



**igd** SIC  
SPACES TO BE LIVED IN

Conference call  
12 November 2014  
2.30 p.m.

Results presentation as at 30/09/2014

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### 3 Highlights 1/2

#### REVENUES

•Total revenues

**€ 91.8 mn**

(+1.5% vs 30/09/2013)

•Core business revenues

**€ 90.0 mn**

(-0.5% vs 30/09/2013)

#### EBITDA

•EBITDA (core business)

**€ 59.4 mn**

(-4.7% vs 30/09/2013)

•EBITDA margin (core business)

**66.0%**

(-2.9 percentage points)

•EBITDA margin from Freehold

**77.7%**

(- 0.9 percentage points)

•Group Profit before taxes

**€ 9.4 mn**

(+14% vs 30/09/2013)

•Group Net Profit  
(with “Unlock Italy” Law fiscal effects)

**€ 7.1 mn**

(-36.3% vs 30/09/2013)

**Core business Funds From Operations (FFO)**

**€ 25.2 mn**

(-6.8% vs 30/09/2013)

## 4 Highlights 2/2

Adjusted data\*

**NNAV per share**

€ 2.13 as at 30/06/2014

€ 1.27

**Market Value Total Portfolio**

€ 1,849.5 mn  
as at 30/06/2014

€ 1,944.3 mn\*

**Loan to Value**

56.1%

48.2%

**Gearing (D/E)**

1.30

0.95

 **EPRA FINANCIAL OCCUPANCY as at 30/09/2014**

•ITALY

96.2%

•ROMANIA

85.9%

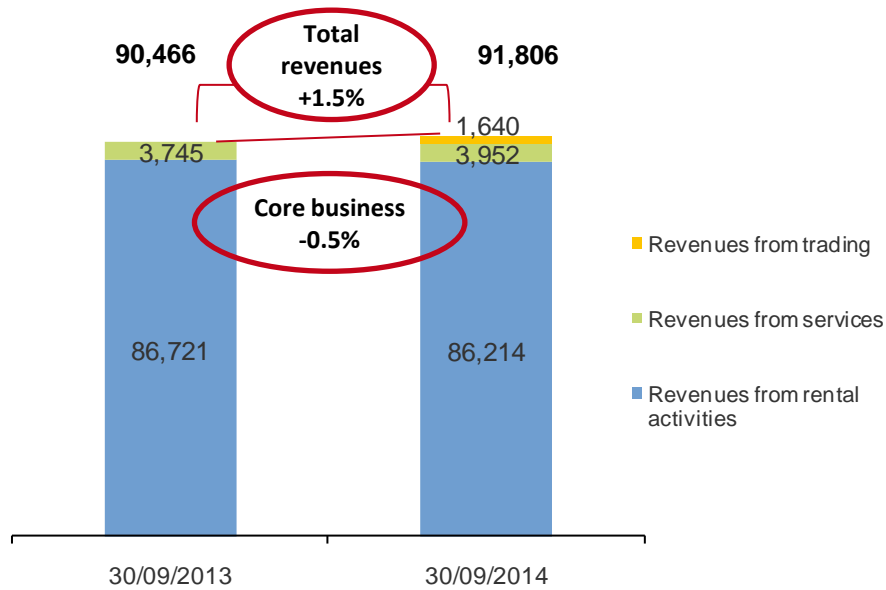
\* Adjusted data considering the capital increase (€ 200 mn) and the portfolio acquisition (€ 94.8 mn)



