HALF-YEAR FINANCIAL REPORT

June 30, 2021

TABLE OF CONTENTS

DECLARATION BY THE PERSON RESPONSIBLE FOR THIS DOCUMENT

I certify that, to the best of my knowledge, the condensed financial statements for the past half-year have been drawn up in accordance with applicable accounting standards, and give a true and fair view of the assets and liabilities, financial position, and profits and losses of the Company, and of all the companies included in its scope of consolidation; and that the attached half-year management report presents a true and fair view of the major events that took place in the first half of the year, their impact on the financial statements, the main related-party transactions, and a description of the main risks and uncertainties for the remaining six months of the year.

Issy-les-Moulineaux, July 26, 2021

Olivier Wigniolle

Chief Executive Officer

1 PERFORMANCE INDICATORS

1. Key indicators

Performance indicators

GROUP INDICATORS as of 06/30/2021

€2.57 per share Group NCCF	**€86.7** per share EPRA NDV [1]	**€11.8bn** Portfolio value (Group share, excl. duties)
1.35% Average cost of debt	**6.4 years** Average debt maturity	**39.8%** LTV ratio (value incl. duties)

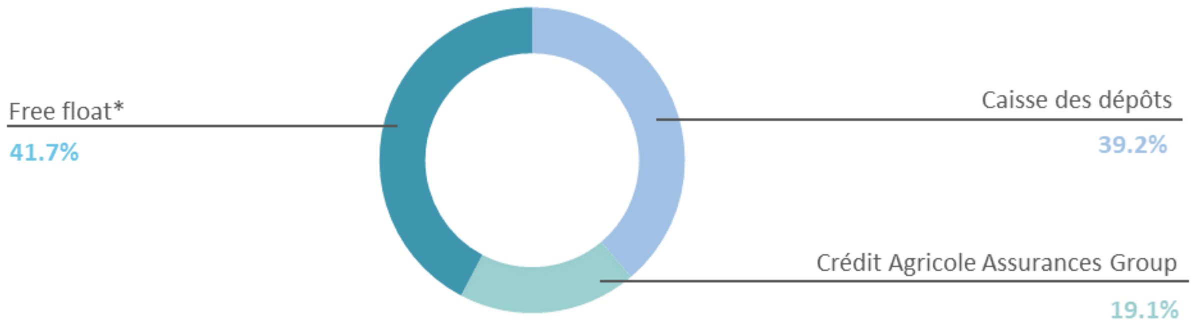
Investors		Developer
OFFICE PROPERTY INVESTMENT	**HEALTHCARE PROPERTY INVESTMENT**	**PROPERTY DEVELOPMENT**
€190.3m **+ 1.8%** Gross rental income (on a full consolidation basis)	**€157.6m** **+ 5.6%** Gross rental income (on a full consolidation basis)	**€536.3m** **+ 78.6%** Economic revenue
93.3% **- 29 bps** Net to gross rental income ratio	**99.1%** **+ 132 bps** Net to gross rental income ratio	**€1.5bn** **+ 2.1%** [2] Backlog
€1.42 per share (Group share) **+ 2.2%** Adjusted EPRA earnings (Group share)	**€1.01** per share (Group share) **+ 11.5%** Adjusted EPRA earnings (Group share)	**€10.9m** **vs. 06/30/2020: -€11.9m** NCCF (Group share)
5.6% Average net initial yield (Group share, including duties)	**5.1%** Average net initial yield (Group share, including duties)	**€6.9bn** Total revenue potential [3]

(1) EPRA NDV: Net Disposal Value, a NAV metric that represents the shareholders' net assets under a disposal scenario
(2) vs. 12/31/2020
(3) Revenue excluding taxes on a proportionate consolidation basis, including backlog, contracts won, stock of units currently for sale and land portfolio (residential and office)

2. Share performance and shareholding structure

Shareholding structure as of 06/30/2021

Benefiting from a strong shareholding structure, in particular with the Caisse des dépôts Group as its leading shareholder with a 39.2% stake and CAA, its second largest shareholder with 19.1%. Icade is a French Listed Real Estate Investment Company (SIIC) on Euronext Paris.



*Including 4.47% for Icamap, GIC Pte Ltd and Future Fund Board of Guardians acting in concert, 0.71% of treasury shares, and 0.29% for Icade's FCPE employee-shareholding fund (as of 06/30/2021)

Share performance as of June 30, 2021

With a market capitalisation of €5.5 billion at the end of June 2021 and a trading volume of 10,049,613 shares on Euronext Paris over the course of H1 2021 (i.e. an average daily trading volume of 79,759 shares and 243,049 shares on all trading platforms combined), **Icade's share price amounted to €72.8 at June 30, 2021—up +15.7% (+23.2% with dividends reinvested)** compared to the end of 2020—outperforming its benchmark index, i.e. the EPRA Europe Index (+9.46%).

Icade's share price increased sharply in Q2 (+20.34% with dividends reinvested), buoyed in particular by positive performance across all of its business lines in Q1 (see April 23, 2021 press release).

As of June 30, 2021:

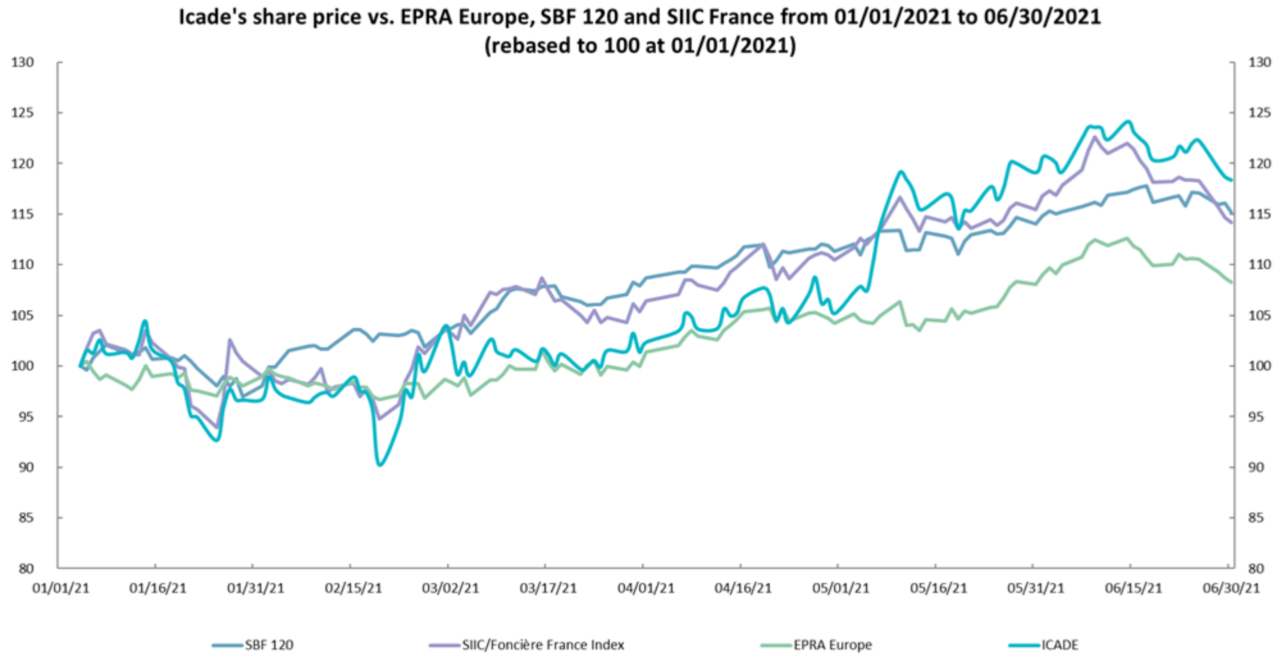
CAPITALISATION as of June 30, 2021

€5,550m

NUMBER OF LISTED SHARES as of June 30, 2021

76,234,545*

* It should be noted that the Combined General Meeting held on April 23, 2021 approved a gross dividend of €4.01 per share for the financial year 2020. Shareholders also had the option of receiving 80% of the final dividend, i.e. a gross amount of €1.60 per share, in new shares. 84.95% of shareholders' rights were exercised in favour of receiving a portion of the final dividend in shares. This scrip dividend scheme resulted in the issue of 1,698,804 new Icade ordinary shares.



3. 2021 Outlook

In H1 2021, **the implementation of the Group's strategic priorities continued**:

- **Office Property Investment:** Disposal plan carried out as scheduled, a replenished and more reliable development pipeline with more pre-lets, major leases signed in H1: thanks to an attractive rents/location combination and the environmental quality of its portfolio assets, Icade's Office Property Investment Division is very well positioned to meet the post-Covid-19 office demand;
- **Property Development:** Implementation of our roadmap well underway, proactive adaptation to changes in demand and housing solutions in tune with the market;
- **Healthcare Property Investment:** the pre-IPO preparation process has begun.

Icade: guidance raised and 2021 priorities:

Given solid H1 performance and the transactions already announced or under contract, Icade has raised its 2021 guidance:

- **2021 Group NCCF per share is expected to grow by c. 6% excluding the impact of 2021 disposals, i.e. c. +3% including the impact of 2021 disposals. This updated guidance includes the impact of the partial payment of the 2020 dividend in shares (scrip dividend scheme)** (subject to the health and economic situation not worsening significantly)**;**
- **The 2021 dividend is expected to increase by +3%**: payout ratio in line with 2020 (83%) + distribution of part of the gains on disposals.

Icade's priorities for 2021 remain unchanged:

- **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.

4. Key events after the reporting period

Asset rotation has continued its strong recovery in early H2 with some major transactions for the Office and Healthcare Property Investment Divisions:

- On July 2, 2021, pursuant to a preliminary agreement signed in July 2020 with ORPEA to purchase 9 healthcare properties, Icade acquired a nursing home in Berlin for €45 million, the ninth and last facility in the portfolio;

- On July 22, 2021, Icade signed an agreement to sell, subject to conditions precedent, all of its shares in SCI Silky Way, the owner of the building of the same name located at the heart of the Carré de Soie district in Villeurbanne (Rhône) to an SCPI fund managed by UNOFI. The transaction, for an asset value of €138 million, is expected to be closed in October, once customary conditions precedent have been satisfied;

- On July 23, 2021, the Office Property Investment Division signed a lease for nearly 14,000 sq.m of space in the FRESK building in the 15th district of Paris (currently being developed) with PariSanté Campus for a term of 8 years with no break option;

- On July 23, 2021, the Office Property Investment Division signed an off-plan lease for 16,000 sq.m in EDENN, a redevelopment project located at the base of the Nanterre-Préfecture and future Nanterre-La Folie train stations (RER A, RER E, Line 15 of the Grand Paris Express). This off-plan lease has been signed with Schneider Electric France for a term of 9 years with no break option and will take effect in Q2 2025;

- On July 23, 2021, the Office Property Investment Division signed a preliminary agreement to acquire the Equinove complex in Le Plessis-Robinson (Hauts-de-Seine) for €183 million (two assets with a total floor area of 64,710 sq.m fully leased to Renault). These assets, which will start generating cash flows immediately, will also create value through their future redevelopment, in synergy with Icade Promotion.

2 PERFORMANCE OF THE GROUP'S BUSINESS ACTIVITIES

1. Group

1.1. H1 2021 highlights

General Meeting and governance

The Combined General Meeting was held on April 23, 2021 behind closed doors and chaired by Mr Frédéric Thomas, Chairman of the Board of Directors.

Pursuant to Article 8 of Decree No. 2020-418, the Board of Directors, which met before the General Meeting, appointed two shareholders as scrutineers from among the ten shareholders with the largest number of voting rights of which the Company was aware on the date the General Meeting was convened, namely Caisse des Dépôts, represented by Ms Carole Abbey and Crédit Agricole Assurances Group, represented by Mr Emmanuel Chabas. Mr Jérôme Lucchini was appointed as the General Meeting's Secretary.

All the resolutions proposed at the General Meeting were approved by a large majority.

In particular, the General Meeting:

- Approved the separate and consolidated financial statements for the financial year 2020;
- Approved the distribution of a gross cash dividend of €4.01 per share for the financial year 2020. In accordance with the decision made by the Board of Directors on February 19, 2021, a gross interim dividend of €2.01 per share was paid on March 5, 2021, with shares having gone ex-dividend on March 3, 2021, and the remaining balance was paid in the form of a gross final dividend of €2.00 per share on May 27, 2021, with shares having gone ex-dividend on April 28, 2021;
- Approved the option to receive a portion of the final dividend in cash or in shares;
- Noted that no new regulated related party agreements had been entered into;
- Ratified the temporary appointment of Mr Antoine Saintoyant and Mr Bernard Spitz as directors;
- Reappointed Mr Olivier Fabas, Mr Olivier Mareuse and Mr Bernard Spitz as directors;
- Approved the remuneration policy for directors, the Chairman of the Board of Directors and the Chief Executive Officer as well as their elements of remuneration for 2020;
- Renewed all the authorisations and financial delegations to be given to the Board of Directors.

After this Combined General Meeting, the composition of the Board of Directors remained unchanged, with 15 directors, including 5 independent directors. The members and chairpersons of the four committees of the Board of Directors remained unchanged.

Results of scrip dividend election for a portion of the 2020 final dividend:

Icade's shareholders expressed strong interest in the option to receive a portion of the final dividend for the financial year 2020 in new Icade shares: 84.95% of the rights were exercised in favour of receiving 80% of the final dividend in shares at the end of the scrip election period which ran from April 30, 2021 up to and including May 20, 2021.

This election resulted in the creation of 1,698,804 new Icade ordinary shares (representing 2.28% of the share capital based on the share capital as of December 31, 2020), with settlement and admission to trading on Euronext Paris scheduled for May 27, 2021. These new shares entitled their holders to dividends starting on January 1, 2021 and ranked pari passu with the existing ordinary shares making up Icade's share capital as from their issue date. Following such issuance, the Company's share capital consisted of 76,234,545 shares.

The Company's equity was thus strengthened by €101 million.

Property Investment:

Office Property Investment: resilient rental income, asset rotation has actively resumed

Despite a market environment still impacted by the continued health crisis in H1 2021, the Asset Management teams remained very active and signed or renewed 63 leases covering more than 82,300 sq.m, for annualised headline rental income of €14.6 million, bringing the occupancy rate for this division to 90.2%.

The new leases signed reflect the appeal of Icade's buildings and the confidence of its tenants as expectations have risen in terms of the buildings' technical and environmental performance, as well as their ability to accommodate changing work patterns.

The most significant leases signed in H1 included:

- A 9-year lease with no break option signed with UBAF (Union de Banques Arabes et Françaises) in the EQHO Tower in La Défense (Hauts-de-Seine). This lease renewal for all the space occupied by UBAF, i.e. 3,700 sq.m, will take effect in September 2021;
- A lease renewal for 6 years with no break option signed with Geostock (a French engineering company specialising in underground energy storage), covering 1,400 sq.m in the H2O building in Rueil-Malmaison (Hauts-de-Seine). The renewal will take effect in January 2022;
- 15 new leases totalling 10,200 sq.m signed for a average term of 5.8 years with no break option in Icade's Orly-Rungis business park. These leases for space in mixed-use office and business premises buildings were signed with TAO Distribution, Paris Flight Training and SARL ARN;

In addition, Icade's H1 completions included the following three major projects:

- Handover of the West Park 4 (Fontanot) building following the signing of an off-plan lease agreement with Groupama for 100% of the building's floor area (15,756 sq.m) for a term of 12 years with no break option;
- Handover to Technip Energies of its new headquarters, Origine (66,000 sq.m of office space and amenities in Nanterre). 80% of the floor area of this building has been leased to Technip Energies, pursuant to an off-plan lease for a term of over 9 years with no break option which was signed 3 years before completion;
- Completion of the 13,000-sq.m Latécoère building in Toulouse, leased in full for a term of 12 years by this aeronautical equipment manufacturer as its new headquarters.

Icade has also been actively investing:

- Acquisition of the Le Prairial office building in Nanterre (Hauts-de-Seine) for €60.5 million, with a floor area of almost 13,375 sq.m, from a fund managed by Keys REIM. This acquisition offers high potential for value creation through its future redevelopment.

Lastly, H1 was marked by the completion of 2 major disposals:

- The Le Loire building in Villejuif (Val-de-Marne), with a floor area of around 20,000 sq.m, which is fully leased to LCL;
- The Millénaire 1 building in the 19th district of Paris, which is fully leased to two first-rate tenants from the financial sector.

These two sales totalling over €320 million were completed at a +6% premium to the appraised values as of December 31, 2020 and in line with values as of December 31, 2019.

Healthcare Property Investment: H1 was marked by strong investments, with continued growth in France and Italy and a first acquisition in Spain

France Healthcare:

- Acquisition of the Les Dentellières private hospital's property assets in Valenciennes (Nord) for €19 million excluding duties. A 12-year lease with no break option was signed with the healthcare operator Elsan at the time of this acquisition. The facility specialises in oncology and is adjacent to the Vauban polyclinic, owned by Icade Santé and also operated by Elsan;
- Acquisition of 4 healthcare facilities which started generating rental income immediately: 1 PAC facility and 2 nursing homes from Korian and 1 PAC facility from a group of private investors. The four facilities total close to 15,000 sq.m and roughly 340 beds and places. They represent a total investment of nearly €47 million including duties;
- Four facilities handed over to healthcare and senior services providers, representing a total investment of €76 million. These assets will generate immediate additional rental income.

Italy Healthcare:

- Acquisition of a nursing home leased to KOS for 15 years in Italy. This acquisition is the last in a portfolio of 7 nursing homes: 5 facilities acquired in October 2019 (Piedmont, Veneto, Friuli, Lombardy and Emilia-Romagna) operated by Sereni Orizzonti (second largest Italian operator) and 1 facility in Genoa, acquired in November 2020, operated by KOS. The entire portfolio (600 beds) represents a total investment of €39 million including duties;
- Icade Healthcare Europe acquired two nursing homes and a psychiatric facility from KOS and signed a conditional memorandum of understanding with the same group for the acquisition of two nursing homes that have yet to be built, for a total €51 million including duties. The five facilities, located in the regions of Lombardy, Liguria, Le Marche and Emilia-Romagna, total 514 beds and will be operated by the KOS Group with lease terms of 15 years with no break option.

Spain Healthcare:

- Icade Healthcare Europe and the Amavir group signed a preliminary agreement to acquire two nursing homes in Spain for €22 million including duties. Located in Madrid and Ciudad Real and scheduled for completion in Q2 2022 and Q2 2023, the two facilities have a floor area of 16,320 sq.m and a total of 311 beds.

Property Development: Strong business recovery in H1: catching up after a challenging 2020, excellent sales performance

Orders jumped by +19.8% in volume terms compared to H1 2020 (2,613 units in H1 2021 vs. 2,181 units in H1 2020) and +22.5% in value terms, mainly fuelled by bulk sales. Icade Promotion's indicators reflect a strong sales performance, despite the continued restrictions due to the health crisis. Orders increased by 16.5% in volume terms and 13.5% in value terms compared to H1 2019 (pre-Covid-19).

H1 2021 economic revenue amounted to €536.3 million, a sharp increase compared to the previous year (+ 78.6%) and 2019 (+ 38.0%).
This performance was the result of a favourable base effect (Q1 2020 was affected by the nationwide lockdown in France from March 16) and strong sales performance.
This trend is in line with the annual target and the growth trajectory for 2025 (€1.4 billion).

Office Property Development:

- Off-plan sale agreement signed with Macifimo for an office building covering nearly 9,000 sq.m in the Emblem complex in Lille, jointly developed with the Duval group;
- A property development contract signed with La Française for the construction of a 30,890-sq.m property complex in Nanterre (Hauts-de-Seine), jointly developed with PRD Office.

Residential Property Development:

- Creation of Urbain des Bois, a subsidiary of Icade Promotion specialising in low-carbon construction and home personalisation. The creation of this subsidiary, which aims to generate revenue of €100 million by 2025, exemplifies how Icade integrates its Purpose into its operations;
- Launch of a residential project covering nearly 8,000 sq.m in the La Joliette neighbourhood in Marseille (Bouches-du-Rhône). Located on the site of the former Desbief hospital in the La Joliette neighbourhood (2nd district) in Marseille, the project consists of 123 housing units, including 19 social housing units and 16 intermediate housing units sold to CDC Habitat, 18 units subject to a split of ownership (social housing rental units leased out by CDC Habitat as usufructuary) and 70 owner-occupier units, including 24 whose sale was signed within three days of being on the market. It is scheduled for completion in late 2023.

Continued implementation of an appropriate and optimised financing policy, a solid liquidity position

In H1 2021, both money markets and capital markets continuously provided abundant liquidity on excellent terms. Icade has been able to optimise its liabilities thanks to its financial strength and its proactive liability management approach. (see 1.4 "Financial resources").

Other highlights:

In the recently released 2020 BBCA Ranking of the French companies most committed to low-carbon construction, Icade has made it into the top 3 in four different categories: number of projects started in 2020, projects started in 2020 in sq.m, number of projects started since 2016 and total projects started since 2016 in sq.m.

In addition, on February 2, 2021, Icade announced that it had ramped up its low-carbon policy and taken important steps in this respect across all its business lines (see February 2, 2021 press release).

1.2. Income and cash flows

KEY FIGURES AS OF JUNE 30, 2021: Continued momentum for the Property Investment Divisions with higher adjusted EPRA earnings; the Property Development Division bounces back strongly. Sharp rise in net current cash flow and net profit attributable to the Group compared to H1 2020.

	06/30/2021	06/30/2020	Change /reported (%)
Adjusted EPRA earnings from Property Investment (in €m)	**180.9**	**170.0**	**+6.4%**
Adjusted EPRA earnings from Property Investment in € per share	**2.43**	2.30	+5.9%
Net current cash flow from Property Investment (in €m)	**187.4**	**174.8**	**+7.2%**
Net current cash flow from Property Investment in € per share	2.52	2.36	+6.6%
Net current cash flow from Property Development (in €m)	**10.9**	**(11.9)**	**N/A**
Net current cash flow from Property Development in € per share	0.15	(0.16)	**N/A**
Other (in €m)	**(7.1)**	**(1.7)**	**N/A**
Group net current cash flow (in €m)	**191.1**	**161.3**	**+18.5%**
Group net current cash flow in € per share	2.57	2.18	+17.9%
Net profit/(loss) attributable to the Group (in €m)	**188.1**	**5.2**	**N/A**

	06/30/2021	12/31/2020	Change (%)
EPRA NDV per share (in €)	**86.7**	**86.1**	**+0.8%**
Average cost of drawn debt	**1.35%**	**1.48%**	**-13 bps**
LTV ratio (including duties)	**39.8%**	**40.1%**	**-29 bps**

1.2.1. Summary IFRS consolidated income statement

(in millions of euros)	06/30/2021	06/30/2020	Change
Revenue	**830.0**	**622.0**	**208.0**
EBITDA	**326.4**	**271.5**	**54.9**
Operating profit/(loss)	**329.4**	**75.6**	**253.8**
Finance income/(expense)	**(107.4)**	**(53.6)**	**(53.9)**
Net profit/(loss)	**218.0**	**24.0**	**194.0**
NET PROFIT/(LOSS) attributable to the Group	**188.1**	**5.2**	**182.9**
Average number of diluted shares outstanding used in the calculation	74,384,915	73,993,018	391,897
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP (in € per share after dilution)	**2.53**	**0.07**	**2.46**
Non-current items (a)	**(3.0)**	**(156.1)**	**153.0**
GROUP NET CURRENT CASH FLOW	**191.1**	**161.3**	**29.9**

(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 revenue jumped by +33.4% due to the combined effects of the following:

- A marked increase in revenue of +79% for the Property Development Division in a post-Covid-19 environment;
- A rise in gross rental income for the Healthcare Property Investment Division due to the acquisitions made in H2 2020;
- An increase in gross rental income for the Office Property Investment Division, against the backdrop of significant completions in H1 2021.

With indicators on the rise across all three business lines, combined with substantial capital gains realised on disposals, the net profit/(loss) attributable to the Icade Group significantly increased to €188.1 million in H1 2021.

1.2.2. Group net current cash flow

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 the Office Property Investment and Healthcare 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;
- Net current cash flow from Property Development, which measures the cash flow from Property Development activities.

Group net current cash flow stood at €191.1 million (€2.57 per share) as of June 30, 2021 vs. €161.3 million as of June 30, 2020 (€2.18 per share), a +18.5% change.

Adjusted EPRA earnings from Property Investment rose by 6.4% to **€180.9 million**. As of the end of June 2021, the Healthcare Property Investment Division's contribution to Group NCCF represented nearly 40%.

1.2.3. Summary segment information

As of June 30, 2021, segment reporting was divided into four main categories: Office Property Investment, Healthcare Property Investment, Property Development and "Other".

	06/30/2021				06/30/2020				Change 2021 vs. 2020	
(in millions of euros)	Adjusted EPRA earnings from Property Investment	%	NCCF	%	Adjusted EPRA earnings from Property Investment	%	NCCF	%	Adjusted EPRA earnings from Property Investment	NCCF
Office Property Investment	105.5	58.3%	111.9	58.6%	102.7	60.4%	107.5	66.7%	2.7%	4.1%
Healthcare Property Investment	75.5	41.7%	75.5	39.5%	67.3	39.6%	67.3	41.8%	12.1%	12.1%
Total Property Investment (a)	**180.9**	**100.0%**	**187.4**	**98.0%**	**170.0**	**100.0%**	**174.8**	**108.4%**	**6.4%**	**7.2%**
Property Development			10.9	5.7%			(11.9)	(7.4%)		(191.2%)
Other (b)			(7.1)	(3.7%)			(1.7)	(1.0%)		331.3%
TOTAL GROUP			**191.1**	**100.0%**			**161.3**	**100.0%**		**18.5%**
TOTAL GROUP (in € per share)	**2.43**		**2.57**		**2.30**		**2.18**		**5.9%**	**17.9%**

(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.

1.3. EPRA reporting as of June 30, 2021

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. These are all leading indicators for the property investment industry.

The following indicators are presented in the next pages:

- EPRA net asset value;
- Adjusted EPRA earnings from Property Investment;
- EPRA yield;
- EPRA vacancy rate;
- EPRA cost ratio from Property Investment.

1.3.1. EPRA net asset value as of June 30, 2021

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 recommended the use of three NAV metrics, namely:

- A NAV that represents the shareholders' net assets under a disposal scenario: EPRA Net Disposal Value (NDV);
- A NAV that assumes that entities buy and sell assets: EPRA Net Tangible Assets (NTA);
- A reinstatement NAV: EPRA Net Reinstatement Value (NRV).

The Icade Group's EPRA NDV totalled €6,572.1 million (€86.7 per share), up +€196.4 million (i.e. +3.1%) compared to December 31, 2020, mainly due to the positive change in fair value of fixed rate debt over the period and the increase in property values on a like-for-like basis (+0.5%).

The Icade Group's EPRA NTA amounted to €6,990.3 million (€92.3 per share). It reflects the value of Icade excluding changes in fair value of financial instruments.

Lastly, the Icade Group's EPRA NRV stood at €7,519.5 million as of June 30, 2021 (€99.2 per share).

	06/30/2021	12/31/2020	06/30/2020
Consolidated equity attributable to the Group	**2,889.5**	**2,856.5**	**2,858.8**
Amounts payable to shareholders [(a)]	0.0	0.0	119.3
Unrealised capital gains on property assets and property development companies	3,951.7	3,856.5	3,884.8
Tax on unrealised capital gains	(11.5)	(9.9)	(11.3)
Other goodwill	(2.9)	(2.9)	(2.9)
Remeasurement gains or losses on fixed rate debt	(254.7)	(324.5)	(25.4)
EPRA NDV (Net Disposal Value)	**6,572.1**	**6,375.7**	**6,823.3**
EPRA NDV per share (in €)	***86.7***	***86.1***	***92.2***
Change during the half-year	***0.8%***	***(6.7%)***	
Year-on-year change	***(5.9%)***		
Adjustment for tax on unrealised capital gains	11.5	9.9	11.3
Intangible fixed assets	(20.7)	(21.7)	(20.0)
Optimisation of transfer tax on the fair value of property assets	153.9	152.7	124.5
Adjustment for remeasurement gains or losses on fixed rate debt	254.7	324.5	25.4
Adjustment for remeasurement gains or losses on interest rate hedges	18.9	58.9	53.4
EPRA NTA (Net Tangible Assets)	**6,990.3**	**6,900.0**	**7,017.8**
EPRA NTA per share (in €)	***92.3***	***93.2***	***94.9***
Change during the half-year	***(1.0%)***	***(1.8%)***	
Year-on-year change	***(2.7%)***		
Other goodwill	2.9	2.9	2.9
Adjustment for intangible fixed assets	20.7	21.7	20.0
Adjustment for the optimisation of transfer tax on the fair value of property assets	(153.9)	(152.7)	(124.5)
Transfer tax on the fair value of property assets	659.4	675.6	665.1
EPRA NRV (Net Reinstatement Value)	**7,519.5**	**7,447.6**	**7,581.3**
EPRA NRV per share (in €)	**99.2**	**100.6**	**102.5**
Change during the half-year	***(1.3%)***	***(1.9%)***	
Year-on-year change	***(3.1%)***		
NUMBER OF FULLY DILUTED SHARES [(b)]	75,763,850	74,066,902	73,986,939

(a) Final dividend for financial year 2019 paid in July 2020.
(b) Stood at 75,763,850 as of June 30, 2021, after cancelling treasury shares (-543,269 shares) and the positive impact of dilutive instruments (+54,739 shares).

1.3.2. Adjusted EPRA earnings from Property Investment

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

	(in millions of euros)	06/30/2021	06/30/2020	Change 2021 vs. 2020 (%)
	NET PROFIT/(LOSS)	218.0	24.0	
	Net profit/(loss) from other activities (a)	1.9	(15.6)	
(a)	NET PROFIT/(LOSS) FROM PROPERTY INVESTMENT	216.1	39.6	
(i)	Changes in value of investment property and depreciation charges	(171.2)	(183.0)	
(ii)	Profit/(loss) on asset disposals	190.4	1.4	
(iii)	Profit/(loss) from acquisitions	(0.0)	(0.4)	
(iv)	Tax on profits or losses on disposals and impairment losses			
(v)	Negative goodwill / goodwill impairment		-	
(vi)	Changes in fair value of financial instruments and restructuring of financial liabilities	(38.9)	3.7	
(vii)	Acquisition costs on share deals			
(viii)	Tax expense related to EPRA adjustments	0.2	-	
(ix)	Adjustment for equity-accounted companies	(6.0)	(7.3)	
(x)	Non-controlling interests	62.3	58.7	
(b)	TOTAL ADJUSTMENTS	36.7	(126.9)	
(a-b)	**EPRA EARNINGS**	**179.4**	**166.5**	**7.8%**
(c)	Other non-recurring items	(1.5)	(3.5)	
(a-b-c)	**ADJUSTED EPRA EARNINGS FROM PROPERTY INVESTMENT**	**180.9**	**170.0**	**6.4%**
	Average number of diluted shares outstanding used in the calculation	74,384,915	73,993,018	
	ADJUSTED EPRA EARNINGS FROM PROPERTY INVESTMENT IN € PER SHARE	**€2.43**	**€2.30**	**5.9%**

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

Adjusted EPRA earnings from Property Investment totalled €180.9 million as of June 30, 2021, up +6.4% compared to June 30, 2020. This increase was driven by strong operational performance in both Office and Healthcare Property Investment (see segment information).

1.3.3. EPRA yield

The table below presents the adjustments to Icade's net yields that are required to obtain EPRA yields. The calculation takes into account all office and healthcare properties in operation. It is presented on a proportionate consolidation basis.

(Operating assets, on a proportionate consolidation basis)	06/30/2021	12/31/2020	06/30/2020
ICADE NET YIELD – INCLUDING DUTIES [(a)]	**5.4%**	**5.5%**	**5.5%**
Adjustment for potential rental income from vacant properties	(0.4)%	(0.3)%	(0.3)%
EPRA TOPPED-UP NET INITIAL YIELD [(b)]	**5.1%**	**5.2%**	**5.1%**
Inclusion of rent-free periods	(0.5)%	(0.4)%	(0.4)%
EPRA NET INITIAL YIELD [(c)]	**4.6%**	**4.8%**	**4.8%**

(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 (including duties) 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.

The EPRA net initial yield was slightly down compared to December 31, 2020. This change in EPRA net initial yield (-0.2 pp during the period) reflects, among other things, yield compression for Healthcare Property Investment assets (see 2.3.2 "Changes in value of Healthcare Property Investment assets").

1.3.4. 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. Properties under development are not included in the calculation of this ratio.

Below are detailed figures concerning the vacancy rate, in accordance with the definition recommended by EPRA, for the Office and Healthcare Property Investment portfolios, on a proportionate consolidation basis.

(Operating assets, on a proportionate consolidation basis)	06/30/2021	12/31/2020	06/30/2020
Office assets	8.1%	5.3%	4.1%
Business parks	15.0%	13.2%	16.4%
OFFICE PROPERTY INVESTMENT [a]	**10.4%**	**8.1%**	**8.3%**
HEALTHCARE PROPERTY INVESTMENT	**0.0%**	**0.0%**	**0.0%**
TOTAL PROPERTY INVESTMENT [a]	**7.2%**	**5.6%**	**5.7%**

(a) Excluding residential properties and PPPs, including "Other assets".

The EPRA vacancy rate stood at 7.2%, up +160 pps from December 31, 2020.

For the Office Property Investment Division, this rate increased to 10.4%, especially due to the completion of the 80% leased Origine building and the disposal of two fully leased assets during the half-year.

The Healthcare Property Investment Division's EPRA vacancy rate stood at 0% as all its facilities in operation are leased on long-term contracts.

1.3.5. EPRA cost ratio for the Property Investment Division

Below are detailed figures concerning the cost ratio, in accordance with the definition recommended by EPRA, for the Office (excluding Residential Property Investment) and Healthcare Property Investment portfolios after adjustment for non-controlling interests.

	(in millions of euros)	06/30/2021	06/30/2020
	Including:		
	Structural costs and other overhead expenses	(49.5)	(48.5)
	Service charges net of recharges to tenants	(12.8)	(14.5)
	Other recharges intended to cover overhead expenses	23.1	16.6
	Share of overheads and expenses of equity-accounted companies	(4.4)	(3.0)
	Share of overheads and expenses of non-controlling interests	3.9	6.0
	Excluding:		
	Ground rent costs	(0.1)	0.0
	Other service charges recovered through rents but not separately invoiced		
(A)	EPRA COSTS (INCLUDING DIRECT VACANCY COSTS)	(39.5)	(43.4)
	Less: direct vacancy costs	(12.7)	(9.4)
(B)	EPRA COSTS (EXCLUDING DIRECT VACANCY COSTS)	(26.8)	(34.1)
	Gross rental income less ground rent costs	346.7	334.9
	Plus: share of gross rental income less ground rent costs of equity-accounted companies	3.5	3.8
	Share of gross rental income less ground rent costs of non-controlling interests	(77.2)	(75.6)
(C)	GROSS RENTAL INCOME	272.9	263.2
(A/C)	**EPRA COST RATIO – PROPERTY INVESTMENT (INCL. DIRECT VACANCY COSTS)**	**14.5%**	**16.5%**
(B/C)	**EPRA COST RATIO – PROPERTY INVESTMENT (EXCL. DIRECT VACANCY COSTS)**	**9.8%**	**12.9%**

It should firstly be noted that Icade has one of the lowest EPRA cost ratios in its sector.

