

**PRESS RELEASE**

**IGD S.p.A.: Continues to expand in the south of Italy**

**Acquisition of a shopping center in Palermo**

In line with the business plan presented to the financial community, IGD SpA, a company listed on the STAR segment of the Italian Stock Exchange and operating in the retail real estate sector, today signed a preliminary agreement to build a shopping center in the urban area of Palermo.

Specifically, the shopping center will comprise a hypermarket and a shopping mall.

The hypermarket, which will house the Iper Coop Sicilia, will occupy a GLA of 14,850 sqm containing a sales area of 8,500 sqm, while the shopping mall will occupy a GLA of 14,000 sqm with room inside for 52 shops.

The total investment will amount to approximately 45.5 million euros. Work is scheduled to get underway in 2006 and be completed by the end of 2008.

This new acquisition, the fourth in 2005, offers confirmation of the dynamic nature of IGD's growth strategy, aimed at increasing its own real estate portfolio by acquiring and constructing shopping centers offering major investment opportunities.

This operation offers proof of how IGD is going ahead with the expansion plan presented to the financial community during recent months by acquiring high value centers located mainly in the centre and south of Italy. The target market in these areas can still offer considerable expansion opportunities unlike the market in the north of Italy which, apart from the odd exception, can be considered a well-established market.

Furthermore, the strategic importance of this investment must be pointed out as it is the first investment in the Sicilian market, which will allow IGD to play a leading role in the future development of this market which all leading players – real estate and retail - will be involved in and which will undoubtedly be one of the most dynamic over the coming years.

“This acquisition – stated Filippo Carbonari, IGD's CEO – offers further proof that not only is IGD able to pursue expansion through the framework agreement entered into with Coop Adriatica and Unicoop Tirreno, but also independently, as already seen through the acquisitions in Piedmont, Lazio and Veneto”.



“The visibility that we gain with these investments – continued Carbonari – allows relations between IGD and COOPs other than its own shareholders to be strengthened and confirms the key role the group has in the real estate development of Italy’s COOP system.”

Contact: Barabino & Partners IR  
Chiara Orrigoni  
Tel. 02/72.02.35.35  
c.orrigoni@barabino.it

Milan, December 12 2005