

PRESS RELEASE

Development in the South continues as investments provided for in the new Business Plan are brought forward

Igd S.p.A., Blue Chip company active in the retail real estate sector, whose shares are listed in the MIDEX section of Borsa Italiana (the Italian Stock Exchange), has entered into an agreement with GAM, non related party member of the Despar Italia Group, focused on the development and management of Shopping Centres in the South of Italy, for the acquisition of a joint venture shareholding in a company which is going to be constituted.

This company will own a shopping centre in Vibo Valentia comprised of one Hypermarket, branded Interspar, with a 6,000 sq. meters sales area, and one Gallery with 12,632 sq. meters of Gross Leasable Area, expected to open not later than November 2007.

This Shopping Centre was successfully marketed by Igd, which will also take care of its management.

The agreement concedes the option for the acquisition, after the start-up period ending at the end of 2009, of the 50% joint shareholding in the company owning the Shopping Centre in Vibo, whose value is estimated approximately 70 million Euros, through the underwriting of a capital increase dedicated to Igd of up to 70 million Euros in the event that, as hoped by the parties, there should be further development opportunities in the region, or, through the acquisition of the joint shareholding.

This investment is part of the new Business Plan, presented to the financial community on the 8 May, which provides for investments of € 800 million in the period between 2008 and 2012, with a target EBITDA Margin in the region between 75 and 78% and which is characterized by a profitability rate in line with the expected profitability set forth in the Plan.

This initiative emphasizes, once again, the position of Igd as a player capable of successfully acting as counterparty of any business operator in the retail sector of the real estate market.

"This agreement is of fundamental importance as it will allow Igd to boost the development in the South of Italy through further investments jointly with one of the major players of the market - Mr Filippo Carbonari, GM of Igd, affirms – and, furthermore, represents direct evidence of the significant visibility of Igd on the investments provided by the new Business Plan, which are being brought forward. The acquisition shows – Carbonari continues – the validity of our business model, focused on services activities also with the objective of exploiting development opportunities with high yield potentials".



IGD - Immobiliare Grande Distribuzione – S.p.A. is one of the main players in the Italian retail real estate sector. As 31 December 2006, the market value of its real estate assets equalled € 880.9 million. To date, the company portfolio comprises 9 shopping malls, 13 hypermarkets, and 2 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.

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Bologna, May 30th 2007