



IGD GROUP

Consolidated quarterly report
as at 30 September 2005

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Executive structure

BOARD OF DIRECTORS

➔ **CHAIRMAN**

GILBERTO COFFARI

➔ **VICE CHAIRMAN**

SERGIO COSTALLI

➔ **MANAGING DIRECTOR**

FILIPPO-MARIA CARBONARI

➔ **DIRECTORS**

MAURO BINI

ARISTIDE CANOSANI (*)

FABIO CARPANELLI

MAURIZIO FILIPPINI (*)

MASSIMO FRANZONI (*)

FRANCESCO GENTILI

FERNANDO PELLEGRINI

STEFANO POZZOLI

LORENZO ROFFINELLA

RICCARDO SABADINI

FRANCESCO SANTI

(*) MEMBERS OF OVERSIGHT COMMITTEE

BOARD OF STATUTORY AUDITORS

➔ **CHAIRMAN**

ROMANO CONTI

➔ **REGULAR AUDITORS**

FRANCO GARGANI

MASSIMO LAZZARI

Auditing Firm

Reconta Ernst&Young S.p.A.

INFORMATION ON OPERATIONS

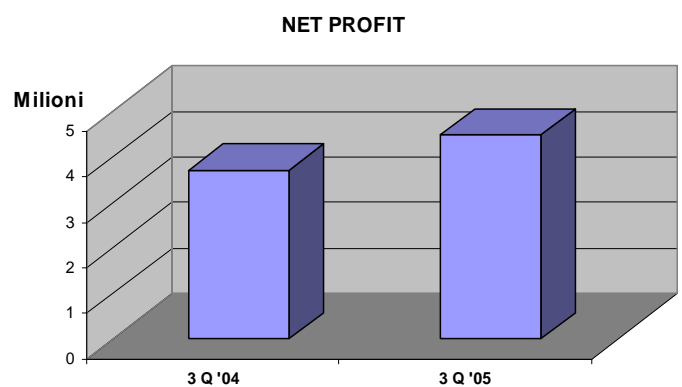
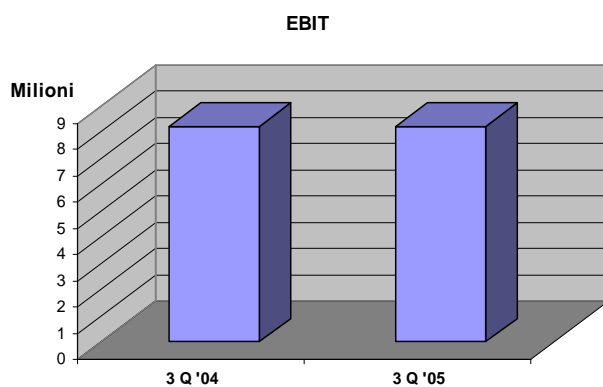
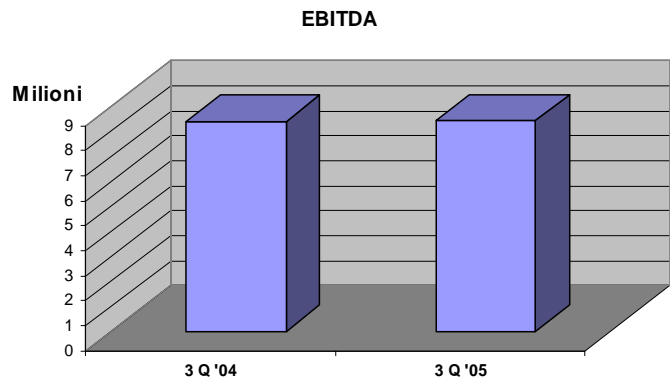
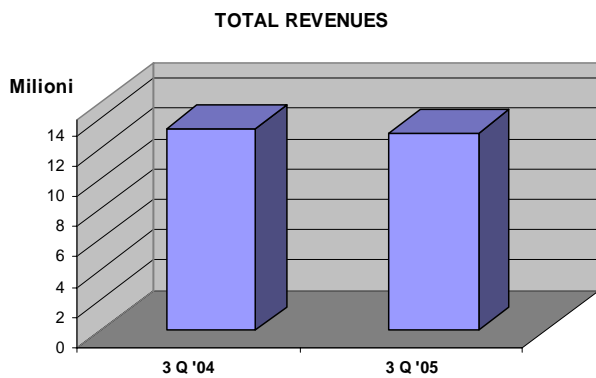
The quarterly report of the IGD Group for the third quarter of 2005 and the figures used for comparison have been prepared in accordance with International Financial Reporting Standards (IFRS).

