

# INVESTOR PRESENTATION

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MAY 2021

**DESIGNING, BUILDING, MANAGING AND INVESTING**  
in cities, neighbourhoods and buildings that are innovative,  
diverse, inclusive and connected with a reduced carbon footprint.  
Desirable places to live and work.

*This is our ambition. This is our goal.*

***This is our Purpose.***



# AGENDA

## Icade at a Glance

1

**2020: Resilient results, solid business lines and balance sheet**

2

**2021 update**

3

**Credit Highlights**

Appendices

# ONE OF THE LEADING FRENCH LISTED REITS



QUAI 8.2, ÎLOT BC  
Bordeaux, Gironde

## OFFICE INVESTMENT: Icade, the leading real estate player in Greater Paris

- Portfolio as of 12/31/2020: **€9.0bn (100%)**
- Average net initial yield <sup>(1)</sup>: **5.7%**
- Development pipeline: **€1.5bn** (representing nearly **210,000** sq.m)
- Situated mainly in the Paris region, close to major Greater Paris stations
- **877,000**-sq.m land bank



LE PARC POLYCLINIC (extension works)  
Caen, Calvados

## HEALTHCARE INVESTMENT: Icade, the leading player in France

- French and international portfolio as of 12/31/2020: **€5.7bn (100%)** – 58.3% owned by Icade
- Average net initial yield <sup>(1)</sup>: **5.3%**
- Development pipeline: **€0.45bn**, deliveries up to 2024, **100%** pre-let
- **175** healthcare facilities at the end of December:
  - **92%** in France, **8%** in Europe (Italy and Germany)
  - **86%** short-term care facilities, **14%** nursing home facilities



LE CONEX – Lille, Nord

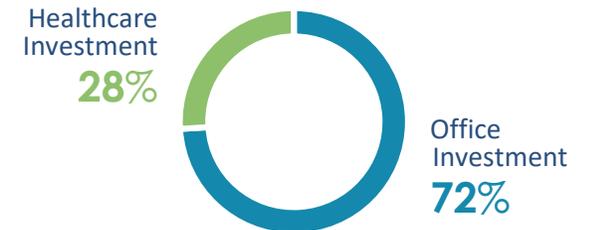
## PROPERTY DEVELOPMENT: a leading property developer in France, a key player in low-carbon construction

- Limited exposure (less than **10%** of Group equity <sup>(1)</sup>)
- A full-service developer (offices, homes, etc.) with extensive national coverage (**21** local offices)

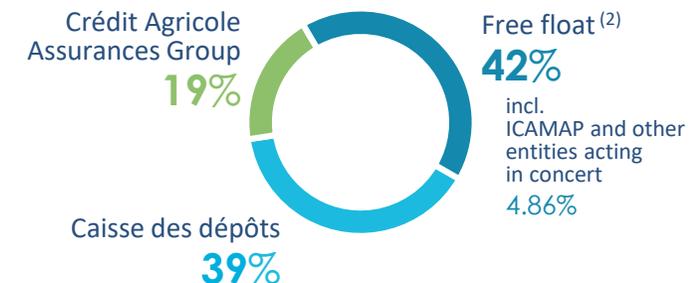
(1) Group share, incl. duties  
 (2) Property Development equity attributable to the Group (before elimination of investments in subsidiaries / consolidated equity attributable to the Group)  
 (3) Including 0.72% of treasury shares and 0.26% for Icade's "FCPE" employee-shareholding fund

As of 12/31/2020

**€14.7bn** property portfolio  
 €11.8bn property portfolio excl. duties, Group share



## Icade shareholding structure



**S&P** rating for Icade & Icade Santé  
**BBB+, stable outlook**

# 1. 2020: Resilient results, solid business lines and balance sheet

## Key points and highlights

## 2020: A YEAR LIKE NO OTHER

An unexpected and challenging year, **agile and proactive teams**

Management **supported** by a **trusting** Board of Directors

**Resilient 2020** results, **solid** business lines and balance sheet

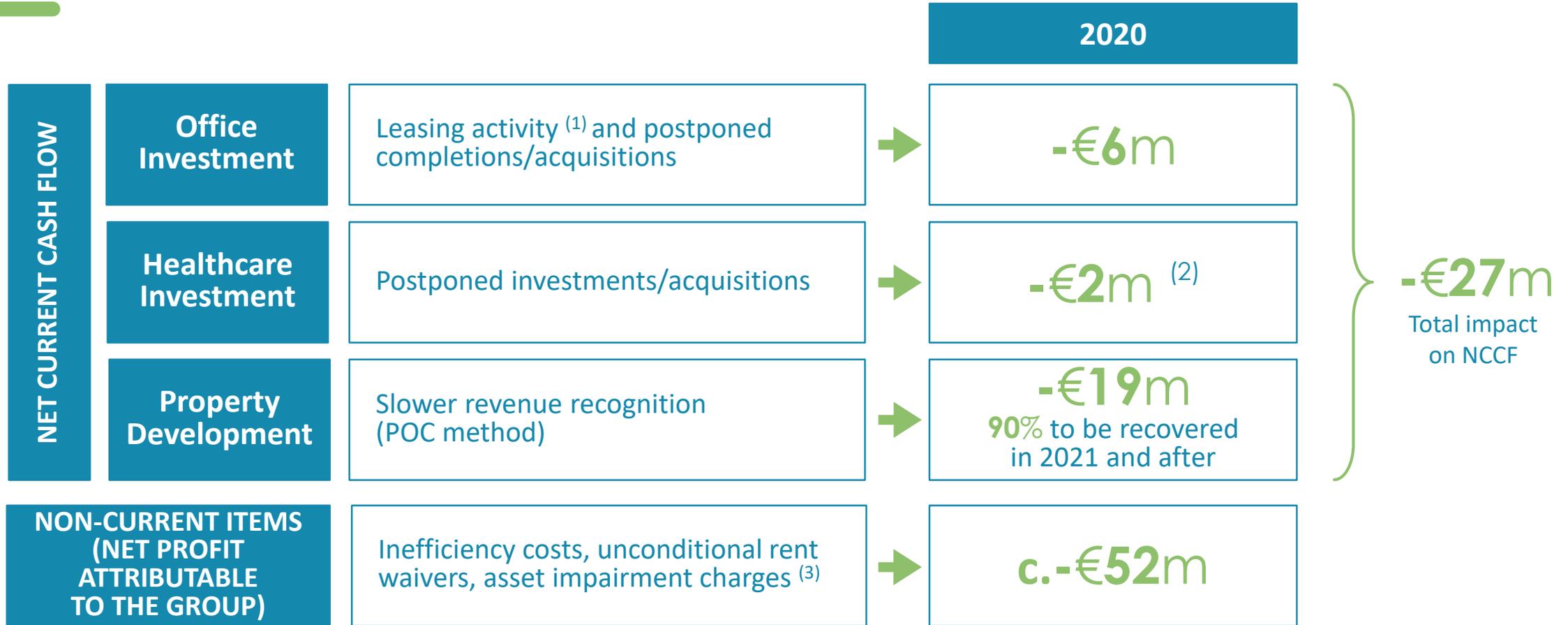
A **business mix** and **risk profile** adaptable in the current context

**Acceleration** of our **low-carbon** strategy

A **clear outlook**, **strategy fine-tuned** with no major shift

→ **Icade ready to meet post-crisis challenges**

# IMPACT OF THE COVID-19 CRISIS



- Resilient Property Investment Divisions: 2% impact on consolidated EPRA earnings
- Property Development revenue pushed back in 2021 and after

<sup>(1)</sup> Impact of conditional support measures, pushed-back lettings and impact of index-linked rent reviews  
<sup>(2)</sup> Impact on a Group share basis  
<sup>(3)</sup> As a reminder, the financial statements are prepared based on a historical cost approach

# NCCF AT €4.84 PER SHARE, ABOVE OCTOBER 2020 GUIDANCE

PROPERTY INVESTMENT

+6.7%, +2.0% LFL

**€678.4m**

vs. €635.9m as of 12/31/2019

GROSS RENTAL INCOME FROM PROPERTY INVESTMENT

-2.1%

**€4.74** per share

vs. €4.85 per share as of 12/31/2019

**€351.0m**

ADJUSTED EPRA EARNINGS FROM PROPERTY INVESTMENT

+2.2%, -2.0% LFL

**€11.8bn** <sup>(1)</sup>

(Group share)

vs. €11.5bn as of 12/31/2019

PROPERTY INVESTMENT PORTFOLIO

+50 bps LFL

**92.5%**

vs. 92.6% as of 12/31/2019

OFFICE INVESTMENT FINANCIAL OCCUPANCY RATE

PROPERTY DEVELOPMENT

-14.7%

**€825.4m**

vs. €967.8m as of 12/31/2019

PROPERTY DEVELOPMENT REVENUE <sup>(2)</sup>

N/A

**€2.5m**

vs. €33.1m as of 12/31/2019

NCCF (GROUP SHARE)

+14.4%

**€1.4bn**

vs. €1.3bn as of 12/31/2019

PROPERTY DEVELOPMENT BACKLOG

LIABILITIES

-6 bps

**1.48%**

vs. 1.54% as of 12/31/2019

AVERAGE COST OF DEBT

-0.5 year

**5.9** years

vs. 6.4 years as of 12/31/2019

AVERAGE DEBT MATURITY

+210 bps

**40.1%**

vs. 38.0% as of 12/31/2019

LTV RATIO (VALUE INCL. DUTIES)

GROUP INDICATORS

-3.1%

**€93.2** per share

vs. €96.1 per share as of 12/31/2019

**€6.9bn**

EPRA NTA <sup>(3)</sup>

-7.9%

**€4.84** per share

vs. €5.26 per share as of 12/31/2019

**€358.3m**

GROUP NCCF



Resilient key indicators

<sup>(1)</sup> Icade share, excluding duties. Portfolio value on a 100% basis: €14.7bn as of 12/31/2020 vs. €14.3bn as of 12/31/2019

<sup>(2)</sup> Economic Revenue

<sup>(3)</sup> EPRA NTA: EPRA Net Tangible Assets, a NAV that assumes that entities buy and sell property assets

## 2020 HIGHLIGHTS

**Investment Divisions post higher rental income**

**+6.7%** (i.e. **+€42.5m** vs. 2019)  
Offices & Business Parks **+4.8%**, **+2.5%** LFL, Healthcare **+13.9%**

**Active asset management**

**3 completions over the year, stepped up lease renewals**  
**c.160,000** sq.m signed or renewed

**Further healthcare investments**

**c.€440m** <sup>(1)</sup>  
invested by the Healthcare Investment Division in France, Germany and Italy

**Property Development**

**Positive sales momentum, above-market performance**  
**Sales** <sup>(2)</sup> : **+15%**, **orders** <sup>(2)</sup> : **+8%** vs. N-1

**Liabilities:  
social bond issue**

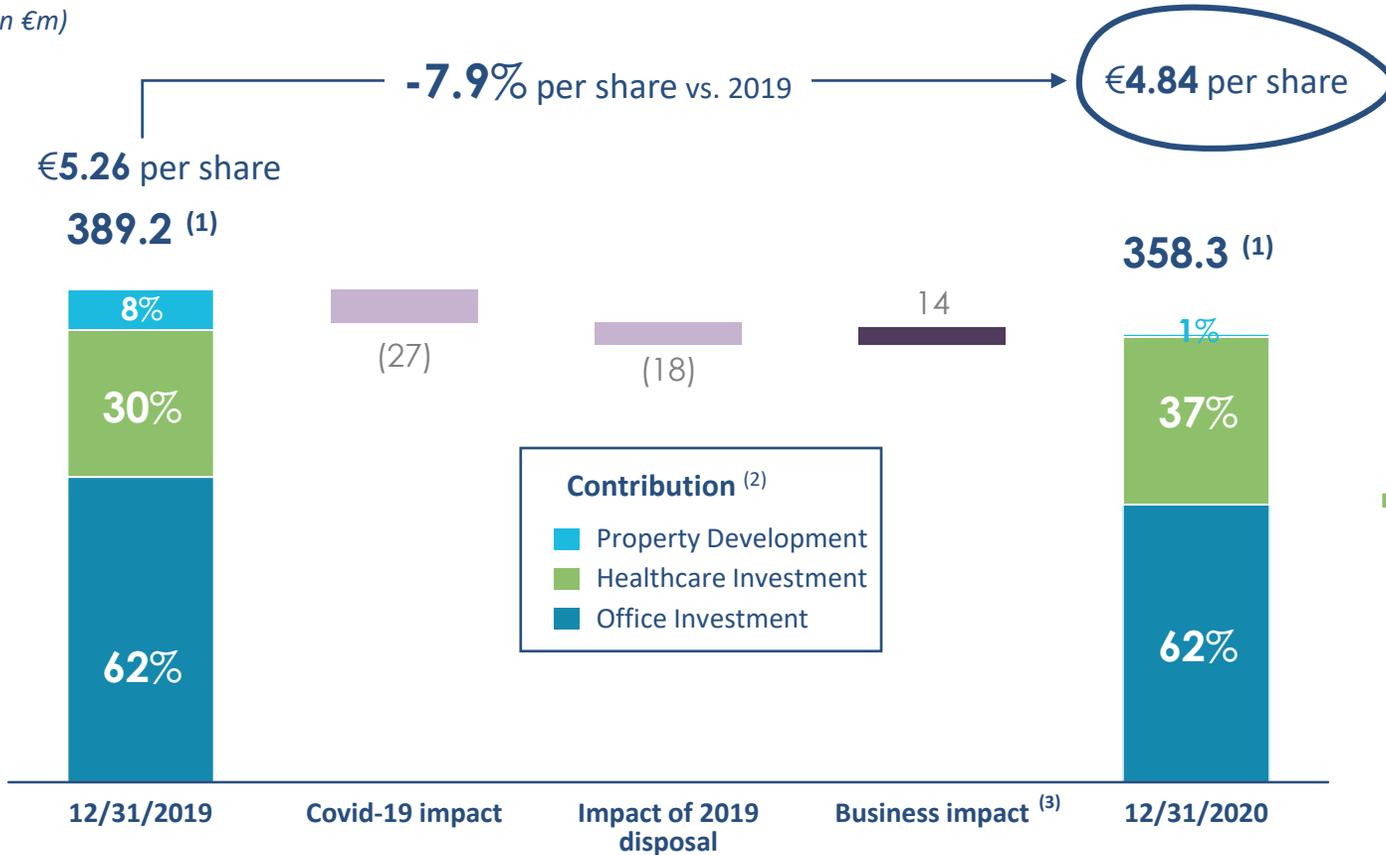
**The industry's first-ever social bond:**  
**€600m, 10** years, **1.375%** coupon

→ **Icade remains very active despite the crisis**

<sup>(1)</sup> On a 100% basis including preliminary agreements  
<sup>(2)</sup> In value terms

# GROUP NCCF AT €4.84 PER SHARE (GUIDANCE ISSUED AT THE END OF OCTOBER: €4.80)

(in €m)