As of June 30, 2021, the EPRA cost ratio was down compared to June 30, 2020:

- -2.0 pps including vacancy costs;
- -3.1 pps excluding vacancy costs.

This change was mainly the result of:

- A limited increase in operating costs (+2%) despite the situation getting back to normal;
- A strong rise in intra-group costs totalling +€6.6 million as investments and disposals resumed;
- A +€1.7 million improvement in service charges net of recharges to tenants, mainly attributable to the following combined effects:
  - Early termination payments received for €1.2 million (disposals of healthcare facilities);
  - Tax reliefs obtained for €2.0 million;
  - A €3.3 million increase in vacancy costs for operating assets (increased EPRA vacancy rate).

1.4. Financial resources

The liability optimisation transactions carried out in H1 were as follows:

- €600 million, 10-year bond issue with a coupon of 0.625%, the Group's lowest ever. This issue was carried out in conjunction with the early redemption at par of €257.1 million maturing in April 2021 (start of the par call period) and the redemption of €395.7 million maturing in 2022 through the exercise of a make-whole call provision. These transactions made it possible to both reduce the average cost of debt and extend the maturity of drawn debt;

- Prepayment by Icade Santé of €57 million outstanding on mortgages and regulated loans in order to simplify debt management and reduce the cost of debt in the short term;

- Adjustments to Icade's interest rate hedging profile:
  - Extension of the maturity of three swaps for a notional amount of €150 million from December 2024 and December 2026 to December 2032;
  - Unwinding of four swaps maturing in 2029 for a notional amount of €200 million and new swaps entered into at an optimised cost for €125 million beginning in December 2023 and maturing in 2031.

All these transactions, combined with tighter cash management, allowed the Group to continue to implement an appropriate and optimised financial policy. Icade did not draw down on any of its RCFs during the period.

The average cost of debt decreased during the period to a historical low of 1.35% while the average debt maturity increased to 6.4 years via access to diverse funding sources.

As a result, the fundamentals of Icade's liabilities remained strong in H1 2021 and the Group enjoys comfortable liquidity.

1.4.1. Liquidity

Icade benefited from the abundant liquidity of the NEU Commercial Paper money market in H1 2021 to obtain short-term financing on very favourable terms. As a result, as part of its cash management activities, in H1 the Group borrowed funds at an average negative interest rate of -0.44% over periods that ranged from 1 to 12 months. As of June 30, 2021, the outstanding amount of NEU Commercial Paper stood at €644.2 million.

In addition, Icade has a fully available undrawn amount of €1,980 million (excluding credit lines for property development projects). This was slightly lower than December 31, 2020 as credit lines totalling €150 million matured and were not renewed in H1. However, this was higher than December 31, 2019 (€1,740 million). In 2020, the Group had sought to bolster its financial capacity by increasing available bank credit lines in the face of the Covid-19 crisis.

Throughout H1, Icade had no need to draw down these credit lines and thus still has the entire undrawn amount at its disposal.

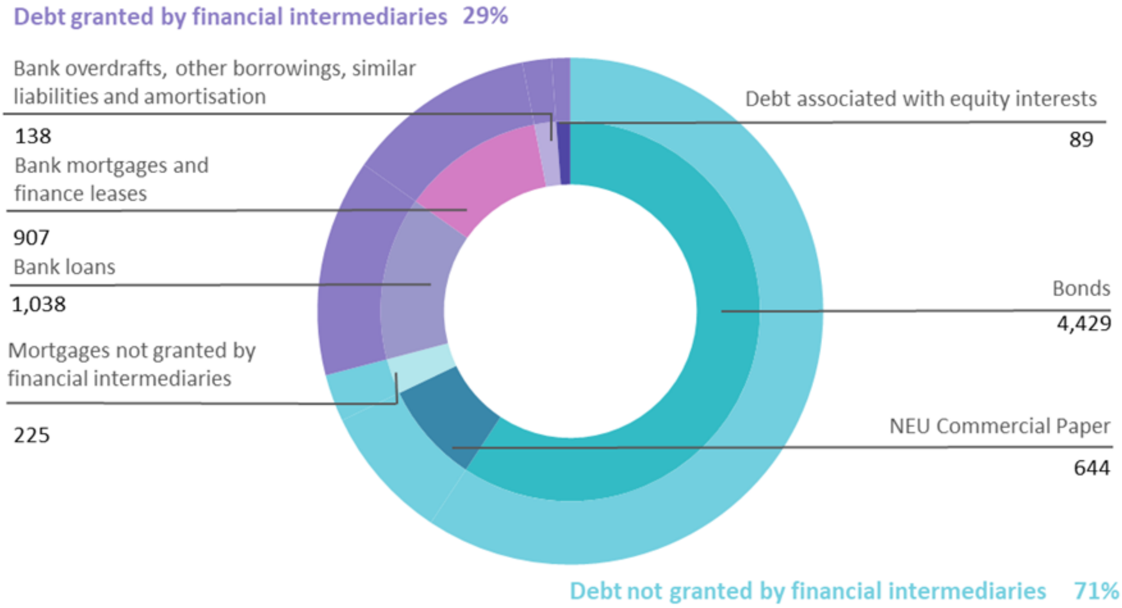
The Group enjoyed a comfortable cash position of €779.2 million as of June 30, 2021.

As of June 30, 2021, cash and available credit lines covered 4.8 years of debt principal and interest payments.

1.4.2. Debt structure as of June 30, 2021

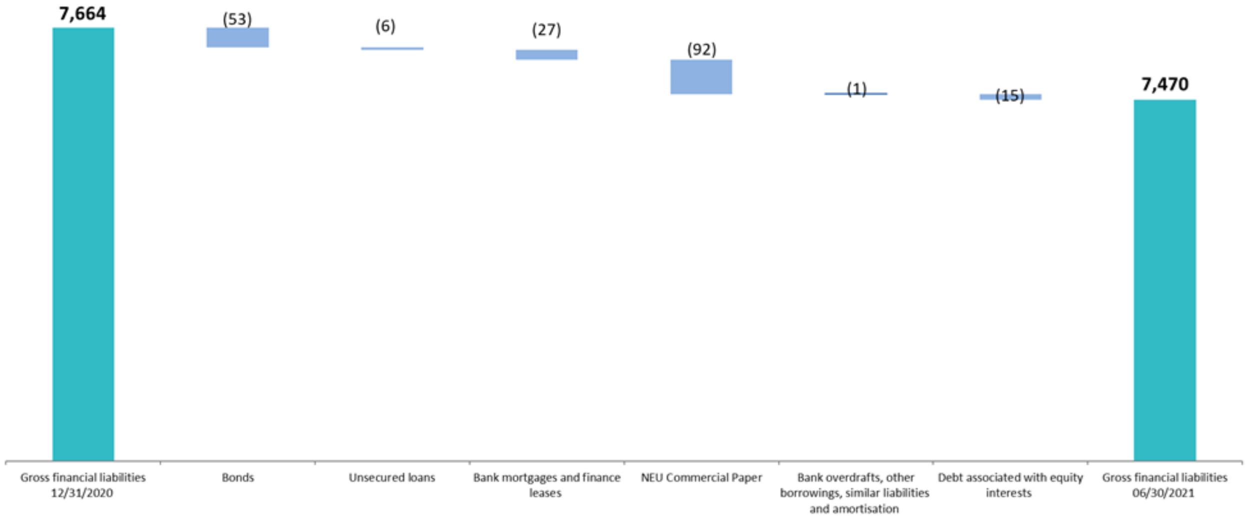
1.4.2.1. Debt by type

As of June 30, 2021, gross financial liabilities stood at €7,470.3 million and broke down as follows:



With 71% of its debt not granted by financial intermediaries as of June 30, 2021, Icade enjoys a well-balanced debt structure and has been able to fully take advantage of market conditions that have remained very favourable.

As of December 31, 2020, gross debt amounted to €7,663.8 million. The €193.5 million decrease in gross debt in H1 2021 is detailed in the graph below:



This decrease in gross debt stems primarily from (i) a reduction in outstanding NEU Commercial Paper from €736 million to €644 million, (ii) a €53 million decrease in outstanding bonds as a result of the redemption of bonds maturing in 2021 and 2022 that was partly funded by a €600 million bond issue and (iii) the early repayment of bank loans and regulated loans by Icade Santé totalling €57 million.

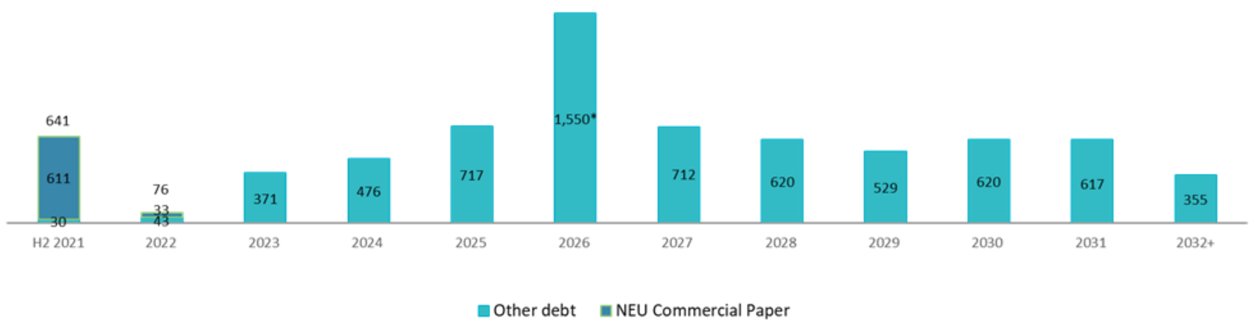
Net financial liabilities amounted to €6,470.3 million as of June 30, 2021, representing an increase of €53.5 million compared to December 31, 2020, mainly due to a higher decrease in cash than in gross debt.

1.4.2.2. Debt by maturity

The maturity schedule of debt drawn by Icade (excluding overdrafts) as of June 30, 2021 was as follows:

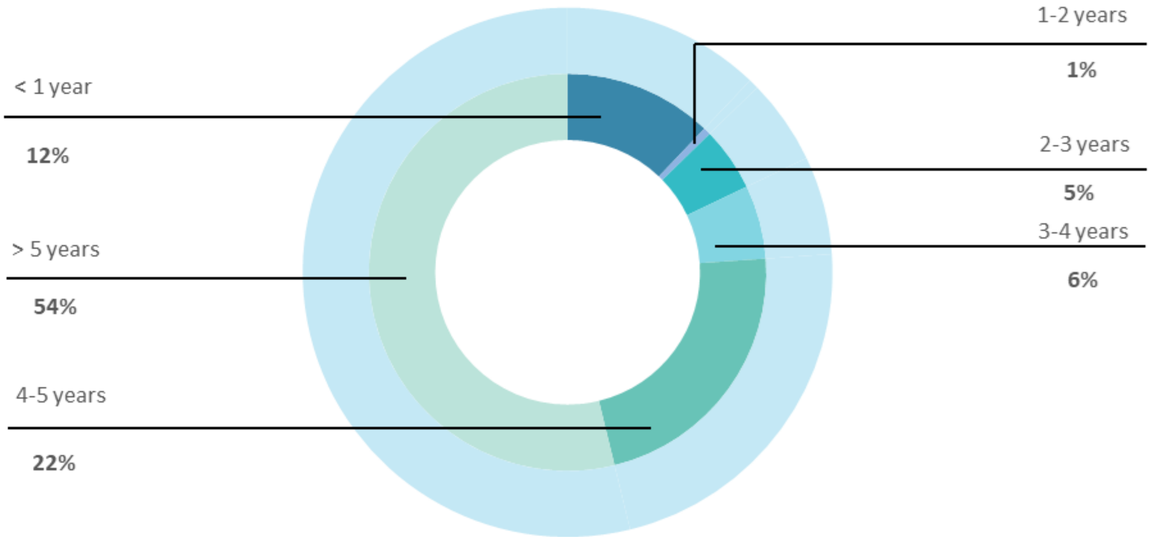
MATURITY SCHEDULE OF DRAWN DEBT

(June 30, 2021, in millions of euros)



BREAKDOWN OF DEBT BY MATURITY

(June 30, 2021)



The average debt maturity was 6.4 years as of June 30, 2021 (excluding NEU Commercial Paper). It stood at 5.9 years as of December 31, 2020. The Group has no significant debt maturity until 2023.

1.4.2.3. Debt by division

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

1.4.2.4. Average cost of drawn debt

Through the proactive management of existing debt and hedges, Icade further improved its cost of debt: in H1 2021, the average cost of debt was 1.19% before hedging and 1.35% after hedging, its lowest level ever, vs. 1.33% and 1.48%, respectively, for the financial year 2020.

1.4.2.5. Management of interest rate risk exposure

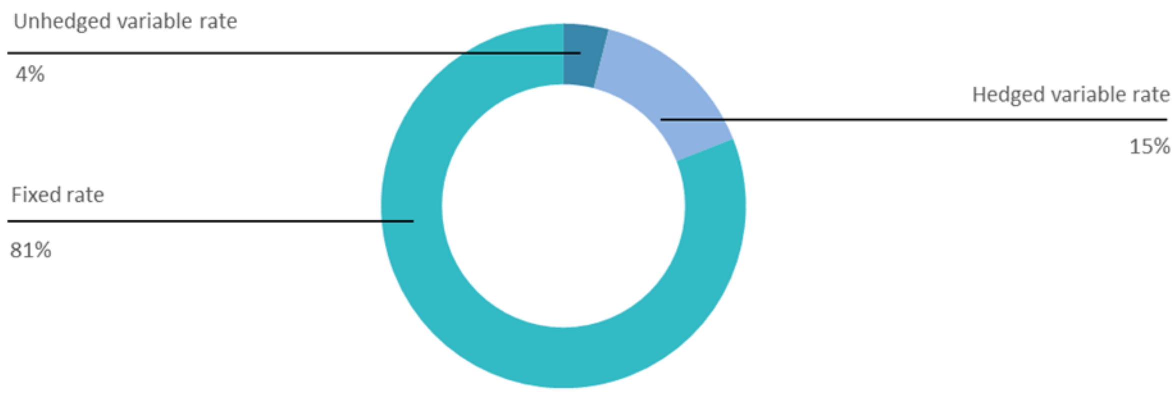
Variable rate debt represented 19% of total debt as of June 30, 2021 (excluding payables associated with equity interests and bank overdrafts).

In H1 2021, Icade continued its prudent debt management policy, maintaining limited exposure to interest rate risk. **As of June 30, 2021, 96% of the debt was protected against an increase in interest rates (fixed rate debt or variable rate debt hedged by interest rate swaps).**

In addition, in a context of low interest rates, the teams improved the Group's long-term hedging profile by (i) extending by 7.3 years the average maturity of existing swaps representing €150 million, (ii) unwinding €200 million in expensive swaps maturing in 2029 and (iii) entering into a hedging contract for €125 million, beginning in December 2023 and maturing in 2031.

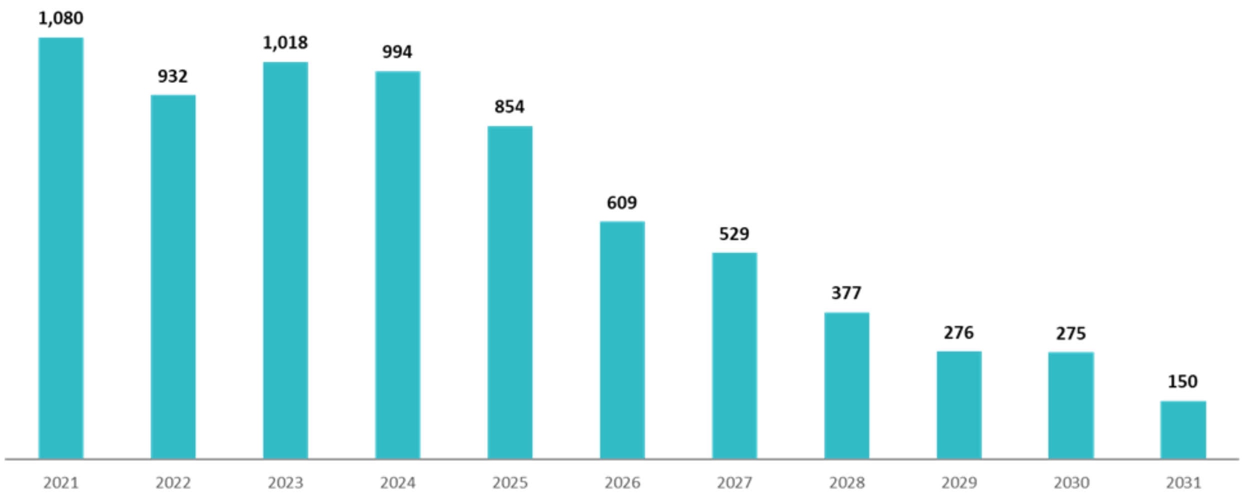
BREAKDOWN OF DEBT BY TYPE OF RATE (EXCLUDING PAYABLES ASSOCIATED WITH EQUITY INTERESTS AND BANK OVERDRAFTS)

(June 30, 2021)



OUTSTANDING HEDGING POSITIONS

(June 30, 2021, in millions of euros)



The average maturity of variable rate debt was 4.5 years and that of the associated hedges was 6.5 years.

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

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

Following its annual review, in July 2021, Standard & Poor's affirmed Icade's and Icade Santé's long-term rating at BBB+ with a stable outlook and their short-term rating at A- 2. These ratings reflect its confidence in the Group's financial strength.

1.4.4. Financial structure

1.4.4.1. Financial structure ratios

1.4.4.1.1. Loan-to-value (LTV) ratio

The LTV ratio is the ratio of consolidated net financial liabilities to the latest valuation of the property portfolio including duties plus the equity-accounted investments including duties of both Property Investment Divisions plus the value of property development companies.

It stood at 39.8% as of June 30, 2021 (vs. 40.1% as of December 31, 2020).

Based on the latest valuation of the portfolio excluding duties, the ratio was 42.0% as of June 30, 2021 (vs. 42.3% as of December 31, 2020).

As of June 30, 2021, the LTV ratio calculated for the purposes of bank agreements was 43.7% (ratio of net financial liabilities to the latest valuation of the property portfolio plus the equity-accounted investments of both Property Investment Divisions), well below the covenant of 60%.

1.4.4.1.2. Interest coverage ratio (ICR)

The ICR ratio (EBITDA plus the Group's share in profit/(loss) of equity-accounted companies to the cost of net financial liabilities) was 6.13x for H1 2021. The ratio was high—significantly higher than the covenant minimum of 2x.

	06/30/2021	12/31/2020
Ratio of net financial liabilities/latest portfolio value incl. duties (LTV) [(a)]	39.8%	40.1%
Interest coverage ratio (ICR) based on EBITDA plus the Group's share in profit/(loss) of equity-accounted companies [(b)]	6.13x	5.38x

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

(b) Ratio of EBITDA plus the Group's share in profit/(loss) of equity-accounted companies to the total interest expense.

2. Property Investment Divisions

2.1. 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: office and healthcare property.

- The Office Property Investment Division's assets are valued at €8.3 billion on a proportionate consolidation basis (€8.8 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. The portfolio breaks down between office assets worth €6.2 billion (including nearly €0.8bn in the major French cities outside Paris) and business parks (mainly comprising office assets and business premises) valued at €1.7 billion. It also includes residual assets (€329 million as of June 30, 2021, accounting for 4.0% of the Office Property Investment Division's portfolio), mainly consisting of hotels leased to the B&B Group, retail and residential assets;

- The Healthcare Property Investment Division, with assets in France and abroad, is valued at €3.5 billion on a proportionate consolidation basis (€6.0 billion on a full consolidation basis). The Division was created with the support of French life insurance companies, which are minority shareholders of the two dedicated entities which hold its portfolio: Icade Santé, a 58.30% subsidiary of Icade which holds all the assets located in France, and Icade Healthcare Europe (IHE), a 59.39% subsidiary of Icade which holds the assets located in the eurozone excluding France:
  - The portfolio of property assets located in France includes short-term care (acute care (medicine, surgery and obstetrics) – 84.6% of the French portfolio), medium-term care (post-acute care, mental health and disability care – 8.8% of the French portfolio) and long-term care facilities (nursing homes – 6.6% of the French portfolio);
  - The assets located in other European countries consist primarily of nursing homes in Germany and Italy and were valued at €506.1 million on a full consolidation basis (€301.6 million on a proportionate consolidation basis) as of June 30, 2021.

2.1.1. Summary EPRA income statement for the Property Investment Divisions

The following table summarises the IFRS income statement for the Office and Healthcare Property Investment Divisions and shows adjusted EPRA earnings from Property Investment, which is the main indicator used to analyse the performance of these two divisions.

Adjusted EPRA earnings amounted to €180.9 million, a **significant increase of +6.4% compared to June 30, 2020**, driven by **rental income from the acquisitions made in H2 2020 by the Healthcare Property Investment Division** and a resilient Office Property Investment Division.

(in millions of euros)	06/30/2021	06/30/2020	Change	Change (%)
Recurring items:				
GROSS RENTAL INCOME	348.0	336.2	11.8	3.5%
NET RENTAL INCOME	333.8	320.9	12.9	4.0%
NET TO GROSS RENTAL INCOME RATIO	*95.9%*	*95.4%*	*0.5%*	*0.48 pp*
Net operating costs	(26.6)	(32.2)	5.6	-17.3%
RECURRING EBITDA	307.2	288.7	18.5	6.4%
Depreciation and impairment	(6.3)	(4.8)	-1.57	33.0%
Share of profit/(loss) of equity-accounted companies	(1.1)	0.6	(1.7)	N/A
RECURRING OPERATING PROFIT/(LOSS)	299.7	284.6	15.2	5.3%
Cost of net debt	(50.5)	(48.8)	(1.8)	3.6%
Other finance income and expenses	(3.9)	(4.1)	0.2	-4.1%
RECURRING FINANCE INCOME/(EXPENSE)	(54.5)	(52.9)	(1.6)	3.0%
Tax expense	(2.1)	(3.0)	0.9	-31.2%
ADJUSTED EPRA EARNINGS	243.2	228.7	14.5	6.4%
Adjusted EPRA earnings attributable to non-controlling interests	62.3	58.7	3.6	6.1%
ADJUSTED EPRA EARNINGS ATTRIBUTABLE TO THE GROUP	**180.9**	**170.0**	**10.9**	**6.4%**
Non-recurring items (a)	8.7	(148.0)	156.7	N/A
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**189.6**	**22.0**	**167.6**	**N/A**

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

2.1.2. 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, note 4.2. "Valuation of the property portfolio: methods and assumptions" of note 4 "Portfolio and fair value".

VALUATION OF THE PROPERTY INVESTMENT DIVISIONS' PROPERTY ASSETS

Assets are classified as follows:

- Offices and business parks of the Office Property Investment Division;
- Other Office Property Investment assets, which 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 assets of the Healthcare Property Investment Division.

As of June 30, 2021, the aggregate value of the property portfolios of the two Property Investment Divisions stood at €14,796.9 million (€11,788.4 million on a proportionate consolidation basis), **an increase of 0.8% on a reported basis (-0.1% on a proportionate consolidation basis) and +0.9% on a like-for-like basis (+0.5% on a proportionate consolidation basis)**, driven in particular by the higher value of healthcare assets reflecting a resilient asset class with increasing appeal.

The total portfolio value including duties came in at **€15,645.7 million** (€12,447.8 million on a proportionate consolidation basis).

The Office Property Investment portfolio was valued at **€8.8 billion** (i.e. €8.3 billion on a proportionate consolidation basis), down 2.3% on a reported basis (-2.4% on a proportionate consolidation basis), and down by only 0.7% on a like-for-like basis (-0.7% on a proportionate consolidation basis).

The value of the Healthcare Property Investment portfolio grew by 5.8%, due mainly to acquisitions in France and Italy (+5.9% on a proportionate consolidation basis). On a like-for-like basis, the value of the Healthcare Property Investment portfolio was up 3.4%. It was worth **€6.0 billion** as of June 30, 2021 (i.e. €3.5 billion on a proportionate consolidation basis).

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	06/30/2021 (in €m)	12/31/2020* (in €m)	Change (in €m)	Change (in %)	Like-for-like change [a] (in €m)	Like-for-like change [a] (in %)	Total floor area on a proportionate consolidation basis (in sq.m)	Price [b] (in €/sq.m)	Net initial yield incl. duties [c] (in %)	EPRA vacancy rate [d] (in %)
OFFICE PROPERTY INVESTMENT										
OFFICES										
Paris	1,569.9	1,777.1	(207.2)	(11.7%)	(7.7)	(0.4%)	171,654	9,146	4.2%	2.3%
La Défense/Peri-Défense	2,337.1	2,238.0	+99.0	+4.4%	+2.2	+0.1%	328,124	7,123	5.3%	11.3%
Other Western Crescent	73.3	71.0	+2.3	+3.2%	+0.9	+1.3%	8,579	8,539	4.7%	7.0%
Inner Ring	1,060.5	1,174.6	(114.1)	(9.7%)	(16.7)	(1.4%)	171,726	6,176	5.2%	8.8%
Total Paris region	5,040.8	5,260.7	(219.9)	(4.2%)	(21.2)	(0.4%)	680,083	7,412	4.9%	8.1%
France outside the Paris region	743.5	711.5	+32.0	+4.5%	+30.6	+4.3%	198,939	3,737	5.3%	8.0%
TOTAL OPERATING OFFICE ASSETS	**5,784.3**	**5,972.2**	**(187.9)**	**(3.1%)**	**+9.4**	**+0.2%**	**879,022**	**6,580**	**5.0%**	**8.1%**
Land bank and floor space awaiting refurbishment (not leased) [e]	12.2	12.2	-	-	-	-				
Projects under development	421.1	409.6	+11.6	+2.8%	(5.6)	(1.4%)				
Off-plan acquisition	0.3	0.0	+0.3	-	-	-				
TOTAL OFFICES	**6,217.9**	**6,393.9**	**(176.0)**	**(2.8%)**	**+3.8**	**+0.1%**	**879,022**	**6,580**	**5.0%**	**8.1%**
BUSINESS PARKS										
Inner Ring	836.8	842.1	(5.4)	(0.6%)	(21.7)	(2.6%)	313,826	2,666	6.9%	9.5%
Outer Ring	744.1	733.7	+10.4	+1.4%	+4.6	+0.6%	384,294	1,936	8.0%	20.5%
TOTAL OPERATING BUSINESS PARK ASSETS	**1,580.8**	**1,575.8**	**+5.0**	**+0.3%**	**(17.1)**	**(1.1%)**	**698,120**	**2,264**	**7.4%**	**15.0%**
Land bank and floor space awaiting refurbishment (not leased) [e]	129.4	161.2	(31.8)	(19.7%)	(33.1)	(20.6%)				
Projects under development	37.2	29.4	+7.8	+26.5%	(1.3)	(4.3%)				
TOTAL BUSINESS PARKS	**1,747.4**	**1,766.4**	**(19.0)**	**(1.1%)**	**(51.6)**	**(2.9%)**	**698,120**	**2,264**	**7.4%**	**15.0%**
TOTAL OFFICES AND BUSINESS PARKS	**7,965.3**	**8,160.3**	**(195.0)**	**(2.4%)**	**(47.7)**	**(0.6%)**	**1,577,142**	**4,670**	**5.5%**	**10.2%**
Other Office Property Investment assets [f]	329.4	337.4	(8.0)	(2.4%)	(5.9)	(1.8%)	123,924	1,519	9.0%	18.1%
TOTAL OFFICE PROPERTY INVESTMENT ASSETS	**8,294.7**	**8,497.8**	**(203.1)**	**(2.4%)**	**(53.6)**	**(0.7%)**	**1,701,066**	**4,440**	**5.6%**	**10.4%**
HEALTHCARE PROPERTY INVESTMENT										
Acute care	2,700.9	2,582.0	+118.9	+4.6%	+83.9	+3.2%	887,421	3,044	5.2%	0%
Medium-term care	274.0	241.6	+32.3	+13.4%	+11.2	+4.6%	98,045	2,794	4.7%	0%
Long-term care	503.5	453.8	+49.7	+11.0%	+15.5	+3.4%	207,143	2,431	4.7%	0%
TOTAL HEALTHCARE PROPERTY INVESTMENT – OPERATING ASSETS	**3,478.4**	**3,277.4**	**+201.0**	**+6.1%**	**+110.6**	**+3.4%**	**1,192,610**	**2,917**	**5.1%**	**0%**
Projects under development	9.0	6.5	+2.5	+38.3%	+0.1	+0.9%				
Off-plan acquisitions	6.2	3.7	+2.6	+71.0%	-	-				
TOTAL HEALTHCARE PROPERTY INVESTMENT	**3,493.7**	**3,297.6**	**+196.1**	**+5.9%**	**+110.6**	**+3.4%**	**1,192,610**	**2,917**	**5.1%**	**0%**
Incl. France	3,192.1	3,034.0	+158.1	+5.2%	+98.7	+3.3%	1,058,223	3,006	5.2%	0%
Incl. outside France	301.6	263.6	+37.9	+14.4%	+11.9	+4.5%	134,387	2,209	4.6%	0%
GRAND TOTAL	**11,788.4**	**11,795.4**	**(7.0)**	**(0.1%)**	**+57.0**	**+0.5%**	**2,957,132**	**3,812**	**5.4%**	**7.2%**
Including assets consolidated using the equity method	*125.5*	*128.3*	*(2.8)*	*(2.2%)*	*(3.1)*	*(2.4%)*				

**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) Change net of disposals and investments for the period, and changes in assets treated as financial receivables (PPPs).
(b) Established based on the appraised value excluding duties for operating properties.
(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 (operating properties).
(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 including duties, and EPRA vacancy rate) are presented excluding PPPs and residential properties and only for operating assets.

2.2. Office Property Investment Division

2.2.1. Market update and property portfolio as of June 30, 2021

MARKET UPDATE

The office rental market in the Paris region (sources: JLL / ImmoStat)

With 766,000 sq.m of take-up over H1 2021, the rental market in the Paris region continued its recovery with leasing activity up by 14% year-on-year (23% higher in Q2 than in Q1). The economic recovery expected between now and the end of the year should increase this momentum, bearing in mind that the market is nevertheless 33% below its pre-Covid-19 average leasing activity (1.1 million sq.m leased in each first half from 2015 to 2019).

The upturn in leasing activity can be seen across all size bands with the return of transactions for spaces over 5,000 sq.m. There were 23 such transactions, including 21 on the outskirts of Paris involving new and competitive assets. With a shorter decision-making horizon, small and medium-sized deals (<1,000 sq.m.) were the first to bounce back, with a year-on-year increase of 28%, followed by intermediate-sized deals (+10%) and deals over 5,000 sq.m. (+3%). The demand for serviced offices has also contributed to this positive market momentum, accounting for roughly 80,000 sq.m outside the traditional market.

However, the shape of the recovery depends on the geographic area. The Paris market was mainly driven by deals under 5,000 sq.m (+49% in H1 2021), while large transactions were mainly concentrated in the Western Crescent (8), La Défense (4) and the Outer Ring (5), with competitive markets across the Paris Region such as the Northern Loop, Rueil-Malmaison, Meudon, Villepinte and Cergy.

After more than a year of adapting to pandemic restrictions, companies have become more demanding about the quality of their premises which must not only accommodate new hybrid working practices but also comply with their CSR policy. As remote work has reduced the floor area required per workstation, more emphasis is placed on the choice of building location, their level of amenities together with facilities that ensure greater corporate cohesion.

In parallel with this upturn in transactions, immediate supply has continued to increase at a more measured pace (+9% in H1 2021 compared to +36% in 2020), bringing it to 4 million sq.m (i.e. a vacancy rate of 7.3% in the Paris region). This change is explained both by move-outs and the completion of construction projects launched before 2020 which have brought the proportion of new office space in the vacant supply back up to nearly 25% (928,000 sq.m), a level that the market has not seen since 2010.

New construction remains strong in the Paris region, with 1.4 million sq.m of supply to be completed within three years. Most of these completions will occur in 2022 (832,000 sq.m), followed by a sharp slowdown in 2023 (210,000 sq.m).

In a market subject to ever-changing health restrictions, rental values for office transactions in the Paris region have shown great resilience, particularly for the highest quality assets. Due to the very uneven impact of the crisis on companies, some are still paying the highest prime rents at nearly €920/sq.m/year in Paris CBD or €545/sq.m/year in La Défense. Through the leasing of state-of-the-art assets, the average new build market rose sharply in La Défense and Neuilly-Levallois and by around 2% in the Northern Loop and Inner and Outer Rings.

However, headline rents include lease incentives of around 23% in the Paris region (rolling 12 months to the end of Q1 2021). These incentives varied greatly: 14% in Paris, 23% to 27% in the Inner and Outer Rings and close to 29% in La Défense and the Western Crescent.

Given the acceleration in the market in Q2 and a month of July that promises to be robust, take-up should continue its gradual recovery to reach between 1.5 and 1.7 million sq.m in 2021. According to JLL, some 30 additional projects of over 5,000 sq.m could be completed by the end of the year.

The office rental market in major French cities outside Paris (source: BNP Paribas Real Estate)

The market in the largest French cities outside Paris (Lyon, Lille, Aix-Marseille, Bordeaux, Toulouse and Nantes) showed resilience in Q1 2021 with 197,000 sq.m of take-up, i.e. a year-on-year increase of +1%. This good performance, which preceded the recovery in the Paris region market, is explained by the number of transactions under 1,000 sq.m. (50% of take-up) which constituted a strong source of leasing activity thanks to proactive small businesses and SMEs and a robust second-hand market (67% of take-up) in city centres.

The large occupiers that lease the most new space are taking a wait-and-see attitude for the time being, and their eventual return will boost activity in these markets, as observed from 2016 to 2019 with upturns in many locations.

After increasing in 2020, one-year supply levelled off in Q1 at 1.7 million sq.m, up +14% year-on-year, mainly driven by new office space (+22%). Thanks to a number of completions, the markets in Aix-Marseille, Bordeaux and Nantes are more fluid. The proportion of new supply reached 42% in the largest French cities outside Paris, with the exception of Aix-Marseille (24%) and Toulouse (16%).

The vacancy rates were particularly low in major French cities outside Paris, ranging from 5.6% in Lyon and Aix-Marseille to 4.0% in Bordeaux. In addition, future supply was broadly stable, with speculative projects also stable (-1% year-on-year) at 507,000 sq.m. As a result, headline rents have shown some stability, with lease incentives such as rent-frees periods ranging from around 1.3 to 1.5 month per year of lease term (compared to 1.0 month before the first lockdown).

The French markets outside Paris therefore remained very attractive to investors, with yields remaining stable due to resilient rents and market dynamics supporting prime yields (yields for secure assets in well-established French office hubs outside Paris).

The French commercial real estate investment market (source: BNP Paribas Real Estate)

The investment market turned in a mixed performance in H1 (€8.8 billion) with a dynamic Q1 (€5.2 billion invested) followed by a slowdown (€3.5 billion in Q2) due to a lack of deals being initiated during the November 2020 and April 2021 lockdowns. The year-on-year 30% drop in transaction activity can also be explained by a decrease in the individual size of transactions. Large disposals in H1 were limited to the Shift building in Issy-les-Moulineaux sold by URW for €630 million, followed by transactions under €250 million (Tour Altaïs in Montreuil sold by Maple and Millénaire 1 in the Portes de Paris business park sold by Icade).

