



**igd** SIG  
SPACES TO BE LIVED IN

Conference call  
9 May 2013  
2.30 p.m.

Results Presentation as at 31/03/2013

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### 3 Highlights

|  |   |
|--|---|
| <b>REVENUES</b><br>• Revenues from core business                             | <b>€ 30.4 mn</b><br>( -1.1% vs 31/03/2012 )   |
| <b>EBITDA</b><br>• EBITDA (core business)<br>• EBITDA margin (core business) | <b>€ 21.3 mn</b><br>( -3.9% vs 31/03/2012 )<br><b>70.1%</b><br>( -2 percentage points ) |
| <b>Group Net Profit</b>  | <b>€ 8.2 mn</b><br>( -1.4% vs 31/03/2012 )  |
| <b>Funds From Operations (FFO)</b>   | <b>€ 9.5 mn</b><br>( -0.1% vs 31/03/2012 )  |
| <b>Gearing ratio</b>   | <b>1.36</b><br>(vs 1.38 as at 31/03/2012)   |
| <b>FINANCIAL OCCUPANCY as at 31/03/2013</b><br>• Average ITALY               | <b>96.6%</b>  |
| • ROMANIA  | <b>89.7%</b>  |



A photograph of a modern shopping mall interior. In the foreground, two glass-enclosed escalators lead to an upper level. A man in a red shirt is carrying a large, wrapped package on the escalator. The mall has a high ceiling with large windows and colorful pendant lights. In the background, there are shops, including one with a 'SWAROVSKI' sign. People are walking around the mall. A black banner with white text is overlaid on the right side of the image.

## ECONOMIC AND FINANCIAL RESULTS

# 5 Consolidated Income Statement

| €/000                                    | CONSOLIDATED    |                 |               | CORE BUSINESS |               |               | "PORTA A MARE" PROJECT |             |                |
|--|-----------------|-----------------|---------------|---------------|---------------|---------------|------------------------|-------------|----------------|
|  | 31/03/2012      | 31/03/2013      | %             | 31/03/2012    | 31/03/2013    | %             | 31/03/2012             | 31/03/2013  | %              |
| Revenues from freehold properties        | 27,275          | 27,066          | (0.8)%        | 27,275        | 27,047        | (0.8)%        | 0                      | 19          | n.a.           |
| Revenues from leasehold properties       | 2,167           | 2,124           | (2.0)%        | 2,167         | 2,124         | (2.0)%        | 0                      | 0           | n.a.           |
| Revenues from services                   | 1,303           | 1,250           | (4.0)%        | 1,303         | 1,250         | (4.0)%        | 0                      | 0           | n.a.           |
| Revenues from trading                    | 0               | 0               | n.a.          | 0             | 0             | n.a.          | 0                      | 0           | n.a.           |
| <b>Operating revenues</b>                | <b>30,745</b>   | <b>30,440</b>   | <b>(1.0)%</b> | <b>30,745</b> | <b>30,421</b> | <b>(1.1)%</b> | <b>0</b>               | <b>19</b>   | <b>n.a.</b>    |
| Direct costs                             | (5,515)         | (6,027)         | 9.3%          | (5,454)       | (5,896)       | 8.1%          | (61)                   | (131)       | 112.5%         |
| Personnel expenses                       | (896)           | (912)           | 1.8%          | (896)         | (912)         | 1.8%          | 0                      | 0           | n.a.           |
| Increases, cost of sales and other costs | 183             | 133             | (27.4)%       | 0             | 0             | n.a.          | 183                    | 133         | (27.4)%        |
| <b>Gross Margin</b>                      | <b>24,517</b>   | <b>23,634</b>   | <b>(3.6)%</b> | <b>24,395</b> | <b>23,613</b> | <b>(3.2)%</b> | <b>122</b>             | <b>21</b>   | <b>(82.6)%</b> |
| G&A expenses                             | (881)           | (939)           | 6.6%          | (789)         | (845)         | 7.1%          | (92)                   | (94)        | 1.7%           |
| Headquarters personnel costs             | (1,443)         | (1,479)         | 2.5%          | (1,440)       | (1,458)       | 1.2%          | (3)                    | (21)        | 640.3%         |
| <b>EBITDA</b>                            | <b>22,193</b>   | <b>21,216</b>   | <b>(4.4)%</b> | <b>22,166</b> | <b>21,310</b> | <b>(3.9)%</b> | <b>27</b>              | <b>(94)</b> | <b>n.a.</b>    |
| <i>Ebitda Margin</i>                     |                 |                 |               | <b>72.1%</b>  | <b>70.1%</b>  |               |                        |             |                |
| Depreciation                             | (323)           | (327)           | 1.1%          |               |               |               |                        |             |                |
| Devaluation                              | 0               | 0               | n.a.          |               |               |               |                        |             |                |
| Change in FV                             | (483)           | (275)           | (43.0)%       |               |               |               |                        |             |                |
| Other provisions                         | 0               | (31)            | n.a.          |               |               |               |                        |             |                |
| <b>EBIT</b>                              | <b>21,387</b>   | <b>20,583</b>   | <b>(3.8)%</b> |               |               |               |                        |             |                |
| Financial income                         | 96              | 84              | (12.1)%       |               |               |               |                        |             |                |
| Financial charges                        | (12,251)        | (11,357)        | (7.3)%        |               |               |               |                        |             |                |
| <b>Net financial income</b>              | <b>(12,155)</b> | <b>(11,273)</b> | <b>(7.3)%</b> |               |               |               |                        |             |                |
| <b>Income from equity investments</b>    | <b>(173)</b>    | <b>(413)</b>    | <b>139.3%</b> |               |               |               |                        |             |                |
| <b>PRE-TAX INCOME</b>                    | <b>9,059</b>    | <b>8,897</b>    | <b>(1.8)%</b> |               |               |               |                        |             |                |
| Income tax for the period                | (733)           | (700)           | (4.5)%        |               |               |               |                        |             |                |
| <i>Tax rate</i>                          | <b>8.1%</b>     | <b>7.9%</b>     |               |               |               |               |                        |             |                |
| <b>NET PROFIT</b>                        | <b>8,326</b>    | <b>8,197</b>    | <b>(1.6)%</b> |               |               |               |                        |             |                |
| (Profit)/losses related to third parties | 29              | 40              | 39.9%         |               |               |               |                        |             |                |
| <b>NET GROUP PROFIT</b>                  | <b>8,355</b>    | <b>8,237</b>    | <b>(1.4)%</b> |               |               |               |                        |             |                |