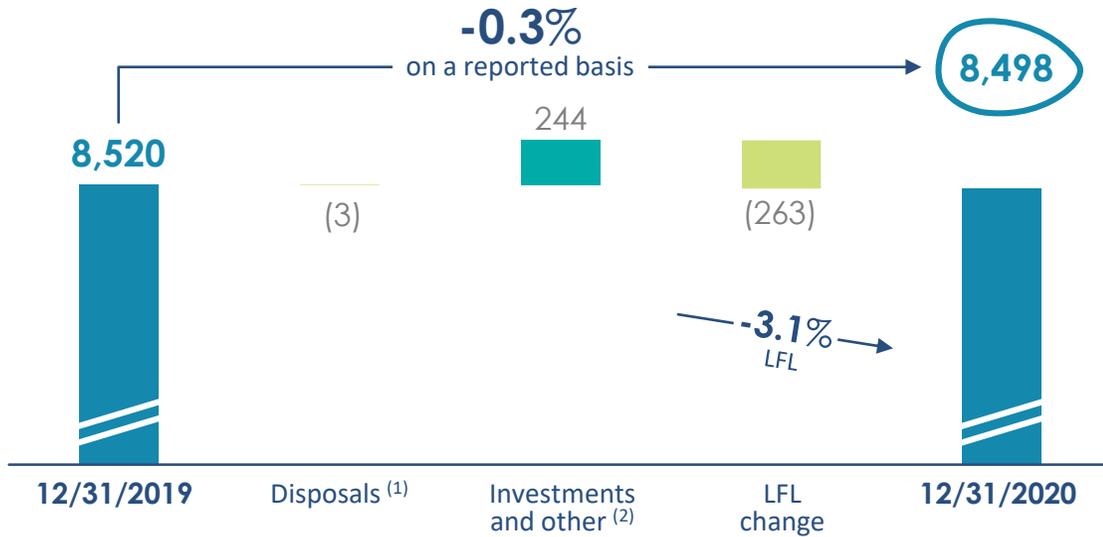
- 2020 NCCF down by only 7.9% :
  - Covid-19 crisis impact: -€27m
  - 2019 disposals on Offices: €1.1bn – NCCF impact -€18m€
  - NCCF up 3,6% excluding impact of disposals & Covid-19 crisis
- Increased Healthcare Investment contribution (+7 bps at 37%)

➔ 2020 NCCF profile that meets the current environment

(1) Includes NCCF from the "Other" segment  
 (2) % of NCCF on a 100% basis  
 (3) Mainly due to leasing activity, completed pipeline projects and the higher contribution from Healthcare

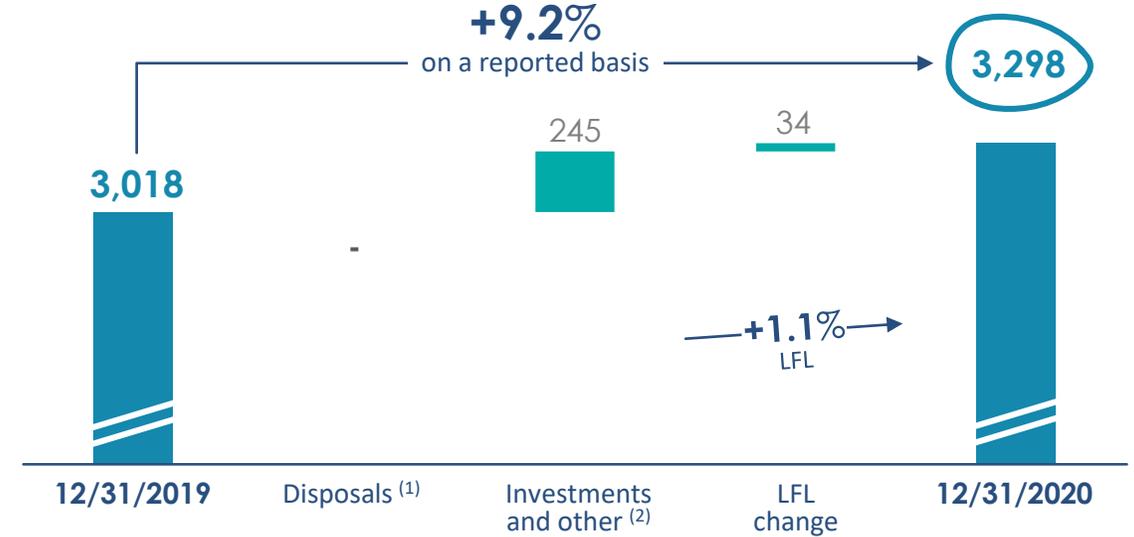
# PORTFOLIO VALUED AT €11.8bn (GROUP SHARE), €14.7bn ON A 100% BASIS

## Office Investment (Group share) (in €m)



- Value as of December 31, 2020: €8.5bn (€9.0bn on a 100% basis), -0.3% on a reported basis
- Down -3.1% LFL

## Healthcare Investment (Group share) (in €m)



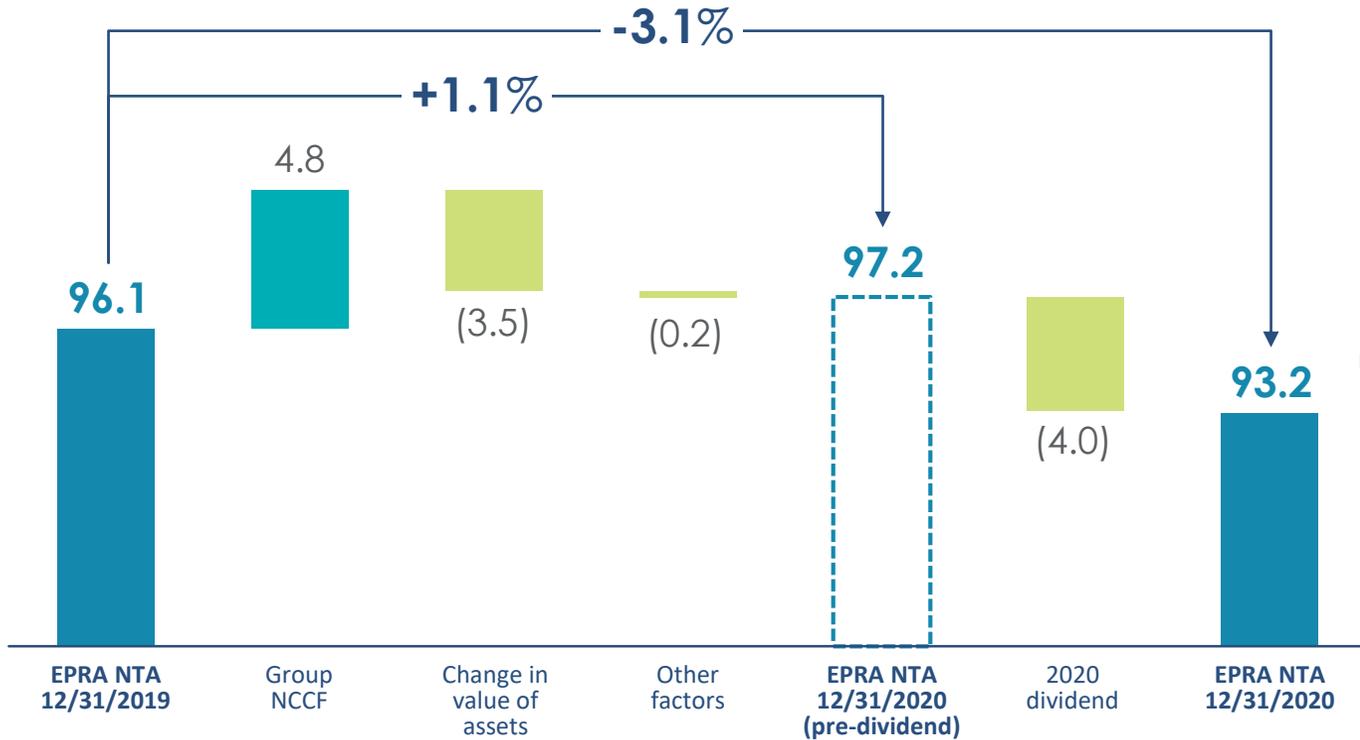
- Value as of December 31, 2020: €3.3bn (€5.7bn on a 100% basis), +9.2% on a reported basis
- Up +1.1% LFL

(1) Fair value as of 12/31/2019 of assets sold during the period

(2) Includes, among others, pipeline investments, acquisitions and works to operating assets

# EPRA NTA: €93.2 PER SHARE, +1.1% PRIOR DIVIDEND

(€ per share)



- 1 Portfolio value slightly down**
  - EPRA NTA: -1.8% over 6 months (€6,900m; €93.2 per share)
- 2 Limited decline in NAV vs. share price**
  - Discount <sup>(2)</sup> as of 02/04/2021: -31%
  - Implicit discount to NAV for the office segment that is not reflected in valuations as of 12/31/2020
- 3 Healthcare NAV as a % of total:**

**32%** as of 12/31/2020 vs. **29%** as of 12/31/2019

  - Substantial upside and value creation potential

## EPRA NDV: €6,376m (€86.1 per share)

- -5.5% year-on-year
- Negative impact of the fair value of fixed rate debt <sup>(1)</sup> (-€1.3 per share over the period)

➔ **A strong NAV highlighting the robustness of the business model**

<sup>(1)</sup> Mainly due to improved spreads  
<sup>(2)</sup> Calculation based on EPRA NDV

LE NAUTILUS  
Bordeaux, Gironde

## 2. Update 2021



## Q1 2021 – KEY TAKEAWAYS

### Revenue up 44% in Q1 2021; +30% vs. Q1 2019

- **Office Property Division:** strong fundamentals confirmed with active leasing activity, stable rental income vs. Q1 2020, high level of rent collection rate, resumption of portfolio's asset rotation
- **Healthcare Property Division:** attractiveness of the asset class confirmed, steadily growing business, first acquisition in Spain
- **Property Development:** market upturn confirmation, revenues up **+128%**, driven by the residential segment, new orders up **+126%**

### Optimisation of liabilities with very favourable conditions

- **Bond issue** in January: €600m, 10 years, **0.625%** coupon, the lowest rate ever achieved
- **Liability management exercise:** early redemption of 2021 bond (**2.25% coupon**), Make-Whole exercise on 2022 bond (**1.875% coupon**)

### Confirmation of 2021 guidance

- **NCCF:** expected to grow by **~+3%**, (excluding the impact of 2021 disposals)
- **Dividend:** expected to increase by **+3%**

# OFFICE PROPERTY INVESTMENT - 2021 Q1 KEY HIGHLIGHTS

## LEASING ACTIVITY

- Continuity in dynamic asset management

**c.96%**

Q1 2021 rent collection rate

**> 65,000 sq.m**

Total floor area of leases signed or renewed since January 1

- Solid rental income, slightly decreasing (in line with expectations)

**c.€94m**

GRI (-1%)

**-0.6%** <sup>(1)</sup>

GRI change in Q1  
-2% LFL

- A steady financial occupancy rate, no significant tenant leave notification in Q1

**c.90.4%**

Q1 2021 financial occupancy rate

**-1.4%**

LFL change

## DEVELOPMENT PIPELINE

- Two major deliveries, declining investments

**> 80,000 sq.m**

Floor area delivered during Q1 term



Origine, 70,000 sq.m  
80% let



Latécoère, 13,000 sq.m  
100% let

- Projects completed or to be completed in 2021:

**63%**

pre-let rate

## ASSET ROTATION

- Resumption of opportunistic disposals

**> €320m**

Total disposal price

**+6%**

Average price/ ANR  
Dec. 2020

- Value add opportunistic acquisition



Le Prairial,  
Nanterre

➔ **Office investments: strong fundamentals confirmed**

(1) Offices and Business Parks

# HEALTHCARE PROPERTY INVESTMENT - 2021 Q1 KEY HIGHLIGHTS

- **GRI: steady growth driven by international investments, 100% collection rate**

**€78m**

GRI (-1%)

**+4.7%**

LFL change in rental income as of Q1

**c.100%**

Q1 2021 rent collection rate

- **Continuity in the investments & long-term partnership approach**

**€70m**

Investment in Q1 : France, International incl. agreement

- **Unchanged financial occupancy rate, steady WALB**

**100%**

Financial occupancy rate as of March 31, 2021

**7.3 years**

Weighted average unexpired lease term

**France:**

Purchase of Clinique des Dentellières (59) for **€18m** (Operator: Elsan, 12 years lease)



**International: 1<sup>st</sup> acquisition in Spain**

Purchase of 2 healthcare assets for a total of **c. €22m** with Amavir Group, 25 years lease term



➔ **Healthcare property investment: attractiveness of the asset class confirmed, continued and rigorous growth**

# PROPERTY INVESTMENT - 2021 Q1 KEY HIGHLIGHTS

• Vigorous recovery during Q1, business momentum ahead of 2019

Economic revenue

**+128%** **+56%**

Change vs. Q1 2020

Change vs. Q1 2019

Orders

**+126%** **+55%**

Change vs. Q1 2020 (vol.)

Change vs. Q1 2019

Notarised sales

**+92%** **+5%**

Change vs. Q1 2020 (vol.)

Change vs. Q1 2019

• Growth potential confirmed

**€1.4bn**

Residential backlog

**€2.2bn**

Revenue expected from the residential land portfolio

**€6.8bn**

Medium term revenue potential

• Institutional investor appetite confirmed

**>50%**

share of institutional investors in orders



Olympic Games Athletes Village

• Ramping-up of low carbon construction



Launch of *Urbain des Bois*, a subsidiary specialising in industrial timber construction

Property development:

- A demand that remains structurally high
- A Q1 performance that reinforces the roadmap for 2021, and beyond

## 2021 PRIORITIES

1

### Office Investment

Asset rotation and value creation through a pipeline of pre-let projects

2

### Healthcare Investment

Further growth and international expansion, preparation for liquidity event

3

### Property Development

Increase revenue and achieve higher margins

4

### CSR

Ramp up our low-carbon strategy, launch *Urbain des Bois*

5

Integrate our Purpose into our operations

# 2021–2023 OUTLOOK



→ Adapting our strategy, business mix and risk profile to the current situation

## 2021 GUIDANCE

**2021 Group  
NCCF per share**



**Up  $\approx$  +3%**, excluding impact of 2021 disposals  
(subject to the health and economic situation not worsening significantly)

**2021 dividend**



**Up +3%**  
Payout ratio in line with 2020 (83%) + distribution of part of the gains on disposals



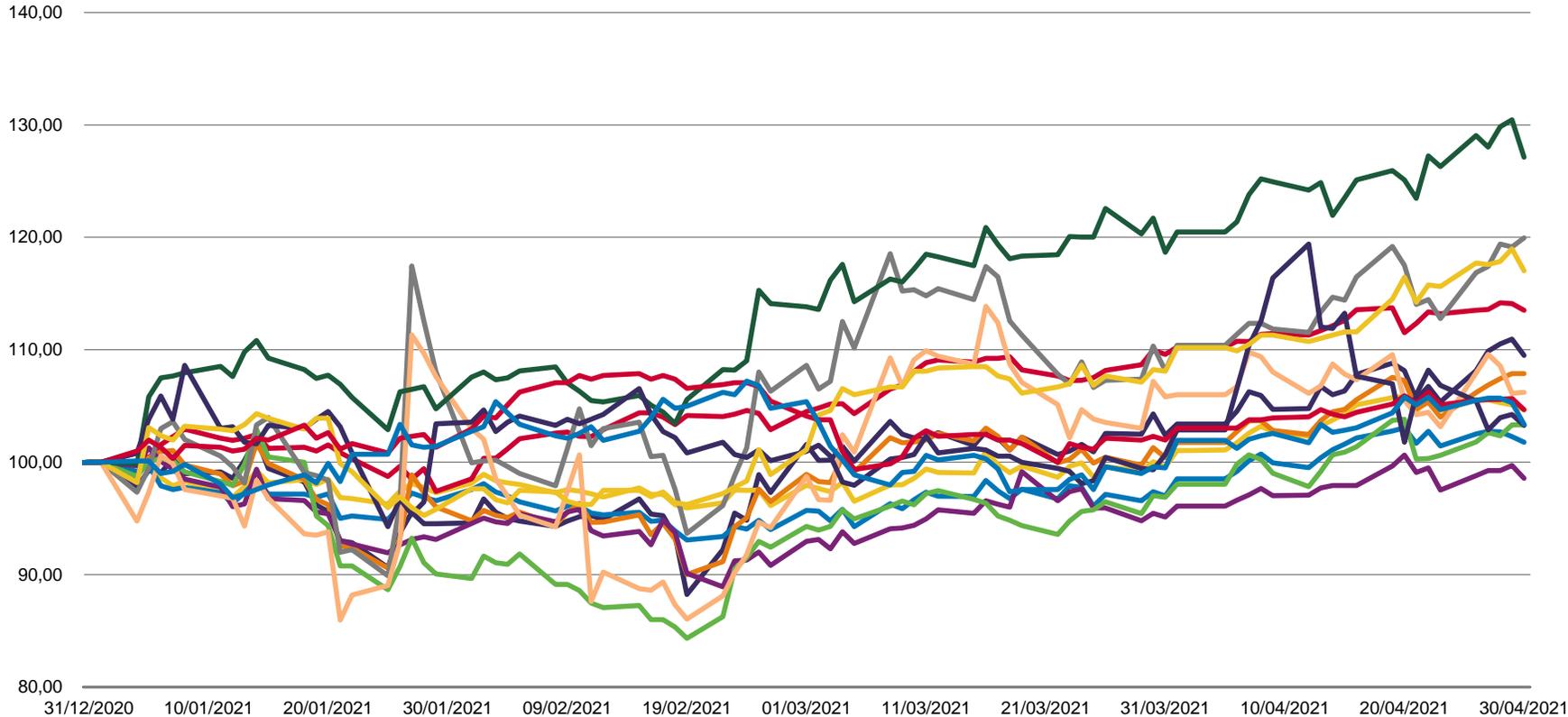
ATHLÈTES VILLAGE  
Saint-Ouen, Seine-Saint-Denis



