PRESS RELEASE

IGD SIIQ SPA: THE BOARD OF DIRECTORS APPROVES THE INTERIM MANAGEMENT STATEMENT AT 31 MARCH 2011

The consolidated results in the first quarter of 2011 show further growth (*vs.* first quarter 2010):

- **Total operating revenue: €31.4 million (+ 11.9% with respect to 31 March 2010)**
- **Revenue from core business[1]: €29.7 million (an increase of 5.7% with respect to the €28.1 million recorded at 31 March 2010)**
- **EBITDA from core business: €21.8 million (an increase of 8.3% with respect to the €20.1 million recorded at 31 March 2010)**
- **EBITDA MARGIN from core business: 73.5% (up 1.7 pp vs. the 71.8% recorded at 31 March 2010)**
- **Funds from operations (FFO): €11.8 million (+ 18.9% with respect to 31 March 2010)**
- **The Group's portion of net profit in the period amounts to €10.4 million (an increase of 22.7% with respect to the €8.5 million recorded at 31 March 2010)**
- **Net debt: €1.003 billion (an improvement with respect to the €1.017 billion posted at 31 December 2010)**

Bologna, 11 May 2011. Today the Board of Directors of **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** ("**IGD"** or the "**Company**"), leading owner and manager of retail shopping centers in Italy and listed on the STAR segment of the Italian Stock Exchange, in a meeting chaired by Gilberto Coffari**,** examined and approved the **Interim Management Statement at 31 March 2011** which shows the **Group's portion of net profit for the period** at €**10.4 million** (**+22.7%** vs. 31 March 2010).

Preface

For the first time, in the Interim Management Statement at 31 March 2011, IGD has separated its core business from those relative to the "Porta a Mare" Project in Livorno which, following the sale of a portion of the office buildings, generated its first revenue.

[1] It should be noted that, with the aim of providing evidence to its core business, the Company has separated the core business from those relative to the "Porta a Mare" Project in Livorno in which IGD has recorded revenues related to the first sales of the offices from the 1Q2011.

Operating income statement at 31 March 2011

	CONSOLIDATED			CORE BUSINESS			"PORTA A MARE" PROJECT		
€/000	1Q 2010	1Q 2011	%	1Q 2010	1Q 2011	%	1Q 2010	1Q 2011	%
Revenue from freehold properties	24,885	26,316	5.8%	24,885	26,316	5.8%	0	**0**	n.a.
Revenue from leasehold properties	2,031	2,101	3.5%	2,031	2,101	3.5%	0	**0**	n.a.
Revenue from services	1,166	1,267	8.7%	1,166	1,267	8.7%	0	**0**	n.a.
Revenue from trading	0	1,726	n.a.	0	0	n.a.	0	**1,726**	n.a.
Operating income	**28,082**	**31,410**	**11.9%**	**28,082**	**29,684**	**5.7%**	**0**	**1,726**	**n.a.**
Direct costs	(4,989)	(4,984)	(0.1)%	(4,938)	(4,934)	-0.1%	(51)	**(50)**	(1.1)%
Direct personnel expense	(831)	(825)	(0.7)%	(831)	(825)	-0.7%	0	**0**	n.a.
Cost of goods sold and other costs	66	(1,159)	n.a.	0	0	n.a.	66	**(1,159)**	n.a.
Divisional gross margin	**22,328**	**24,442**	**9.5%**	**22,313**	**23,925**	**7.2%**	**15**	**517**	**n.a.**
General expenses	(902)	(943)	4.6%	(869)	(799)	-8.0%	(33)	**(144)**	n.a.
Payroll costs at headquarters	(1,296)	(1,321)	1.9%	(1,296)	(1,311)	1.1%	0	**(10)**	n.a.
EBITDA	**20,130**	**22,178**	**10.2%**	**20,148**	**21,815**	**8.3%**	**(18)**	**363**	**n.a.**
Ebitda Margin				***71.7%***	***73.5%***		***n.a.***	***21.0%***	
Depreciation and amortization	(214)	(236)	10.1%						
Impairment	0	0	n.a.						
Change in fair value	(269)	(397)	47.3%						
Other provisions	0	0	n.a.						
EBIT	**19,647**	**21,545**	**9.7%**						
Financial income	103	146	42.1%						
Financial charges	(9,987)	(10,253)	2.7%						
Financial income/(charges)	**(9,884)**	**(10,107)**	**2.3%**						
Income/(charges) fr equity investments	**0**	**(200)**	**n.a.**						
PRE-TAX PROFIT	**9,763**	**11,238**	**15.1%**						
Income tax for the period	(1,308)	(829)	(36.6)%						
Tax rate	*13.4%*	*7.4%*							
NET PROFIT	**8,455**	**10,409**	**23.1%**						
(Profit)/Loss pertaining to minorities	0	(34)	n.a.						
NET GROUP PROFIT	**8,455**	**10,375**	**22.7%**						