## Total revenues from rental activities:

**29,190 €000**

*From Shopping Malls: 19.898 €000 o.w.:*

- Italian malls 17,229 €000

- Winmarkt malls 2,669 €000

*From Hypermarkets: 8,826 €000*

*From City Center Project – v. Rizzoli: 343 €000*

*From Other: 123 €000*

## 6 Margin for activities

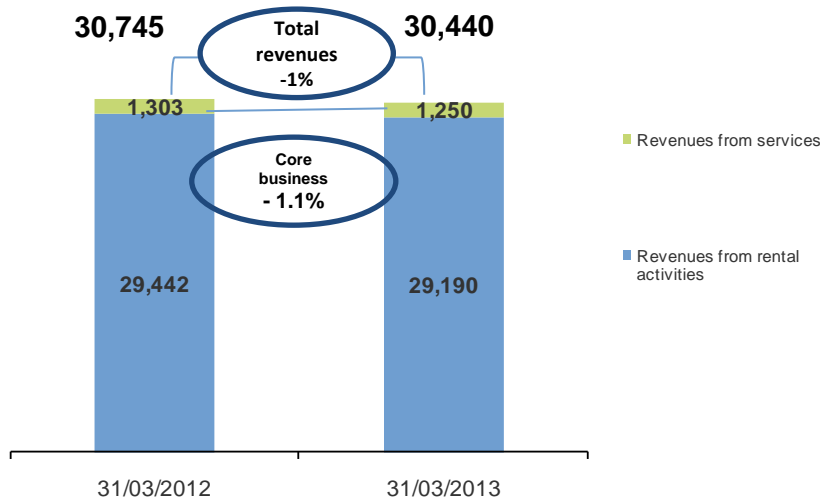
|                                  | CONSOLIDATED |               |               | CORE BUSINESS |               |               | "PORTA A MARE" PROJECT |            |            |                |
|----------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|------------------------|------------|------------|----------------|
|                                  | €/000        | 31/03/2012    | 31/03/2013    | %             | 31/03/2012    | 31/03/2013    | %                      | 31/03/2012 | 31/03/2013 | %              |
| Margin from freehold properties  |              | 23,700        | 23,086        | (2.6)%        | 23,700        | 23,067        | (2.7)%                 | 0          | 19         | n.a.           |
| Margin from leasehold properties |              | 495           | 391           | (21.0)%       | 495           | 391           | (21.0)%                |            |            | n.a.           |
| Margin from services             |              | 200           | 168           | (16.1)%       | 200           | 168           | (16.1)%                |            |            | n.a.           |
| Margin from trading              |              | 122           | 2             | (98.2)%       |               |               |                        | 122        | 2          | (98.2)%        |
| <b>Gross Margin</b>              |              | <b>24,517</b> | <b>23,647</b> | <b>(3.5)%</b> | <b>24,395</b> | <b>23,626</b> | <b>(3.2)%</b>          | <b>122</b> | <b>21</b>  | <b>(82.6)%</b> |

**Margin from freehold properties: 86.9%** increasing compared to 86.3% as at 31/03/2012

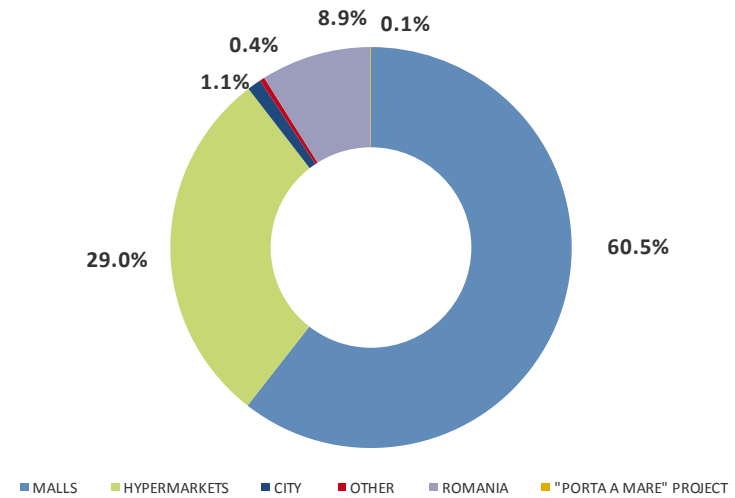
**Margin from leasehold properties: 22.8%** steady compared to 31/03/2012

# 7 Revenues from core business: -1.1%

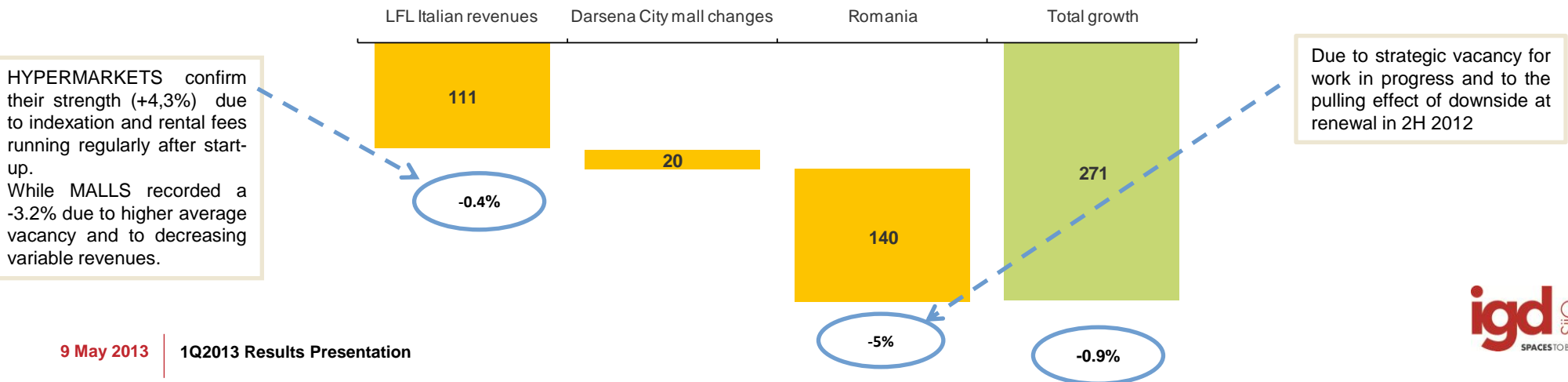
TOTAL REVENUES (€/000)



