CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS AL 30/09/2007

INDEX

PRELIMINARY INFORMATION

The Consolidated Quarterly Report of Gruppo Immobiliare Grande Distribuzione S.p.A. (IGD S.p.A. in brief) as at 30.09.2007, and of the comparable periods, was prepared according to the International Financial Reporting Standards (IFRS). The Consolidated Quarterly Report and the accompanying Notes consists of both the economic and balance sheet results of IGD S.p.a., Immobiliare Larice srl, Consorzio Forte di Brondolo and Millennium Gallery srl, of which full ownership was acquired by IGD on 28 February 2007; as to the company RGD srl, controlled with 50% of the share capital as of 30 March 2007, both the balance sheet and income situations were consolidated with the proportional method.
The IGD Group carries out property management and leasing activities with the objective of enhancing the value of its real estate portfolio through, on one hand, the acquisition, development and leasing of commercial buildings (Shopping Centres, Hypermarkets, Supermarkets and Malls) and, on the other hand, the maximisation of the yield of its real estate portfolio. Furthermore, the IGD Group supplies a wide range of agency and facility management services aimed to both freehold and leasehold properties.

CORPORATE BODIES

Board of Directors:

1. Gilberto Coffari – Chairman
2. Filippo Maria Carbonari – Chief Executive Officer
3. Sergio Costalli – Vice Chairman
4. Mauro Bini - Member
5. Aristide Canosani - Member
6. Leonardo Caporioni - Member
7. Fernando Pellegrini - Member
8. Fabio Carpanelli - Member
9. Massimo Franzoni - Member
10. Roberto Zamboni - Member
11. Francesco Gentili - Member
12. Stefano Pozzoli - Member
13. Sergio Santi - Member
14. Claudio Albertini - Member
15. Riccardo Sabadini – Member

Board of Statutory Auditors

1. Romano Conti - Chairman
2. Roberto Chiusoli – Auditor
3. Franco Gargani – Auditor

Internal Audit Committee:

1. Franzoni Massimo - Coordinator
2. Canosani Aristide
3. Caporioni Leonardo

Supervisory Board:

1. Carpanelli Fabio – Chairman
2. Santi Sergio
3. Gentile Francesco

Auditing Firm: The General Shareholders' Meeting dated 23 April 2007 extended from 2007 to 2012 the appointment of Reconta Ernst &Young S.p.A. as Auditors.

MANAGEMENT REVIEW

INVESTMENTS

During the Third Quarter 2007 the IGD Group continued its real estate development activity, in line with the announced business plan, signing important agreements for commercial centres to be developed as well as for already operating ones.

On July 13th 2007, Igd signed a purchase agreement for the acquisition of a Retail Park in Spilamberto (Modena) with the company Le Alte srl. The start of the works is planned in 2008, while the opening of the Retail Park is expected in 2010. The Retail Park will host three large surfaces, seven medium sized surfaces and a block services/restaurants of a total GLA of 28,800 sq.m. The preliminary contract also provides for the implementation of a service station in the same area. The total amount of the investment amounted to € 59.5 millions of which € 2.9 millions paid as confirmatory deposit while the remaining 90% will be paid on the basis of the work in progress during 2008 and 2009.

On 20 July 2007, IGD signed an agreement for the establishment of a NewCo with the objective of developing a Multi-function Centre in Livorno. The agreement provides that IGD owns 80% of the share capital of the new company, equal to € 40 millions, with the option to sell 20% to a financial partner, while the remaining 20% will be owned by Azimut Benetti, the luxury yachts operator. The NewCo will acquire the whole area called “Porta Mare” (“Sea Gate”) currently owned by STU Porta a Mare SpA; the development over 5 to 7 years consists of part reclaim, part demolition, part reconstruction for a total of 70,616 sq. m. with retail, services, residential and hosting facilities. The development and activation will take place through stages, based on the project schedule, with the already approved urbanisation works starting within the year. Once the centre is completed, IGD will acquire and manage the retail outlets, while the non-retail portions will be sold to dedicated operators and private individuals.
The overall transaction amount for the development of the NewCo will be approximately 200 millions euros, while the investment by IGD for the acquisition of the retail outlets will amount to € 80 millions.

On 3 August 2007, IGD signed a preliminary agreement for the purchase of a shopping mall in Peschiera Borromeo (Milan). The Shopping Centre, which opening is planned in early 2010, will host an ipercoop owned by Coop Lombardia and the mall will have a GLA of approximately 16,800 sq.m. The amount of the investment will total approximately € 80 millions.
The Commercial Centre will be built by a company whose shares, after the development stage, will be 15% owned by IGD with the objective of following and coordinating the development stage; at the execution of the contract € 1.5 millions were paid as confirmatory deposit.