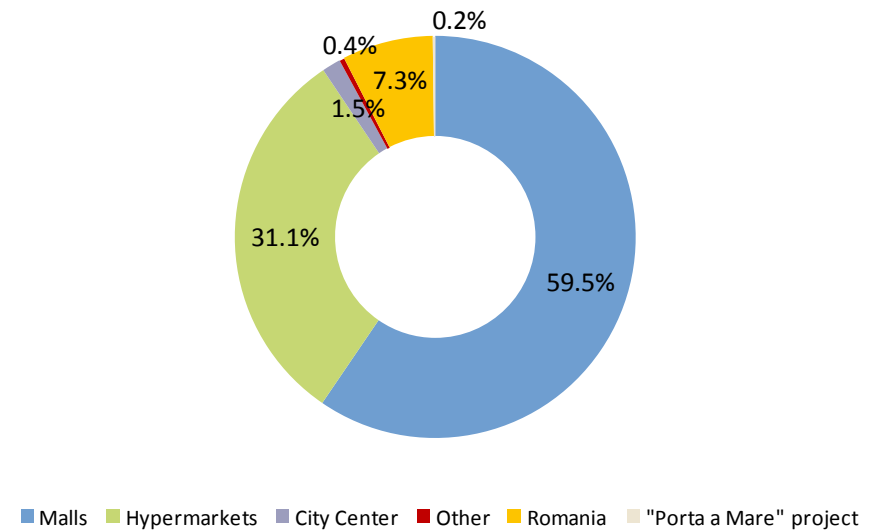
**ECONOMIC AND  
FINANCIAL RESULTS**

# 6 Revenues

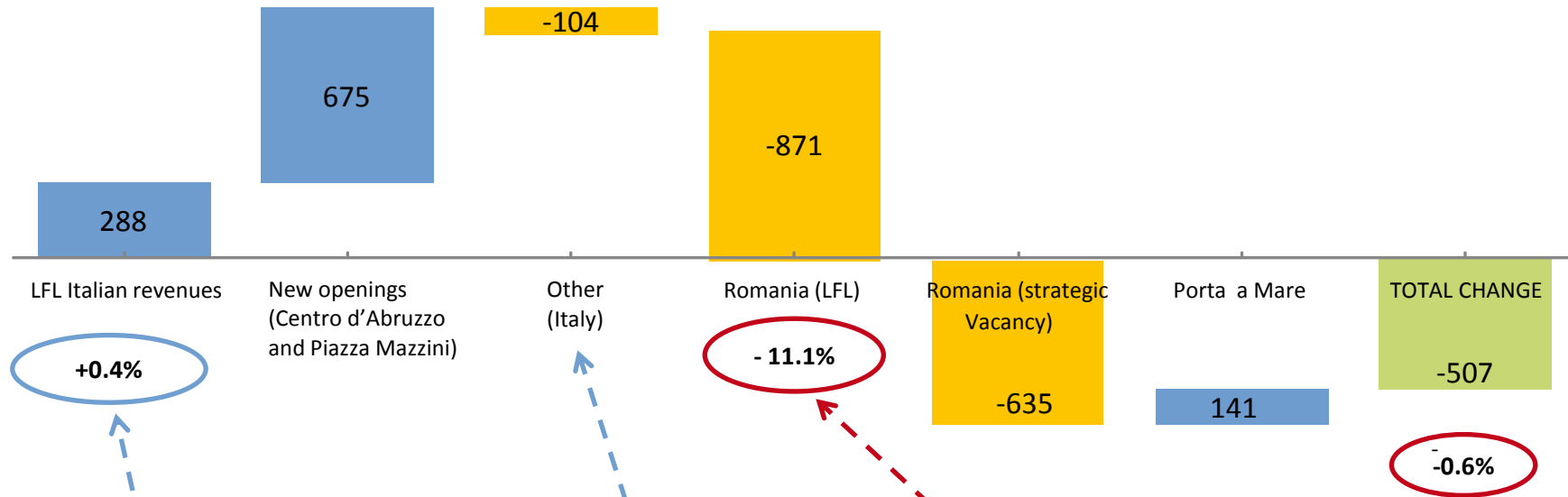
**TOTAL REVENUES (€/000)**



**BREAKDOWN OF REVENUES FROM RENTAL AND REAL ESTATE ACTIVITY BY TYPE OF ASSET**



# 7 Rental income drivers (€/000)



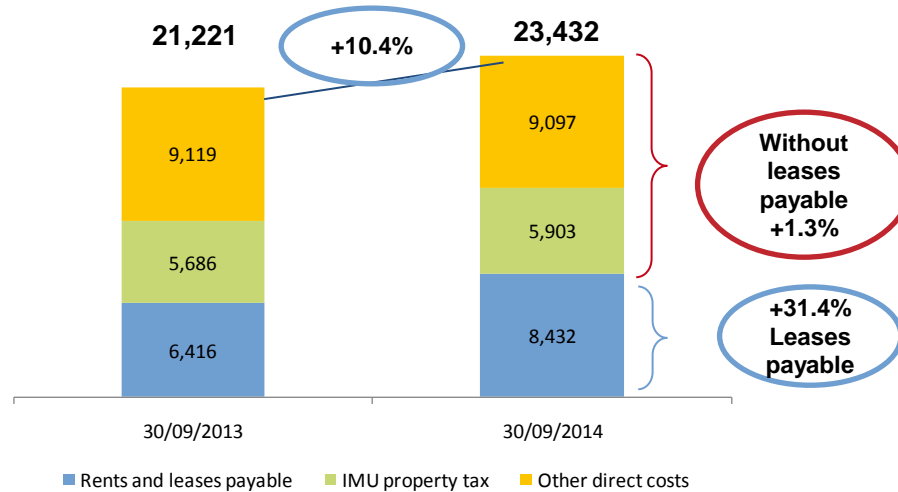
**Not including strategic vacancy +0.4%.** There was a confirmed growth in **HYPERMARKETS** (+0.8%) due to indexation and to normalization of rental activity after start-up. **MALLS** held the ground well (+0.1%).

Includes negative changes due to instrumental vacancy (vacant shops already being marketed in which new layouts were made), and positive effect of Darsena City Shopping Center direct management and other minor changes.

**Not including strategic vacancy for continuing investments (-11.1%)** due to the downside drag on renewed contracts at the end of 2013 and 1H 2014, higher average vacancy and reletting in progress (retail and office building)

## 8 Core business direct costs and G&A expenses

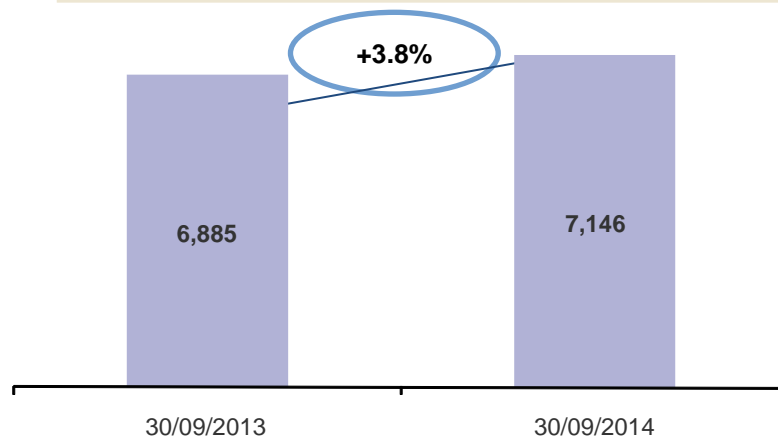
### CORE BUSINESS DIRECT COSTS (€ 000)



Trend of direct costs mainly due to:

- increase of rents and leases payable (+31.4%) due to the masterlease of the previously sold Le Fonti del Corallo mall (Livorno).
- increase of IMU due to higher rates in consideration of the new tax TASI and to reduced property tax in Romania (reduced tax base)
- increase of service charges due to higher vacancy
- significant improvement in the forecasts of provisions both in Italy and in Romania due to a decrease in receivable accounts in dispute
- in other direct costs there was an increase in pilotage costs (Abruzzo and Mazzini) related to higher revenue from services

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



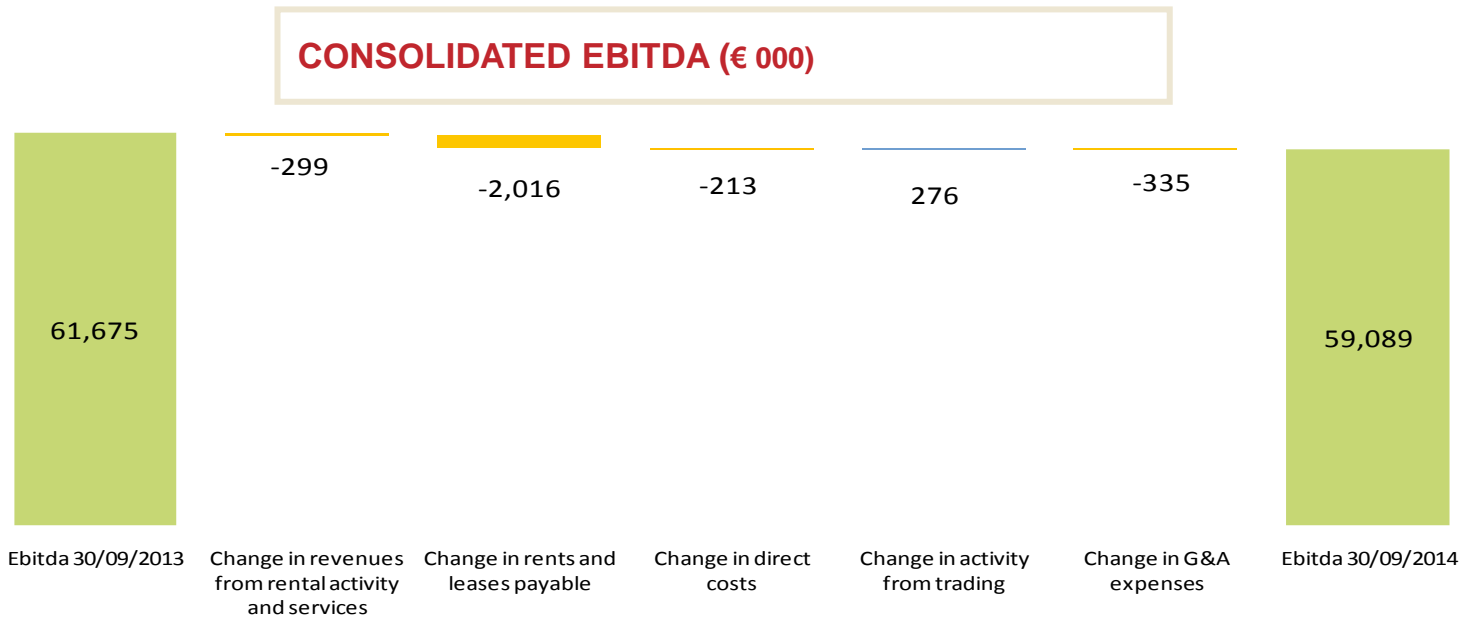
G&A expenses recorded an increase equal to 3.8% compared to 2013 mainly due to the increased outsourcing and communication costs.

The impact of G&A expenses on core business revenues was equal to about 7.9%.