BREAKDOWN OF TOTAL REVENUES BY TYPE OF ASSET

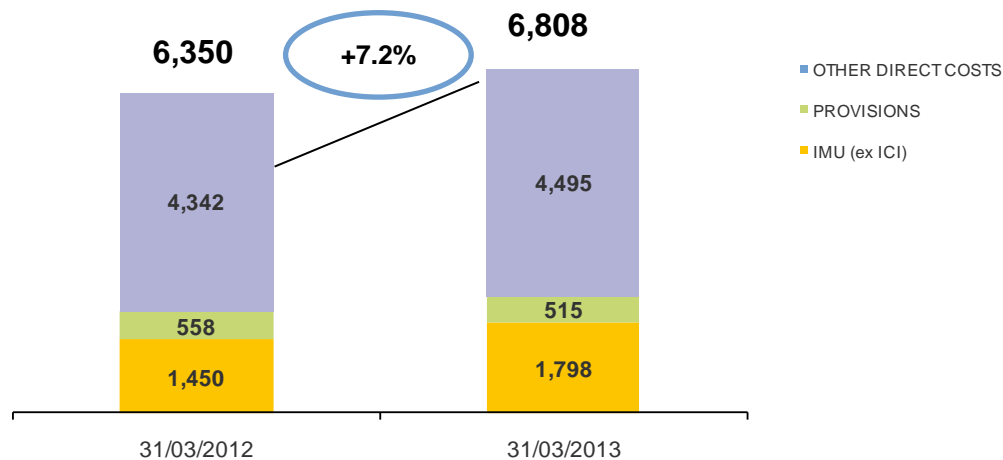


RENTAL INCOME GROWTH (€/000)



## 8 Direct costs and G&A expenses core business

### DIRECT COSTS CORE BUSINESS (€ 000)



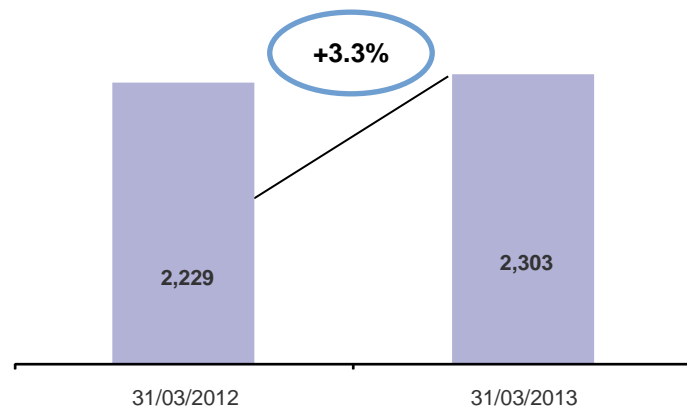
Increase in direct costs mainly due to:

- **IMU + 0.3 € mn (+24%)** due to the implementation of the rates approved by the municipalities and to cadastral values only estimated in 1Q2012 on the basis of provisions that are not final.

- **OTHER DIRECT COSTS + 0.1 € mn (+3.2%)** due to increased costs for direct personnel, maintenance and service charges as a result of higher vacancy (in particular in Mondovì and Millennium shopping centers).

- **PROVISIONS decreasing - 0.04 € mn (-7.7%)**

### G&A EXPENSES CORE BUSINESS (€ 000)



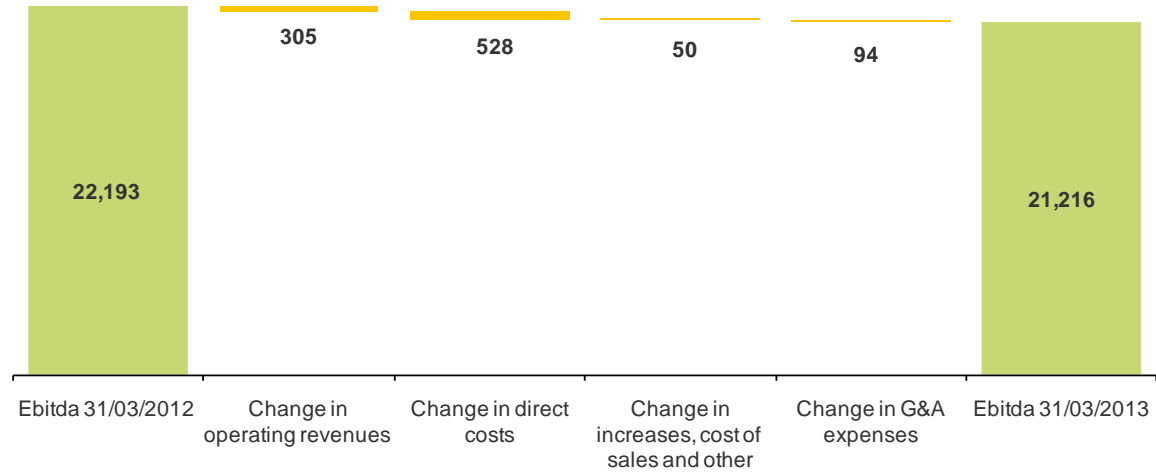
The impact of G&A expenses on core business revenues is equal to about 7.6% vs 31/03/2012 and it is confirmed to be steady.



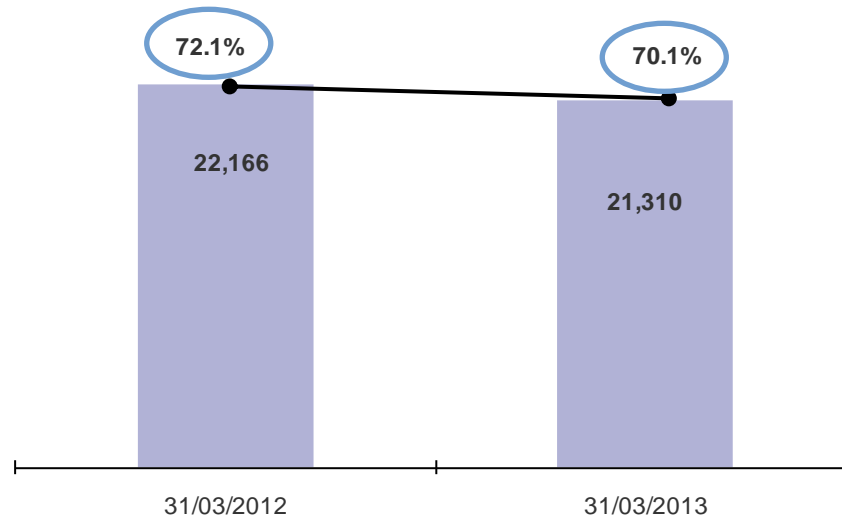
9

Total consolidated Ebitda: € 21.2 mn  
Ebitda (core business): € 21.3 mn (-3.9%)