Analysis of primary economic data

Below is a summary of economic results as at 30 September 2005:

CONSOLIDATED INCOME STATEMENT

	3 Q '04	3 Q '05	SEPT.'04	SEPT.'05
Revenue	12,928,530	12,771,404	35,922,230	38,177,797
Other income	414,211	281,610	1,407,774	963,630
TOTAL REVENUES	13,342,741	13,053,014	37,330,004	39,141,427
Purchase of materials and outside services	3,995,666	5,547,270	10,989,872	15,906,272
Staff costs	286,519	329,108	870,810	1,120,895
Other operating costs	507,987	436,676	1,569,035	1,472,895
Changes in inventories	148,390	-1,705,976	0	-4,396,477
EBITDA	8,404,179	8,445,936	23,900,287	25,037,842
Amortisation and depreciation	176,924	233,435	277,037	383,654
Capital gains/capital losses from dismissal of non current assets	0	0	0	0
Change in Fair Value	0	0	10,105,196	14,182,108
EBIT	8,227,255	8,212,501	33,728,446	38,836,296
Financial operations:	-1,674,847	-856,425	-3,963,381	-2,819,959
Financial income	442,926	1,430,217	1,140,913	3,882,418
Financial charges	2,117,773	2,286,642	5,104,294	6,702,377
PROFIT BEFORE TAX	6,552,408	7,356,076	29,765,065	36,016,337
Income taxes for the period	2,836,373	2,852,294	11,827,067	13,746,597
NET PROFIT	3,716,035	4,503,782	17,937,998	22,269,740
Attributable to:				
Parent company profit for the period	3,622,751		17,704,493	
Profit for minority interest for the period	93,284		233,505	



The first nine months of 2005 closed with a consolidated net profit of €22,269,740 (+ 4,331,742 €, + 24.15% compared to the first nine months of 2004). The net profit for the third quarter of 2005 amounted to €4,503,782. The pre-tax result was €7,356,076 million, up €803,668.

Below is a summary of economic results as at 30 September 2005, compared with the corresponding figures from the third quarter of 2004:

INCOME STATEMENT

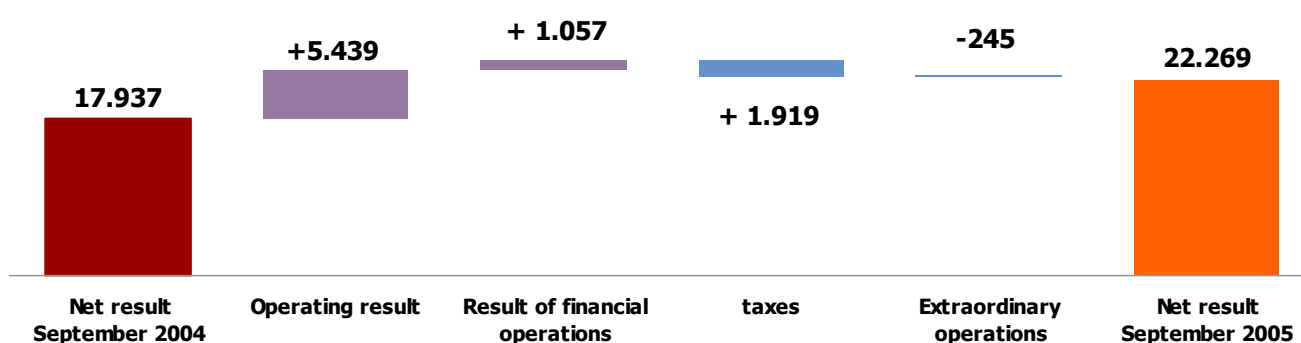
	3 Q '05	3 Q '04	Δ	%
Revenue	12.771.404	12.928.530	-157.126	-1,22%
Other income	281.610	414.211	-132.601	-32,01%
TOTAL REVENUES	13.053.014	13.342.741	-289.727	-2,17%
Purchase of materials and outside services	5.547.270	3.995.666	1.551.604	38,83%
Staff costs	329.108	286.519	42.589	14,86%
Other operating costs	436.676	507.987	-71.311	-14,04%
Changes in inventories	-1.705.976	148.390	1.854.366	-1249,66%
EBITDA	8.445.936	8.404.179	41.757	0,50%
Amortisation and depreciation	233.435	176.924	56.511	31,94%
Capital gains/capital losses from dismissal of non current assets	0	0	0	0,00%
Change in Fair Value	0	0	0	0,00%
EBIT	8.212.501	8.227.255	-14.754	-0,18%
Financial operations:	-856.425	-1.674.847	818.422	-48,87%
Financial income	1.430.217	442.926	987.291	222,90%
Financial charges	2.286.642	2.117.773	168.869	7,97%
PROFIT BEFORE TAX	7.356.076	6.552.408	803.668	12,27%
Income taxes for the period	2.852.294	2.836.373	15.921	0,56%
NET PROFIT	4.503.782	3.716.035	787.747	21,20%

The increase in profitability is due to the following factors:

1. **REVENUE** increased by €1.811.423, + 4.85%, due to organic growth in rental income and proceeds from the shopping centre Le Fonti del Corallo in Livorno, which contributed to revenue for only six months in 2004. Comparing revenue from the third quarter of 2005 to the same period in 2004, there is a slight decrease, €289,727 or -2.17%, primarily due to work on expansion of the Borgo, Nova, and Leonardo malls, which required temporary closure of some shops, and to the fact that in 2004 an entry fee was collected from an operator after renegotiation of a contract for a space at ESP.
2. **EBITDA** in September 2005 was €25,037,832, up +4.76% compared to the same period the previous year, due to the combined effect of increased revenue (+4.85%), personnel costs (+28.72%), and decreased operating costs (-6,13%). The increase in personnel costs is in keeping with the growth of the business; the local organisational structure has been

developed by internalising certain services which were outsourced in 2004. Costs for purchase of materials and outside services are exclusively related to the expansion of the mall at the Centro Leonardo shopping centre in Imola, and show a total increase of approximately €4,916,400. The **EBITDA MARGIN** was 63.97%. The comparison with EBITDA in the third quarter of 2005 with the same period in 2004 points to no significant variation.

3. In the first nine months of 2005, **EBIT** amounted to €38,836,236, up +15.14%. This increase can be attributed almost exclusively to an increase in fair value of property (+40.34%).
4. Financial operations show a negative balance of €-2,819,959, down – 28.85%, due to the increase in financial income (€2,741,505, +240.29%) resulting from a reduction in the net financial position from the share capital increase, and an increase in charges (€1,598,083, +31.31%). Medium to long term borrowing is entirely hedged by interest rate swaps.
5. The effect of taxes for the first nine months of 2005 on the pre-tax result is 38.17%, lower than the same period in 2004, when it was 39.73%. The tax rate for the third quarter of 2005 was 38.77%.
6. The result after taxes is €22,269,740, up 24.15%, as shown in the table below:



Assets, liabilities, and financial position

Assets and liabilities as at 30 September 2005 can be summarised as follows:

\	1 H '05	SEPT.'05	DEC.'04	SEPT.'05
Intangible assets	2,905,835	2,905,969	2,906,390	2,905,969
Tangible assets	586,204,175	586,502,217	543,184,024	586,502,217
Other non current assets	7,689,226	7,777,668	941,964	7,777,668
TOTAL NON CURRENT ASSETS (A)	596,799,236	597,185,854	547,032,378	597,185,854
Current assets:				
TOTAL CURRENT ASSETS (B)	120,004,806	121,531,060	19,567,610	121,531,060
Discontinued operations/assets held for sale:				
of a financial nature	0	0	0	0
	0	0	0	0
TOTAL ASSETS (A+B+C)	716,804,042	718,716,914	566,599,988	718,716,914
CONSOLIDATED BALANCE SHEET: LIABILITIES				
	1 H '05	SEPT.'05	DEC.'04	SEPT.'05
TOTAL NET EQUITY (C)	461,010,909	465,466,005	304,030,868	465,466,005
TOTAL NON CURRENT LIABILITIES (D)	214,574,728	216,284,954	205,546,040	216,284,954
TOTAL CURRENT LIABILITIES (E)	41,218,405	36,965,955	57,023,080	36,965,955
TOTAL LIABILITIES (F=D + E)	255,793,133	253,250,909	262,569,120	253,250,909
TOTAL NET EQUITY AND LIABILITIES (C+F)	716,804,042	718,716,914	566,599,988	718,716,914

The most significant change is to be found in the net financial position, due to the financial resources which have been tapped by IGD through listing on the electronic securities exchange (MTA), managed by Borsa S.p.A., on 11 February 2005. These resources, which amount to €145,921,250, net of placement and sponsor commissions, will be used to make the investments foreseen by the groups' industrial plan and to take advantage of all the new opportunities which the market may offer the group in coming years.

Due to the new resources which have been added to equity, the gearing ratio has passed from 0.63x (December 2004) to 0.14x, remaining unchanged from June 2005. The ratio of group equity to third-party equity has risen from 61.33% (December 2004) to 88.07% in September. Medium to long term loans (including the mark-to-market accounting of IRS) amount to €150,480,644 as at 30 September 2005. These loans, granted at a floating rate, are entirely hedged by interest rate swaps intended to immunise IGD against the risk of future interest rate fluctuations. For further details on the financing structure and related costs, please refer to the notes.

NET FINANCIAL POSITION

	1 H '05	SEPT.'05	DEC.'04	SEPT.'05
Non current financial liabilities	134.551.767	134.989.402	139.408.938	134.989.402
Current financial liabilities	31.806.711	30.501.922	53.146.738	30.501.922
TOTAL FINANCIAL LIABILITIES	166.358.478	165.491.324	192.555.676	165.491.324
Financial receivables and other current financial assets	49.981.047	51.215.777	8.955	51.215.777
Cash and cash equivalents of a financial nature	53.691.571	51.749.993	848.591	51.749.993
	0	0	0	0
TOTAL FINANCIAL ASSETS	103.672.618	102.965.770	857.546	102.965.770
NET FINANCIAL POSITION	62.685.860	62.525.554	191.698.130	62.525.554

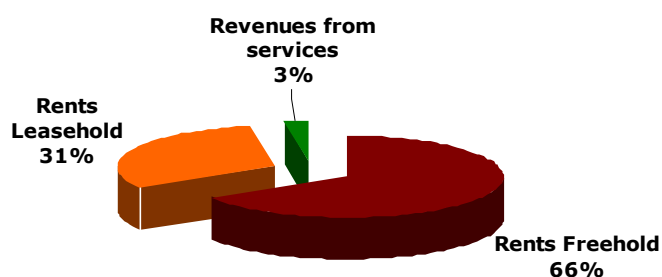
The group's net equity as at 30 September 2005 amounts to €465,466,005.

