	100.0%	7.3	7.4

Year-to-date investments as of March 31, 2021: first investment in Spain

(in millions of euros)	Asset acquisitions	Projects under development	Other capex	Other	Total
France	18.6	19.8	5.0	0.3	43.8
International	6.5	-	0.0	-	6.5
HEALTHCARE PROPERTY INVESTMENT	25.1	19.8	5.0	0.3	50.2

Acquisitions made during the quarter: €25.1m

- **France:** €18.6m for the acquisition of the Les Dentellières⁵ facility in Valenciennes from Elsan.
- **International:** €6.5m, relating primarily to the acquisition⁵ of a nursing home in Italy (Castenaso) from Sereni Orizzonti, operated by KOS, the largest Italian operator.

Development pipeline: €20m

Pipeline investments related primarily to 4 projects, including the Grand Narbonne private hospital, a nearly 22,000-sq.m complex soon to be completed by Icade Santé. The facility will house acute care (medicine and surgery) and post-acute care services for the healthcare operator Elsan's private hospitals in Narbonne, on a lease for an initial term of 12 years.

⁵ For further information, see the dedicated press release published today: "[A strong start for Icade in 2021](#)"

Icade Healthcare Europe enters the Spanish market: Icade signed a preliminary agreement with the Amavir group to acquire two nursing homes in Spain for €22m. These two facilities will be completed in Q2 2022 and Q2 2023, respectively. For further information, see the dedicated press release published on March 29, 2021: "[Icade Healthcare property investment division makes first acquisition in Spain](#)".

2. PROPERTY DEVELOPMENT

2.1 POSITIVE MOMENTUM DURING THE QUARTER

Strong sales performance in Q1 2021 for Icade Promotion

- **Orders jumped by +125.6% in volume terms** (1,313 units in Q1 2021 vs. 582 units in Q1 2020) and +94.5% in value terms, mainly fuelled by bulk sales. This strong sales performance can only be partly explained by a favourable base effect due to the strict March 2020 lockdown. Even **compared to Q1 2019 (pre-Covid)**, Icade Promotion saw its orders surge by **55% in volume terms and 51% in value terms** in Q1 2021.
- Orders from individuals were up thanks to successful marketing (11 projects put on the market in Q1) and a high absorption rate (11% in March). The order cancellation rate for this category of buyers returned to pre-crisis levels.
- Orders from institutional investors in Q1 2021 were higher than in previous years. Bulk sales were driven, among other things, by the order recorded for the Athletes Village project in Saint-Ouen totalling 314 units (business premises, retail units, a residence with services and a student residence).
- **Sales** were also up sharply in the quarter: **+91.7% in volume terms** (646 units sold in Q1 2021 vs. 337 units in Q1 2020) and **+78.7% in value terms**. Compared to Q1 2019, they increased by +5% in volume terms and +10% in value terms.

Revenue up 128% in Q1 2021

- Q1 2021 **economic revenue** soared by **+128%** year-on-year to nearly €250m, but also by +56.3% compared to Q1 2019. This quarter, construction projects progressed faster than in previous years over the same period (rebound after the 2020 lockdown). Sales of projects nearing completion, which typically have a strong positive impact as revenue is recognised using the POC method, were also substantial.
- Revenue from the residential segment rose by 136.5% (€207.0m in Q1 2021 vs. €87.5m in Q1 2020): in addition to a favourable base effect from 2020, solid Q1 2021 performance reflected strong growth in notarised sales (+79%) and a sharp year-on-year increase in value terms in construction starts (+38%).
- Revenue from the office segment (€41.4m in Q1 2021, +92.3%) included the sale of a nearly 9,000-sq.m office building to Macifimo in the Emblem complex in Lille, jointly developed with the Duval group.