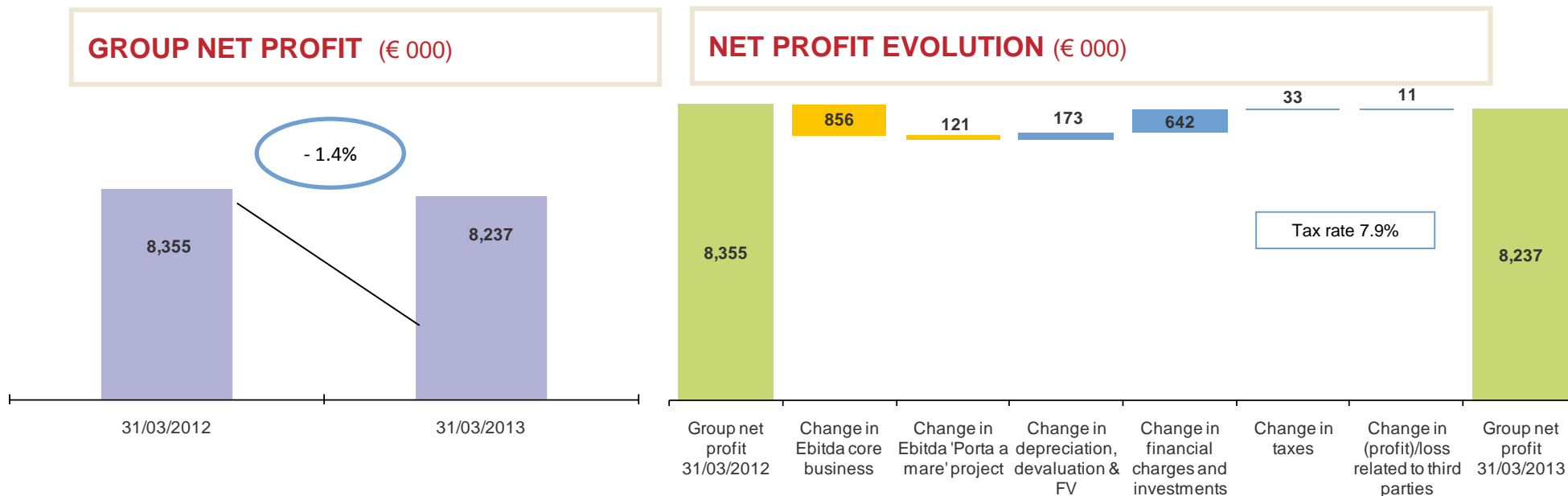
**CONSOLIDATED EBITDA (€ 000)**



**EBITDA and EBITDA MARGIN CORE BUSINESS (€ 000)**



# 10 Group net profit: € 8.2 mn



## PERFORMANCE OF GROUP NET PROFIT EQUAL TO € 8.2 MN COMPARED TO 31/03/2012 REFLECTS:



- Positive impact on provisions depreciation and FV amortization (€ 0.2 mn)
- Positive impact on net financial income for € 0.6 mn due to:
  - ✓ Change in net debt for new loans (+ € 0.2 mn)
  - ✓ Increase in spread (+ € 0.4 mn)
  - ✓ Change in euribor (- € 0.7 mn)
  - ✓ Other positive changes (- € 0.8 mn)

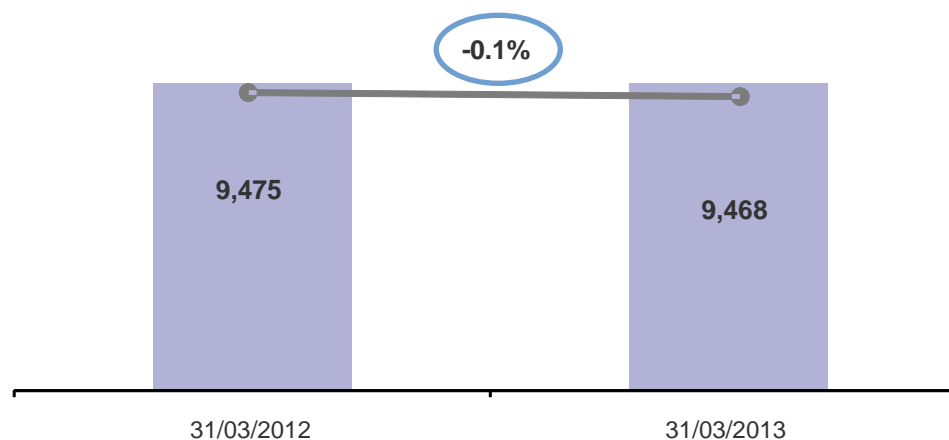


- Negative changes in core business Ebitda (-€ 0.9 mn) mainly due to the increased direct costs caused by IMU
- Negative changes in Ebitda of Porta a Mare project (- € 0.1 mn) because there are no more charges for the put&call option exercised in 2012