However, French real estate remains a popular investment in a low interest rate environment with domestic and foreign investors eager to participate. Investment funds dominated the first half of the year (55% of acquisitions compared to 40% in 2020) with a stronger presence of North American investors (26% in volume terms). Domestic investors continued to invest heavily with inflows into SCPI funds amounting to €1.7 billion in Q1 2021 (+6% vs. Q4 2020). Such investors continue to perform a key role in maintaining the liquidity of the French market and accounted for 21% of H1 activity.

Office space continued to be popular with investors, representing 63% of H1 investments (€5.5 billion). Due to the lockdowns, investment in retail was down by -75% to just €560 million, while volumes in logistics and business premises held steady at €2 billion (-1%) with a marked interest in last-mile assets.

The scarcity of core offices has driven investors seeking safety to target peripheral Paris region markets and French cities outside the Paris region. As a result, the Western Crescent accounted for €1.2 billion in acquisitions, followed by Paris CBD (€1 billion) and the Inner Ring (€900 million) which confirmed its market depth. Offices outside the Paris region also performed well in H1, with volumes remaining stable year-on-year at €1.1 billion thanks to renewed activity in Marseille, Bordeaux and the second-tier French cities.

The health crisis has further heightened investors' preference for secure core assets. Prime yields have remained stable for offices (2.70%) and logistics (3.80%) with further compression expected, while prime retail yields climbed back to over 3% and are expected to remain above that level.

The vaccine rollout and improved growth prospects for 2021 mean that investment activity can be expected to make up for lost ground in the second half of the year, given that more than sixty transactions worth over €30 million have been identified in the Paris region, amounting to €8.6 billion.

GEOGRAPHIC DISTRIBUTION OF THE PROPERTY PORTFOLIO BY ASSET TYPE

As of June 30, 2021

In value terms (on a proportionate consolidation basis) (in millions of euros)	Offices	Business parks	Subtotal offices and business parks	Other Office Property Investment assets	TOTAL	%
PARIS REGION	5,459	1,747	7,206	212	7,418	89.4%
% of total	*87.8%*	*100.0%*	*90.5%*	*64.4%*		
incl. Paris	1,624	-	1,624	0.5	1,624	
incl. La Défense/Peri-Défense	2,379	-	2,379	-	2,379	
incl. Western Crescent	273	-	273	-	273	
incl. Inner Ring	1,183	961	2,144	80	2,224	
incl. Outer Ring	-	786	786	132	918	
FRANCE OUTSIDE THE PARIS REGION	760	-	760	117	877	10.6%
% of total	*12.2%*	*0.0%*	*9.5%*	*35.6%*		
GRAND TOTAL	**6,218**	**1,747**	**7,966**	**329**	**8,295**	
% OF TOTAL PORTFOLIO VALUE	75.0%	21.1%	96.0%	4.0%		100%

DESCRIPTION OF THE PORTFOLIO

The tables below show leasable floor areas for office and business park properties between December 31, 2020 and June 30, 2021. Leasable floor space relates to leasable units in portfolio assets (excluding car parks). It is shown on a full consolidation basis.

- Offices

As of June 30, 2021, Icade owned office buildings representing a total leasable floor area of 957,439 sq.m. 75% of the floor area of these assets is in the Paris region (mainly in the La Défense/Péri-Défense areas, in Paris and in the Inner Ring).

The rest of the assets are located in the city centres of the largest French cities outside Paris—Lyon, Marseille, Toulouse and Bordeaux.

	12/31/2020	H1 2021 changes			06/30/2021
Asset classes On a full consolidation basis	Leasable floor area *(in sq.m)*	Acquisitions/ completions *(in sq.m)*	Asset disposals *(in sq.m)*	Developments/ refurbishments *(in sq.m)*	Leasable floor area *(in sq.m)*
PARIS REGION	682,838	95,164	(48,850)	(9,538)	719,613
%	*75.2%*				*75.2%*
incl. Paris	205,754	-	(29,045)	(9,790)	166,919
incl. La Défense/Peri-Défense	277,155	95,164	-	70	372,389
incl. Western Crescent	8,579	-	-	-	8,579
incl. Inner Ring	191,349	-	(19,805)	182	171,726
incl. Outer Ring	-	-	-		-
FRANCE OUTSIDE THE PARIS REGION	225,679	13,086	-	(940)	237,825
%	*24.8%*				*24.8%*
TOTAL OFFICES	**908,517**	**108,250**	**(48,850)**	**(10,478)**	**957,439**

The most significant changes during the past half-year related to the acquisition of the Le Prairial building (13,375 sq.m) and the completion of three assets from the pipeline, namely Origine (66,033 sq.m), West Park 4 (15,756 sq.m) and Latécoère (13,086 sq.m). These changes also include a reduction in floor space following the sale of the Millénaire 1 (29,045 sq.m in Paris) and Le Loire (19,805 sq.m in Villejuif) properties.

- Business parks

Icade owns business parks in Saint-Denis, Aubervilliers and Rungis which are mainly composed of offices and business premises.

The overall leasable floor area of the business parks totalled 660,059 sq.m as of June 30, 2021.

	12/31/2020	H1 2021 changes			06/30/2021
Asset classes On a full consolidation basis	Leasable floor area *(in sq.m)*	Acquisitions/ completions *(in sq.m)*	Asset disposals *(in sq.m)*	Developments/ refurbishments *(in sq.m)*	Leasable floor area *(in sq.m)*
PARIS REGION	681,486	-	-	(21,428)	660,059
% of total	*100.0%*	*0.0%*	*0.0%*	*100.0%*	*100.0%*
incl. Inner Ring	317,255	-		(14,543)	302,712
incl. Outer Ring	364,230			(6,884)	357,346
FRANCE OUTSIDE THE PARIS REGION	-				-
%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
TOTAL BUSINESS PARKS	**681,486**	**-**	**-**	**(21,428)**	**660,059**

No significant changes were recorded in the business park portfolio during the past half-year, except for 21,428 sq.m of properties earmarked for refurbishment.

2.2.2. Changes in value of the Office Property Investment portfolio

(on a proportionate consolidation basis)	Fair value as of 12/31/2020 (€m)	Fair value of assets sold as of 12/31/2020 (€m) [a]	Investments and other (€m) [b]	Like-for-like change (€m)	Like-for-like change (%)	Fair value as of 06/30/2021 (€m)
Offices	6,393.9	(305.5)	125.7	3.8	+0.1%	6,217.9
Business parks	1,766.4	-	32.5	(51.6)	(2.9%)	1,747.4
OFFICES AND BUSINESS PARKS	8,160.3	(305.5)	158.2	(47.7)	(0.6%)	7,965.3
Other Office Property Investment assets	337.4	(0.6)	(1.5)	(5.9)	(1.8%)	329.4
TOTAL	**8,497.8**	**(306.1)**	**156.7**	**(53.6)**	**(0.7%)**	**8,294.7**

(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 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 €8,294.7 million excluding duties as of June 30, 2021 vs. €8,497.8 million at the end of 2020, i.e. a decrease of €203.1 million (-2.4%). On a full consolidation basis, the Office Property Investment Division's portfolio was worth €8,815.4 million vs. €9,022.7 million as of December 31, 2020.

On a like-for-like basis, the change in value of Office Property Investment assets was -€53.6 million, **i.e. -0.7%**. Changes in asset value for each segment are detailed below.

OFFICES

As of June 30, 2021, the office portfolio represented €6,217.9 million, vs. €6,393.9 million as of December 31, 2020, a decrease of -€176.0 million (-2.7%). An increase in value of +€3.8 million (+0.1%) was recorded on a like-for-like basis. On a full consolidation basis, the office portfolio was worth €6,719.3 million vs. €6,899.6 million as of December 31, 2020.

Assets completed in 2021 (Origine, Fontanot, Latécoère) as well as operating buildings located in major French cities other than Paris (+4.3% like-for-like) had a positive impact on the value of the office portfolio.

BUSINESS PARKS

As of June 30, 2021, the business park portfolio represented €1,747.4 million vs. €1,766.4 million as of December 31, 2020, a decrease of -€19.0 million (-1.1%). On a like-for-like basis, the change in value of business parks was -€51.6 million over the half-year, i.e. -2.9%. In the business park segment, the value of business premises went up as the estimated rental value of the properties increased following the signing of significant new leases. This positive impact was nevertheless lessened by the assumptions used in their appraisals by the property valuers being adjusted, which led to consider a greater development risk regarding the land bank and remaining buildable land (potential development projects estimated to be carried out at a later date and higher letting risk).

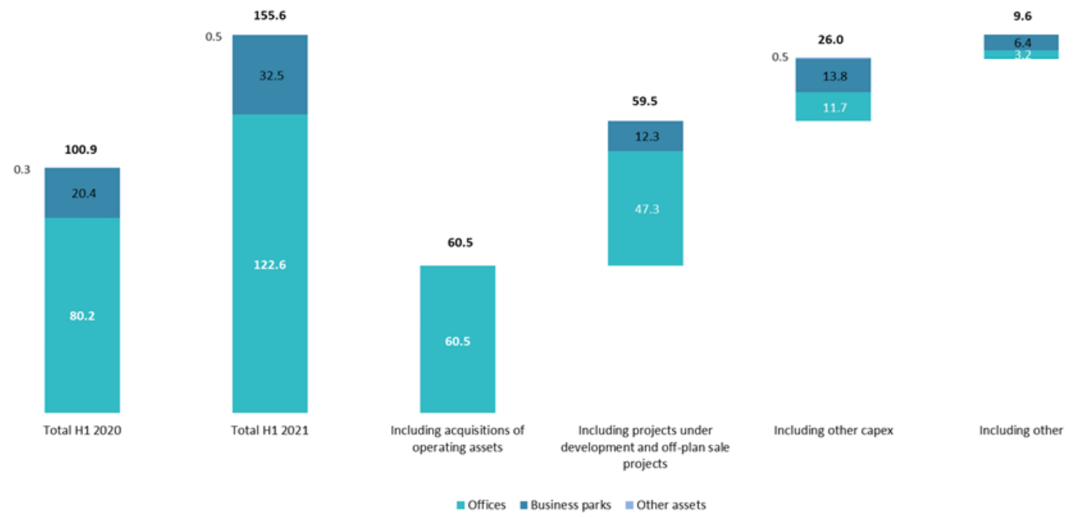
OTHER OFFICE PROPERTY INVESTMENT ASSETS

As of June 30, 2021, other Office Property Investment assets were valued at €329.4 million vs. €337.4 million as of December 31, 2020, down -€8.0 million (-2.4%). On a like-for-like basis, the change in value of other Office Property Investment assets stood at -€5.9 million as of June 30, 2021, i.e. a decrease of -1.8%. On a full consolidation basis, other Office Property Investment assets were worth €348.7 million vs. €356.6 million as of December 31, 2020.

The decline in value recorded in this segment is mainly 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.

2.2.3. Investments

Investments are presented as per EPRA recommendations: tenant improvements, broker fees and finance costs are grouped under the heading "Other".



As of June 30, 2021, investments totalled **€155.6 million**, vs. €100.9 million for the same period in 2020, i.e. a sharp increase of +€54.7 million. A significant portion of these investments was earmarked for development projects for a total of €59.5 million, including:

- Origine for €18.2 million, which was completed in H1;
- Fresk in Issy-les-Moulineaux (Hauts-de-Seine) for €13.1 million, scheduled for completion in H2 2021;
- West Park 4 (off-plan lease with Groupama) for €9.8 million, completed in H1;
- Jump (project currently being developed under a 12-year off-plan lease) for €9.0 million, located in the Portes de Paris business park.

In addition, the Le Prairial building in Nanterre-Préfecture (Hauts-de-Seine) was acquired for **€60.5 million**. This property asset is fully leased and has a total floor area of 13,400 sq.m.

Other investments, encompassing "Other capex" and "Other" for **€35.6 million**, related mainly to building maintenance work and tenant improvements.

PROPERTY DEVELOPMENT PROJECTS

Icade's development projects represent a total investment of €933.0 million and nearly 130,000 sq.m, including 90,938 sq.m already started. The yield on cost expected for these projects is 5.4%.

The projects already under development are 46% pre-let as of June 30, 2021.

In H1 2021, the most significant changes in the development pipeline were:

- Completion of three assets: Origine, West Park 4 and Latécoère;
- Start of the Edenn project in Nanterre, already 57% pre-let to Schneider Electric;
- 67% of the floor space in the Fresk building pre-let to PariSanté Campus (scheduled for completion in H2 2021).

Project name (a)	Location	Type of works	In progress	Property type	Estimated date of completion	Floor area	Expected rental income	Yield on cost (b)	Total investment (c)	Remaining to be invested > H1 2021	Pre-let
FRESK	SOUTHERN LOOP	Refurbishment	✓	Office	Q3 2021	20,542	11	5%	223	10	67%
B034	PONT DE FLANDRE	Refurbishment	✓	Hotel	Q4 2022	4,826	1	3%	41	22	100%
JUMP (formerly Ilot D)	PORTES DE PARIS	Construction	✓	Office / Hotel	Q1 2023	18,784	6	6%	94	66	19%
PAT029	PONT DE FLANDRE	Refurbishment		Office	Q4 2023	10,696	5	5%	96	43	0%
M FACTORY (formerly Desbief)	MARSEILLE	Construction		Office	Q3 2023	6,000	2	6%	26	18	0%
EDENN (formerly Défense 2)	NANTERRE	Refurbishment		Office	Q1 2025	30,090	13	6%	222	170	57%
TOTAL PROJECTS STARTED						**90,938**	**37.5**	**5.3%**	**703**	**330**	**46%**
TOTAL UNCOMMITTED PROJECTS						**38,922**	**13.2**	**5.7%**	**230**	**147**	**0%**
TOTAL PIPELINE						**129,860**	**50.7**	**5.4%**	**933**	**476**	**34%**

Notes: on a full consolidation basis

(a) Includes identified projects on secured plots of land, which have started or will start within 24 months.

(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.

2.2.4. Asset disposals

Thanks to its selective and opportunistic asset disposal policy, Icade achieved a high volume of disposals in H1 2021, amounting to **€325 million**, including the sale of the Le Loire building in Villejuif (Val-de-Marne) and the Millénaire 1 building in the 19th district of Paris.

Asset disposals generated an overall capital gain of €189.8 million, a +6.0% premium to the appraised values as of December 31, 2020.

2.2.5. Adjusted EPRA earnings from Office Property Investment as of June 30, 2021

(in millions of euros)	06/30/2021	06/30/2020	Change	Change (%)
Recurring items:				
GROSS RENTAL INCOME	190.3	187.0	3.3	1.8%
NET RENTAL INCOME	177.6	175.0	2.6	1.5%
NET TO GROSS RENTAL INCOME RATIO	93.3%	93.6%	-0.3%	-0.29 pp
Net operating costs	(19.6)	(24.1)	4.4	-18.4%
RECURRING EBITDA	157.9	150.9	7.0	4.7%
Depreciation and impairment	(6.3)	(4.8)	(1.6)	33.0%
Share of profit/(loss) of equity-accounted companies	(1.1)	0.6	(1.7)	N/A
RECURRING OPERATING PROFIT/(LOSS)	150.5	146.8	3.7	2.5%
Cost of net debt	(31.8)	(31.5)	(0.2)	0.7%
Other finance income and expenses	(3.5)	(3.5)	(0.0)	0.6%
RECURRING FINANCE INCOME/(EXPENSE)	(35.3)	(35.1)	(0.2)	0.7%
Tax expense	(1.1)	(1.1)	0.0	-1.8%
ADJUSTED EPRA EARNINGS	114.1	110.6	3.5	3.2%
Adjusted EPRA earnings attributable to non-controlling interests	8.7	8.0	0.7	8.8%
ADJUSTED EPRA EARNINGS ATTRIBUTABLE TO THE GROUP	**105.5**	**102.7**	**2.8**	**2.7%**
Non-recurring items (a)	49.1	(102.8)	151.8	N/A
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**154.5**	**(0.1)**	**154.6**	**N/A**

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

Gross rental income from Office Property Investment stood at €190.3 million, up compared to H1 2020 (€187.0 million). The decline in rental income due to significant disposals in H1 2021 (Millénaire 1 and Le Loire) was offset by additional rental income stemming from the completion of pipeline assets (Origine and Latécoère).

Net operating costs from the Office Property Investment Division stood at -€19.6 million, down -€4.4 million compared to June 30, 2020 (see section 2.3.5 "EPRA reporting – EPRA cost ratio from Property Investment").

The recurring portion of finance income/(expense) from the Office Property Investment Division amounted to -€35.3 million as of June 30, 2021, stable compared to June 30, 2020 (-€35.1 million).

Thus, adjusted EPRA earnings from Office Property Investment reached €105.5 million as of June 30, 2021 vs. €102.7 million as of June 30, 2020, a +2.7% year-on-year increase.

Net profit/(loss) attributable to the Group soared year-on-year to +€154.5 million (vs. -€0.1 million as of June 30, 2020). This change mainly reflects:

- Profit/(loss) from asset disposals for €189.8 million during the half-year;
- Non-current costs of -€35.9 million stemming from the restructuring of financial liabilities.

2.2.6. Rental income from Office Property Investment as of June 30, 2021

GROSS RENTAL INCOME FROM OFFICE PROPERTY INVESTMENT

(in millions of euros)	06/30/2020	Asset disposals	Completions/ Developments/ Refurbishments	Leasing activity and index-linked rent reviews	06/30/2021	Total change	Like-for-like change
Offices	131.5	(3.5)	6.5	(0.6)	133.8	1.8%	(0.5%)
Business parks	46.4	(0.1)	(0.1)	2.1	48.3	4.0%	4.6%
OFFICES AND BUSINESS PARKS	177.9	(3.6)	6.4	1.5	182.1	2.4%	0.9%
Other assets	9.7	(0.1)		(0.5)	9.2	(5.7%)	(5.3%)
Intra-group transactions from Property Investment	(0.7)		(0.1)	(0.2)	(0.9)	N/A	N/A
GROSS RENTAL INCOME	187.0	(3.7)	6.3	0.8	190.3	1.8%	0.5%

Gross rental income from Office Property Investment amounted to €190.3 million in H1 2021, up +1.8% compared to the same period in 2020.

The like-for-like change in gross rental income was +0.5%, including -0.5% for the office segment and +4.6% for the business park segment. As the Pulse building was fully leased, it had a major positive impact on gross rental income from the business park segment.

In H1, and despite a still sluggish market, leasing activity remained resilient overall and even benefited from slightly positive index-linked rent reviews of roughly +0.7% on average.

	06/30/2021		06/30/2020	
(in millions of euros)	Net rental income	Net to gross ratio	Net rental income	Net to gross ratio
Offices	127.8	95.5%	125.1	95.2%
Business parks	39.1	81.2%	37.5	80.8%
OFFICES AND BUSINESS PARKS	167.0	91.7%	162.6	91.4%
Other assets	5.8	62.7%	7.9	80.7%
Intra-group transactions from Office Property Investment	4.8	N/A	4.5	N/A
NET RENTAL INCOME	177.6	93.3%	175.0	93.6%

Net rental income from Office Property Investment in H1 2021 totalled €177.6 million, up +€2.6 million (+1.5%) compared to H1 2020.

The combined **net to gross rental income ratio** for offices and business parks stood at 91.7%, slightly improved by +0.3 pp compared to June 30, 2020. It was at 95.5% for offices (+0.3 pp from 2020) and 81.2% (+0.4 pp from 2020) for business parks.

The lower net to gross rental income ratio (a slight decline of -0.3 pp) for Office Property Investment stems primarily from provisions affecting other non-strategic assets.

It should be noted that the rent collection rate as of June 30, 2021 stood at 97% over a rolling 12-month period. This high rent collection rate despite the Covid-19 health crisis reflects a low rent default rate for the Office Property Investment Division's tenants.

2.2.7. Leasing activity of the Office Property Investment Division

	12/31/2020	H1 2021 changes				06/30/2021	New leases signed		06/30/2021
Asset classes	Leased floor area	Additions	Exits	Exits due to disposals	Floor area adjustments [a]	Leased floor area	Leases starting in H1 2021	Leases starting after H1 2021	Total
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	778,930	6,986	(15,943)	-	234	770,206	8,431	-	8,431
Business parks	551,352	9,915	(19,833)	-	-	541,435	11,892	2,169	14,061
Other	148,202	-	(2,495)	-	(43)	145,664	-	-	-
LIKE-FOR-LIKE SCOPE (A)	1,478,484	16,901	(38,271)	-	191	1,457,305	20,324	2,169	22,493
Offices	24,683	93,693	(9,790)	-	-	108,586			-
Business parks	43,702	5,887	(21,379)	-	-	28,210			-
Other	-	-	-	-	-	-			-
ACQUISITIONS / COMPLETIONS / REFURBISHMENTS (B)	68,385	99,579	(31,169)	-	-	136,796	-	-	-
SUBTOTAL (A+B)	1,546,869	116,480	(69,439)	-	191	1,594,101	20,324	2,169	22,493
Offices	48,850		(48,850)			-			-
Business parks	-			-		-			-
Other	-					-			-
DISPOSALS (C)	48,850	-	(48,850)	-	-	-	-	-	-
OFFICE PROPERTY INVESTMENT (A)+(B)+(C)	**1,595,719**	**116,480**	**(118,289)**	**-**	**191**	**1,594,101**	**20,324**	**2,169**	**22,493**

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

Additions to the portfolio of leased space recorded in H1 2021 represented 116,480 sq.m (50 leases) and €38.6 million in annualised headline rental income. The main changes in H1 related to buildings completed or acquired during the period. They included the following:

- The Origine building in Nanterre-Préfecture (Hauts-de-Seine), 79% of which (51,476 sq.m) was leased to Technip;
- The 15,756-sq.m West Park 4 building, fully leased to Groupama;
- The 13,086-sq.m Latécoère building in Toulouse, fully leased to Latécoère;
- The 13,375-sq.m Le Prairial building in Nanterre-Préfecture (Hauts-de-Seine), acquired in June 2021 and fully leased to a government ministry.

Vacated properties added up to 118,289 sq.m (69,440 sq.m excluding properties sold) in H1, representing annualised headline rental income of €33.3 million and 57 leases.

On a like-for-like basis, the main exits (resulting from tenant departures) were:

- 3,700 sq.m vacated by Celgene in the EQHO Tower in La Défense;
- 13,804 sq.m in the Rungis business park;
- 5,742 sq.m in the Portes de Paris business park;

Leases signed in H1 represented 22,500 sq.m (50 leases), with a significant portion in the Rungis business park (10,180 sq.m) for annualised headline rental income of €1.3 million.

These new leases combined represent €4.2 million in headline rental income and have a weighted average unexpired lease term to first break of 4.7 years.

13 **leases were renewed** during the period, totalling 59,800 sq.m and generating annualised headline rental income of €10.4 million on average. The weighted average unexpired lease term of these renewed leases stood at 4.4 years.

Taking all these changes into account, the **weighted average unexpired lease term to first break** of the portfolio was 4.2 years as of June 30, 2021, slightly higher than that recorded as of December 31, 2020 (4.1 years).

As of June 30, 2021, the ten largest tenants generated a combined annualised rental income of €128.5 million and had a weighted average unexpired lease term to first break of 4.9 years (around 34% of the annualised rental income of the Office Property Investment portfolio).

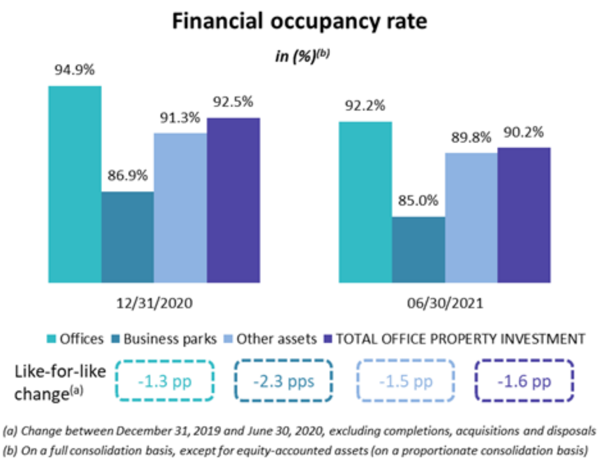
FINANCIAL OCCUPANCY RATE AND WEIGHTED AVERAGE UNEXPIRED LEASE TERM TO FIRST BREAK

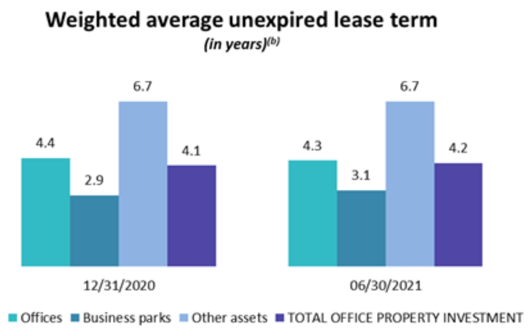
As of June 30, 2021, the period-end **financial occupancy rate** stood at 90.2%, down -2.3 pps compared to December 31, 2020.

On a like-for-like basis, this downward trend was smaller, at -1.6 pp.

On a reported basis, the decline in the financial occupancy rate was mainly due to the completion of Origine (impact of -1.3 pp), part of the floor area of which is in the process of being let (21.0%).

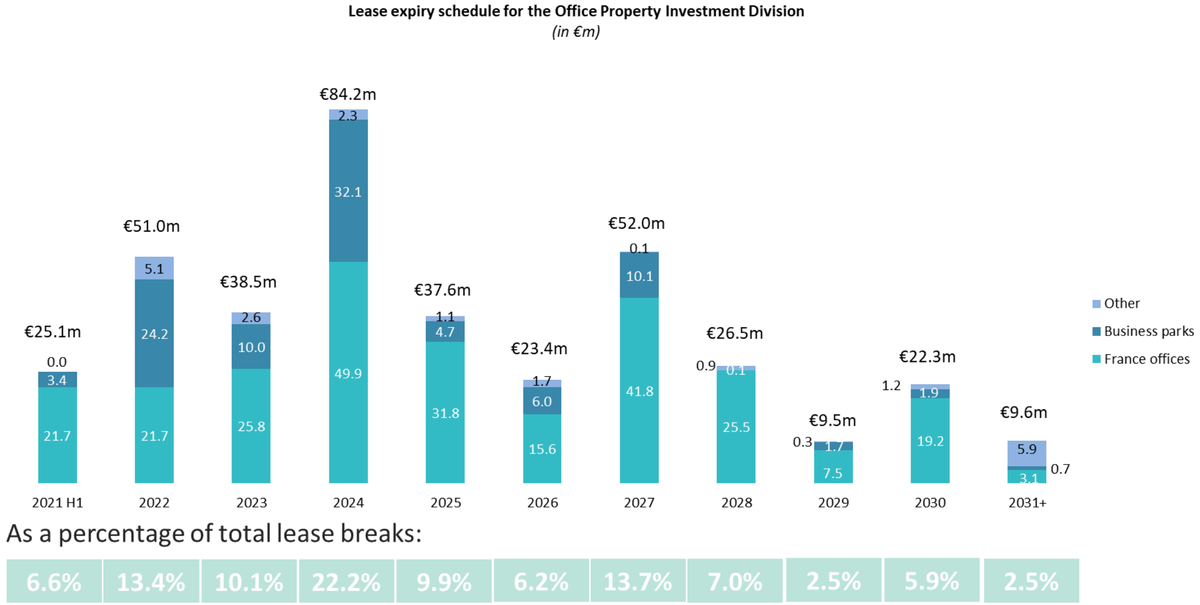
On a like-for-like basis, the decline was mainly due to space being vacated in the EQHO Tower and the end of the rent guarantee period for the Spring A building.





LEASE EXPIRY SCHEDULE IN TERMS OF ANNUALISED IFRS RENTAL INCOME

(in % and on a full consolidation basis)



2.3. Healthcare Property Investment Division

The Healthcare Property Investment Division includes two subsidiaries: Icade Santé and Icade Healthcare Europe.

Icade, the market leader in France with ambitious growth objectives in Europe, owned a portfolio of 183 healthcare properties as of the end of June 2021, characterised by:

- High cash flows;
- Initial lease terms of 12 to 30 years with no break clause and a weighted average unexpired lease term to first break of 7.2 years as of June 30, 2021;
- A net to gross rental income ratio close to 100%;
- An occupancy rate of 100%.

For the development and management of this type of asset through its Healthcare Property Investment Division, Icade can rely on its team and expertise which are both recognised by its peers. In particular, it has pursued a strategy of regular growth in France, becoming the French leading investor in acute care facilities.

Since 2019, Icade has expanded into Germany and Italy. Assets held outside France consist of long-term care facilities and now represent €506 million (on a full consolidation basis), i.e. 8% of the total value of the portfolio. Most of these assets are held by Icade Healthcare Europe, a dedicated vehicle which was 59.39% owned by Icade as of the end of June 2021.

2.3.1. Market update and overview of the property portfolio as of June 30, 2021

MARKET UPDATE

(sources: DREES Santé, HBI, Cushman & Wakefield, MSCI, RCA)

A healthcare sector backed by the government emerges stronger from the health crisis

Economic players have been powerfully reminded of the importance of the healthcare sector since the beginning of the Covid-19 crisis, demonstrating how inseparable this vital strategic sector and the economy have become. As a result of the continued ageing of the population, the increase in chronic conditions and improved medical care techniques, healthcare spending is expected to grow significantly faster than the economy over the next decade.

Healthcare facilities and nursing homes have received increased attention through funding guarantees and measures to compensate them for additional costs. 2021 rates for healthcare facilities have also incorporated a wage increase for caregivers approved by the "Ségur de la Santé" measures into the sources of funding specific to each type of facility. Acute care facilities, which rely on a fee-for-service payment model, benefited from a 6.4% increase in rates (+0.3 pp for the private for-profit sector, excluding the effect of the "Ségur" salary measures), while the financing of post-acute care and mental health facilities was increased based on flat daily rates, in line with the changes provided for by the "Ma Santé 2022" reform.

The Maximum Target for National Healthcare Spending (ONDAM) set at €225.4 billion for 2021 (i.e. +2.3% on a reported basis) will carry over the increase in spending due to the pandemic in 2020 by allocating it to wage increases for healthcare staff. However, the target may be exceeded by €9.6 billion due to ongoing extraordinary expenses (vaccinations, tests, financial support measures for facilities). The long-term negative impact of the health crisis on France's national health insurance deficit also calls for revising monitoring tools, as recommended by the High Council for the Future of French Health Insurance, which is in favour of more multi-year planning.

The desire for reform, particularly with respect to the elderly, continues to be expressed in Europe. In Germany, the government plans to introduce a minimum wage for caregivers working in nursing homes or providing home care. In Italy, the post-Covid-19 recovery plan has set aside €18 billion for healthcare with an ambitious project to set up local healthcare centres (1 per 80,000 inhabitants, i.e. 753 in total).

France is no exception to this desire for change, with draft legislation on dependency likely to focus on home care. However, this seems to have been anticipated by the main elderly care operators, as evidenced by the report issued by their think-tank "Matières Grises" on the nursing home of tomorrow. Although the plan is to modernise these facilities with a focus on services and spaces that are less standardised and closer to a home setting, this report also promotes the creation of "nursing home platforms". These platforms would benefit from their proximity to people (69% of French people live less than 5 km from a nursing home) to provide care to non-residents and be a coordination point for home care in the surrounding area.

Healthcare providers need capital to sustain their strong growth

In France, healthcare providers in the private for-profit sector are characterised by a very high degree of industry consolidation. In 2021, the three largest healthcare operators of short-term care facilities (Ramsay Santé, Elsan and Vivalto Santé) accounted for over 50% of the French market. In Europe, Korian, ORPEA and DomusVi are currently the leading operators of long-term care facilities.

The consolidation of short-term care facilities in France has been accentuated by the health crisis—the ten largest operators now account for 78% of estimated revenue from acute care facilities compared to 62% a year ago. Supported by new shareholders, the Elsan Group has completed the acquisition of C2S after obtaining approval from the French Competition Authority. While the Group is expected to focus on integrating this new structure and Ramsay Santé's main shareholder Ramsay Health Care is seeking to acquire the Spire Healthcare group in the UK for £1 billion, the French market is also being driven by Vivalto Santé, which bought the HPL (Hôpitaux Privés du Littoral) and Dracy Santé groups. In addition, Almaviva Santé has acquired the Maymard group based in Corsica and the Floréal facility in Bagnolet.

The 15 largest French operators of medical-social facilities saw the number of their beds increase by 5% in 2020 despite the crisis, mainly through international expansion. The progress of vaccination campaigns among senior citizens (>80% have received the first dose in our target countries) means that we can expect a return to normal in 2021, with higher occupancy rates for large groups with an upstream referral network (home care services and seniors' residences with services).

Operators have continued to pursue very high expansion goals across Europe with major acquisitions in the first half of the year. Examples include Korian's acquisition of the Ita Salud Mental group (the second largest private mental health player in Spain) and, shortly after, the announcement of the upcoming acquisition of the Hestia Alliance group by ORPEA, which thus became the leader in post-acute and mental health care in the same country.

As a new generation of seniors comes of age, the development of new long-term care facilities has become a strategic priority. In Germany, the proportion of homes built less than 10 years ago was only 10% in 2020 compared to 22% in 2013. With 26,359 additional beds over the next three years (i.e. +30%), ORPEA stands out as one of the most active developers. Korian also intends to expand its capacity at a quicker pace, from 2,000 to 3,000 beds per year, and modernise nearly 46% of its facilities by 2024.

The growth of care providers also entails the inclusion of other forms of care in order to better address the needs of elderly people before their admission to a nursing home. As a result, Korian plans to increase to 20% the share of its revenue coming from home care and senior shared housing facilities (developed in France by its subsidiary "Âges et Vie").

These expansion strategies, which have been accelerated by the health crisis, require significant resources that can be provided through sale-and-leaseback transactions, development partnerships or the structuring of shared real estate funds, as illustrated by Korian (with EDF Invest and BNP Paribas Cardif) or the French Red Cross (with Cofinimmo and Monceau Assurances). As part of transactions involving existing facilities, commitments to perform works and warranties are typically provided within the context of a mutually beneficial long-term process.

Properties with attractive features

For real estate investors, healthcare properties are a particularly attractive asset class thanks to their revenue resilience which was once again demonstrated during the health crisis. These are single-use properties with long-term leases that can be divided into two main categories:

- **Healthcare facilities** including, for short-term stays, acute care facilities (medicine, surgery and obstetrics) with extensive space dedicated to medical technology equipment, and for medium-term stays, mental health or post-acute care (PAC) facilities. 85 to 90% of operators' revenues come from the French national health insurance fund (*Assurance Maladie*);
- **Medical-social facilities**, in which nursing homes are predominant. Nursing home operators derive their revenue from the French national health insurance fund for care and from Departmental Councils for the costs associated with assisting dependent persons, while accommodation costs are primarily borne by the residents themselves or their families.

In France, leases are typically for a term of 12 years with no break option with service charges recoverable from the tenant operators apart from major works falling within the scope of Article 606 of the French Civil Code for leases signed or renewed after 2014. Rents are initially determined depending on the activity being conducted by the facility. Subsequent rent reviews are based on the Commercial Rent Index (ILC) for healthcare assets while nursing homes follow the Rent Review Index (IRL) or the changes in fees fixed by the French government.