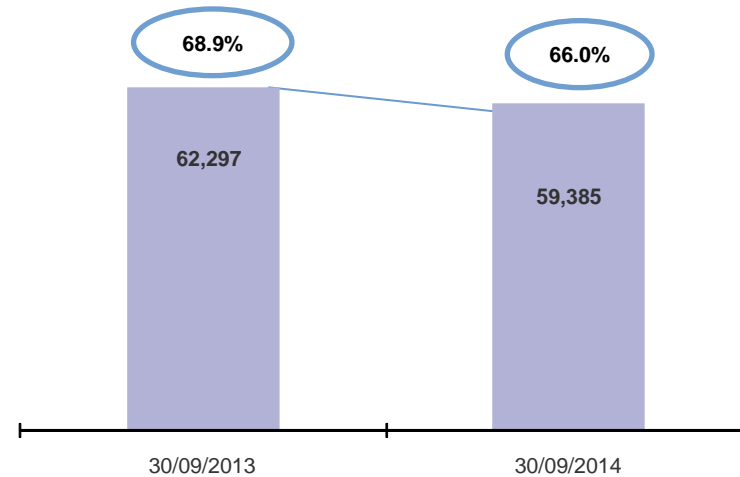


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Total consolidated Ebitda: € 59.1 mn  
 Ebitda (core business): € 59.4 mn (-4.7%)



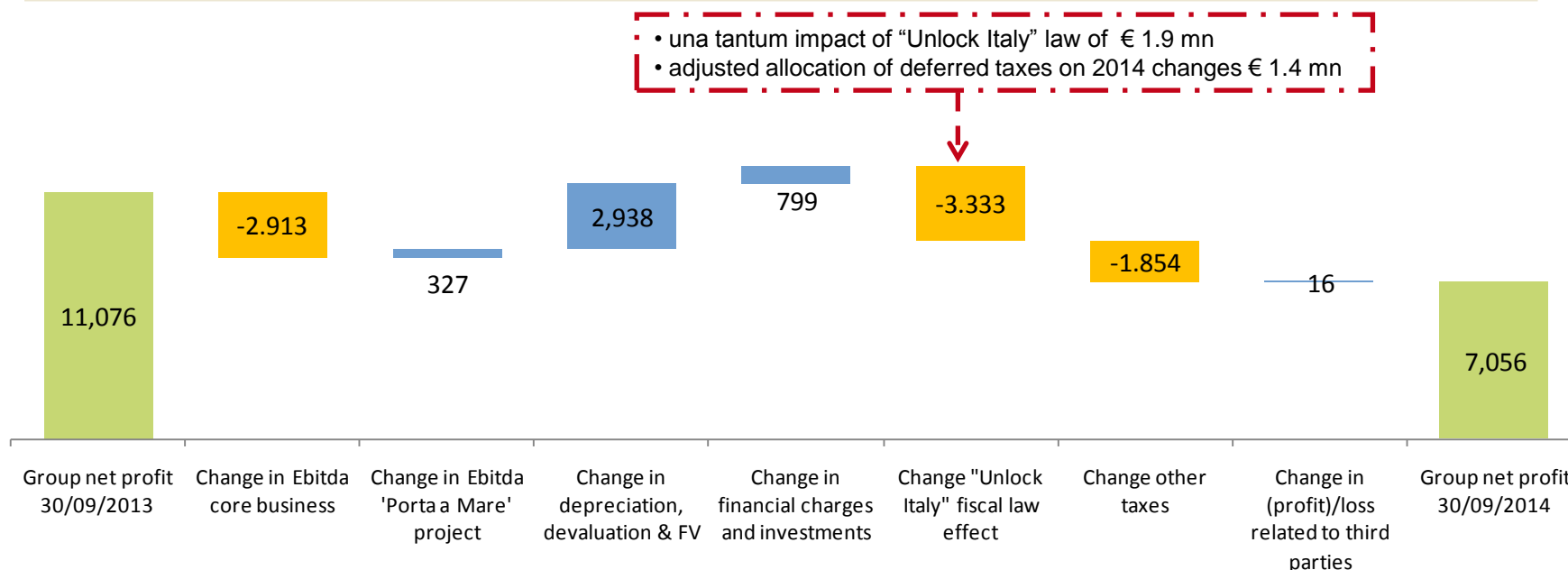
**CORE BUSINESS EBITDA and EBITDA MARGIN (€ 000)**



**EBITDA MARGIN from FREEHOLD MANAGEMENT was equal to 77.7% compared to 78.6% as at 30/09/2013**

# 10 Group net profit before taxes: € 9.4 mn (+14%)

## NET PROFIT EVOLUTION (€ 000)



### PERFORMANCE OF GROUP NET PROFIT EQUAL TO € 7.1 MN COMPARED TO 30/09/2013 REFLECTS:



- Positive change in fair value and other provisions and depreciation (+2.9 € mn)
- Positive change in Ebitda Porta a Mare project (+0.3 € mn)
- Improvement in financial management and extraordinary management equal to +0.8 € mn



- Negative change in core business Ebitda (-2.9 € mn) mainly due to increased direct costs caused by rents and leases payable (masterlease Le Fonti del Corallo mall)
- Negative impact on deferred taxes (-5.2 € mn) mostly as una tantum effect of Unlock Italy law

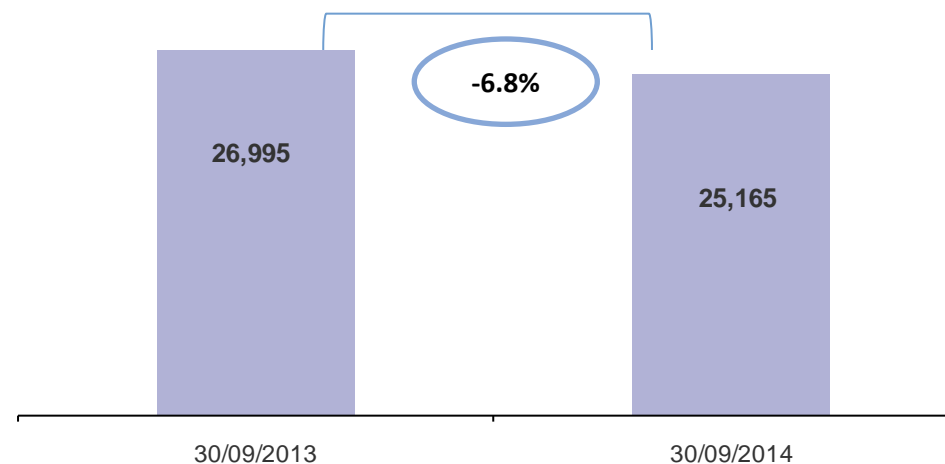
# 11 Core business Funds From Operations

FFO (€/000)	30/09/2013	30/09/2014	Δ	Δ%
<b>Pre-tax profit</b>	<b>10,512</b>	<b>13,981</b>	<b>3,468</b>	<b>33.0%</b>
Depreciation and other provisions	1,106	1,178	71	6.6%
Change in FV and devaluations	15,937	10,279	-5,657	-35.5%
Extraordinary management	490	-120	-609	-124.5%
Gross margin from trading activities	0	0	0	n.a.
Adjusted financial management	0	297	297	n.a.
Income taxes for the period	-1,049	-450	599	-57.1%
<b>FFO</b>	<b>26,995</b>	<b>25,165</b>	<b>-1,830</b>	<b>-6.8%</b>

Of which:

- **-3.0 € mn** due to decreased Ebitda
- **+ 0.5 € mn** due to an improvement in financial management
- **+ 0.7 € mn** due to other changes

FFO TREND (€/000)



As at 30/06/2014 the change was equal to -6.3%

A photograph of a modern retail building at night. The building features large, illuminated glass panels and a prominent 'ipercoop' sign on the roof. The scene is lit with warm interior lights and cool blue exterior lights. A black text box is overlaid on the right side of the image.