SEGMENT INFORMATION

The IGD Group's activity can be divided into two strategic areas of business:

- Property leasing
- Services (agency and facilities management)

INCOME STATEMENT	30/09/05	30/09/04	30/09/05	30/09/04	30/09/05	30/09/04
	RENTAL ACTIVITIES		SERVICES		TOTAL	
REVENUES	38.161.401	36.308.937	980.026	1.021.067	39.141.427	37.330.004
<i>DIRECT COSTS</i>	11.434.216	10.951.198	670.022	499.065	12.104.238	11.450.263
AREA GROSS MARGIN	26.727.185	25.357.739	310.004	522.002	27.037.189	25.879.741
<i>UNDIVIDED COSTS</i>					1.999.347	1.979.454
EBITDA	26.727.185	25.357.739	310.004	522.002	25.037.842	23.900.287
<i>DEPR., AMORT., WRITEDOWNS</i>	13.798.454	9.828.159			13.798.454	9.828.159
EBIT	40.525.639	35.185.898	310.004	522.002	38.836.296	33.728.446
NET PROFIT					22.269.740	17.937.998



An analysis of the contribution of each area of business shows that income from services accounts for approximately 3% of total revenue. This activity is primarily concentrated in the latter part of the year, due to agency revenues, which are usually invoiced and collected only after the service has been performed. The change in revenue from services as at 30 September 2005 compared to the same period of 2004 is - 4.02%, due to the collection in 2004 of an entry fee from an operator. Although the absolute value of this type of revenue is not comparable to that of rental activities, it represents an important area of development for the group, especially given its high profit margin. Revenue from rentals amounts to 97% of the total (66% related to group property, 31% to third party property); the change of +5.10%, as previously mentioned, is due to the investment in the Livorno shopping centre (made at the end of March 2004) becoming fully operational.

BALANCE SHEET	30/09/05	31/12/04	30/09/05	31/12/04	30/09/05	31/12/04
	RENTAL ACTIVITIES		SERVICES		TOTAL	
<i>NON CURRENT ASSETS</i>	544.372.486	530.443.666	0	0	544.372.486	530.443.666
<i>INVESTMENTS</i>	42.129.731	12.740.358	0	0	42.129.731	12.740.358
<i>NWC</i>	13.805.096	15.193.270	435.578	501.092	14.240.674	15.694.362
- <i>OTHER LONG TERM LIABILITIES</i>	-81.232.899	-66.074.722	-62.653	-62.380	-81.295.552	-66.137.102
<i>UNDIVIDED ASSETS</i>					8.583.234	4.809.024
TOTAL OUTFLOW	519.074.414	492.302.572	372.925	438.712	528.030.573	497.550.308
<i>NFP</i>	55.004.807	189.183.796	-1.023.473	-473.380	53.981.334	188.710.416
<i>EQUITY</i>	464.069.607	303.118.775	1.396.398	912.093	465.466.005	304.030.868
<i>UNDIVIDED LIABILITIES</i>					8.583.234	4.809.024
TOTAL INFLOW	519.074.414	492.302.571	372.925	438.712	528.030.573	497.550.308

PRIMARY EVENTS IN THE THIRD QUARTER OF 2005

Expansion work continues on the mall of the "Centro Borgo" shopping centre in Bologna and "Centro Leonardo" in Imola.

No new property investments are reported in the third quarter of 2005.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE QUARTER AND TREND IN OPERATIONS

On 13 October 2005, a preliminary agreement was signed for the acquisition of a developed area in Conegliano, Veneto. The investment regards a piece of land measuring 82,000 m², for the realisation of future development projects.

Agency management activities on behalf of third parties have continued for the mall in Spoltore (PE), "i Malatesta" shopping centre in Rimini, "Minganti" shopping centre in Bologna, as well as assessment of new investment opportunities.

The results already achieved in the first nine months, and the projects under assessment, which include initiatives not foreseen in the budget, allow one to predict a positive trend in operations in the fourth quarter as well.

