IMMOBILIARE GRANDE DISTRIBUZIONE SOCIETA' DI INVESTIMENTO IMMOBILIARE QUOTATA S.P.A.

Registered office in Ravenna (RA), Via Agro Pontino n. 13,

Headquarters in Bologna, Via Trattati Comunitari €opei1957-2007 n.13,

Tax ID, VAT no. 00397420399 and Ravenna Company Register no. 88573

Share capital subscribed and paid-in: € 749,738,139.26

Interim Financial Report

at 31/03/2018

Corporate officers

Board of Directors	Office	Executive	Non executive	Independent	Chairman's Committee	Control and Risk Committee	Compensation and Remuneration Committee	Related PartyTransaction Committee
Elio Gasperoni	Chairman	x			x			
Fernando Pellegrini	Vice Chairman		x		x			
Claudio Albertini	Chief Executive Officer	x			x			
Aristide Canosani	Director		x					
Gilberto Coffari	Director		x					
Luca Dondi Dall'Orologio	Director			x				
Leonardo Caporioni	Director		x					
Matteo Cidonio	Director			x				x
Elisabetta Gualandri	Director			x		x	x	
Milva Carletti	Director			x			x	
Rossella Saoncella	Director			x		x		x
Andrea Parenti	Director			x			x	x
Livia Salvini	Director			x		x		

Board of Statutory Auditors	Office	Standing	Alternate
Anna Maria Allievi	Chairman	X	
Roberto Chiusoli	Auditor	X	
Pasquina Corsi	Auditor	X	
Pierluigi Brandolini	Auditor		X
Isabella Landi	Auditor		X
Andrea Bonechi	Auditor		X

Supervisory Board

Fabio Carpanelli (Chairman), Alessandra De Martino, Riccardo Sabadini.

External Auditors

PricewaterhouseCoopers S.p.A.

OFinancial Reporting Officer

Grazia Margherita Piolanti

1. The IGD Group's Interim Financial Report

1.1. Financial and Economic Highlights at 31 March 2018

37.2 € mn
Total revenues
+4.9%

35.6 € mn
Gross Rental Income
+5.2%

+6%

265 € mn
Ebitda core business
+6.0%
Margin 71.4% + 70bps
Margin from Freehold 80.4% (+ 50bps)

16.7€ mn
Group Net Profit
+16.7%

18.3 € mn
Funds From Operations (FFO)
+17.5%

46.9%
Loan to Value
31.12.2017: 47.4%

0.92
Gearing ratio
31.12.2017 : 0.94

2.75%
Costo del Debito
31.12.2017: 2,82%

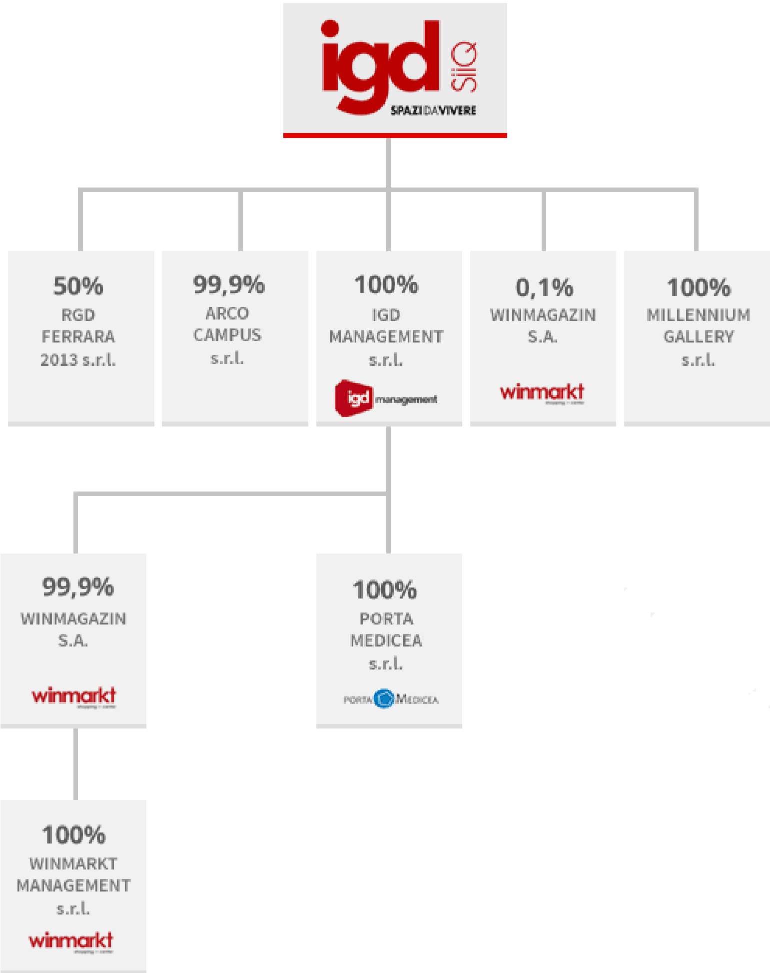
3.33x
Interest Cover Ratio
31.12.2017: 2.93X

1,049.4 mn
Net Debt
31.12.2017: 1,059.6

94.8%
Hedging sul debito a lungo termine + bond
31.12.2017: +94.7%

1.2. The IGD Group

IGD was the first company in Italy to obtain SIIQ (Società di Investimento Immobiliare Quotata or real estate investment trust) status in 2008 and is still the only retail real estate company that qualifies as a SIIQ. Most of the Group's real estate assets are in Italy (around 93%). The remainder (around 7%) is in Romania where IGD owns the Winmarkt chain of shopping centers through WinMagazin SA.



IGD SIIQ's perimeter of exempt operations includes the freehold assets found in Italy.
At 31 March 2018 the Parent Company also controls:

- ✓ 100% of **Millennium Gallery**, (part of the Rovereto shopping mall and a business division in the shopping center in Crema);
- ✓ 50% of **RGD Ferrara 2013**, formed on 30 September 2013, to manage the Darsena City Shopping Center in Ferrara;
- ✓ 99.9% di **Arco Campus srl,** company dedicated to the construction, leasing and management of properties used for sports, in addition to the development and dissemination of sports;
- ✓ 100% of **IGD Management srl** which, in addition to owning the CentroSarca shopping mall in Milan, also holds the majority of the operations which are not included in the SIIQ's scope of consolidation:
- ✓ 99.9% of **WinMagazine SA**, the Romanian subsidiary, through which it controls 100% of **WinMarktManagement srl**, the company responsible for the team of Romanian managers;

- ✓ 100% of **Porta Medicea srl**, responsible for the requalification and real estate development project of Livorno's waterfront;
- ✓ management of the leasehold properties (Centro Nova and Centro Piave);
- ✓ service activities which include mandates for the management of freehold and leasehold properties.

1.3. Income statement review

The Group's consolidated net profit reached €16,701 thousand at 31 March 2018, an increase of 16.7% compared to 31 March 2017.

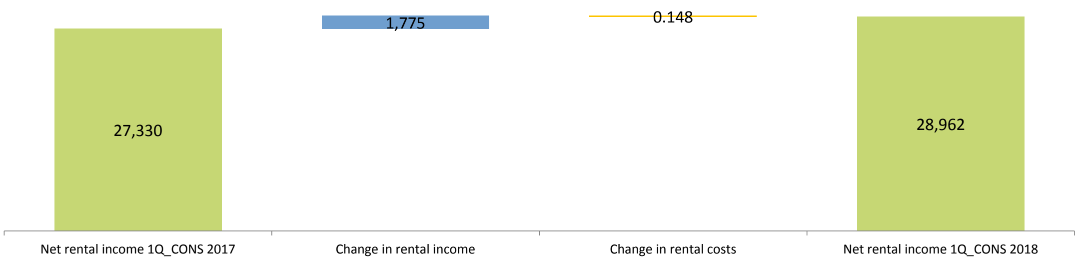
Consistent with the European Public Real Estate Association (EPRA)'s "Best Practices Recommendations" and the common practice of other sector companies, the Group decided to include a new operating item in the consolidated income statement which reflects, among other things, the rental income less the relative non-recoverable direct costs (the "Net Rental Income").

