PRESS RELEASE

The IGD Group: The Board of Directors approves the Half-Year Financial Report at June 30th, 2008

- **Production value: €45.54 million (+25.71% when compared to June 30th, 2007)**
- **EBITDA: €27.88 million (+21.52% vs. June 30th, 2007)**
- **EBIT: €35.77 million (-24.37%vs. June 30th, 2007, due to the fair value valuation of the real estate portfolio)**
- **Net profit: €34.22 million (+42.35% vs. June 30th, 2007)**
- **Market Value at June 30th, 2008 amounts to €1,259.01 million, including the investment in Porta Medicea at book value.**

The Board of Directors of IGD SIIQ S.p.A., a company active in the retail real estate sector and listed on the STAR segment of the Italian Stock Exchange, met today to examine the consolidated results at June 30th, 2008 which show a performance in line with the Group's medium-term targets.

First half 2008 closed with a **production value** of €45.4 million (mn), an increase of 25.71% over June 30th, 2007. The growth was driven by an enlarged perimeter of consolidation which increased in scope at the end of 2007 and over the first few months of 2008: Millenium Gallery, in fact, contributed for 6 months, versus 4 in first half 2007; for the first time the Mondovì shopping mall and retail park, opened in November 2007, made a full six month contribution; the companies Winmarkt Management srl and WinMagazin S.A., purchased in May 2008, also contributed to revenues .
Total Revenues also benefited from a positive trend in Revenues from Services which grew 50.13% versus June 2007 to €2.13 mn thanks to new agency and facility contracts for a shopping mall. Revenues from Services, therefore, reached a 4.69% margin on Total Revenues.

EBITDA rose by 21.52% from the €22.94 mn reported in June 2007 to €27.88 million.

EBIT amounted to €35.77 mn. The main difference between EBITDA and EBIT is represented by the change in fair value of IGD'S assets, which is equal to € 8.09 mn according to the independent appraiser CBRE. Such change indicates a consolidation when compared with the substantial expansion of market values experienced in the whole real estate sector, in particular in the retail segment, during the year 2006 and the first half of 2007.

The pre-tax profit reached €24.20 mn, while the net profit, thanks to a positive tax effect, amounted to €34.22 mn. Following election of the tax regime applicable to the SIIQ, IGD, in fact, recognized a 20% flat-rate tax (a one-off amount of Euro 30.8 million) on the difference between the market value of the assets and their related book value; after deducting current taxes from the reversal of deferred tax liabilities recognized on the higher value of the assets, the net balance is a positive €10.02 mn.

Despite the fact that Net Debt rose from the €341.62 mn at 31/12/2007 to €604.99 mn, primarily due to the impact of the acquisition of the Romanian companies, the Gearing Ratio (debt/net equity) is still quite contained at 0.81x. This indicates that the IGD Group, therefore, still has ample capacity to finance future growth when compared to the 1.5x gearing targeted in the 2008-2012 Business Plan.

"The performance in the first half – stated IGD's CEO Filippo Carbonari – confirms the Group's vocation for growth with an expanded perimeter of consolidation which now includes the commercial centres opened in the last few months in Italy and those acquired at the end of April in Romania. At the same time – Carbonari added – these results are also irrefutable evidence of our ability to generate growth within the pre-existing portfolio: for example, rents in our malls grew 4.61% compared to an official (ISTAT) adjusted increase in rents in the period July 2007 – June 2008 of 2.62%."

"The growth strategy implemented thus far – the CEO concluded – makes it possible for us to be able to count on a valid asset portfolio today. This, along with sound management capabilities, make us confident that we will be able to reach the targets included in the plan which, as we are well aware, given the present context appear even more challenging".

The share repurchase programme begun January 8th, 2008 was completed on June 30th, 2008; IGD purchased a total of 10,976,592 ordinary shares (equal to 3.549% of the share capital), for a total of €22,141,778 and not of €21,694,338, as previously announced.

* * *

Grazia Margherita Piolanti, IGD S.p.A.'s Financial Reporting Officer, declares, pursuant to para. 2, article 154-bis of the Uniform Finance Act 8/1998, that the accounting information relating to the financial statements at June 30th, 2008, as reported in this press release, corresponds to the underlying documentary records, books of account and accounting entries.

Please note that in addition to the standard financial indicators provided for as per the IFRS, alternative performance indicators are also provided (for example, EBITDA) in order to allow for a better evaluation of the operating performance. These indicators are calculated in accordance with standard market procedures.

Please find attached the IGD Group's consolidated balance sheet and income statement at June 30th, 2008.

Igd - Immobiliare Grande Distribuzione – S.p.A., one of the primary players in the Italian retail real estate market, has a real estate portfolio with a market value at June 30th, 2008 equal to €1,259.01 million which consists of 10 shopping malls, 14 hypermarkets and 3 properties to be developed in Italy, 15 shopping malls and an office building in Romania as well as three commercial centres through the JV, RGD. IGD offers other retail operators instruments and services for the management and optimization of their real estate assets and also manages third party shopping malls.