**OPERATING  
PERFORMANCE**

# 13 Commercial highlights

**Footfalls in Italian IGD Shopping Malls**

**+0.2%** *progressive change*

**Footfalls in Italian Shopping Malls**

 **+0.3%**

**Tenants sales in Italian IGD Shopping Malls**

**+3.5%** *progressive change*

**Tenants sales in Italian Shopping Malls**

 **+0.3%**

 **hypermarket sales**

**-3.4%** *progressive change*

**Improving**  
compared to  
30/06/2014  
(-3.8%)

**IGD's hypermarket and supermarket sales**

**-3.1%** *progressive change*

**Footfalls in Romanian WINMARKT Shopping malls**

**-8.4%** *vs 30/06/2013*

\* Afragola hypermarket sales were not considered because the sales area of the old and the new hypermarket were not comparable.

# 14 The performance of our shopping malls as at 30/09/2014 (1/2)

## TENANT SALES AND FOOTFALLS IN OUR SHOPPING MALLS

	TENANT SALES	FOOTFALLS	
	progressive change September	progressive change September	absolute value
<b>ITALY</b>	+3.5%	+0.2%	42.6 million
<b>ROMANIA</b>	n.p*	-8.4%	22 million

\* Not all our tenants have a cash register

### ITALY

Progressive **tenant sales** increased (+3.5%) with **footfalls** still slightly positive (+0,2% in line with CNCC +0.3%). Clothing recorded a significant increase, that represent 45% of the total tenant sales of Shopping Centers, and in 2014 reversed the declining trend emerged in 2013. In the quarter an increase in customers that purchase (+1.1%) and in the average receipt (+2.3%) was recorded.

### ROMANIA

**Footfalls:** the trend in 3Q was slightly improving compared to 2Q (+0.5%), the main reason for the decreasing footfalls compared to 2013 was the work in progress (due to international anchors introduction, internal and external refurbishment )

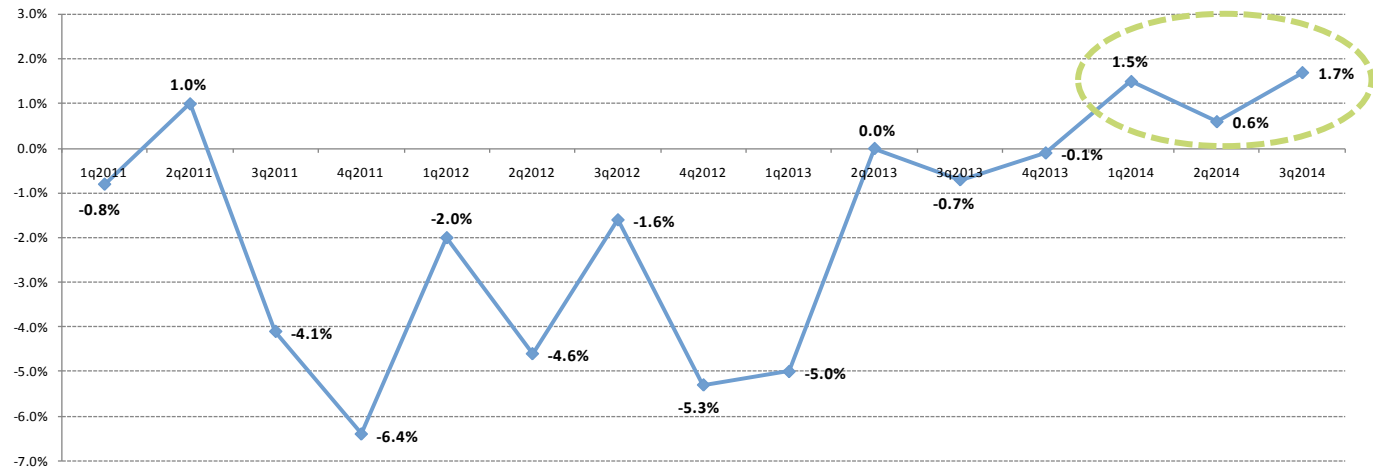
For **tenant sales** (that can be monitored) the following was recorded :

- ✓ A general improvement compared to 2Q (+9%) although the trend was decreasing if compared to 2013 (-9%);
- ✓ A good performance in electronics (3 national tenants) +20% compared to 2Q and +12% compared to 2013;
- ✓ Drogerie Markt (international drugstore brand) performed in line with the previous quarter
- ✓ A recovery in footwear, albeit limited.

# 15 The performance of our shopping malls as at 30/09/2014 (2/2)

2011-2014 QUARTERLY TENANT SALES TREND

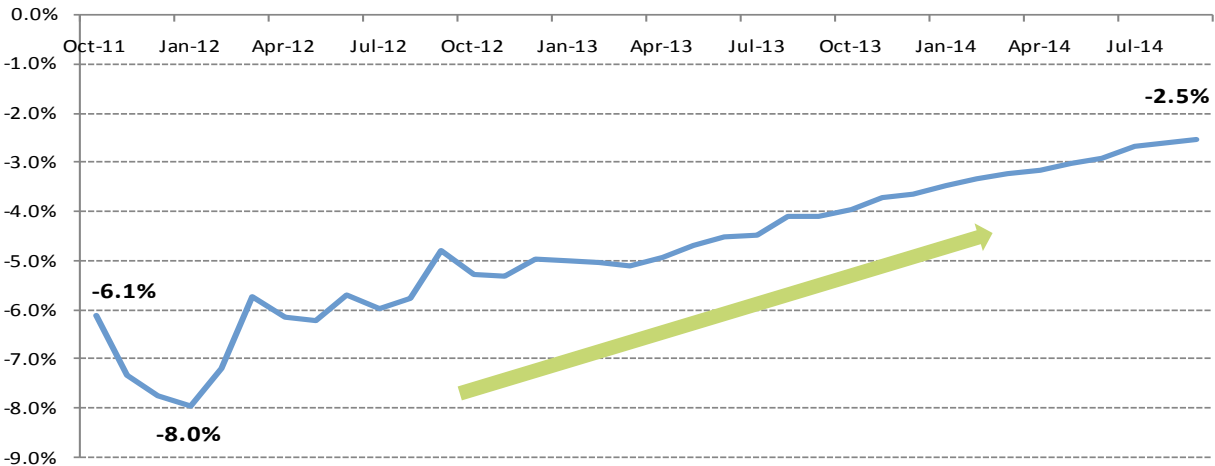
3° consecutive quarter increasing, for the first time since IGD's portfolio is made up of the current shopping centers












MONTHLY PROGRESSIVE TENANT SALES TREND FROM OCTOBER 2011 TO SEPTEMBER 2014

- Lower and unstable tenant sales    =/+ Slow improvement compared to the beginning of the crisis

After a significant decrease in tenant sales, that did not stop nor settled up until 1Q 2013, there has been a slow **recovery**, which recorded the most positive signals from January 2014