GROUP CONSOLIDATED	(a) 1Q2017	(b) 1Q2018	Δ (b)/(a)
Revenues from freehold rental activities	30.74	32.44	5.5%
Revenues from leasehold rental activities	3.13	3.20	2.3%
Total income from rental activities	**33.87**	**35.65**	**5.2%**
Rents and payable leases	-2.55	-2.56	0.5%
Direct costs from rental activities	-3.99	-4.13	3.3%
Net rental income	**27.33**	**28.96**	**6.0%**
Revenues from service	1.54	1.51	-1.7%
Direct costs from services	-1.30	-1.36	5.1%
Net services income	**0.24**	**0.15**	**-37.7%**
Personnel expenese	-1.61	-1.69	4.9%
G&A expenses	-0.91	-0.89	-3.1%
CORE BUSINESS EBITDA (Operating income)	**25.05**	**26.54**	**6.0%**
Core business Ebitda Margin	*0.71*	*0.71*	
Reveneus from trading	0.00	0.00	n.a.
Cost of sale and trading costs	-0.15	-0.13	-8.7%
Operating result from trading	**-0.15**	**-0.13**	**-8.7%**
EBITDA	**24.90**	**26.40**	**6.0%**
Ebitda Margin	*0.70*	*0.71*	
Impairment and Fair Value adjustments	-0.23	-0.72	n.a.
Depreciation and provisions	-0.35	-0.25	-30.6%
EBIT	**24.31**	**25.44**	**4.7%**
FINANCIAL MANAGEMENT	-9.15	-7.93	-13.3%
EXTRAORDINARY MANAGEMENT	-0.04	0.00	n.a.
PRE-TAX PROFIT/LOSS	**15.12**	**17.51**	**15.8%**
Taxes	-0.83	-0.81	-2.1%
PROFIT FOR THE PERIOD	**14.29**	**16.70**	**16.8%**
(Profit/Loss) for the period related to third parties	0.02	0.00	-99.9%
GROUP NET PROFIT	**14.31**	**16.70**	**16.7%**

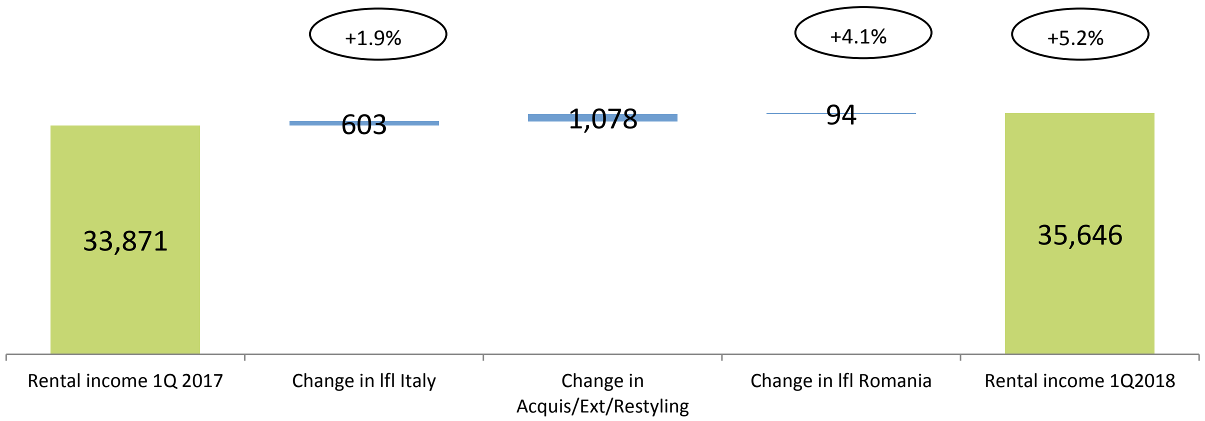
Certain cost and revenue items have been reclassified or offset which explains the difference with respect to the financial statements (please refer to operating segment information).

Net rental income

Net rental income amounted to €28,962 thousand, an increase of 6.0% against the same period of the prior year.



Gross rental income rose 5.2% against the same period of the prior year to €35,646 thousand.

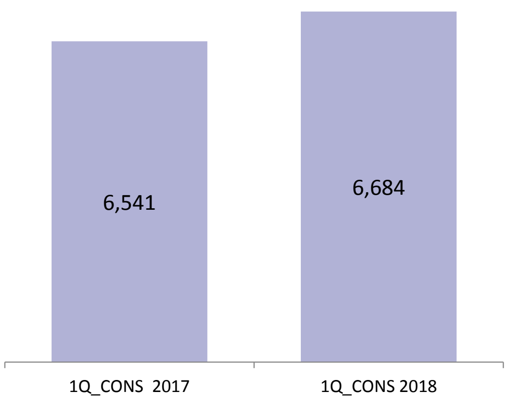


The increase of €1,775 thousand is explained:

- for €603 thousand, by like-for-like revenue in Italy (+1.9%). Malls were up (+2.5% as a result of the pre-letting completed beginning in the second quarter of 2017, as well as lower discounts) and hypermarkets were unchanged compared to the prior year. 42 leases were signed in the first quarter of 2018 with an average upside of +3.0%;
- for around €1,078 thousand, by the expanded perimeter which includes the Esp extension inaugurated in June 2017
- for €94 thousand, by higher like-for-like revenue in Romania linked to pre-letting and renegotiations. In the period 63 renewals were signed with an average upside of 1.50%, along with 72 leases linked to turnover.

The direct costs for the rental business amounted to €6,684 thousand, an increase of +2.2% compared to the same period of the prior year. The increase in costs is attributable mainly to condominium fees on capped leases, property tax (IMU), routine maintenance and provisions. Direct costs fell as a percentage of rental income from the 19.3% recorded in 2017 to 18.8%.

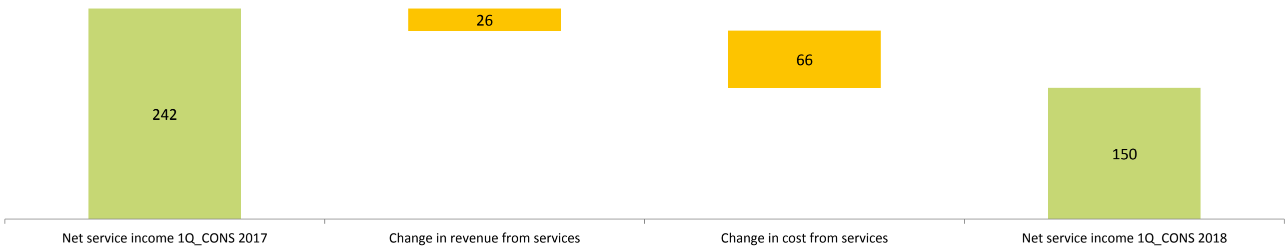
Rental business direct costs



The rental of freehold properties generated a margin of €28,357 thousand, rising 6.0% against the same period of the prior year and coming in at an impressive 87.4% of revenues, slightly higher compared to the prior year.
The rental of leasehold properties generated a margin of €604 thousand, an increase of 5.1% compared to the same period of the prior year.

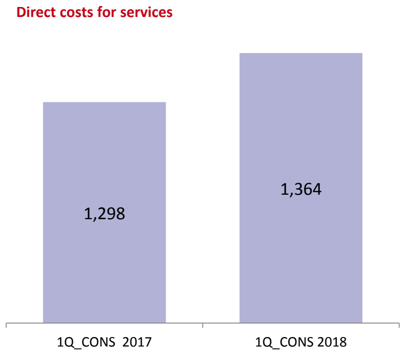
Net services income

Net services income amounted to €150 thousand, a decrease of 37.7% compared to the same period of the prior year, falling as a percentage of revenue from services from the 15.7% recorded in the prior year to 9.9%.