In the rest of Europe, rental practices provide even more safeguards, with leases having terms of up to 25 years with no break option. Despite still being highly fragmented between multiple regional players, Germany has Europe's deepest long-term care market with around

393,000 beds managed by the private for-profit sector. Spain and Italy (210,000 and 110,000 beds respectively in the private for-profit sector) have strong growth potential, given that their old-age-dependency ratio (the number of persons aged 65 and over per 100 persons of working age) will be one of the highest in Europe (over 60%) by 2050.

High level of healthcare property investment in H1 2021

Healthcare real estate has emerged stronger from the health crisis in the eyes of investors thanks to its resilient rental income. Following announcements that new dedicated funds were launched by multiple asset managers, 2020 ended with the acquisition by Swiss Life AM of a €425 million portfolio sold by Threestones Capital comprising 27 facilities in Germany. According to Cushman & Wakefield, long-term care facilities attracted nearly €7.6 billion in Europe, i.e. a 24% increase, while total investment fell by 40%.

The momentum will continue in 2021 with stepped-up investment in long-term care assets. In H1 2021, Germany, France, Italy and Spain totalled investments of €1.5 billion (+26% compared to the 3-year average) as large portfolios were put on the market (50% of the volume involved transactions totalling at least five facilities).

Due to the lack of investment opportunities, investors are forced to diversify their strategies. Aedifica and Cofinimmo are expanding internationally, particularly into Northern Europe, while other types of facilities are gradually being included in "healthcare" strategies. Examples include seniors' residences with services, centres for people with disabilities, childcare facilities and care centres.

In Germany, the long-term care market remained very active in early 2021 following a significant compression in prime yields in 2020 to 4.0% (-50 bps). The €811 million in acquisitions in mid-2021 (+15% compared to mid-2020 according to RCA) was driven by a wide range of domestic players (58% of the volume) as well as Azurit's sale and leaseback of 19 facilities with the Belgian real estate company Aedifica for €245 million.

In Italy and Spain, prime yields also declined (to 4.9% and 4.75% respectively according to JLL) with volumes boosted in the first half of the year by the sale of Batipart's VEGA portfolio (€340 million out of a total of €560 million). The Italian market has also been buoyed by the KOS Group's two sale-and-leaseback transactions (with Icade Santé and InvestiRE) including sites to be developed as well as a nursing home managed by Korian acquired by Primonial. In Spain, the market is being driven by the entry of new investors such as Icade Santé and Swiss Life AM.

In the French market, the development of more advanced real estate strategies by short- and long-term care operators has reduced investor activity, with €325 million in short-term care and less than €100 million in long-term care. Seven Elsan facilities stemming from the acquisition of the C2S Group were sold and leased back to Primonial REIM and alone represent €252 million. Several portfolios of sold and leased back nursing homes were acquired by Icade Santé and Cofinimmo, while the Clinique du Sport medical centre in Bordeaux was acquired (both the property and business) by Vivalto Santé in the first half of this year.

After a degree of stability since 2018, this very competitive environment has led to a renewed bout of prime yield compression of around 4.85% for acute care facilities (-15 bps), 4.30% for post-acute care and mental health facilities (-20 bps) and 4.0% for nursing homes (-25 bps).

HEALTHCARE PROPERTY INVESTMENT DIVISION'S PORTFOLIO AS OF JUNE 30, 2021

The property portfolio of Icade's Healthcare Property Investment Division represents nearly 2.0 million sq.m of operating floor area (1.2 million sq.m on a proportionate consolidation basis).

It consists of acute care facilities (medicine, surgery and obstetrics), medium-term care facilities (mainly for post-acute care) and long-term care facilities (mainly nursing homes).

As of June 30, 2021, 92% of the portfolio's assets were located in France in value terms, with the remaining 8% in Europe (Germany and Italy).

GEOGRAPHIC DISTRIBUTION OF THE PROPERTY PORTFOLIO BY ASSET TYPE

In terms of total value and floor area	Portfolio value (full consolidation basis) (in €m)	% of the portfolio In value terms	Total floor area (full consolidation basis)* In terms of floor area (in sq.m)	% of the portfolio In terms of floor area
TOTAL FRANCE	5,475	92%	1,815,199	89%
Occitanie	1,104	18%	399,128	20%
Paris region	758	13%	187,208	9%
Pays de la Loire	698	12%	236,245	12%
Nouvelle-Aquitaine	688	11%	286,933	14%
Auvergne-Rhône-Alpes	511	9%	166,475	8%
Hauts-de-France	418	7%	142,743	7%
Provence-Alpes-Côte d'Azur	386	6%	99,307	5%
Normandy	265	4%	80,009	4%
Grand Est	170	3%	51,233	3%
Bourgogne-Franche-Comté	161	3%	54,413	3%
Brittany	159	3%	49,611	2%
Centre-Val de Loire	157	3%	61,894	3%
TOTAL INTERNATIONAL	506	8%	223,752	11%
Germany	381	6%	151,144	7%
Italy	125	2%	72,608	4%
GRAND TOTAL	**5,982**	**100%**	**2,038,950**	**100%**

	Portfolio value (full consolidation basis) (in €m)	% of total portfolio value	Total floor area (full consolidation basis)* floor area (in sq.m)	% of total portfolio floor area
Total France	**5,475**	**92%**	**1,815,199**	**89%**
Acute care	4,633	77%	1,522,218	75%
Medium-term care	483	8%	164,311	8%
Long-term care	359	6%	128,670	6%
Total Germany	**381**	**6%**	**151,144**	**7%**
Total Italy	**125**	**2%**	**72,608**	**4%**
TOTAL	**5,982**	**100%**	**2,038,950**	**100%**

*Operating assets only

2.3.2. Changes in value of Healthcare Property Investment assets

(on a proportionate consolidation basis)	Fair value as of 12/31/2020	Fair value of assets sold as of 12/31/2020 [(a)]	Investments and other [(b)]	Like-for-like change (€m)	Like-for-like change (%)	Fair value as of 06/30/2021
France	3,034.0	(1.0)	60.4	98.7	+3.3%	3,192.1
International	263.6	-	26.1	11.9	+4.5%	301.6
Healthcare Property	3,297.6	(1.0)	86.4	110.6	+3.4%	3,493.7

(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 off-plan acquisitions, and acquisitions (bulk acquisitions and assets for which Icade's ownership interest changed 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 Healthcare portfolio stood at **€3,493.7 million excluding duties** as of June 30, 2021 vs. €3,297.6 million as of the end of 2020, an increase of €196.1 million, i.e. **+5.9%**. On a full consolidation basis, the value of the Healthcare Property Investment Division's portfolio came in at **€5,981.5 million as of June 30, 2021** vs. €5,654.8 million as of the end of 2020.

On a like-for-like basis, excluding disposals and investments made during the period, **portfolio value increased by +€110.6 million on a proportionate consolidation basis over H1 2021, i.e. +3.4%**.

The buoyant healthcare property market and the growing appetite of investors for this asset class resulted in (i) lower discount rates (reflecting the increasing liquidity of this type of asset) ranging between 10 bps (long- and medium-term care facilities) and 25 bps (short-term care facilities) and (ii) yield compression of 20 bps on average for short- and medium-term care facilities and 15 bps for long-term care facilities.

2.3.3. Investments

Investments amounted to €143.4 million in H1 2021 vs. €50.6 million as of June 30, 2020, a +€92.8 million increase. It should be noted that investments in H1 2020 were adversely impacted by the unprecedented Covid-19 crisis.

Investments in France totalled €109.9 million including:

- €66.2 million relating to asset acquisitions:
  - 1 PAC facility and 2 nursing homes from Korian through sale and leaseback transactions and 1 PAC facility in Choisy-le-Roi for a total of €47.4 million;
  - the Les Dentellières acute care facility in Valenciennes for €18.7 million.
- €36.1 million in investments made in the development pipeline, mainly relating to the following projects:
  - €6.5 million for the extension of the Le Parc polyclinic in Caen;
  - €4.4 million for the off-plan sale of the Joncs Marins PAC facility in Le Perreux-sur-Marne;
  - €4.0 million for a PAC facility operated by Korian in Blagnac;
  - Other projects in the development pipeline totalled €21.2 million.
- Other capex amounted to €7.7 million including €6.4 million for operational capex.

In addition, on June 29, 2021, Icade Santé signed a preliminary agreement to acquire a PAC facility in Olivet from the ORPEA Group for €28 million.

In H1 2021, investments in international assets amounted to €33.9 million, mainly resulting from acquisitions made during the period:

- €27 million for the acquisition of 2 nursing homes (Residenze Sanitarie Assistenziali, RSA) and 1 psychiatric facility from the Italian operator KOS;
- In the context of this transaction, Icade also signed a conditional memorandum of understanding with the same group totalling €24 million including duties for the acquisition of two nursing homes that have yet to be built;
- €7 million for the acquisition of a nursing home from Sereni Orizzonti. This acquisition is the last in a portfolio of 7 nursing homes located in northern Italy, which was purchased from Sereni Orizzonti in October 2019.

On March 26, 2021, Icade signed a preliminary agreement with the Amavir group to acquire 2 nursing homes in Spain for €22 million including duties. The two facilities are scheduled for completion in Q2 2022 and Q2 2023 and located in Madrid and Ciudad Real, respectively.

Lastly, after June 30, 2021, pursuant to the preliminary agreement signed on July 21, 2020 with ORPEA to purchase 9 healthcare properties in Germany and France for €153 million, Icade acquired a nursing home in Berlin for €45 million, the ninth and last facility in the portfolio.

DEVELOPMENT PIPELINE

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 > H1 2021
Saint-Augustin private hospital	2024	Elsan	297			25.7	25.6
Joncs Marins PAC facility	2022	Korian	136			21.3	10.7
Le Parc polyclinic	2022	Elsan	288			21.2	2.7
Blagnac	2022	Korian	80			14.9	7.5
Saint-Charles PAC facility	2022	Sisio	210			14.3	6.1
Saint-Roch polyclinic	2022	Elsan	332			9.6	2.8
Pic Saint-Loup PAC facility	2022	Clinipole	162			9.0	8.0
Saint-Pierre private hospital	2022	Elsan	249			8.8	2.5
Brétéché private hospital	2022	Elsan	227			7.0	5.7
Les Buissonnets PAC facility	2021	ORPEA	198			27.9	27.9
Pipeline – France			**2,179**			**159.8**	**99.5**
Nursing home portfolio	2021–2024	Gheron	840			77.8	77.8
Villalba	2021	Kos	80			12.8	12.8
Grosseto	2021	Kos	120			11.4	11.4
ALBA portfolio	2022–2024	Gheron	936			127.7	127.7
Berlin Weissensee	2021	ORPEA	124			45.1	45.1
Tangerhütte	2021	EMVIA Living	66			7.6	0.1
AMAVIR portfolio	2022–2023	Amavir	311			22.5	22.5
KOS 3 portfolio	2023	Kos	240			23.8	23.8
Pipeline – International			**2,717**			**328.8**	**321.2**
TOTAL PIPELINE			**4,896**	**26.1**	**5.3%**	**488.5**	**420.7**

(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.

As of the end of June 2021, the Healthcare Property Investment Division had a development pipeline of €488.5 million (cost of the projects). The average estimated yield on cost of these projects was 5.3%.

In addition, Icade Santé recently handed over 4 facilities to healthcare and senior services providers representing a total investment of €76 million. These assets will generate immediate additional rental income:

- Handover of the Grand Narbonne private hospital to Elsan;
- Handover of the Sur Moreau facility in Saintes to the Korian Group;
- Handover of the Saint-Pierre private hospital extension in Perpignan to Elsan;
- Handover of the Ambrussum PAC facility in Lunel to Pôle de Santé Lunellois.

2.3.4. Asset disposals

In H1, the Clinique de l'Elorn PAC facility was sold for €1.8 million.

2.3.5. Adjusted EPRA earnings from Healthcare Property Investment as of June 30, 2021

(in millions of euros)	06/30/2021	06/30/2020	Change	Change (%)
Recurring items:				
GROSS RENTAL INCOME	157.6	149.2	8.4	5.6%
NET RENTAL INCOME	156.2	145.9	10.3	7.1%
NET TO GROSS RENTAL INCOME RATIO	99.1%	97.8%	1.3%	1.32 pp
Net operating costs	(7.0)	(8.1)	1.1	-14.0%
RECURRING EBITDA	149.3	137.8	11.5	8.3%
RECURRING OPERATING PROFIT/(LOSS)	149.3	137.8	11.5	8.3%
Cost of net debt	(18.8)	(17.2)	(1.5)	8.9%
Other finance income and expenses	(0.4)	(0.6)	0.2	-32.4%
RECURRING FINANCE INCOME/(EXPENSE)	(19.2)	(17.8)	(1.4)	7.6%
Tax expense	(1.0)	(1.9)	0.9	-47.7%
ADJUSTED EPRA EARNINGS	129.1	118.0	11.0	9.3%
Adjusted EPRA earnings attributable to non-controlling interests	53.6	50.7	2.9	5.7%
ADJUSTED EPRA EARNINGS ATTRIBUTABLE TO THE GROUP	**75.5**	**67.3**	**8.1**	**12.1%**
Non-recurring items (a)	(40.4)	(45.2)	4.8	-10.7%
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**35.1**	**22.1**	**13.0**	**58.6%**

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

Gross rental income from Healthcare Property Investment amounted to €157.6 million, a 5.6% increase compared to June 30, 2020, driven by the acquisitions carried out in France, Italy and Germany in H2 2020.

Net operating costs were slightly down by +€1.1 million.

As a result, **EBITDA** increased by +€11.5 million (+8.3%).

The **recurring finance expense** of the Healthcare Property Investment Division as of June 30, 2021 stood at -€19.2 million, up €1.4 million compared to June 30, 2020 due to the growth in investments and the resulting increase in debt volume. The price effect decreased as a result of the significant reduction in the Healthcare Property Investment Division's average cost of debt between H1 2020 (1.69%) and H1 2021 (1.47%).

Consequently, **adjusted EPRA earnings attributable to the Group from Healthcare Property Investment** as of June 30, 2021 amounted to €75.5 million, up +12.1% compared to June 30, 2020.

Net profit attributable to the Group stood at €35.1 million, up +€13.0 million from €22.1 million as of June 30, 2020. This increase resulted primarily from prepayment penalties for intragroup loans recognised in H1 2020 and which were not repeated in H1 2021.

2.3.6. Rental income from Healthcare Property Investment as of June 30, 2021

GROSS AND NET RENTAL INCOME FROM THE HEALTHCARE PROPERTY INVESTMENT DIVISION

(in millions of euros)	06/30/2020	Asset acquisitions	Asset disposals	New builds / Refurbishments	Leasing activity and index-linked rent reviews	06/30/2021	Total change	Like-for-like change
France	141.5	3.0	(0.3)	0.5	0.7	145.4	2.8%	0.5%
International	7.7	4.4	-	-	0.1	12.2	58.5%	1.5%
GROSS RENTAL INCOME	149.2	7.3	(0.3)	0.5	0.8	157.6	5.6%	0.6%

Gross rental income from Healthcare Property Investment increased by +€8.4 million (+5.6%) in H1 2021 to €157.6 million.

Fuelled by index-linked rent reviews, gross rental income was up +0.6% **on a like-for-like basis**.

On a reported basis, rental growth was driven by:

- Acquisitions in France for +€3.0 million;
- The international acquisition plan: +€2.7 million in Germany and +€1.7 million in Italy;
- Completions of pipeline assets and other refurbishments and extensions for +€0.5 million.

Net rental income from Healthcare Property Investment in H1 2021 totalled €156.2 million, implying a net to gross rental income ratio of 99.1%, up 130 bps from H1 2020. This ratio of nearly 100% is mainly explained by the recognition of an early termination payment (initially spread out) received in connection with the sale of a healthcare facility during the half-year.

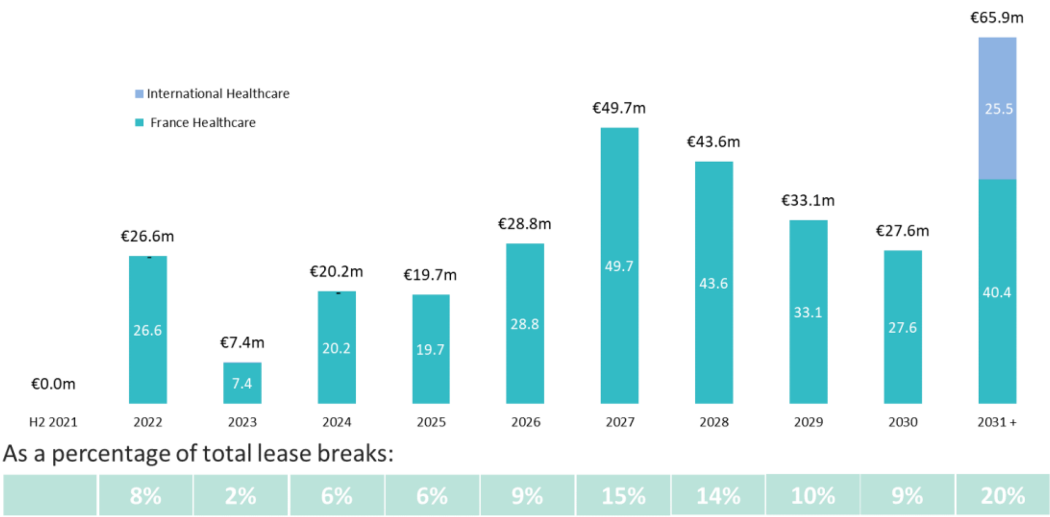
	06/30/2021		06/30/2020	
(in millions of euros)	Net rental income	Net to gross ratio	Net rental income	Net to gross ratio
France	144.5	99.4%	138.4	97.8%
International	11.8	96.1%	7.5	97.1%
NET RENTAL INCOME	**156.2**	**99.1%**	**145.9**	**97.8%**

2.3.7. Leasing activity of the Healthcare Property Investment Division

In H1 2021, 4 leases were renewed or extended resulting in a 0.1-year positive impact on the portfolio's weighted average unexpired lease term to first break. The Healthcare Property Investment Division's weighted average unexpired lease term to first break was slightly down compared to June 30, 2020 at 7.2 years (vs. 7.6 years as of June 30, 2020). It was down by only 0.2 year compared to December 31, 2020 (as a reminder, it stood at 7.4 years as of December 31, 2020). The weighted average unexpired lease term to first break stood at 6.4 years for assets located in France and 16.2 years for assets located abroad. Negotiations are underway with healthcare tenants to extend leases expiring in 2022.

LEASE EXPIRY SCHEDULE IN TERMS OF ANNUALISED IFRS RENTAL INCOME

(In % and on a full consolidation basis)



3. Property Development Division

MARKET UPDATE

(Sources: INSEE, FPI, SDES, NOTAIRES DU GRAND PARIS, CGEDD)

The construction industry consolidated its recovery in Q1 2021 with the decline in activity compared to the end of 2019 continuing to grow smaller (-4% in April 2021 after reaching -88% during the first lockdown) thanks to the government's measures that allowed construction to continue during the most recent lockdowns. The industry is even one of the only ones to have shown net job creation since the end of 2019 with 50,800 additional jobs (+3.5%).

Professionals are now concerned about hiring difficulties and supply chain disruptions that have emerged as business resumes. In April 2021, 11% of contractors reported difficulties with their suppliers, an unprecedented situation since the 5% threshold had never been crossed before March 2020. The increase in construction costs in Q1 2021 reflected these tensions with an ICC (Cost-of-Construction Index) up 2.9% year-on-year.

The countercyclical role played by the public sector has helped to support construction's recovery. Operating capacity has been maintained by an overall policy of support for companies (temporarily lay-off schemes, loans backed by the French government), while supply has benefited more specifically from CDC's and Action Logement's plans to purchase new housing units. This is reflected in the French Federation of Real Estate Developers' (FPI) market monitoring by an increase of 28% in bulk sales in new-build housing in Q1 2021 (i.e. 41,600 units over a rolling 12-month period). While the recovery plan, which focuses on renovation, meets the environmental challenges of the existing housing stock, it also includes measures to promote construction, with a memorandum of understanding for the construction of 250,000 social housing units over two years, a wasteland conversion fund of €650 million and €350 million in aid for mayors who launch new construction.

However, residential construction has been affected by the lower number of building permits being issued, with 6% fewer recorded at the end of May 2021 compared to the end of 2019 over a rolling 12-month period. The situation is particularly tense for multi-family housing, with a 15% drop over the period for a total of 195,100 permits, i.e. less than the number of housing starts (198,800 in the rolling 12 months to the end of May 2021), which is back to pre-crisis level. This low number of permits will eventually reduce supply, especially since this number since the beginning of the year has not made up for the shortfall seen in 2020 (20,300 permits issued per month from January to May compared with a monthly average of 22,250 in 2019).

As a result, new housing supply continues to be scarce, with a new low point in Q1 2021 of 77,000 units for the stock of individual homes available for sale, down 15% year-on-year. New housing supply dropped 24% year-on-year (84,000 units in the rolling 12 months to the end of Q1) and has remained lower than orders since 2019 (90,000 units). Developers continue to use up their housing stock, with the share of projects on which construction has yet to start falling to 45% (-5 pps over one year). It should be noted that in Q1 2021, net orders for new homes sold individually (27,000 orders) rose by 7% year-on-year, especially due to the renewed activity of individual investors (+12%).

A renewed demand for housing has resulted from the recurring lockdowns. The fundamentals of the market have only been partially challenged (growing population and metropolitan areas, increased number of households), while new expectations have emerged among individual buyers (quality of life and housing, proximity to nature, appeal of medium-sized cities, a desire for a second home) and the public sector (low-carbon construction, mixed-use developments).

The purchasing power of households has remained stable despite the crisis thanks to interest rates that are still as favourable as ever (1.07% on average in May). Home ownership incentive schemes have been maintained (interest-free loans until 2022, "Pinel" tax reductions until 2024), while the number of new property loans has returned to its pre-crisis level for existing properties and is beginning to recover for new builds. The increased vigilance of banks following the recommendations issued by the High Council for Financial Stability (HCSF) and the excess savings built up during the lockdowns are nonetheless transforming the market in favour of households able to put down large down payments.

Driven by these sound fundamentals, the real estate market is trending upward both in terms of volumes and prices. For existing properties, the number of cumulative transactions over one year (1,080,000 in March 2021) equalled the record volume in January 2020. For new space, INSEE's quarterly survey of real estate developers also showed that the balance of opinion regarding housing demand has greatly improved in addition to a still favourable opinion of price trends. According to FPI, prices are up +2% year-on-year with the emergence of new trends favourable to French markets outside the Paris region (prices up 4% year-on-year) and to peripheral markets (in the Paris region, Notaires du Grand Paris noted in Q1 2021 that existing property prices were more buoyant in the Inner Ring than in Paris).

Lastly, institutional investors have once again proven themselves to be growth drivers of real estate development. With €2.7 billion invested according to RCA, H1 2021 benefited from the transfer of 5,900 housing units by in'li (a subsidiary of Action Logement) to a property investment and development company 75% owned by AXA IM. US and UK funds such as Hines and M&G have also made forays into the off-plan residential property market in France. The shortage of suitable supply has encouraged co-development strategies such as the Gecina-Woodeum partnership and AG2R's takeover of Aegide Domitys (the leader in residences for seniors with services) which has an ambitious growth plan with Nexity. In addition, the fact that 8,000 housing units were put on the market by CDC Habitat via its subsidiary Ampère Gestion for an estimated €2.5 billion (with a 15% stake being maintained) confirms the emergence of this asset class among investors.

ICADE PROMOTION'S H1 BUSINESS ACTIVITY

Icade Promotion posted a strong performance in H1 2021, despite ongoing Covid-19 restrictions and the longer length of time required to obtain building permits.

All the residential business indicators headed in the right direction, especially given the increase in orders (+19.8% in volume vs. H1 2020 and +16.5% vs. H1 2019) reflecting greater demand from individual and institutional clients.

The expansion strategy implemented over the last few years has enabled Icade Promotion to increase its housing stock (+7.1% compared to the end of 2020 in terms of volume) in a market characterised by a shortage of supply.

In the office segment, Icade Promotion signed:

- The off-plan sale of a nearly 9,000-sq.m office building to Macifimo in the Emblem complex in Lille, jointly developed with the Duval group;
- A property development contract signed with La Française for the construction of a 30,890-sq.m property complex in Nanterre (Hauts-de-Seine), jointly developed with PRD Office.

H1 2021 economic revenue amounted to €536.3 million, a sharp increase compared to the previous year (+78.6%) and 2019 (+38.0%).

This performance was the result of a favourable base effect (Q1 2020 was affected by the nationwide lockdown in France from March 16), and of the progress on projects entered into the backlog in previous quarters.

This growth rate is not representative of expected growth for the year as a whole, but is in line with the annual target and the growth trajectory for 2025 (€1.4 billion).

Revenue from the residential segment rose by 81.3% (€458.5 million in H1 2021 vs. €252.9 million in H1 2020): in addition to a favourable base effect from 2020, solid H1 2021 performance reflected strong growth in notarised sales (+5% in value terms) and a sharp year-on-year increase in construction starts (+32.6% in value terms).

Revenue from the office segment (€76.6 million in H1 2021, +65.1%) includes projects stemming from the acquisition of Ad Vitam at the end of 2020 and the sale of the Emblem office building in Lille.

The backlog continues to show growth and will provide secure revenue in H2 and a portion of revenue expected in 2022.

The increase in volume enabled the Company to return to a level of profitability close to that recorded in previous years, with current economic operating profit/(loss) of €27.0 million as of June 30, 2021, compared with -€8.0 million as of June 30, 2020 and €23.8 million as of June 30, 2019.

Net current cash flow (NCCF) was also up, reaching €10.9 million as of June 30, 2021 compared with -€11.9 million as of June 30, 2020.

NET PROFIT/(LOSS) (economic basis) AND NET CURRENT CASH FLOW

(in millions of euros)	06/30/2021	06/30/2020	Change
Revenue	**536.3**	**300.4**	**235.9**
CURRENT ECONOMIC OPERATING PROFIT/(LOSS) (a)	27.0	(8.0)	35.0
Current economic operating margin (current economic operating profit or loss/revenue)	5.0%	-2.7%	7.7 pps
CURRENT OPERATING PROFIT/(LOSS)	**25.1**	**(9.2)**	**34.3**
CURRENT FINANCE INCOME/(EXPENSE)	**(5.8)**	**(4.6)**	**(1.2)**
Corporate tax	(5.0)	3.1	(8.0)
CURRENT NET PROFIT/(LOSS)	**14.3**	**(10.7)**	**25.0**
GROUP NET CURRENT CASH FLOW	**10.9**	**(11.9)**	**22.8**
Non-current items (b)	(8.5)	(5.2)	(3.3)
NET PROFIT/(LOSS) attributable to the Group	**2.4**	**(17.1)**	**19.5**

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

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

The table above shows the income statement on an economic basis, after taking into account the Group's ownership interest in joint ventures over which the Group exercises joint control.

PROPERTY DEVELOPMENT DIVISION'S WORKING CAPITAL REQUIREMENT AND DEBT

The working capital requirement and net debt include fully consolidated entities and joint ventures.

(in millions of euros)	06/30/2021 (a)+(b)	12/31/2020 (a)+(b)	Change
Residential Property Development	(209.4)	(146.8)	(62.6)
Office Property Development	9.6	20.6	(11.0)
NET WORKING CAPITAL REQUIREMENT – PROPERTY DEVELOPMENT	(199.8)	(126.2)	(73.6)
NET DEBT – PROPERTY DEVELOPMENT	25.5	(30.7)	56.2

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

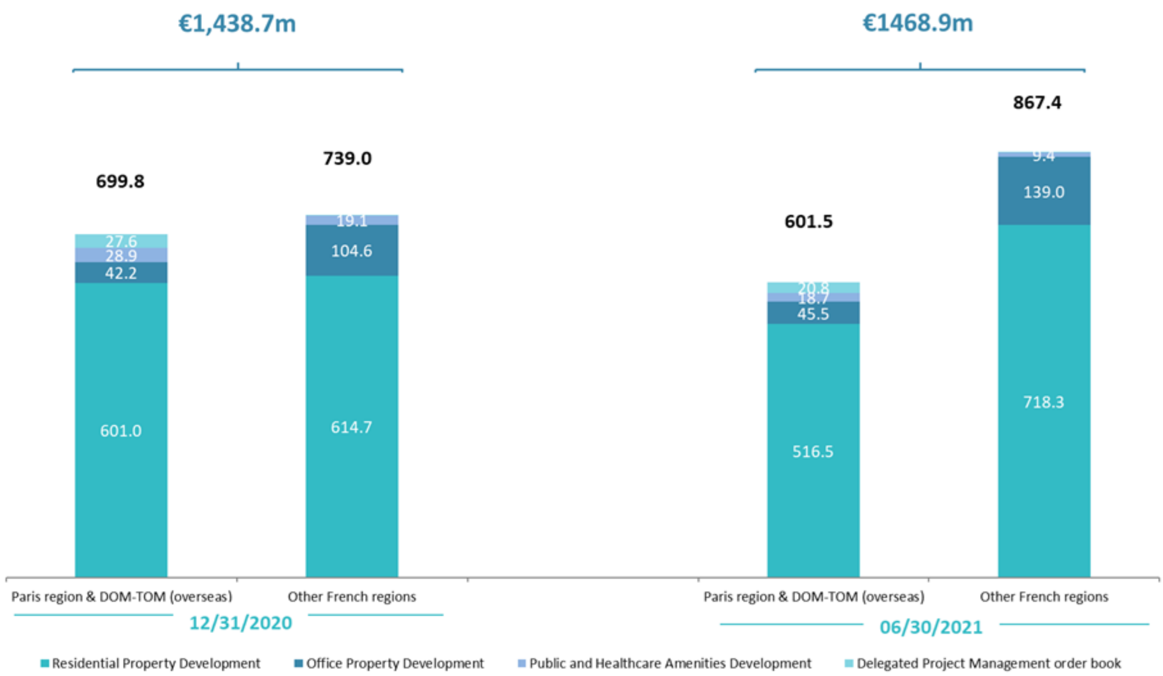
(b) WCR and net debt do not include urban development projects and risky land owned by the Group.

The working capital requirement (WCR) for Property Development stood at roughly €200 million as of June 30, 2021, up €73.6 million compared to the end of 2020. The ratio of WCR to revenue was below 20%.

PROPERTY DEVELOPMENT BACKLOG AND SERVICE ORDER BOOK

For property development projects, the backlog represents revenue under contract (excluding taxes) that has not yet been recognised based on the stage of completion of the projects.

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



The total backlog of the Property Development Division as of June 30, 2021 stood at €1,468.9 million, up 2.1% compared to the end of 2020.

This change resulted from:

- An increase in the Residential Property Development backlog of 1.6%, due to new housing orders exceeding the revenue recorded in H1;
- An increase of 9.2% in the Office Property Development and Public and Healthcare Amenities Development backlog mainly due to:
  - The integration of Ad Vitam's projects as a result of its acquisition in late 2020;
  - A property development contract entered into with La Française to jointly develop a 30,890-sq.m complex in Nanterre (Hauts-de-Seine) with PRD Office. This project represents revenue of €142.9 million (approximately €57.1 million based on proportionate consolidation of Icade Promotion).
- Regarding its Delegated Project Management business, Icade Promotion was awarded two major contracts for healthcare and public infrastructure projects:
  - For the refurbishment of the site of the C.A.S.H. Centre (hospital accommodation and care centre) in Nanterre for €2 million;
  - To assist with the reorganisation of all of the Rance-Emeraude public hospital group's hospitals and medical-social facilities for €2.7 million on a proportionate consolidation basis.

3.1. Residential Property Development

(in millions of euros)	06/30/2021	06/30/2020	Change
Economic revenue	458.5	252.9	205.6
Current economic operating profit/(loss)	23.6	(2.2)	25.8
CURRENT ECONOMIC OPERATING MARGIN (CURRENT ECONOMIC OPERATING PROFIT OR LOSS/REVENUE)	5.2%	(0.9%)	6.0 pps

In H1 2021, revenue from Residential Property Development totalled €458.5 million, up 81.3% compared to H1 2020. This increase results from a base effect due to the shutdown of construction sites in 2020 (from March 16) and a business volume stemming from a stronger backlog, a substantial number of notarial deeds signed and good progress made on construction projects.

As a direct result of higher revenue, current economic operating profit/(loss) from the residential segment came in at €23.6 million as of June 30, 2021, a substantial improvement compared to June 30, 2020.

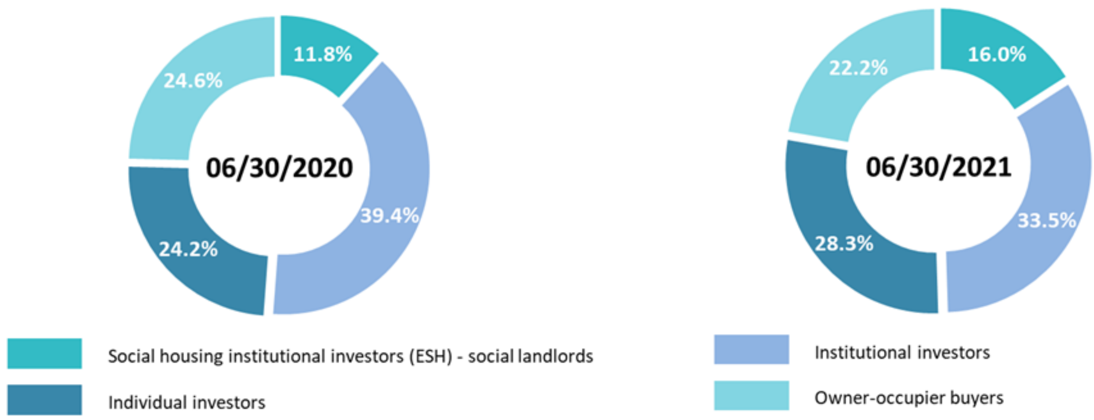
MAIN PHYSICAL INDICATORS AS OF JUNE 30, 2021

Business indicators (*)	06/30/2021	06/30/2020	Change
PROPERTIES PUT ON THE MARKET			
Paris region & DOM-TOM (overseas)	1,239	947	30.8%
Other French regions	1,853	1,144	62.0%
TOTAL UNITS *(**)*	**3,092**	**2,091**	**47.9%**
Paris region & DOM-TOM (overseas)	384.3	160.1	140.0%
Other French regions	465.1	266.0	74.8%
TOTAL REVENUE *(potential in millions of euros)*	**849.3**	**426.1**	**99.3%**
CONSTRUCTION STARTS			
Paris region & DOM-TOM (overseas)	1,394	2,032	(31.4%)
Other French regions	1,505	735	104.8%
TOTAL UNITS *(**)*	**2,899**	**2,767**	**4.8%**
Paris region & DOM-TOM (overseas)	397.1	387.8	2.4%
Other French regions	335.7	164.8	103.8%
TOTAL REVENUE *(potential in millions of euros)*	**732.8**	**552.5**	**32.6%**
NET HOUSING ORDERS			
Housing orders ***(in units) (**)***	2,613	2,181	19.8%
Housing orders ***(in millions of euros including taxes)***	590.2	481.6	22.5%
Housing order cancellation rate ***(in %)***	12.0%	19.8%	(7.8) pps
AVERAGE SALE PRICE AND AVERAGE FLOOR AREA BASED ON HOUSING ORDERS			
Average price including taxes per habitable sq.m ***(in €/sq.m)***	4,240	4,985	(14.9%)
Average budget including taxes per housing unit ***(in €k)***	226.5	221.5	2.3%
Average floor area per housing unit ***(in sq.m)***	53.4	44.4	20.2%

(*) 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.