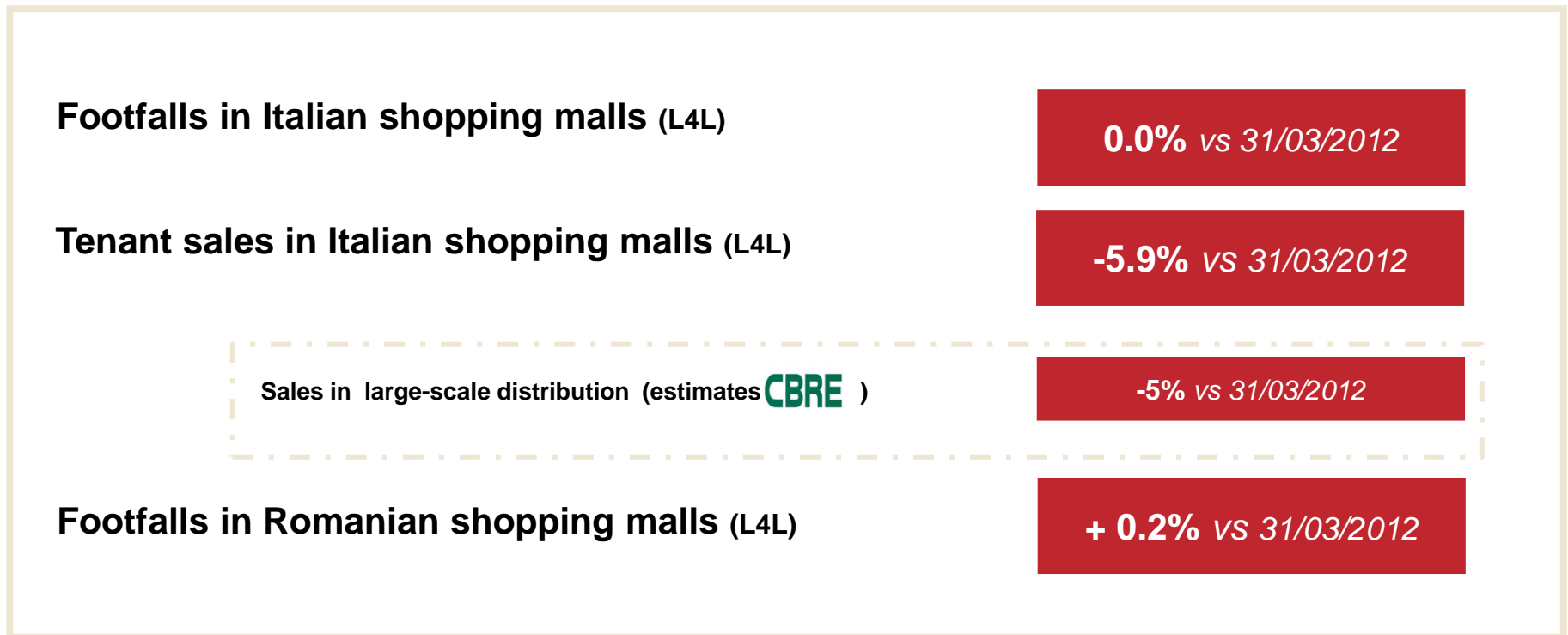
# 11 Funds From Operations

| FFO (€/000)                     | 31/12/2012   | 31/03/2013   | Δ           | Δ%           |
|---------------------------------|--------------|--------------|-------------|--------------|
| <b>Pre-tax profit</b>           | <b>9,059</b> | <b>8,897</b> | <b>-163</b> | <b>-1.8%</b> |
| Depreciation & other provisions | 323          | 358          | 35          | 10.8%        |
| Change in FV                    | 483          | 275          | -208        | -43.0%       |
| Extraordinary management        | 173          | 413          | 240         | 139.3%       |
| Margin from trading activity    | -183         | -133         | 50          | -27.4%       |
| Income tax for the period       | -379         | -342         | 37          | -9.8%        |
| <b>FFO</b>                      | <b>9,475</b> | <b>9,468</b> | <b>-7</b>   | <b>-0.1%</b> |

**FFO TREND (€/000)**



## 12 Commercial Highlights





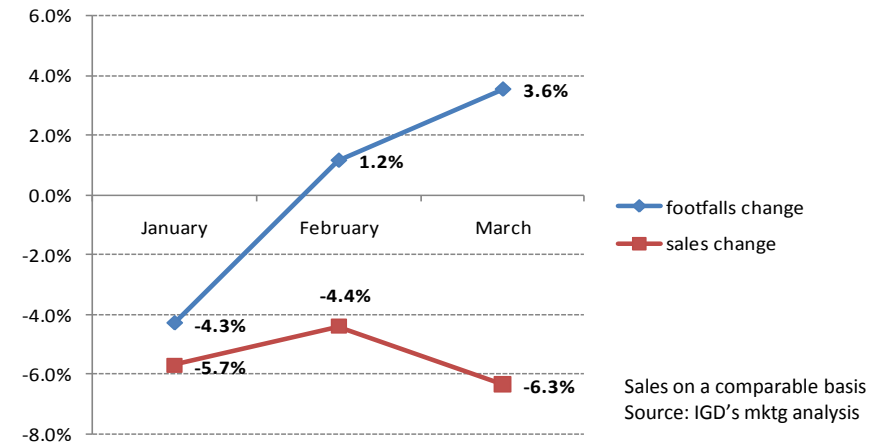
# 13 The performance of our malls in 1Q2013

## TENANT SALES AND FOOTFALLS IN OUR SHOPPING MALLS

|                | SALES       |       | FOOTFALLS   |       |                |
|----------------|-------------|-------|-------------|-------|----------------|
|                | Total trend | LFL   | Total trend | LFL   | absolute value |
| <b>ITALY</b>   | -5.5%       | -5.5% | -0.1%       | -0.1% | 69.4 mn        |
| <b>ROMANIA</b> | n.p*        |       | 7,0%        |       | 33.5 mn        |

\*not all our tenants have a cash register

## MALL SALES IN ITALY (per month)



### ITALY

**Footfalls: steady** compared to last year despite 2 days less than in 2012. After a highly negative January (-4.3%) compared to 2012, footfalls increasing in the following months.





**Sales: -5.9% LFL.** Total turnovers decreasing without substantial monthly differences in trend compared to 2012. No benefit found from Easter in March. Two shopping centers are increasing compared to 2012: Conè (which is positively influenced by the increase in the opening days, +6%) and Katanè, recovery after a 2012 sometimes critical. Confirmed the negative trend in sales in some product categories such as clothing (which benefit less and less of the January sales) as well as restaurant services already decreasing in 2012. Improvement in electronics.

### ROMANIA

**Footfalls: +0.2%** steady compared to last year

**Sales** (only those that we can monitor): the 2012 trend consolidated, the decline in consumer electronics and clothing sales continues, while there is an increase in food (about +5% on a comparable basis).

# 14 Hypermarkets and shopping trends in 1Q2013

| HYPERMARKET/SUPERMARKET SALES IN ITALY |   |       |  |       |   |       |   |       |
|--|---|-------|--|-------|---|-------|---|-------|
|  |  |       |  |       |  |       |  |       |
|  | Total trend   | LFL   | Total trend  | LFL   | Total trend   | LFL   | Total trend   | LFL   |
| Supermarkets + Hypermarkets            | 0%  | -0.9% | +0.3%  | -1.1% | +2.4%   | +1.6% | /   | /     |
| Hypermarkets                           | -0.6%   | -1.1% | +0.7%  | +0.7% | +3.3%   | +3.3% | -0.6%   | -0.6% |
| Supermarkets                           | +0.4%   | -0.7% | 0%   | -2.7% | +1.9%   | +0.7% | /   | /     |

Source: processing COOP on IRI Infoscan data

In the overall COOP network, the hypermarket channel decreased (LFL) equal to -1.1%; this data is also influenced by the negative trend of non-food goods.