Gross revenue from services fell €26 thousand (-1.7%) compared to the first quarter of 2017. Most of this revenue comes from the facility management business (90.6% of the total or €1,371 thousand), an increase against the prior period (+4.1%) attributable mainly to new management mandates (ESP extension and Le Bolle). Revenue from Agency dropped €96 thousand explained by the pre-letting at the Poseidon center carried out in the first quarter of 2017.

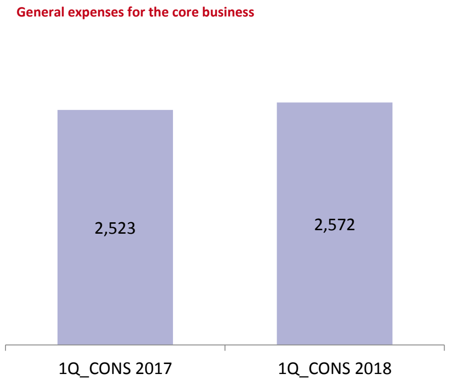
The direct costs for services amounted to €1,364 thousand, an increase of €66 thousand (+5.1%) compared to the same period of the prior year attributable mainly to network personnel costs incurred to strengthen resources.



General expenses for the core business

General expenses for the core business, including payroll costs at headquarters, came to €2,572 thousand, an increase (+1.9%) against the €2,523 thousand posted in the first quarter of 2017.

These costs fell as a percentage of revenue from the 7.1% recorded in the prior year to 6.9%.

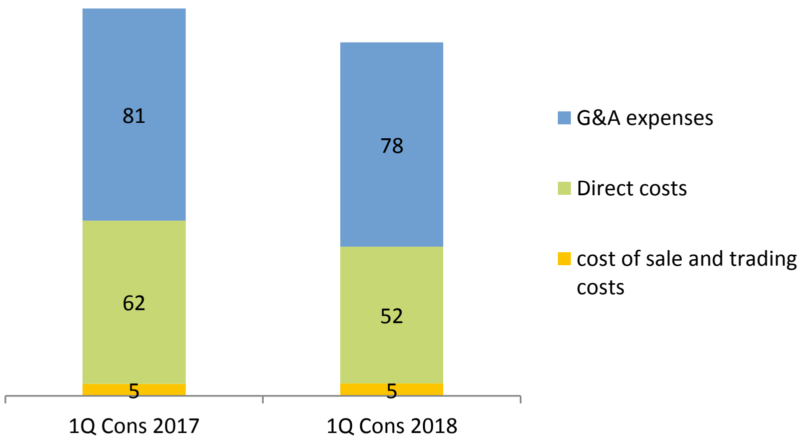


Operating result for trading

Trading posted an operating loss of €135 thousand, an improvement compared to the first quarter of 2017.

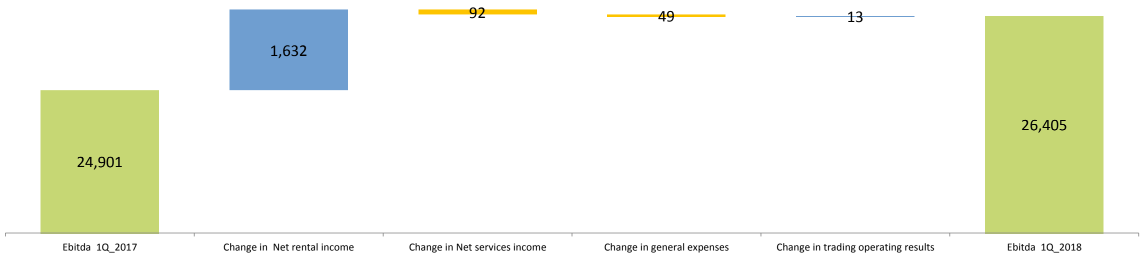
The Porta a Mare project did not generate revenue in the first quarter as the closings of the 15 residential units, for which preliminary sales agreements have been signed, are expected to take place in the coming months of the year.

The costs for the Porta a Mare project are broken down below:



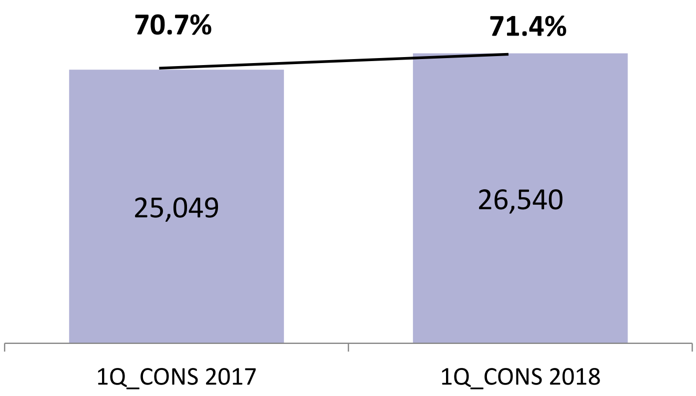
EBITDA

Core business EBITDA amounted to €26,540 thousand in the first quarter of 2018, an increase of 6.0% with respect to the same period of the prior year, while total EBITDA rose by 6% to €26,405 thousand. The changes in the components of total EBITDA during the first three months of 2018 are shown below.



As mentioned above, the total EBITDA margin was impacted substantially by the increase in core business revenue, linked to both the new pre-lets and the opening of the ESP extension.

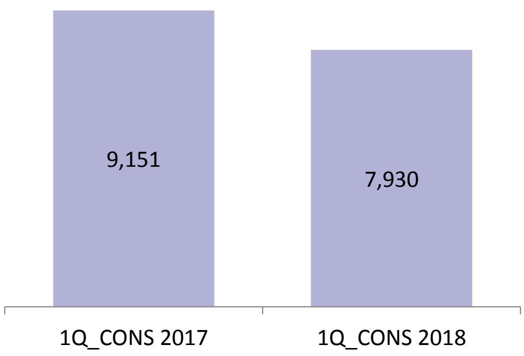
Core business **EBITDA MARGIN** came in at 71.4%, an increase of around 70 percentage points with respect to the same period of the prior year.



EBIT

EBIT amounted to €25,443 thousand, an increase of 4.7% attributable mainly to the above mentioned rise in EBITDA.

Net financial income (expense)



Financial expense fell from the €9,151 thousand recorded at 31 March 2017 to €7,930 thousand at 31 March 2018. The decrease, of around €1,221 thousand, is attributable mainly to (i) lower interest expense on IRS due to the expiration of one IRS in April 2017 and the subsequent stipulation of a new IRS agreement at conditions which are more favorable for the Group, (ii) a drop in financial liabilities relating to the amortized cost of bonds following application of the new IFRS 9, (iii) a decrease in the use of short-term credit facilities, and (iv) a decline in interest rates.
The average cost of debt (without considering recurring and non-recurring transaction costs) at 31 March 2018 was 2.75%, down from 3.10% in the same period of the previous year, while the weighted average effective cost of debt went from 3.40% at 31 March 2017 to 2.95%.

Equity investments

The result at 31 March 2018, €4 thousand, is attributable mainly to the consolidation at equity of the interest in RGD.

Taxes

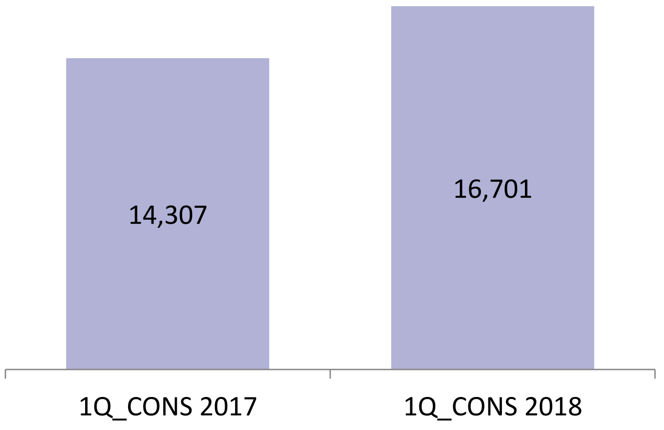
Taxes	31/03/2018	31/03/2017	*Change*
Current taxes	355	347	8
Advanced and deferred tax liabilities	457	482	(25)
Total	**812**	**829**	**(17)**

The tax burden, current and deferred, reached €812 thousand at 31 March 2018, a decrease of €17 thousand against 31 March 2017.

