

PRESS RELEASE

The IGD Group: The Board of Directors approves the consolidated results at March 31st, 2008

- **Total revenues and operating income: €21.02 million (+14.62% vs. 2007)**
- **EBITDA: €12.26 million (+2.57% vs. 2007)**
- **EBIT: €2.18 million (+2.88% vs. 2007)**
- **Pre- tax profit: 7.74 million (-7.86% vs. 2007)**
- **Net debt: €386.83 million (+13.2% vs December 31st, 2007).**

The Board of Directors of IGD S.p.A., a company active in the retail real estate sector and listed on the STAR segment of the Italian Stock Exchange, met today to examine the results for first quarter 2008 which confirm a performance in line with the 2008 targets for investment portfolio and profitability.

First quarter 2008 closed with total revenues and operating income of €21.02 million (mn), an increase of 14.62% when compared to the €18.34 mn reported in the same period 2007. This increase is primarily attributable to the contribution made by the Mondovicino mall, acquired in November 2007, and by the Millenium Gallery, which in first quarter 2007 had only contributed for one month; revenues from services also had a positive impact as their contribution grew from €0.62 mn in first quarter 2007 to €1.56 mn in the quarter that just ended thanks to new agency and facility management mandates.

EBITDA rose 2.57% over the €11.96 mn reported in first quarter 2007 to €12.26 mn..

EBIT reached €2.18 mn, an increase of 2.88% when compared to first quarter 2007.

Pre-tax profit fell 7.86% from the €8.4 mn reported in the first quarter of the prior year to €7.74 mn, due primarily to an increase in net financial charges which totaled €4.44 mn, compared to €3.43 mn in first quarter 2007. The increase in net financial charges reflects the increased debt connected to the convertible bond of €230 mn issued on June 28th, 2007 and a mortgage loan of €100 mn pertaining to the subsidiary Immobiliare Larice.

The increase in interest rates had just a marginal effect as the debt is primarily long term and is covered by IRS (Interest Rate Swaps); the cost of the convertible bond debt, recognized at 6.03% in accordance with IAS, moreover has a coupon of 2.5%.

Net debt, which totaled € 341.62 mn at December 31st, 2007, amounted to €386.83 mn at March 31st, 2008.

Net equity at March 31st amounted to €736.08 mn due the income realized in the period and the purchase of treasury shares. At the end of the quarter IGD had purchased a total of 9,677,456 ordinary shares or 3.129% of the share capital ,for a total of €19,665,662 in addition to the accessory charges.

IGD's CEO Filippo Carbonari commented: "The operating margins in this period continue to be very satisfying and in line with expectations though for a more complete picture of IGD's operating results it is more meaningful to look at the yearly vis -a-vis the quarterly figures. IGD, in fact, usually begins operations 18 to 24 months prior to the opening of new commercial centres meaning that operating costs are recognized before the revenues can be generated during a time of rapid growth for our investment portfolios. We believe that, for this reason, our operating results present a snapshot of very healthy growth."

"In terms of financial management – continued Filippo Carbonari – we continue to have a stable balance which will allow us to sustain the future investments we have planned with a gearing of 0.53 compared to the 1.5 target indicated in the 2008-2012 Business Plan."

IGD's Board of Directors also approved the merger by incorporation of the wholly owned company M.V.srl, related to the last centre opened in Mondovì, in IGD SIIQ S.p.A. This merger will make it possible to optimize the use of capital and resources and is in line with the Group's general reorganization strategy designed to obtain a slimmer and more efficient corporate structure.

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Grazia Margherita Piolanti, IGD S.p.A.'s Financial Reporting Officer, declares, pursuant to para. 2, article 154-bis of the Uniform Finance Act 8/1998, that the accounting information relating to the financial statements at March 31st, 2008, as reported in this press release, corresponds to the underlying documentary records, books of account and accounting entries.

Please note that in addition to the standard financial indicators provided for as per the IFRS, alternative performance indicators are also provided (for example, EBITDA) in order to allow for a better evaluation of the operating performance. These indicators are calculated in accordance with standard market procedures.

Please find attached the IGD Group's reclassified consolidated balance sheet and income statement at March 31st, 2008. These reclassified tables, included in the report on operations, are not subject to audit by independent auditors.