**CONSOLIDATED ACCOUNTING SCHEDULES
IGD GROUP**

CONSOLIDATED BALANCE SHEET

	30/09/05 (a)	30/06/05 (b)	31/12/04	Variations (a-b)
NON CURRENT ASSETS:				
Intangible assets				
- Intangible assets with a finite life	9,578	9,444	9,999	134
- Goodwill	2,896,391	2,896,391	2,896,391	0
	<u>2,905,969</u>	<u>2,905,835</u>	<u>2,906,390</u>	<u>134</u>
Tangible assets				
- Real estate investments	543,567,000	543,567,000	529,343,500	0
- Plant and machinery	277,599	438,115	474,062	(160,516)
- Equipment	147,835	161,582	189,077	(13,747)
- Leasehold improvements	380,052	382,085	437,027	(2,033)
- Assets under construction/acquisition	42,129,731	41,655,393	12,740,358	474,338
	<u>586,502,217</u>	<u>586,204,175</u>	<u>543,184,024</u>	<u>298,042</u>
Other non current assets				
- Prepaid taxes	3,744,530	3,656,088	916,558	88,442
- Miscellaneous receivables and other non current assets	4,033,138	4,033,138	25,406	0
	<u>7,777,668</u>	<u>7,689,226</u>	<u>941,964</u>	<u>88,442</u>
TOTAL NON CURRENT ASSETS (A)	597,185,854	596,799,236	547,032,378	386,618
CURRENT ASSETS:				
Inventories	8,876,234	7,170,258	4,479,757	1,705,976
Trade and other receivables	7,800,141	7,201,752	12,688,493	598,389
Other current assets	1,027,493	760,486	581,144	267,007
Current prepaid taxes	861,422	1,199,692	960,670	(338,270)
Financial receivables and other current financial assets	51,215,777	49,981,047	8,955	1,234,730
Cash and cash equivalents	51,749,993	53,691,571	848,591	(1,941,578)
TOTAL CURRENT ASSETS (B)	121,531,060	120,004,806	19,567,610	1,526,254
TOTAL ASSETS (A+B+C)	718,716,914	716,804,042	566,599,988	1,912,872
NET EQUITY:				
Parent Company interest	465,466,005	461,010,909	304,030,868	4,455,096
minority interest	0	0	0	0
TOTAL NET EQUITY (C)	465,466,005	461,010,909	304,030,868	4,455,096
NON CURRENT LIABILITIES:				
Non current financial liabilities	134,989,402	134,551,767	139,408,938	437,635
Provision for severance indemnity	196,703	174,826	195,845	21,877
Deferred tax liabilities	61,652,648	59,947,892	51,877,375	1,704,756
Provisions for future risks and charges	140,582	276,839	338,223	(136,257)
Miscellaneous payables and other non current liabilities	19,305,619	19,623,404	13,725,659	(317,785)
TOTAL NON CURRENT LIABILITIES (D)	216,284,954	214,574,728	205,546,040	1,710,226
CURRENT LIABILITIES:				
Current financial liabilities	30,501,922	31,806,711	53,146,738	(1,304,789)
Trade and other payables	1,588,680	3,891,567	2,055,032	(2,302,887)
Current liabilities	2,981,332	4,190,548	205,241	(1,209,216)
Deferred tax liabilities	19,507	11,768	0	7,739
Other current liabilities	1,874,514	1,317,811	1,616,069	556,703
TOTAL CURRENT LIABILITIES (E)	36,965,955	41,218,405	57,023,080	(4,252,450)
TOTAL LIABILITIES (F=D + E)	253,250,909	255,793,133	262,569,120	(2,542,224)
TOTAL NET EQUITY AND LIABILITIES (C+F)	718,716,914	716,804,042	566,599,988	1,912,872