BREAKDOWN OF ORDERS BY TYPE OF CUSTOMER: sharp increase in institutional investors



In a market environment characterised by pressure on supply due to delays in obtaining building permits, Icade Promotion succeeded in increasing its housing stock (+7.1% in volume terms compared to the end of 2020), with a high volume of new properties put on the market (+48% in volume terms).

Icade Promotion noted a significant improvement in its business performance indicators, with a +19.8% increase in orders in volume terms (2,613 units in H1 2021 vs. 2,181 units in H1 2020) and +22.5% in value terms. Beyond a significant base effect due to business having been interrupted by the lockdown at the end of Q1 2020, the indicators reflect a strong sales performance in H1 2021 for both individual and institutional investors. Orders also increased between H1 2019 and H1 2021 by 16.5% in volume terms and 13.7% in value terms, an upward trend mainly driven by bulk sales.

- Orders from individuals were up thanks to successful marketing and a strong absorption rate. The order cancellation rate for this category of buyers returned to pre-crisis levels.
- As in 2020, orders from institutional investors in H1 were higher than in previous years. Sales were driven, among other things, by the bulk orders recorded for the Paris 2024 Olympics project in Saint-Ouen totalling 314 units (business premises, retail units, a residence with services and a student residence).

Construction starts were also up sharply in H1: +4.8% in volume terms (2,899 units sold in H1 2021 vs. 2,767 units in H1 2020) and +32.6% in value terms. Compared to H1 2019, they increased by +48.8% in volume terms and +46.2% in value terms.

The stock of unsold completed units remained at a reasonable level, with 85 units totalling €20 million.

Land portfolio

In H1 2021, the portfolio of residential land[1] and building plots represented 10,432 units on a proportionate consolidation basis vs. 10,156 units as of December 31, 2020.

3.2. Office Property Development

(in millions of euros)	06/30/2021	06/30/2020	Change
Economic revenue	76.6	46.4	30.2
Current economic operating profit/(loss)	3.2	(5.5)	8.7
CURRENT ECONOMIC OPERATING MARGIN (CURRENT ECONOMIC OPERATING PROFIT OR LOSS/REVENUE)	**4.2%**	**(11.8%)**	**16.1 pps**

H1 2021 saw a sharp rise in Office Property Development and Public and Healthcare Amenities Development revenue (€76.6 million in H1 2021 vs. €46.4 million in H1 2020). This surge is mainly attributable to the sale of the Emblem complex in Lille and the integration of Ad Vitam's projects following its acquisition in late 2020.

As a direct result of higher revenue, current economic operating profit/(loss) from the office segment came in at €3.2 million as of June 30, 2021, an improvement compared to June 30, 2020.

Office, Hotel and Retail portfolio

As of June 30, 2021, Icade Promotion had a portfolio of Office Property Development projects of around 509,156 sq.m (vs. 676,974 sq.m as of June 30, 2020), including 119,682 sq.m under construction.

Projects completed in H1 represented 4,552 sq.m.

Public and Healthcare Amenities Development

As of June 30, 2021, the portfolio of Public and Healthcare Amenities Development projects was equivalent to 70,538 sq.m (117,164 sq.m as of June 30, 2020), including 42,417 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 in H1 represented 24,340 sq.m.

[1] 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.

3.3. Pipeline and growth potential

In total, Icade Promotion's potential revenue is expected to amount to €6.9 billion. This is stable compared to December 31, 2020.

Icade Promotion has adapted its solutions to its Purpose:

- **Creation of the Urbain des Bois subsidiary:** Launched in early 2021, Icade Promotion's subsidiary Urbain des Bois specialises in low-carbon construction and home personalisation. Icade is opting more and more for timber construction, a key element in its low-carbon strategy, which aims to generate revenue of €100 million by 2025.

- **Implementation of the At Home Naturally housing solution:** Designed with the architect Nicolas Laisné, this new solution is based on two main themes: i) making nature more central to housing design, both to enhance occupants' wellbeing and to help Icade meet its environmental commitments; and ii) focusing on home personalisation and functional diversity, since flexibility is increasingly demanded by cities and their future residents.

4. Icade Group analytical income statement

(in millions of euros)		Office Property Investment	Healthcare Property Investment	Total Property Investment	Property Development (economic basis)	Total intersegment and other	Total Icade Group (economic basis)	IFRS adjustments (a)	Total Icade Group
Current items:									
Revenue	(A)=(b)+(c)+(d)	**202.9**	**157.6**	**360.5**	**536.3**	**(6.6)**	**890.3**	**(60.3)**	**830.0**
Including revenue from: Gross rental income from Property Investment	(b)	190.3	157.6	348.0		(0.1)	347.9		347.9
Including Property Development revenue (POC method)	(c)				529.5		529.5	(60.2)	469.3
Including other revenue	(d)	12.6		12.6	6.8	(6.5)	12.9	(0.1)	12.8
Service charges not recovered from tenants and other expenses	(e)	(12.8)	(1.4)	(14.2)		0.3	(13.9)		(13.9)
Net rental income from Property Investment	(AA)=(b)+(e)	177.6	156.2	333.8		0.2	334.0		334.0
Net to gross rental income ratio for Property Investment	*(AA)/(b)*	***93.3%***	***99.1%***	***95.9%***					
Cost of sales and other expenses	(g)				(448.5)	0.7	(447.8)	56.2	(391.7)
Net property margin from Property Development	(AB)=(c)+(g)				81.0	0.7	81.6	(4.0)	77.6
Property margin rate (net property margin / revenue (POC method))	*(AB)/(c)*				***15.3%***				
Operating costs and other costs	(i)	(32.2)	(7.0)	(39.2)	(63.2)	7.5	(94.9)	1.0	(93.9)
Share of profit/(loss) of equity-accounted companies	(j)	(1.0)		(1.0)	0.5		(0.4)	2.2	1.8
CURRENT OPERATING PROFIT/(LOSS)	(AC)=(A)+(e)+(g)+(i)+(j)	157.0	149.3	306.2	25.1	333.2	332.3	(0.9)	332.3
Cost of net debt		(31.3)	(18.8)	(50.1)	(2.4)	-	(52.4)	0.4	(52.0)
Other finance income and expenses		(4.0)	(0.4)	(4.4)	(3.5)	(9.0)	(16.9)	0.4	(16.5)
CURRENT FINANCE INCOME/(EXPENSE)	(AD)	(35.3)	(19.2)	(54.5)	(5.8)	(9.0)	(69.3)	0.8	(68.5)
Tax expense	(I)	(1.1)	(1.0)	(2.1)	(5.0)		(7.0)	0.1	(6.9)
NET CURRENT CASH FLOW	(AE)=(AC)+(AD)+(I)	120.6	129.1	249.7	14.3	(7.1)	256.9	-	256.9
NET CURRENT CASH FLOW ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		(8.7)	(53.6)	(62.3)	(3.5)		(65.7)		(65.7)
GROUP NET CURRENT CASH FLOW	(AF)	111.9	75.5	187.4	10.9	(7.1)	191.1	-	191.1
Depreciation and impairment of operating assets		(6.3)		(6.3)					
Depreciation of operating assets of equity-accounted companies		(0.1)		(0.1)					
PROPERTY INVESTMENT: ADJUSTED EPRA EARNINGS ATTRIBUTABLE TO THE GROUP	(AG)	105.5	75.5	180.9					
Non-current items:									
Depreciation and impairment charges		(109.9)	(67.7)	(177.7)	(6.5)	1.4	(182.7)	0.1	(182.7)
Profit/(loss) on asset disposals		189.9	0.5	190.4	(0.1)	0.1	190.4		190.4
Non-current finance income/(expense)		(37.1)	(1.8)	(38.9)	(0.0)		(38.9)		(38.9)
Other non-current expenses		(1.5)	(0.1)	(1.5)	(4.2)	1.8	(3.9)	0.3	(3.6)
Share of profit/(loss) of equity-accounted companies		(6.0)		(6.0)		(0.1)	(6.1)	(0.3)	(6.4)
Non-current corporate tax			0.2	0.2	2.2		2.3		2.3
Non-current portion of net profit/(loss) attributable to non-controlling interests		7.2	28.6	35.8	0.1		35.8		35.8
Total non-current items ATTRIBUTABLE TO THE GROUP	(AH)	42.6	(40.4)	2.2	(8.5)	3.2	(3.0)	-	(3.0)
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	(AI)=(AF)+(AH)	154.5	35.1	189.6	2.4	(4.0)	188.1	-	188.1

(a) Adjustment for jointly controlled Property Development entities in accordance with IFRS 11.

5. Consolidated income statement and balance sheet (based on proportionate consolidation of Icade Group subsidiaries)

(in millions of euros)	06/30/2021	06/30/2020	Change
Revenue	**774.0**	**545.5**	**228.5**
EBITDA	**251.6**	**201.0**	**50.6**
Operating profit/(loss)	**288.8**	**41.2**	**247.6**
Finance income/(expense)	**(96.7)**	**(38.9)**	**(57.9)**
Net profit/(loss)	**188.1**	**5.2**	**182.9**
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**188.1**	**5.2**	**182.9**
Non-current items attributable to the Group (a)	**(3.0)**	**(156.1)**	**153.0**
GROUP NET CURRENT CASH FLOW	**191.1**	**161.3**	**29.9**

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

In millions of euros	06/30/2021	12/31/2020	Change
Goodwill	45.3	45.3	-
Investment property	8,027.3	8,032.9	(5.7)
Other fixed assets	70.9	75.0	(4.1)
Equity-accounted investments	1.3	0.9	0.4
Financial assets	340.4	323.3	17.1
Deferred tax	9.3	17.9	(8.7)
Inventories and operating receivables	1,359.0	1,269.3	89.8
Cash and cash equivalents	868.3	1,172.4	(304.1)
Total assets	**10,721.9**	**10,937.0**	**(215.2)**
Equity attributable to the Group	2,889.6	2,856.5	33.0
Total equity	**2,889.6**	**2,856.5**	**33.0**
Provisions	83.6	70.8	12.9
Financial liabilities and derivatives	6,489.0	6,780.3	(291.3)
Lease liabilities	52.9	55.2	(2.2)
Tax liabilities	16.7	15.9	0.8
Deferred tax liabilities	7.6	11.7	(4.0)
Other financial liabilities	68.2	69.0	(0.8)
Other liabilities	1,114.3	1,077.8	36.5
Total liabilities excluding equity	**7,832.3**	**8,080.5**	**(248.2)**
Total liabilities	**10,721.9**	**10,937.0**	**(215.2)**

3 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2021

1. Consolidated financial statements as of June 30, 2021

Unless otherwise stated, the consolidated financial statements are presented in millions of euros, rounded to the nearest hundred thousand euros. Rounding differences may therefore occur in the financial statements presented.

Consolidated income statement

	Notes		06/30/2020	12/31/2020
Revenue	7.1.	**830.0**	**622.0**	**1,440.2**
Other operating income		(1.1)	1.1	6.5
Income from operating activities		**828.9**	**623.1**	**1,446.7**
Purchases used		(376.1)	(229.6)	(615.8)
Outside services		(46.5)	(47.1)	(92.0)
Taxes, duties and similar payments		(0.8)	(3.0)	(5.4)
Staff costs, performance incentive scheme and profit sharing		(72.7)	(66.1)	(130.3)
Other operating expenses		(6.3)	(5.8)	(29.4)
Expenses from operating activities		**(502.5)**	**(351.6)**	**(873.0)**
EBITDA		326.4	271.5	573.7
Depreciation charges net of government investment grants		(181.5)	(182.1)	(358.7)
Charges and reversals related to impairment of tangible, financial and other current assets	4.3.2.	(1.2)	(8.9)	(32.0)
Profit/(loss) from acquisitions		(0.1)	(0.2)	(1.6)
Profit/(loss) on asset disposals		190.4	1.5	13.2
Share of net profit/(loss) of equity-accounted companies	8.1.	(4.6)	(6.1)	(10.6)
OPERATING PROFIT/(LOSS)		329.4	75.6	184.0
Cost of gross debt		(54.7)	(55.0)	(113.1)
Net income from cash and cash equivalents, related loans and receivables		2.3	3.7	8.4
Cost of net financial liabilities		**(52.5)**	**(51.3)**	**(104.7)**
Other finance income and expenses		(54.9)	(2.3)	(13.9)
FINANCE INCOME/(EXPENSE)	5.1.4.	(107.4)	(53.6)	(118.6)
Tax expense	9.1.	(4.6)	1.9	(5.2)
Net profit/(loss) from continuing operations		217.4	24.0	60.3
Profit/(loss) from discontinued operations		0.6	-	3.2
NET PROFIT/(LOSS)		**218.0**	**24.0**	**63.4**
Including net profit/(loss) attributable to the Group		**188.1**	**5.2**	**24.2**
- Including continuing operations		187.5	5.2	21.1
- Including discontinued operations		0.6	-	3.2
Including net profit/(loss) attributable to non-controlling interests		**29.9**	**18.9**	**39.2**
Basic earnings per share attributable to the Group (in €)	6.3.1.	**€2.53**	**€0.07**	**€0.33**
- Including continuing operations per share		€2.52	€0.07	€0.28
- Including discontinued operations per share		€0.01	-	€0.04
Diluted earnings per share attributable to the Group (in €)	6.3.2.	**€2.53**	**€0.07**	**€0.33**
- Including continuing operations per share		€2.52	€0.07	€0.28
- Including discontinued operations per share		€0.01	-	€0.04

Consolidated statement of comprehensive income

(in millions of euros)	06/30/2021	06/30/2020	12/31/2020
NET PROFIT/(LOSS)	218.0	24.0	63.4
Other comprehensive income:			
- Recyclable to the income statement – cash flow hedges	**44.1**	**(23.1)**	**(22.1)**
- Change in fair value	22.7	(22.6)	(21.1)
- Recycling to the income statement	21.4	(0.5)	(1.0)
- Non-recyclable to the income statement	**2.5**	**0.9**	**(0.1)**
- Actuarial gains and losses	3.1	1.1	(0.0)
- Taxes on actuarial gains and losses	(0.6)	(0.2)	(0.1)
Comprehensive income recognised in equity	**46.6**	**(22.2)**	**(22.3)**
- Including transfer to net profit/(loss)	21.4	(0.5)	(1.0)
COMPREHENSIVE INCOME	264.6	1.9	41.2
- Attributable to the Group	**230.0**	**(12.4)**	**6.1**
- Attributable to non-controlling interests	**34.6**	**14.2**	**35.1**

Consolidated statement of financial position

ASSETS

(in millions of euros)	Notes	06/30/2021	12/31/2020
Goodwill		45.3	45.3
Other intangible fixed assets		20.7	21.7
Tangible fixed assets		49.2	52.4
Net investment property	4.1.1.	9,997.9	9,985.9
Equity-accounted investments	8.1.	119.0	122.0
Financial assets at fair value through profit or loss	5.1.5.	21.1	22.2
Financial assets at amortised cost	5.1.5.	57.2	41.0
Derivative assets	5.1.3.	0.4	0.0
Deferred tax assets		9.4	18.0
NON-CURRENT ASSETS		10,320.3	10,308.5
Inventories and work in progress	7.2.2.	468.9	472.1
Contract assets	7.2.3.	153.6	125.9
Accounts receivable	7.2.3.	307.4	319.9
Tax receivables		10.2	6.2
Miscellaneous receivables		315.2	291.0
Financial assets at amortised cost	5.1.5.	109.3	97.0
Derivative assets	5.1.3.	0.1	7.0
Cash and cash equivalents	5.1.6.	886.4	1,190.1
CURRENT ASSETS		2,251.0	2,509.2
TOTAL ASSETS		**12,571.3**	**12,817.7**

LIABILITIES

(in millions of euros)	Notes	06/30/2021	12/31/2020
Share capital	6.1.1.	116.2	113.6
Share premium		2,593.5	2,644.4
Treasury shares		(39.5)	(39.2)
Revaluation reserves	5.1.3.	(13.7)	(53.1)
Other reserves		44.9	166.7
Net profit/(loss) attributable to the Group		188.1	24.2
Equity attributable to the Group		**2,889.5**	**2,856.5**
Non-controlling interests		847.3	894.9
EQUITY		3,736.8	3,751.4
Provisions	10.1.	28.1	32.1
Financial liabilities at amortised cost	5.1.1.	6,540.0	6,352.0
Lease liabilities		48.3	50.5
Tax liabilities		12.1	10.5
Deferred tax liabilities		8.0	12.6
Other financial liabilities		70.7	73.6
Derivative liabilities	5.1.3.	29.4	73.8
NON-CURRENT LIABILITIES		6,736.6	6,605.1
Provisions	10.1.	54.4	37.6
Financial liabilities at amortised cost	5.1.1.	930.4	1,311.8
Lease liabilities		7.9	8.0
Tax liabilities		15.1	15.0
Contract liabilities	7.2.3.	38.8	43.8
Accounts payable		476.3	491.1
Miscellaneous payables		568.9	548.9
Other financial liabilities		3.1	1.2
Derivative liabilities	5.1.3.	0.6	0.8
Liabilities related to assets held for sale and discontinued operations	4.1.2.	2.3	3.1
CURRENT LIABILITIES		2,097.9	2,461.2
TOTAL LIABILITIES AND EQUITY		**12,571.3**	**12,817.7**

Consolidated cash flow statement

(in millions of euros)	Notes	06/30/2021	06/30/2020	12/31/2020
I) OPERATING ACTIVITIES				
Net profit/(loss)		**218.0**	**24.0**	**63.4**
Net depreciation and provision charges		193.8	193.7	404.2
Unrealised gains and losses due to changes in fair value		22.5	(4.4)	0.4
Other non-cash income and expenses		0.8	2.8	9.9
Capital gains or losses on asset disposals		(203.4)	(2.0)	(13.7)
Share of profit/(loss) of equity-accounted companies		4.6	6.1	10.6
Dividends received		(0.5)	(0.3)	(0.8)
Cash flow from operating activities after cost of net financial liabilities and tax		**235.8**	**220.0**	**474.0**
Cost of net financial liabilities		48.2	50.7	102.4
Tax expense		4.6	(1.9)	5.2
Cash flow from operating activities before cost of net financial liabilities and tax		**288.5**	**268.7**	**581.6**
Interest paid		(50.4)	(50.2)	(106.5)
Tax paid		(4.4)	6.3	(9.6)
Change in working capital requirement related to operating activities	7.2.1.	(6.5)	53.3	184.6
NET CASH FLOW FROM OPERATING ACTIVITIES		**227.4**	**278.0**	**650.1**
II) INVESTING ACTIVITIES				
Tangible and intangible fixed assets and investment property				
- acquisitions		(322.7)	(203.2)	(530.6)
- disposals		328.3	2.4	24.6
Change in security deposits paid and received		(13.0)	0.6	(20.4)
Change in financial receivables		0.9	0.8	1.6
Operating investments		**(6.5)**	**(199.3)**	**(524.7)**
Investments in subsidiaries				
- acquisitions		(15.1)	-	(32.3)
- impact of changes in scope of consolidation		2.1	-	1.7
Investments in equity-accounted companies and unconsolidated companies				
- acquisitions		5.7	(3.2)	3.0
Dividends received and profit/(loss) of tax-transparent equity-accounted companies		(7.0)	(0.6)	1.1
Financial investments		**(14.2)**	**(3.8)**	**(26.5)**
NET CASH FLOW FROM INVESTING ACTIVITIES		**(20.7)**	**(203.1)**	**(551.3)**
III) FINANCING ACTIVITIES				
Amounts received from non-controlling interests on capital increases		3.4	-	36.5
Dividends paid during the financial year				
- final and interim dividends paid to Icade SA shareholders	6.2.	(196.1)	(178.2)	(296.5)
- final and interim dividends paid to non-controlling interests		(82.5)	(84.1)	(81.7)
Repurchase of treasury shares		(0.2)	(0.9)	(0.5)
Acquisitions and disposals of investments with non-controlling interests		(1.6)	(0.5)	(46.9)
Change in cash from capital activities		**(277.1)**	**(263.6)**	**(389.1)**
Bond issues and new financial liabilities		1,250.6	779.8	1,393.6
Bond redemptions and repayments of financial liabilities		(1,452.5)	(438.2)	(604.3)
Repayments of lease liabilities		(3.9)	(4.2)	(8.0)
Acquisitions and disposals of current financial assets and liabilities		(30.5)	(20.1)	(67.4)
Change in cash from financing activities	**5.1.1.**	**(236.3)**	**317.3**	**713.9**
NET CASH FLOW FROM FINANCING ACTIVITIES		**(513.4)**	**53.7**	**324.8**
NET CHANGE IN CASH (I) + (II) + (III)		**(306.8)**	**128.6**	**423.7**
OPENING NET CASH		**1,085.7**	**662.0**	**662.0**
CLOSING NET CASH		**778.9**	**790.6**	**1,085.7**
Cash and cash equivalents (excluding interest accrued but not due)		886.0	894.3	1,188.9
Bank overdrafts (excluding interest accrued but not due)		(107.1)	(103.6)	(103.2)
NET CASH		**778.9**	**790.6**	**1,085.7**

Consolidated statement of changes in equity

(in millions of euros)	Share capital	Share premium	Treasury shares	Revaluation reserves	Other reserves and net profit/(loss) attributable to the Group	Equity attributable to the Group	Non-controlling interests	Total equity
Equity as of 12/31/2019	113.6	2,644.4	(43.6)	(34.8)	489.1	3,168.7	926.1	4,094.8
Net profit/(loss)					5.2	**5.2**	18.9	**24.0**
Other comprehensive income:								
Cash flow hedges:								
- Changes in value				(18.1)		**(18.1)**	(4.5)	**(22.6)**
- Recycling to the income statement				(0.3)		**(0.3)**	(0.2)	**(0.5)**
Other non-recyclable items:								
- Actuarial gains and losses					1.1	**1.1**	(0.0)	**1.1**
- Taxes on actuarial gains and losses					(0.2)	**(0.2)**		**(0.2)**
Comprehensive income for the financial year				**(18.5)**	**6.1**	**(12.4)**	**14.2**	**1.9**
Dividends paid		(0.0)			(297.5)	**(297.5)**	(84.0)	**(381.5)**
Acquisition of own shares by Icade Santé								
Other					0.5	**0.5**	0.3	**0.8**
Equity as of 06/30/2020	113.6	2,644.4	(44.2)	(53.3)	198.2	2,858.8	856.6	3,715.4
Net profit/(loss)					**19.1**	**19.1**	**20.3**	**39.4**
Other comprehensive income:								
Cash flow hedges:								
- Changes in value				0.9		**0.9**	0.6	**1.5**
- Recycling to the income statement				(0.4)		**(0.4)**	(0.1)	**(0.5)**
Other non-recyclable items:								
- Actuarial gains and losses					(1.1)	**(1.1)**	0.0	**(1.1)**
- Taxes on actuarial gains and losses					0.1	**0.1**		**0.1**
Comprehensive income for the period				**0.5**	**18.0**	**18.5**	**20.8**	**39.3**
Dividends paid		0.0			1.0	**1.0**		**1.0**
Capital increases	(0.0)				(0.0)		69.7	**69.7**
Treasury shares			4.9		(4.8)	**0.1**		**0.1**
Acquisition of own shares by Icade Santé (a)				(0.4)	(22.8)	**(23.2)**	(56.6)	**(79.7)**
Other (b)	0.0		0.0		1.3	**1.3**	4.3	**5.6**
Equity as of 12/31/2020	113.6	2,644.4	(39.2)	(53.1)	190.9	2,856.5	894.9	3,751.4
Net profit/(loss)					188.1	**188.1**	29.9	**218.0**
Other comprehensive income:								
Cash flow hedges:								
- Changes in value				18.4		**18.4**	4.3	**22.7**
- Recycling to the income statement				21.1		**21.1**	0.3	**21.4**
Other non-recyclable items:								
- Actuarial gains and losses					3.1	**3.1**		**3.1**
- Taxes on actuarial gains and losses					(0.6)	**(0.6)**		**(0.6)**
Comprehensive income for the financial year				**39.4**	**190.6**	**230.0**	**34.6**	**264.6**
Dividends paid		(148.8)			(147.9)	**(296.7)**	(84.2)	**(380.9)**
Capital increases (c)	2.6	98.0				**100.6**	3.4	**103.9**
Treasury shares (d)			(0.2)			**(0.2)**		**(0.2)**
Other (e)				0.0	(0.6)	**(0.6)**	(1.4)	**(2.0)**
Equity as of 06/30/2021	116.2	2,593.5	(39.5)	(13.7)	233.0	2,889.5	847.3	3,736.8

(a) In 2020, Icade Santé, a subsidiary of Icade, acquired 2.51% of the shares in its own capital from one of its minority shareholders. This transaction increased the Group's ownership interest in Icade Santé from 56.84% to 58.30%.

(b) In 2020, non-controlling interests mainly related to minority interests in the entities acquired during the financial year (Ad Vitam and Oresc 7, 8 and 12).

(c) As part of paying a portion of the dividend in shares (see note 2.4), Icade SA issued 1,698,804 new shares.

(d) Treasury shares amounted to 543,269 as of June 30, 2021 vs. 540,269 as of December 31, 2020.

(e) The change in non-controlling interests includes, among other things, the acquisition of minority interests in Group companies in the Property Development Division.

2. Notes to the condensed consolidated financial statements as of June 30, 2021

Note 1. General principles

1.1. General information

Icade ("the Company") is a French public limited company (SA, *société anonyme*). Its registered office is situated at 27 rue Camille Desmoulins, 92130 Issy-les-Moulineaux, France.

The Company's consolidated financial statements as of June 30, 2021 reflect the financial position and profits and losses of the Company and its subsidiaries ("the Group"), as well as the Group's investments in equity-accounted companies (joint ventures and associates). They were prepared in euros, which is the Company's functional currency.

As of June 30, 2021, the Group was an integrated real estate player, operating both as an office and healthcare property investor and as a developer of residential and office properties and large-scale public amenities, especially healthcare facilities.

1.2. Accounting standards

The Group's condensed consolidated financial statements for the half-year ended June 30, 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union as of June 30, 2021, pursuant to European Regulation No. 1606/2002 dated July 19, 2002, and include comparative information (H1 2020 and/or December 31, 2020) prepared under the accounting standards applicable at the reporting date.

The international accounting standards are issued by the IASB (International Accounting Standards Board) and have been adopted by the European Union. They include the IFRS, the IAS (International Accounting Standards) and their interpretations. These standards are available for viewing on the European Commission's website.

The accounting methods and measurement bases used by the Group in preparing the condensed consolidated financial statements are identical to those used for the consolidated financial statements as of December 31, 2020, subject to the specific provisions of IAS 34 – Interim financial reporting described in note 1.3.3, and except for those mandatory standards, interpretations and amendments to be applied for periods beginning on or after January 1, 2021, which are detailed in note 1.2.1 below.

Standards, amendments and interpretations

1.2.1. Mandatory standards, amendments and interpretations adopted by the European Union which became effective for annual periods beginning on or after January 1, 2021

- Amendments to IAS 39, IFRS 7 and IFRS 9 – Interest Rate Benchmark (IBOR) Reform – Phase 2

On September 26, 2019, the IASB published an amendment to IFRS 9 and IAS 39 with respect to the reform of interest rate benchmarks, which are used to value many financial instruments. The Group did not early adopt this amendment, whose application became mandatory for annual periods beginning on or after January 1, 2021, in preparing its consolidated financial statements as of December 31, 2020.

This amendment was introduced against the backdrop of interbank offered rates (IBOR) being replaced with new benchmarks worldwide. In Europe, the main rates affected include EONIA and EURIBOR which have been replaced by ESTER and a hybrid EURIBOR respectively.

The main consequences of the reform relate to the possible discontinuation of hedge accounting, the modification or derecognition of certain contracts and the recognition of gains or losses resulting from the modification of certain contracts.

Phase 1 of the reform deals solely with the effect on hedge accounting before new interest rate benchmarks come into effect. For the Group, Phase 1 applies to interest rate swaps as described in note 5.1.3 that are considered cash flow hedges with maturities starting after January 1, 2022, the date at which EURIBOR will no longer be published. The Group has worked on amending hedging contracts and hedged debt alongside its banking partners since 2019 with this work scheduled for completion by 2022.

The IASB published an exposure draft in April 2020 for Phase 2 of the reform which deals specifically with the consequences of the modifications made to the contracts. Phase 2 became effective for annual periods beginning on or after January 1, 2021. The Group is still working on assessing the impact of Phase 2 of the reform on its hedging contracts. This amendment has had no impact on the financial statements as of June 30, 2021. The Group does not expect the adoption of this amendment, which became mandatory for annual periods beginning on or after January 1, 2021, to have a material impact on its financial statements as of December 31, 2021.

1.2.2. Standards, amendments and interpretations issued by the IASB but not adopted by the European Union

Effective from April 1, 2021:

- Amendment to IFRS 16 – Covid-19-related rent concessions beyond June 30, 2021. This amendment extends by one year the Covid-19-related rent concessions amendment issued in May 2020. This new amendment applies to rent concessions for payments due on or before June 30, 2022. As the Group has received no rent concessions, this amendment is not relevant to its operations.

Effective from January 1, 2022:

- Amendment to IFRS 3 – Updating references to the Conceptual Framework
- Annual improvements to IFRS Standards – 2018–2020 Cycle (IFRS 1, IFRS 9, IAS 41, IFRS 16)
- Amendment to IAS 16 – Proceeds before intended use
- Amendment to IAS 37 – Onerous contracts – Cost of fulfilling a contract

Effective from January 1, 2023:

- Amendment to IAS 1 – Classification of liabilities as current or non-current
- Amendment to IAS 1 – Disclosure of accounting policies
- IFRS 17 – Insurance contracts. Originally issued with a mandatory effective date of January 1, 2021, the IASB decided in March 2020 to defer the effective date of this standard to January 1, 2023. It applies to any company that writes insurance contracts, reinsurance contracts or investment contracts with discretionary participation features. It is not applicable to the Group.
- Amendments to IAS 8 – Definition of accounting estimates. The objective of this amendment is to clarify the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". The amendment also specifies that an entity should develop an accounting estimate to achieve the objective set out by the accounting policy (which may require items in financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated).
- Amendments to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction

1.3. Basis of preparation and presentation of the consolidated financial statements

1.3.1. Measurement bases

The consolidated financial statements have been prepared according to the amortised cost method, with the exception of certain financial assets and liabilities measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 – Fair value measurement utilises a fair value hierarchy across three levels:

- Level 1: fair value measured based on unadjusted prices quoted in active markets for identical assets or liabilities;
- Level 2: fair value measured based on models using observable data, either directly (i.e. prices), or indirectly (i.e. data derived from prices);
- Level 3: fair value measured based on market data not directly observable.

According to the principle of relevance and the ensuing materiality notion, only information deemed relevant and useful to the users' understanding of the consolidated financial statements is reported.

1.3.2. Use of judgement and estimates

The preparation of consolidated financial statements requires the Group's management to use estimates and assumptions to determine the value of certain assets, liabilities, income and expenses, as well as for the information provided in the notes to the consolidated financial statements.

Due to the uncertainties inherent in any measurement process, the Group revises its estimates on the basis of regularly updated information. The future results of the operations concerned may differ from the estimates made at the reporting date of the condensed consolidated financial statements.

The main estimates made by the Group related to the following measurements:

- Recoverable amounts, in particular in the half-yearly valuation of property assets carried out by independent property valuers (see note 4.2);
- Measurement of credit risk arising from accounts receivable;
- Measurement of revenue based on the percentage of completion method for construction and off-plan sale contracts following the half-yearly review of property developments whose land is controlled by the Group;

Accounting estimates were made by the Group amid a health and economic crisis (the "Covid-19 crisis") that created considerable uncertainty about the economic and financial outlook. The Group considered the reliable information at its disposal with respect to the impact of this crisis. The future results of the operations concerned may differ from the estimates made.

In addition to using estimates, the Group's management uses its judgement to define the appropriate accounting treatment for certain operations and transactions where current IFRS and their interpretations do not specifically address the accounting issues raised. In particular, management has exercised its judgement in:

- Determining the degree of control (sole or joint) by the Group over its investments or the existence of significant influence;
- Determining depreciation periods for investment property;
- Measuring the right-of-use assets and lease commitments that were used in applying IFRS 16 – Leases and, in particular, in determining lease terms;

- Determining the classification of leases in which the Group is the lessor between operating and finance leases;
- Determining whether acquisitions qualified as business combinations in accordance with the definition of a business introduced by an amendment to the revised IFRS 3;
- Determining whether certain assets and related liabilities meet the criteria to be classified as held for sale in accordance with IFRS 5.

1.3.3. Specific rules applying to the preparation of condensed consolidated financial statements

Condensed consolidated financial statements do not include all the financial information required for annual consolidated financial statements and should therefore be read in conjunction with the Group's consolidated financial statements as of December 31, 2020.

In accordance with IAS 34, the tax expense for H1 2021 was calculated by applying, for each company, the average effective tax rate estimated for the full financial year to the profit/(loss) before tax for the interim period. This rate was estimated based on 2021 data approved by management.

In addition, the Group's property assets are valued twice a year by independent valuers in accordance with the methods described in note 4.2.

Note 2. H1 2021 highlights

2.1. Health crisis

In H1 2021, the economy continued to feel the effects of the Covid-19 health crisis. In 2020, the Group took steps to adapt its organisation to the consequences of the government's health measures. These steps, which continued into H1 2021, have allowed the Group to keep its business strong, especially in the Property Development segment. This crisis had no material impact on the Group's H1 2021 financial results.

The Group will remain vigilant and proactive with respect to the evolving Covid-19 crisis and its potential consequences in H2.

2.2. Investments and disposals

2.2.1. Office Property Investment

- Investments continued in H1 and mainly related to the acquisition of the Le Prairial building in Nanterre (Hauts-de-Seine) and to ongoing development projects, including Origine in Nanterre (Hauts-de-Seine), Fresk in Issy-les-Moulineaux (Hauts-de-Seine), West Park 4 (Fontanot) in La Défense (Hauts-de-Seine) and Jump in the Portes de Paris business park.
  The Origine and West Park 4 (Fontanot) projects were completed in H1.

- Disposals made in H1 included the Millénaire 1 building in Aubervilliers (Seine-Saint-Denis) and the Le Loire building in Villejuif (Val-de-Marne) totalling over €320 million, i.e. a +6% premium to NAV as of December 31, 2020.

2.2.2. Healthcare Property Investment

The main transactions completed during the half-year included:

France Healthcare

- The acquisition of several nursing homes, private hospitals and post-acute care facilities in Rouffiac-Tolosan (Haute-Garonne), Le Chambon-sur-Lignon (Haute-Loire), Valenciennes (Nord), Champcueil (Essonne) and Choisy-le-Roi (Val-de-Marne);
- Four new facilities located in Narbonne, Lunel, Saintes and Perpignan were handed over in H1 to healthcare and senior services providers.