**IGD hypermarkets** (13 rented to COOP ADRIATICA, 4 to UNICOOP TIRRENO and 2 to IPERCOOP SICILIA) recorded **+0.4%**

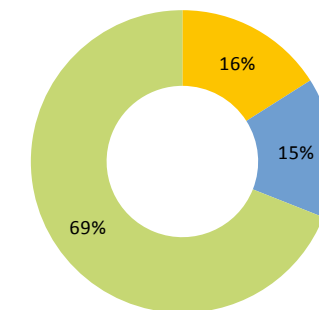
**Hypermarkets in IGD Shopping Centers** recorded **- 0.5%**

# 15 Tenants in Italy

| TOP 10 Tenant  | Product category              | Turnover impact | Contracts  |
|--|-------------------------------|-----------------|------------|
| Gruppo Miroglio<br>   | clothing                      | 3.6%            | 34         |
| PIAZZA ITALIA  | clothing                      | 3.2%            | 10         |
| COMPAR    | footwear                      | 1.8%            | 9          |
|   | clothing and sports equipment | 1.7%            | 3          |
|   | clothing                      | 1.6%            | 6          |
|   | footwear                      | 1.5%            | 4          |
|   | clothing                      | 1.4%            | 18         |
|   | electronics                   | 1.4%            | 1          |
| BBC   | bricolage                     | 1.4%            | 1          |
|   | entertainment                 | 1.4%            | 20         |
| <b>Total</b>   |                               | <b>18.9%</b>    | <b>106</b> |

| TOTAL CONTRACTS |              |
|-----------------|--------------|
| Malls           | 999          |
| Hypermarkets    | 19           |
| <b>Total</b>    | <b>1,018</b> |

**BRANDS BREAKDOWN IN MALLS**  
By turnover



■ International brands ■ National brands ■ Local brands

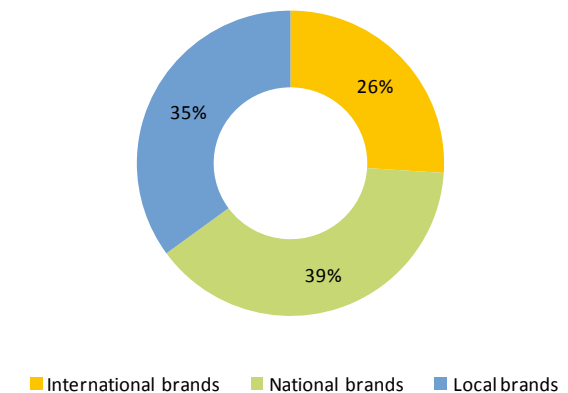
|                     | Hypermarkets | Malls | TOTAL |
|---------------------|--------------|-------|-------|
| Financial occupancy | 100%         | 95.0% | 96.6% |

# 16 Tenants in Romania

| TOP 10 Tenant  | Product category  | Turnover impact | Contracts |
|--|-------------------|-----------------|-----------|
|  Carrefour market | food              | 6.5%            | 8         |
|  DOME             | electronics       | 6.1%            | 9         |
|  B&B collection   | jewellery         | 5.7%            | 12        |
|  LEONARDO         | footwear          | 3.9%            | 13        |
|  Raiffeisen BANK  | services          | 3.3%            | 1         |
|  House of Art    | clothing (family) | 3.3%            | 9         |
|  SENSI          | pharmacy          | 3.0%            | 8         |
|  dm             | household goods   | 1.6%            | 4         |
|  SEVDA          | Sevda jewellery   | 1.1%            | 4         |
|  ALTEX          | electronics       | 1.1%            | 4         |
| <b>Total</b>   |                   | <b>35.6%</b>    | <b>72</b> |

**TOTAL CONTRACTS 589**

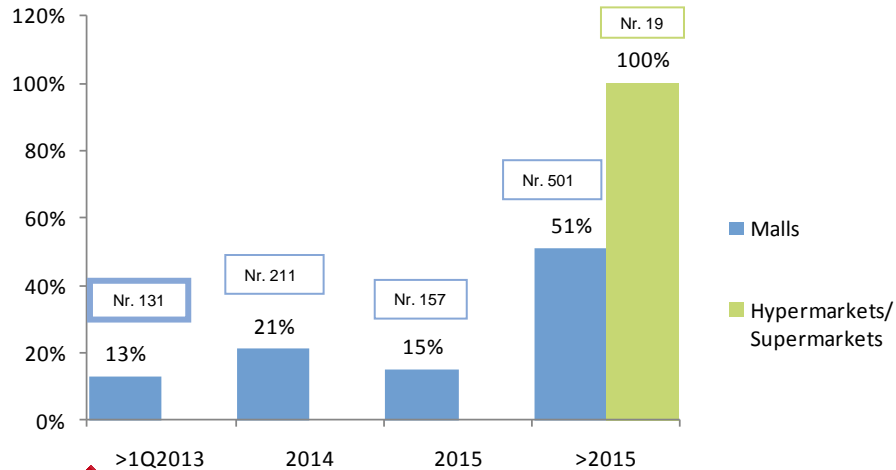
**BRANDS BREAKDOWN IN MALLS  
By turnover**



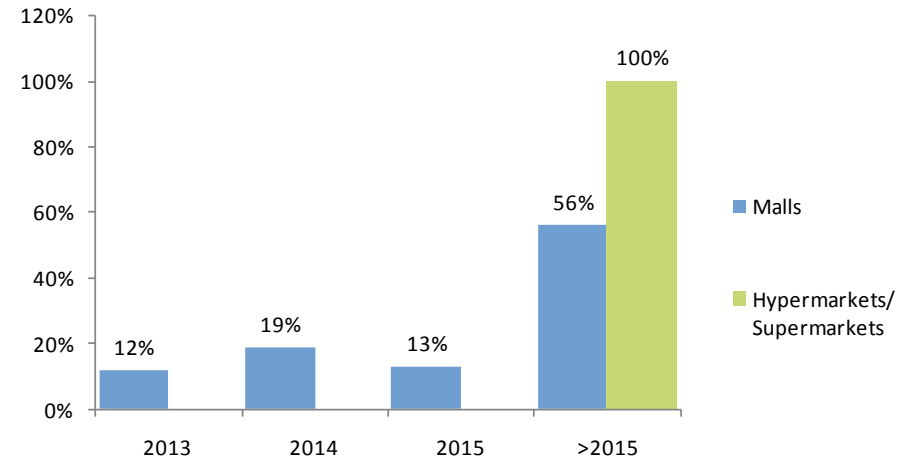


# 17 Contracts in Italy and Romania

**EXPIRY DATE OF CONTRACTS OF HYPERMARKET AND MALLS IN ITALY (% no. of contracts)**



**EXPIRY DATE OF CONTRACTS OF HYPERMARKETS AND MALLS IN ITALY (% of value)**



## ITALY

In the first three months of 2013, 31 contracts were renewed, of which 17 turned over.