Group net profit

As a result of the above, the Group's net profit came to €16,701 thousand, an increase of 16.7% against the €14,307 thousand recorded at 31 March 2017.

Net profit

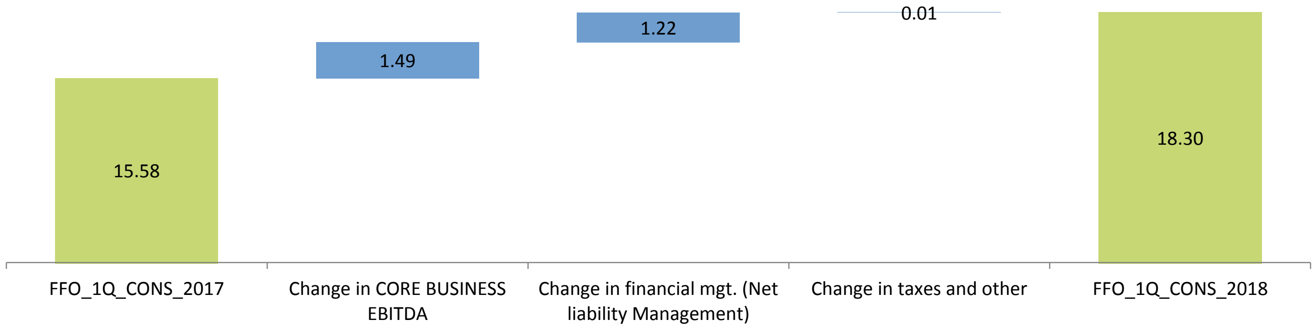


The change in net profit compared to the same period of the prior year is shown below.

Core business FFO

FFO (Funds from Operations), an indicator used widely in the real estate sector (REITs), which measures the cash flow generated by a company's core business, reached €18,305 thousand, an increase of 2,720 thousand or 17.5% compared to the same period of the prior year. The change is explained by the higher core business Ebitda and the drop in financial expense described above.

Funds from Operations	1Q_CONS_2017	1Q_CONS_2018	Δ vs cons 2017	Δ%
Core Business EBITDA	**25,049**	**26,540**	**1,491**	**6.0%**
Adj financial management	-9,153	-7,931	1,222	-13.3%
Adj Extraordinary Management	0	0	0	n.a.
Adj current taxes for the period	-312	-304	8	-2.3%
FFO	**15,585**	**18,305**	**2,720**	**17.5%**


15.58
1.49
1.22
0.01
18.30
FFO_1Q_CONS_2017
Change in CORE BUSINESS EBITDA
Change in financial mgt. (Net liability Management)
Change in taxes and other
FFO_1Q_CONS_2018

1.4. Statement of financial position and financial review

The IGD Group's statement of financial position at 31 March 2018 can be summarized as follows:

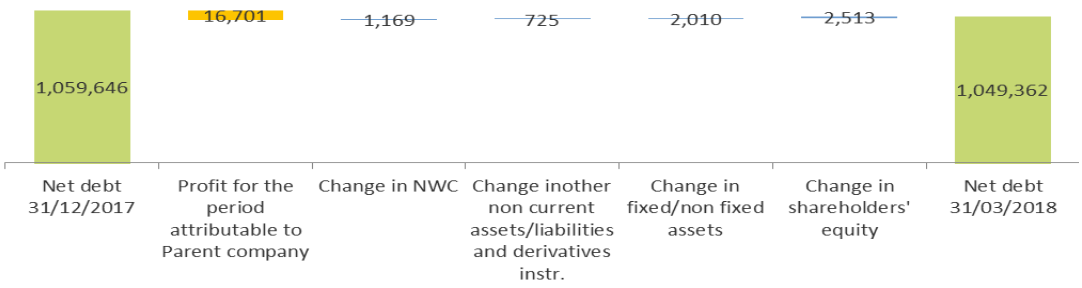
	31/03/2018	31/12/2017	Δ	%
Fixed assets	2,157,176	2,157,176	0	0.00%
assets under construction	42,659	40,466	2,193	5.42%
Intangible assets	12,694	12,697	(3)	(0.02%)
Other intangible assets	10,024	10,204	(180)	(1.76%)
Sundry receivables and other non current assts	90	90	0	0.00%
Equity investments	259	254	5	1.97%
NWC	29,937	28,768	1,169	4.06%
Funds	(8,246)	(7,900)	(346)	4.38%
Sundry payables an other non current liabilities	(21,170)	(21,182)	12	(0.06%)
Net deferred tax (assets)/liabilities	(25,755)	(24,777)	(978)	3.95%
Total use of funds	**2,197,668**	**2,195,796**	**1,872**	**0.09%**
Shareholders' equity	1,129,941	1,115,753	14,188	1.27%
net (assets) and liabilities for derivative instruments	18,365	20,397	(2,032)	(9.96%)
Net debt	1,049,362	1,059,646	(10,284)	(0.97%)
Total sources	**2,197,668**	**2,195,796**	**1,872**	**0.09%**

The principal changes in the first quarter of 2018, compared to 31 December 2017, are described below:

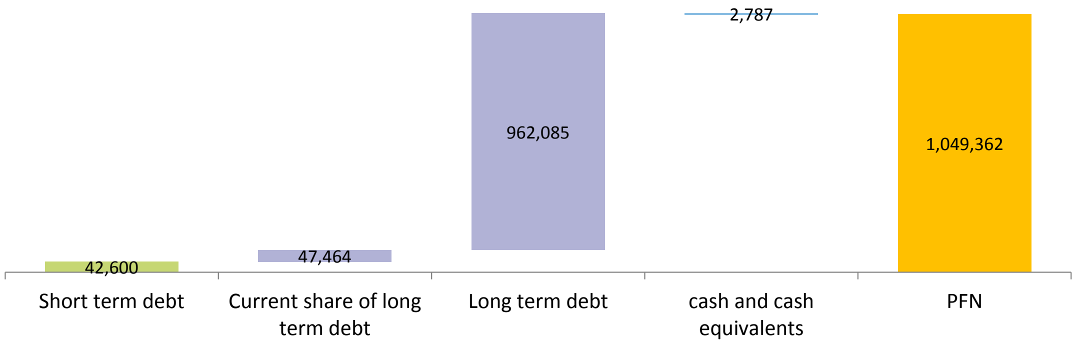
- ✓ **Work in progress and advances** increased by €2,193 thousand including as a result of *(i)* for around €1,094 thousand, work done on the extension of the Gran Rondò mall in Crema; *(ii)* for around €442 thousand, work done on the Officine Storiche area; *(iii)* for around €328 thousand, work done on the Arco Campus project; *(iv)* for around €210 thousand, work done at a few Romanian shopping centers;
- ✓ **Other plant, property and equipment** and **intangible assets** changed due primarily to amortization and depreciation recognized in the period;
- ✓ **Net working capital** showed an increase of €1,169 thousand against 31 December 2017 explained primarily by: *(i)* a decrease in trade payables of €3,846 thousand; *(ii)* a decrease in trade receivables and amounts payable by related parties of €372 thousand, (*iii)* an increase in inventory of around €170 thousand as a result of work completed in the period; *(iv)* an increase in current assets of around €552 thousand, and (*v*) an increase in tax liabilities of around €2,037 thousand, relating mainly to the IMU (property tax) due in the first quarter;
- ✓ **Net deferred tax assets and liabilities**, went from €24,777 thousand to €25,755 thousand due primarily to tax misalignments relating to *(i)* real estate investments which are not included in the SIIQ perimeter; *(ii)* taxed provisions, and *(iii)* hedges (IRS).
- ✓ The Group's **net equity** amounted to €1,129,941 thousand at 31 March 2018. The change of +€14,188 thousand is explained primarily by:
  - o an adjustment of the CFH reserve linked to the derivatives accounted for using the cash flow hedge method which amounted to around +€1,484 thousand for the parent company and around +€231 thousand for a subsidiary;
  - o for €126 thousand, the sale of all the treasury shares held, €159 thousand of which linked to the elimination of the relative reserve and €33 thousand of which explained by a contingent liability recognized following the sale of these shares;
  - o for €4,354 thousand, the impact of first time application of the new IFRS 9;
  - o for approximately €1 thousand, movements in the translation reserve for the translation of foreign currency financial statements;
  - o for €16,701 thousand, the profit for the quarter allocable to the Parent Company.