International Healthcare

In Italy, some highlights of the current agreements between Icade Healthcare Europe (IHE) and the operator KOS include:

- The acquisition in Castenaso of the seventh and last facility in a nursing home portfolio, pursuant to an agreement signed in 2019;
- A transaction was entered into to acquire five facilities located in the regions of Lombardy, Liguria, Le Marche and Emilia-Romagna. Under this arrangement, two nursing homes and a psychiatric facility were acquired in May. Two other assets are scheduled to be acquired in 2023.

In Spain:

- On March 26, 2021, Icade Healthcare Europe (IHE) and the Amavir group signed a preliminary agreement to acquire two nursing homes in Spain. These facilities will be acquired upon completion of the ongoing development work (between the end of 2022 and H1 2023).

For further information about investments and disposals completed during the half-year, an analysis has been provided in note 4.1.1 "Investment property".

2.3. Liquidity event

As part of preparing the liquidity event for its subsidiary Icade Santé, Icade indicated on June 7, 2021 that it was leaning towards an IPO on Euronext Paris by the end of 2021, subject to market conditions. The purpose of this transaction will be to finance the Healthcare Property Investment Division's growth and investment plan.

2.4. Finance and changes in net financial liabilities

In H1, the Group took a number of steps, including:

- On January 11, 2021, Icade issued a 10-year, €600.0 million bond with an annual coupon of 0.625%. This represented a historically low cost of 10-year debt for Icade.
  Most of the proceeds from this issue were allocated to the early redemption of a bond maturing in 2022 for a total of €395.7 million on 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.
- The Group terminated swaps totalling €228.4 million in H1. In accordance with IFRS 9, the cost of the early termination of these hedges was fully recognised in "Finance income/(expense)" in the amount of €22.0 million.

For further information about changes in the Group's finance during the period, a complete review has been provided in note 5 "Finance and financial instruments".

2.5. Dividend distribution

The General Meeting held on April 23, 2021 approved a gross dividend of €4.01 per share for the financial year 2020 and the following payment terms:

- Payment of an interim dividend of €2.01 per share in cash in March 2021 totalling €148.7 million, after taking into account treasury shares, and
- Payment of a final dividend of €2.0 per share on May 27, 2021 totalling €148.0 million, after taking into account treasury shares, depending on whether shareholders opted to receive:
  - 100% of the final dividend in cash, or;
  - 80% of this final dividend in new Icade ordinary shares and 20% in cash.

The final dividend consisted of a €47.4 million cash payment and a €100.6 million capital increase.

For further information about the dividends paid out by the Group during the half-year, an analysis has been provided in note 6 "Equity and earnings per share".

Note 3. Segment reporting

3.1. Segmented income statement

(in millions of euros)	Office Property Investment		Healthcare Property Investment		Property Development		Intersegment transactions and other items		Total	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
REVENUE	202.9	196.8	158.8	149.2	476.0	283.8	(7.7)	(7.8)	830.0	622.0
EBITDA	156.4	147.4	149.3	137.8	17.6	(12.2)	3.1	(1.5)	326.4	271.5
OPERATING PROFIT/(LOSS)	229.5	23.0	81.9	68.8	13.5	(16.4)	4.5	0.2	329.4	75.6
FINANCE INCOME/(EXPENSE)	(72.4)	(21.3)	(21.0)	(27.9)	(5.0)	(4.5)	(9.0)	0.1	(107.4)	(53.6)
NET PROFIT/(LOSS)	**156.0**	**0.7**	**60.1**	**39.0**	**5.8**	**(15.9)**	**(4.0)**	**0.3**	**218.0**	**24.0**
Net profit/(loss) attributable to non-controlling interests	1.5	0.8	25.0	16.8	3.4	1.2	-	-	29.9	18.9
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**154.5**	**(0.1)**	**35.1**	**22.1**	**2.4**	**(17.1)**	**(4.0)**	**0.3**	**188.1**	**5.2**

In H1 2021, 98.5% of revenue was generated in France (98.8% in H1 2020).

3.2. Segmented statement of financial position

(in millions of euros)	Office Property Investment		Healthcare Property Investment		Property Development		Intersegment transactions and other items		Total	
	06/30/21	12/31/20	06/30/21	12/31/20	06/30/21	12/31/20	06/30/21	12/31/20	06/30/21	12/31/20
Investment property	5,951.2	6,023.8	4,056.0	3,983.0	-	-	(9.3)	(20.9)	-	9,985.9
Other assets	3,188.9	3,430.2	(911.8)	(701.4)	1,199.2	1,188.6	(902.8)	(1,085.5)	2,573.4	2,831.8
TOTAL ASSETS	**9,140.1**	**9,454.0**	**3,144.2**	**3,281.6**	**1,199.2**	**1,188.6**	**(912.1)**	**(1,106.4)**	**12,571.3**	**12,817.7**
Equity attributable to the Group	3,041.3	2,936.8	(208.2)	(136.0)	85.7	83.3	(29.3)	(27.6)	2,889.5	2,856.5
Non-controlling interests	89.4	93.9	753.8	796.9	4.1	4.1	-	-	847.3	894.9
Financial liabilities	5,486.1	5,862.6	2,460.7	2,478.3	403.7	376.0	(880.2)	(1,053.2)	7,470.4	7,663.8
Other liabilities	523.3	560.7	137.9	142.4	705.7	725.2	(2.6)	(25.6)	1,364.1	1,402.5
TOTAL LIABILITIES AND EQUITY	**9,140.1**	**9,454.0**	**3,144.2**	**3,281.6**	**1,199.2**	**1,188.6**	**(912.1)**	**(1,106.4)**	**12,571.3**	**12,817.7**

3.3. Segmented cash flow from fixed assets and investment property

(in millions of euros)	Office Property Investment		Healthcare Property Investment		Property Development		Intersegment transactions and other items		Total	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
CASH FLOW:										
- acquisitions	(190.8)	(156.4)	(127.1)	(46.2)	(4.8)	(0.6)	-	-	(322.7)	(203.2)
- disposals	325.0	2.2	3.3	0.2	-	-	-	-	328.3	2.4

Note 4. Property portfolio and fair value

4.1. Property portfolio

4.1.1. Investment property

The Office Property Investment and Healthcare Property Investment portfolio consists primarily of investment property. It is valued as described in note 4.2 and its fair value is presented in note 4.3. Investments made in H1 2021 totalled €299.0 million, bringing the value of the property portfolio to €10,127.2 million:

(in millions of euros)	12/31/2020	Construction work, acquisitions and impact of changes in scope of consolidation (a)	Disposals	Net depreciation charges	Net change in impairment losses	Other changes (b)	06/30/2021
Office Property Investment	**6,143.5**	**155.6**	**(112.6)**	**(107.4)**	**(2.5)**	**(2.1)**	**6,074.5**
Including offices	4,626.6	122.6	(112.6)	(75.3)	(5.3)	(1.6)	4,554.4
Including business parks	1,235.9	32.5	-	(24.3)	4.9	-	1,249.1
Including other assets	281.1	0.5	(0.1)	(7.7)	(2.2)	(0.6)	271.0
Healthcare Property Investment	**3,979.7**	**143.4**	**(2.7)**	**(67.6)**	**(0.2)**	**0.0**	**4,052.6**
TOTAL PROPERTY PORTFOLIO	10,123.2	299.0	(115.3)	(174.9)	(2.7)	(2.1)	10,127.2
Types of assets comprising the portfolio:							
Investment property:							
- Fully consolidated property investment companies	9,985.9	298.9	(2.9)	(171.1)	(0.5)	(112.3)	9,997.9
- Equity-accounted property investment companies (c)	103.9	0.3	-	(3.8)	(2.2)	-	98.2
Properties held for sale	-	0.0	(112.4)	-	-	112.4	-
Financial receivables and other assets	76.8	(0.0)	-	-	-	(0.9)	75.9
Liabilities relating to investment property (d)	(43.4)	(0.2)	-	-	-	(1.2)	(44.8)
TOTAL PROPERTY PORTFOLIO	10,123.2	299.0	(115.3)	(174.9)	(2.7)	(2.1)	10,127.2

(a) Including capitalised finance costs for €2.1 million.

(b) Other changes related to reclassifications of investment property to assets held for sale, and to repayments of lease liabilities.

(c) The value of investment property of equity-accounted property investment companies is shown on a proportionate consolidation basis.

(d) Lease liabilities relating to building leases are the most significant liabilities relating to investment property.

Investments/Acquisitions

- Investments in the **Office Property Investment Division**'s investment property amounted to €155.6 million during the period and primarily included the following:
  - The acquisition of the Le Prairial building in Nanterre (Hauts-de-Seine) for €60.5 million;
  - Buildings under development or off-plan sale projects totalling €59.5 million, including:
    - Origine in Nanterre (Hauts-de-Seine) for €18.2 million;
    - Fresk in Issy-les-Moulineaux (Hauts-de-Seine) for €13.1 million;
    - West Park 4 (Fontanot) in La Défense (Hauts-de-Seine) for €9.8 million;
    - Jump in the Portes de Paris business park for €9.0 million.
  - Other investments, encompassing "Other capex" and "Other" for €35.6 million, related mainly to building maintenance work and tenant improvements.

- Investments (acquisitions and construction work) made by the **Healthcare Property Investment Division** amounted to €143.4 million during the period and related mainly to:
  - **France Healthcare** for €109.9 million:
    - The acquisition, for a total of €66.2 million, of several nursing homes, private hospitals and post-acute care facilities in Rouffiac-Tolosan (Haute-Garonne), Le Chambon-sur-Lignon (Haute-Loire), Valenciennes (Nord), Champcueil (Essonne) and Choisy-le-Roi (Val-de-Marne);
    - Development projects totalling €36.1 million including ongoing healthcare facility projects in Caen (Calvados), Blagnac (Haute-Garonne), Cabestany (Pyrénées-Orientales), La Roche-sur-Yon (Vendée), Le Perreux-Sur-Marne (Val-de-Marne) and the private hospitals completed during the period in Narbonne (Aude), Saintes (Charente-Maritime), Perpignan (Pyrénées-Orientales) and Lunel (Hérault);
    - Other capital expenditures for €7.6 million.
  - **International Healthcare** for €33.5 million:

    Investments made outside France totalled €33.5 million with the acquisition of three nursing homes and a psychiatric facility in Italy.

Disposals

Disposals for a total selling price of €328.3 million during the period, including €325.0 million for the Office Property Investment Division (mainly the Millénaire 1 and Le Loire buildings) and €3.3 million for the Healthcare Property Investment Division, generated a capital gain of €213.0 million.

Breakdown of the net value of investment property

In the consolidated statement of financial position, investment property consists of property owned by the Office Property Investment and Healthcare Property Investment Divisions, property held under finance leases and right-of-use assets relating to land developed as part of building leases.

The net value of investment property held by fully consolidated companies broke down as follows:

(in millions of euros)	Owned property	Property held under finance leases	Right-of-use asset	TOTAL
Gross value	11,889.8	595.5	33.1	12,518.4
Depreciation	(2,306.5)	(90.7)	(2.5)	(2,399.7)
Impairment losses	(132.9)	-	-	(132.9)
NET CARRYING AMOUNT AS OF 12/31/2020	**9,450.5**	**504.8**	**30.6**	**9,985.9**
Acquisitions, construction work and impact of changes in scope of consolidation	247.9	50.8	0.2	298.9
Disposals	(2.9)	-	-	(2.9)
Net depreciation charges	(162.9)	(7.6)	(0.6)	(171.1)
Net impairment losses	(0.5)	-	-	(0.5)
Transfer to assets held for sale	(112.3)	-	-	(112.3)
NET CARRYING AMOUNT AS OF 06/30/2021	**9,419.7**	**548.0**	**30.2**	**9,997.9**
Including gross amount	11,947.3	646.3	33.3	12,626.8
Including depreciation	(2,397.2)	(98.3)	(3.1)	(2,498.5)
Including impairment	(130.4)	-	-	(130.4)

4.1.2. Assets held for sale and discontinued operations

Assets held for sale relate primarily to property assets subject to preliminary sale agreements. Liabilities related to assets held for sale mainly come from the remaining balance of provisions made for discontinued operations.

(in millions of euros)	06/30/2021	12/31/2020
Liabilities related to assets held for sale and discontinued operations	2.3	3.1

4.2. Valuation of the property portfolio: methods and assumptions

4.2.1. Valuation assignments

The Group’s property assets are valued twice a year by independent property valuers for the publication of the half-year and annual consolidated financial statements, according to a framework consistent with the SIIC Code of Ethics (*sociétés d’investissement immobilier cotées*, French listed real estate investment companies) published in July 2008 by the French Federation of Real Estate Companies (*Fédération des sociétés immobilières et foncières*).

The valuers are selected through competitive bidding. The property valuers consulted are selected from among members of AFREXIM (*Association Française des Sociétés d’Expertise Immobilière*, French Association of Property Valuation Companies).

In accordance with the SIIC Code of Ethics, after seven years Icade shall ensure that there is an internal turnover of the teams responsible for the valuation of its assets in the selected property valuation company. The valuer signing the valuation may not be appointed for more than two consecutive terms of four years except where the valuer has met the requirement with regard to the internal turnover of the teams.

Property valuations were entrusted to Jones Lang LaSalle Expertises, Cushman & Wakefield Valuation France, CBRE Valuation, Catella Valuation and BNP Paribas Real Estate Valuation. Property valuation fees are billed to Icade on the basis of a fixed service fee that takes into account the specificities of the properties (number of units, floor area, number of existing leases, etc.) and that is not based on the value of the assets.

The assignments of the property valuers, whose main valuation methods and conclusions are presented hereafter, are performed according to professional standards, in particular:

- The French Property Valuation Charter (*Charte de l’expertise en évaluation immobilière*), fifth edition, published in March 2017;

- The Barthès de Ruyter report from the French Securities and Exchange Commission (COB), which is part of the French Financial Markets Authority (AMF), dated February 3, 2000, on the valuation of the property assets of publicly traded companies;
- On an international level, the European Valuation Standards of TEGoVA (The European Group of Valuers' Associations), published in April 2009 in the Blue Book, as well as the Red Book standards of the Royal Institution of Chartered Surveyors (RICS).

These various texts specify the required qualifications for the property valuers, a code of conduct and ethics, and the main definitions (values, floor areas, rates and main valuation methods).

During each valuation session and when valuers submit their valuation reports, the Group makes sure that the methods used by the different property valuers to value its assets are consistent.

Valuations are presented both inclusive and exclusive of duties, the values excluding duties being net of duties and fixed legal expenses calculated by the property valuers.

Operating office properties of significant value, the "Le Millénaire" shopping centre, the Fresnes retail and business park and all other business parks are subject to a double appraisal approach. On June 30, 2018, the application of the double appraisal approach was extended to cover office projects under development (excluding off-plan acquisitions) of the Office Property Investment Division with a valuation or a capex budget over €10 million.

On-site inspections are systematically conducted by the property valuers for all new assets added to the portfolio. Further on-site inspections are then organised according to a multi-year schedule or each time that a specific event in the life of the building requires it (occurrence of significant changes in its structure or environment). It should be noted that due to the health situation, the assets located in Italy were not inspected in H1 2021.

All the assets, including the land bank and projects under development, were valued as of June 30, 2021 according to the procedures currently in place within the Group, with the exception of:

- Properties subject to a preliminary sale agreement as of the end of the reporting period or those for which an offer has been received and that are valued based on the contractual sale price (or the price agreed as part of exclusive talks if applicable);
- Public properties and projects held as part of public-private partnerships (PPP) which are not subject to a formal valuation due to the fact that ownership ultimately returns to the State at the end of these contracts. These assets are therefore still recognised based on their net carrying amount in the fair value of the property portfolio reported by the Group (see note 4.3.1);
- Properties acquired less than three months before the end of the reporting period, which are valued at their acquisition price excluding duties.

The Group has also implemented a process of internal valuation by its asset management teams in order to verify the asset values obtained by the property valuers and to gain a better understanding of the future performance of the portfolio on the basis of the business plans defined. This process is updated on a yearly basis. However, assets whose business plan changes materially may be subject to a half-yearly update.

4.2.2. Methods used by the property valuers

The methods used by the property valuers are identical to those used for the previous financial year. They take into account changes in the market environment due to the health and economic crisis.

As of the valuation date, the property valuers considered market evidence to be sufficient and relevant, allowing them to form an opinion of value for the appraised properties.

Portfolio of the Office Property Investment Division

Investment property is valued by the property valuers who use two methods simultaneously: the net income capitalisation method and the discounted cash flow method (the property valuer uses, as the case may be, the mean of the two methods or the most appropriate method). The direct sales comparison method, which is based on the prices of transactions noted on the market for assets equivalent in type and location, is also used to verify these valuations.

The net income capitalisation method involves applying a yield to income streams, whether that income is reported, existing, theoretical or potential (estimated rental value). This approach may be implemented in different ways depending on the type of income considered (effective rent, estimated rental value or net rental income), as different yields are associated with each type.

The discounted cash flow method assumes that the value of the assets is equal to the present value of the cash flows expected by the investor, including the sale at the end of the holding period. In addition to the resale value obtained by applying a yield to the previous year's rents, cash flows include rents, the different service charges not recovered by the owner and the major maintenance and repair work. The discount rate to be applied to the cash flows is calculated based either on a risk-free rate plus a risk premium (related both to the property market and to the building considered taking into account its characteristics in terms of location, construction and security of income) or on the weighted average cost of capital.

The land bank and properties under development are also the subject of a valuation taken into account in calculating the net asset value and in performing impairment tests on property assets. The methods used by the property valuers primarily include the residual method and/or the discounted cash flow method, and also in certain cases the sales comparison method.

The residual method involves calculating the residual value of a project from the point of view of a property developer to whom the land has been offered. From the sale price of the building at the time of completion, the property valuer deducts all the costs to be incurred, including construction costs, fees and profit, finance costs and any land-related costs.

For properties under development, all outstanding costs linked to the completion of the project, along with carrying costs until completion, must be deducted from the buildings' estimated sale price. Projects under development are valued on the basis of a clearly identified and approved project, as soon as the building permit can be processed and implemented.

The land bank of the Rungis business park is valued separately. It should be noted that, in the Rungis business park, there is a remaining buildable area on plots already developed. The Group values the difference between the constructed area and the potential area in the context of a 25-year redevelopment plan. This plan provides for the net construction of 230,000 sq.m, resulting from the construction of a total of 340,000 sq.m, including 142,000 sq.m, 55,000 sq.m and 143,000 sq.m of premium, mid-range and mixed-use office space, respectively, all located in strategic areas for the development of the business park, and from the demolition of the most obsolete buildings, representing nearly 110,000 sq.m.

The method is based on:

- Applicable urban planning rules;
- Estimated absorption rate;
- Current market for new offices (estimated rental value, yield);
- Redevelopment plan for the site on 5-, 10-, 15-, 20- and 25-year horizons: 30,300 sq.m in the first five years, 52,100 sq.m between the 5th and the 10th year, 64,700 sq.m between the 10th and the 15th year, 38,500 sq.m between the 15th and the 20th year, and 44,100 sq.m between the 20th and the 25th year.

The estimated value of the remaining buildable area is based on the value of building land in the business park. A land coefficient of 17% is applied including a developer's profit of 8%. This coefficient is the result of the average price per square metre of the land and of a coefficient observed in business parks on the outskirts of Paris (2nd/3rd ring). The values thus obtained are discounted based on the 5-, 10-, 15-, 20- and 25-year redevelopment periods provided for in the projected plan with the respective rates of 4.75%, 6.75%, 9.0%, 13.0% and 17.0%.

This redevelopment plan, in addition to undeveloped land, represents a land bank valued at €37.5 million as of June 30, 2021 in the Rungis business park.

Additionally, the Group identified floor space awaiting refurbishment (not leased) across its Office Property Investment portfolio: buildings that are completely vacant, held for sale, or due to be refurbished or demolished, and for which a project will be initiated at a later stage. This floor space was valued at €42.9 million as of June 30, 2021.

Whichever method is selected, it is ultimately up to the property valuers to set a value and discount rate in line with the risks inherent in each project and, in particular, the state of progress of the various approval and construction stages (demolition permit, building permit, objections, stage of completion of work, any pre-commitment, or rent guarantee). From the exit value, the property valuers must explain which procedure they followed in estimating the degree of risk and the change in valuation for the building in the light of the circumstances under which they worked and the information made available to them.

Portfolio of the Healthcare Property Investment Division

Healthcare properties are valued by property valuers based on the mean of the values obtained using the rent capitalisation method (also known as "estimated rental value" method) and the discounted cash flow method. For the assets located in Germany and Italy, the property valuers have used the discounted cash flow method.

The market value of a healthcare facility is essentially dependent on its operation and its ability to generate sufficient revenue to provide a reasonable return on the property investment. These buildings fall under the category of single-use buildings and their value determined by the property valuer is totally related to their operation and consequently to the value of the underlying business. Also, since these premises are unsuitable for any other use without substantial conversion works, they are not subject to rent ceilings upon lease renewals or rent reviews or to the traditional rules for determining the estimated rental value.

The estimated rental value used by the property valuers thus takes into account a share of the average revenue or average EBITDA that the facility has generated during the last years of operation, with or without adjustment for category, administrative environment, quality of operating structure (price positioning, hospital fee agreement with the French Social Security, income statement, etc.) and competitive position. Alternatively, the healthcare property can be valued by capitalisation of the gross rental income reported by the Group. It should be noted that in Germany the portion of revenue allocated to lease payments is subject to local rules. Property valuers have taken into account this specific factor (I-Kost) in determining the estimated rental value.

4.2.3. Main valuation assumptions for investment property

Asset types	Methods generally used	Rates for discounting cash flows (DCF)	Exit yields (DCF)	Market yields (income capitalisation)	Estimated rental value (in €/sq.m)
OFFICES AND BUSINESS PARKS					
Offices					
Paris	Capitalisation and DCF	3.6% - 7.5%	3.0% - 7.5%	3.3% - 7.5%	€225 - €925
La Défense/Peri-Défense	Capitalisation and DCF	3.9% - 6.5%	4.3% - 6.5%	3.7% - 6.9%	€260 - €470
Other Western Crescent	Capitalisation and DCF	3.5% - 4.5%	4.3% - 5.3%	4.0% - 5.5%	€410 - €515
Inner Ring	Capitalisation and DCF	4.1% - 5.5%	4.2% - 6.0%	4.3% - 5.6%	€260 - €390
France outside the Paris region	Capitalisation and DCF	4.4% - 8.8%	3.9% - 9.0%	3.6% - 7.9%	€125 - €280
Business parks					
Inner Ring	DCF	4.3% - 9.5%	4.5% - 8.8%		€120 - €330
Outer Ring	DCF	4.8% - 12%	5.5% - 12%		€50 - €280
Other Office Property Investment assets					
Hotels	Capitalisation	N/A	N/A	5.0% - 6.9%	(a)
Retail	Capitalisation and DCF	6.4% - 8%	6.7% - 13.8%	6.9% - 10.5%	€80 - €245
Warehouses	Capitalisation and DCF	8% - 11%	8% - 12%	10% - 13%	€40 - €55
Residential	Comparison	N/A	N/A	N/A	N/A
HEALTHCARE					
Paris region	Capitalisation and DCF	4.7% - 6.3%	4.5% - 6.1%	4.3% - 5.7%	(a)
France outside the Paris region	Capitalisation and DCF	4.7% - 8.6%	4.4% - 8.3%	4.2% - 7.7%	(a)
Italy	DCF	5.7% - 7.3%	5.0% - 6.4%	N/A	(a)
Germany	DCF	4.4% - 6.8%	3.9% - 6.3%	N/A	(a)

(a) Not subject to the traditional rules for determining the estimated rental value, due to the layout and highly specific use of the premises.

4.3. Fair value of the property portfolio

4.3.1. Unrealised capital gains on the property portfolio

Unrealised capital gains amounted to €4,669.8 million as of June 30, 2021, representing an increase of €115.5 million compared to the previous financial year:

	06/30/2021			12/31/2020			Change		
(in millions of euros)	Fair value	Net carrying amount	Unrealised capital gains	Fair value	Net carrying amount	Unrealised capital gains	Fair value	Net carrying amount	Unrealised capital gains
Investment property (a)	14,589.3	9,953.1	4,636.2	14,466.0	9,942.5	4,523.5	123.3	10.6	112.7
Financial receivables and other assets	82.1	75.9	6.3	83.1	76.8	6.3	(1.0)	(0.9)	(0.1)
Property portfolio of fully consolidated companies	**14,671.4**	**10,029.0**	**4,642.4**	**14,549.1**	**10,019.3**	**4,529.8**	**122.3**	**9.7**	**112.6**
Investment property of equity-accounted companies	**125.5**	**98.2**	**27.3**	**128.3**	**103.9**	**24.4**	**(2.8)**	**(5.7)**	**2.9**
TOTAL PROPERTY PORTFOLIO	14,796.9	10,127.2	4,669.8	14,677.5	10,123.2	4,554.3	119.4	4.0	115.5
Portfolio distribution:									
Offices	6,719.4	4,554.4	2,164.9	6,899.6	4,626.6	2,273.1	(180.3)	(72.1)	(108.2)
Business parks	1,747.4	1,249.1	498.3	1,766.4	1,235.9	530.5	(19.0)	13.2	(32.2)
Other assets	348.7	271.0	77.7	356.6	281.1	75.6	(8.0)	(10.1)	2.1
Office Property Investment	**8,815.4**	**6,074.5**	**2,740.9**	**9,022.7**	**6,143.5**	**2,879.2**	**(207.3)**	**(69.0)**	**(138.3)**
Healthcare Property Investment	**5,981.5**	**4,052.6**	**1,928.9**	**5,654.8**	**3,979.7**	**1,675.1**	**326.7**	**73.0**	**253.8**
TOTAL PROPERTY PORTFOLIO	14,796.9	10,127.2	4,669.8	14,677.5	10,123.2	4,554.3	119.4	4.0	115.5

(a) Investment property and related liabilities.

The decrease in unrealised capital gains for the Office Property Investment Division resulted, among other things, from H1 asset disposals since part of the unrealised capital gains as of December 31, 2020 were realised on these disposals.

4.3.2. Impact of impairment losses on the income statement

The impact of impairment losses on the income statement is shown under the heading “Charges and reversals related to impairment of tangible, financial and other current assets” of the consolidated income statement.

As of June 30, 2021, net impairment losses on investment property held by fully consolidated Group companies totalled €0.5 million, resulting from an impairment loss of €11.5 million and a reversal of €11.0 million.

4.3.3. Sensitivity of the net carrying amounts of appraised assets to potential changes in fair value

The sensitivity of the net carrying amounts of appraised assets to potential changes in fair value ranging from -5.00% to +5.00% is shown in the table below.

Impact on net carrying amounts	Changes in fair value of investment property			
(in millions of euros)	- 5.00%	- 2.50%	+ 2.50%	+ 5.00%
Offices				
La Défense/Peri-Défense	(15.7)	(9.1)	5.0	19.1
Other Western Crescent	(6.3)	-	-	-
Subtotal Paris region	**(22.0)**	**(9.1)**	**+ 5.0**	**+ 19.1**
France outside the Paris region	-	-	-	-
TOTAL OFFICES	**(22.0)**	**(9.1)**	**+ 5.0**	**+ 19.1**
Business parks				
Outer Ring	(35.3)	(17.6)	17.6	35.3
TOTAL BUSINESS PARKS	**(35.3)**	**(17.6)**	**+ 17.6**	**+ 35.3**
TOTAL OFFICES AND BUSINESS PARKS	**(57.3)**	**(26.8)**	**+ 22.6**	**+ 54.4**
Other assets	(2.1)	(1.0)	1.0	2.1
TOTAL OFFICE PROPERTY INVESTMENT	**(59.4)**	**(27.8)**	**23.7**	**56.5**
Healthcare				
France outside the Paris region	(9.2)	(1.0)	0.2	0.5
Subtotal France Healthcare	**(9.2)**	**(1.0)**	**+ 0.2**	**+ 0.5**
International Healthcare	(1.0)	-	-	-
TOTAL HEALTHCARE PROPERTY INVESTMENT	**(10.2)**	**(1.0)**	**+ 0.2**	**+ 0.5**
TOTAL PROPERTY PORTFOLIO	**(69.5)**	**(28.8)**	**+ 23.9**	**+ 56.9**

Note 5. Finance and financial instruments

5.1. Financial structure and contribution to profit/(loss)

5.1.1. Change in net financial liabilities

Breakdown of net financial liabilities at end of period

Net financial liabilities as of June 30, 2021 and December 31, 2020 broke down as follows:

(in millions of euros)		12/31/2020	Cash flow from financing activities: New financial liabilities (c)	Cash flow from financing activities: Repayments (c)	Fair value adjustments and other changes (d)	06/30/2021
Bonds		4,482.0	600.0	(652.8)	-	4,429.2
Borrowings from credit institutions		1,982.1	30.0	(75.5)	0.2	1,936.8
Finance lease liabilities		220.2	27.4	(15.1)	-	232.4
Other borrowings and similar liabilities		50.0	-	(24.1)	15.9	41.7
NEU Commercial Paper		736.0	593.2	(685.0)	-	644.2
Payables associated with equity investments		104.1	-	(29.8)	15.1	89.5
Bank overdrafts		103.2	-	-	3.9	107.1
Total gross interest-bearing financial liabilities		7,677.5	1,250.6	(1,482.3)	35.2	7,481.0
Interest accrued and amortised issue costs		(13.7)	-	-	3.0	(10.7)
GROSS FINANCIAL LIABILITIES (a)	**5.1.2.**	**7,663.8**	**1,250.6**	**(1,482.3)**	**38.2**	**7,470.3**
Interest rate derivatives	5.1.3.	67.7	-	(14.9)	(23.2)	29.6
Financial assets (b)	5.1.5.	(124.6)	13.7	-	(32.4)	(143.3)
Cash and cash equivalents	5.1.6.	(1,190.1)	-	-	303.7	(886.4)
NET FINANCIAL LIABILITIES		**6,416.8**	**1,264.3**	**(1,497.2)**	**286.3**	**6,470.3**

(a) Including €930.4 million in current financial liabilities and €6,540.0 million in non-current financial liabilities.
(b) Excluding security deposits paid and security deposits received and held in an escrow account.
(c) Cash flow from financing activities.
(d) Other changes related primarily to cash flow from bank overdrafts and cash and cash equivalents.

Year-on-year, gross debt (excluding derivatives) was down €193.5 million and mainly included:

- Changes in Icade's bond issues:
  - Issue of a new 10-year, €600.0 million bond with an annual coupon of 0.625%;
  - Early redemption of two bonds for a total of €652.8 million;
- Net decrease in outstanding NEU Commercial Paper for €91.7 million;
- Changes in borrowings from credit institutions and other borrowings:
  - New credit lines secured and drawn down for €30.0 million;
  - Scheduled and early repayments for €99.4 million;
- Increase in finance lease liabilities:
  - New leases for €27.3 million;
  - Scheduled and early repayments for €15.1 million.

The €236.3 million decrease in cash flow from financing activities in the cash flow statement mainly included cash flow relating to net financial liabilities (€1,246.2 million increase and €1,497.2 million decrease) and repayments of lease liabilities (€3.9 million).

5.1.2. Components of financial liabilities

Gross financial liabilities: type of rate, maturity and fair value

Gross financial liabilities at amortised cost, excluding issue costs and premiums amortised using the effective interest method, stood at €7,481.0 million as of June 30, 2021 and broke down as follows:

(in millions of euros)	Balance sheet value 06/30/2021	Current < 1 year	Non-current 1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Fair value 06/30/2021
Bonds	4,429.2	-	-	279.2	-	1,250.0	2,900.0	4,628.8
Borrowings from credit institutions	749.0	2.7	3.0	13.5	2.5	2.7	724.7	822.2
Finance lease liabilities	88.3	13.2	8.6	8.8	9.0	14.5	34.3	95.3
Other borrowings and similar liabilities	16.0	15.9	0.0	0.0	0.0	0.0	-	18.2
NEU Commercial Paper	644.2	644.2	-	-	-	-	-	644.2
Fixed rate debt	5,926.8	676.0	11.6	301.6	11.5	1,267.2	3,659.0	6,208.7
Borrowings from credit institutions	1,187.8	17.5	20.0	67.9	432.5	387.9	261.9	1,220.4
Finance lease liabilities	144.1	14.9	11.1	20.3	5.3	10.9	81.6	144.8
Other borrowings and similar liabilities	25.7	1.3	1.4	1.4	1.4	1.5	18.8	30.0
Payables associated with equity investments	89.5	89.5	-	-	-	-	-	89.5
Bank overdrafts	107.1	107.1	-	-	-	-	-	107.1
Variable rate debt	1,554.2	230.3	32.5	89.7	439.3	400.3	362.2	1,591.8
TOTAL GROSS INTEREST-BEARING FINANCIAL LIABILITIES	**7,481.0**	**906.3**	**44.0**	**391.2**	**450.8**	**1,667.4**	**4,021.2**	**7,800.5**

The average debt maturity (excluding NEU Commercial Paper) was 6.4 years as of June 30, 2021 (5.9 years as of December 31, 2020). The average maturity of the Group's debt increased thanks to the debt raised in H1.

As of June 30, 2021, the average maturity was 4.5 years for variable rate debt and 6.5 years for the related hedges, making it possible to anticipate future financing needs.

Characteristics of the bonds

ISIN code	Issue date	Maturity date	Nominal value on the issue date	Rate	Repayment profile	Nominal value as of 12/31/2020	Increase	Early redemption	Nominal value as of 06/30/2021
FR0011577188	09/30/2013	09/29/2023	300.0	Fixed rate 3.375%	Bullet	279.2	-	-	279.2
FR0011847714	04/16/2014	04/16/2021	500.0	Fixed rate 2.25%	Bullet	257.1	-	257.1	-
FR0012942647	09/14/2015	09/14/2022	500.0	Fixed rate 1.875%	Bullet	395.7	-	395.7	-
FR0013181906	06/10/2016	06/10/2026	750.0	Fixed rate 1.75%	Bullet	750.0	-	-	750.0
FR0013218393	11/15/2016	11/17/2025	500.0	Fixed rate 1.125%	Bullet	500.0	-	-	500.0
FR0013281755	09/13/2017	09/13/2027	600.0	Fixed rate 1.5%	Bullet	600.0	-	-	600.0
FR0013320058	02/28/2018	02/28/2028	600.0	Fixed rate 1.625%	Bullet	600.0	-	-	600.0
FR0013457967	11/04/2019	11/04/2029	500.0	Fixed rate 0.875%	Bullet	500.0	-	-	500.0
FR0013535150	09/17/2020	09/17/2030	600.0	Fixed rate 1.375%	Bullet	600.0			600.0
FR0014001IM0	01/18/2021	01/18/2031	600.0	Fixed rate 0.625%	Bullet	-	600.0	-	600.0
Bonds						4,482.0	600.0	652.8	4,429.2

5.1.3. Derivative instruments

Presentation of derivatives in the consolidated statement of financial position

As of June 30, 2021, derivative liabilities mainly consisted of interest rate derivatives designated as cash flow hedges on the liability side of the balance sheet for €30.1 million and on the asset side for €0.5 million.