Revenue and chargebacks offset by costs are not shown and some cost items were reclassified which explains the difference with respect to the financial statements**.**

Principal consolidated results for first quarter 2011

The IGD Group's **revenue from core business** at 31 March 2011 amounted to **€29.7 million**, **an increase of 5.7%** with respect to the €28.1 million posted in first quarter 2010. More in detail, rental income in first quarter 2011 increased by 5.6%, while revenue from services rose by 8.7% vs. 31 March 2010. In first quarter 2011 for the first time the IGD Group also recorded revenue from the sale of properties pertaining to the multifunctional project in Livorno totalling €1.7 million and, therefore, total operating revenue at 31 March 2011 amounted to €31.4 million, an increase of 11.9% with respect to the first quarter of the prior year.

The IGD Group's **EBITDA** from core business at 31 March 2011 amounted to **€21.8 million**, an **increase of 8.3%** with respect to the €20.1 million recorded in first quarter 2010. The margin from freehold properties increased 7.1%, from leasehold properties 9.9%, while the margin from services rose by 10.9% with respect to 31 March 2010. Total EBITDA in first quarter 2011, due to the impact of the above mentioned sale of the office units in Livorno, increased 10.2% to €22.2 million.

Direct costs for core business, including direct personnel expense, amounted to €5.8 million, in line with the same period in the prior year. These costs represent 19.4% of operating revenue. General expenses for continuing operations, including payroll costs at headquarters, amounted to €2.1 million at 31 March 2011, a drop of 2.5%. These costs represent 7.1% of operating revenue.

EBITDA margin for core business **reached 73.5%, an increase of 1.7 pp** with respect to the 71.8% reported in first quarter 2010. The growth confirms the solid operating trend and the stability of the cost structure.

EBIT at 31 March 2011 amounted to €**21.6 million, an increase of 9.7%** compared to the €19.6 million reported at 31 March 2010, due primarily to the increase in EBITDA.

The IGD Group's **pre-tax profit** at 31 March 2011 **rose by 15.1%** with respect to the prior year from the €**9.8 million** reported at 31 March 2010 to **€11.2 million**.

The IGD Group's tax burden, current and deferred, at 31 March 2011 amounted to €829 thousand, reflecting a tax rate of **7.4%,** an improvement with respect to the 13.4% recorded in the same period of the prior year which is primarily attributable to the effect of the merger by incorporation of Faenza Sviluppo in IGD SIIQ S.p.A. on 28/06/2010.

The Group's portion of **net profit** for the period amounted to €**10.4 million** at 31 March 2011, an increase of **22.7%** with respect to the €8.5 million recorded in first quarter 2010.

The **Funds from Operations** (FFO) , a significant indicator used in the real estate market to define the cash flow from a company's operations based on net profit, net of current tax, writedowns, fair value, amortization and depreciation, rose from €9.9 million at 31 March 2010 to approximately **€11.8 million at 31 December 2011**, an **increase of 18.9**%.

The IGD Group's **net debt** at 31 March 2011 came in at €**1.003 billion**, an improvement compared to the €1.017 billion recorded at 31 December 2010 thanks to a drop in charges relating to derivatives with respect to the prior period and a decrease in non-current financial liabilities due to repayments made during the quarter.

At the end of first quarter 2011 the gearing ratio (debt to equity ratio) came in at **1.27,** compared to 1.31 at 31 December 2010. In first quarter 2011 IGD also confirmed its ability to maintain its low cost of debt which amounted to 3.91% at 31 March 2011.

“Based on the results for first quarter 2011, we are confident that we will be able to achieve the financial-economic targets that we presented to the market, along with our updated 2009-2013 Business Plan, in November 2010” Claudio Albertini, IGD – Immobiliare Grande Distribuzione SIIQ S.p.A.’s Chief Executive Officer stated, ”In 2011 the IGD Group expects to see growth in all the key performance indicators such as revenue, EBITDA, EBITDA margin thanks to the new openings which will become fully operational during the year and the average yield of the real estate portfolio, in addition to a gearing level which will be maintained below 1.5x”.