On 6 August 2007 the IGD Group signed a set of preliminary agreements for the acquisition of 2 retail complexes already opened in Vigevano (Pavia) and Beinasco (Turin) from unrelated companies. In Beinasco, IGD will acquire approximately 80% of the shopping mall of the “Le Fornaci” shopping centre which has a total extension 6,820 sq.m. of GLA; furthermore the contract grants an option for the purchase of the Megashopping centre of 14,028 sq.m. GLA.
In Vigevano IGD will acquire the mall with a surface of 15,925 sq. m. of GLA in the “Il Ducale” shopping centre consisting of 70 shops and one ipercoop of Coop Lombardia.
The overall amount of the investments stands at € 80 millions; at the signing of the preliminary contracts € 24 millions were paid, with the balance due at the closing expected in February 2008.

On 8 August 2007, IGD acquired from an unrelated party a piece of land of 14,345 sq.m. for a consideration of 3,4 millions euros plus tax, next to the Porto Grande Shopping Centre in San Benedetto del Tronto, aimed at an extension plan for this centre.

FINANCIAL HIGHLIGHTS

The results of the Third Quarter 2007 confirm the positive performance of the previous financial years and the related achievement of the long term budget set by the Group, particularly in terms of profitability, size growth, and assets under management.

INCOME STATEMENT REVIEW

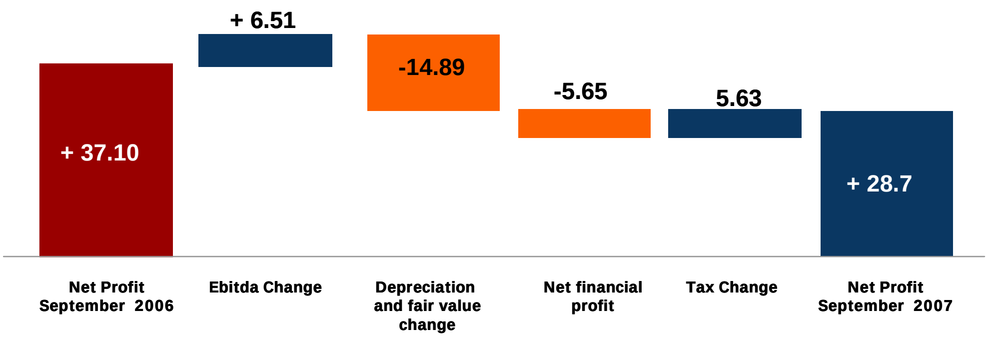
The financial results of the IGD Group for the first quarter of 2007, and for the period showed as comparison, have been prepared according to the IAS/IFRS principles, issued by IASB and ratified by the European Union, in compliance with art. 81 of the CONSOB Issuers' Rules, no. 11971 of 14 May 1999 and subsequent modifications.

We show below a summary of the results:

CONSOLIDATED INCOME STATEMENT

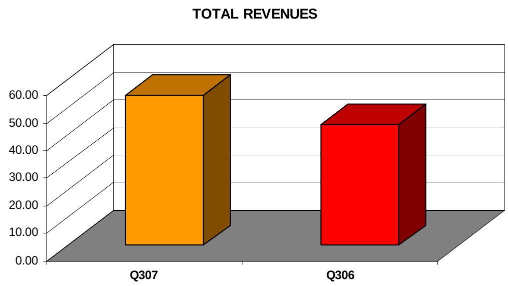
	Q307	Q306	Δ	Δ
Revenues from Freehold	40.20	31.82	8.39	26.37%
Revenues from Leasehold	9.60	9.79	-0.19	-1.91%
Revenues from Services	2.09	1.96	0.13	6.46%
Other Revenues	2.66	0.45	2.21	494.68%
TOTAL REVENUES	**54.55**	**44.01**	**10.54**	**23.95%**
Purchases of Material and External Services	14.72	27.40	-12.68	-46.28%
Staff Costs	2.76	1.94	0.82	42.27%
Other Operating Costs	2.50	2.04	0.46	22.55%
Changes in Inventory	-0.11	-15.54	15.43	-99.29%
EBITDA	**34.68**	**28.17**	**6.51**	**23.11%**
Depreciation and Amortisation	0.23	0.58	-0.35	-60.34%
Change in Fair Value	24.36	39.60	-15.24	-38.48%
EBIT	**58.81**	**67.19**	**-8.38**	**-12.47%**
Net financial result	**-10.45**	**-4.80**	**-5.65**	**117.71%**
Financial income	7.70	3.91	3.79	96.93%
Financial expenses	18.15	8.71	9.44	108.38%
EARNINGS BEFORE TAXES	**48.36**	**62.39**	**-14.03**	**-22.49%**
Income taxes for the period	19.66	25.29	-5.63	-22.26%
NET INCOME	**28.70**	**37.10**	**-8.40**	**-22.64%**