**HY 2021 release: July 26, 2021**

# PERFORMANCE FROM 01/01/2020 TO 04/30/2021

Evolution d'Icade, de ses pairs et des indices de référence sur la période allant du 31/12/2020 au 30/04/2021



## Performance en vision dividendes réinvestis

+27,13%	Nexity
+19,96%	Klépierre
+17,02%	Altarea
+13,50%	CAC 40
<b>+9,51%</b>	<b>Icade</b>
+6,21%	URW
+4,68%	Cofinimmo
+4,65%	EPRA Europe
+3,36%	Aedifica
+3,32%	Covivio
+3,28%	K&B
-1,44%	Gecina

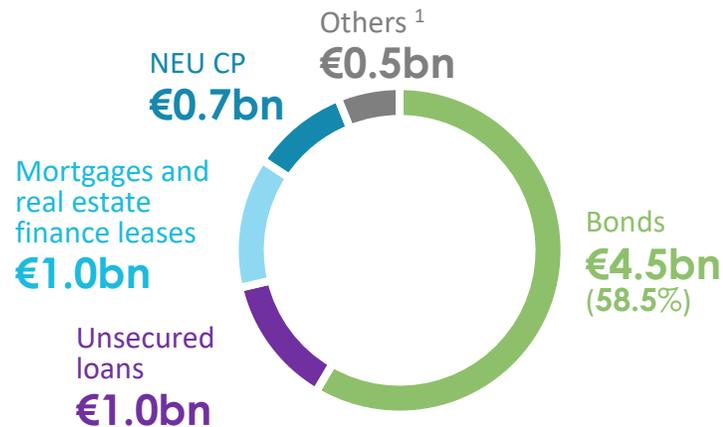
➔ **Surperformance d'Icade vs. ses pairs dans les bureaux (Covivio, Gecina)**

### 3. Credit Highlights

## A SOUND FINANCIAL STRUCTURE

### A diversified funding structure

Breakdown of Gross debt as of dec 2020 (€7,7bn)



**Debt granted by financial intermediaries <30%**

### An attractive credit profile

**Icade :**

- **BBB+, stable outlook** rating affirmed by S&P
- Strong business profile
- Intermediate risk profile

**Icade Santé subsidiary :**

- **Rated BBB+** by S&P

### Strong liquidity policy

- **RCFs : €2.1bn**
- **Cash Holdings : €0.8bn** (at end of March)
- **RCFs remained undrawn** (even at the peak of the crisis)
- **Liquidity covering nearly 5 years of principal and interest payments**

(1) Others including mortgages not granted by financial intermediaries for €0,2bn

## AN ACTIVE LIABILITY MANAGEMENT

### Transactions carried out in 2020 and Q1 2021

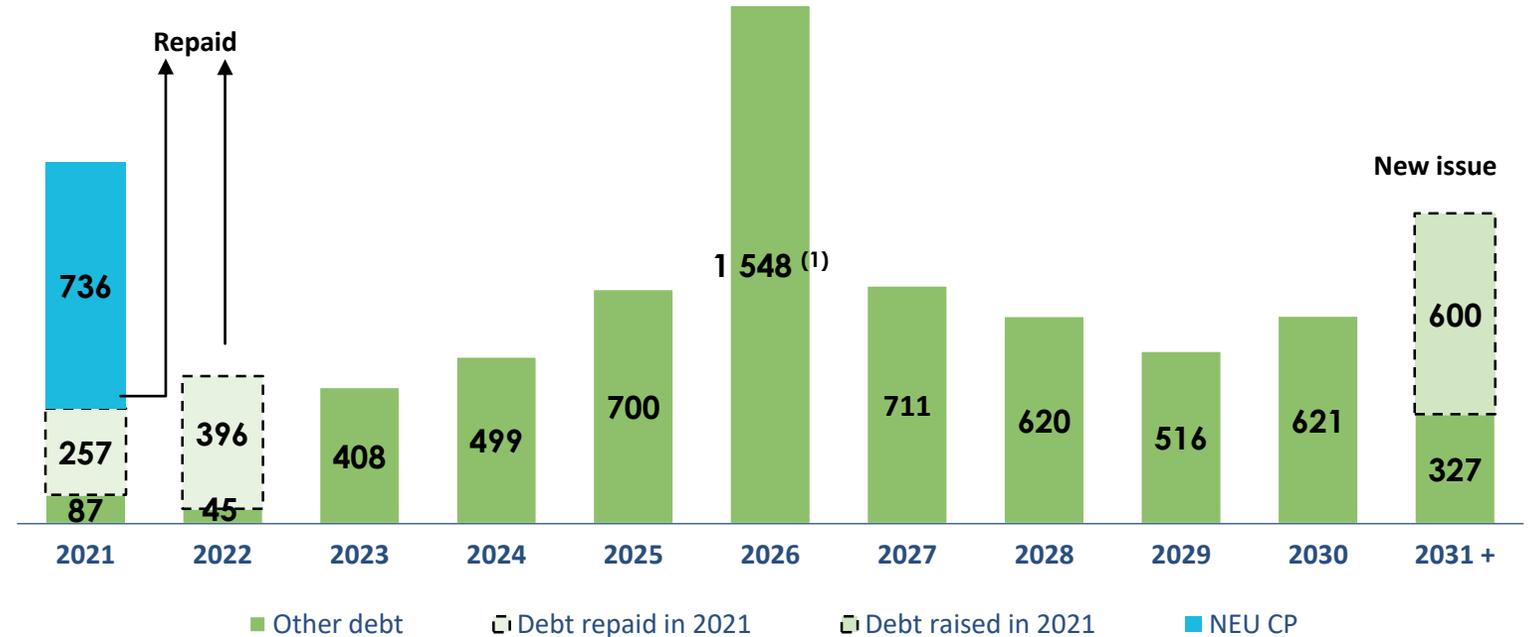
#### Bond issues :

- 2020 : Icade Santé: €600m, 10 years, 1.375%
- Jan 2021 : Icade: €600m 10 years, 0.625% coupon, the lowest rate ever achieved

#### Early redemptions :

Bonds maturing in 2021 (2.25%) and 2022 (1.875%)

- Debt maturity schedule including transactions completed in January 2021 (in €m)



### Maturity schedule under control in the near future:

- No more major debt repayments in 2021 and 2022
- Next bond maturity: 2023

<sup>(1)</sup> Including €440m relating to the debt of Tour Egho

## CONTINUED FOCUS ON SUSTAINABLE FINANCE

### Icade's inaugural Green Bond issued in 2017

#### A Green Bond meeting the highest standards

- **€600m; 10 years;** fixed coupon of **1.50%**
- **59%** of green investors
- A rigorous selection process for green assets and projects

### Icade Santé's Social Bond issued in 2020

#### The first Corporate Social Bond benchmark sized in the world

- **€600m; 10 years;** fixed coupon of **1.375%**
- Nearly **10 times** oversubscribed by major investors
- Underscoring the intrinsic social nature of the Healthcare Property division business

### 2 new RCF lines signed on H1 2020 for a total of €450m

- **7-year €300m green RCF** (If the defined CSR goal is not met, an additional cost has to be paid to an association having a positive impact on the environment)
- **5-year €150m solidarity-based RCF** allocated to research on Covid-19 vaccines carried out by Institut Pasteur

#### First Climate Fund <sup>(1)</sup>

- To be allocated starting in 2021: €2.5m



**A sustainable, dynamic and innovative liability management**

<sup>(1)</sup> In addition to investments aimed at improving the energy efficiency of our assets: on average, €10/15m per year since 2015

# KEY INDICATORS

An optimized debt structure

- Average debt maturity at close to 6 years



- Average cost of debt down again (6 bps)



A rigorous financial policy

- LTV ratio :
  - Target LTV ratio at **36%/37%** as of the end of 2023
- A very strong ICR level at **5.4x**
  - One of the highest in the market
  - Bank covenant : 2x
- Net debt / Ebitda : **11.2x**

- LTV ratio incl. duties at 40,1% as of dec 2020 / covenant at 60%





## 2020 DIVIDEND – PAYMENT METHOD

The General Meeting of 04/23/21 approved resolutions 3 and 4 with regard to the 2020 dividend:

**€4.01/share steady vs. payout 2019**

### An in 2-step payment schedule:

- Interim dividend of €2.01/share paid on 5 March 2021 in cash
- **Balance of €2.0/share detached on 28 April and paid on 27 May 2021**

**83%**

**2020 dividend payout ratio**

**6.4%**

**Dividend yield**  
Based on share price as of 12/31/2020

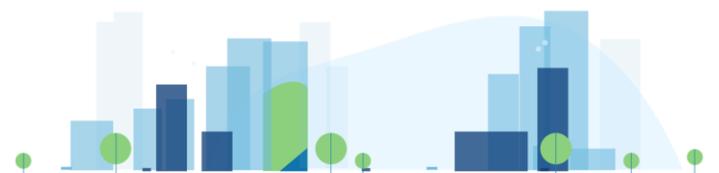
**Option on 80% of the remaining dividend**  
(€1.60 gross per share)

**Share price**  
**59.2€**

**95% of the average quoted price on the 20 trading days preceding April 23, less the net amount of the portion of the final dividend**

### Schedule:

- **28 April:** « Ex-date » of the payout balance
- **29 April:** « Record date »
- **30 April:** Opening of the option period
- **20 May:** Closing of the term
- **25 May:** Announcement of option results
- **27 May:** Payment/in shares

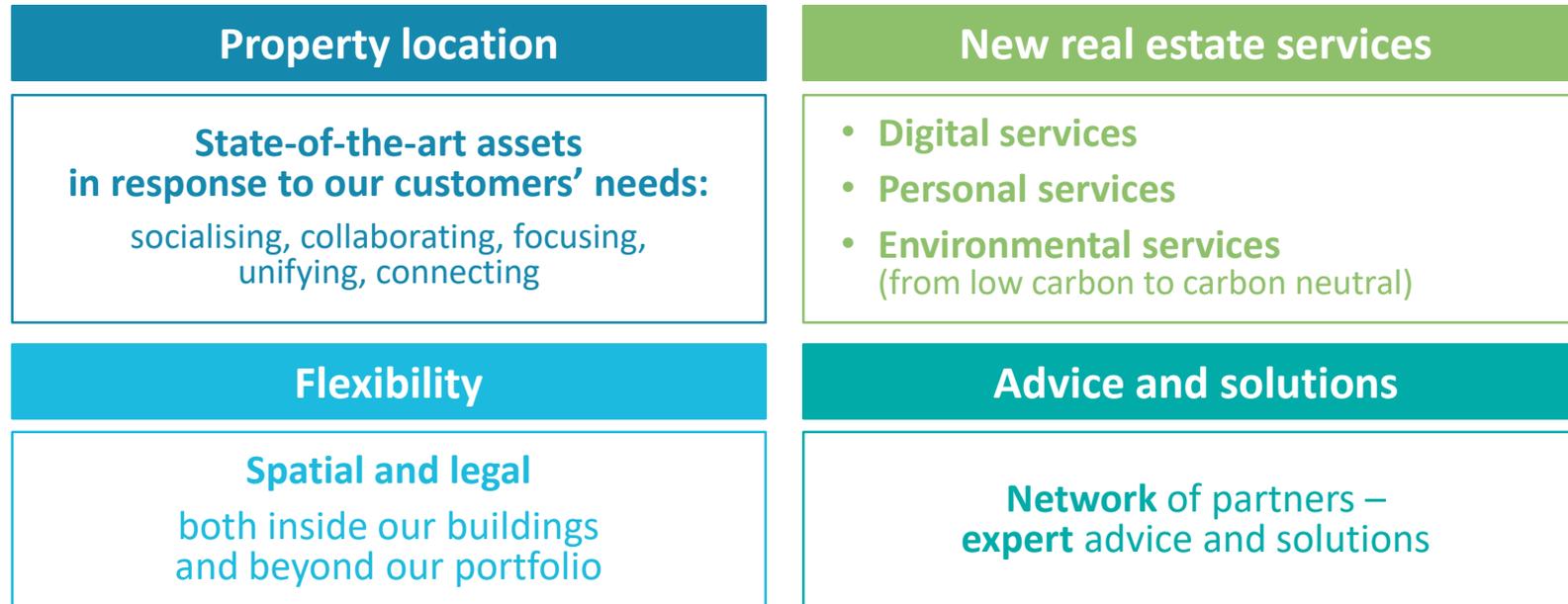


# THE OFFICE OF TOMORROW BY ICADE: WE'RE READY

## Our customers' key priorities...



## ... with solutions already in place across our portfolio



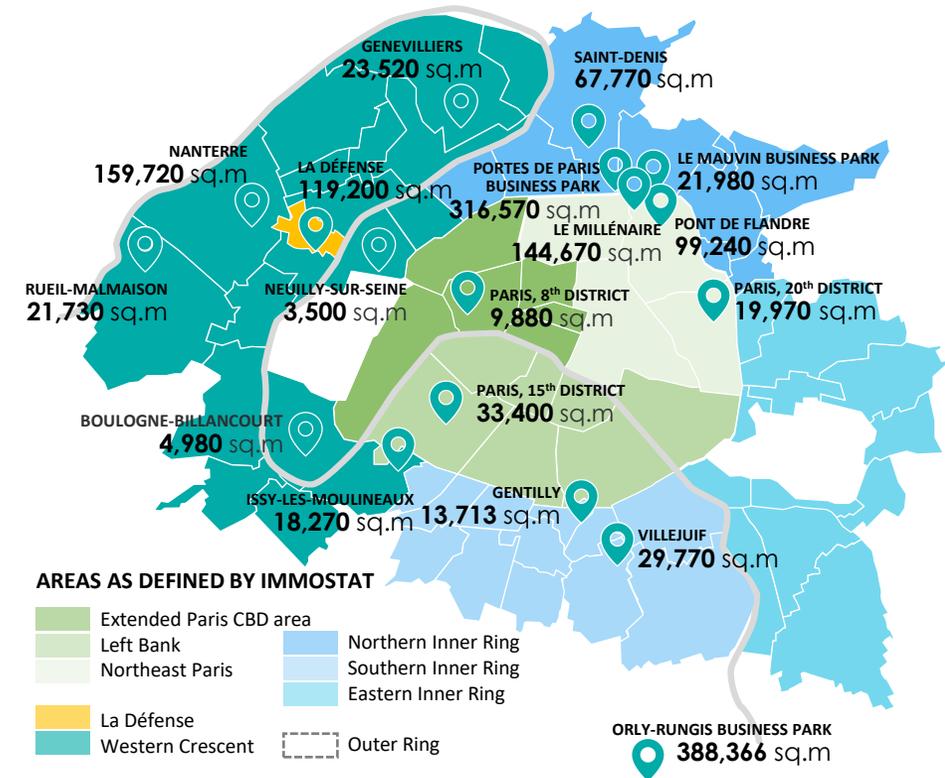
→ **The Office of Tomorrow by Icade: smart, cost efficient, flexible and safe (“OaaS” <sup>(1)</sup>)**