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Grazia Margherita Piolanti, IGD S.p.A.’s Financial Reporting Officer, declares pursuant to para. 2, article 154-bis of the of Legislative Decree n. 58/1998 ((“Testo Unico della Finanza” or TUF) that the information reported in this press release corresponds to the underlying records, ledgers 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.

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The Interim Management Statement at 31 March 2011 will be made available to the general public at the company’s registered office and at Borsa Italiana S.p.A., as well in the Investor Relations section of the company’s website www.gruppoigd.it *within the time period required by law.*

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IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.
Immobiliare Grande Distribuzione SIIQ S.p.A. is the main player in Italy’s retail real estate market: it develops and manages shopping centers throughout the country and has a significant presence in Romanian retail distribution. Listed on the Star Segment of the Italian Stock Exchange, IGD was the first SIIQ (*Società di Investimento Immobiliare Quotata* or real estate investment trust) in Italy. IGD has a real estate portfolio valued at €1,804 million at 31 December 2010, comprised of, in Italy, 17 hypermarkets and supermarkets, 19 shopping malls and retail parks, 3 plots of land for development, 1 property held for trading and an additional 6 real estate properties. Following the acquisition of the company Winmark Magazine SA in 2008 15 shopping centers and an office building, found in 13 different Romanian cities, were added to the portfolio. An extensive domestic presence, a solid financial structure, the ability to plan, monitor and manage all phases of a center’s life cycle: these qualities summarize IGD’s strong points.

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Please find attached the IGD Group's consolidated income statement, statement of financial position, statement of cash flows and net financial position at 31 March 2011[2].

[2] The Immobiliare Grande Distribuzione Group's Interim Management Statement at 31 March 2011 and consolidated financial statements are not subject to financial audit by external auditors.

Consolidated income statement at 31 March 2011

(€/000)	31/03/2011 (A)	31/03/2010 (B)	Change (A-B)
Revenue	28,399	26,882	1,517
Other income	2,825	3,020	(195)
Revenue from property sales	1,726	0	1,726
Total revenues and operating income	**32,950**	**29,902**	**3,048**
Change in inventories for assets under construction	658	1,368	(710)
Total revenue and change in inventory	**33,608**	**31,270**	**2,338**
Costs of assets under construction	1,778	1,302	476
Purchase of materials and services	5,730	6,114	(384)
Cost of labour	1,885	1,858	27
Other operating costs	1,440	1,316	124
Total operating costs	**10,833**	**10,590**	**243**
(Amortization, depreciation and provisions)	(875)	(793)	(82)
Change in fair value - increases / (decreases)	(397)	(269)	(128)
Total Amort., depr., provisions, impairment and change in fair value	**(1,272)**	**(1,062)**	**(210)**
EBIT	**21,503**	**19,618**	**1,885**
Income from equity investments	**(200)**	**0**	**(200)**
Income from equity investments	(200)	0	(200)
Financial income	146	103	43
Financial income	10,211	9,958	253
Net financial income/(charges)	**(10,065)**	**(9,855)**	**(210)**
PRE-TAX PROFIT	**11,238**	**9,763**	**1,475**
Income tax for the period	829	1,308	(479)
NET PROFIT FOR THE PERIOD	**10,409**	**8,455**	**1,954**
Minorities portion of net profit	(34)	0	(34)
Parent Company's portion of net profit	**10,375**	**8,455**	**1,920**

