



PRESS RELEASE

IGD S.p.A. acquires the shopping mall of the shopping centre CENTROSARCA in Sesto San Giovanni (Milan).

IGD S.p.A., a company listed on the S.T.A.R. segment of the Italian Stock Exchange, operating in the retail real estate sector, signed a preliminary agreement with Coop Lombardia, a not related company, for the purchase of 100% of the subsidiary Larice S.r.l., a real estate company that owns the shopping mall of the shopping centre CENTROSARCA in Sesto San Giovanni (Milan). Finalization of the transaction will take place in September 2006 and is conditional on approval by the Antitrust Authorities.

The acquisition concerns the shopping mall in a recently-built shopping centre that opened in July of 2003. The property is host to a shopping mall with 80 stores, 7 of which are medium-sized outlets, with an overall surface area of approximately 22,270 square meters. Within the shopping centre there is a hypermarket owned by Coop Lombardia, which has 8,000 square meters of sales space.

Coop Lombardia's decision to sell the mall even roused the interest of major competitors, both within the country and abroad. Thanks to connections with the Coop system and a solid know-how in managing and improving shopping centres, IGD was able to make this acquisition happen.

The investment, for an overall expenditure of 128.75 million euros did not factor into the business plan presented to the financial community last October. The finalized transaction fits into IGD's growth strategy, which consists of taking important expansion opportunities provided by the market. This acquisition, therefore, allows the company to surpass its investment target in the 2006 business plan, proving that the plan was, in fact, conservative as previously stated.

CentroSarca is the second fully operating, profitable investment that IGD has made during 2006. This operation shows a profitability in line with the relevant market while its risk profile is quite lower than a new shopping centre developed from the scratch. The differing level of risk is due to the fact that CentroSarca has been operating with its own stable and fast-growing market for three years now.

10% of the total consideration was settled when the preliminary agreement was signed, and the remainder will be paid at the closing. The investment amount is financed entirely through debt.



“This transaction,” states Filippo Carbonari, IGD's Managing Director, "is particularly important, because it is the first large-scale shopping centre to be bought by taking advantage of the connections between IGD and the Coop system." “And, this type of investment,” continues Carbonari, “has high strategic value because it allows IGD to increase the profitability of existing shopping centres through its know-how in promotion and management of the centres creating, therefore, more value. Including CentroSarca in its real estate portfolio allows IGD to increase its visibility in the sectors of agency and facility management.”

IGD - Immobiliare Grande Distribuzione – S.p.A. is one of the main players in the Italian retail real estate sector. At the end of 2005, market values for its real estate assets equalled € 646.6 million. To date, the company portfolio comprises 8 shopping malls, 13 hypermarkets, 1 superstore and 3 plots of land for development. IGD S.p.A. offers retail operators an instrument to manage and make optimal use of real estate assets.

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