CONSOLIDATED INCOME STATEMENT

	30/09/05	30/09/04	Variations	3rd quarter		
	(a)	(b)	(a-b)	2005	2004	changes
Revenue	38,177,797	35,922,230	2,255,567	12,771,404	12,928,530	(157,126)
Other income	963,630	1,407,774	(444,144)	281,610	414,211	(132,601)
Total revenues and operating income	39,141,427	37,330,004	1,811,423	13,053,014	13,342,741	(289,727)
Purchase of materials and outside services	15,906,272	10,989,872	4,916,400	5,547,270	3,995,666	1,551,604
Staff costs	1,120,895	870,810	250,085	329,108	286,519	42,589
Other operating costs	1,472,895	1,569,035	(96,140)	436,676	507,987	(71,311)
Changes in inventories	4,396,477	0	4,396,477	1,705,976	(148,390)	1,854,366
OPERATING RESULT BEFORE AMORTISATION, DEPRECIATION CAPITAL GAINS/LOSSES AND IMPAIRMENT LOSSES/REVERSALS ON NON CURRENT ASSETS (EBITDA)	25,037,842	23,900,287	1,137,555	8,445,936	8,404,179	41,757
Amortisation and depreciation	383,654	277,037	106,617	233,435	176,924	56,511
Fair value change	14,182,108	10,105,196	4,076,912	0	0	0
OPERATING RESULT (EBIT)	38,836,296	33,728,446	5,107,850	8,212,501	8,227,255	(14,754)
Financial income	3,882,418	1,140,913	2,741,505	1,430,217	442,926	987,291
Financial charges	6,702,377	5,104,294	1,598,083	2,286,642	2,117,773	168,869
PRE-TAX RESULT	36,016,337	29,765,065	6,251,272	7,356,076	6,552,408	803,668
Income taxes for the period	13,746,597	11,827,067	1,919,530	2,852,294	2,836,373	15,921
PROFIT FOR THE PERIOD	22,269,740	17,937,998	4,331,742	4,503,782	3,716,035	787,747
<i>Attributable to:</i>						
* Parent company profit for the period	22,269,740	17,704,493	4,233,889	4,503,782	3,622,751	881,031
* Profit for minority interest for the period	0	233,505	(97,853)	0	93,284	(93,284)

NOTES TO THE CONSOLIDATED ACCOUNTING SCHEDULES

DRAFTING CRITERIA AND CONSOLIDATION AREA

INTRODUCTION

The quarterly report and the consolidated accounting schedules as at 30 September 2005, which have not been subject to auditing, have been prepared in compliance with the measurement and assessment criteria laid out by IFRS and adopted by the European Commission in accordance with the procedure laid out by art. 6 of EC Regulation no. 1606/2002 of 19 July 2002 of the European Parliament and Council, regarding application of international accounting standards, as well as in compliance with the provisions of art. 82 of CONSOB ruling no. 11971 of 14 May 1999, "Standards related to listed companies for implementation of Legislative Decree no. 58 of 24 February 1998", and subsequent amendments.

Specifically, one should note that the quarterly report as at 30 September 2005 has been presented on the basis of the criteria indicated in Annex 3D of the aforementioned "Standards".

DRAFTING CRITERIA

The consolidated accounting schedules have been prepared based on the account statements as at 30 September 2005 drafted by the companies included in the consolidation area, and adjusted, when necessary, for the purpose of bringing them into line with the group's accounting standards and classification criteria under IFRS.

The accounting and measurement criteria and consolidation standards adopted in drafting the quarterly report are the same as those used in the preparation of the IFRS transition document attached to the half-yearly report as at 30/06/05, to which we make full and explicit reference.

The consolidated accounting schedules, tables, and notes are expressed in euros, unless otherwise specified.

To allow uniform comparison, the figures for 2004 have been recalculated in accordance with IFRS.

In compliance with CONSOB provisions, income statement figures are provided for the quarter under examination and the period between the beginning of the year and the closing date of the quarter (progressive); they are compared with data for the analogous periods of the previous year. The balance sheet figures at the closing date of the quarter are compared with the closing figures of the previous

quarter and the previous year. Therefore, the notes to income statement items are made in the comparison to the same period of the previous year (30 September 2004), whereas for assets and liabilities they are made in comparison with the previous quarter (30 June 2005).