✓ **Net liabilities for derivatives** were down against the prior year due to the fair value measurement of hedging instruments at 31 March 2018 which was €2,032 thousand higher than the previous year.

The **net financial position** at 31 March 2018 was about €10,284 thousand lower with respect to the prior year. The changes are shown below:



The item "Short term portions of long term debt" shown in the net financial position includes the short term portion of mortgages, leasing company loans and bond debt.



The gearing ratio reflects the debt to equity ratio, including non-controlling interests but excluding the accounting (non-monetary) effects of the CFH reserves. The ratio came to 0.92 at 31 March 2018, lower than the 0.94 recorded at 31 December 2017.

1.5. Significant events at 31 March 2018

Corporate events

During the Extraordinary Shareholders' Meeting held on 12 February 2018 shareholders approved the proposal to increase share capital, against payment, on one or more occasions, by up to a maximum of €150,000,000.00 through the issue of ordinary shares to be offered to shareholders in accordance with Art. 2441, first paragraph, of the Italian Civil Code, in proportion to the number of shares held. During the same meeting held in extraordinary session, shareholders also approved the reverse stock split of ordinary shares at a ratio of 1 new ordinary share with dividend rights for every 10 ordinary shares held.

On 19 February 2018, in execution of the shareholders' resolution of 12 February 2018, the reverse stock split of all 813,045,631 outstanding shares at a ratio of 1 new ordinary share, without a stated par value, for every 10 ordinary shares held, without a stated par value, was completed. With a view to a balanced transaction 1 ordinary share held by Coop Alleanza 3.0 Soc. Coop. was cancelled without a reduction in share capital. As a result of this transaction the share capital is unchanged at €599,760,278.16 and comprises 81,304,563 ordinary shares without a stated par value

On 22 February 2018 the Board of Directors approved the draft separate and consolidated financial statements for FY 2017, as well as the Annual Report on Corporate Governance and Ownership Structure, included in the annual report, and the Board of Director's Compensation Report. The Board of Directors also approved the Corporate Sustainability Report which was the first edition to have received certification from PricewaterhouseCoopers for compliance with the most important international standards (the GRI Standards).

On 21 March 2018 the Board of Directors approved the final terms and conditions of the share capital increase for a maximum of up to €150 million approved during the Extraordinary Shareholders' meeting held on 12 February 2018. The capital increase will take place through the issue of a maximum of 29,037,340 new ordinary shares, without a stated par value and dividend rights, at the subscription ratio of 5 new shares for every 14 ordinary shares held, at an issue price equal to €5.165 per each new share, for a total amount of €149,977,861.10. The Board of Directors also resolved to propose that shareholders, in the event the capital increase is successfully completed, approve payment of a dividend of € 0.50 per share.
On 22 March 2018 Consob approved the Registration Document, the Securities Note and the Summary Note relating to the rights issue and the listing of the shares issued as a result of the cash capital increase approved during the Shareholders' Meeting held on 12 February 2018.

Investments

During the first three months of 2018 the IGD Group continued with development of the Porta a Mare – Officine project, as well as the Gran Rondò extensions and extraordinary maintenance.

The investments made at 31 March 2018 are shown below:

	31/03/2018 €o/mln
Development projects:	
Extension Gran Rondò (work in progress medium surfaces)	1.09
Arco Campus	0.33
Porta a Mare Project Sub area Officine Storiche retail (work in progress)	0.44
Porta a Mare Project (Trading) (work in progress)	0.17
Extraordinay maintenance:	
Restyling and extraordinary maintenance in progress on LFL portfolio	0.42
Restyling and extraordinary maintenance finished on LFL portfoglio	0.72
Others	0.03
Totale investimenti	**3.20**

Development projects

Gran Rondò Extension

In the first quarter of 2018, work continued on the midsize store in the Gran Rondò shopping mall in Crema which amounted to around €1,094 thousand at 31 March. The midsize store is expected to open on 3 May 2018.

"Porta a Mare" Project

Work on the Officine Storiche area (residential portion) continued in the year for a total of around €170 thousand, while work on the retail portion, which is expected be completed by the second half of 2019, amounted to approximately €442 thousand. In April 2018 a variance for this project was approved by the municipality of Livorno.

Arco Campus

The development project calls for the construction of a building to be used for housing and offices for athletes and sports organizations which is expected to be completed by the second half of 2018. Work amounting to €328 thousand had been carried out at 31 March.

Restyling and extraordinary maintenance underway on the like-for-like portfolio

At 31 March 2018 extraordinary maintenance and restyling begun and still underway amounted to around €416 thousand. These include:

- ✓ reconfiguration of space at the mall in the Darsena shopping center; at 31 March the costs incurred amounted €101 thousand;
- ✓ work at a few Romanian centers for a total of approximately €226 thousand;
- ✓ other minor improvements, relating to earthquake proofing, roofing and restyling at the Esp, Borgo, Tiburtino, Fonti del Corallo and Centro Sarca centers amounting to around €89 thousand.

Extraordinary maintenance completed on the like-for-like portfolio

During the first quarter of 2018 extraordinary maintenance continued and was completed relating to reconfiguration of space, waterproofing of roofs, fit outs (joining/separating stores), work on fire alarm and electrical systems for around €729 thousand, mainly at the Città delle Stelle mall in Ascoli where a midsize Scarpe&Scarpe store and a Roadhouse restaurant were opened in early 2018.

1.6. Subsequent events

On 18 April 2018 the definitive agreement for the purchase from Eurocommercial Properties Group of a portfolio of 4 shopping malls and a retail park found in northern Italy (Leonardo Shopping Center in Imola, Lame Shopping Center in Bologna, La Favorita Shopping Center and Retail Park in Mantua and Centro Luna in Sarzana) was executed. These going concerns were purchased for €187 million, in addition to ancillary costs and transfer taxes of around €8.5 million.

On 23 April 2018 the rights offer of 29,037,340 newly issued shares was completed. During the offering period, which started on 26 March 2018 and ended on 13 April 2018, 79,668,540 option rights were exercised and 28,453,050 new shares were subscribed or 97.99% of the total offering, for a total amount equal to €146,960,003.50. Pursuant to Article 2441, paragraph 3, of the Italian Civil Code, at the end of the option period the 1,636,012 unexercised rights were auctioned on the stock exchange. All the rights were sold during the first trading session of the rights auction on 18 April 2018 and, subsequently, were all exercised resulting in the issue of 584,290 new shares, for a total of €3,017,857.85. The value of the sale of these rights, €1,532,943.24 based on the reference accounting standards, will be recognized in the share premium reserve. The offer was, therefore, completed with the full subscription of the new shares for a total amount of €149,977,861.10. The new share capital now amounts to € 749,738,139.26, divided into 110,341,903 ordinary shares without a stated par value.

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1.7. Outlook

In light of the positive results achieved, the Company expects to continue along its growth path with revenue rising like-for-like and as a result of the FY contribution of the openings made in 2017, in addition to the impact of the 4 malls and retail park purchased in the second quarter of 2018; the cost of funding should also continue to be low, in a range of between 2.75% and 3%.

The guidance for FFO, of between +18% and +20%, is also confirmed, in line with market disclosures.