The total net income for the first nine months of the year shows a decrease mainly due to a change in Fair Value and to treasury management. The Third Quarter 2007, however, shows a net income result of Eur 4.66 millions, an increase with respect to the result of the Third Quarter 2006 by Eur 0.38 millions, due mainly to the increase in revenues.



In the nine months of 2007 revenues amounted to Eur 54.55 millions, up 23.94% if compared to the same period of the previous year:
The following items added to this result:

- ✓ The purchase of the Centro Sarca mall, contributing for the whole period in 2007, having been acquired in September 2006.
- ✓ The purchase of the Millennium Gallery mall



The margins of each strategic business units show a growth if compared to the first nine months of 2006, with the exception of the margin on the services activity, as the revenues in this business originate partly from facility management, which is recognised on an ongoing basis, and partly from the agency business, whereby revenues are recognised only on completion and opening of the commercial centre.

CONSOLIDATED INCOME STATEMENT

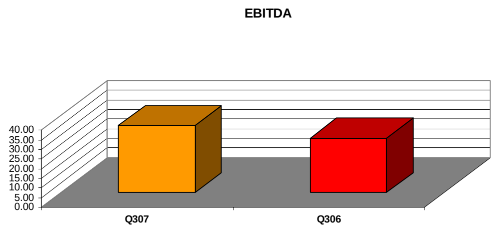
	Q307	Q306	Δ	Δ
Margin from Leasehold	37.32	29.76	7.56	25.42%
Margin from Freehold	0.71	0.60	0.12	19.52%
Margin from Services	0.86	1.10	-0.24	-21.81%
DIVISIONAL GROSS MARGIN	**38.89**	**31.45**	**7.44**	**23.66%**
Headquarters Staff Costs	-1.99	-1.21	-0.78	64.32%
General Expense	-2.23	-2.07	-0.16	7.84%
EBITDA	**34.68**	**28.17**	**6.51**	**23.09%**
Depreciation & Amortisation	0.23	0.58	-0.35	-60.34%
Change in Fair Value	24.36	39.60	-15.24	-38.48%
EBIT	**58.81**	**67.19**	**-8.38**	**-12.48%**
Net Result of Financial Operations	-10.45	-4.80	-5.65	117.71%
EARNINGS BEFORE TAXES	**48.36**	**62.39**	**-14.03**	**-22.50%**
Income Taxes for the Period	19.66	25.29	-5.63	-22.26%
NET INCOME	**28.70**	**37.10**	**-8.40**	**-22.65%**

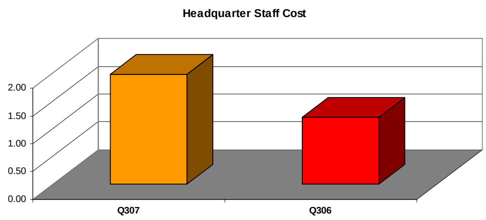
- ✓ **SBU 1 – Real Estate Leasing: Margin on Freehold Assets:** in the first nine months of 2007, this margin stood at € 37.32 millions as compared to a result of € 29.76 millions during the same period of the previous year, a 25.42% increase. The positive change of €7.56 millions is mainly due to the new acquisitions between the second half of 2006 and the first months of 2007.

- ✓ **SBU 1 - Real Estate Leasing: Margin on Leasehold Assets:** this margin recorded an increase of approximately € 121 thousand due to the sale of the Centro Leonardo shopping centre business unit, which in the previous year recorded a sharp negative margin, due to the closing of shops for the extension works at the shopping centre.

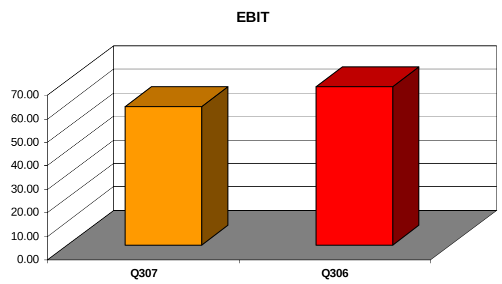
- ✓ **SBU 2 – Services Activity: Margin from Agency and Facility Management:** The margin amounted to approximately € 860,000 Despite the increase in revenues due to the acquisition of new management assignments, the margin decreased as the ongoing marketing activities (Agency), will only be recognised in revenue terms in the second part of the year.

