

## PRESS RELEASE

### IGD SIIQ SPA: THE BOARD OF DIRECTORS APPROVES THE HALF-YEAR FINANCIAL REPORT AT 30 JUNE 2011

The consolidated results in the first half of 2011 show further growth (vs. the first half of 2010):

- Total operating revenue: €61.7 million (an increase of 9.9% with respect to the €56.2 million recorded at 30 June 2010)
- Revenue from core business<sup>1</sup>: €60 million (an increase of 6.8% with respect to the €56.2 million reported at 30 June 2010)
- Core business EBITDA: €43.6 million (an increase of 9.1% with respect to the €40 million reported at 30 June 2010)
- Core business EBITDA MARGIN: 72.7% (a rise of 1.5 percentage points when compared to the 71.2% recorded at 30 June 2010)
- EBIT: €56.2 million (an increase of 73.8% with respect to the €32.3 million recorded at 30 June 2010)
- The Group's portion of net profit for the period amounts to €30.2 million (an increase of 115.2% with respect to the €14 million posted at 30 June 2010)
- Funds From Operations (FFO): €22.8 million (+3.7% with respect to 30 June 2010)
- Net financial debt: €1.073 billion (versus €1.017 billion at 31 December 2010)
- Market Value: €1,893.66 million (versus €1,803.98 million at 31 December 2010)

Bologna, 25 August 2011. Today, in a meeting chaired by Gilberto Coffari, the Board of Directors of **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** ("IGD" or the "Company"), a company active in the retail real estate sector and listed on the Star segment of the Italian Stock Exchange examined and approved the Half-Year Financial Report at 30 June 2011 which shows consolidated net profit of €30.2 million (+115.2% with respect to 30 June 2010).

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<sup>1</sup> Please note that the Company, in order to highlight its core business, separated it from the "Porta a Mare" operation in Livorno which generated its first revenue in first quarter 2011 thanks to the sale of several office units.

## Operating income statement at 30 June 2011

|                                       | CONSOLIDATED |                 |                 | CORE BUSINESS |               |               | "PORTA A MARE" PROJECT |             |              |             |
|---------------------------------------|--------------|-----------------|-----------------|---------------|---------------|---------------|------------------------|-------------|--------------|-------------|
|                                       | €/'000       | 1H 2010         | 1H 2011         | %             | 1H 2010       | 1H 2011       | %                      | 1H 2010     | 1H 2011      | %           |
| Revenues from freehold properties     |              | 49,782          | 53,158          | 6.8%          | 49,782        | 53,158        | 6.8%                   | 0           | 0            | n.a.        |
| Revenues from leasehold properties    |              | 4,094           | 4,238           | 3.5%          | 4,094         | 4,238         | 3.5%                   | 0           | 0            | n.a.        |
| Revenues from services                |              | 2,296           | 2,588           | 12.7%         | 2,296         | 2,588         | 12.7%                  | 0           | 0            | n.a.        |
| Revenues from trading                 |              | 0               | 1,726           | n.a.          | 0             | 0             | n.a.                   | 0           | 1,726        | n.a.        |
| <b>Revenues</b>                       |              | <b>56,172</b>   | <b>61,710</b>   | <b>9.9%</b>   | <b>56,172</b> | <b>59,984</b> | <b>6.8%</b>            | <b>0</b>    | <b>1,726</b> | <b>n.a.</b> |
| Direct costs                          |              | (9,706)         | (10,117)        | 4.2%          | (9,603)       | (10,069)      | 4.8%                   | (103)       | (48)         | (53.3)%     |
| Personnel expense                     |              | (1,634)         | (1,718)         | 5.1%          | (1,634)       | (1,718)       | 5.1%                   | 0           | 0            | n.a.        |
| Cost of sales and other costs         |              | 141             | (1,034)         | n.a.          | 0             | 0             | n.a.                   | 141         | (1,034)      | n.a.        |
| <b>Gross Margin</b>                   |              | <b>44,973</b>   | <b>48,841</b>   | <b>8.6%</b>   | <b>44,935</b> | <b>48,197</b> | <b>7.3%</b>            | <b>38</b>   | <b>644</b>   | <b>n.a.</b> |
| G & A expenses                        |              | (2,310)         | (2,036)         | (11.9)%       | (2,217)       | (1,829)       | -17.5%                 | (93)        | (207)        | n.a.        |
| Headquarter personnel costs           |              | (2,723)         | (2,750)         | 1.0%          | (2,713)       | (2,731)       | 0.7%                   | (10)        | (19)         | 93.7%       |
| <b>EBITDA</b>                         |              | <b>39,940</b>   | <b>44,055</b>   | <b>10.3%</b>  | <b>40,005</b> | <b>43,637</b> | <b>9.1%</b>            | <b>(65)</b> | <b>418</b>   | <b>n.a.</b> |
| <i>Ebitda Margin</i>                  |              |                 |                 |               | <i>71.2%</i>  | <i>72.7%</i>  |                        | <i>n.a.</i> | <i>24.2%</i> |             |
| Depreciation                          |              | (431)           | (484)           | 12.2%         |               |               |                        |             |              |             |
| Devaluation                           |              | (2,907)         | (140)           | (95.2)%       |               |               |                        |             |              |             |
| Change in FV                          |              | (4,167)         | 12,776          | (406.6)%      |               |               |                        |             |              |             |
| Other provisions                      |              | (100)           | 0               | (100.0)%      |               |               |                        |             |              |             |
| <b>EBIT</b>                           |              | <b>32,335</b>   | <b>56,207</b>   | <b>73.8%</b>  |               |               |                        |             |              |             |
| Financial income                      |              | 2,350           | 397             | (83.1)%       |               |               |                        |             |              |             |
| Financial charges                     |              | (19,154)        | (20,667)        | 7.9%          |               |               |                        |             |              |             |
| <b>Net Financial Income</b>           |              | <b>(16,804)</b> | <b>(20,270)</b> | <b>20.6%</b>  |               |               |                        |             |              |             |
| <b>Income from equity investments</b> |              | <b>0</b>        | <b>(633)</b>    | <b>n.a.</b>   |               |               |                        |             |              |             |
| <b>Pre-tax income</b>                 |              | <b>15,531</b>   | <b>35,304</b>   | <b>127.3%</b> |               |               |                        |             |              |             |
| Income tax for the period             |              | (1,522)         | (5,092)         | 234.5%        |               |               |                        |             |              |             |
| <i>Tax rate</i>                       |              | <i>9.8%</i>     | <i>14.4%</i>    |               |               |               |                        |             |              |             |
| <b>NET PROFIT</b>                     |              | <b>14,009</b>   | <b>30,212</b>   | <b>115.7%</b> |               |               |                        |             |              |             |
| (profit)/losses related to third      |              | 22              | (19)            | (189.9)%      |               |               |                        |             |              |             |
| <b>NET GROUP PROFIT</b>               |              | <b>14,031</b>   | <b>30,193</b>   | <b>115.2%</b> |               |               |                        |             |              |             |

