

## **PRIMONIAL REIM\* completes the first stage of the acquisition of Icade's stake in ICADE SANTÉ for €1.4 billion\*\***

**As part of this structurally-important operation:**

- **Primonial REIM takes on the management of Icade's entire healthcare property portfolio, valued at over €7 billion;**
- **Primonial REIM consolidates its position as the undisputed leader in healthcare property in Europe, with over €18 billion under management within this asset class;**
- **Icade Santé becomes Praemia Healthcare.**

**Paris, Wednesday 5<sup>th</sup> July 2023** – Following the exclusivity agreement signed on March 13<sup>th</sup>, 2023, Primonial REIM\* is announcing today the closing of the first phase of the acquisition of 64% of Icade's stake in Icade Santé for €1.4 billion\*\*.

As part of this transaction, Primonial REIM takes on from today the management of the property assets held by Icade Santé/Praemia Healthcare, valued at €6.2 billion and comprising of a high-quality portfolio, unique in France, mainly made up of short-stay establishments (medicine/surgery/obstetrics clinics). In the context of this deal, Primonial REIM is also taking over management of the Icade Healthcare Europe portfolio, valued at €850m, which is due to be sold according to a timeframe designed to optimize its value between now and the end of 2024.

The Icade Santé team, made up of 42 employees, will join Primonial REIM and remain in charge of the delegated management of the property portfolio.

This structurally-important transaction reflects Primonial REIM's strategic willingness to strengthen its allocation in healthcare real-estate infrastructure, a resilient and acyclical asset class driven by long-term demographic trends, while at the same time diversifying its existing property portfolio.

**Primonial REIM has therefore consolidated its position as the undisputed leader in healthcare real estate across Europe, with €18 billion of assets under management within this asset class out of its total of €42 billion under management\*\*\*. The pan-European Primonial REIM platform is positioned as the leading fund manager for institutional and retail investors for this asset class, with an integrated team of over 100 employees dedicated exclusively to healthcare property in Europe across the entire value chain (investment, asset management, property management and fund management) and multi-support investment solutions (SCI, SCPI, club deals, pan-European funds). With this deal, Primonial REIM is also strengthening the diversification as well as the defensive qualities of its overall asset allocation, with alternative assets now accounting for over 65% of the total allocation.**

*\* Primonial REIM being defined as all the fund management companies making up the real estate platform.*

*\*\* The amount invested by the funds managed by Primonial REIM France represents €1.1 billion of this overall amount.*

*\*\*\* Key figures as of the 5<sup>th</sup> of July 2023, including the "Icade Santé" transaction*

## **I. A significant transaction for Primonial REIM, to be completed in several stages between now and the end of 2025**

In line with the projected timeframe, the first stage of the transaction has now been completed with the acquisition of the majority of Icade's shares in Icade Santé by funds managed by Primonial REIM France alongside other minority investors for a consolidated amount of €1.4 billion. The share held by funds managed by Primonial REIM France represents €1.1 billion of this total amount.

**Icade's remaining 36% stake in Icade Santé/Praemia Healthcare will be acquired gradually between now and the end of 2025, by funds managed by Primonial REIM France or investors identified by the fund management company.**

## **II. Icade Santé/Praemia Healthcare: a high-quality portfolio acquired by Primonial REIM**

Icade Santé/Praemia Healthcare's high-quality property portfolio comprises of 159 healthcare assets with a total surface area of around 2 million m<sup>2</sup>, mainly located in France, and its main characteristics are as follows:

- A property portfolio strongly positioned on short-stay establishments (83% of total assets), in particular private clinics;
- Long-stay facilities, such as retirement homes, nursing homes and senior residences, made up the rest of the portfolio (17% of assets) ;
- The portfolio boasts an 100% occupancy rate, with properties leased to mainly pan-European operators that are solid and well-recognized in their markets, including Elsan, Ramsay Santé, Korian, Vivalto and Lusíadas Saúde ;
- As a strong cash-flow generator, the portfolio is complemented by a focus on long-term, sustainable value creation.

**Laurent Fléchet**, President of Primonial REIM, stated: *"We are very proud to announce the completion of the first phase of this acquisition, one of the largest in the history of the healthcare sector in Europe, and a structurally significant transaction for Primonial REIM. Supported by a long-term investment strategy at a time when Europe's population is aging, and decorrelated from economic cycles, healthcare real estate makes it possible to reconcile socially responsible investing with financial performance objectives for our investors. The sector still suffers from a real lack of supply, and our investments finance and support the structural needs of healthcare establishments, to the benefit of operators, care staff, patients and their families. Today, with the integration of Icade Santé's extremely high-quality portfolio, renamed "Praemia Healthcare", Primonial REIM is significantly amplifying this positive social impact and further diversifying its property portfolio in terms of asset types and geographical coverage. Following this transaction, healthcare real estate - a sector in which we have been strongly positioned for over 10 years - becomes the majority asset class of our pan-European platform, whose allocation is now split between 65% alternative real estate assets - healthcare, residential, hotels, retail and logistics - and 35% office real estate. Thanks to this major transaction, we are consolidating our position as the undisputed market leader in Europe".*

Primonial REIM was assisted in this transaction by the law firm Gide, SGCIB as M&A advisor, CMS as employment advisor and Cheuvreux as notary advisor.

## **About Primonial REIM**

Primonial REIM employs over 450 people in France, Germany, Luxembourg, Italy, Singapore and the United Kingdom. The company applies its values of conviction and commitment as well as its expertise on a European scale, to design and manage real estate funds for its national and international clients, both private individuals and institutions.

As of the 5<sup>th</sup> of July 2023, Primonial REIM had more than €42 billion in assets under management. Its conviction allocation breaks down into: 47% offices, 35% healthcare/education, 8% residential, 5% retail, 4% hotels and 1% logistics. Its pan-European platform manages 61 funds and has over 80,000 investor clients, 53% of whom are private individuals and 47% institutional investors. Its real estate portfolio comprises more than 1,500 properties, spread across the main asset classes and located in 11 European countries.

## **Press contacts**

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