- **Ebitda** amounted to € 34.68 millions, up 23.11% with respect to the same period of the previous year; in fact the increase in revenues was accompanied by an increase of operating costs, in line with the operational guidelines of the IGD Group, targeted to business development and the related implementation of its internal organisation. Due to the nature of its business and the type of real estate assets, for each new investment, the organisation structure starts to operate 18 – 24 months before the opening; therefore the Group organisation structure needs to be in line with the above time horizon. As a result, the cost item that showed the highest growth has been that of headquarter staff costs that, until September 2007 increased by 42.37%. General expense stood at approximately € 2.23 millions up 7.84% if compared to the previous year. It is worth noting however that the weight of these costs as a percentage of revenues decreased from 4.7% in 2006 to 4.09% this year. Good profitability is ensured; indeed Ebitda margin, net of re-invoicing, stood at approximately 66.8% vs. 64.7% in the previous year.

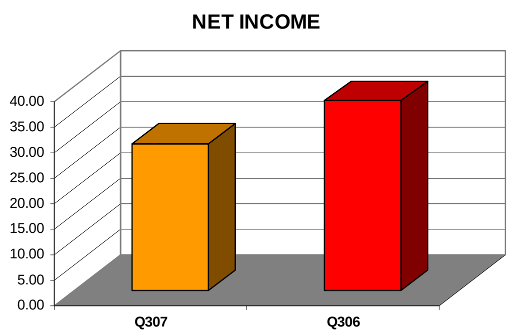


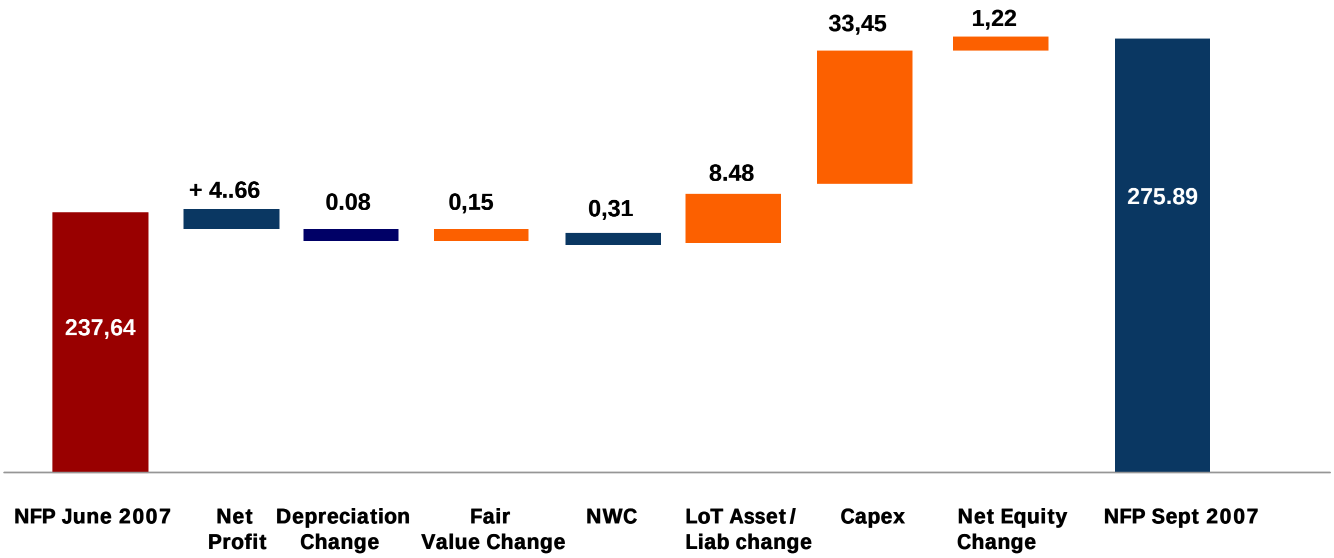


- Depreciation costs and changes in far value did not impact significantly on the results of the Third Quarter. However, due to the stabilisation of market yields, the change in Fair Value affected Ebit that totalled Eur 58.81 millions, down by Eur 8.38 millions, if compared to the previous year. It should be noted that Ebit from transactions increased by 24.86%.