# 16 Focus on trends: effective asset management activities

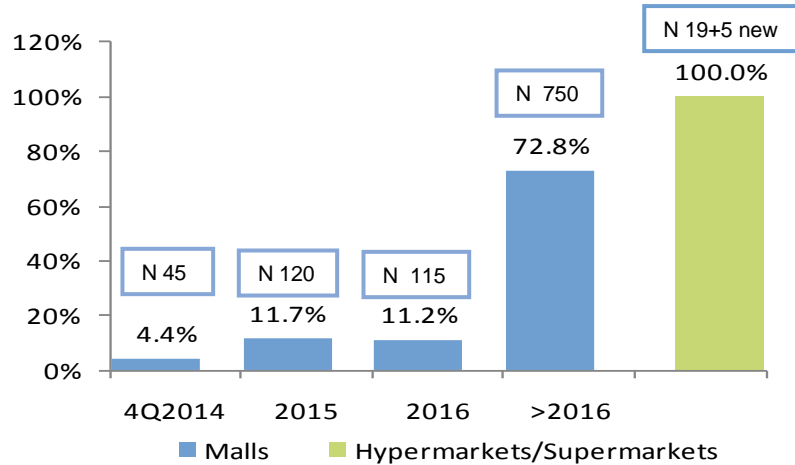
SHOPPING CENTER	AREA OF ACTION	ACTIONS ENDED IN 2014	FOOTFALLS AND TENANT SALES TREND*
	<ul style="list-style-type: none"> <li>• ASSET MANAGEMENT</li> <li>• TENANT MIX</li> <li>• LOCATION/ ACCESSIBILITY</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Unification</b> of some shops in order to create a new medium sized area</li> <li>• <b>Extension</b> of the square in front of this medium sized area in order to make the front more visible, obtained by moving a shop</li> <li>• Change of the <b>road network</b> to improve access to the retail park</li> </ul>	 +8.2%  +3.8%
	<ul style="list-style-type: none"> <li>• ASSET MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Extension and restyling</b> (opening April 2014)</li> </ul>	 +9.4%  +5.1%
	<ul style="list-style-type: none"> <li>• ASSET MANAGEMENT</li> <li>• TENANT MIX</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Unification</b> of some neighborhood shops to create attractive spaces for medium sized area tenants.</li> <li>• Tenant mix <b>remodeling</b></li> </ul>	 +17.4%  +13.9%

\* Data referred to the first 9 months of 2014 compared to the same period in 2013. Revenues of Centro d'Abruzzo are calculated on the pre-extension shop structure.

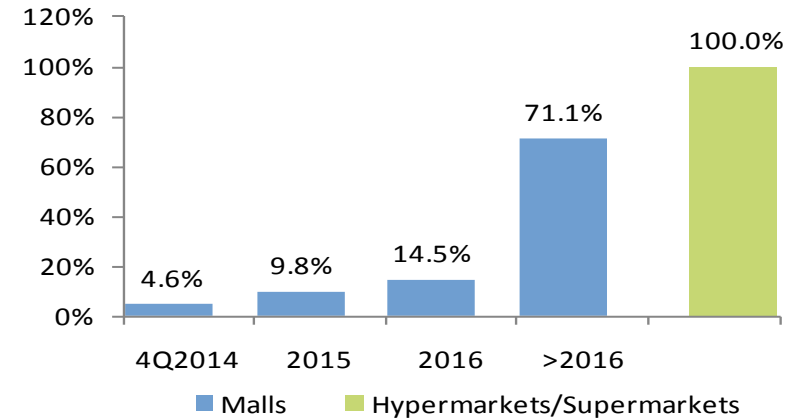


# Contracts in Italy and Romania

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



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



## ITALY

In the first 9 months of 2014 199 contracts were signed, of which 72 turned over and 127 renewed.

Average downside on renewal -6.6% due to renewals/turned over in shopping centers with some particularity and in evolution (changes in layout of Tiburtino and more sustainable renewals for tenants and contextual reduction of discounts granted that were likely to be fixed).

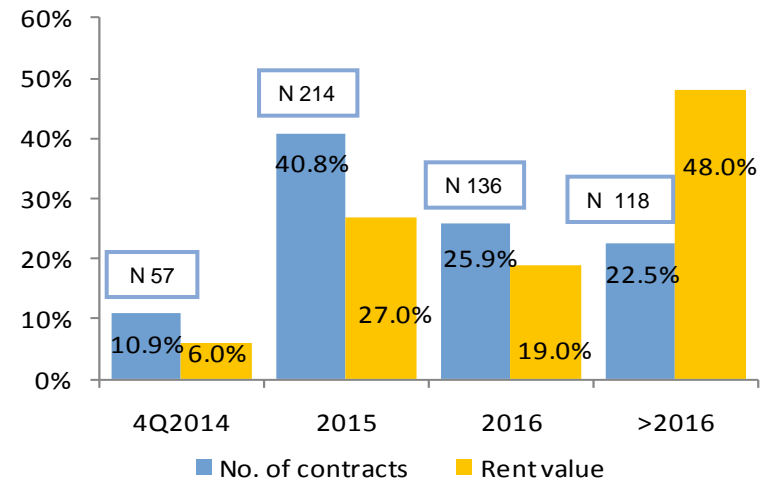


## ROMANIA

In the first 9 months of 2014 49 contracts were renewed (-9%) and 34 new contracts were signed. Downside was mainly driven by the renegotiation of the contract with 2 tenants that were present in 7 different locations.

(Renewals and new contracts in the first 9 months of 2014 represented respectively 7% and 2% of Winmarkt's total revenues)

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



A photograph of a modern shopping mall interior. The space is characterized by a large, circular skylight at the top, which allows natural light to illuminate the area. The walls are a vibrant red color, and the floor is made of polished, light-colored tiles. Several people are seen walking through the mall, some carrying shopping bags. In the background, there are glass-fronted shops and a sign that says "CLICK". A black rectangular box with the text "FINANCIAL STRUCTURE" is overlaid on the right side of the image.

## FINANCIAL STRUCTURE

# 19 Financial highlights 1/2

	30/06/2014	30/09/2014	Adjusted data*
GEARING RATIO	1.30	1.30	0.95
LOAN TO VALUE	55.9%	56.1%	48.2%
COST OF DEBT	4.26%	4.33%	
INTEREST COVER RATIO	1.75X	1.72X	
AVERAGE LENGTH OF LONG TERM DEBT (bonds included)	7 years	6.7 years	
MID/LONG TERM DEBT RATE	91.0%	89.6%	

\* Adjusted data considering the capital increase (€ 200 mn) and the portfolio acquisition (€ 94.8 mn)

