

PRESS RELEASE

In order to optimise the returns forecast in the investment plan, IGD SIIQ SpA cancels the preliminary purchase contract for the Spilamberto retail park, near Modena.

IGD SIIQ S.p.A., a company active in the retail real estate sector and listed on the STAR segment of the Italian Stock Exchange, cancelled the preliminary purchase contract signed on with Le Alte srl for the purchase of the Spilamberto retail park, located near Modena. The fact that it would not have been possible to complete the project as per the original agreement would have resulted in a less than attractive return on investment when compared to the cost of financing.

Following cancellation of the contract, IGD SIIQ was reimbursed the entire deposit made equal to €2,900,000.

IGD's CEO Filippo Carbonari commented: "Our strategy is based on "dynamic" portfolio management. On the one hand we seek to extract maximum value from the properties we already have in our portfolio and, on the other hand, to generate initial returns on investments which are remunerative even in the current market scenario. This involves the renegotiation of preliminary contracts signed by us which today we feel need to be realigned to reflect changes in the cost of funding. This is the only way we will be able to maintain the targets outlined in our 2012 business plan."

"In the case of Spilamberto – Carbonari continued – we preferred to abandon the project entirely once it became clear that the profitability levels would no longer be adequate. We can make certain choices – the CEO stressed again – because we have already made more than half of the investments provided for in our 2012 business plan and because we have good visibility of interesting alternative opportunities ."

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 €1,259.01 million which at June 30th, 2008 consists of 10 shopping malls, 14 hypermarkets, 3 properties to be developed in Italy, 15 shopping malls and an office building in Romania, as well as three commercial centres through the JV, RGD. IGD offers other retail operators instruments and services for the management and optimisation of their real estate assets and also manages third party shopping malls.

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