- **Net income** totalled € 4.66 millions, up 8.88% if compared to the same quarter of the previous year. This result originates from an increase in EBITDA, partially reduced by the results of treasury management which showed increased costs both due to the trend of interest rates and for the subscription to of the Bond issued on 28 June, 2007. Net income (Eur 28.70 millions) declined by Eur 8.4 over the nine-month period, more mildly affected by the change in Fair Value and higher financial charges. The Net Financial Position at 30 September, 2007, showed a negative change due to the increased investments made in the Third Quarter.





BALANCE SHEET AND FINANCIAL REVIEW

The balance sheet and financial situation of the IGD Group as at 30 September, 2007, can be summarised as follows:

SOURCES - USES OF FUNDS

	30-Jun-07	30-Sep-07	Δ	%
Fixed Assets	1,040.2	1,073.7	33.5	3.22%
Net Working Capital	9.6	9.3	-0.3	-3.23%
Other L/T Assets and Liabilities	-89.6	-81.2	8.5	-9.46%
TOTAL USES	960.2	1,001.9	41.7	4.34%
Net Equity	722.5	726.0	3.4	0.48%
Net Financial Position	237.6	275.9	38.3	16.10%
TOTAL SOURCES	960.2	1,001.9	41.7	4.34%

The main changes in the Third Quarter are the following:

- ✓ **Fixed Assets** went from € 1.040,2 millions to € 1.073,7 millions in September 2007; the € 33.5 millions change is mainly due to Work in Progress:
  The increase is due to the payment of the confirmatory deposits related to the contracts detailed under the Investments item and to advance payments on work in progress in Catania and on the purchase of land.
- ✓ **Other long term assets and liabilities**: the change of € 8.5 millions is mainly due to the confirmatory advance deposits made for the purchase of the investments detailed in the Management Review.
- ✓ **Net Equity** at 30 September 2007 stood at € 726 millions due to the income for the period effect.
- ✓ **Net financial position:** during the Third Quarter 2007 it showed a negative change € 38.3 millions, due to the development activity in this quarter. The target leverage ratio of 60% debt and 40% equity, corresponds to a gearing ratio of 1.5x. Currently, the Group gearing ratio stands at 0.38x.

SEGMENT INFORMATION

Both activities are growing, with services, characterised by high margins, standing at nearly 4% of revenues, net of re-invoicing.

BALANCE SHEET	LEASING 30-Sep-07	LEASING 30-Jun-07	SERVICES 30-Sep-07	SERVICES 30-Jun-07	TOTAL 30-Sep-07	TOTAL 30-Jun-07
REAL ESTATE PORTFOLIO	878.6	878.6	-	-	878.6	878.6
INVESTMENTS	168.5	135.0	-	-	168.5	135.0
NET WORKING CAPITAL	3.2	11.1	0.5	0.8	3.7	11.8
OTHER L/T LIABILITIES	- 100.0	- 97.2	- 0.2	- 0.2	- 100.2	- 97.4
OTHER ASSETS (UNDIVIDED)					51.2	32.1
TOTAL ASSETS	**950.4**	**927.5**	**0.3**	**0.6**	**1,001.9**	**960.2**
NET FINANCIAL POSITION	228.0	208.6	- 3.3	- 3.0	224.7	205.6
NET EQUITY	722.3	718.9	3.6	3.6	726.0	722.5
OTHER LIABILITIES (UNDIVIDED)					51.2	32.1
TOTAL LIABILITIES & EQUITY	**950.4**	**927.5**	**0.3**	**0.6**	**1,001.9**	**960.2**

INCOME STATEMENT	LEASING 30-Sep-07	LEASING 30-Sep-06	SERVICES 30-Sep-07	SERVICES 30-Sep-06	TOTAL 30-Sep-07	TOTAL 30-Sep-06
NET SALES	**49.81**	**42.05**	**2.09**	**1.96**	**51.89**	**44.01**
DIRECT COSTS	11.77	11.23	1.23	0.86	13.00	12.08
DIVISIONAL GROSS MARGIN	**38.03**	**30.83**	**0.86**	**1.10**	**38.89**	**31.93**
OTHER COSTS (UNDIVIDED)					4.22	3.75
EBITDA	**38.03**	**30.83**	**0.86**	**1.10**	**34.68**	**28.17**
REVALUATION, DEPR. & AMORT:	22.11	39.02	2.03		24.13	39.02
EBIT	**60.14**	**69.84**	**2.89**	**1.10**	**58.81**	**67.19**
RESULT OF FINANCIAL OP.					**- 10.45**	**- 4.80**
TAXES					**- 19.66**	**- 25.29**
NET INCOME					**28.70**	**37.10**

SUBSEQUENT EVENTS

On 6 November, a contract, with an unrelated party, for the acquisition of 100% of the company M.V. srl, which owns the Shopping Mall and the Retail Park of the “Shopping Village Mondovicino” retail park, located in Mondovì, in the province of Cuneo was signed.