(1) Office as a Service

# OPPORTUNITIES OUTSIDE PARIS IN TERMS OF OCCUPIER DEMAND

	Paris CBD	La Défense	Western Crescent	Inner Ring	Outer Ring
<b>Physical vacancy rate</b> (in 2020 and YoY change)	3.6% ▲	10.8% ▲	12.2% ▲	7.9% ▲	5.4% ▲
<b>Take-up</b> (2020 vs. 2019)	229,000 sq.m (-43%)	196,000 sq.m (+32%)	273,000 sq.m (-53%)	195,000 sq.m (-56%)	187,000 sq.m (-38%)
<b>Transactions &gt; 5,000 sq.m</b> (% 2020)	21%	78%	32%	33%	12%
<b>Prime rent</b> (€/sq.m/year excl. taxes and service charges in 2020 vs. 2019)	€940/sq.m ≈	€550/sq.m ≈	€580/sq.m ≈	€430/sq.m ≈	€320/sq.m ▲
<b>Average rent for new space</b> (€/sq.m/year excl. taxes and service charges in 2020 vs. 2019)	€798/sq.m ▲	€470/sq.m ≈	€383/sq.m ▼	€328/sq.m ≈	€215/sq.m ≈
<b>Price</b> (€ incl. duties/sq.m in 2020 vs. 2019)	€19,178/sq.m ▲	€6,434/sq.m ▼	€7,200/sq.m ▲	€5,725/sq.m ▲	€3,210/sq.m ▼
<b>Supply under construction to be completed within 3 years</b> (in sq.m, end of 2020 vs. end of 2019)	145,289 sq.m ▲	288,897 sq.m ▲	455,525 sq.m ▲	585,284 sq.m ▲	36,873 sq.m ≈
<b>Prime yields</b> (2020 vs. 2019)	2.70% ▼	4.0% ≈	3.20% ≈	3.60% ▼	4.85% ≈
<b>Office investments</b> (2020 vs. 2019)	€3,603m (-10%)	€136m (-96%)	€4,947m (-8%)	€2,956m (-15%)	€369m (-78%)

● Icade's Office Investment portfolio in the Paris region at the end of 2020

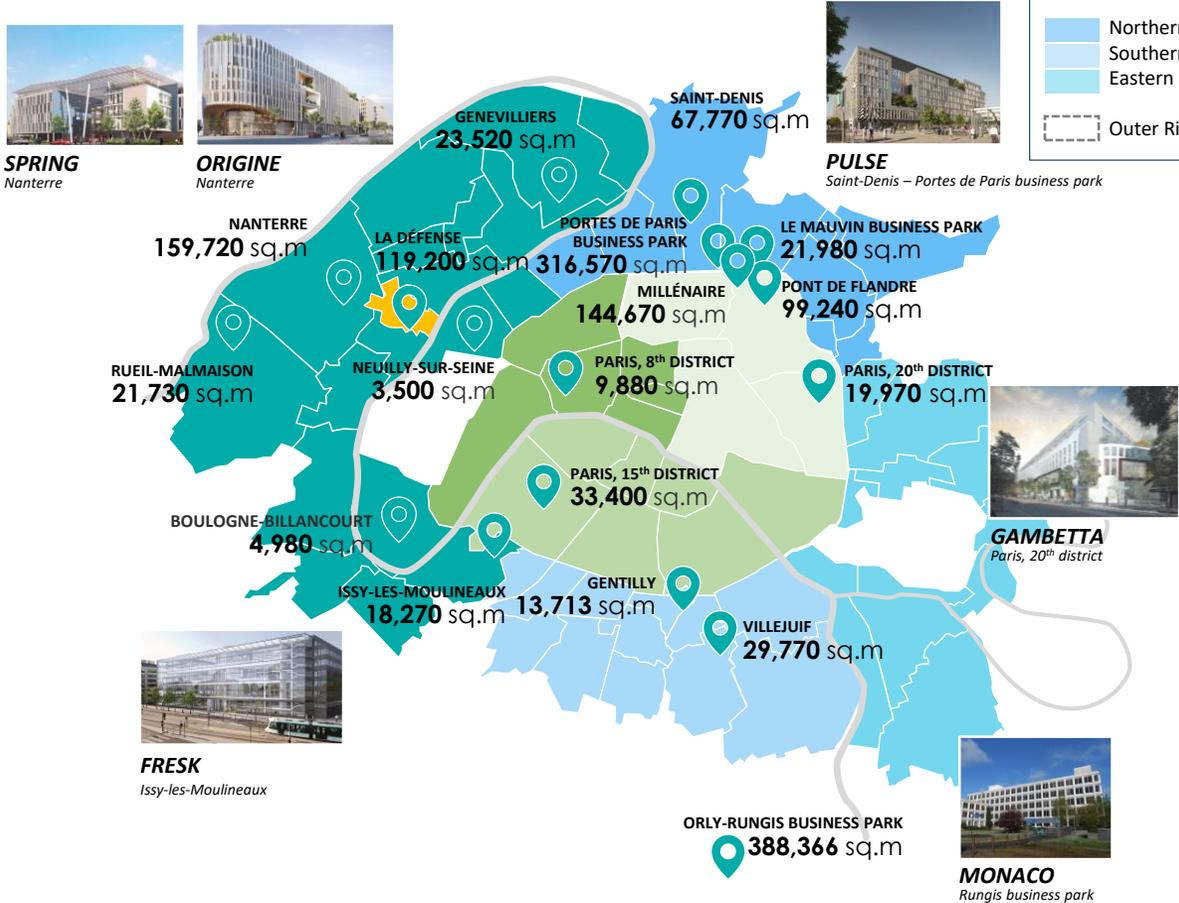


As a result of the crisis, price and quality criteria have become even more important for office space

➔ As new supply in Paris CBD remains limited and costs €800/sq.m on average, demand is expected to increasingly shift towards the best locations on the outskirts of Paris

# MOST INVESTMENTS ARE CONCENTRATED IN GREATER PARIS: 90%

**Paris region portfolio**  
**1,572,200 sq.m – €7.5bn (1)**



**Land bank: 877,000 sq.m (2) – €0.1bn**

**AREAS (IMMOSTAT)**

- Extended Paris CBD area
- Left Bank
- Northeast Paris
- La Défense
- Western Crescent
- Northern Inner Ring
- Southern Inner Ring
- Eastern Inner Ring
- Outer Ring

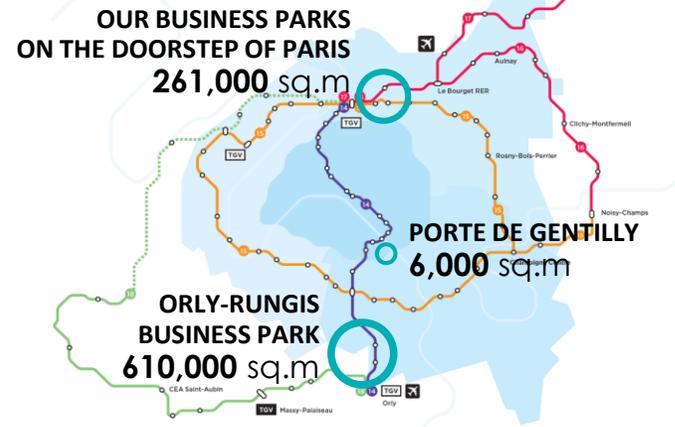
**ASSETS**

**GRAND PARIS EXPRESS LINES**

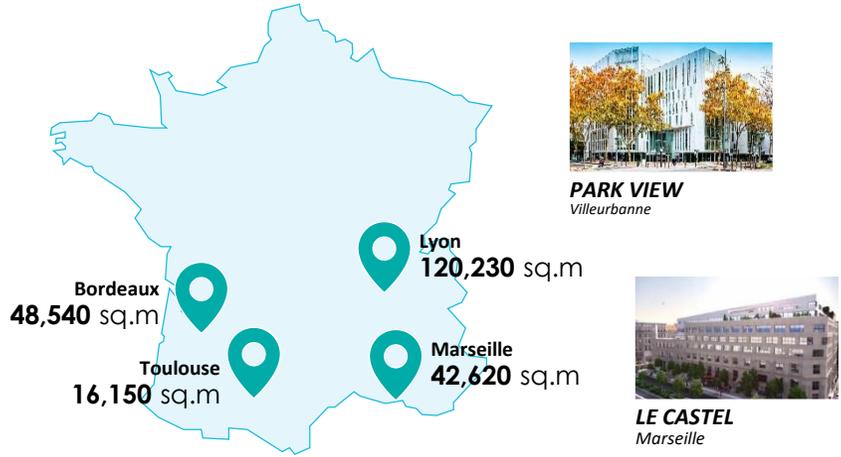
- 14
- 15
- 16,17
- 18
- 18 Beyond 2030

**HIGH-SPEED TRAIN STATIONS**

- TGV Existing high-speed train station
- TGV Planned high-speed train station



**Portfolio outside the Paris region**  
**278,900 sq.m – €0.8bn (1)**



(1) Valuations as of December 31, 2020 on a Group share basis (excl. residential)  
 (2) Balance net of demolition and construction

# DEVELOPMENT PIPELINE AS OF 12/31/2020

Project name	Location	Type of works	In progress	Property type	Estimated date of completion	Floor area (sq.m)	Rental income (€m)	YoC <sup>(1)</sup>	Cost <sup>(2)</sup> (€m)	Remaining to be invested > Q4 2020 (€m)	Pre-let
LATÉCOÈRE	Toulouse	Construction	✓	Office	Q1 2021	12,717			43	1	100%
ORIGINE	Nanterre	Redevelopment	✓	Office	Q2 2021	65,000			450	51	79%
FONTANOT	Nanterre	Refurbishment	✓	Office	Q2 2021	16,350			110	8	100%
FRESK	South Loop	Refurbishment	✓	Office	Q3 2021	20,542			223	24	0%
B034	Flandre	Refurbishment	✓	Hotel	Q2 2022	4,826			33	15	100%
JUMP	Portes de Paris	Construction		Office/Hotel	Q1 2023	18,784			94	75	19%
<b>TOTAL PROJECTS STARTED</b>						<b>138,219</b>	<b>54.5</b>	<b>5.7%</b>	<b>952</b>	<b>173</b>	<b>59%</b>
<b>TOTAL UNCOMMITTED PROJECTS</b>						<b>72,014</b>	<b>29.1</b>	<b>5.6%</b>	<b>520</b>	<b>318</b>	<b>0%</b>
<b>TOTAL PIPELINE</b>						<b>210,233</b>	<b>83.6</b>	<b>5.7%</b>	<b>1,472</b>	<b>491</b>	<b>39%</b>

63%

Projects to be completed in 2023–2025

- A development pipeline with an attractive YoC of 5.7%
- 4 projects to be completed in 2021 (114,609 sq.m), 63% pre-let

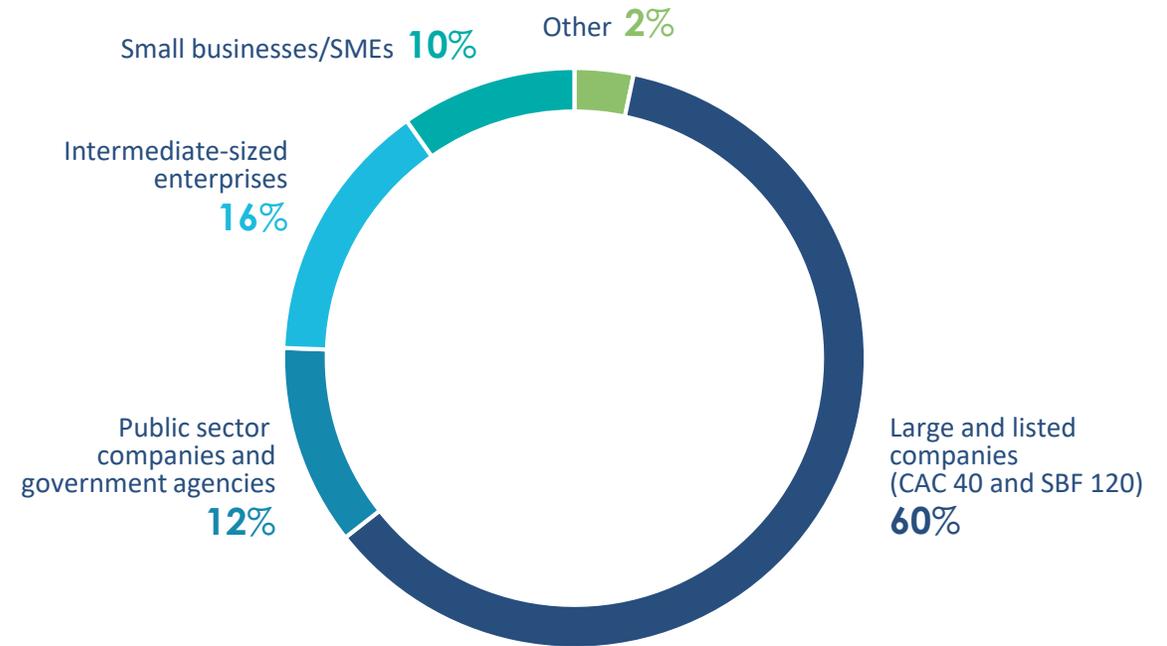
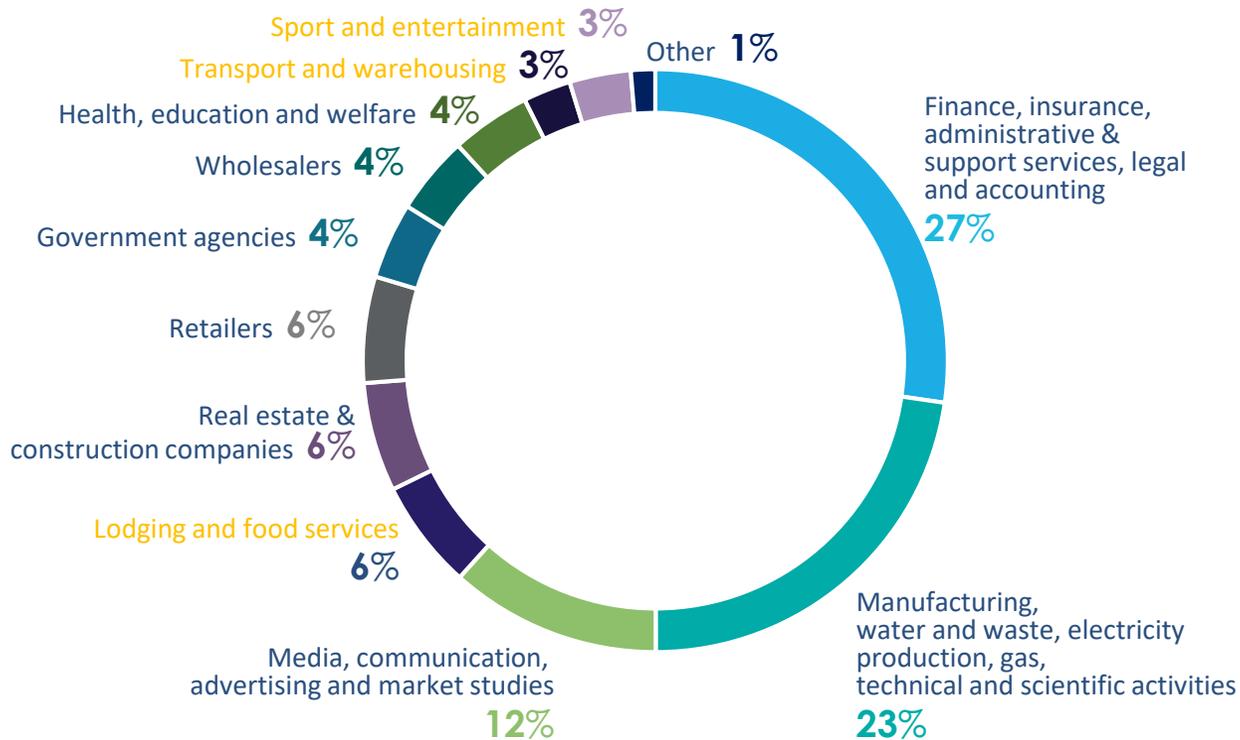
On a 100% basis