<i>(in millions of euros)</i>	03/31/2021			03/31/2020			Change
	IFRS	Reclassification of joint ventures	Total	IFRS	Reclassification of joint ventures	Total	
Residential Property Development	182.4	24.5	207.0	80.1	7.4	87.5	136.5%
Office Property Development	34.4	7.0	41.4	21.0	0.5	21.5	92.3%
Other activities and intra-group Property Development operations	0.5	0.2	0.8	0.1	0.2	0.3	N/A
REVENUE	217.4	31.8	249.1	101.1	8.2	109.3	127.9%

Business indicators (*)	03/31/2021	03/31/2020	Change (%)	12/31/2020
Orders for new housing units and building plots				
Housing orders (in units) (**)	1,313	582	125.6%	5,338
Housing orders (in millions of euros including taxes)	298.8	153.6	94.5%	1,214.5
Housing order cancellation rate (in %)	11.8%	31.0%	(19.2) pps	13.0%
Average sale price and average floor area based on housing orders				
Average price including taxes per habitable sq.m (in €/sq.m)	4,235	4,581	(7.6)%	4,310
Average budget including taxes per housing unit (in €k)	228.9	267.0	(14.3)%	228.3
Average floor area per housing unit (in sq.m)	54.0	58.0	(6.9)%	53.0
Breakdown of housing orders by type of customer (in %)				
Owner-occupier buyers	24.7%	46.5%	(21.8) pps	17.6%
Private investors	25.0%	42.6%	(17.6) pps	23.1%
Institutional investors	50.3%	10.9%	+39.4 pps	59.3%

(*) Business indicators are shown on a full consolidation basis (including projects undertaken by jointly controlled entities).

(**) "Units" means the number of residential units or equivalent residential units (for mixed-use developments) of any given development.

2.2 LEADING INDICATORS POINTING UP, GROWTH POTENTIAL CONFIRMED

Leading indicators for revenue (controlled land portfolio and backlog) remain high and ensure revenue in 2021 which is expected to grow compared to the previous two years.

- As of March 31, 2021, the portfolio of controlled residential land and building plots continued to expand. It comprised 10,902 units representing potential revenue (excluding taxes, on a proportionate consolidation basis) of €2.2bn, a 3.8% increase on December 31, 2020.
- The backlog of the Property Development Division as of March 31, 2021 totalled €1.4bn. The rolling 12-month trend showed **solid performance, with the backlog up by nearly 10%, driven by the residential segment (+16.2%)**.

(in millions of euros)	03/31/2021	12/31/2020	Change vs. 12/31/20 (%)	03/31/2020	Change vs. 03/31/20 (%)
Property Development backlog	1,423.3	1,438.7	(1.1)%	1,303.7	+ 9.2%
Residential Property Development	1,219.4	1,215.7	+ 0.3%	1,049.2	+ 16.2%
Office, Public Amenities and Healthcare Property Development	177.2	194.8	(9.0)%	230.3	(23.1)%
Project Management Support service order book	26.7	28.2	(5.1)%	24.2	+ 10.6%

Main contracts won in Q1:

- Grand Parilly – Lot 1 in Vénissieux**

In April 2020, Icade Promotion was awarded a contract following a tender process launched by Lionheart, a subsidiary of Leroy Merlin. This project, located on the 20-hectare Puisoz site, has been identified as a strategic development area for both the French city of Vénissieux and Greater Lyon. It includes the construction of 115 residential units and 108 parking spaces. An application for a building permit will be submitted before the summer with construction work scheduled to start in early 2022.

- **Action Cœur de Ville – Berwick barracks – Lot B2 in Briançon**

Following the “Reinventing our City Centres” call for projects launched by the City of Briançon, Icade Promotion was chosen to convert a former military barracks into a youth hostel with 341 beds, i.e. 76 room equivalents, and complete 2 ground floor shops, a restaurant and a coworking space.

This project is located in the Hautes-Alpes department in the town of Briançon in the “Cœur de Ville” development zone, near the city’s new popular hub, a multimedia library and cinema. An application for a building permit will be submitted during the summer of 2021 with construction work scheduled to start in early 2022 and be completed in 2023.