The Shopping Village, whose opening of the Shopping Centre and Retail Park took place on 7 November, is an innovative project developed on a total area 390,000 sq.m. to combine shopping with leisure, culture and entertainment.

Beside the Igd Shopping Mall and Retail Park, the retail park includes also a Coop Liguria Hypermarket and a Factory Outlet that will open in early 2008.

The Igd estate consists of 60 shops in different commercial categories: apparel, shoes & accessories, house & furnishings, beauty, electronics and several services.

The Retail Park, located between the Shopping Center and the Factory Outlet, hosts large commercial surfaces, enrolling prestigious brands in the electronics, sport equipment & apparel and DIY sectors.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

	30-Sep-07 (a)	30-Jun-07 (b)	31-Dec-06	Changes (a-b)
NON CURRENT ASSETS				
Intangible Assets:				
- Intangible Assets with a finite life	0.01	0.01	0.01	0.00
- Goodwill	26.56	26.56	21.64	0.00
	26.57	26.57	21.65	0.00
Tangible Assets				
- Real Estate Assets	878.02	878.03	801.36	-0.01
- Plant and Machinery	0.31	0.30	0.35	0.01
- Equipment	0.13	0.14	0.15	-0.01
- Leasehold Improvements	0.15	0.18	0.23	-0.03
- Assets under Construction	168.54	134.98	145.60	33.56
	1,047.15	1,013.63	947.69	33.52
Other Non Current Assets				
- Prepaid Taxes	4.77	3.50	2.53	1.27
- Miscellaneous Receivables and Other Non Current Assets	14.26	4.23	10.59	10.03
- Non Current Financial Receivables	5.06	6.24	3.44	-1.18
	24.09	13.97	16.56	10.12
TOTAL NON CURRENT ASSETS (A)	**1,097.81**	**1,054.17**	**985.90**	**43.64**
CURRENT ASSETS				
Trade and Other Receivables	11.67	10.09	10.31	1.58
Other Current Assets	10.57	12.92	16.89	-2.35
Financial Receivables and Other Current Financial Assets	40.41	40.29	0.01	0.12
Cash and Other Cash Equivalents	214.21	264.91	20.49	-50.70
TOTAL CURRENT ASSETS (B)	**276.86**	**328.21**	**47.70**	**-51.35**
TOTAL ASSETS (C=A+B)	**1,374.67**	**1,382.38**	**1,033.60**	**-7.71**
NET EQUITY				
Parent Company Interest	725.96	722.52	580.33	3.44
Minority Interest	0.01	0.01	0.01	0.00
TOTAL NET EQUITY (D)	**725.97**	**722.53**	**580.34**	**3.44**
NON CURRENT LIABILITIES				
Non Current Financial Liabilities	462.73	468.16	179.06	-5.43
Severance Indemnity Fund	0.36	0.34	0.29	0.02
Deferred Tax Liabilities	87.39	84.71	61.54	2.68
Provision for Risks and Deferred Charges	0.56	0.44	0.50	0.12
Miscellaneous Payables and Other Non Current Liabilities	11.88	11.88	11.80	0.00
TOTAL NON CURRENT LIABILITIES (E)	**562.92**	**565.53**	**253.19**	**-2.61**
CURRENT LIABILITIES				
Current Financial Liabilities	72.84	80.92	182.93	-8.08
Trade and Other Payables	5.27	9.67	14.68	-4.40
Current Tax Liabilities	5.01	2.22	1.10	2.79
Other Current Liabilities	2.66	1.51	1.36	1.15
TOTAL CURRENT LIABILITIES (F)	**85.78**	**94.32**	**200.07**	**-8.54**
TOTAL LIABILITIES (G=E+F)	**648.70**	**659.85**	**453.26**	**-11.15**
TOTAL NET EQUITY AND LIABILITIES (H=D+G)	**1,374.67**	**1,382.38**	**1,033.60**	**-7.71**