Igd - Immobiliare Grande Distribuzione – S.p.A., one of the primary players in the Italian retail real estate market, has a real estate portfolio with a market value at December 31st, 2007 equal to €1,007.80 million which consists of 10 shopping malls, 14 hypermarkets and 3 properties to be developed. The Group also owns two commercial centres through the JV, RGD. IGD offers other retail operators instruments and services for the management and optimization of their real estate assets and also manages third party shopping malls.

Bologna, May 14th, 2008



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CONSOLIDATED BALANCE SHEET	31-Mar-08	31-Dec-07	Change
Amounts in millions of euro	(a)	(b)	(a-b)
NON CURRENT ASSETS:			
Intangible assets			
- Intangible assets with a finite useful life	0,13	0,01	0,12
- Goodwill	26,67	26,67	0,00
	<u>26,80</u>	<u>26,68</u>	<u>0,12</u>
Plant, property and equipment			
- Real estate assets	947,81	947,81	0,00
- Plants and machinery	0,34	0,33	0,01
- Equipment	0,47	0,45	0,02
- Leasehold improvements	0,87	0,12	0,75
- Works in progress	167,56	168,15	(0,59)
	<u>1.117,05</u>	<u>1.116,86</u>	<u>0,19</u>
Other non current assets			
- Prepaid taxes	2,88	2,88	0,00
- Miscellaneous receivables and other non current assets	18,02	18,02	0,00
- Non current financial assets	4,54	5,65	(1,11)
	<u>25,44</u>	<u>26,55</u>	<u>(1,11)</u>
TOTAL NON CURRENT ASSETS (A)	1.169,29	1.170,09	(0,80)
CURRENT ASSETS:			
Works in progress	68,54	0,00	68,54
Trade and other receivables	9,81	9,64	0,17
Other current assets	30,08	19,48	10,60
Financial receivables and other current financial assets	0,11	40,52	(40,41)
Cash and cash equivalents	117,31	123,07	(5,76)
TOTAL CURRENT ASSETS (B)	225,85	192,71	33,14
TOTAL ASSETS (A + B)	1.395,13	1.362,79	32,34
NET EQUITY:			
Portion pertaining to the Parent Company	727,93	741,01	(13,08)
Portion pertaining to minorities	8,15	0,16	7,99
TOTAL NET EQUITY (C)	736,08	741,17	(5,09)
NON CURRENT LIABILITIES:			
Non current financial liabilities	476,93	478,10	(1,17)
Employee severance indemnity fund (TFR)	0,36	0,36	0,00
Deferred tax liabilities	90,04	90,45	(0,41)
Provisions for risks and future charges	0,81	0,64	0,17
Misc. payables and other non current liabilities	19,01	11,74	7,27
TOTAL NON CURRENT LIABILITIES (D)	587,15	581,29	5,86
CURRENT LIABILITIES:			
Current financial liabilities	31,86	32,77	(0,91)
Trade and other payables	35,86	4,47	31,39
Current tax liabilities	1,28	0,94	0,34
Other current liabilities	2,90	2,16	0,74
TOTAL CURRENT LIABILITIES (E)	71,90	40,34	31,56
TOTAL LIABILITIES (F=D + E)	659,06	621,62	37,44
TOTAL NET EQUITY AND LIABILITIES (C + F)	1.395,13	1.362,79	32,34

CONSOLIDATED INCOME STATEMENT			
Amounts in millions of euro	31-Mar-08	31-Mar-07	Change
	(a)	(b)	(a-b)
Revenues	17,66	16,80	0,86
Other income	3,36	1,54	1,82
Total revenues and operating income	21,02	18,34	2,68
Change in inventories for assets under construction	68,28		68,28
Costs of assets under construction	(68,28)		(68,28)
Result pertaining to assets under construction	0,00	0,00	0,00
Purchase of materials and services	6,44	4,86	1,58
Cost of labor	1,30	0,68	0,62
Other operating costs	1,02	0,84	0,18
Change in inventories	0,00	0,00	0,00
Total operating costs	8,76	6,38	2,38
EBITDA	12,26	11,96	0,30
Amortization and depreciation	0,03	0,08	(0,05)
Change in fair value - increases / (decreases)	(0,06)	(0,04)	(0,02)
EBIT	12,18	11,84	0,34
<i>Financial income</i>	1,99	0,02	1,97
<i>Financial charges</i>	6,42	3,45	2,97
Net financial income/(charges)	(4,44)	(3,43)	(1,01)
PROFIT BEFORE TAX	7,74	8,40	(0,66)