

PRESS RELEASE

**JANUARY 7, 2008: IGD'S BOARD OF DIRECTORS APPROVES A PLAN TO BUY BACK UP TO 6.5% OF COMPANY SHARES UNDER TODAY'S EXTRAORDINARY GENERAL MEETING RESOLUTION TO PURCHASE AND DISPOSE OF TREASURY SHARES**

At today's Extraordinary General Meeting ("EGM"), IGD's shareholders approved a resolution authorizing the Board of Directors of the Company to purchase and dispose of IGD's treasury shares. Following the EGM, IGD's Board of Directors, chaired by Gilberto Coffari, has then met and approved a **Share Repurchase Plan** for a maximum of 20,101,200 ordinary Shares, or 6.5% of IGD's share capital, over Italy's Regulated Market for a maximum total consideration of €56 million.

Further details about the Share Repurchase Plan, the purpose of which is to invest available liquidity, are provided below.

**1. Share Repurchase Plan approved by the BoD.**

The Board of Directors set the following terms for the Repurchase Plan:

- The Repurchase Plan will commence on January 8, 2008 and conclude if either 6.5% of share capital (20,101,200 shares) or a total expenditure of €56 million are reached, and, in any event, no later than the date of June 30, 2008 (equivalent to up to 112 IGD's trading days).
- The maximum price at which IGD's shares may be repurchased may not exceed the lower of the following prices:
  - (a) the average official price of the previous nine month of market trading as of today , equal to €3.05 per share
  - (b) the stock's Official Closing Price ("Prezzo Ufficiale" as defined by the Italian Stock Exchange) recorded during the market session prior to each individual purchase transaction, plus 20%.
- The maximum number of shares of IGD's common stock that may be purchased on a daily basis may not exceed 25% of total daily trading volume and, in any event, cannot exceed 300,000 shares.

The shares that may be purchased under the Repurchase Plan:

- may not be set aside for current or future Stock Option Plans;
- may not be disposed of until the date of approval of the half-yearly financial statements as of

June 30, 2008.

As part of the Share Repurchase Plan, IGD will provide a periodic statement to the market and the competent authorities concerning the following: the number of shares purchased, the average price, the aggregate number of shares purchased as of the date of the statement, and the total amount invested as of the date of the statement.

IGD has engaged JPMorgan to carry out the aforementioned Repurchase Plan in accordance with the established parameters.

**The authorization to purchase and dispose of treasury shares issued by the Shareholders' Meeting**

The IGD Shareholders' Meeting held on today's date authorized the Board of Directors to purchase a maximum number of 30,924,926 shares of the Company's own common stock, having a nominal value of €1.00 per share, or 10% of current share capital, i.e. up to the legal limit, including by means of options or financial instruments such as derivatives of IGD stock, in one or more tranches, for 18 months from the date of the resolution passed by the Shareholders' Meeting. The amount stated above was covered by the available reserves as disclosed on the last regularly approved financial statements.

The authorization to purchase and dispose of own shares is intended to pursue goals in the Company's interest as allowed under applicable legislation, including the following: (i) undertaking trading, hedging and arbitrage; (ii) undertaking the investment of liquidity; (iii) permitting the usage of own shares in transactions related to current operations and business projects in accordance with the strategic guidelines pursued by the Company, in relation to which opportunities arise to exchange, swap, contribute or otherwise dispose of said shares.

Purchases must be undertaken under the conditions set out in article 144-*bis* a), b), c) and d) of Consob Regulation 11971/99 at a price within a range of 20% above and below the stock's trading price during the market session prior to each individual transaction.

The Shareholders' Meeting also authorized the purchase and disposal of own shares pursuant to article 2357-*ter* of the Civil Code, which allows the Board of Directors to dispose of shares purchased using the following alternative methods in accordance with currently applicable provisions of laws and regulations and regulations issued by Borsa Italiana and the European Union: (i) cash transactions; in this case, sales are to be undertaken on the market on which the stock is listed and/or off the market for a price of no less than 90% of the stock's trading price during the market session prior to each individual transaction; (ii) by means of exchanges, swaps, contributions or other disposal transactions as part of business projects or extraordinary financing transactions. In the latter case, the economic terms of the disposal transaction, including the valuation of the shares being exchanged, shall be determined with the aid of independent experts in



relation to the nature and characteristics of the transaction, including the market performance of IGD stock.

The authorization to purchase and dispose of own shares was granted by the Shareholders' Meeting for a period of no more than 18 months from today's date.

As of today's date, the Company's share capital comes to €309,249,261.00, divided into 309,249,261 shares of common stock with a nominal value of €1.00 each. The Company does not hold any treasury shares, nor do IGD's subsidiaries hold any shares in their parent company.

**IGD - Immobiliare Grande Distribuzione – S.p.A.** is one of the main players in the Italian retail real estate sector. At 30 June 2007, market values for its real estate assets equalled €874.6 million, and comprised 10 shopping malls, 13 hypermarkets, one Retail Park, and 2 plots for development. Moreover, the Group owns two shopping centres in the Rgd joint venture. 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.

Villanova di Castenaso, January 7, 2008

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