## 20 Financial highlights 2/2

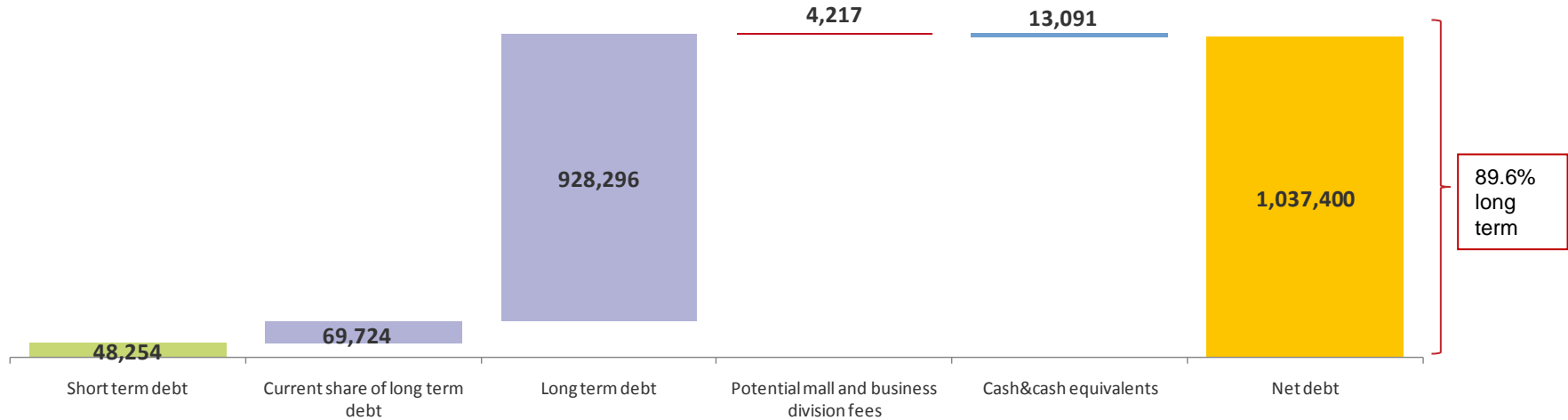
	30/06/2014	30/09/2014	Adjusted data*
HEDGING ON LONG TERM DEBT + BOND	84.0%	84.6%	
BANKING CONFIDENCE	€ 266.0 mn	€ 266.0 mn	
BANKING CONFIDENCE AVAILABLE	€ 229.5 mn	€ 214.5 mn	€ 262.1 mn
MKT VALUE OF MORTGAGE FREE ASSETS/LANDS	€ 360.7 mn	€ 360.7 mn	€ 455.4 mn

\* Adjusted data considering the capital increase (€ 200 mn) and the portfolio acquisition (€ 94.8 mn)

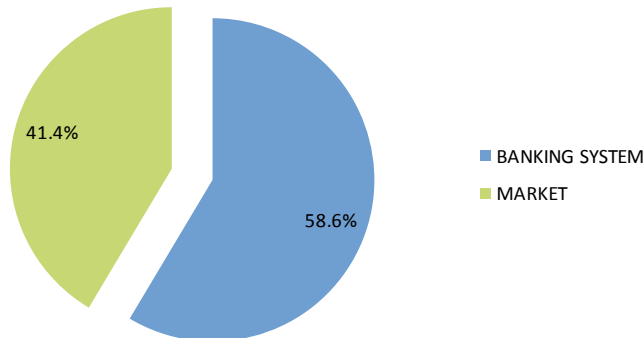
# Financial structure

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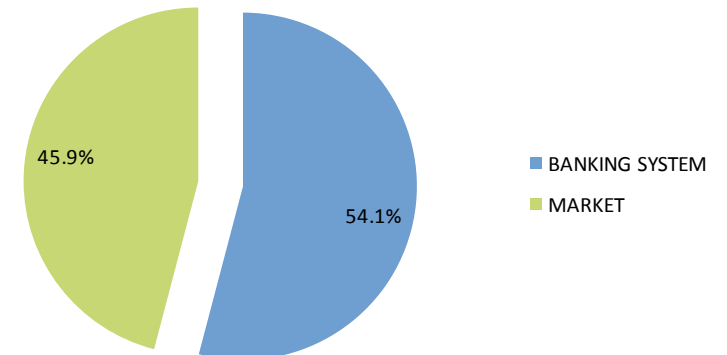
## NET DEBT COMPOSITION (€ 000)



