

PRESS RELEASE

IGD S.p.A.: The Board of Directors approves the Quarterly Report as at 30 June 2006.

Value of production of 14.81 million (+ 12.97%), Gross Operating Margin (EBITDA) of 9.44 million (+ 16.50 %), Operating Result (EBIT) of 45.64 million (+ 98.67%).

Pre-tax profit of 44.23 million (+ 96.86%).

Considerable write-ups to IGD's real estate assets during the first half of 2006.

The Board of Directors of IGD S.p.A. – company listed in the STAR division of the Italian Stock Exchange, operating in the retail real estate sector – met today to examine figures for the second quarter of 2006, which proved again to be growing.

Second quarter of 2006 closed with a value of production of € 14.81 million, up by 12.97% compared to € 13.11 million in the second quarter of 2005. The increase is due to the combined effect of increased revenue from property management and the neighbourhood shopping centre "Darsena City" in Ferrara acquired last May.

The gross operating margin (EBITDA) was € 9.44 million, up 16.50% compared to 30 June 2005 (€ 8.11 million). Said increase is due to the combined effect of increased revenue and decreased cost percentage.

The operating margin (EBIT) was € 45.64 million, almost twice (+98.67%) the figure as at 30 June 2005 (€ 22.97 million).

Pre-tax profit was € 44.23 million, up 96.86% compared to € 22.47 million of second quarter 2005.

The increase in profitability is attributable to the astounding appreciation of the real estate portfolio which benefited from the rise in value of IDG's property in the first half of 2006, in line with the growth trend of real estate in the commercial segment, which had already shown signs of improvement in the second half of 2006.

Net financial indebtedness was € 218.7 million compared to € 123.9 million of 31 March 2006. The increase is attributable to the acquisition of the Ferrara centre and the settlement of in lieu tax following the enactment of the 2005 Finance Act.



“In the second half of 2006 – comments Filippo Carbonari, CEO of IGD – we reinforced two important strategic choices: the entrance in the segment of neighbourhood centres and the gradual value enhancement of our real estate portfolio, as shown by the completion of a project for the development of a Retail Park carried out through the acquisition of a plot of land where three medium-sized sale spaces will be built, close to the shopping centre, on the land purchased in October 2005.”

IGD - Immobiliare Grande Distribuzione – S.p.A. is one of the main players in the Italian retail real estate sector. At 30 June 2006, market values for its real estate assets equalled € 749.1 million. To date, the company portfolio comprises 7 shopping malls, 13 hypermarkets, 1 superstore and 3 plots for development. IGD S.p.A., offering retail operators an instrument to manage and make optimal use of real estate assets, also runs third party shopping malls.

The presentation of the results for the second half of 2006 is available at: www.gruppoigd.it

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CONSOLIDATED BALANCE SHEET (€million)

	30 June 06	31-mar-05	31-dec-05	Change
	(a)	(b)		(a-b)
FIXED ASSETS				
INTANGIBLE FIXED ASSETS				
- Intangible Fixed Assets	0,01	0,01	0,01	0,00
- Goodwill	2,55	2,90	2,90	-0,35
	<u>2,56</u>	<u>2,91</u>	<u>2,91</u>	<u>(0,35)</u>
TANGIBLE FIXED ASSETS				
- Investments	705,99	612,01	603,11	93,98
- Plant and Machinery	0,34	0,37	0,41	-0,03
- Industrial and Commercial Equipments	0,12	0,13	0,14	-0,01
- Improvements on Third Parties Assets	0,28	0,31	0,35	-0,03
- Assets under constructions and advances	68,64	65,58	57,46	3,06
	<u>775,38</u>	<u>678,41</u>	<u>661,47</u>	<u>96,96</u>
OTHER FIXED ASSETS				
- Advanced tax	3,76	3,76	3,76	0,00
- Other account receivables	4,01	4,07	4,08	-0,06
	<u>7,77</u>	<u>7,83</u>	<u>7,84</u>	<u>-0,06</u>
TOTAL FIXED ASSETS (A)	785,71	689,15	672,21	96,56
CURRENT ASSETS:				
Inventories	25,81	20,80	14,02	5,01
Trade receivables and Other assets	5,43	7,39	7,66	-1,97
Other current assets	17,85	8,63	13,15	9,22
Financial receivables and other financial act.	18,15	41,90	35,61	-23,76
Cash&Cash Equivalentents	1,96	18,38	25,43	-16,42
TOTAL CURRENT ASSETS (B)	69,19	97,11	95,87	-27,92
TOTAL ASSETS (C=A + B)	854,90	786,25	768,08	68,64
NET EQUITY				
Group net Equity	580,30	537,58	527,23	42,72
Minorities	0,01	0,00	0,00	0,01
TOTAL NET EQUITY (D)	580,31	537,58	527,23	42,73
NON CURRENT LIABILITIES:				
Non current financial liabilities	109,23	118,59	123,05	-9,37
Employees leaving indemnity	0,24	0,21	0,21	0,03
Liabilities for deferred taxes	8,80	8,80	8,80	0,00
Provision for risks	0,32	0,43	0,43	-0,11
Other non current liabilities	17,47	17,47	17,18	0,00
TOTAL NON CURRENT LIABILITIES (E)	136,06	145,51	149,67	-9,45
CURRENT LIABILITIES:				
Current financial liabilities	129,55	65,55	54,63	63,99
Trade payables and Other liabilities	7,31	14,50	9,96	-7,19
Liabilities for current taxes	0,18	21,62	21,64	-21,44
Other current liabilities	1,49	1,49	4,95	0,01
TOTAL CURRENT LIABILITIES (F)	138,53	103,16	91,18	35,36
TOTAL LIABILITIES (G=E+F)	274,59	248,68	240,85	25,91
TOTAL NET EQUITY AND LIABILITIES (H=D+G)	854,90	786,25	768,08	68,64