Bologna, August 27th, 2008

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Consolidated balance sheet *Amounts in euros*	*Note*	*30/06/08* *(A)*	*31/12/07* *(B)*	*Change* *(A-B)*
NON CURRENT ASSETS:				
Intangible assets				
- Intangible assets with a finite useful life		0,15	0,01	0,14
- Goodwill	1	29,97	26,67	3,30
		30,12	**26,68**	**3,44**
Plant, property and equipment				
- Real estate assets	2	1.181,47	947,81	233,66
- Plants and machinery		0,42	0,33	0,09
- Equipment		0,67	0,46	0,21
- Leasehold improvements		1,73	0,12	1,61
- Works in progress	3	198,62	168,15	30,47
		1.382,91	**1.116,86**	**266,05**
Other non current assets				
- Prepaid taxes	4	5,36	2,88	2,48
- Miscellaneous receivables and other non current assets		13,61	18,02	(4,41)
- Non current financial assets	5	8,95	5,65	3,30
		27,92	**26,55**	**1,37**
TOTAL NON CURRENT ASSETS (A))		**1.440,95**	**1.170,09**	**270,86**
CURRENT ASSETS:				
Works in progress		52,37	0,00	52,37
Inventories		0,01	0,00	0,01
Trade and other receivables		8,85	9,51	(0,66)
Trade and other receivables w. related parties		0,65	0,14	0,51
Other current assets		32,52	19,48	13,04
Financial receivables and other current financial assets w. related parties	6	0,16	0,06	0,10
Financial receivables and other current financial assets	6	0,01	40,45	(40,44)
Cash and cash equivalents	6	17,10	123,07	(105,97)
TOTAL CURRENT ASSETS (B)		**111,67**	**192,71**	**(81,04)**
TOTALE ASSETS (A + B)		**1.552,62**	**1.362,79**	**189,83**
NET EQUITY:				
Portion pertaining to the Parent Company	7	738,64	741,01	(2,37)
Portion pertaining to minorities		8,05	0,16	7,89
TOTAL NET EQUITY (C)		**746,69**	**741,17**	**5,52**
NON CURRENT LIABILITIES:				
Non current financial liabilities	8	515,34	478,10	37,24
Employee severance indemnity fund (TFR)		0,37	0,36	0,01
Deferred tax liabilities	4	75,73	90,45	(14,72)
Provisions for risks and future charges		0,57	0,64	(0,07)
Misc. payables and other non current liabilities		25,91	0,20	25,71
Misc. payables and other non current liabilities w. related parties		11,59	11,54	0,05
TOTAL NON CURRENT LIABILITIES (D)		**629,51**	**581,29**	**48,22**
CURRENT LIABILITIES:				
Current financial liabilities	8	89,98	29,28	60,70
Current financial liabilities w. related parties	8	25,89	3,49	22,40
Trade and other payables		36,73	3,55	33,18
Trade and other payables w. related parties		1,29	0,92	0,37
Current tax liabilities		7,68	0,94	6,74
Other current liabilities		14,85	2,16	12,69
TOTAL CURRENT LIABILITIES (E)		**176,42**	**40,34**	**136,08**
TOTAL LIABILITIES (F=D + E)		**805,93**	**621,62**	**184,31**
TOTAL NET EQUITY AND LIABILITIES (C + F)		**1.552,62**	**1.362,79**	**189,83**

Consolidated income statement *Amounts in euros*	*Note*	*30/06/08* *(A)*	*30/06/07* *(B)*	*Change* *(A-B)*
Revenues:		**39,48**	**32,86**	**6,62**
- revenues fr. third parties		24,79	18,45	6,34
- revenues fr. related parties		14,69	14,41	0,28
Other income:		**6,06**	**3,37**	**2,69**
- other income		5,46	3,34	2,12
- other income from related parties		0,60	0,03	0,57
		0,00	**0,00**	**0,00**
Total revenues and operating income		**45,54**	**36,23**	**9,31**
Change in inventories for assets under construction		52,12	0,00	52,12
Costs of assets under construction		(52,12)	0,00	(52,12)
Result pertaining to assets under construction		**0,00**	**0,00**	**0,00**
Purchase of materials and services:		**12,81**	**9,83**	**2,98**
- purchase of material and services		11,23	8,24	2,99
- purchase of materials and services vs. related parties		1,58	1,59	(0,01)
Cost of labor		2,81	1,92	0,89
Other operating costs		2,04	1,62	0,42
Change in inventories		0,00	(0,08)	0,08
Total operating costs		**17,67**	**13,29**	**4,38**
EBITDA		**27,88**	**22,94**	**4,94**
(Amortization and depreciation)		(0,20)	(0,15)	(0,05)
Change in fair value - increases / (decreases)		8,09	24,51	(16,42)
EBIT		**35,77**	**47,30**	**(11,53)**
Financial income		**2,58**	**0,53**	**2,05**
- from third parties		2,39	0,52	1,87
- from related parties		0,18	0,01	0,17
Financial charges		**14,15**	**7,36**	**6,79**
- pertaining to third parties		13,71	7,06	6,65
- pertaining to related parties		0,44	0,30	0,14
Net financial income/(charges)	**10**	**(11,57)**	**(6,83)**	**(4,74)**
PROFIT BEFORE TAX		**24,20**	**40,46**	**(16,26)**
Income tax for the period	11	(10,02)	16,42	(26,44)
NET PROFIT FOR THE PERIOD		**34,22**	**24,04**	**10,18**
Pertaining to:				
* the Parent Company		34,23	24,04	10,19
* minorities		(0,01)	0,00	(0,01)
- Earnings per share, base	12	**39,48**	**32,86**	**6,62**
- Earnings per share, diluted	12	24,79	18,45	6,34