CONSOLIDATED INCOME STATEMENT

	30-Sep-07 (a)	30-Sep-06 (b)	Changes (a-b)	Third Quarter 2007	2006	changes
Sales	49.53	41.63	7.90	16.67	14.42	2.25
Other Revenues	5.02	2.38	2.64	1.65	0.84	0.81
Total Sales and Other Revenues	**54.55**	**44.01**	**10.54**	**18.32**	**15.26**	**3.06**
Purchases of Materials and External Services	14.72	27.40	-12.68	4.89	7.49	-2.60
Personnel Costs	2.76	1.94	0.82	0.84	0.59	0.25
Other Operating Costs	2.50	2.04	0.46	0.88	0.56	0.32
Change in Inventory	-0.11	-15.54	15.43	-0.03	-3.25	3.22
EARNINGS BEFORE DEPRECIATION, AMORTISATION GAIN/LOSSES AND REVERSAL/WRITE-DOWNS OF NON CURRENT ASSETS	**34.68**	**28.17**	**6.51**	**11.74**	**9.87**	**1.87**
Depreciation & Amortisation	0.23	0.58	-0.35	0.08	0.08	0.00
Change in Fair Value of the Real Estate Assets	24.36	39.60	-15.24	-0.15	-0.33	0.18
OPERATING RESULT (EBIT)	**58.81**	**67.19**	**-8.38**	**11.51**	**9.46**	**2.05**
Financial Income	7.70	3.91	3.79	4.30	1.28	3.02
Financial Expense	18.15	8.71	9.44	7.92	3.54	4.38
PRE-TAX EARNINGS (EBT)	**48.36**	**62.39**	**-14.03**	**7.89**	**7.20**	**0.69**
Income Taxes for the period	19.66	25.29	-5.63	3.23	2.92	0.31
NET INCOME	**28.70**	**37.10**	**-8.40**	**4.66**	**4.28**	**0.38**

NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS

Drafting Criteria and Consolidation Area

Premises

The consolidated quarterly report and the consolidated financial statements of Gruppo Immobiliare Grande Distribuzione as at 30 September 2007, which are unaudited, have been prepared according to the valuation and measurement criteria set by IFRS and adopted by the EU Commissions, according to the procedure set out in Art. 6 of EC Regulation n° 1606/2002 of the European Parliament and the Council of 19 July 2002 related to the application of international accounting standards, and in compliance with the provisions of Art. 82 of “Regulations as to the application of Law Decree 24 February 1998, n° 58 on the subject of Issuers”, of Consob Resolution n° 11971 of 14 May 1999 and subsequent modifications/additions.
We note in particular that the Quarterly Report as at 30 September 2007 is presented on the basis of the criteria set out in Exhibit 3D of said “Regulations”.
The publication of the Quarterly Report as at 30 September was authorised with a resolution of the competent governance body on 14 November, 2007.

Preparation Criteria

The consolidated quarterly financial statements were drafted on the basis of the financial situation at 30 September 2007 prepared by the companies included in the consolidation area and adjusted, if necessary, with the objective of aligning them with the accounting principles and the classification criteria of the Group, compliant with IFRS.

The criteria of consolidation, the accounting principles, the criteria and principles for estimates and valuations are homogeneous with the ones adopted for the preparation of the consolidated financial statements at 31 December 2006, which we refer to, with the exclusion of the criteria for the recognition of the leasing contract originating from the acquisition of the subsidiary Millennium Gallery made in the First Quarter of 2007, and described below:

Leasing

Assets owned pursuant to financial lease contracts, characterised by the transfer to the Company of all the risks and benefits deriving from the ownership of the leased assets, are recognised among fixed

assets as of the start date of the leasing contract at the fair value of the leased asset or, if lower, at the net present value of the minimum lease payments, including the price of the final purchase option.
The related liability is recognised among financial debts. The leasing instalments are reclassified between capital portion and interest portions to obtain the application of a constant interest rate on the residual balance (capital portion). The interest expense is recognised to the income statement.
The capitalised leased assets, related to an asset recognised as real estate assets, are accounted at the fair value, as in the case of all the other freehold real estate assets.

We outline that the valuation and measurement of accounting items are based on the current International Accounting Standards and the relevant interpretations; therefore, these data could be subject to revisions to reflect changes that could take place until 31 December 2007 for the effect of future implementation by the European Commission of new standards, new interpretations, or of guidelines originated by the InternationalFinancial Reporting Interpretation Committee (IFRIC).
The consolidated financial statements, tables and notes are presented in million euros, unless specified otherwise.
In compliance with CONSOB provisions, the Income Statement figures are supplied for the quarter under review and for the period going from the start of the financial year to the end of the quarter (cumulated); they are compared with the figures for the same period in the previous financial year. The Balance Sheet data, as at the closing date of the quarter, are compared with the figures as of the closing date of the previous quarter and of the last financial year. Consequently, the notes to items in the Income Statement are made comparing with the same period of the previous year (30 September, 2006), while for the balance sheet items, reference is made to the previous quarter (30 June, 2007).
Estimated data have not been employed to a significantly different extent than for the preparation of the full year accounts.