Detailed changes in fair value of derivative instruments as of June 30, 2021 were as follows:

(in millions of euros)	12/31/2020	Acquisitions	Disposals	Payments for guarantee	Changes in fair value recognised in the income statement	Changes in fair value recognised in equity	06/30/2021
Cash flow hedges	**(74.5)**	**0.3**	**21.9**		**(0.1)**	**22.7**	**(29.7)**
Interest rate swaps – fixed-rate payer	(74.5)	0.3	21.9	-	(0.1)	22.7	(29.7)
Non-hedging instruments	**(0.2)**	**-**	**-**	**-**	**0.2**	**-**	**0.1**
Interest rate swaps – fixed-rate payer	(0.2)	-	-	-	0.2	-	0.1
INTEREST RATE DERIVATIVES EXCLUDING MARGIN CALLS	(74.7)	0.3	21.9	-	0.2	22.7	(29.6)
Derivatives: margin calls	7.0	-	-	(7.0)	-	-	-
TOTAL INTEREST RATE DERIVATIVES	**(67.7)**	**0.3**	**21.9**	**(7.0)**	**0.2**	**22.7**	**(29.6)**
Including derivative assets	7.0	0.3		(7.0)	0.1	0.1	0.5
Including derivative liabilities	(74.7)	-	21.9	-	0.1	22.6	(30.1)

Changes in hedge reserves

Hedge reserves consisted exclusively of fair value adjustments to financial instruments used by the Group for interest rate hedging purposes (effective portion) for €23.6 million as of June 30, 2021.

Changes in hedge reserves as of June 30, 2021 are shown in the table below:

(in millions of euros)	Total	Attributable to the Group	Attributable to non-controlling interests
REVALUATION RESERVES AS OF DECEMBER 31, 2020	(67.7)	(53.1)	(14.5)
Changes in value of cash flow hedges	22.7	18.4	4.3
Revaluation reserves for cash flow hedges recycled to the income statement	21.4	21.1	0.3
Other comprehensive income	**44.1**	**39.4**	**4.7**
REVALUATION RESERVES AS OF JUNE 30, 2021	**(23.6)**	**(13.7)**	**(9.9)**

Derivatives: analysis of notional amounts by maturity

The derivative portfolio as of June 30, 2021 was as follows:

	06/30/2021			
(in millions of euros)	Total	< 1 year	> 1 year and < 5 years	> 5 years
Interest rate swaps – fixed-rate payer	1,009.9	14.0	470.6	525.3
Interest rate options – caps	77.2	-	77.2	-
TOTAL PORTFOLIO OF OUTSTANDING DERIVATIVES	1,087.1	14.0	547.8	525.3
Interest rate swaps – fixed-rate payer	125.0	-	-	125.0
TOTAL PORTFOLIO OF FORWARD START DERIVATIVES	125.0	-	-	125.0
TOTAL INTEREST RATE DERIVATIVES AS OF 06/30/2021	**1,212.1**	**14.0**	**547.8**	**650.3**
TOTAL INTEREST RATE DERIVATIVES AS OF 12/31/2020	**1,301.6**	**40.9**	**432.2**	**828.6**

These derivatives are used as part of the Group's interest rate hedging policy (see note 5.2.2).

5.1.4. Finance income/(expense)

Finance income/(expense) consists primarily of:

- The cost of the early termination of hedging instruments (swaps) totalling €22.0 million;
- The cost of prepayment penalties for bonds (call premiums) and other borrowings totalling €15.2 million;
- Cost of gross financial liabilities (mainly interest expenses on financial liabilities and derivatives) adjusted for income from cash, related loans and receivables;
- Other finance income and expenses (primarily including commitment fees).

The Group recorded a net finance expense of €107.4 million for H1 2021.

(in millions of euros)	06/30/2021	06/30/2020	12/31/2020
Interest expenses on financial liabilities	(48.9)	(49.8)	(102.3)
Interest expenses on derivatives	(6.5)	(5.9)	(12.3)
Recycling to the income statement of interest rate hedging instruments	0.7	0.8	1.5
COST OF GROSS FINANCIAL LIABILITIES	(54.7)	(55.0)	(113.1)
Interest income from cash and cash equivalents	0.5	0.8	1.8
Income from receivables and loans	1.8	2.9	6.6
Change in fair value of cash equivalents recognised in the income statement	(0.1)	-	-
Net income from cash and cash equivalents, related loans and receivables	**2.3**	**3.7**	**8.4**
COST OF NET FINANCIAL LIABILITIES	(52.5)	(51.3)	(104.7)
Income/(expense) from financial assets at fair value through profit or loss	(1.3)	3.7	(1.9)
Change in fair value of derivatives recognised in the income statement	0.2	0.3	0.5
Commitment fees	(4.0)	(3.4)	(7.2)
Restructuring costs for financial liabilities (a)	(37.7)	(0.2)	(0.5)
Finance income/(expense) from lease liabilities	(1.1)	(1.2)	(2.3)
Other finance income and expenses	(11.0)	(1.4)	(2.4)
Total other finance income and expenses	**(54.9)**	**(2.3)**	**(13.9)**
FINANCE INCOME/(EXPENSE)	**(107.4)**	**(53.6)**	**(118.6)**

(a) Includes swap termination payments and prepayment penalties for bonds (call premiums) and other borrowings.

5.1.5. Financial assets and liabilities

Change in financial assets and liabilities during the financial year

Changes in other financial assets as of June 30, 2021 broke down as follows:

(in millions of euros)	12/31/2020	Acquisitions	Disposals / Repayments	Impact of changes in fair value recognised in the income statement	Other	06/30/2021
Financial assets at fair value through profit or loss (a)	22.2	-	-	(1.3)	0.2	21.2
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**22.2**	**-**	**-**	**(1.3)**	**0.2**	**21.2**
Receivables associated with equity investments and other related parties	76.5	20.2	(16.4)	-	6.3	86.5
Loans	0.5	-	(0.2)	-	-	0.3
Shareholder loans	20.4	-	-	-	1.7	22.1
Deposits and guarantees paid	29.6	9.6	(0.0)	-	(0.7)	38.5
Other (b)	10.9	8.1	-	-	(0.1)	19.0
FINANCIAL ASSETS AT AMORTISED COST	**138.0**	**37.8**	**(16.6)**	**-**	**7.3**	**166.5**
TOTAL FINANCIAL ASSETS	**160.2**	**37.8**	**(16.6)**	**(1.3)**	**7.5**	**187.7**

(a) Financial assets at fair value mainly consisted of investments in unconsolidated companies.
(b) Includes escrowed funds.

Other financial liabilities consisted mostly of deposits and guarantees received from tenants for €70.8 million as of June 30, 2021. The non-current portion represents €70.1 million, including €67.6 million for the portion maturing in more than five years.

Maturity analysis of financial assets

A maturity analysis of financial assets as of June 30, 2021 is shown in the table below:

		Current	Non-current	
(in millions of euros)	06/30/2021	< 1 year	> 1 year and < 5 years	> 5 years
Receivables associated with equity investments and other related parties	86.5	86.5	-	-
Loans	0.3	0.0	0.0	0.2
Deposits and guarantees paid	38.5	0.6	2.5	35.4
Shareholder loans	22.1	22.1	-	-
Other	19.0	-	2.4	16.6
FINANCIAL ASSETS AT AMORTISED COST	**166.5**	**109.3**	**5.0**	**52.2**

5.1.6. Cash and cash equivalents

(in millions of euros)	06/30/2021	12/31/2020
Cash equivalents (term deposit accounts)	363.4	286.6
Cash on hand and demand deposits (including bank interest receivable)	522.9	903.5
CASH AND CASH EQUIVALENTS	**886.4**	**1,190.1**

5.2. Management of financial risks

The monitoring and management of financial risks are centralised within the Corporate and Financing Division of the Group's Finance Department. In addition, the Group's Risk, Rates, Treasury and Finance Committee meets on a regular basis with the Group's CEO, Head of Risk and CFO to discuss all matters relating to the management of the Group's liabilities and associated risks.

5.2.1. Liquidity risk

A liquidity risk policy provides a framework and limits to the Group's Finance Department in order to ensure that the Group is adequately protected from this risk.

In H1, the Group had access to abundant liquidity on favourable terms while remaining fully able to raise more funds if necessary. As of June 30, 2021, Icade had a fully available undrawn amount of €1,980 million (excluding credit lines for property development projects).

Throughout H1 2021, the Group had no need to draw down on its credit lines and thus still has the entire undrawn amount at its disposal.

As of June 30, 2021, the Group's cash net of bank overdrafts stood at €779.3 million while NEU Commercial Paper totalled €644.2 million.

As of June 30, 2021, cash and available credit lines covered 4.8 years of debt principal and interest payments.

Besides, the Group ensures disciplined management and monitoring of the maturities of its main credit lines as shown in the table below (financial liabilities excluding construction and off-plan sale contracts).

	06/30/2021										
	< 1 year		> 1 year and < 3 years		> 3 years and < 5 years		> 5 years				
(in millions of euros)	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total principal	Total interest	Grand total
Bonds	-	63.5	279.2	126.9	1,250.0	108.1	2,900.0	115.9	4,429.2	414.4	4,843.6
Borrowings from credit institutions	20.2	20.8	104.4	43.8	825.5	40.8	986.6	78.9	1,936.8	184.3	2,121.1
Finance lease liabilities	28.0	3.2	48.8	5.5	39.7	4.1	115.9	8.3	232.4	21.1	253.5
Other borrowings and similar liabilities	17.3	0.5	2.8	-	2.9	0.8	18.8	2.1	41.8	4.2	46.0
NEU Commercial Paper	644.2	-	-	-	-	-	-	-	644.2	-	644.2
Payables associated with equity investments	89.5	-	-	-	-	-	-	-	89.5	-	89.5
Bank overdrafts	107.1	-	-	-	-	-	-	-	107.1	-	107.1
Total gross interest-bearing financial liabilities	**906.4**	**87.9**	**435.2**	**177.1**	**2,118.2**	**153.8**	**4,021.2**	**205.2**	**7,481.0**	**624.0**	**8,105.0**
Financial derivatives		9.2		14.0		7.3		(1.8)		28.6	28.6
Lease liabilities	7.9	2.1	13.6	3.8	6.2	3.4	28.5	34.2	56.2	43.5	99.7
Accounts payable and tax liabilities	491.5	-	12.1	-	-	-	-	-	503.6	-	503.6
TOTAL	**1,405.7**	**99.2**	**461.0**	**194.9**	**2,124.3**	**164.4**	**4,049.8**	**237.6**	**8,040.7**	**696.1**	**8,736.9**

Thanks to active management of its debt in H1 2021, the Group has no significant debt maturity until 2023.

5.2.2. Interest rate risk

Interest rate risk is also governed by a specific policy set out by the Group's Finance Department and reported on a regular basis to the Audit and Risk Committee. This risk includes, in the event of increased interest rates, the risk of increased finance expenses related to variable rate financial liabilities and, in the event of reduced interest rates, the risk of reduced finance income related to variable rate financial assets.

To finance its investments, the Group may use variable rate debt, thus remaining able to prepay loans without penalty.

For the past five years, against a backdrop of historically low interest rates, the Group has pursued a prudent interest rate risk management policy with over 95% of its debt hedged.

		06/30/2021		
(in millions of euros)		Fixed rate	Variable rate	Total
Bonds		4,429.2	-	4,429.2
Borrowings from credit institutions		749.0	1,187.8	1,936.8
Finance lease liabilities		88.3	144.1	232.4
Other borrowings and similar liabilities		16.0	25.7	41.7
NEU Commercial Paper		644.2	-	644.2
Breakdown before hedging		**5,926.8**	**1,357.6**	**7,284.4**
Breakdown before hedging (in %)		*81%*	*19%*	*100%*
Impact of outstanding interest rate hedges (a)	5.1.3.	1,087.1	(1,087.1)	-
Breakdown after hedging		**7,013.8**	**270.5**	**7,284.4**
Breakdown after hedging (in %)		***96%***	***4%***	***100%***

(a) Taking into account outstanding hedges for calculating interest rate risk (see note 5.1.3).

As of June 30, 2021, the Group's total debt, consisting of 81% fixed rate debt and 19% variable rate debt, was 96% hedged against interest rate risk.

The average maturity of variable rate debt was 4.5 years and that of the associated hedges was 6.5 years.

It should be noted that the Group favours classifying its hedging instruments as "cash flow hedges" according to IFRS 9; therefore, any changes in fair value of such instruments are recognised in equity (for the effective portion).

Due to the Group's hedging structure and the trend in interest rates in the last few financial years, changes in fair value of hedging instruments had a negative impact on other comprehensive income of €22.7 million as of June 30, 2021.

The accounting impact of a -1% or +1% change in interest rates on the value of derivatives is described below:

	06/30/2021	
(in millions of euros)	Impact on equity before tax	Impact on the income statement before tax
Impact of a +1% change in interest rates	65.9	0.3
Impact of a -1% change in interest rates	(71.5)	(0.2)

5.2.3. Currency risk

Since the Group does not enter into any foreign currency transactions, it is not exposed to currency risk.

5.2.4. Counterparty and credit risk

In the course of its business, the Group is exposed to two major types of counterparties: financial institutions and its tenants.

Regarding financial institutions, credit and/or counterparty risk relates to cash and cash equivalents, and to the banks where they are deposited. The investments chosen have maturities of less than one year with a very low risk profile. They are monitored daily and a regular review of authorised investments complements the control process. Additionally, in order to limit its counterparty risk, the Group only deals in interest rate derivatives with banking institutions which help fund its expansion. Furthermore, the Group only enters into financial transactions with major banking institutions and applies a principle of risk dispersion, avoiding concentration of exposure to any single counterparty. These principles are set out in the Bank Counterparty Risk Policy managed by the Group's Finance Department. Despite the Covid-19 crisis, this risk did not materialise.

Regarding its tenants, the Group believes that it is not exposed to significant credit risk thanks to its diversified tenant portfolio in terms of location and individual size of lease commitments. In addition, the Group has introduced procedures to verify the creditworthiness of tenants prior to signing leases and on a regular basis thereafter. For the Property Investment business, a customer solvency analysis is carried out and, for the Property Development business, a check is made on the financing of insurance and guarantees. Lastly, for the Healthcare Property Investment business, the tenants' parent companies guarantee payment of any amount owed by them. These procedures are subject to regular monitoring.

The Group's exposure to credit risk corresponds primarily to the net carrying amount of receivables less deposits received from tenants, i.e. €20.6 million as of June 30, 2021.

5.2.5. Covenants and financial ratios

In addition, the Group is required to comply with the financial covenants listed below, which are covered by the Group's financial risk monitoring and management processes.

		Covenants	06/30/2021
LTV bank covenant	Maximum	< 60%	43.7%
ICR	Minimum	> 2	6.13x
CDC's stake	Minimum	34%	39.20%
Value of the property portfolio [(a)]	Minimum	From > €2bn to > €7bn	€14.8bn
Debt from property development subsidiaries/consolidated gross debt	Maximum	< 20%	1.7%
Security interests in assets	Maximum	< 20% of the property portfolio	7.9%

(a) Around 21% of the debt subject to a covenant on the value of the Property Investment Division's portfolio has a limit of €2 billion, 7% of the debt has a limit of €5 billion and the remaining 72% has a limit of €7 billion.

Loans taken out by the Group may be subject to covenants based on financial ratios—loan-to-value (LTV) ratio and interest coverage ratio (ICR)—and to a clause on the level of control by Caisse des dépôts, the Group's major shareholder, which may trigger early repayment. All covenants were met as of June 30, 2021.

As of June 30, 2021, Caisse des dépôts held 39.48% of voting rights and a 39.20% stake in Icade SA.

LTV bank covenant

The LTV (loan-to-value) bank covenant, which is the ratio of net financial liabilities to the latest valuation of the property portfolio excluding duties, stood at 43.7% as of June 30, 2021 (compared with 43.7% as of December 31, 2020).

The maximum covenant level was increased from 52% to 60% at the end of 2020 through amendments to all of the Company's bank loan and private placement agreements.

Interest coverage ratio (ICR)

The interest coverage ratio, which is the ratio of EBITDA plus the Group's share of net profit/(loss) of equity-accounted companies to the interest expense for the period, was 6.13x for H1 2021 (5.18x in H1 2020). The ratio remains at a high level, demonstrating the Group's ability to comfortably comply with its bank covenants.

5.3. Fair value of financial assets and liabilities

5.3.1. Reconciliation of the net carrying amount and fair value of financial assets and liabilities

Below is the reconciliation of the net carrying amount and fair value of financial assets and liabilities as of the end of the financial year 2021:

(in millions of euros)	Carrying amount as of 06/30/2021	Amortised cost	Fair value through equity	Fair value through profit or loss	Fair value as of 06/30/2021
ASSETS					
Financial assets	187.7	166.5	-	21.2	187.7
Derivative instruments	0.5	0.0	0.4	0.1	0.5
Contract assets	153.6	153.6	-	-	153.6
Accounts receivable	307.4	307.4	-	-	307.4
Other operating receivables (a)	63.3	63.3	-	-	63.3
Cash equivalents	363.4	-	-	363.4	363.4
TOTAL FINANCIAL ASSETS	**1,075.9**	**690.7**	**0.4**	**384.7**	**1,075.9**
LIABILITIES					
Financial liabilities	7,470.3	7,470.3	-	-	7,800.5
Lease liabilities	56.2	56.2	-	-	56.2
Other financial liabilities	73.8	73.8	-	-	73.8
Derivative instruments	30.1	-	30.1	-	30.1
Contract liabilities	38.8	38.8	-	-	38.8
Accounts payable	476.3	476.3	-	-	476.3
Other operating payables (a)	253.6	253.6	-	-	253.6
TOTAL FINANCIAL LIABILITIES	**8,399.1**	**8,369.1**	**30.1**	**-**	**8,729.3**

(a) Excluding agency transactions, prepaid expenses/income and social security and tax receivables/payables.

5.3.2. Fair value hierarchy of financial instruments

The financial instruments whose fair value is determined using a valuation technique based on non-observable data are investments in unconsolidated, unlisted companies.

As of June 30, 2021, the Group's financial instruments consisted of:

- Derivative assets and liabilities measured based on observable data (level 2 of the fair value hierarchy);
- Financial assets at fair value through profit or loss, measured based on market data not directly observable (level 3 of the fair value hierarchy);
- Cash equivalents (level 1 of the fair value hierarchy).

As of June 30, 2021, the Group did not hold any financial instruments measured based on unadjusted prices quoted in active markets for identical assets or liabilities (level 1 of the fair value hierarchy).

Below is a summary table of the fair value hierarchy of financial instruments as of June 30, 2021:

		06/30/2021			
(in millions of euros)	**Notes**	**Level 1: quoted price in an active market**	**Level 2: valuation technique based on observable data**	**Level 3: valuation technique based on non-observable data**	**Fair value**
ASSETS					
Financial assets designated at fair value through profit or loss					
Derivatives excluding margin calls	5.1.3.	-	0.5	-	0.5
Financial assets at fair value through profit or loss	5.1.5.	-	-	21.2	21.2
Cash equivalents	5.1.6.	363.4	-	-	363.4
LIABILITIES					
Liabilities designated at fair value					
Derivative instruments	5.1.3.	-	30.1	-	30.1

Note 6. Equity and earnings per share

6.1. Share capital and shareholding structure

6.1.1. Share capital

In H1 2021:

- On April 23, 2021, the General Meeting approved a gross dividend of €4.01 per share for the financial year 2020 (including the gross interim dividend of €2.01 per share paid on March 5, 2021). Shareholders also had the option of receiving 80% of the final dividend, i.e. a gross amount of €1.60 per share, in new shares;
- The price of the new shares has been set at €59.20 by the Board of Directors. This price is equal to 95% of the average quoted price of the share over the 20 trading days preceding the General Meeting, less the net amount of the portion of the final dividend;
  This scrip dividend scheme resulted in the issue of 1,698,804 new ordinary shares entitled to dividends starting from January 1, 2021 and a total capital increase of €100,569,196.80 (€2,589,463.35 in share capital and €97,979,733.45 in share premium).

Following this scheme, share capital as of June 30, 2021 consisted of 76,234,545 ordinary shares and totalled €116.2 million. All the shares issued are fully paid up.

As of June 30, 2021, no shares registered directly with the Company (not with an agent of Icade) were pledged.

6.1.2. Shareholding structure

As of June 30, 2021 and December 31, 2020, the Company's shareholding structure, both in terms of number of shares and percentage of share capital held, was as follows.

	06/30/2021		12/31/2020	
Shareholders	Number of shares	% of capital	Number of shares	% of capital
Caisse des dépôts (a)	29,885,063	39.20%	29,098,615	39.04%
Crédit Agricole Assurances Group (a)	14,566,095	19.11%	14,188,442	19.04%
Public	31,021,573	40.69%	30,515,556	40.94%
Employees	218,545	0.29%	192,859	0.26%
Treasury shares	543,269	0.71%	540,269	0.72%
TOTAL	**76,234,545**	**100.0%**	**74,535,741**	**100.00%**

(a) Number of shares held last notified to the Company as of May 27, 2021.

6.2. Dividends

	Dividends paid as of	
(in millions of euros)	06/30/2021	12/31/2020
Payment to Icade SA shareholders for the previous financial year (a)		
- Final or interim dividends deducted from tax-exempt fiscal profit (in accordance with the SIIC tax regime)	237.0	296.5
- Final or interim dividends deducted from profit taxable at the standard rate	59.7	-
Total dividend	**296.7**	**296.5**

(a) The 2020 dividend was paid as follows (see note 2.5):
- *an interim dividend payment of €2.01 per share on March 5, 2021 totalling €148.7 million, after taking into account treasury shares;*
- *a final dividend payment of €2.00 per share on May 27, 2021 totalling €148.0 million, after taking into account treasury shares:*
  - *€47.4 million in cash,*
  - *€100.6 million through an increase in Icade's capital.*

Dividends per share distributed in the financial years 2021 and 2020 in respect of profits for 2020 and 2019 stood at €4.01 for both years.

6.3. Earnings per share

Below are the detailed figures for basic and diluted earnings per share as of June 30, 2021, and December 31, 2020:

6.3.1. Basic earnings per share

(in millions of euros)	06/30/2021	06/30/2020	12/31/2020
Net profit/(loss) attributable to the Group from continuing operations	187.5	5.2	21.1
Net profit/(loss) attributable to the Group from discontinued operations	0.6	-	3.2
Net profit/(loss) attributable to the Group	**188.1**	**5.2**	**24.2**
Opening number of shares	74,535,741	74,535,741	74,535,741
Increase in the average number of shares as a result of a capital increase	319,112	-	-
Average number of treasury shares outstanding	(542,512)	(597,462)	(594,392)
Weighted average undiluted number of shares (a)	**74,312,341**	**73,938,279**	**73,941,349**
Net profit/(loss) attributable to the Group from continuing operations per share (in €)	€2.52	€0.07	€0.28
Net profit/(loss) attributable to the Group from discontinued operations per share (in €)	€0.01	-	€0.04
BASIC EARNINGS PER SHARE ATTRIBUTABLE TO THE GROUP (in €)	**€2.53**	**€0.07**	**€0.33**

(a) The weighted average undiluted number of shares is the number of shares at the start of the period plus, as the case may be, the average number of shares related to the capital increase less the average number of treasury shares outstanding.

6.3.2. Diluted earnings per share

(in millions of euros)	06/30/2021	06/30/2020	12/31/2020
Net profit/(loss) attributable to the Group from continuing operations	187.5	5.2	21.1
Net profit/(loss) attributable to the Group from discontinued operations	0.6	-	3.2
Net profit/(loss)	**188.1**	**5.2**	**24.2**
Weighted average undiluted number of shares	74,312,341	73,938,279	73,941,349
Impact of dilutive instruments (stock options and bonus shares)	72,574	54,739	51,257
Weighted average diluted number of shares (a)	**74,384,915**	**73,993,018**	**73,992,606**
Diluted net profit/(loss) attributable to the Group from continuing operations per share (in €)	€2.52	€0.07	€0.28
Diluted net profit/(loss) attributable to the Group from discontinued operations per share (in €)	€0.01	-	€0.04
DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE GROUP (in €)	**€2.53**	**€0.07**	**€0.33**

(a) The weighted average diluted number of shares is the weighted average undiluted number of shares adjusted for the impact of dilutive instruments (stock options and bonus shares).

Note 7. Operational information

7.1. Revenue

The Group's revenue breaks down as follows:

(in millions of euros)	06/30/2021	06/30/2020	12/31/2020
REVENUE	**830.0**	**622.0**	**1,440.2**
Including lease income from operating and finance leases:			
- Office Property Investment	190.3	187.2	377.0
- Healthcare Property Investment	157.6	149.2	301.4
Including construction and off-plan sale contracts from Property Development	468.7	270.6	731.7

Service charges recharged to tenants included in the "Outside services" line of the consolidated income statement broke down as follows:

(in millions of euros)	06/30/2021	06/30/2020	12/31/2020
Office Property Investment	52.7	57.1	108.8
Healthcare Property Investment	13.6	12.5	25.3
SERVICE CHARGES RECHARGED TO TENANTS	**66.3**	**69.6**	**134.2**

7.2. Components of the working capital requirement

The working capital requirement consists primarily of the following items:

- Inventories and work in progress, accounts receivable, contract assets and miscellaneous receivables on the asset side of the consolidated statement of financial position;
- Accounts payable, contract liabilities and miscellaneous payables on the liability side of the consolidated statement of financial position.

7.2.1. Change in working capital requirement

The change in working capital requirement from operating activities in the consolidated cash flow statement can be broken down by segment as follows:

(in millions of euros)	06/30/2021	12/31/2020
Office Property Investment	32.3	16.8
Healthcare Property Investment	(2.1)	(5.4)
Property Development	(36.7)	173.1
TOTAL CASH FLOW FROM COMPONENTS OF THE WORKING CAPITAL REQUIREMENT	**(6.5)**	**184.6**

The -€6.5 million change in working capital requirement as of June 30, 2021 is mainly attributable to:

- A €7.7 million decrease in accounts receivable and other receivables and a €22.4 million increase in accounts payable and other payables for the Property Investment Divisions;
- A €34.4 million increase in contract assets, a €10.0 million decrease in accounts payable and other payables and a €7.9 million decrease in accounts receivable for the Property Development Division.

7.2.2. Inventories and work in progress

Changes in inventories in H1 2021 were as follows:

	Property Development					
(in millions of euros)	Land bank	Work in progress	Unsold completed units	Total	Office Property Investment	Total
Gross value	103.9	379.0	14.2	497.1	0.8	**497.9**
Impairment loss	(11.7)	(12.3)	(1.7)	(25.7)	(0.0)	**(25.8)**
NET VALUE AS OF 12/31/2020	**92.2**	**366.7**	**12.5**	**471.3**	**0.8**	**472.1**
Gross value	95.9	379.5	19.6	495.1	0.8	**495.9**
Impairment loss	(11.0)	(14.3)	(1.7)	(27.0)	(0.0)	**(27.0)**
NET VALUE AS OF 06/30/2021	**84.9**	**365.2**	**18.0**	**468.1**	**0.8**	**468.9**

7.2.3. Accounts receivable and contract assets and liabilities

Changes in accounts receivable in H1 2021 were as follows:

(in millions of euros)	12/31/2020	Change for the period	Net change in impairment losses recognised in the income statement	06/30/2021
Construction contracts (advances from customers)	43.0	(5.2)		37.8
Advances, down payments and credit notes to be issued	0.8	0.3		1.0
CONTRACT LIABILITIES	**43.8**	**(4.9)**		**38.8**
Construction and off-plan sale contracts	125.9	27.7	-	153.6
CONTRACT ASSETS – NET VALUE	**125.9**	**27.7**	**-**	**153.6**
Accounts receivable – operating leases	240.6	(9.6)		231.0
Financial accounts receivable – finance leases	75.8	(0.9)		74.9
Accounts receivable from ordinary activities	49.9	(5.6)		44.3
Accounts receivable – Gross value	**366.3**	**(16.0)**		**350.2**
Impairment of receivables from leases	(41.3)	(0.0)	3.6	(37.7)
Impairment of receivables from ordinary activities	(5.1)	-	(0.1)	(5.1)
Accounts receivable – Impairment	**(46.3)**	**(0.0)**	**3.5**	**(42.8)**
ACCOUNTS RECEIVABLE – NET VALUE	**319.9**	**(16.0)**	**3.5**	**307.4**

Note 8. Equity-accounted investments

8.1. Change in equity-accounted investments

In the consolidated statement of financial position, the change in "Equity-accounted investments" between December 31, 2020 and June 30, 2021 broke down as follows:

	06/30/2021			12/31/2020		
(in millions of euros)	Joint ventures	Associates	Total equity-accounted companies	Joint ventures	Associates	Total equity-accounted companies
OPENING SHARE IN NET ASSETS	121.1	0.9	122.0	132.0	0.0	132.1
Share of profit/(loss)	(5.2)	0.5	(4.6)	(10.9)	0.4	(10.6)
Dividends paid	6.9	(0.2)	6.7	3.4	0.5	3.9
Impact of changes in scope of consolidation and capital	(5.2)	0.1	(5.1)	(3.4)	-	(3.4)
CLOSING SHARE IN NET ASSETS	**117.6**	**1.3**	**119.0**	**121.1**	**0.9**	**122.0**

8.2. Information on joint ventures and associates

Key information on the income statement of joint ventures is presented below (on a proportionate consolidation basis for the relevant companies). Associates are immaterial to the Group.

	06/30/2021			06/30/2020			12/31/2020		
(in millions of euros)	Office Property Investment	Property Development	Total	Office Property Investment	Property Development	Total	Office Property Investment	Property Development	Total
Revenue	3.8	60.3	64.1	4.1	16.5	20.6	8.8	73.0	81.8
EBITDA	(0.8)	2.9	2.0	0.4	0.6	1.0	2.1	3.4	5.6
Operating profit/(loss)	(6.9)	2.8	(4.1)	(6.5)	0.6	(5.9)	(12.8)	3.4	(9.4)
Finance income/(expense)	(0.1)	(0.8)	(1.0)	(0.1)	(0.1)	(0.3)	(0.2)	(1.0)	(1.2)
Income tax	-	(0.1)	(0.1)	-	(0.1)	(0.1)	-	(0.4)	(0.4)
NET PROFIT/(LOSS)	**(7.0)**	**1.9**	**(5.2)**	**(6.6)**	**0.4**	**(6.2)**	**(13.1)**	**2.1**	**(10.9)**
including depreciation net of government grants	(3.9)	(0.1)	(4.0)	(3.9)	-	(3.9)	(7.9)	-	(7.9)

Note 9. Income tax

9.1. Tax expense

The tax expense is detailed in the table below:

(in millions of euros)	06/30/2021	06/30/2020	12/31/2020
Tax expense (a)	(2.5)	5.1	1.3
Company value-added contribution (CVAE)	(2.1)	(3.2)	(6.5)
TAX EXPENSE RECOGNISED IN THE INCOME STATEMENT	**(4.6)**	**1.9**	**(5.2)**

(a) Including net change in provisions for tax risks.

Note 10. Provisions and contingent liabilities

10.1. Provisions

Provisions as of June 30, 2021 were adequate to cover all identified risks regardless of their nature, particularly operational and financial risks.

(in millions of euros)	12/31/2020	Charges	Use	Reversals	Actuarial gains and losses	06/30/2021
Employee benefit liabilities	25.9	0.2	(0.5)	-	(3.1)	22.5
Onerous contract provisions	1.1	0.2	(0.3)	-	-	1.0
Other provisions	42.6	19.3	(2.6)	(0.4)	-	58.9
PROVISIONS FOR LIABILITIES AND CHARGES	**69.6**	**19.8**	**(3.4)**	**(0.4)**	**(3.1)**	**82.5**
Non-current provisions	32.1	0.2	(1.0)	-	(3.1)	28.1
Current provisions	37.6	19.6	(2.3)	(0.4)	-	54.4

10.2. Contingent liabilities

At the end of 2020, DomusVi, the operator of 14 nursing homes owned by Icade Santé SAS, initiated proceedings against the Group before the Tribunal Judiciaire de Paris (Judicial Court of Paris). It is seeking to have the rent escalation clauses contained in the commercial leases signed in July 2018 declared invalid. The Group considers this claim to be unfounded and has a strong case that should lead to its dismissal.

In any event, if the Court were to find that the rent ceiling provisions are invalid, the Group considers, on the basis of recent Court of Cassation case law, that such invalidity could be limited to those provisions only, without affecting the rent escalation clause as a whole, so that the leases would still contain such a clause.

Note 11. Other information

11.1. Off-balance sheet commitments

On June 29, 2021, Icade Santé signed a preliminary agreement to acquire a post-acute care facility in France from the ORPEA Group for €27.7 million in Olivet (Loiret).

11.2. Events after the reporting period

None

11.3. Scope of consolidation

The table below shows the list of companies included in the scope of consolidation as of June 30, 2021 and the consolidation method used ("full" for "full consolidation" or "equity" for "equity method").