2. IGD GROUP CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2018

2.1 Consolidated income statement

Consolidated income statement (in thousands of Euros)	31/03/2018 (A)	31/03/2017 (B)	Change (A-B)
Revenue	35,646	33,871	1,775
Other income	1,514	1,540	-26
Total revenue and operating income	**37,160**	**35,411**	**1,749**
Change in work in progress inventory	170	102	68
Total revenue and change in inventory	**37,330**	**35,513**	**1,817**
Cost of work in progress	170	102	68
Purchase of materials and services	5,507	5,362	145
Cost of labour	2,526	2,413	113
Other operating costs	2,512	2,533	-21
Total operating costs	**10,715**	**10,410**	**305**
(Depreciation, amortization and provisions)	-456	-506	50
Change in fair value - increases / (decreases)	-720	-235	-485
Total depreciation, amortization, provisions, impairment and change in fair value	**-1,176**	**-741**	**-435**
EBIT	**25,439**	**24,362**	**1,077**
Gains/losses from equity investments and disposals	**4**	**-63**	**67**
Financial income	9	21	-12
Financial charges	7,939	9,197	-1,258
Net financial income/(charges)	**-7,930**	**-9,176**	**1,246**
PRE-TAX PROFIT	**17,513**	**15,123**	**2,390**
Income tax for the period	812	829	-17
NET PROFIT FOR THE PERIOD	**16,701**	**14,294**	**2,407**
Minorities' portion of net profit	0	13	-13
Parent Company's portion of net profit	**16,701**	**14,307**	**2,394**

2.2 Consolidated statement of comprehensive income

Consolidated statement of comprehensive income (in thousands of Euros)	31/03/2018	31/03/2017
NET PROFIT FOR THE PERIOD	**16,701**	**16,701**
Other components of comprehensive income that will not be reclassified to profit/(loss):		
Other components of comprehensive income that will not be reclassified to profit/(loss, net of tax effects	**0**	**0**
Other components of comprehensive income that will be reclassified to profit/(loss)		
Effects of hedge derivatives on net equity	2,230	3,223
Tax effects of hedge derivatives on net equity	-516	-755
Other effects on income statement components	-32	-21
Total other components of comprehensive income that will be reclassified to profit/(loss), net of tax effects	**1,682**	**2,447**
Total comprehensive profit/(loss) for the period	**18,383**	**19,148**
Non-controlling interests in (profit)/loss for the period	0	0
Profit/(Loss) for the period attributable to the Parent Company	**18,383**	**19,148**

2.3 Consolidated statement of financial position

Consolidated statement of financial position (in thousands of Euros)	31/03/2018 (A)	31/12/2017 (B)	Change (A-B)
NON-CURRENT ASSETS			
Intangible assets			
Intangible assets with finite useful lives	32	35	(3)
Goodwill	12,662	12,662	0
	12,694	**12,697**	**(3)**
Property, plant, and equipment			
Investment property	2,157,176	2,157,176	0
Buildings	8,071	8,131	(60)
Plant and machinery	255	260	(5)
Equipment and other assets	969	1,016	(47)
Leasehold improvements	729	797	(68)
Assets under construction	42,659	40,466	2,193
	2,209,859	**2,207,846**	**2,013**
Other non-current assets			
Deferred tax assets	-	-	0
Sundry receivables and other non-current assets	90	90	0
Equity investments	258	254	4
Non-current financial assets	343	343	0
	691	**687**	**4**
TOTAL NON-CURRENT ASSETS (A)	**2,223,244**	**2,221,230**	**2,014**
CURRENT ASSETS:			
Work in progress inventory and advances	37,793	37,623	170
Trade and other receivables	11,924	11,415	509
Related party trade and other receivables	1,173	2,054	(881)
Other current assets	3,895	3,343	552
Related party financial receivables and other current financial assets	-	42	(42)
Financial receivables and other current financial assets	96	96	0
Cash and cash equivalents	2,691	2,509	182
TOTAL CURRENT ASSETS (B)	**57,572**	**57,082**	**490**
TOTAL ASSETS (A+B)	**2,280,816**	**2,278,312**	**2,504**
NET EQUITY:			
Share capital	599,760	599,760	0
Share premium reserve	29,971	29,971	0
Other reserves	382,319	384,832	(2,513)
Group profit	117,891	101,190	16,701
Total Group net equity	**1,129,941**	**1,115,753**	**14,188**
Portion pertaining to minorities	-	-	0
TOTAL NET EQUITY (C)	**1,129,941**	**1,115,753**	**14,188**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	18,365	20,397	(2,032)
Non-current financial liabilities	962,428	965,539	(3,111)
Provision for employee severance indemnities	2,616	2,574	42
Deferred tax liabilities	25,755	24,777	978
Provisions for risks and future charges	5,630	5,326	304
Sundry payables and other non-current liabilities	9,279	9,291	(12)
Related party sundry payables and other non-current liabilities	11,891	11,891	0
TOTAL NON-CURRENT LIABILITIES (D)	**1,035,964**	**1,039,795**	**(3,831)**
CURRENT LIABILITIES:			
Current financial liabilities	90,064	97,097	(7,033)
Related party current financial liabilities	9,992	13,838	(3,846)
Trade and other payables	599	459	140
Tax liabilities	4,437	2,400	2,037
Other current liabilities	9,805	8,956	849
Related party other current liabilities	14	14	0
TOTAL CURRENT LIABILITIES (F)	**114,911**	**122,764**	**(7,853)**
TOTAL LIABILITIES (F=D + E)	**1,150,875**	**1,162,559**	**(11,684)**
TOTAL NET EQUITY AND LIABILITIES (C + F)	**2,280,816**	**2,278,312**	**2,504**

2.4 Consolidated statement of changes in equity

	Share capital	Share premium reserve	Other reserves	Group profit	Group net equity	Non-controlling interests capital and reserves	Total net equity
Balance at 01/01/2017	**599,760**	**29,971**	**349,246**	**81,724**	**1,060,701**	**8,725**	**1,069,426**
Profit for the period				14,307	14,307	(13)	14,294
Cash flow hedge derivative assessment			2,468		2,468		2,468
Other comprehensive income (losses)			(21)		(21)		(21)
Total comprehensive profit (losses)	**0**	**0**	**2,447**	**14,307**	**16,754**	**(13)**	**16,741**
Balance at al 31/03/2017	**599,760**	**29,971**	**351,693**	**96,031**	**1,077,455**	**8,712**	**1,086,167**

	Share capital	Share premium reserve	Other reserves	Group profit	Group net equity	Non-controlling interests capital and reserves	Total net equity
Balance at 01/01/2018	**599,760**	**29,971**	**384,832**	**101,190**	**1,115,753**	**0**	**1,115,753**
Profit for the period	0	0	0	16,701	16,701	0	16,701
Cash flow hedge derivative assessment	0	0	1,714	0	1,714	0	1,714
Other comprehensive income (losses)	0	0	(32)	0	(32)	0	(32)
Total comprehensive profit (losses)	**0**	**0**	**1,682**	**16,701**	**18,383**	**0**	**18,383**
Sales of treasury shares	0	0	159	0	159	0	159
FTA IFRS 9	0	0	(4,354)	0	(4,354)	0	(4,354)
Balance at 31/03/2018	**599,760**	**29,971**	**382,319**	**117,891**	**1,129,941**	**0**	**1,129,941**

2.5 Consolidated statement of cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS	31/03/2018	31/03/2017
(in Euro/000)		
CASH FLOW FROM OPERATING ACTIVITIES:		
Pre-tax profit	**17,513**	**15,123**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:		
Non-cash items	(220)	962
(Depreciation, amortization and provisions)	456	506
Changes in fair value - increases / (decreases)	720	235
Gains/losses from disposals - equity investments	(4)	63
CASH FLOW FROM OPERATING ACTIVITIES	**18,465**	**16,889**
Income tax	(355)	(340)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX	**18,110**	**16,549**
Change in inventories	(170)	(102)
Net change in current assets and liabilities	(1,107)	913
Net change in non-current assets and liabilities	805	330
CASH FLOW FROM OPERATING ACTIVITIES	**17,638**	**17,690**
Investments in non-current assets	(3,028)	(8,240)
Divestments of non-current assets	0	0
CASH FLOW FROM INVESTING ACTIVITIES	**(3,028)**	**(8,240)**
Change in financial receivables and other current financial assets	42	(300)
Sale of treasury shares	126	0
Change in current debt	(7,032)	(100,848)
Change in non-current debt	(7,564)	91,579
CASH FLOW FROM FINANCING ACTIVITIES	**(14,428)**	**(9,569)**
Exchange gains/(losses) on cash and cash equivalents	0	(2)
NET INCREASE (DECREASE) IN CASH BALANCE	**182**	**(121)**
CASH BALANCE AT BEGINNING OF THE PERIOD	**2,509**	**3,084**
CASH BALANCE AT END OF THE PERIOD	**2,691**	**2,963**

2.6 Net financial position

The table below presents the net financial position at 31 March 2018 and 31 December 2017. At neither date does it include derivatives held for hedging purposes, which by nature do not constitute monetary assets or liabilities.