Finally, we note that, in this situation, we accounted for current taxes, deferred and/or prepaid, with the average taxation method, based on the previous semester data.

Consolidation Area
We remark that no changes occured to the consolidation area with respect to the situation at 30/06/2007.

Finally we outline that the consolidated figures at 30/09/2007 include the financial statements of the parent company Immobiliare Grande Distribuzione S.p.A., and the income and balance sheet situations of Immobiliare Larice s.r.l., controlled with 100%, of Consorzio Forte di Brondolo, controlled with 86.08%, and of Millennium Gallery srl, owned with 100% and RGD srl, owned with 50%.

Notes to the Main Items of the Consolidated Balance Sheet

NON CURRENT ASSETS
The change in Non Current Assets between 30 June 2007 and 30 September is primarily due to:

- An increase in the item “Work in Progress” due to the effect of the confirmatory deposit payments for the contracts detailed under the Investments item, in addition to advance payments on work in progress in Catania and on the purchase of land
- small changes in the items “Plants & Machinery”, “Equipment” and “Leasehold Improvements” refer to the regular depreciation rate for the period
- an increase in the item “Other Receivables and Non Current Assets” due to the payment of confirmatory deposits for the acquisition of shareholdings
- the decrease in the item “Non Current Financial Assets” refers to the mark-to-market of the outstanding IRS contracts at the end of the quarter.

CURRENT ASSETS
The increase in “Trade Receivables” is due to the normal operating activity, while the change in “Other Current Assets” refers to the decrease of the item Advances reported in the situation at 30 June 2007.

Furthermore, we outline that the decrease in the item “Cash and Other Liquid Assets” is due to disbursements related to the development activity.

NET EQUITY
The change in Net Shareholders’ Equity is mainly due to net Group income for the period and the change in Reserves due to IAS accounting.

NON CURRENT LIABILITIES
The net change in Non Current Liabilities is mainly due to changes in the items “Non Current Financial Liabilities” and “Deferred Tax Liabilities”, where the income provision for the tax effect at 30 September 2007 is recognised.

CURRENT LIABILITIES
The most relevant changes in Current Liabilities are due to an increase of “Current Financial Liabilities” due to the termination of the Hot Money financing contracts.

The decrease of “Trade Payables” is also the result of normal operating activity.

The decrease of “Current Tax Liabilities” is due to tax effect for the period.

Notes to the main items of the Consolidated Income Statement

NET SALES AND OTHER OPERATING REVENUES
Net Consolidated Sales and Other Revenues at 30 September 2007 amounted to Eur 54.55 millions, recording a Eur 10.54 increase if compared to the same period of the previous financial year. The positive balance is due to:

- ✓ Organic growth of rents
- ✓ Change in the Consolidation Area

PURCHASE OF MATERIALS AND EXTERNAL SERVICES
This item mainly includes rent expense related to real estate assets managed by the Group. The increase, compared to 30 September 2006, is mainly due to changes in the area of consolidation.

STAFF COSTS
Staff Costs rose, compared to the same period in 2006 due to an increase of the number of employees, in line with the growth of the Group and its planned organisation structure.

OTHER OPERATING COSTS
No significant changes are noted.

FINANCIAL INCOME AND EXPENSE

The result of financial operations showed a negative balance of Eur 10.45 millions, recording an increase with respect to the same period of 2006, mainly due to the changes in interest rates and to interest charges on the bond issue which totalled Eur 3.004 millions in the quarter.

We note that interest expense corresponding to the 2.5% interest rate amount to Eur 1.465 millions, while actual interest expense at a 6.021% rate have been calculated in compliance with what provided by IFRS, taking into account the value of the convertibility option and the upfront issuing costs. In practice, this rate measures, for accounting purposes, the theoretical cost incurred for the period, if the company had issued a similar instrument, but without the convertibility option, whose value was instead recognised as an increase of Net Equity at the time of issuance.

Statement of the Officer in Charge of the preparation of the Corporate Financial Reports pursuant to Art. 154-bis, paragraph 2, of Law Decree n. 58/1998

The Officer in Charge of the preparation of the corporate financial reports, Grazia Margherita Piolanti, declares pursuant to the Second Paragraph of Article 154 bis of "Testo Unico della Finanza" (the Italian Financial Intermediation Act), that the accounting information relating to the Consolidated Quarterly Report as at 30 September 2007 of IGD S.p.A.. corresponds to documented evidence, financial reports and accounting notes.

Grazia Margherita Piolanti