(1) Fair value-based YoC = headline rental income / cost of the project. This cost includes the fair value of the asset at project start, cost of works (incl. expenses, fees and tenant improvements) and carrying costs

(2) Includes the fair value of the asset at project start, cost of works (incl. expenses, fees and tenant improvements) and carrying costs

# A SOLID AND DIVERSIFIED TENANT PORTFOLIO

● % of annualised IFRS rental income as of 12/31/2020, 100% basis (equity-accounted companies on a Group share basis)



Sectors most affected by the crisis → c. 12% of rental income

# HEALTHCARE PORTFOLIO BY GEOGRAPHY AS OF DECEMBER 31, 2020

**175** facilities

**€5.7bn** (100% basis) – **58.3%** owned by Icade

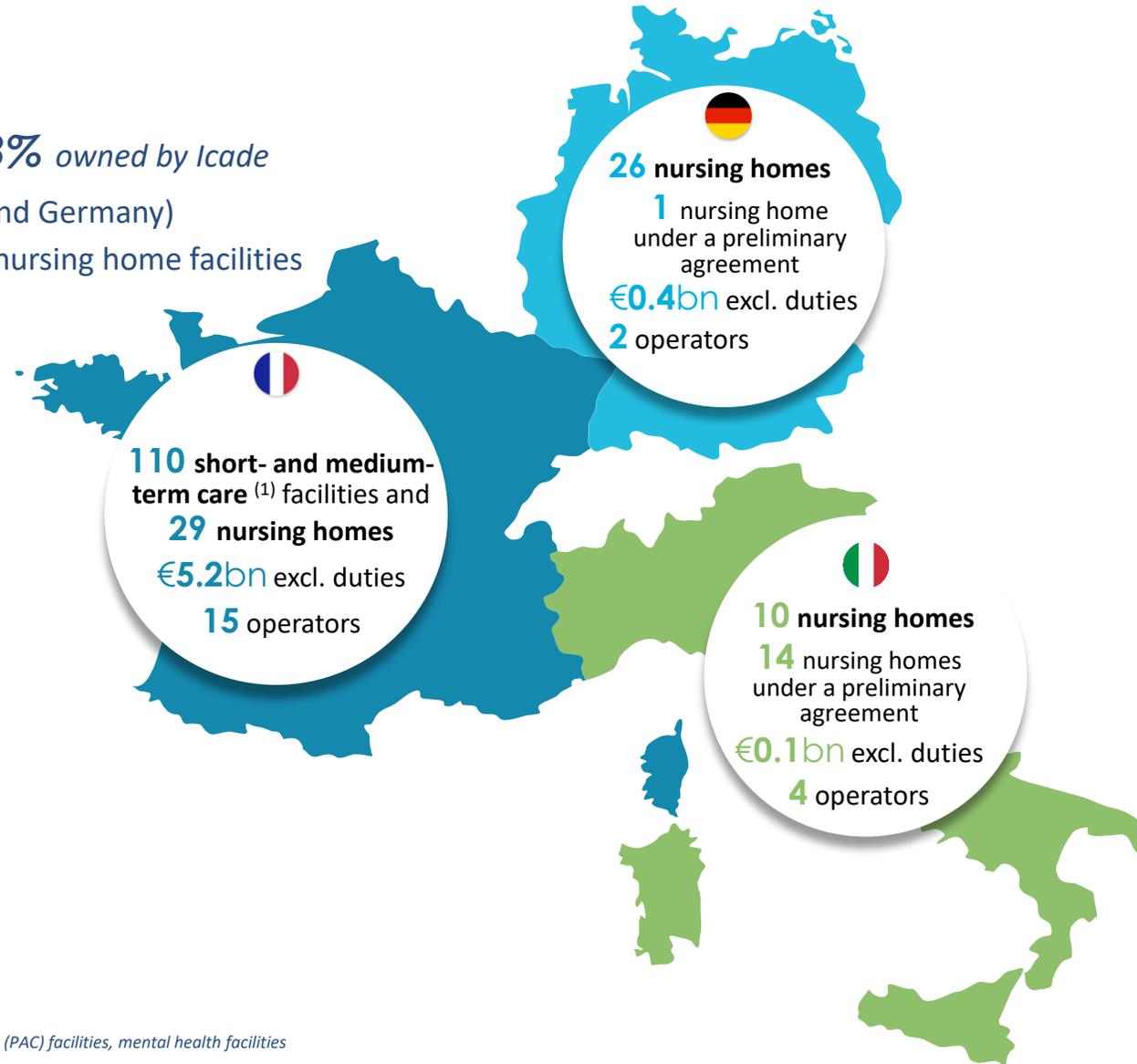
- **92%** in France, **8%** in Europe (Italy and Germany)
- **86%** short-term care facilities, **14%** nursing home facilities



Navarre polyclinic, Pau



Les Jardins de Beauvallon nursing home, Marseille



Nuthetal nursing home, Germany



Schleswig nursing home, Germany

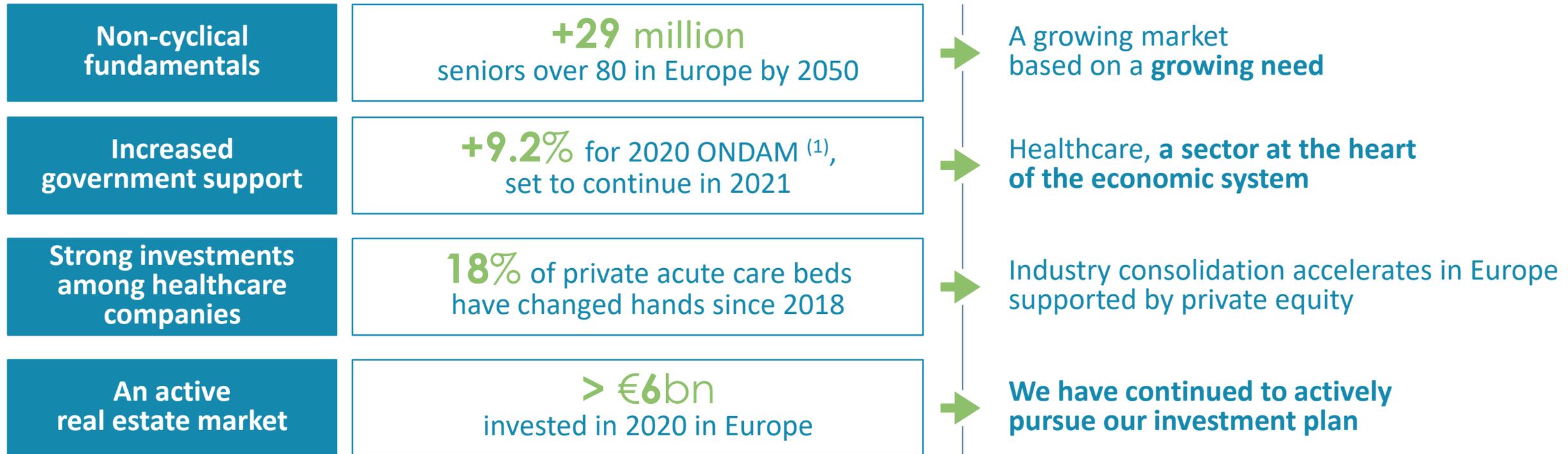


Nichelino nursing home, Italy

(1) Acute care facilities (medicine, surgery and obstetrics), post-acute care (PAC) facilities, mental health facilities

# HEALTHCARE: A FAVOURABLE MARKET OUTLOOK

## Growth potential for Healthcare Investment (in France and Europe)



- ➔
- Fundamentals strengthened by the crisis
  - Expansion goals supported by favourable trends

(1) ONDAM = Maximum Target for National Healthcare Spending

# FACILITIES WITH ATTRACTIVE RENTAL TERMS

## HEALTH SECTOR

	Short-term care facilities – acute care	Medium-term care facilities – PAC/mental health <sup>(1)</sup>
<b>Real estate</b>	<b>Technical equipment</b> More ambulatory care and reduced accommodation structures	<b>Mostly accommodation structures</b> with less technical equipment (easier to convert the properties)
<b>Investment</b>	+++	+
<b>Operators</b>	Nationwide and regional operators including two leaders (Ramsay Santé and ELSAN)	Nationwide or regional operators from the healthcare (Ramsay Santé) or medical-social segment (Korian / ORPEA)
<b>Lease terms</b>	12 years with no break option	12 years with no break option
<b>Renewal</b>	+9 to +12 years	+9 to +12 years
<b>Index-linked rent reviews</b>	ILC (commercial rent index)	ILC (commercial rent index)
<b>Charges</b> (excluding maintenance)	100% tenant	100% tenant
<b>Maintenance</b>	Landlord: major works (Art. 606)	Landlord: major works (Art. 606)

## MEDICAL-SOCIAL SECTOR

Long-term care facilities (nursing homes...)			
France	Germany	Italy	Spain
<b>Primarily accommodation structures</b> Little or no technical equipment (easier to convert the properties in urban settings)	<b>Rental terms even more attractive outside of France</b>		
+			
About ten nationwide operators incl. 3 leaders (Korian, ORPEA, DomusVi) strongly expanding abroad	<b>High market fragmentation at regional level</b> Korian, the market leader	<b>Smaller leaders</b> (<6,000 beds for Korian or KOS)	<b>Market consolidation with the arrival of French groups</b>
12 years with no break option	12 to 25 years	12 to 29 years (previously 9 years)	20 to 25 years
+9 to +12 years	+5 to +7 years	+9 to +18 years	up to 20 years
50% IRL (rent review index) + 50% nursing home fees	Free with upward-only rent reviews	Free (≈inflation)	Free (≈inflation)
100% tenant	100% tenant	Landlord: property tax	100% tenant
Landlord: major works (Art. 606)	Landlord: major works (Dach und Fach)	Landlord: major works	Landlord: major works

Sources: Icade Santé / C&W  
(1) PAC: Post-Acute Care

# ICADE SANTÉ, THE LEADER IN HEALTHCARE PROPERTY IN FRANCE

		Properties in France	Properties in Europe (excl. France)	Main type of facility	Other types of facilities owned	
INVESTORS	(1)	€5.2bn	€0.45bn Germany, Italy	Acute care (80%)	Nursing homes (14%), PAC and mental health	
	(2)	€2.5bn	€5.5bn Germany, Italy, Ireland, Spain, Austria	Nursing homes (69%)	Acute care, PAC, mental health (25%) and others (6%)	
	(3)	€0.65bn	€0.2bn (funds raised) Germany	Acute care, PAC, mental health (c.66%)	Nursing homes (c.33%)	
	(4)	€0.4bn	€2.3bn Belgium, Germany, Netherlands, Spain, Finland, Ireland	Nursing homes (82%)	Acute care, PAC, mental health (12%) and others (6%)	
	(4)	€0.4bn	€0.6bn Germany, Ireland, Portugal, United Kingdom	Nursing homes (56%)	Acute care, PAC, mental health (34%) and others (10%)	
	(5)	€0.3bn	€0.1bn Germany, Italy, Spain	Nursing homes (60%)	PAC, mental health	
		Total property value	% owned	Location	Type	Strategy
OPERATORS	(6)	€5.2bn	23%	France, Germany, Belgium, Italy, Spain and Netherlands	PAC, mental health and nursing homes	Buy & build strategy “Smart asset” real estate strategy
	(6)	€2.5bn	49%	13 European countries, Brazil, China	PAC, mental health and nursing homes	Top builder in Germany in 2020

(1) In Q4 2020  
 (2) Portfolio key figures as of 12/31/2019  
 (3) July 2020 press release and 2019 CSR report

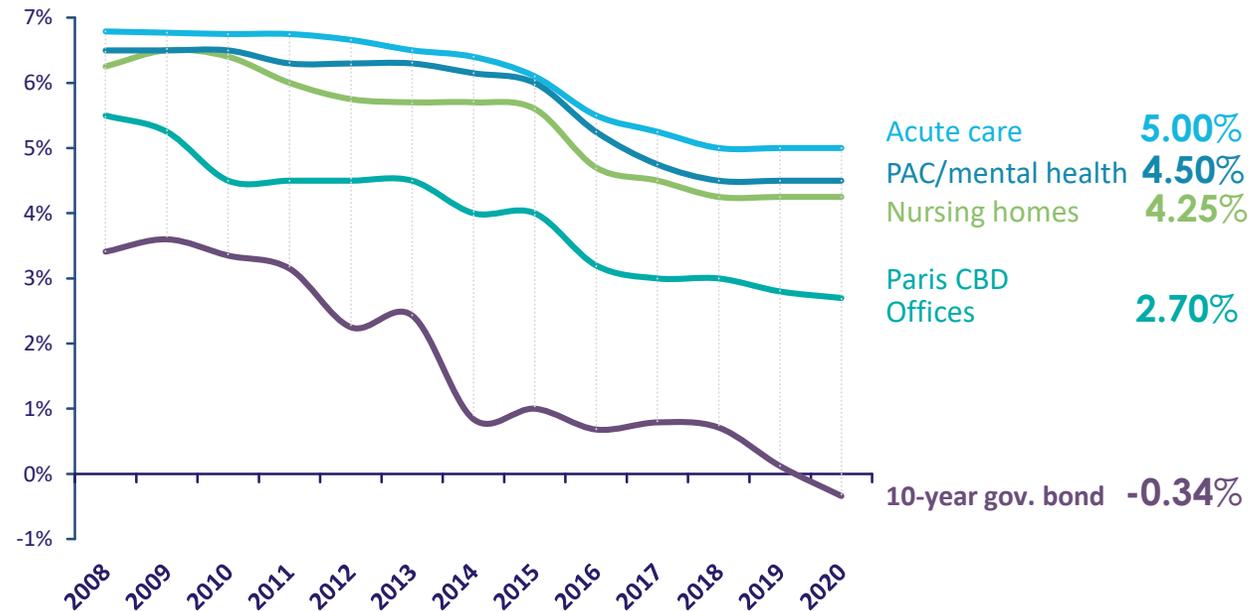
(4) In Q3 2020  
 (5) As of the end of 2018 plus acquisitions identified  
 (6) In H1 2020

# CONSISTENTLY GOOD YIELDS

## Renewed investor demand

- **New entrants** (Lifento, Cofinimmo, Cardif/EDF Invest)
- **Stable prime yields in 2020 with a potential for compression**
- **One of the highest yields in real estate**

### ● Prime yields (at period end)

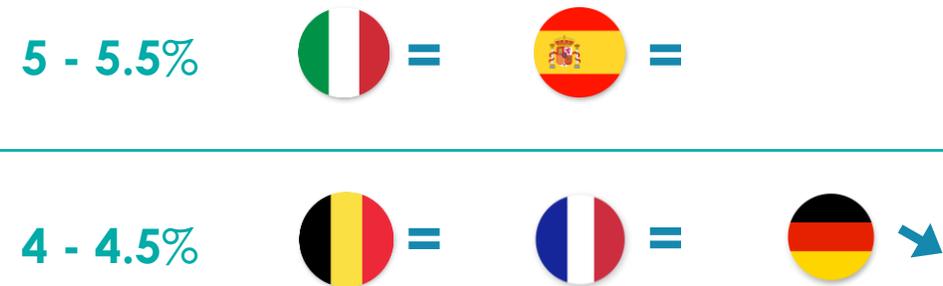


## The German market is becoming increasingly popular

- Germany has been less impacted by the first wave of Covid-19 (lower mortality rates, nursing homes less affected, partial lockdown)
- Significant drop in prime yields in 2020