Uncommitted credit facilities with banks amount to €286 million at 31 March 2018, of which €243.4 million unutilized.

Committed revolving credit facilities with banks, unutilized at 31 March 2018, amount to €60 million.

See the section "Statement of financial position and financial review" for comments.

NET FINANCIAL POSITION		
	31/03/2018	31/12/2017
Cash and cash equivalents	(2,691)	(2,509)
Financial receivables and other current financial assets w. related parties	(96)	(96)
Financial receivables and other current financial assets	0	(42)
LIQUIDITY	**(2,787)**	**(2,647)**
Current financial liabilities	42,600	48,681
Mortgage loans - current portion	35,252	34,904
Leasing – current portion	326	323
Bond loan - current portion	11,886	13,189
CURRENT DEBT	**90,064**	**97,097**
CURRENT NET DEBT	**87,277**	**94,450**
Non-current financial assets	(343)	(343)
Leasing – non-current portion	3,845	3,928
Non-current financial liabilities	277,753	285,522
Bond loan	680,830	676,089
NON-CURRENT DEBT	**962,085**	**965,196**
NET FINANCIAL POSITION	**1,049,362**	**1,059,646**

2.7 Preparation criteria and scope of consolidation

1. General information

The interim financial report of Immobiliare Grande Distribuzione at 31 March 2018 was approved and authorized for publication by the Board of Directors on 9 May 2018.

IGD SIIQ S.p.A. is a subsidiary of Coop Alleanza 3.0. Soc. Coop and is under the management and coordination of that company.

2. Summary of accounting standards

2.1. Preparation criteria

Declaration of conformity with international accounting standards

The interim financial information (unaudited) was prepared in accordance with Art. 154-ter of Legislative Decree 58/1998, as per the IFRS (International Financial Reporting Standards) issued by IASB (International Accounting Standards Board) and approved by the European Union, and with the instructions issued in implementation of Art. 9 of Legislative Decree 38/2005. The term "IFRS" encompasses all of the International Accounting Standards (IAS) and all interpretations published by the International Financial Reporting Interpretations Committee (IFRIC), including those previously issued by the Standing Interpretations Committee (SIC) which at 31 March 2018 were endorsed as per the procedure outlined in EC Regulation 1606/2002.

The accounting standards, accounting policies, and valuation methods are the same as those used to prepare the consolidated financial statements at 31 December 2017, to which the reader should refer.

The valuation and reporting of book values are based on the international accounting standards and their interpretations currently in effect; they are, therefore, subject to modification in order to reflect any changes that may occur between this writing and 31 December 2018 as a result of the European Commission's future endorsement of new standards, new interpretations or guidelines of the International Financial Reporting Interpretation Committee (IFRIC).

Income statement figures are provided for the quarter under review and the period between the beginning of the year and the close of the quarter. The figures are compared with figures for the same periods of the prior year. The figures in the statement of financial position are provided at 31 March 2018 and at 31 December 2017. Therefore, comments on income statement items refer to a comparison with the same period of the prior year (31 March 2017), while balance sheet items are compared with the previous quarter (31 December 2017).

The use of estimates broadly reflects the practice followed in the year-end financial statements.

The consolidated financial statements, tables and notes are expressed in thousands of euros, unless specified otherwise.

Changes in accounting standards

a) New accounting standards adopted

Beginning 1 January 2018 the new **IFRS 9** was applied to financial instruments.

Application of IFRS 9 had an impact on a few financial liabilities (bond loans) renegotiated by the Group over the last few years. More in detail, as a result of IFRS 9 application the value of the €162 million bond loan maturing on 21 April 2022 increased by around €4.4 million, an equity reserve of the same amount was recognized, and financial charges dropped by around €4.4 million over the duration of the bond.

Application of the new **IFRS 15** to revenue also became effective on 1 January, but had no impact on the Group in the period.

2.2. Consolidation

Scope of consolidation

The consolidated financial statements have been drawn up on the basis of the draft financial statements at 31 March 2018, prepared by the directors of the consolidated companies and adjusted, where necessary, to align them with the Group's IFRS-compliant accounting and classification policies. Since 31 December 2017, the scope of consolidation has not changed. Pursuant to Consob Circular DEM/6064293 of 28 July 2006, below is a list of Group companies showing the location of their registered office, share capital in the local currency and consolidation method. The interests held directly or indirectly by IGD SIIQ S.p.A. and each of its subsidiaries are also specified.

name	Registered office	Country	Share capital	Currency	Consolidated %	held by	% of share capital held	operations
PARENT COMPANY								
IGD SIIQ S.p.A.	Ravenna via agro pontino 13	Italy	599,760,278.16 (*)	Euro				Facility management
Subsidiaries consolidated on a line-by-line basis								
IGD Management s.r.l.	Ravenna via Villa Glori 4	Italy	75,071,221.00	Euro	100%	IGD SIIQ S.p.A.	100.00%	Facility management and services
Millennium Gallery s.r.l	Ravenna via Villa Glori 4	Italy	100,000.00	Euro	100%	IGD SIIQ S.p.A.	100.00%	Facility management
Porta Medicea s.r.l.	Bologna via trattati comunitari Europei 1957-2007	Italy	60,000,000.00	Euro	100%	IGD Management s.r.l.	100.00%	Constructiosn and marketing
Win Magazin S.A.	Bucarest	Romania	113,715.30	Lei	100%	IGD Management s.r.l. 99,9% IGD SIIQ S.p.A. 0,1%	100.00%	Facility management
Winmarkt management s.r.l.	Bucarest	Romania	1,001,000	Lei	100%	Win Magazin S.A.	100.00%	Agency and facility management services
Subsidiaries valued at equity								
Arco Campus S.r.l.	Bologna via dell'Arcoveggio n.49/2	Italy	1,500,000.00	Euro		IGD SIIQ S.p.A.	99.98%	Management of real estate and sports facilities/equipment: construction, trading and rental of properties used for commercial sports
Associates valued at equity								
RGD Ferrara 2013 s.r.l.	Roma, via Piemonte 38	Italy	100,000.00	Euro		IGD SIIQ S.p.A.	50%	Gestione Centro Commerciale Darsena City

(*) Share capital of IGD SIIQ S.p.A. at 31 of March 2018.Following the capital increase finished on 23 of April 2018 the share capital of IGD SIIQ S.p.A. is equal to 749,738,139.26 Euro

IGD SIIQ S.p.A., directly and indirectly, controls various consortiums for the management of shopping centers (costs relating to common areas and promotional activities). They are not consolidated as they are considered to be immaterial.