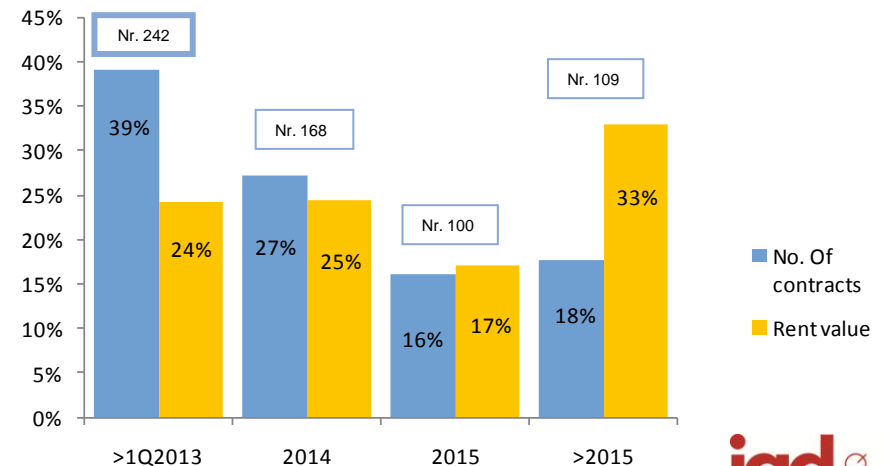
Average upside on renewal: **+ 2%** mainly due to a renewal in Centro d'Abruzzo

## ROMANIA

In the first three months of 2013, 63 contracts were renewed (downside **- 3.7%**) and 59 new contracts were signed. (Renewals are equal to 10.8% of Winmarkt total revenues).



**EXPIRY DATE OF CONTRACTS OF MALLS IN ROMANIA (no. and % of contracts and % of value)**



# 18 The sustainability process continues....1/2



From May 2013  
Is online  
the third  
*Sustainability  
Report*

**2013 TARGET**  
**Gradually integrate sustainability planning in the Business Plan**

# 19 UNI EN ISO 14001 certification



2/2

In **March 2013** the course, begun at the end of 2011 for the **adoption of an Environmental Management System (EMS)** in accordance with the **UNI EN ISO 14001-2004**, was successfully completed.

The project, which lasted eighteen months, involved in a transversal way the company departments.

## Perimeter of the certification

**IGD SIIQ SPA** (including the headquarters of Bologna) and, for **IGD Management**, the following shopping centers: CentroSarca in S. S. Giovanni (MI), Gran Rondò in Crema (CR), I Bricchi in Isola d'Asti (AT) and Mondovicino in Mondovì (CN).

## Content of the certification

An Environmental Management System aimed at **monitoring and improving environmental performance** in terms of energy and water consumption, waste management and air emissions has been defined.

## Next steps

Over the next five years a roll out plan of the project on **50% of IGD Group's malls** is expected.



**FINANCIAL STRUCTURE**



## 21 Financial Highlights (1/2)

|   | 31/12/2012 | 31/03/2013 |
|---|------------|------------|
| <b>GEARING RATIO</b>                                | 1.38       | 1.36       |
| <b>LOAN TO VALUE</b>                                | 57.2%      | 57.0%      |
| <b>COST OF DEBT</b>                                 |            |            |
| • Total   | 4.29%      | 4.04%      |
| • “Adjusted” (excluding figurative charges on bond) | 3.91%      | 3.82 %     |
| <b>INTEREST COVER RATIO</b>                         |            |            |
| • Total   | 1.80X      | 1.88X      |
| • “Adjusted” (excluding figurative charges on bond) | 2.00X      | 2.07X      |

## 22 Financial Highlights (2/2)

|   | 31/12/2012 | 31/03/2013 |
|---|------------|------------|
| AVERAGE LENGTH OF LONG TERM DEBT<br>(BOND excluded) | 10.2 years | 9.9 years  |
| MID/LONG TERM DEBT RATE                             | 56.3 %     | 61.1%      |
| HEDGING ON LONG TERM DEBT + BOND                    | 76.1%      | 76.3%      |
| HEDGING ON LONG TERM DEBT                           | 68.1%      | 68.1%      |
| BANKING CONFIDENCE                                  | € 273.5 mn | € 278.5 mn |
| BANKING CONFIDENCE AVAILABLE                        | € 93.8 mn  | € 99.2 mn  |
| MKT VALUE OF MORTGAGE FREE ASSETS                   | € 551.3 mn | € 551.3 mn |

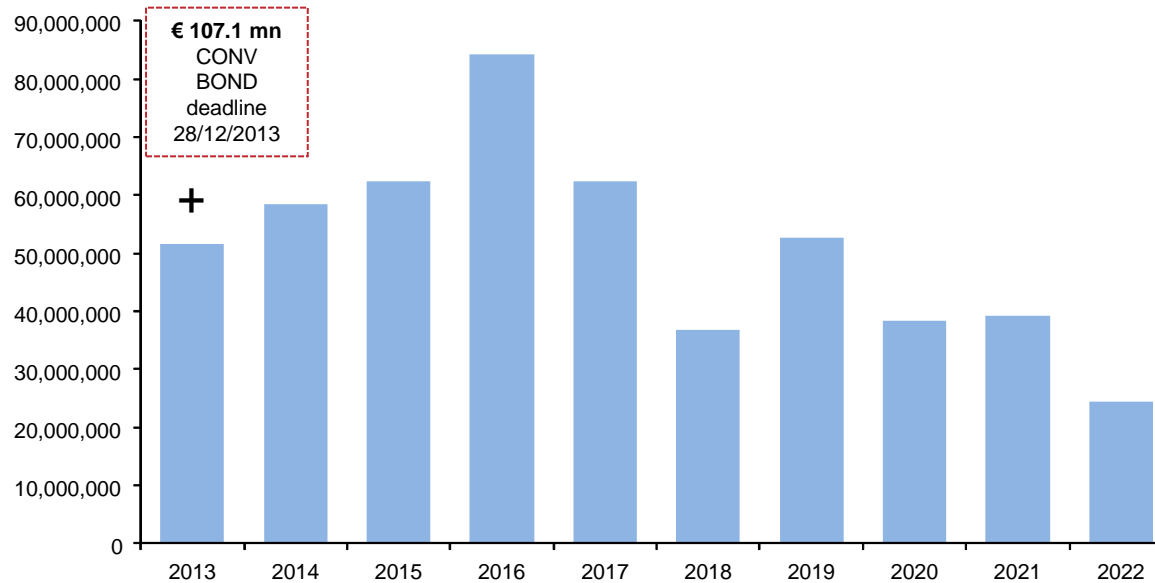
If the Bond would be considered in the long term for the part already refinanced (€ 144.9 mn) it would be **74.4%**