Consolidated statement of financial position at 31 March 2011

(€/000)	31/03/2011 (A)	31/12/2010 (B)	Change (A-B)
NON CURRENT ASSETS:			
Intangible assets			
- Intangible assets with a finite useful life	95	69	26
- Goodwill	11,427	11,427	0
	11,522	**11,496**	**26**
Plant, property and equipment			
- Real estate assets	1,671,664	1,666,630	5,034
- Building	7,621	7,668	(47)
- Plants and machinery	1,079	1,130	(51)
- Equipment and other goods	1,492	1,549	(57)
- Leasehold improvements	1,596	1,640	(44)
- Works in progress	81,004	74,291	6,713
	1,764,456	**1,752,908**	**11,548**
Other non-current assets			
- Prepaid taxes	10,821	13,104	(2,283)
- Miscellaneous receivables and other non-current assets	3,918	4,581	(663)
- Non-current financial assets	6,506	4,399	2,107
	21,245	**22,084**	**(839)**
TOTAL NON-CURRENT ASSETS (A)	**1,797,223**	**1,786,488**	**10,735**
CURRENT ASSETS:			
Inventories - works in progress	64,487	64,289	198
Inventories	6	7	(1)
Trade and other receivables	12,154	12,979	(825)
Other current assets	34,037	43,812	(9,775)
Financial receivables and other current financial assets	11,412	7,092	4,320
Cash and cash equivalents	10,886	32,264	(21,378)
TOTAL CURRENT ASSETS (B)	**132,982**	**160,443**	**(27,461)**
TOTAL ASSETS (A + B)	**1,930,205**	**1,946,931**	**(16,726)**
NET EQUITY:			
Portion pertaining to the Parent Company	780,048	761,603	18,445
Portion pertaining to minorities	11,885	11,851	34
TOTAL NET EQUITY (C)	**791,933**	**773,454**	**18,479**
NON-CURRENT LIABILITIES:			
Non-current financial liabilities	855,176	869,374	(14,198)
Employee severance indemnity fund (TFR)	605	612	(7)
Deferred tax liabilities	49,552	48,910	642
Provisions for risks and future charges	1,835	1,645	190
Misc. payables and other non-current liabilities	25,542	25,625	(83)
TOTAL NON-CURRENT LIABILITIES (D)	**932,710**	**946,166**	**(13,456)**
CURRENT LIABILITIES:			
Current financial liabilities	176,484	191,463	(14,979)
Trade and other payables	13,525	20,657	(7,132)
Current tax liabilities	9,801	8,266	1,535
Other current liabilities	5,752	6,925	(1,173)
TOTAL CURRENT LIABILITIES (E)	**205,562**	**227,311**	**(21,749)**
TOTAL LIABILTIES' (F=D + E)	**1,138,272**	**1,173,477**	**(35,205)**
TOTAL NET EQUITY AND LIABILITIES (C + F)	**1,930,205**	**1,946,931**	**(16,726)**

Consolidated statement of cash flows at 31 March 2011

STATEMENT OF CASH FLOWS AT	31/03/2011	31/03/2010
(€/000)		
CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit for the year	**10,409**	**8,455**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:		
Capital gains/ (losses) and other non-monetary items	3,260	2,850
Depreciation, amortization and provisions	875	793
Net change in (deferred tax assets)/provision for deferred tax liabilities	368	567
Change in fair value of investment property	397	269
Change in inventories and works in progress	(197)	(1,368)
Net change in current assets and liabilities	3,317	889
Net change in non-current assets and liabilities	681	1,183
CASH FLOW FROM OPERATING ACTIVITIES (a)	**19,110**	**13,638**
Investments in fixed assets	(12,190)	(5,789)
CASH FLOW FROM INVESTING ACTIVITIES (b)	**(12,190)**	**(5,789)**
Change in non-current financial assets	0	(1)
Change in financial receivables and other current financial assets	(4,178)	(1,268)
Change in translation reserve	65	66
Change in current debt	(16,975)	(20,580)
Change in non-current debt	(7,210)	194
CASH FLOW FROM FINANCING ACTIVITIES (c)	**(28,298)**	**(21,589)**
NET INCREASE (DECREASE) IN CASH BALANCE	**(21,378)**	**(13,740)**
CASH BALANCE AT BEGINNING OF YEAR	**32,264**	**35,856**
CASH BALANCE AT END OF YEAR	**10,886**	**22,116**

Consolidated net financial position at 31 March 2011

NET FINANCIAL POSITION	31/03/2011	31/12/2010
Cash and cash equivalents	(10,886)	(32,264)
Financial receivables and other current financial assets	(11,412)	(7,092)
LIQUIDITY	**(22,298)**	**(39,356)**
Current financial liabilities	123,801	141,718
Mortgage loans - current portion	49,364	48,431
Leasing – current portion	1,257	1,248
Convertible bond loan - current portion	2,062	66
CURRENT DEBT	**176,484**	**191,463**
CURRENT NET DEBT	**154,186**	**152,107**
Non-current financial assets	(20)	(19)
Derivatives - assets	(6,486)	(4,380)
Non-current financial liabilities due to other sources of finance	21,905	21,497
Leasing – non-current portion	7,545	7,863
Non-current financial liabilities	598,424	605,707
Convertible bond loan	215,802	214,642
Derivatives - liabilities	11,500	19,665
NON-CURRENT NET DEBT	**848,670**	**864,975**
NET DEBT	**1,002,856**	**1,017,082**