Name	Held	% of held	registered office
Consorzio dei proprietari CC Leonardo	Direct controlled	52.00%	VIA AMENDOLA 129, IMOLA (BO)
Consorzio dei proprietari CC I Bricchi	Direct controlled	72.25	VIA PRATO BOSCHIERO, ISOLA D'ASTI (LOC MOLINI)
Consorzio proprietari Centrolame	Direct controlled	66.43%	VIA MARCO POLO 3, BOLOGNA (BO)
Consorzio del centro commerciale Katanè	Direct controlled	53%	VIA QUASIMODO, GRAVINA DI CATANIA LOC SAN PAOLO
Consorzio del centro commerciale Conè	Direct controlled	65.78%	VIA SAN GIUSEPPE SNC, QUARTIERE DELLO SPORT CONEGLIANO (TV)
Consorzio del centro commerciale La Torre-Palermo	Direct controlled	55.04%	VIA TORRE INGASTONE, PALERMO LOC BORGONUOVO
Consorzio proprietari del centro commerciale Gran Rondò	Direct controlled	48.69%	VIA G. LA PIRA n. 18. CREMA (CR)
Consorzio dei proprietari del centro commerciale Fonti del Corallo	Direct controlled	68.00%	VIA GINO GRAZIANI 6, LIVORNO
Consorzio dei proprietari del centro commerciale Centrosarca	indirect controlled	62.50%	VIA MILANESE, SESTO SAN GIOVANNI (MI)
Consorzio Porta a Mare Mazzini	Direct controlled	80.90%	VIA G. D'ALESIO, 2 - LIVORNO
Consorzio del parco commerciale Clodì	Direct controlled	70.35%	S.S. ROMEA n. 510/B; CHIOGGIA (VE)
Consorzio Centro Le Maioliche	Direct controlled	7149%	VIA BISAURA N.13, FAENZA (RA)
Consrozio ESP	Direct controlled	64.59%	VIA MARCO BUSSATO 74, RAVENNA (RA)
Consorzio Proprietari Puntadiferro	Direct controlled	62.34%	Piazzale della Cooperazione 4, FORLI' (FC)
Consorzio dei proprietari del compendio commerciale del Commendone	Direct controlled	52.60%	Via Ecuador snc, Grosseto

3. Segment reporting

The income statement and the statement of financial position are broken down below by business segment in accordance with IFRS 8, followed by a geographical breakdown of revenue from freehold properties.

INCOME STATEMENT	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
	CORE BUSINESS PROPERTIES		SERVICES		"PORTA A MARE" PROJECT		UNSHARED		TOTAL	
Total revenues and operating income	**35,645**	**33,871**	**1,513**	**1,540**	**0**	**0**	**0**	**0**	**37,158**	**35,411**
Change in inventories of work in progress	**0**	**0**	**0**	**0**	**170**	**102**	**0**	**0**	**170**	**102**
Direct costs (a) (excluding provisions for doubtful accounts)	6,517	**6,364**	1,320	1,274	227	169	0	0	8,064	7,807
G&A expenses (b)	0	**0**	0	0	0	0	2,649	2,604	2,649	2,604
Total operating costs (a) + (b)	**6,517**	**6,364**	**1,320**	**1,274**	**227**	**169**	**2,649**	**2,604**	**10,713**	**10,410**
(Amortization and provisions)	(331)	**(411)**	(40)	(29)	(0)	(1)	(85)	(64)	(456)	(506)
Change in fair value - increases / (decreases)	(720)	**(235)**	0	0	0	0	0	0	(720)	(235)
Total amortization, provisions, impairment and fair value changes	**(1,051)**	**(646)**	**(40)**	**(29)**	**(0)**	**(1)**	**(85)**	**(64)**	**(1,176)**	**(741)**
EBIT	**28,077**	**26,861**	**153**	**237**	**(57)**	**(68)**	**(2,734)**	**(2,668)**	**25,439**	**24,362**
Result from equity investments and assets' disposal	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**(63)**	**4**	**(63)**
Financial income:	**0**	**0**	**0**	**0**	**0**	**0**	**9**	**21**	**9**	**21**
Financial charges:	**0**	**0**	**0**	**0**	**0**	**0**	**7,939**	**9,197**	**7,939**	**9,197**
Net financial income	**0**	**0**	**0**	**0**	**0**	**0**	**(7,930)**	**(9,176)**	**(7,930)**	**(9,176)**
PRE-TAX INCOME	**28,077**	**26,861**	**153**	**237**	**(57)**	**(68)**	**(10,660)**	**(11,907)**	**17,513**	**15,123**
Income taxes	0	**0**	0	0	0	0	812	829	812	829
NET PROFIT	**28,077**	**26,861**	**153**	**237**	**(57)**	**(68)**	**(11,472)**	**(12,736)**	**16,701**	**14,294**
Non-controlling interest in net profit									0	13
IGD SIIQ S.p.A. share of net profit	**28,077**	**26,861**	**153**	**237**	**(57)**	**(68)**	**(11,472)**	**(12,736)**	**16,701**	**14,307**

STATEMENT OF FINANCIAL POSITION	31-Mar-18	31-Dec-17	31-Mar-18	31-Dec-17	31-Mar-18	31-Dec-17	31-Mar-18	31-Dec-17	31-Mar-18	31-Dec-17
	CORE BUSINESS PROPERTIES		SERVICES		"PORTA A MARE" PROJECT		UNSHARED		TOTAL	
- Real estate investments	*2,157,176*	*2,157,176*	*0*	*0*	*0*	*0*	*0*	*0*	*2,157,176*	*2,157,176*
- Assets under construction	*42,659*	*40,466*	*0*	*0*	*0*	*0*	*0*	*0*	*42,659*	*40,466*
Intangible assets	*11,655*	*11,655*	*1,007*	*1,007*	*0*	*0*	*32*	*35*	*12,694*	*12,697*
Other tangible assets	*1,926*	*2,039*	*27*	*33*	*1*	*2*	*8,070*	*8,130*	*10,024*	*10,204*
- Sundry receivables and other non-current assetsCre	*0*	*0*	*0*	*0*	*0*	*0*	*90*	*90*	*90*	*90*
- Equity investments	*222*	*221*	*0*	*0*	*0*	*0*	*37*	*33*	*259*	*254*
NWC	*(7,981)*	*(8,949)*	*1,402*	*907*	*36,515*	*36,810*	*0*	*0*	*29,936*	*28,768*
Funds	*(6,747)*	*(6,543)*	*(1,468)*	*(1,330)*	*(31)*	*(27)*	*0*	*0*	*(8,246)*	*(7,900)*
Sundry payables and other non-current liabilities	*(15,244)*	*(15,256)*	*0*	*0*	*(5,925)*	*(5,926)*	*0*	*0*	*(21,169)*	*(21,182)*
Net deferred tax (assets)/ liabilities	*(28,317)*	*(27,339)*	*0*	*0*	*2,562*	*2,562*	*0*	*0*	*(25,755)*	*(24,777)*
Total use of funds	**2,155,349**	**2,153,470**	**968**	**617**	**33,122**	**33,421**	**8,229**	**8,288**	**2,197,668**	**2,195,796**
Total group net equity	*1,110,554*	*1,095,739*	*(461)*	*(323)*	*19,848*	*20,337*	*0*	*(0)*	*1,129,941*	*1,115,753*
Non-controlling interests in capital and reserves	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Net (assets) and liabilities for derivatives instruments	*18,365*	*20,397*	*0*	*0*	*0*	*0*	*0*	*0*	*18,365*	*20,397*
Net debt	*1,026,430*	*1,037,334*	*1,429*	*940*	*13,274*	*13,084*	*8,229*	*8,288*	*1,049,362*	*1,059,646*
Total sources	**2,155,349**	**2,153,470**	**968**	**617**	**33,122**	**33,421**	**8,229**	**8,288**	**2,197,668**	**2,195,796**

REVENUES FROM FREEHOLD PROPERTIES	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
	NORTHERN ITALY		CENTER/SOUTHERN ITALY AND ISLANDS		ABROAD		TOTAL	
LEASE AND RENTAL INCOME	15,976	14,730	13,257	13,051	2,375	2,284	31,608	30,065
ONE-OFF REVENUES	6	0					6	0
TEMPORARY LOCATION RENTAL	526	380	294	274			820	654
OTHER RENTAL INCOME	-16	-20	22	42	3	0	9	22
TOTAL	**16,492**	**15,090**	**13,573**	**13,367**	**2,378**	**2,284**	**32,443**	**30,741**

2.8 Certification of the interim management statement pursuant to Art.154-bis (2) of Legislative Decree 58/98

I, Grazia Margherita Piolanti, in my capacity as financial reporting officer of IGD SIIQ SpA, hereby declare in accordance with Art. 154-bis (2) of Legislative Decree 58/98 that the figures in the Interim Financial Report Statement at 31 March 2018 correspond to the company's records, ledgers and accounting entries.

Bologna, 9 May 2018

Grazia Margherita Piolanti
Financial Reporting Officer