

PRESS RELEASE

IGD S.p.A.: positive trend for the first quarter of 2005, results reviewed in Bologna by the Board of Directors

Production value of 13 million euros (+ 13.62%)

Gross Operating Margin of 8.5 million euros (+ 19.53%)

Operating Margin of 4.3 million euros (+ 74.65%)

Pre-tax result of 3.1 million euros (+ 110.37%)

The Board of Directors of IGD S.p.A., a company listed on the Italian Stock Exchange which operates in the real estate sector of large-scale retail, met today in Bologna to review figures for the first quarter of the 2005 financial year, compliance to the Italian Accounting Standards, which confirmed a growth trend in keeping with projections disclosed at recent presentations to the financial community.

More specifically, revenues amounted to approximately 12.7 million euros, up 14.42% compared to 11.1 million euros for the same period last year, while production value reached 13 million euros, with an increase of approximately 13.62% from the value as at 31/03/2004.

Revenues from services, an item which shows strong growth compared to last year and is of great strategic importance for IGD, accounted for approximately 3% of production value.

The gross operating margin (EBITDA) stood at 8.5 million euros, up 19.53% over the figure of 7.4 million euros as at 31/3/2004, while the operating profit (EBIT) showed a 74.65% increase, rising from 2.4 million euros to 4.3 million euros, a margin of 32.71%.

The company's pre-tax result amounted to 3.1 million euros, compared to 1.4 million euros as at 31/03/2004.

The company's net financial position stood at - 31.8 million euros, an improvement over the corresponding figure from 2004, - 191.6 million euros.

"The results achieved," commented Filippo Carbonari, IGD Managing Director, "are in keeping with our expectations. We are very pleased, particularly with the trend in services, which is an area of great strategic importance in our business plan. Over coming months we will also be moving forward with our development plan, which foresees the acquisition of new shopping centres in geographic areas showing particular potential.



In 2004, IGD SpA undertook a specific project for the implementation of international standards.

Specifically, the analysis carried out so far has led to the identification of certain differences between Italian accounting standards and IAS/IFRS, primarily with regard to the areas of intangible fixed assets, tangible fixed assets, and financial instruments.

With regard to the differences identified in primary areas of the balance sheet, projects have been undertaken to establish operating procedures for their quantification at each company.

The IGD Group expects to prepare its first accounting statement in accordance with IAS/IFRS in its half-yearly report as at 30 June 2005.

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