N.B.: Certain cost and revenue items have been reclassified or offset which explains the difference with respect to the financial statements. Bank fees, in particular, were reclassified under "financial income/(charges)".

### Principal consolidated results for first half 2011

The IGD Group's **revenue from core business** at 30 June 2011 amounted to **€60 million, an increase of 6.8%** with respect to the €56.2 million posted in first half 2010. More in detail, rental income in first half 2011 increased by 6.5% thanks to the pre-letting of new spaces and contract renewals, as well as the adjustment of rents for inflation, the new openings made in 2010 and the new acquisitions made in the first part of 2011. Revenue from services rose by 12.7% due to the mandates granted for the management of newly opened and third party centers. The IGD Group's total operating revenue at 30 June 2011, therefore, amounted to €61.7 million, an increase of 9.9% with respect to the €56.2 million posted in the first half of the prior year.

The IGD Group's **EBITDA** from core business at 30 June 2011 amounted to **€43.6 million, an increase of 9.1%** with respect to the €40 million recorded at 30 June 2010. More in detail, in first half 2011 the margin from freehold properties increased 6.9%, from leasehold properties 18%, while the margin from services rose by 17% with respect to first half 2010. Total EBITDA in first half 2011 reached €44 million, an increase of 10.3% with respect to the €39.9 million posted in first half 2010.

**Direct costs**, pertaining to the core business and including direct personnel expenses, at 30 June 2011 amounted to €11.8 million, an increase of 4.9% with respect to the same period in the prior year. These costs represent 19.6% of core business revenue. **General expenses** for the core business, including payroll costs,

amounted to €4.6 million at 30 June 2011, a drop of 7.5%. These costs represent 7.60% of operating revenue, a marked improvement with respect to the same period in the prior year.

**EBITDA margin** for the core business **reached 72.7%, an increase of 1.5 pp** with respect to the 71.2% reported in first half 2010. The growth confirms the solid operating trend and the stability of the cost structure.

The IGD Group's **EBIT** at 30 June 2011 amounted to **€56.2 million, an increase of 73.8%** compared to the €32.3 million reported at 30 June 2010. This result benefited from the positive trend in EBITDA and confirms the quality and solidity of the Group's real estate portfolio.

The IGD Group's **pre-tax profit** in first half 2011 **rose 127.3%** from the €15.5 million reported at 30 June 2010 to **€35.3 million**.

The IGD Group's tax burden, current and deferred, at 30 June 2011 amounted to €5 million, reflecting a tax rate of 14.4% compared to 9.80% in the same period of the prior year. The increase is primarily attributable to the increase in fair value.

The Group's portion of **net profit** at 30 June 2011 amounted to **€30.2 million, an increase of 115.2%** with respect to the €14.03 million reported in first half 2010.

The **Funds from Operations (FFO)**, a significant indicator used in the real estate market to define the cash flow from a company's operations based on net profit, net of current tax, writedowns, fair value, amortization and depreciation, rose from €22 million at 30 June 2010 to approximately **€22.8 million at 30 June 2011, an increase of 3.7%**.