Full = full consolidation
Equity = equity method

		06/30/2021			2020
Company name	Legal form	June 2021 % ownership	Joint ventures / Associates	Method of consolidation	December 2020 % ownership
OFFICE PROPERTY INVESTMENT					
ICADE SA	SA	Parent company		Full	
GIE ICADE MANAGEMENT	GIE	100.00		Full	100.00
BUSINESS PARKS					
BATI GAUTIER	SCI	100.00		Full	100.00
OFFICES					
PARC DU MILLENAIRE	SCI	100.00		Full	100.00
68 VICTOR HUGO	SCI	100.00		Full	100.00
PDM 1	SCI	100.00		Full	100.00
PDM 2	SCI	100.00		Full	100.00
ICADE LEO LAGRANGE (formerly VILLEJUIF)	SCI	100.00		Full	100.00
MESSINE PARTICIPATIONS	SCI	100.00		Full	100.00
MORIZET	SCI	100.00		Full	100.00
1 TERRASSE BELLINI	SCI	33.33	Joint ventures	Equity	33.33
ICADE RUE DES MARTINETS	SCI	100.00		Full	100.00
TOUR EQHO	SAS	51.00		Full	51.00
LE TOLBIAC	SCI	100.00		Full	100.00
SAS ICADE TMM	SAS	100.00		Full	100.00
SNC LES BASSINS À FLOTS	SNC	100.00		Full	100.00
SCI LAFAYETTE	SCI	54.98		Full	54.98
SCI STRATEGE	SCI	54.98		Full	54.98
SCI SILKY WAY	SCI	100.00		Full	100.00
SCI FUTURE WAY	SCI	50.55		Full	50.55
SCI NEW WAY	SCI	100.00		Full	100.00
SCI ORIANZ	SCI	65.31		Full	65.31
SCI FACTOR E.	SCI	65.31		Full	65.31
POINTE METRO 1	SCI	100.00		Full	100.00
SCI QUINCONCES TERTIAIRE	SCI	51.00		Full	51.00
SCI QUINCONCES ACTIVITES	SCI	51.00		Full	
OTHER ASSETS					
BASSIN NORD	SCI	50.00	Joint ventures	Equity	50.00
SCI BATIMENT SUD DU CENTRE HOSP PONTOISE	SCI	100.00		Full	100.00
SCI BSM DU CHU DE NANCY	SCI	100.00		Full	100.00
SCI IMMOBILIER HOTELS	SCI	77.00		Full	77.00
SCI BASILIQUE COMMERCE	SCI	51.00	Joint ventures	Equity	51.00
OTHER					
ICADE 3.0	SASU	100.00		Full	100.00

Company name	Legal form	06/30/2021 June 2021 % ownership	Joint ventures / Associates	Method of consolidation	2020 December 2020 % ownership
CYCLE-UP	SAS	48.61	Joint ventures	Equity	48.61
URBAN ODYSSEY	SAS	100.00		Full	100.00
HEALTHCARE PROPERTY INVESTMENT					
FRANCE HEALTHCARE					
ICADE SANTÉ	SAS	58.30		Full	58.30
SCI TONNAY INVEST	SCI	58.30		Full	58.30
SCI PONT DU CHÂTEAU INVEST	SCI	58.30		Full	58.30
SNC SEOLANES INVEST	SNC	58.30		Full	58.30
SCI SAINT AUGUSTINVEST	SCI	58.30		Full	58.30
SCI CHAZAL INVEST	SCI	58.30		Full	58.30
SCI DIJON INVEST	SCI	58.30		Full	58.30
SCI COURCHELETTES INVEST	SCI	58.30		Full	58.30
SCI ORLÉANS INVEST	SCI	58.30		Full	58.30
SCI MARSEILLE LE ROVE INVEST	SCI	58.30		Full	58.30
SCI GRAND BATAILLER INVEST	SCI	58.30		Full	58.30
SCI SAINT CIERS INVEST	SCI	58.30		Full	58.30
SCI SAINT SAVEST	SCI	58.30		Full	58.30
SCI BONNET INVEST	SCI	58.30		Full	58.30
SCI GOULAINE INVEST	SCI	58.30		Full	58.30
SCI HAUTERIVE	SCI		Merger		58.30
SCI DES 2 ET 4 DE LA RUE DES VIVIERS	SCI		Acquisition and merger		
SCI DENTELLIÈRE	SCI		Acquisition and merger		
SAS ROLLIN LECLERC	SAS	58.30		Full	
INTERNATIONAL HEALTHCARE					
OPPCI ICADE HEALTHCARE EUROPE	SPPICAV	59.39		Full	59.39
SALUTE ITALIA - FUND	REIF	59.39		Full	59.39
SAS IHE SALUD IBERICA	SAS	59.39		Full	59.39
SAS IHE GESUNDHEIT	SAS	63.49		Full	59.39
SAS IHE RADENSLEBEN	SAS	63.49		Full	61.83
SAS IHE NEURUPPIN	SAS	63.49		Full	61.83
SAS IHE TREUENBRIETZEN	SAS	63.49		Full	61.83
SAS IHE ERKNER	SAS	63.49		Full	61.83
SAS IHE KYRITZ	SAS	63.49		Full	61.83
SAS IHE HENNIGSDORF	SAS	63.49		Full	61.83
SAS IHE COTTBUS	SAS	63.49		Full	61.83
SAS IHE BELZIG	SAS	63.49		Full	61.83
SAS IHE FRIEDLAND	SAS	63.49		Full	61.83
SAS IHE KLAUSA	SAS	63.49		Full	61.83
SAS IHE AUENWALD	SAS	63.49		Full	61.83
SAS IHE KLT GRUNDBESITZ	SAS	63.49		Full	61.83
SAS IHE ARN GRUNDBESITZ	SAS	63.49		Full	61.83
SAS IHE BRN GRUNDBESITZ	SAS	63.49		Full	61.83
SAS IHE FLORA MARZINA	SAS	63.49		Full	61.83
SAS IHE KOPPENBERGS HOF	SAS	63.49		Full	61.83
SAS IHE LICHTENBERG	SAS	63.49		Full	61.83
SAS IHE TGH GRUNDBESITZ	SAS	63.49		Full	61.83
SAS IHE PROMENT BESITZGESELLSCHAFT	SAS	63.49		Full	61.83
SAS IHE BREMERHAVEN	SAS	63.49		Full	61.83
SAS ORESC 7	SAS	30.29		Full	30.29
SAS ORESC 8	SAS	53.39		Full	53.39
SAS ORESC 12	SAS	30.29		Full	30.29
IHE SPAIN 1	SLU	59.39		Full	
PROPERTY DEVELOPMENT					
RESIDENTIAL PROPERTY DEVELOPMENT					
SCI DU CASTELET	SCI	100.00		Full	100.00
SARL B.A.T.I.R. ENTREPRISES	SARL	100.00		Full	100.00

Company name	Legal form	06/30/2021 June 2021 % ownership	Joint ventures / Associates	Method of consolidation	2020 December 2020 % ownership
ST CHARLES CHANCEL	SCI	100.00		Full	100.00
SARL FONCIERE ESPACE ST CHARLES	SARL	86.00		Full	86.00
MONTPELLIERAINE DE RENOVATION	SARL	86.00		Full	86.00
SCI ST CHARLES PARVIS SUD	SCI	58.00		Full	58.00
MSH	SARL	100.00		Full	100.00
SARL GRP ELLUL-PARA BRUGUIERE	SARL	100.00		Full	100.00
SNC LE CLOS DU MONESTIER	SNC	100.00		Full	100.00
SCI LES ANGLES 2	SCI	75.50		Full	75.50
SNC MARINAS DEL SOL	SNC	100.00		Full	100.00
SCI LES JARDINS D’HARMONY	SCI	100.00		Full	100.00
SNC MEDITERRANEE GRAND ARC	SNC	50.00	Joint ventures	Equity	50.00
SCI ROYAL PALMERAIE	SCI	100.00		Full	100.00
SCI LA SEIGNEURIE	SCI	62.50		Full	62.50
ICADE PROMOTION LOGEMENT	SAS	100.00		Full	100.00
CAPRI PIERRE	SARL	99.92		Full	99.92
SNC CHARLES	SNC	50.00	Joint ventures	Equity	50.00
SCI TERRASSE GARONNE	SCI	49.00	Joint ventures	Equity	49.00
SCI MONNAIE - GOUVERNEURS	SCI	70.00		Full	70.00
SCI ERSTEIN LA FILATURE 3	SCI	50.00	Joint ventures	Equity	50.00
SCI STIRING WENDEL	SCI	75.00		Full	75.00
STRASBOURG R. DE LA LISIERE	SCI	33.00	Joint ventures	Equity	33.00
SNC LES SYMPHONIES	SNC	66.70		Full	66.70
SCI LES PLEIADES	SCI	50.00	Joint ventures	Equity	50.00
SNC LA POSEIDON	SNC	100.00		Full	100.00
MARSEILLE PARC	SCI	50.00	Joint ventures	Equity	50.00
LE PRINTEMPS DES ROUGIERES	SARL	96.00		Full	96.00
SNC MONTBRILLAND	SNC	87.00		Full	87.00
SCI BRENIER	SCI	95.00		Full	95.00
SCI GERLAND ILOT 4	SCI	40.00	Joint ventures	Equity	40.00
PARC DU ROY D’ESPAGNE	SNC	50.00	Joint ventures	Equity	50.00
SCI JEAN DE LA FONTAINE	SCI	50.00	Joint ventures	Equity	50.00
SCI 101 CHEMIN DE CREMAT	SCI	50.00	Joint ventures	Equity	50.00
MARSEILLE PINATEL	SNC	50.00	Joint ventures	Equity	50.00
SNC 164 PONT DE SEVRES	SNC	65.00		Full	65.00
SCI LILLE LE BOIS VERT	SCI	50.00	Joint ventures	Equity	50.00
SCI LES LYS DE MARGNY	SCI		Dissolution		50.00
SCI GARCHES 82 GRANDE RUE	SCI	50.00	Joint ventures	Equity	50.00
SCI RUEIL CHARLES FLOQUET	SCI	50.00	Joint ventures	Equity	50.00
SCI VALENCIENNES RESIDENCE DE L’HIPPODROME	SCI	75.00		Full	75.00
SCI COLOMBES ESTIENNES D’ORVES	SCI	50.00	Joint ventures	Equity	50.00
SCI BOULOGNE SEINE D2	SCI	17.33	Associates	Equity	17.33
BOULOGNE VILLE A2C	SCI	17.53	Associates	Equity	17.53
BOULOGNE VILLE A2D	SCI	16.94	Associates	Equity	16.94
BOULOGNE VILLE A2E	SCI	16.94	Associates	Equity	16.94
BOULOGNE VILLE A2F	SCI	16.94	Associates	Equity	16.94
BOULOGNE PARC B1	SCI	18.23	Associates	Equity	18.23
BOULOGNE 3-5 RUE DE LA FERME	SCI	13.21	Associates	Equity	13.21
BOULOGNE PARC B2	SCI	17.30	Associates	Equity	17.30
SCI Lieusaint Rue de Paris	SCI	50.00	Joint ventures	Equity	50.00
BOULOGNE PARC B3A	SCI	16.94	Associates	Equity	16.94
BOULOGNE PARC B3F	SCI	16.94	Associates	Equity	16.94
SCI ROTONDE DE PUTEAUX	SCI	33.33	Joint ventures	Equity	33.33
SCI CHATILLON AVENUE DE PARIS	SCI	50.00	Joint ventures	Equity	50.00
SCI FRANCONVILLE - 1 RUE DES MARAIS	SCI	49.90	Joint ventures	Equity	49.90
ESSEY LES NANCY	SCI	75.00		Full	75.00
SCI LE CERCLE DES ARTS – Housing	SCI	37.50		Full	37.50

Company name	Legal form	06/30/2021 June 2021 % ownership	Joint ventures / Associates	Method of consolidation	2020 December 2020 % ownership
LE CLOS STANISLAS	SCI	75.00		Full	75.00
LES ARCHES D'ARS	SCI	75.00		Full	75.00
ZAC DE LA FILATURE	SCI	50.00	Joint ventures	Equity	50.00
SCI LA SUCRERIE – Housing	SCI	37.50		Full	37.50
SCI LA JARDINERIE – Housing	SCI	37.50		Full	37.50
LES COTEAUX DE LORRY	SARL	50.00	Joint ventures	Equity	50.00
SCI LE PERREUX ZAC DU CANAL	SCI	72.50		Full	72.50
SCI Boulogne Ville A3 LA	SCI	17.40	Associates	Equity	17.40
SNC Nanterre MH17	SNC	50.00	Joint ventures	Equity	50.00
SNC SOISY AVENUE KELLERMAN	SNC	50.00	Joint ventures	Equity	50.00
SNC ST FARGEAU HENRI IV	SNC	60.00		Full	60.00
SCI ORLEANS ST JEAN LES CEDRES	SCI	49.00	Joint ventures	Equity	49.00
RUE DE LA VILLE	SNC	99.99		Full	99.99
BEAU RIVAGE	SCI	99.99		Full	99.99
RUE DU 11 NOVEMBRE	SCI	100.00		Full	100.00
RUE GUSTAVE PETIT	SCI	100.00		Full	100.00
RUE DEBLORY	SCI	100.00		Full	100.00
RUE DU MOULIN	SCI	100.00		Full	100.00
IMPASSE DU FORT	SCI	100.00		Full	100.00
SCI AVENUE DEGUISE	SCI	100.00		Full	100.00
LE GRAND CHENE	SCI	100.00		Full	100.00
DUGUESCLIN DEVELOPPEMENT	SAS	100.00		Full	100.00
DUGUESCLIN & ASSOCIES MONTAGNE	SAS	100.00		Full	100.00
BALCONS DU SOLEIL	SCI	40.00	Joint ventures	Equity	40.00
CDP THONON	SCI	33.33	Joint ventures	Equity	33.33
SCI RESID. SERVICE DU PALAIS	SCI	100.00		Full	100.00
SCI RESID. HOTEL DU PALAIS	SCI	100.00		Full	100.00
SCI LE VERMONT	SCI	40.00	Joint ventures	Equity	40.00
SCI HAGUENAU RUE DU FOULON	SCI	50.00	Joint ventures	Equity	50.00
SNC URBAVIA	SNC	50.00	Joint ventures	Equity	50.00
SCI GERTWILLER 1	SCI	50.00		Full	50.00
SCCV LES VILLAS DU PARC	SCCV	100.00		Full	100.00
SCI RUE BARBUSSE	SCI	100.00		Full	100.00
SCI SOPHIA PARK	SCI	50.00	Joint ventures	Equity	50.00
LES HAUTS DE L'ESTAQUE	SCI		Dissolution		51.00
ROUBAIX RUE DE L'OUEST	SCCV	50.00	Joint ventures	Equity	50.00
SCV CHATILLON MERMOZ FINLANDE	SCCV	50.00	Joint ventures	Equity	50.00
SCI LES TERRASSES DES COSTIERES	SCI	60.00		Full	60.00
SCI CHAMPS S/MARNE RIVE GAUCHE	SCI	50.00	Joint ventures	Equity	50.00
SCI BOULOGNE SEINE D3 PP	SCI	33.33	Associates	Equity	33.33
SCI BOULOGNE SEINE D3 D1	SCI	16.94	Associates	Equity	16.94
SCI BOULOGNE SEINE D3 E	SCI	16.94	Associates	Equity	16.94
SCI BOULOGNE SEINE D3 DEF COMMERCES	SCI	27.82	Associates	Equity	27.82
SCI BOULOGNE SEINE D3 ABC COMMERCES	SCI	27.82	Associates	Equity	27.82
SCI BOULOGNE SEINE D3 F	SCI	16.94	Associates	Equity	16.94
SCI BOULOGNE SEINE D3 C1	SCI	16.94	Associates	Equity	16.94
SCCV SAINTE MARGUERITE	SCCV	50.00	Joint ventures	Equity	50.00
SNC ROBINI	SNC	50.00	Joint ventures	Equity	50.00
SCI LES TERRASSES DU SABLASSOU	SCI	50.00	Joint ventures	Equity	50.00
SCCV LES PATIOS D'OR - GRENOBLE	SCCV	80.00		Full	80.00
SCI DES AUBEPINES	SCI	60.00		Full	60.00
SCI LES BELLES DAMES	SCI	66.70		Full	66.70
SCI PLESSIS LEON BLUM	SCI	80.00		Full	80.00
SCCV RICHET	SCCV	100.00		Full	100.00
SCI BOULOGNE PARC B4B	SCI	20.00	Associates	Equity	20.00
SCI ID	SCI	53.00		Full	53.00

Company name	Legal form	06/30/2021 June 2021 % ownership	Joint ventures / Associates	Method of consolidation	2020 December 2020 % ownership
SNC PARIS MACDONALD PROMOTION	SNC	100.00		Full	100.00
RESIDENCE LAKANAL	SCCV	50.00	Joint ventures	Equity	50.00
COEUR DE VILLE	SARL	70.00		Full	70.00
SCI CLAUSE MESNIL	SCCV	50.00	Joint ventures	Equity	50.00
ROUEN VIP	SCCV	100.00		Full	100.00
OVALIE 14	SCCV	80.00		Full	80.00
SCCV VILLA ALBERA	SCCV	50.00	Joint ventures	Equity	50.00
SCI ARKADEA LA ROCHELLE	SCI	100.00		Full	100.00
SCCV FLEURY MEROGIS LOT1.1	SCCV	70.00		Full	70.00
SCCV FLEURY MEROGIS LOT1.2	SCCV	70.00		Full	70.00
SCCV FLEURY MEROGIS LOT3	SCCV	100.00		Full	100.00
SCI L'ENTREPÔT MALRAUX	SCI	65.00		Full	65.00
SCCV CERGY - LES PATIOS D'OR	SCCV	80.00		Full	80.00
MULHOUSE LES PATIOS D'OR	SCCV	40.00	Joint ventures	Equity	40.00
SCCV CLERMONT-FERRAND LA MONTAGNE	SCCV	90.00		Full	90.00
SCCV NICE GARE SUD	SCCV	50.00	Joint ventures	Equity	50.00
SEP COLOMBES MARINE	SEP	25.00	Joint ventures	Equity	25.00
SCI CLAYE SOUILLY - L'OREE DU BOIS	SCI	80.00		Full	80.00
SCI BONDOUFLE - LES PORTES DE BONDOUFLE	SCI	80.00		Full	80.00
SCCV ECOPARK	SCCV	90.00		Full	90.00
SCI FI BAGNOLET	SCI	90.00		Full	90.00
SCI ARKADEA TOULOUSE LARDENNE	SCI	100.00		Full	100.00
SCCV 25 BLD ARMEE DES ALPES	SCCV	50.00	Joint ventures	Equity	50.00
SCCV HORIZON PROVENCE	SCCV	58.00		Full	58.00
SCI ARKADEA LYON CROIX ROUSSE	SCI	70.00	Joint ventures	Equity	70.00
SCCV SETE - QUAI DE BOSC	SCCV	90.00		Full	90.00
SCCV RIVES DE SEINE - BOULOGNE YC2	SCCV	80.00		Full	80.00
SCI BLACK SWANS	SCI	85.00		Full	85.00
SCCV CANAL STREET	SCCV	100.00		Full	100.00
SCCV BLACK SWANS TOUR B	SCCV	85.00		Full	85.00
SCCV ORCHIDEES	SCCV	51.00		Full	51.00
SCCV MEDICADE	SCCV	80.00		Full	80.00
SCI PERPIGNAN LESAGE	SCI	50.00	Joint ventures	Equity	50.00
SNC TRIGONES NIMES	SCI	49.00	Joint ventures	Equity	49.00
SCCV BAILLY CENTRE VILLE	SCCV	50.00	Joint ventures	Equity	50.00
SCCV MONTLHERY LA CHAPELLE	SCCV	100.00		Full	100.00
SCI ARKADEA MARSEILLE SAINT VICTOR	SCI	51.00	Joint ventures	Equity	51.00
SCCV SAINT FARGEAU 23 FONTAINEBLEAU	SCCV	70.00		Full	70.00
SCCV CARENA	SCCV	51.00		Full	51.00
SCCV BLACK SWANS TOUR C	SCCV	85.00		Full	85.00
SCCV TOURS RESIDENCE SENIOR MELIES	SCCV	99.96		Full	99.96
SCI CAEN LES ROBES D'AIRAIN	SCI	60.00		Full	60.00
SCI CAPITAINE BASTIEN	SCI	80.00		Full	80.00
SCCV THERESIANUM CARMELITES	SCCV	65.00		Full	65.00
SCI PERPIGNAN CONSERVATOIRE	SCI	50.00	Joint ventures	Equity	50.00
SCI LILLE WAZEMMES	SCI	50.00	Joint ventures	Equity	50.00
SCCV ANTONY	SCCV	100.00		Full	100.00
SCCV SAINT FARGEAU LEROY BEAUFILS	SCCV	65.00		Full	65.00
SCI ST ANDRE LEZ LILLE - LES JARDINS DE TASSIGNY	SCI	50.00	Joint ventures	Equity	50.00
SCCV CARIVRY	SCCV	51.00		Full	51.00
SCCV L'ETOILE HOCHE	SCCV	60.00		Full	60.00
SCCV LES PINS D'ISABELLA	SCCV	49.90	Joint ventures	Equity	49.90
SCCV LES COTEAUX LORENTINS	SCCV	100.00		Full	100.00
SCCV ROSNY 38-40 JEAN JAURES	SCCV	100.00		Full	100.00
SCCV CARETTO	SCCV	51.00		Full	51.00
SCCV MASSY CHATEAU	SCCV	50.00		Full	50.00

Company name	Legal form	06/30/2021 June 2021 % ownership	Joint ventures / Associates	Method of consolidation	2020 December 2020 % ownership
SCCV MASSY PARC	SCCV	50.00	Associates	Equity	50.00
SCCV NEUILLY S/MARNE QMB 10B	SCCV	44.45		Full	44.45
SCCV VITA NOVA	SCCV	70.00		Full	70.00
SCCV NEUILLY S/MARNE QMB 1A	SCCV	44.45	Associates	Equity	44.45
SCCV LE RAINCY RSS	SCCV	50.00	Joint ventures	Equity	50.00
SCCV LE MESNIL SAINT DENIS SULLY	SCCV	90.00		Full	90.00
SCCV 1-3 RUE D'HOZIER	SCCV	45.00	Joint ventures	Equity	45.00
SCCV CUGNAUX - LEO LAGRANGE	SCCV	50.00	Joint ventures	Equity	50.00
SCCV COLOMBES MARINE LOT A	SCCV	25.00	Joint ventures	Equity	25.00
SCCV COLOMBES MARINE LOT B	SCCV	25.00	Joint ventures	Equity	25.00
SCCV COLOMBES MARINE LOT D	SCCV	25.00	Joint ventures	Equity	25.00
SCCV COLOMBES MARINE LOT H	SCCV	25.00	Joint ventures	Equity	25.00
SCCV LES BERGES DE FLACOURT	SCCV	65.00		Full	65.00
SCCV LE PLESSIS-ROBINSON ANCIENNE POSTE	SCCV	75.00		Full	75.00
SCCV QUAI 56	SCCV	50.00	Joint ventures	Equity	50.00
SCCV CARE44	SCCV		Dissolution		51.00
SCCV LE PIAZZA	SCCV	70.00		Full	70.00
SCCV ICAGIR RSS TOURS	SCCV	50.00	Joint ventures	Equity	50.00
SSCV ASNIERES PARC B8 B9	SCCV	50.00	Joint ventures	Equity	50.00
SSCV SAINT FARGEAU 82-84 Avenue de Fontainebleau	SCCV	70.00		Full	70.00
SAS PARIS 15 VAUGIRARD LOT A	SAS	50.00	Joint ventures	Equity	50.00
SCCV PARIS 15 VAUGIRARD LOT C	SCCV	50.00	Joint ventures	Equity	50.00
SCCV SARCELLES - RUE DU 8 MAI 1945	SCCV	100.00		Full	51.00
SCCV SARCELLES - RUE DE MONTFLEURY	SCCV	100.00		Full	51.00
SCCV MASSY PARC 2	SCCV	50.00	Associates	Equity	50.00
SCCV CANTEROUX	SCCV	50.00		Full	50.00
SCCV SOHO	SCCV	51.00		Full	51.00
SCCV IPK NIMES CRESPON	SCCV	51.00		Full	51.00
SCCV BEARN	SCCV	65.00		Full	65.00
SCCV ASNIERES PARC B2	SCCV	50.00	Joint ventures	Equity	50.00
SCCV PERPIGNAN AVENUE D'ARGELES	SCCV	50.00	Joint ventures	Equity	50.00
SCCV 117 AVENUE DE STRASBOURG	SCCV	70.00		Full	70.00
SCCV MARCEL PAUL VILLEJUIF	SCCV	60.00		Full	60.00
SCCV MAISON FOCH	SCCV	40.00		Full	40.00
SCCV CHATENAY MALABRY LA VALLEE	SCCV	100.00		Full	50.10
SCCV LOT 2G2 IVRY CONFLUENCES	SCCV	51.00		Full	51.00
SCCV LA PEPINIERE	SCCV	100.00		Full	100.00
SCCV NICE CARRE VAUBAN	SCCV	95.00		Full	95.00
SNC IP1R	SNC	100.00		Full	100.00
SNC IP3M LOGT	SNC	100.00		Full	100.00
SCCV NGICADE MONTPELLIER OVALIE	SCCV	50.00		Full	50.00
SCCV LILLE CARNOT LOGT	SCCV	50.00	Joint ventures	Equity	50.00
SCCV NORMANDIE LA REUNION	SCCV	65.00		Full	65.00
SAS AILN DEVELOPPEMENT	SAS	25.00	Joint ventures	Equity	25.00
SCCV URBAT ICADE PERPIGNAN	SCCV	50.00	Joint ventures	Equity	50.00
SCCV DES YOLES NDDM	SCCV	75.00		Full	75.00
SCCV AVIATEUR LE BRIX	SCCV	50.00	Joint ventures	Equity	50.00
SARVILEP	SAS	100.00		Full	100.00
SCCV POMME CANNELLE	SCCV	60.00		Full	60.00
SCCV RS MAURETTES	SCCV	50.00	Joint ventures	Equity	50.00
SCCV BRON LA CLAIRIERE G3	SCCV	51.00	Joint ventures	Equity	51.00
SCCV BRON LA CLAIRIERE C1C2	SCCV	51.00	Joint ventures	Equity	51.00
SCCV BRON LA CLAIRIERE C3C4	SCCV	49.00	Joint ventures	Equity	49.00
SCCV BRON LA CLAIRIERE D1D2	SCCV	49.00	Joint ventures	Equity	49.00
SCCV LES RIVES DU PETIT CHER LOT 2	SCCV	55.00	Joint ventures	Equity	55.00
SCCV ARGENTEUIL LES BUCHETTES	SCCV	100.00		Full	100.00

Company name	Legal form	06/30/2021 June 2021 % ownership	Joint ventures / Associates	Method of consolidation	2020 December 2020 % ownership
SCCV LES RIVES DU PETIT CHER LOT 4	SCCV	55.00	Joint ventures	Equity	55.00
SCCV LES RIVES DU PETIT CHER LOT 5B	SCCV	55.00	Joint ventures	Equity	55.00
SCCV URBAN IVRY 94	SCCV	100.00		Full	100.00
SCCV YNOV CAMBACERES	SCCV	51.00		Full	51.00
SCCV DES RIVES DU PETIT CHER LOT 5	SCCV	55.00	Joint ventures	Equity	55.00
SCCV DES RIVES DU PETIT CHER LOT 6	SCCV	55.00	Joint ventures	Equity	55.00
SCCV MONTPELLIER SW	SCCV	70.00		Full	70.00
SCCV LES JARDINS DE CALIX IPS	SCCV	100.00		Full	100.00
SCCV BOUL DEVELOPPEMENT	SCCV	65.00		Full	65.00
SCCV BILL DEVELOPPEMENT	SCCV	65.00		Full	65.00
SCCV PATIOS VERGERS	SCCV	70.00		Full	70.00
SCCV LILLE PREVOYANCE	SCCV	50.00	Joint ventures	Equity	50.00
SCCV BOUSSY SAINT ANTOINE ROCHOPT	SCCV	50.00	Joint ventures	Equity	50.00
SCCV IXORA	SCCV	80.00		Full	80.00
SCCV CAP ALIZE	SCCV	80.00		Full	80.00
SCCV HOUILLES JEAN-JACQUES ROUSSEAU	SCCV	50.00	Joint ventures	Equity	50.00
SCCV IPSPF CHR1	SCCV	40.00	Joint ventures	Equity	40.00
SCCV LORIENT GUESDE	SCCV	80.00		Full	80.00
SCCV BOHRIE D2	SCCV	70.00		Full	70.00
SAS AD VITAM	SAS	100.00		Full	100.00
SCCV MARCEL GROSMENIL VILLEJUIF	SCCV	60.00		Full	60.00
SCI SEINE CONFLUENCES	SCI	50.00	Joint ventures	Equity	50.00
SCCV CHATENAY LAVALLEE LOT I	SCCV	100.00		Full	
SCCV QUINCONCES	SCCV	33.33	Joint ventures	Equity	33.33
SAS BREST AMENAGEMENT	SAS	50.00	Joint ventures	Equity	
SARL BEATRICE MORTIER IMMOBILIER - BMI	SARL	100.00		Full	
SCCV CARTAGENA	SCCV	95.00		Full	
SCCV LES HAUTS DE LA VALSIERE	SCCV	50.00	Joint ventures	Equity	
SCCV LE SERANNE	SCCV	50.00	Joint ventures	Equity	
SCCV VIADORA	SCCV	30.00	Associates	Equity	
SNC URBAIN DES BOIS	SNC	100.00		Full	
SCCV CARAIX	SCCV	51.00		Full	
SCCV NANTERRE HENRI BARBUSSE	SCCV	100.00		Full	
SCCV LES PALOMBES	SCCV	50.00	Joint ventures	Equity	
SCCV 3 - B1D1 LOGEMENT	SCCV	25.00	Joint ventures	Equity	
SCCV 7 - B2A TOUR DE SEINE	SCCV	25.00	Joint ventures	Equity	
SCCV 8 - B2A PARTICIPATIF	SCCV	25.00	Joint ventures	Equity	
SAS 9 - B2A CITE TECHNIQUE	SAS	25.00	Joint ventures	Equity	
SCCV TREVOUX ORFEVRES	SCCV	65.00		Full	
SAS SURESNES LIBERTE	SAS	70.00		Full	
SAS CLICHY 33 MEDERIC	SAS	45.00		Full	
OFFICE PROPERTY DEVELOPMENT					
SAS AD2B	SAS	100.00		Full	100.00
SNC ICADE PROMOTION TERTIAIRE	SNC	100.00		Full	100.00
PORTES DE CLICHY	SCI	50.00	Joint ventures	Equity	50.00
SCCV SAINT DENIS LANDY 3	SCCV	50.00	Joint ventures	Equity	50.00
SNC GERLAND 1	SNC	50.00	Joint ventures	Equity	50.00
SNC GERLAND 2	SNC	50.00	Joint ventures	Equity	50.00
CITE SANITAIRE NAZARIENNE	SNC	60.00		Full	60.00
ICAPROM	SNC	45.00	Joint ventures	Equity	45.00
SCCV LE PERREUX CANAL	SCCV	100.00		Full	100.00
ARKADEA SAS	SAS	50.00	Joint ventures	Equity	50.00
CHRYSALIS DEVELOPPEMENT	SAS	35.00	Joint ventures	Equity	35.00
MACDONALD BUREAUX	SCCV	50.00	Joint ventures	Equity	50.00
SCI 15 AVENUE DU CENTRE	SCI	50.00	Joint ventures	Equity	50.00
SAS CORNE OUEST VALORISATION	SAS	25.00	Associates	Equity	25.00

Company name	Legal form	06/30/2021 June 2021 % ownership	Joint ventures / Associates	Method of consolidation	2020 December 2020 % ownership
SAS ICADE-FF-SANTE	SAS	65.00		Full	65.00
SCI BOURBON CORNEILLE	SCI	100.00		Full	100.00
SCI ARKADEA FORT DE France	SCI	51.00		Full	51.00
SCCV SKY 56	SCCV	50.00	Joint ventures	Equity	50.00
SCCV OCEAN COMMERCES	SCCV	100.00		Full	100.00
SCCV SILOPARK	SCCV	50.00	Joint ventures	Equity	50.00
SCCV TECHNOFFICE	SCCV	50.00	Joint ventures	Equity	50.00
SARL LE LEVANT DU JARDIN	SARL	50.67		Full	50.67
SCI ARKADEA RENNES TRIGONNE	SCI	51.00	Joint ventures	Equity	51.00
SCI ARKADEA LYON CREPET	SCI	65.00	Joint ventures	Equity	65.00
SCCV LE SIGNAL/LES AUXONS	SCCV	51.00		Full	51.00
SCCV LA VALBARELLE	SCCV	49.90	Joint ventures	Equity	49.90
SAS IMMOBILIER DEVELOPPEMENT	SAS	100.00		Full	100.00
SCCV HOTELS A1-A2	SCCV	50.00	Joint ventures	Equity	50.00
SCCV BUREAUX B-C	SCCV	50.00	Joint ventures	Equity	50.00
SCCV MIXTE D-E	SCCV	50.00	Joint ventures	Equity	50.00
SCCV CASABONA	SCCV	51.00		Full	51.00
SCCV GASTON ROUSSEL ROMAINVILLE	SCCV	75.00		Full	75.00
SNC IP2T	SNC	100.00		Full	100.00
SCCV TOURNEFEUILLE LE PIRAC	SCCV	90.00		Full	90.00
SCCV LES RIVES DU PETIT CHER LOT 0	SCCV	55.00	Joint ventures	Equity	55.00
SCCV LES RIVES DU PETIT CHER LOT 3	SCCV	55.00	Joint ventures	Equity	55.00
SCCV DES RIVES DU PETIT CHER LOT 1	SCCV	55.00	Joint ventures	Equity	55.00
SAS NEWTON 61	SAS	40.00	Joint ventures	Equity	40.00
SCCV BRON LES TERRASSES L1 L2 L3 N3	SCCV	50.00	Joint ventures	Equity	50.00
SAS LA BAUME	SAS	40.00	Joint ventures	Equity	
SCCV PIOM 1	SCCV	100.00		Full	
SCCV PIOM 2	SCCV	100.00		Full	
SCCV PIOM 3	SCCV	100.00		Full	
SCCV PIOM 4	SCCV	100.00		Full	
SAS PIOM 5	SAS	100.00		Full	
SCCV COLADVIVI	SCCV	40.00	Associates	Equity	
SCCV PIOM 6	SCCV	100.00		Full	
SCCV 1 - B1C1 BUREAUX	SCCV	25.00	Joint ventures	Equity	
SCCV 2 - B1D1 BUREAUX	SCCV	25.00	Joint ventures	Equity	
SCCV 4 - COMMERCES	SCCV	25.00	Joint ventures	Equity	
SCCV 5 - B1C1 HOTEL	SCCV	25.00	Joint ventures	Equity	
SCCV 6 - B1C3 COWORKING	SCCV	25.00	Joint ventures	Equity	
SCCV PIOM 7	SCCV	100.00		Full	
SCCV PIOM 8	SCCV	100.00		Full	
OTHER PROPERTY DEVELOPMENT					
SARL DOMAINE DE LA GRANGE	SARL	51.00		Full	51.00
RUE CHATEAUBRIAND	SCI	100.00		Full	100.00
SNC DU PLESSIS BOTANIQUE	SNC	100.00		Full	100.00
SARL LAS CLOSES	SARL	50.00	Joint ventures	Equity	50.00
SNC DU CANAL ST LOUIS	SNC	100.00		Full	100.00
SNC MASSY VILGENIS	SNC	50.00		Full	50.00
SAS LE CLOS DES ARCADES	SAS	50.00	Joint ventures	Equity	50.00
SAS OCEAN AMENAGEMENT	SAS	49.00	Joint ventures	Equity	49.00
SNC VERSAILLES PION	SNC	100.00		Full	100.00
SAS GAMBETTA SAINT ANDRE	SAS	50.00	Joint ventures	Equity	50.00
SAS MONT DE TERRE	SAS	40.00	Joint ventures	Equity	40.00
SNC DU HAUT DE LA TRANCHEE	SNC	100.00		Full	100.00
SAS ODESSA DEVELOPPEMENT	SAS	51.00	Joint ventures	Equity	51.00
SAS WACKEN INVEST	SAS	51.00	Joint ventures	Equity	51.00
SCCV DU SOLEIL	SCCV	50.00	Joint ventures	Equity	50.00

		06/30/2021			2020
Company name	Legal form	June 2021 % ownership	Joint ventures / Associates	Method of consolidation	December 2020 % ownership
SAS MEUDON TASSIGNY	SAS	40.00	Joint ventures	Equity	32.00
SAS DES RIVES DU PETIT CHER	SAS	50.00	Joint ventures	Equity	50.00
SNC LH FLAUBERT	SNC	100.00		Full	100.00
SCCV RUEIL EDISON	SCCV		Dissolution		100.00
SCCV ARCHEVECHE	SCCV	40.00	Joint ventures	Equity	40.00

3. Statutory Auditors' review report on the interim financial information

PricewaterhouseCoopers Audit
63 rue de Villiers
92208 Neuilly-sur-Seine Cedex, France

MAZARS
61 rue Henri Regnault
92075 Paris La Défense, France

Statutory Auditors' review report on the interim financial information

(For the six months ended June 30, 2021)

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

ICADE SA
27 rue Camille Desmoulins
92445 Issy les Moulineaux Cedex
France

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of Icade SA for the six months ended June 30, 2021;
- the verification of the information contained in the interim management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed interim consolidated financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of our work.

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

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34 – "Interim Financial Reporting", as adopted by the European Union.

II - Specific verification

We have also verified the information given in the interim management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris, July 23, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	MAZARS
Lionel Lepetit	Gilles Magnan

Immeuble OPEN

27, rue Camille Desmoulins
92445 Issy-les-Moulineaux Cedex, France
Tel: +33 (0)1 41 57 70 00

www.icade.fr/en/