## BREAKDOWN MARKET – BANKING SYSTEM AS AT 30/09/2014

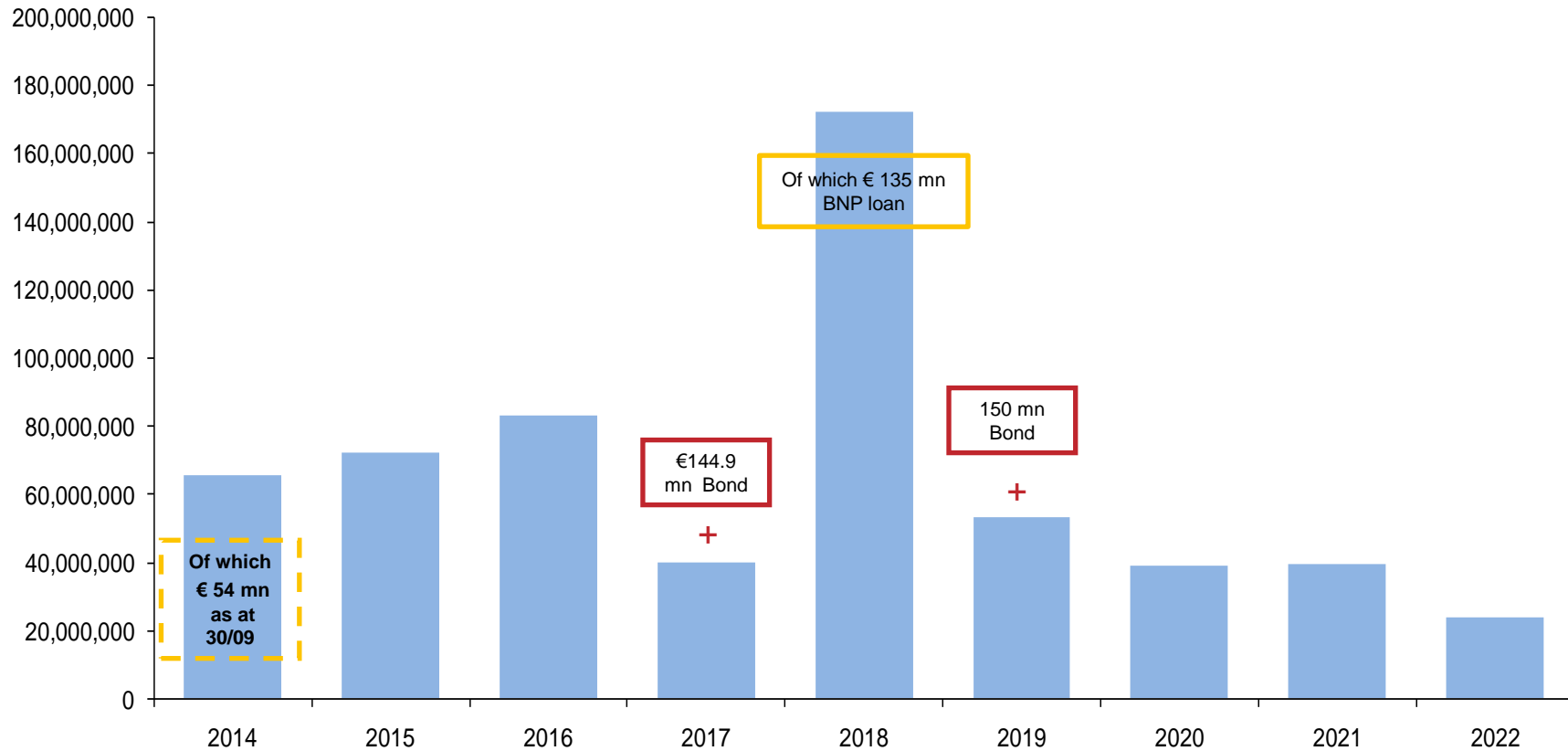


## ADJUSTED BREAKDOWN MARKET – BANKING SYSTEM AS AT 30/09/2014\*



\* Data post capital increase and portfolio acquisition

## 22 Debt Maturity



bert



APPENDIX

Princess Cafe

laTorre  
centro commerciale



# 24 Consolidated income statement

€/000	CONSOLIDATED			CORE BUSINESS			PORTA A MARE PROJECT		
	30/09/2013	30/09/2014	Δ%	30/09/2013	30/09/2014	Δ%	30/09/2013	30/09/2014	Δ%
Revenues from freehold properties	79,197	76,628	(3.2)%	79,134	76,425	(3.4)%	63	203	n.a.
Revenues from leasehold properties	7,524	9,586	27.4%	7,524	9,586	27.4%	0	0	n.a.
<b>Total revenues from properties</b>	<b>86,721</b>	<b>86,214</b>	<b>(0.6)%</b>	<b>86,658</b>	<b>86,011</b>	<b>(0.7)%</b>	<b>63</b>	<b>203</b>	<b>n.a.</b>
Revenues from services	3,745	3,952	5.5%	3,745	3,952	5.5%	0	0	n.a.
Revenues from trading	0	1,640	n.a.	0	0	n.a.	0	1,640	n.a.
<b>OPERATING REVENUES</b>	<b>90,466</b>	<b>91,806</b>	<b>1.5%</b>	<b>90,403</b>	<b>89,963</b>	<b>(0.5)%</b>	<b>63</b>	<b>1,843</b>	<b>n.a.</b>
<b>INCREASES COST OF SALES AND OTHER COSTS</b>	<b>0</b>	<b>(1,363)</b>	<b>n.a.</b>	<b>0</b>	<b>0</b>	<b>n.a.</b>	<b>0</b>	<b>(1,363)</b>	<b>n.a.</b>
Rents and leases payable	(6,416)	(8,432)	31.4%	(6,416)	(8,432)	31.4%	0	0	n.a.
Direct personnel	(2,723)	(2,759)	1.3%	(2,723)	(2,759)	1.3%	0	0	n.a.
Direct costs	(12,367)	(12,543)	1.4%	(12,082)	(12,241)	1.3%	(285)	(302)	5.9%
<b>DIRECT COSTS</b>	<b>(21,506)</b>	<b>(23,734)</b>	<b>10.4%</b>	<b>(21,221)</b>	<b>(23,432)</b>	<b>10.4%</b>	<b>(285)</b>	<b>(302)</b>	<b>5.9%</b>
<b>GROSS MARGIN</b>	<b>68,960</b>	<b>66,709</b>	<b>(3.3)%</b>	<b>69,182</b>	<b>66,531</b>	<b>(3.8)%</b>	<b>(222)</b>	<b>178</b>	<b>n.a.</b>
Headquarters personnel	(4,364)	(4,502)	3.2%	(4,289)	(4,423)	3.1%	(74)	(79)	6.5%
G&A expenses	(2,922)	(3,118)	6.7%	(2,596)	(2,723)	4.9%	(326)	(395)	21.1%
<b>G &amp; A EXPENSES</b>	<b>(7,285)</b>	<b>(7,620)</b>	<b>4.6%</b>	<b>(6,885)</b>	<b>(7,146)</b>	<b>3.8%</b>	<b>(400)</b>	<b>(474)</b>	<b>18.7%</b>
<b>EBITDA</b>	<b>61,675</b>	<b>59,089</b>	<b>(4.2)%</b>	<b>62,297</b>	<b>59,385</b>	<b>(4.7)%</b>	<b>(622)</b>	<b>(296)</b>	<b>(52.4)%</b>
<i>Ebitda Margin</i>	<i>68.2%</i>	<i>64.4%</i>		<i>68.9%</i>	<i>66.0%</i>				
Other provisions	(94)	(94)	(0.0)%						
Write-downs and FV adjustments	(17,128)	(14,117)	(17.6)%						
Depreciations	(1,013)	(1,087)	7.2%						
<b>DEPRECIATIONS AND WRITE-DOWNS</b>	<b>(18,235)</b>	<b>(15,298)</b>	<b>(16.1)%</b>						
<b>EBIT</b>	<b>43,440</b>	<b>43,791</b>	<b>0.8%</b>						
<b>FINANCIAL MANAGEMENT</b>	<b>(34,731)</b>	<b>(34,541)</b>	<b>(0.5)%</b>						
<b>EXTRAORDINARY MANAGEMENT</b>	<b>(490)</b>	<b>120</b>	<b>n.a.</b>						
<b>PRE-TAX INCOME</b>	<b>8,219</b>	<b>9,370</b>	<b>14.0%</b>						
Taxes	2,496	(2,691)	n.a.						
<b>NET PROFIT FOR THE PERIOD</b>	<b>10,715</b>	<b>6,679</b>	<b>(37.7)%</b>						
* (Profit)/losses related to third parties	361	377	4.5%						
<b>GROUP NET PROFIT</b>	<b>11,076</b>	<b>7,056</b>	<b>(36.3)%</b>						

### Total revenues from rental activities:

**86.0 €000**

From **Shopping Malls**: 57.6 €000 of which:

- Italian Malls 51.3 €000
- Winmarkt Malls 6.3 €000

From **Hypermarkets**: 26.8 €000

From **City Center Project – v. Rizzoli** : 1.3 €000

From **Other**: 0.3 €000



## 25 Margin from activities

€/000	CONSOLIDATED			CORE BUSINESS			PORTA A MARE PROJECT		
	30/09/2013	30/09/2014	%	30/09/2013	30/09/2014	%	30/09/2013	30/09/2014	%
Margin from freehold properties	68,266	65,616	(3.9)%	68,219	65,488	(4.0)%	47	128	n.a.
Margin from leasehold properties	515	667	29.7%	515	667	29.7%	0	0	n.a.
Margin from services	449	376	(16.3)%	449	376	(16.3)%	0	(0)	n.a.
Margin from trading	(270)	50	n.a.	0	0	n.a.	(270)	50	n.a.
<b>Gross margin</b>	<b>68,960</b>	<b>66,709</b>	<b>(3.3)%</b>	<b>69,182</b>	<b>66,531</b>	<b>(3.8)%</b>	<b>(223)</b>	<b>178</b>	<b>n.a.</b>

**Margin from freehold properties: 85.6%** in line with the same period of the previous year, revenues and direct costs of Fonti del Corallo Mall, from 2014, were transferred to leasehold property following its sale to a fund in the first half of the year.

**Margin from leasehold properties: 7%** the slight increase is mainly due to the good performance of revenues from assets and leases properties and savings in direct costs.

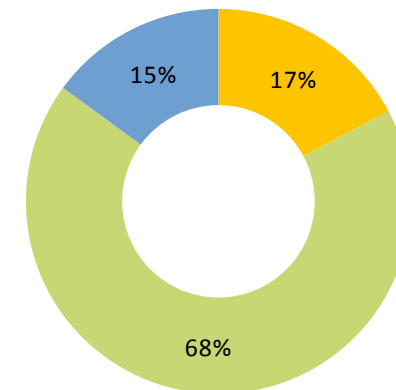
# 26 Tenants in Italy

TOP 10 Tenant	Product category	Turnover impact	Contracts
Miroglio Group			
	clothing	3.5%	32
	clothing	3.1%	10
	clothing	2.4%	7
	footwear	2.0%	5
	clothing	1.7%	20
	clothing	1.5%	4
	electronics	1.5%	1
	bricolage	1.4%	1
	entertainment	1.3%	19
	restaurant	1.2%	8
<b>Total</b>		<b>19.6%</b>	<b>107</b>

## TOTAL CONTRACTS

<b>Malls</b>	<b>1.030</b>
<b>Hypermarkets</b>	<b>19</b>
<b>Total</b>	<b>1.049</b>