## Prime yields have remained stable in other countries

### ● Nursing home prime yields (at year end)



# HEALTHCARE DEVELOPMENT PIPELINE

Type	Operator	City/town	Number of beds and places	Total investment <sup>(1)</sup> (€m)	Remaining to be invested (€m)	Yield on cost <sup>(2)</sup> (YoC)	Completion	Pre-let
<b>PROJECTS STARTED</b>			<b>4,202</b>	<b>450.9</b>	<b>351.7</b>	<b>5.5%</b>		<b>100%</b>
<b>Incl. France</b>			<b>2,036</b>	<b>186.4</b>	<b>94.9</b>			<b>100%</b>
Grand Narbonne private hospital	Development	Elsan	Montredon-des-Corbières	283	47.8	4.4	2021	100%
Pôle Santé Lunellois health complex	Development	Clinipôle	Lunel	79	11.6	3.2	2021	100%
Mornay PAC facility	Development	Korian	Saintes	82	10.2	3.0	2021	100%
Médipôle Saint-Roch polyclinic	Extension	Elsan	Cabestany	332	10.1	7.1	2022	100%
Saint-Pierre private hospital	Extension	Elsan	Perpignan	249	8.8	4.9	2022	100%
Blagnac nursing home	Development	Korian	Blagnac	80	14.9	11.4	2022	100%
Joncs Marins PAC facility	Development	Korian	Le Perreux-sur-Marne	136	21.9	15.6	2022	100%
Le Parc polyclinic	Extension	Elsan	Caen	288	21.2	9.2	2022	100%
Saint-Charles private hospital	Extension / Renovation	Sisio	La Roche-sur-Yon	210	14.3	10.4	2022	100%
Saint-Augustin private hospital	Extension	Elsan	Bordeaux	297	25.7	25.6	2023	100%
<b>Incl. outside France</b>			<b>2,166</b>	<b>264.4</b>	<b>256.9</b>			<b>100%</b>
Nursing home portfolio	Development	Gheron	Italy (Piedmont, Veneto, Lombardy)	840	79.2	79.2	2021-2024	100%
Villalba	Development	KOS	Italy	80	12.8	12.8	2021	100%
Grosseto	Development	KOS	Italy	120	11.4	11.4	2021	100%
Italy (Alba portfolio)	Development	Gheron	Italy (Cesano, Senago, Arese, Vigonza, Planiga, Mestre)	936	116.8	116.8	2022-2024	100%
Berlin Weissensee	Redevelopment	ORPEA	Germany	124	36.5	36.5	2021	100%
Tangerhütte	Refurbishment	EMVIA Living	Germany	66	7.6	0.1	2021	100%



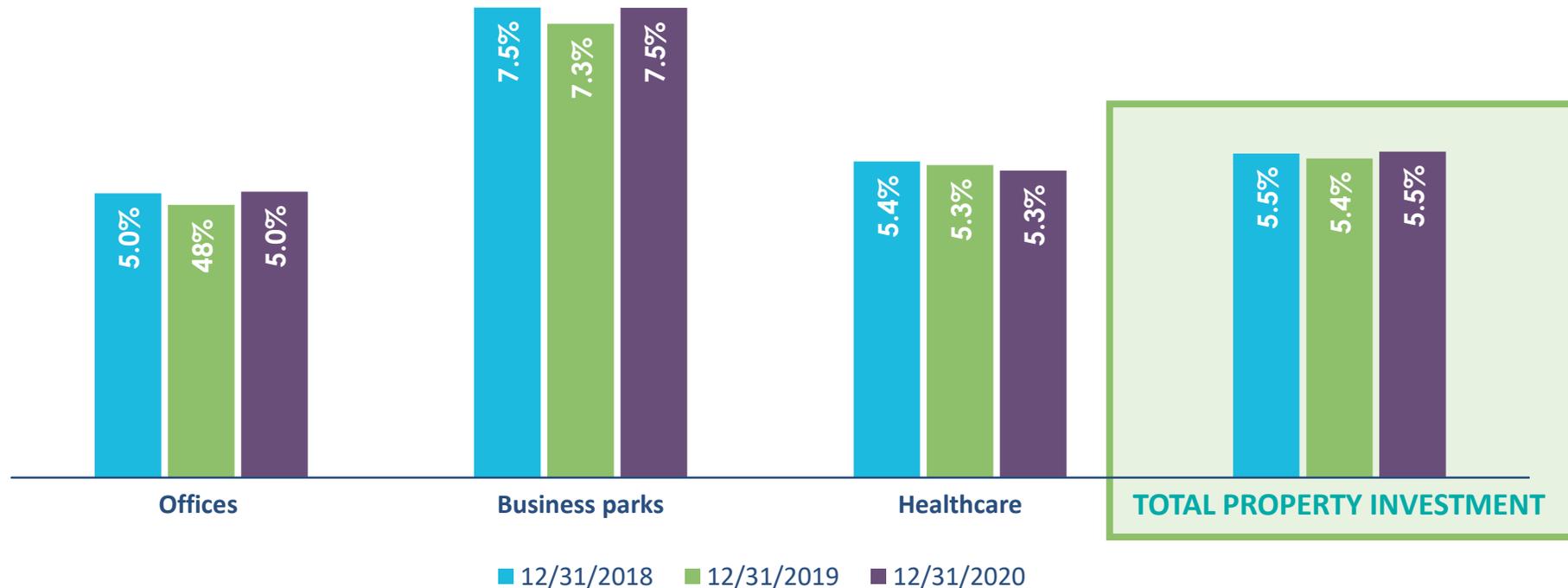
**The development pipeline France & International has been enhanced and strengthened**

(1) Cost of project as approved by Icade's governance bodies. This cost includes the fair value of land, cost of works and carrying costs

(2) YoC = headline rental income / cost of the project (as defined in (1))

# IMPLIED YIELDS <sup>(1)</sup> OF OPERATING ASSETS

(Group share)



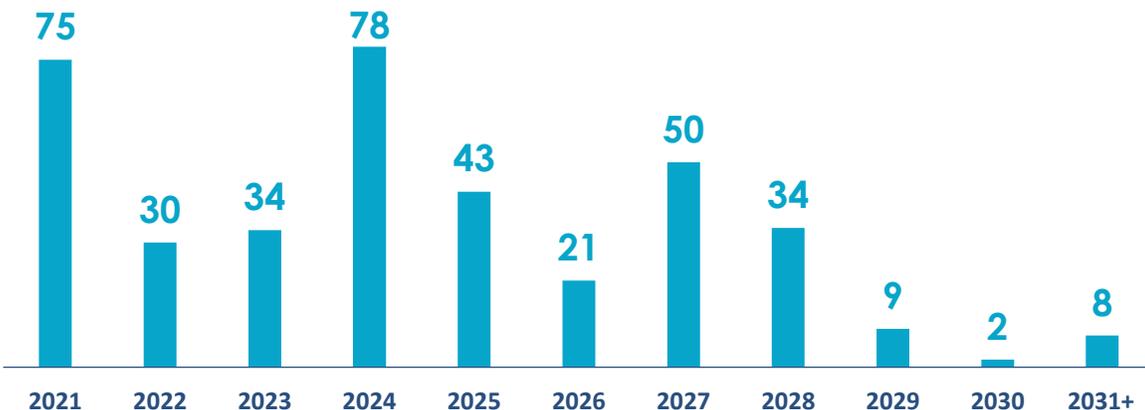
*(1) Annualised net rental income from leased space plus potential net rental income from vacant space at estimated rental value, divided by the appraised value including duties (operating properties)*

# LEASE EXPIRY SCHEDULE <sup>(1)</sup> FOR THE PROPERTY INVESTMENT DIVISIONS (IFRS RENTAL INCOME)

## Office Investment

### Resilient leasing activity in 2020

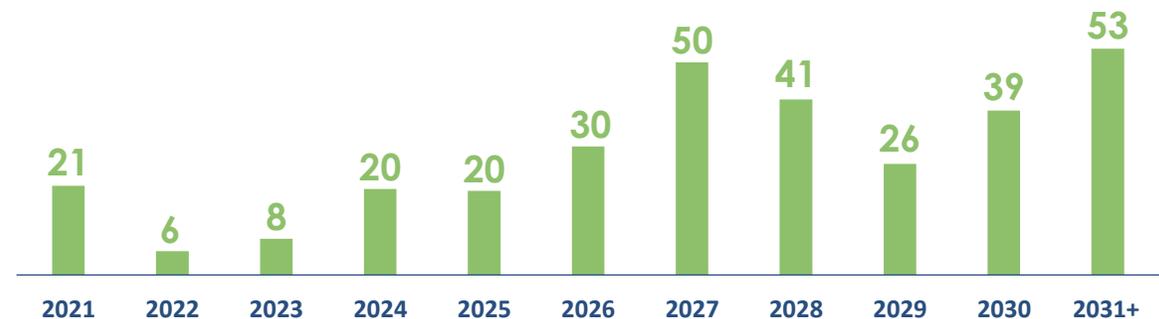
- **Renewed leases:** 54 leases renewed in 2020, i.e. 97,825 sq.m or €24.4m in annualised headline rental income extended by +2.9 years
- **New leases:** 106 new leases signed in 2020 for 60,543 sq.m, with annualised headline rental income of €13.0m
- **Annualised IFRS rental income €m**



## Healthcare Investment

### Rents assured well into the future

- **WAULT to break** of 6.7 years in France and 15.9 years outside France
- 8 leases renewed or extended prior to their expiry, representing €25.8m in annualised headline rental income for an average lease term of 8.5 years
- **Annualised IFRS rental income €m**

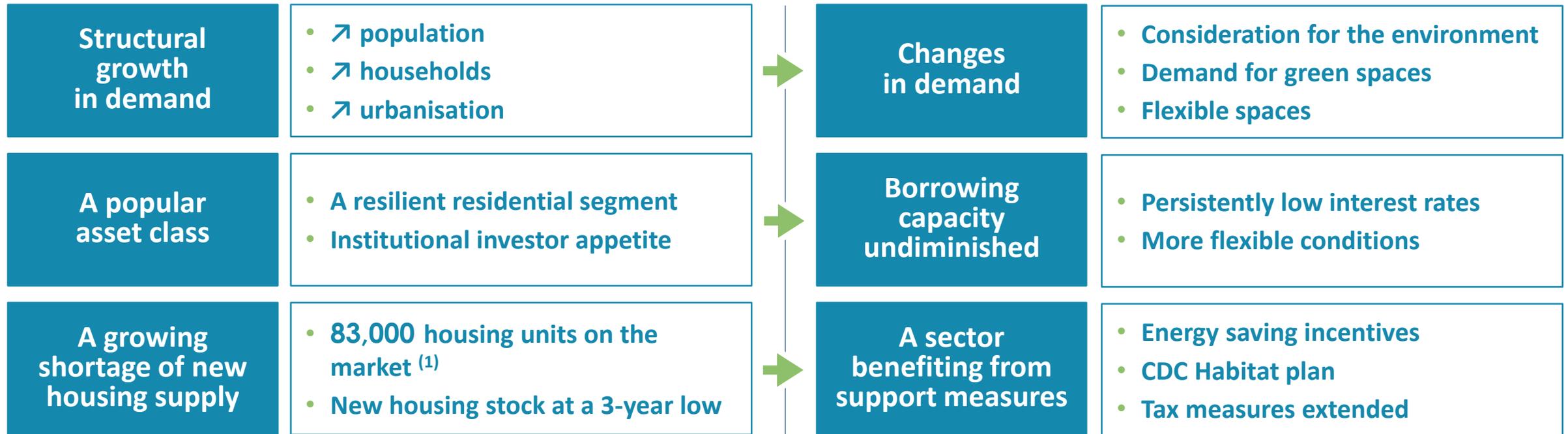


➔

- 75% of the Investment Divisions' leases expire after 2023
- >85% of 2021 break options are estimated to have been prevented <sup>(2)</sup> to date or covered by the signing of new leases as of March 31

(1) Expiry or first break – in terms of annualised IFRS rental income – €m  
 (2) Early renewals or likely renewals according to the Asset Management Department's estimates

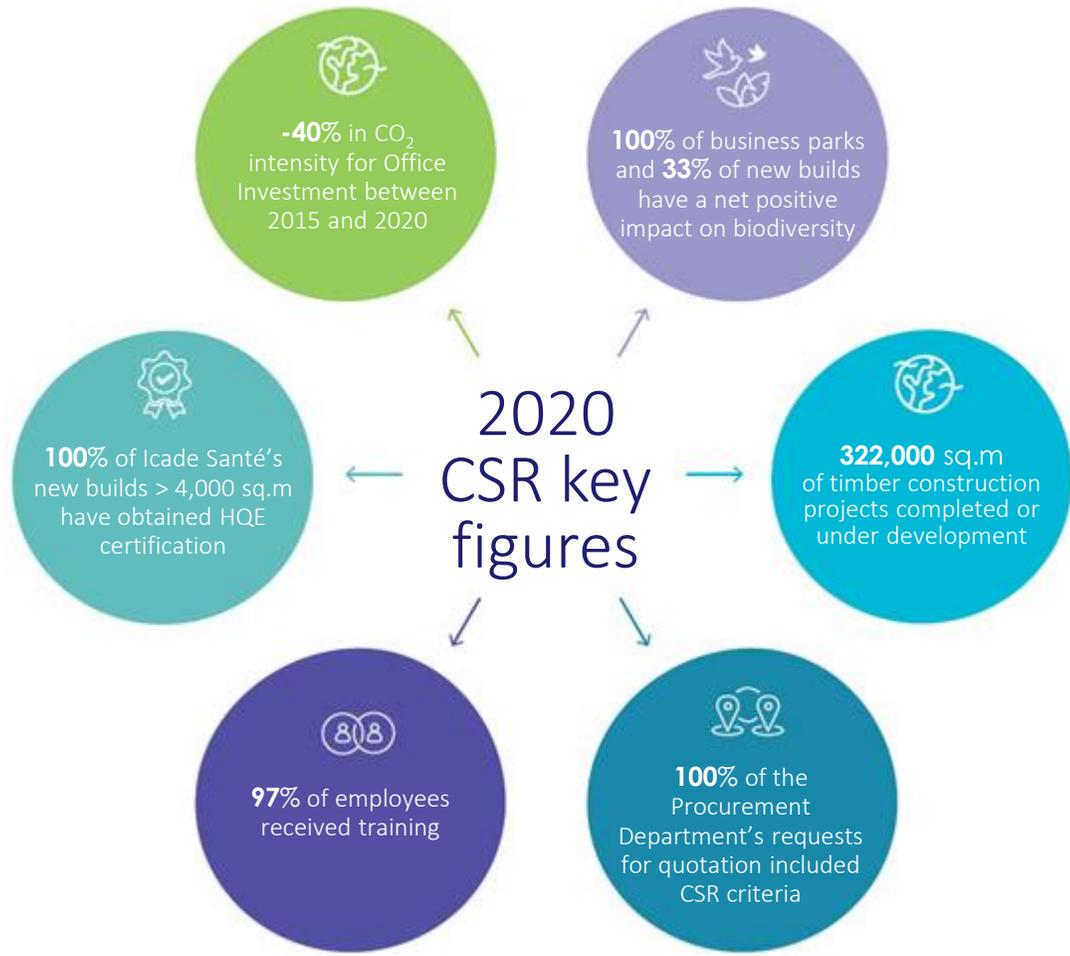
# PROPERTY DEVELOPMENT: DEMAND KEEPS MARKET CONDITIONS TIGHT



- 
- An assured market with stable prices for new homes due to limited supply
  - Renewed interest from institutional investors in a low interest rate environment
  - Changes in demand → preference for sustainable construction

(1) New housing stock identified as of the end of September 2020 (source: FPI)

# ICADE'S CSR POLICY: POSITIVE 2020 RESULTS



## CSR performance recognised

**2020 BBCA ranking**  
Icade  
**among the top 3**  
low-carbon developers  
in France



## Icade has reinforced its leading position atop ESG rating agencies' rankings:

- **GRESB: Sector Leader**, in the category of listed diversified companies in Europe
- **Sustainalytics: 3<sup>rd</sup>** out of 420 listed real estate investment companies