Business remains strong, with the launch of a nearly 8,000-sq.m residential project in the La Joliette district of Marseille at the end of April. (For further information, see the dedicated press release published today: [“A strong start for Icade in 2021”](#))

In total, Icade Promotion’s potential revenue is expected to amount to €6.8bn in the five coming years based on proportionate consolidation of Icade Promotion and excluding taxes.

Lastly, through the **creation in early 2021 of its subsidiary Urbain des Bois** specialising in low-carbon construction and home personalisation, Icade Promotion is stepping up its involvement in timber construction, one of the drivers of its low-carbon strategy.

3. OPTIMISING THE COMPANY’S FUNDING ON VERY FAVOURABLE TERMS

On January 11, 2021, the Group further optimised its funding by issuing a €600m, 10-year bond with an **annual coupon of 0.625%, the lowest ever for Icade.**

- These funds were mainly used to optimise its funding structure: the early redemption of a bond maturing in 2022 with a coupon of 1.875% for a total of €396m and the early redemption of a bond maturing in April 2021 with a coupon of 2.25% for a total of €275m.
- The next significant debt maturity is scheduled for 2023 (for a total of €279m).

4. OUTLOOK: 2021 GUIDANCE AND DIVIDEND CONFIRMED

FY 2021 guidance confirmed, subject to the health and economic situation not worsening significantly:

- 2021 Group NCCF per share: expected to grow by ~+3% (excluding the impact of 2021 disposals)

2021 dividend:

- 2021 dividend: expected to increase by +3%, payout ratio in line with 2020 (83%) + distribution of part of the gains on disposals

FINANCIAL CALENDAR

Half Year Results: July 26, 2021 before the market opens.

Q3 financial data: October 25, 2021 before the market opens.

This press release does not constitute an offer, or an invitation to sell or exchange securities, or a recommendation to subscribe, purchase or sell Icade securities. Distribution of this press release may be restricted by legislation or regulations in certain countries. As a result, any person who comes into possession of this press release should be aware of and comply with such restrictions. To the extent permitted by applicable law, Icade excludes all liability and makes no representation regarding the violation of any such restrictions by any person.

ABOUT ICADÉ

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 €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

Anne-Sophie Lanaute

Head of Financial Communication and Investor Relations

+33 (0)1 41 57 70 29

anne-sophie.lanaute@icade.fr

Charlotte Pajaud-Blanchard

Press Relations Manager

+33 (0)1 41 57 71 19

charlotte.pajaud-blanchard@icade.fr

APPENDIX

Leasing activity – Office Property Investment excluding Residential

Asset classes	12/31/2020		Q1 2021 changes			03/31/2021		New leases signed in Q1 2021		03/31/2021
	Leased floor area	Additions	Exits	Exits due to disposals	Floor area adjustments (*)	Leased floor area	Leases starting in Q1 2021	Leases starting after Q1 2021	Total new leases signed in Q1 2021	
On a full consolidation basis	(in sq.m)	(in sq.m)	(in sq.m)	(in sq.m)	(in sq.m)	(in sq.m)	(in sq.m)	(in sq.m)	(in sq.m)	
Offices	834,852	3,561	(13,182)		29	825,260	5,186	-	5,186	
Business parks	583,073	10,944	(19,202)		-	574,814	4,967	-	4,967	
Other assets	148,202	-	(1,927)		(43)	146,232	-	-	-	
LIKE-FOR-LIKE SCOPE (A)	1,566,126	14,505	(34,312)		(14)	1,546,306	10,153	-	10,153	
Offices	17,611	64,562	(9,790)			72,383	-	-	-	
Business parks	11,982	-	(6,501)			5,480	-	-	-	
Other assets	29,593	64,562	(16,291)			77,864	-	-	-	
ACQUISITIONS / COMPLETIONS / REFURBISHMENTS (B)	29,593	64,562	(16,291)			77,864	-	-	-	
						-				
OFFICE PROPERTY INVESTMENT (A)+(B)	1,595,719	79,067	(50,603)	-	(14)	1,624,169	10,153	-	10,153	

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