Estimations are not employed to a significantly different degree than at the time of drafting the annual accounts. One should also note that these consolidated figures include the accounts of the parent company Immobiliare Grande Distribuzione S.p.A. and the accounts as at 30 September 2005 of Gescom s.r.l., its fully-owned subsidiary.

CONSOLIDATION AREA

The consolidation area as at 30 September 2005 has not undergone any changes compared to 30 June 2005.

NOTES TO THE PRIMARY ITEMS IN THE CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2005

NON CURRENT ASSETS

The change in non current assets between 30 June 2005 and 30 September 2005 is primarily due to a €474,338 increase in assets under construction, related to the expansion of the Leonardo shopping centre (the portion that will remain the property of IGD SpA), and a €176,296 decrease for depreciation in the quarter.

The increase in prepaid taxes, amounting to €88,442, is due to the effect of IAS on the related entries.

CURRENT ASSETS

The net change of €1,526,254 compared to 30 June 2005, is primarily due to an increase in inventories related to ongoing work at the Leonardo shopping centre to expand the car park and mall (€1,705,976 for the portion held for sale), a €598,389 increase in trade receivables, and a €267,007 in other current assets from normal operations.

One should note a €1,234,730 increase in Financial Receivables and Other Current Financial Assets held for trading, due to greater investment of liquid assets.

EQUITY

The change in Equity primarily results from the third quarter profit, amounting to €4,503,782, and a decrease in the cash flow hedge reserve due to IAS accounting.

NON CURRENT LIABILITIES

The €437,635 net change in non current financial liabilities is primarily due to the transfer of loan payments due within the next 12 months from non current to current liabilities, and to IAS entries related to the measurement of financial hedging instruments.

The €1,704,756 increase in deferred tax liabilities is due to the effect of taxes on IAS entries.

There have been no other significant changes.

CURRENT LIABILITIES

The most significant changes in current liabilities are due to a decrease:

- of €1,304,789 in current financial liabilities due to the elimination of the negative balance of a clearing account with TCA s.r.l.

- of €2,302,887 in trade receivables due to settlement of supplier invoices falling due
- of €1,209,216 in tax liabilities due to payment of VAT liabilities.

NOTES TO THE PRIMARY ITEMS IN THE CONSOLIDATED INCOME STATEMENT AS AT 30 SEPTEMBER 2005

OPERATING REVENUE AND INCOME

Consolidated turnover and other income as at 30 September 2005 amounted to €39,141,427, with an increase of €1,811,423 from the previous year (+4.85%); this increase was primarily due to rental revenue from the Fonti del Corallo shopping centre, since the latter was acquired in the second quarter of 2004 and thus contributed to revenue for a shorter period.

PURCHASE OF MATERIALS AND OUTSIDE SERVICES

This item primarily includes rent paid as lessee on properties managed by the Group, and costs for expanding the mall and car park at the Leonardo shopping centre.

The increases, compared to 30 September 2004 (€4,916,400) and compared to individual quarters, are specifically due to costs incurred for the aforementioned construction.

PERSONNEL COSTS

Personnel costs rose by €250,085 compared to the same period in 2004, due to an increase in the number of employees.

OTHER OPERATING COSTS

There have been no significant changes.

FINANCIAL INCOME AND CHARGES

Financial income shows an increase of €2,741,505 compared to the same period in 2004, due to both the new financial resources which have been tapped through listing, and to an increase in positive IRS spreads.

The €1,598,083 increase in financial charges is due to an increase in interest payable on new loans (Livorno), and an increase in negative IRS spreads.

TAXES FOR THE PERIOD

The item includes the provision for taxes as at 30 September 2005, deferred/prepaid taxes in accordance with the Italian Civil Code, and the effect of taxes on IAS entries, as detailed below:

	30/09/2005	30/09/2004	Difference
Current taxes	3,576,853	1,832,756	1,744,097
Deferred/prepaid taxes under Italian Civile Code	712,549	2,072,996 -	1,360,447
Deferred taxes under IAS	9,457,195	7,921,315	1,535,880
	13,746,597	11,827,067	1,919,530