# 23 Financial structure

**NET DEBT COMPOSITION (€ 000)**



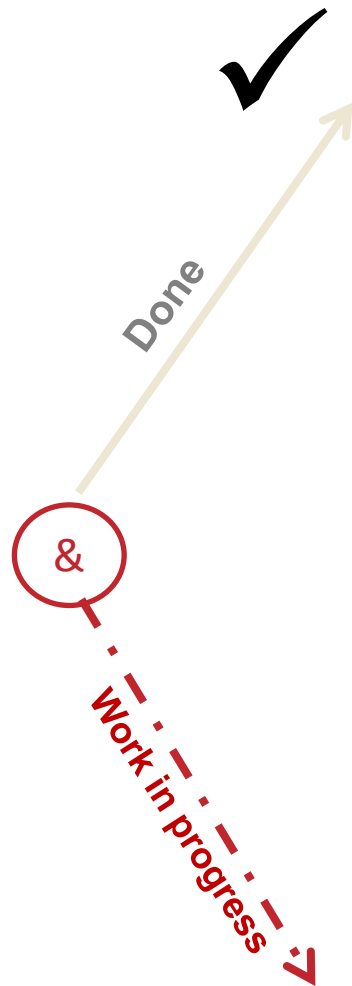
**DEBT MATURITY (€ 000)**



**March 2013:**  
 • including new lines and renegotiations obtained about **€ 73 mn**

# 24

## Refinancing of Convertible Bond (Deadline 28/12/2013) and new funding



### Issuance of a Senior Unsecured Bond

- **Exchange Offer** of convertible bond “€230,000,000 3.50 per cent. Convertible bonds due 2013” having as exchange consideration a new Senior Bond of € 122,900,000
- Placing of residual **Surplus Notes** to investors for € 22,000,000
- *New Notes issued for € 144,900,000*
- **Settlement date** 7 May 2013
- **Joint Bookrunners:** Banca IMI; BNPP

### New Notes characteristics

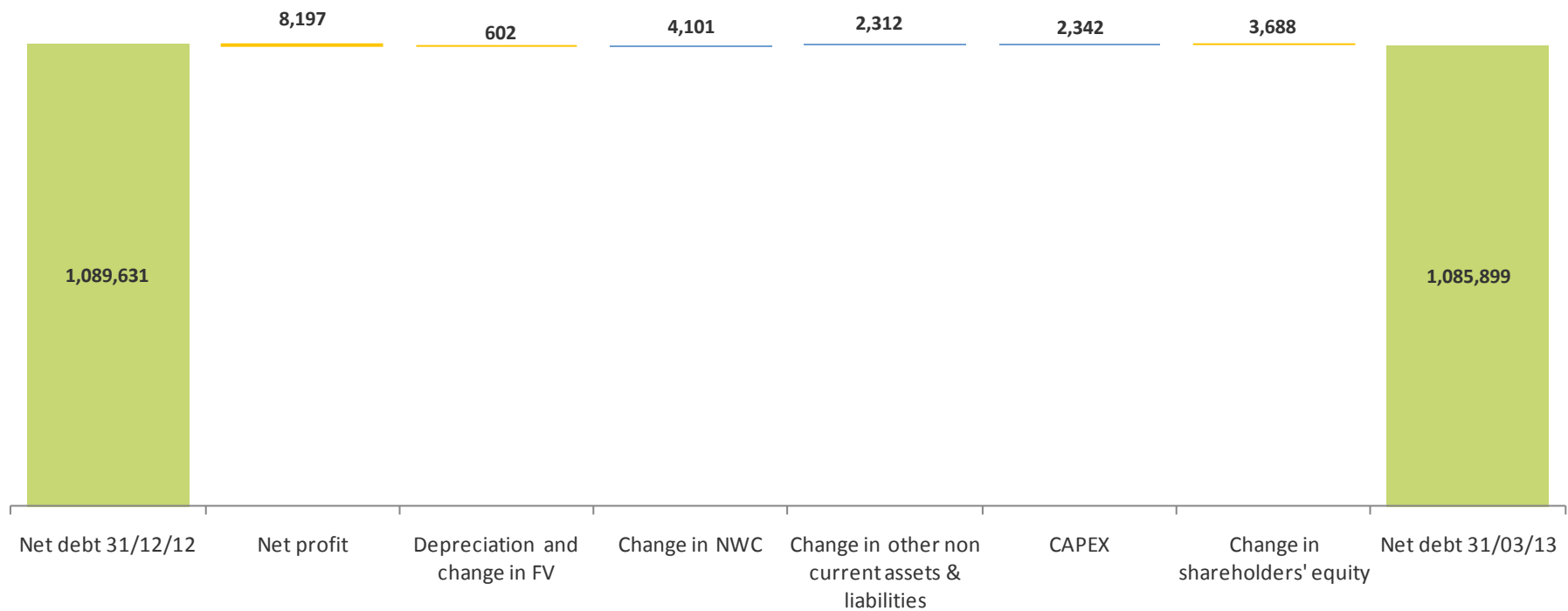
- **Maturity:** 4 years from the issue date (deadline 07/05/2017)
- **Issue price:** 100% of the principal amount
- **Annual fixed rate coupon** of 4.335% (4-year mid-swap rate as of 29/04/2013 + 375 bps)
- **Redemption at maturity at par and in one solution** in the event of failure by IGD of the prepayment option exercisable by itself
- **Early redemption provisions** in certain cases of change of control in accordance with the Terms and Conditions of the New Notes

- A further (secured) operation for about € 150 mn is under study and it could be:
  - **a secured loan with a pool of banks**
  - **or**
  - **Issuance of a bond in the market**



# 25 Net debt

## NET DEBT CHANGE (€ 000)



## 26 Reclassified balance sheet

| SOURCES/USE OF FUNDS (€ 000)                 | 31/12/12         | 31/03/13         | Δ            | Δ%          |
|--|------------------|------------------|--------------|-------------|
| Fixed assets                                 | 1,889,979        | 1,890,030        | 51           | 0.0%        |
| NWC  | 75,713           | 79,814           | 4,101        | 5.4%        |
| Other long term liabilities                  | -68,520          | -69,292          | -772         | 1.1%        |
| <b>TOTAL USE OF FUNDS</b>                    | <b>1,897,172</b> | <b>1,900,552</b> | <b>3,380</b> | <b>0.2%</b> |
| Net debt                                     | 1,089,631        | 1,085,899        | -3,732       | -0.3%       |
| Net (assets) and liabilities for instruments | 53,975           | 49,202           | -4,773       | -8.8%       |
| Shareholders' equity                         | 753,566          | 765,451          | 11,885       | 1.6%        |
| <b>TOTAL SOURCES</b>                         | <b>1,897,172</b> | <b>1,900,552</b> | <b>3,380</b> | <b>0.2%</b> |



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