➔ **All of our divisions are involved in advancing our CSR goals**

**Focus on low carbon**

# SPOTLIGHT ON URBAN ODYSSEY: ICADE'S START-UP STUDIO CONTINUES TO GROW!

## URBAN ODYSSEY

Start-up Studio by ICADE

3 new start-ups in 2020 and first business achievements

### 3 new projects



Automated land detection



HIGH SIX

A new player in the design and construction of low-carbon real estate



Operator of co-living facilities for seniors in city centres

### Focus on business advances and synergies with Icade



#### Bespoke local carbon offset platform

- An active role in Icade's low-carbon strategy
- Offsetting contract for 5,520 tonnes CO<sub>2</sub>
- 14 certified offset projects (20,000 tonnes CO<sub>2</sub>)

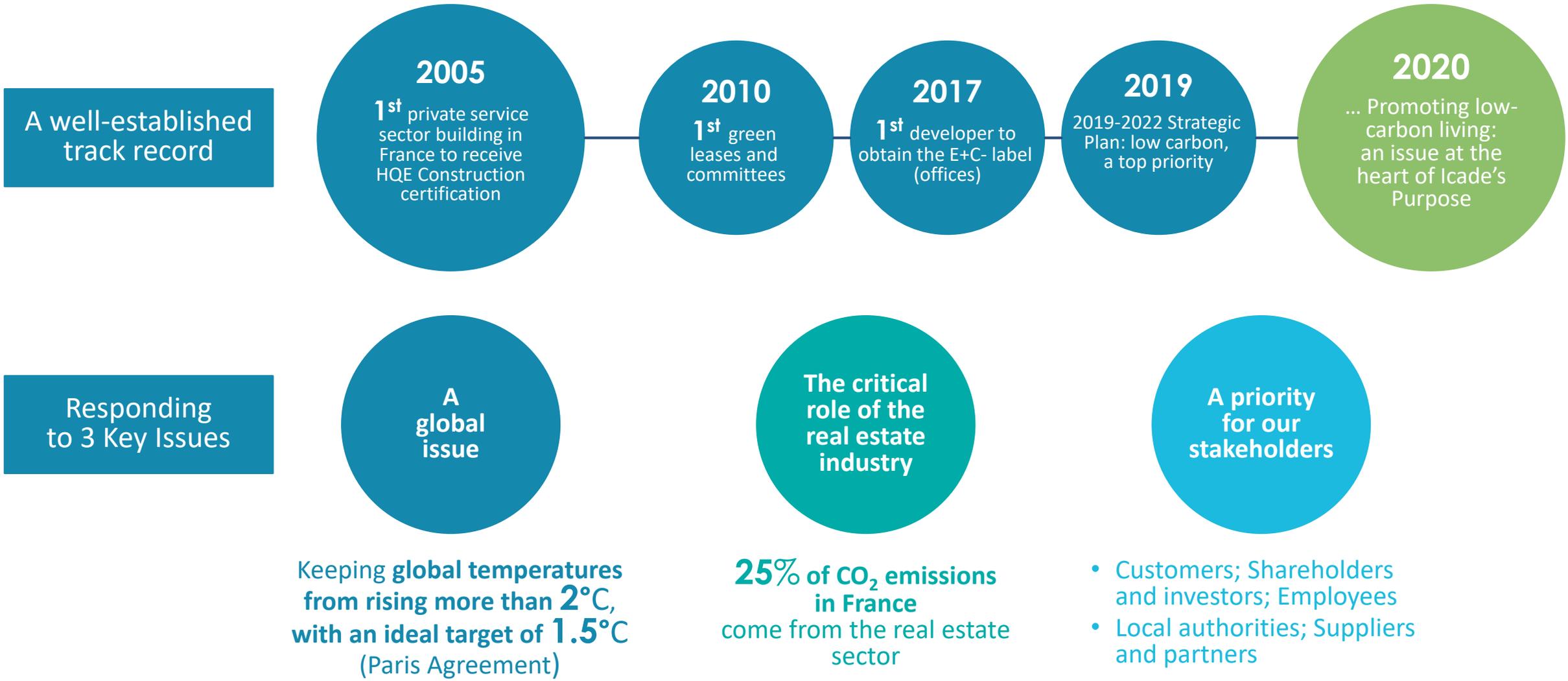


#### Urban solutions for recycling rainwater via plants

- 4 contracts signed
- Over 40 requests for quotation with IP
- Creation of an urban forest in the Portes de Paris business park

Urban Odyssey has supported the launch of Urbain des Bois, Icade Promotion's new subsidiary specialising in timber and customised construction

# LOW CARBON, A TOP PRIORITY



# A CLEAR STRATEGY: FROM MEASUREMENT TO OFFSETTING, THROUGH HIGHER GOALS FOR EACH BUSINESS LINE



## Office Property Investment & Corporate <sup>(1)</sup>

The business is aligned with a 1.5°C pathway

**OFFSETTING REMAINING CARBON EMISSIONS**

## Healthcare Investment & Property Development

The business is being aligned with a 1.5°C pathway

**BIGGER PUSH:**

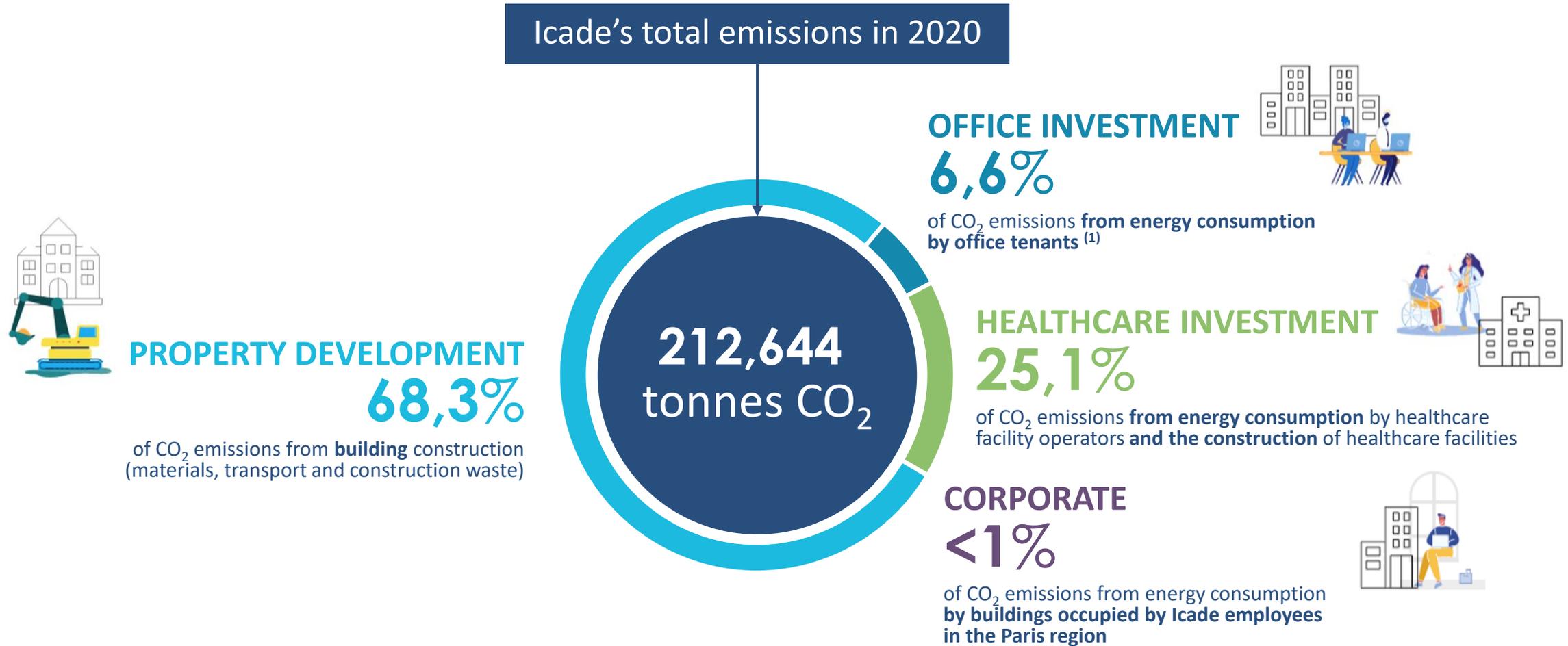
- Timber construction business unit
- Naturally at Home solutions
- Help healthcare facility operators improve their energy performance



*In addition to its carbon reduction efforts, Icade has implemented a policy to offset its residual emissions locally solely for its operations already in line with a 1.5°C pathway*

(1) Includes emissions linked to the energy consumption of Icade buildings in the greater Paris region

# #1: WE MEASURE OUR CARBON FOOTPRINT



(1) As the Office Property Investment Division had no uncompleted construction projects for which a work order had been approved, emissions from construction were zero for this segment in 2020.

## #2: MOVING TOWARDS A 1.5°C PATHWAY THROUGH HIGHER GOALS FOR EACH BUSINESS LINE

### OFFICE INVESTMENT

**-45%** reduction in carbon intensity between 2015 and 2025 (in kg CO<sub>2</sub>/sq.m/year), in line with a **1.5°C** pathway

### PROPERTY DEVELOPMENT

**100%** of offices over **5,000** sq.m and **50%** of homes to obtain the E+C- label with an **E2C1** rating in 2022

### HEALTHCARE INVESTMENT

**100%** of new builds over **4,000** sq.m to be **HQE<sup>®</sup>**-certified

### CORPORATE

Set an example and reduce our carbon footprint by getting employees involved

(1) Paying for life-cycle assessments and ATEX procedures as part of innovative projects and carbon offset credits, in addition to investments aimed at improving the energy efficiency of our assets: on average, €10/15m per year since 2015

# #3: AN AMBITIOUS AND RESPONSIBLE CARBON OFFSETTING POLICY



Started in 2020!

16,000 tonnes <sup>(1)</sup> of CO<sub>2</sub>



## An unwavering approach

- **Complementary**  
Carbon offsetting <sup>(2)</sup> can be considered in addition to reduction efforts
- **Reliable**  
Projects backed by the best labels and standards sourced from rigorously selected partners
- **Local**  
Carbon offsetting projects throughout France



## BE GREEN

10 hectares of forest  
85 kilometres from  
Nantes

## Committed partners and innovative tools



(1) Emissions from operations aligned with a 1.5°C pathway: operating energy consumed by Office Property Investment and corporate buildings in the Paris region. 16,000 tonnes of CO<sub>2</sub> emissions offset over the lifetime of forestry projects.

(2) Consists of financing projects conducted by third parties whose activities reduce or sequester CO<sub>2</sub> emissions in France or abroad. (1 tonne of CO<sub>2</sub> offset = 1 credit)

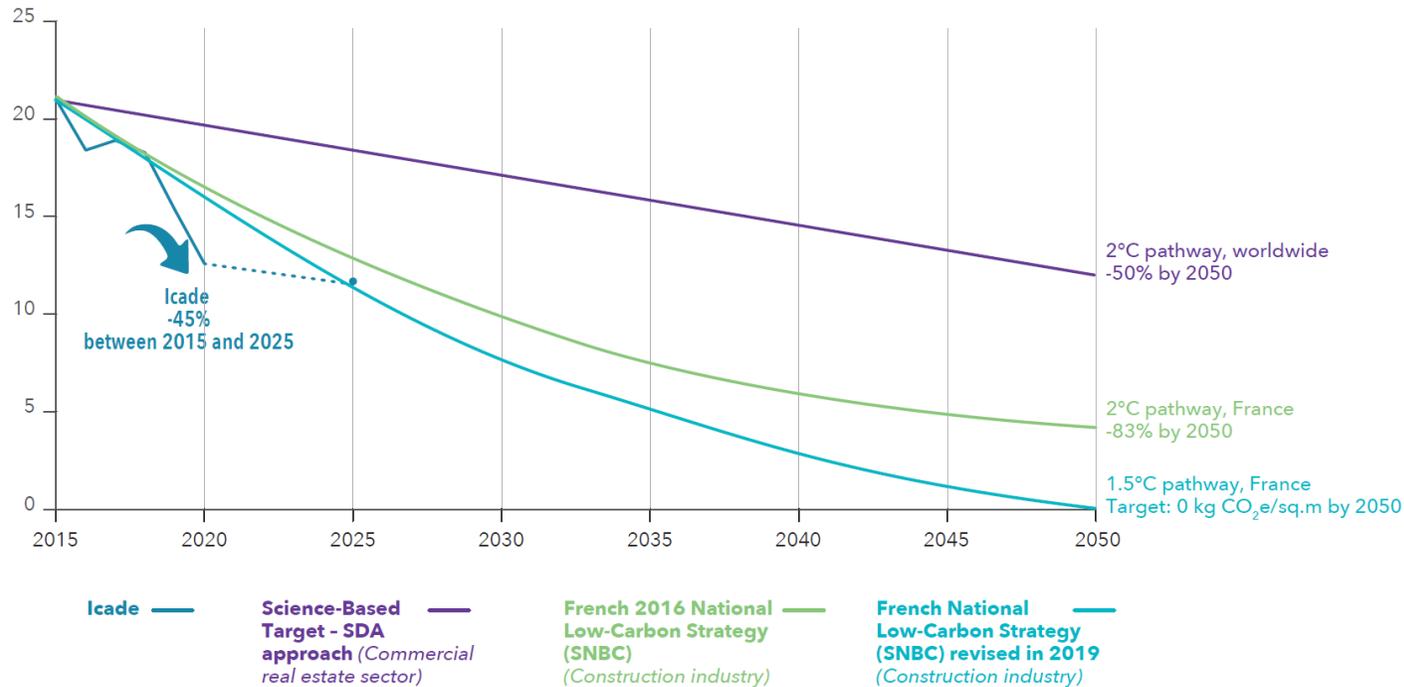
# OFFICE PROPERTY INVESTMENT: ALREADY ALIGNED WITH A 1.5°C PATHWAY

**-45%**

Goal of reducing the carbon intensity of buildings between 2015 and 2025

**-40%**

Reduction in CO<sub>2</sub> emissions between 2015 and 2020



## Measures taken

- Investments aimed at improving the energy efficiency of our assets: on average, €10/15m per year since 2015



- Renovations
- Energy-efficient equipment, renewable energy
- Carbon performance criteria for new projects
- Leases that include climate criteria