## BRAND BREAKDOWN IN MALLS by turnover



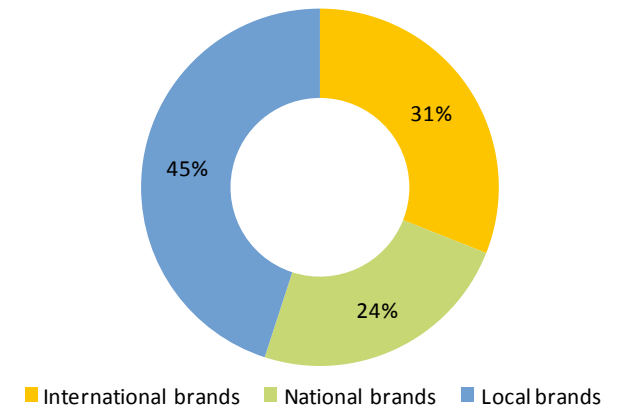
■ International brands ■ National brands ■ Local brands

# 27 Tenants in Romania

TOP 10 Tenant	Product category	Turnover impact	Contracts
 Carrefour Market	food	9.8%	9
 H&M	clothing	6.8%	3
 D&M	electronics	5.2%	8
 B&B	jewellery	3.0%	8
 dm	household goods	2.8%	5
 SENSIBLU	pharmacy	2.4%	5
 LEONARDO	footwear	1.6%	5
 House of art	clothing (family)	1.6%	5
 BILLA	supermarkets	1.4%	2
 ALTEx	electronics	1.3%	3
<b>Total</b>		<b>35.9%</b>	<b>53</b>

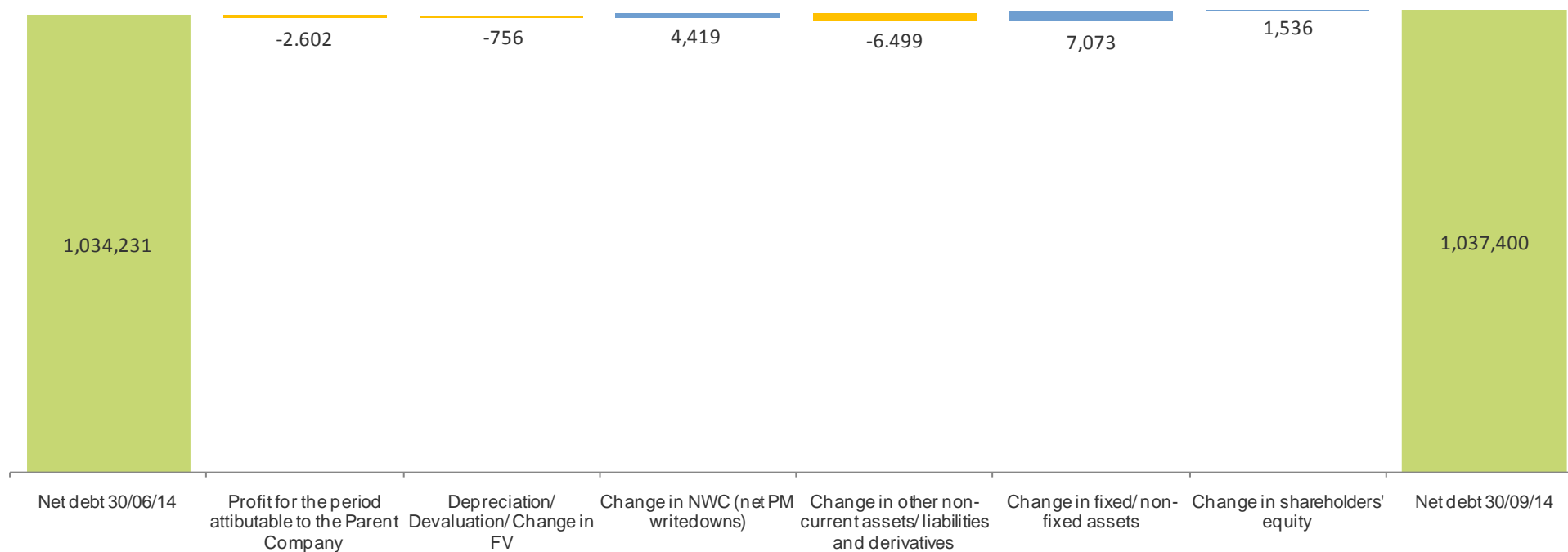
**TOTAL CONTRACTS 525**

**BRAND BREAKDOWN IN MALLS by turnover**



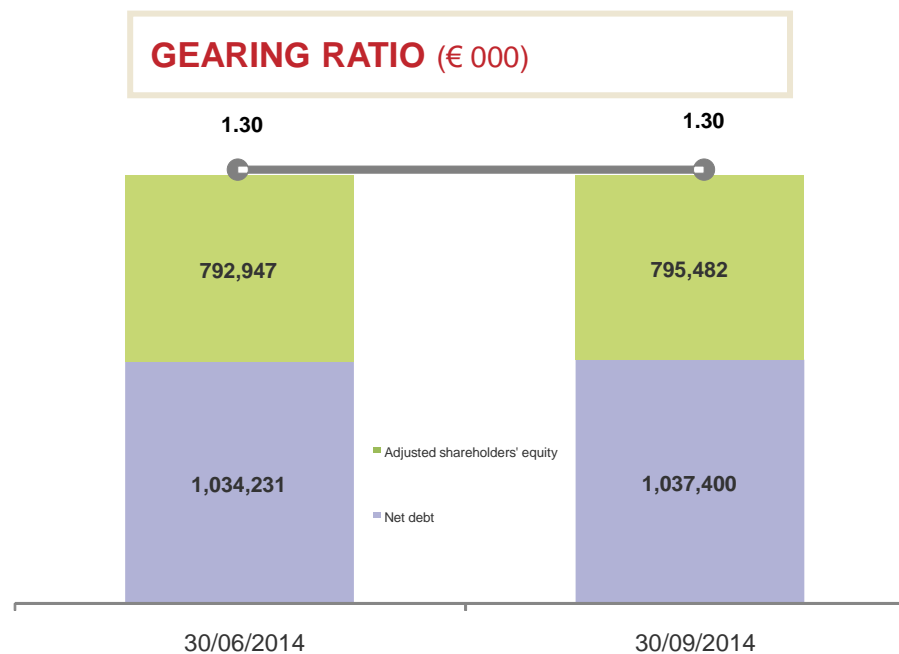
# Net debt

## NET DEBT CHANGE (€ 000)



## 29 Reclassified balance sheet

SOURCE/USE OF FUNDS(€ 000)	30/06/2014	30/09/2014	Δ	Δ%
Fixed assets	1,848,270	1,836,509	-11,762	-0.6%
NWC	61,319	65,737	4,418	7.2%
Other consolidated liabilities	-68,747	-54,895	13,852	-20.1%
<b>TOTAL USE OF FUNDS</b>	<b>1,840,842</b>	<b>1,847,351</b>	<b>6,509</b>	<b>0.4%</b>
Net debt	1,034,231	1,037,400	3,170	0.3%
Nat (assets) and liabilities for derivatives	41,803	44,076	2,273	5.4%
Shareholders' equity	764,808	765,875	1,067	0.1%
<b>TOTAL SOURCES</b>	<b>1,840,842</b>	<b>1,847,351</b>	<b>6,509</b>	<b>0.4%</b>



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