

PRESS RELEASE

IGD S.p.A. – Extraordinary Shareholders’ meeting of IGD resolves the issue of the bonds convertible into IGD ordinary shares for an amount of Eur 230 million and the related share capital increase

Ravenna, June 25, 2007 – The Extraordinary Shareholders’ meeting of IGD has resolved today the issue of the bonds convertible into IGD ordinary shares – announced by the Company in its press releases dated 7 and 10 May, 2007 – for an amount of Eur 230 million, with exclusion of the shareholders’ pre-emption rights, reserved exclusively for Italian and foreign institutional investors identified by collecting subscriptions orders on May 10, 2007.

The main terms of the convertible bonds are the following:

- maturity of 5 years starting from the settlement date;
- coupon and yield to maturity of 2.5% per annum;
- conversion premium of 35% above the subscription share price of the capital increase resolved by IGD Board of Directors on May 7, 2007, equal to Eur 3.65 per share, implying a conversion price of Eur 4.93 and a conversion ratio of 20,283.97565 IGD shares for each convertible bond of a nominal amount of Eur 100,000;
- right to convert at the initiative of the bondholder at any time from the 40th day from the settlement date and up to 6 days before the maturity date of the bonds (or up to the maturity date of the bonds as set forth in the convertible bonds terms and conditions).

In addition, the Extraordinary Shareholders’ meeting has resolved a share capital increase serving the conversion of the bonds, pursuant to article 2420 *bis* of the Italian Civil Code, up to Eur 46,653,144.00 through the issue of maximum no. 46,653,144 of IGD ordinary shares (i.e. at the conversion ratio of no. 20,283,97565 new ordinary shares of a nominal value of Eur 1.00 each for each convertible bond of a nominal value of Eur 100,000.00). The new issued shares are irrevocably and unconditionally reserved for the conversion of bonds.

The convertible bonds were placed exclusively to Italian and foreign institutional investors outside the USA, Canada, Australia and Japan on May 10, 2007. BNP Paribas and JPMorgan acted as Joint Bookrunners and Joint Lead Managers and JPMorgan acted as Sole Global Co-ordinator of the convertible bond offering.

The settlement date of the convertible bond is expected to occur on June 28, 2007.

The convertible bonds will be admitted to listing on the Euro-MTF market of the Luxembourg Stock Exchange starting from the settlement date.

IGD expects to use the proceeds of the issue to partially finance the new business plan 2008/2012, approved by the Board Directors on 7 May 2007, which contemplates investments for Euro 800 million, intended for the core business – the acquisition, development and leasing of property for retail use and the continuous improvement of their return profile - as well as the development of innovative retail real estate concepts other than the typical shopping centre and entry into selected foreign markets

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IGD - Immobiliare Grande Distribuzione – S.p.A. is one of the main players in the Italian retail real estate sector. At 31 December 2006, market values of its real estate assets equalled Eur 880.9 million. To date, the company's portfolio comprises 9 shopping malls, 13 hypermarkets and 2 plots for development. IGD S.p.A. offers retail operators a tool to manage and optimise the use of retail real estate assets and also manages party shopping malls for third parties.

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