Measure   
Reduce

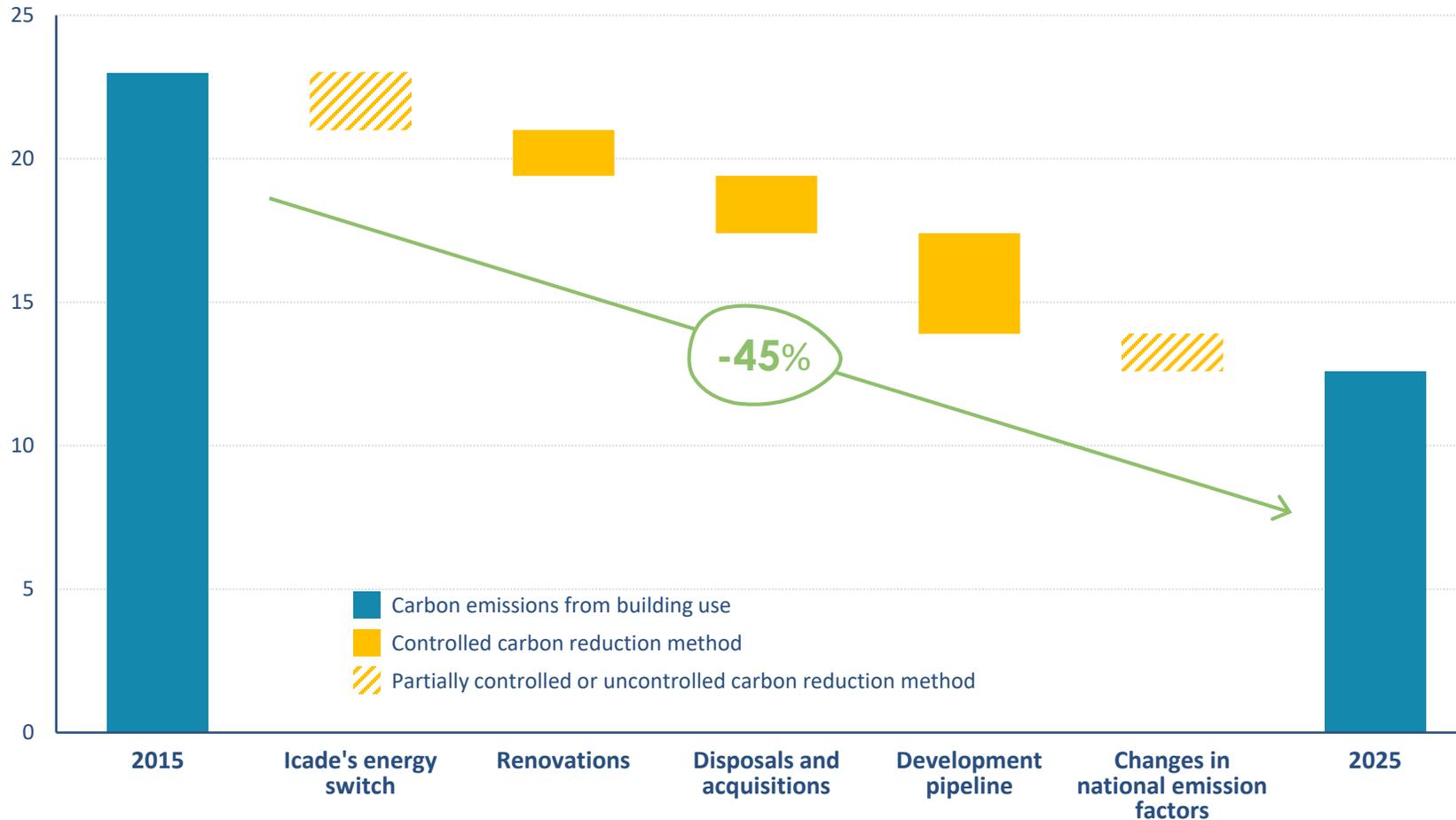
1.5°C target met

Offset

# OFFICE PROPERTY INVESTMENT: 5 MAIN IDENTIFIED CARBON REDUCTION METHODS



(in kg CO<sub>2</sub>/sq.m/year)



# OFFICE PROPERTY INVESTMENT:

## 2 SHOWCASES REFLECTING ICADE’S LOW-CARBON CONSTRUCTION EXPERTISE

### Pulse in Saint-Denis

**1,108** kg CO<sub>2</sub>/sq.m

limited CO<sub>2</sub> emissions, close to the E+C- label’s C2 level

**20,000** sq.m of raised access flooring from reused materials



### Origine in Nanterre

hybrid timber-concrete structure (36% timber)

E+C- label with an E2C2 rating:

- Geothermal energy
- Connection to district heating networks
- Integrated photovoltaic panels
- Natural light
- Rainwater collection systems

**6,500** sq.m landscaped areas

HQE Excellent, BBCA V3, LEED Gold & BREEAM Excellent



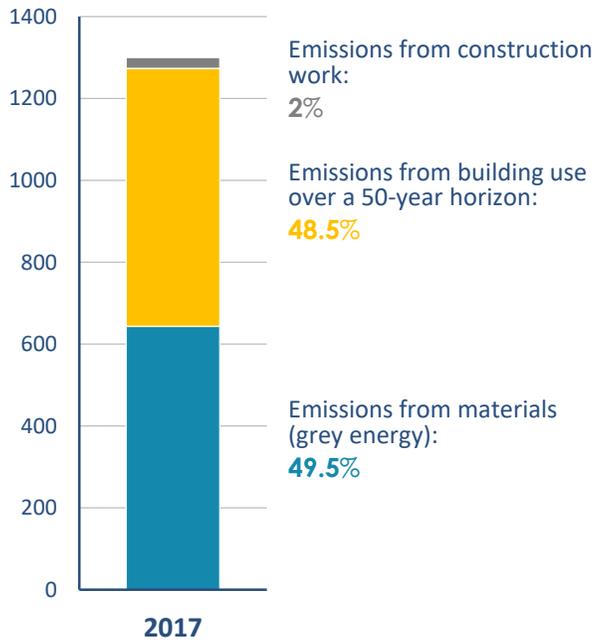
An energy mix that will allow Technip Energies to consume **20 to 25% less energy** compared to its former premises

# RESIDENTIAL PROPERTY DEVELOPMENT: VARIOUS AREAS FOR IMPROVEMENT, MAINLY ASSOCIATED WITH BUILDING USE

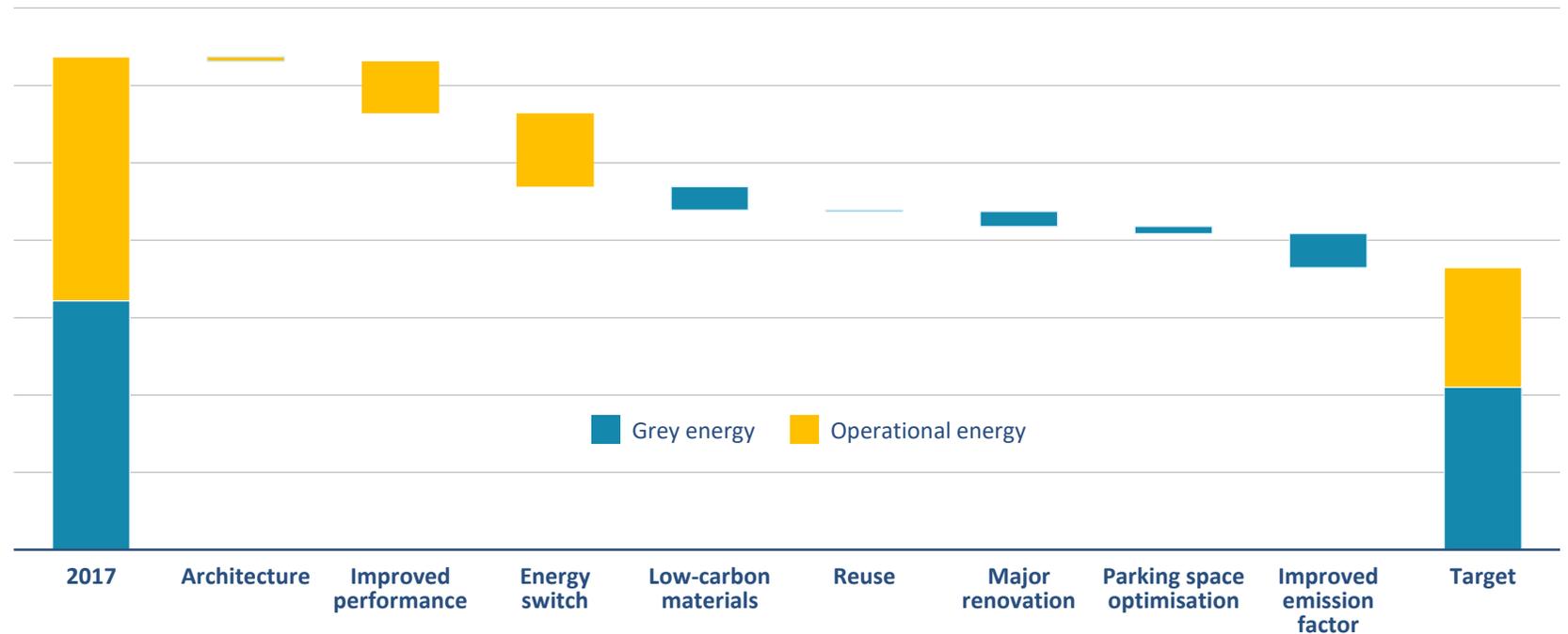


**Target: 50% of new homes with the E2C1 label by 2022**

**CO<sub>2</sub> emissions of residential buildings (Icade’s portfolio average in 2017)**  
(in kg CO<sub>2</sub>e/sq.m over a 50-year horizon)



**Impact of proposed actions on CO<sub>2</sub> emissions Residential Property Development**  
(in kg CO<sub>2</sub>e/sq.m over a 50-year horizon)

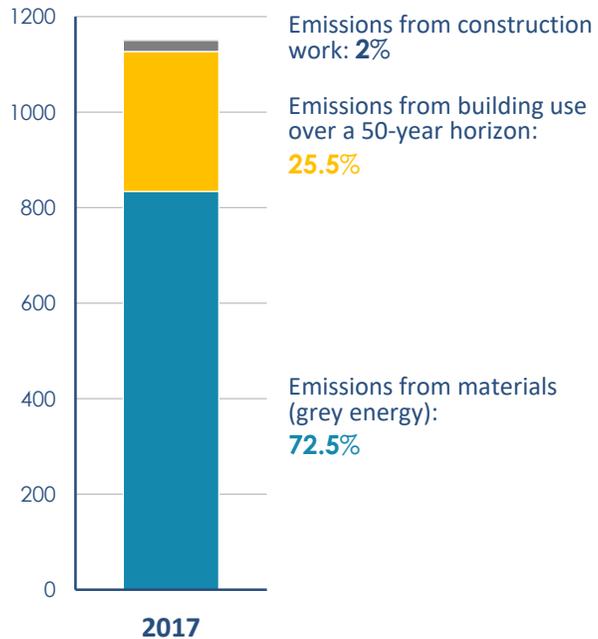




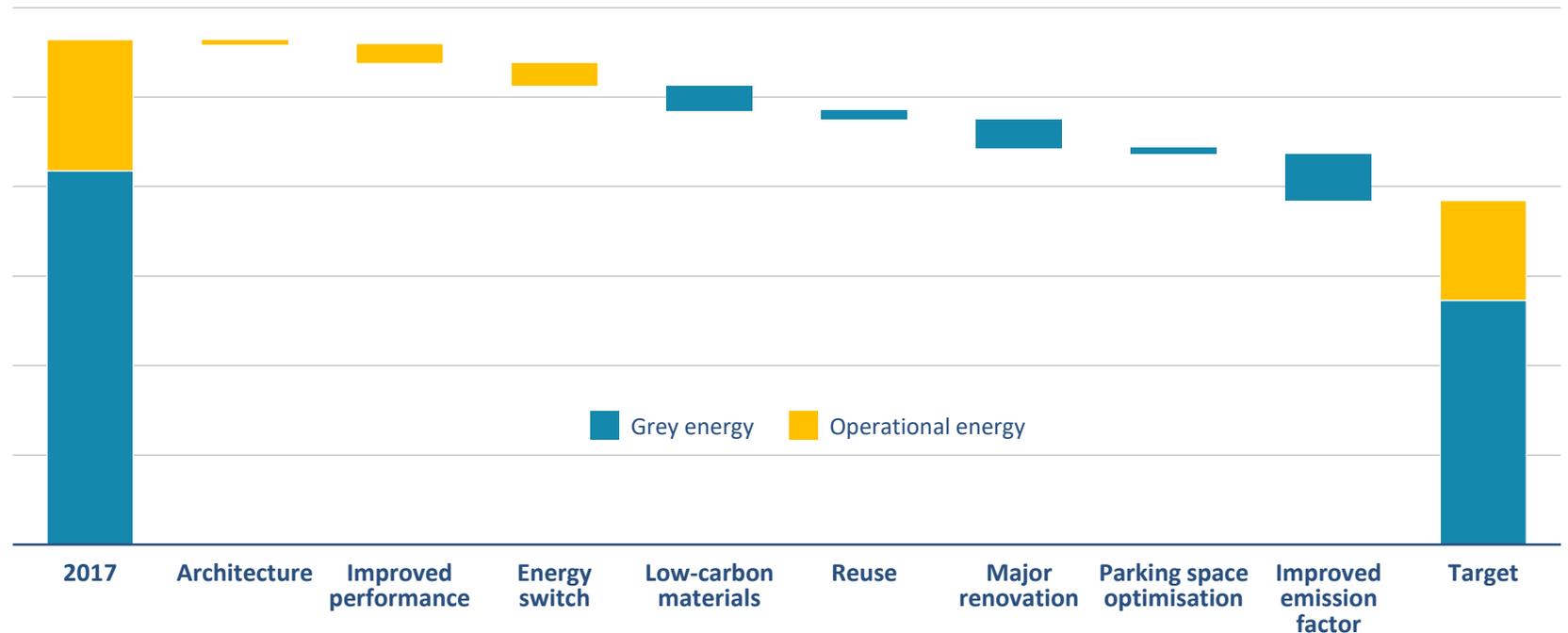
# OFFICE PROPERTY DEVELOPMENT: VARIOUS AREAS FOR IMPROVEMENT, MAINLY ASSOCIATED WITH MATERIALS

Target: 100% of new offices > 5,000 sq.m with the E2C1 label by 2022

**CO<sub>2</sub> emissions of office buildings**  
(Icade’s portfolio average in 2017)  
*(in kg CO<sub>2</sub>e/sq.m over a 50-year horizon)*



**Impact of proposed actions on CO<sub>2</sub> emissions**  
**Office Property Development**  
*(in kg CO<sub>2</sub>e/sq.m over a 50-year horizon)*



# PROPERTY DEVELOPMENT: RAMP UP LOW-CARBON CONSTRUCTION (1/2)

## Higher goals

**50%**  
of homes

**100%**  
of offices over 5,000 sq.m  
with E2C1 label by 2022

## Tangible results

**> 320,000 sq.m**  
of timber projects completed or under development

**Wood’Art –  
La Canopée**  
in Toulouse

Timber construction  
**10 floors**  
**E3C2 label**



## Measures taken:

- Carbon impact assessment performed during the design phase for **100% of projects starting in 2021**
- Biosourced materials, reuse, renewable energy
- **1** tree for every resident
- Scaling up low-carbon innovations
- New timber construction subsidiary

**Initial Prado**  
in Marseille

- **10,300 sq.m**
- **An existing building**
- **3-storey extension**
- **Reused materials**
- **Change of use**



**Athletes Village**  
in Saint-Ouen



# PROPERTY DEVELOPMENT: RAMP UP LOW-CARBON CONSTRUCTION (2/2)

New housing solutions  
with a low-carbon component



Creation of the **Urbain des Bois**, a new subsidiary specialising in **industrial timber construction** relying on the expertise acquired at the **Urban Odyssey start-up studio**



€100m  
in revenue forecast  
by 2025



**2020 BBKA RANKING**  
Icade  
among the top 3  
low-carbon developers  
in France



**GROUPE ICADE**

Palmarès BBKA 2020 maîtres d'ouvrage

L'Association BBKA atteste le rang obtenu dans les classements du palmarès BBKA 2020 des maîtres d'ouvrage immobiliers bas carbone français.

Fait à Paris, Le 26/01/2021  
Le Président de l'Association BBKA, Stanislas Pottier

Palmarès arrêté au 31/12/2020 et présenté sur le cumul depuis 2016 et sur l'année à partir du 01/01/2021. 2 classements sont présentés en nombre d'opérations en demandes et/ou attributions du label BBKA et également sur les m² en surface de plancher (SP). Le label réalisation compte plus que le label conception qui compte lui-même plus qu'une demande avec les pondérations suivantes appliquées respectivement : 2, 1,5, 1. En cas d'égalité, les arbitrages sont faits sur le nombre de labels obtenus en cumul, puis sur l'année, puis en réalisation. En cas de co-promotion, attribution des projets à chaque maître d'ouvrage des lieux que l'association BBKA est avisée de la co-promotion et division des m² au nombre d'acteurs.

# HEALTHCARE PROPERTY INVESTMENT: ICADE DRIVES THE LOW-CARBON STRATEGY OF HEALTHCARE PROVIDERS



Assisting healthcare providers in implementing the service sector property decree in line with a +1.5°C target

**-60%**

of energy consumption by 2050

Greater Narbonne hospital certified HQE Excellent<sup>®</sup>



**21,000** sq.m –  
c. **300** beds & places

- The building features a bioclimatic design
- Energy supply from district heating & cooling with **70%** from wood sources

## Measures taken:

- **Retrofit** building envelopes to improve their energy performance
- Obtain HQE certification for **100%** of new-build projects over 4,000 sq.m
- Pilot projects **given E+C- label**
- Projects funded by the **Climate Fund** including: studying how to improve the energy performance of the facilities and preparing related works