The IGD Group's **net debt** at 30 June 2011 amounted to **€1.073 billion**, compared to €1.017 billion at 31 December 2010.

At 30 June 2011 the gearing ratio (debt to equity ratio) came in at 1.37, compared to 1.31 at 31 December 2010.

#### **The Real Estate Portfolio at 30 June 2011**

Based on CB Richard Ellis's and Reag's independent appraisals, the **market value** at 30 June 2011 of the Igd Group's real estate portfolio reached **€1,893.66 million**, compared to €1,803.98 million at 31 December 2010. In the first half of the year the hypermarket found in the Coné Shopping Center in Conegliano Veneto, where IGD already owns the shopping mall, as well as a retail property (City Center Project) on Via Rizzoli in the historic heart of Bologna in via Rizzoli and a portion of an office building in Bologna of which IGD already owns the lower floors and where its headquarters are located, were added to the portfolio.

**Claudio Albertini, Chief Executive Officer of IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** stated:

*“The results achieved in first half 2011 confirm, once again, the validity of the strategies we have adopted to reach our economic-financial targets and the capacity of our rental contracts to generate steady, visible revenue streams over time. The quality and the profitability of our real estate assets also finds confirmation in the appraisals issued by the independent experts at 30 June which were positive for the first time in three years”.*

*“In a very uncertain and volatile environment - Albertini continued - IGD can count on a solid asset structure and a revenue base which are able to both fuel and sustain cash generation. For this reason we look ahead at our future commitments, in terms of both our ability to move forward with our investment pipeline and provide our shareholders with interesting returns, as serenely as ever.”*



Grazia Margherita Piolanti, IGD S.p.A.'s Financial Reporting Officer, declares pursuant to para. 2, article 154-bis of the of Legislative Decree n. 58/1998 (“Testo Unico della Finanza” or TUF) that the information reported in this press release corresponds to the underlying records, ledgers 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.



The Half-Year Financial Report at 30 June 2011 will be made available to the general public at the company's registered office and at Borsa Italiana S.p.A. and will also be made available in the Investor Relations section of the company's website [www.gruppoigd.it](http://www.gruppoigd.it) in accordance with the law.



### **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.**

Immobiliare Grande Distribuzione SIIQ S.p.A. is the main player in Italy's retail real estate market: it develops and manages shopping centers throughout the country and has a significant presence in Romanian retail distribution. Listed on the Star Segment of the Italian Stock Exchange, IGD was the first SIIQ (*Società di Investimento Immobiliare Quotata* or real estate investment trust) in Italy. IGD has a real estate portfolio valued at €1,894 million at 30 June 2011, comprised of, in Italy, 18 hypermarkets and supermarkets, 19 shopping malls and retail parks, 1 city center, 3 plots of land for development, 1 property held for trading and an additional 6 real estate properties. Following the acquisition of the company Winmark Magazine SA in 2008 15 shopping centers and an office building, found in 13 different Romanian cities, were added to the portfolio. An extensive domestic presence, a solid financial structure, the ability to plan, monitor and manage all phases of a center's life cycle: these qualities summarize IGD's strong points.

[www.gruppoigd.it](http://www.gruppoigd.it)

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The press release is available on the website [www.gruppoigd.it](http://www.gruppoigd.it), in the Investor Relations section, and on the website [www.imagebuilding.it](http://www.imagebuilding.it), in the Press Room section.



**Please find attached the IGD Group's consolidated income statement, statement of financial position, statement of cash flows and net financial position at 30 June 2011.**

## Consolidated income statement at 30 June 2011

| (€/000)  | 30/06/2011<br>(A) | 30/06/2010<br>(B) | Change<br>(A-B) |
|--|-------------------|-------------------|-----------------|
| <b>Revenue:</b>  | <b>57,349</b>     | <b>53,699</b>     | <b>3,650</b>    |
| - from third parties   | 41,597            | 38,375            | 3,222           |
| - from related parties   | 15,752            | 15,324            | 428             |
| <b>Other income:</b>   | <b>5,715</b>      | <b>5,831</b>      | <b>(116)</b>    |
| - other income   | 5,082             | 5,528             | (446)           |
| - from related parties   | 633               | 303               | 330             |
| <b>Revenue from property sales</b>   | <b>1,726</b>      | <b>0</b>          | <b>1,726</b>    |
| <b>Total revenue and operating income</b>  | <b>64,790</b>     | <b>59,530</b>     | <b>5,260</b>    |
| Change in work in progress inventory   | 3,416             | 1,971             | 1,445           |
| <b>Total revenue and change in inventory</b>   | <b>68,206</b>     | <b>61,501</b>     | <b>6,705</b>    |
| Cost of work in progress   | 4,411             | 1,830             | 2,581           |
| Material and service costs   | 11,705            | 12,350            | (645)           |
| - third parties  | 10,018            | 10,814            | (796)           |
| - related parties  | 1,687             | 1,536             | 151             |
| Cost of labour   | 3,899             | 3,826             | 73              |
| Other operating costs  | 2,759             | 2,700             | 59              |
| <b>Total operating costs</b>   | <b>22,774</b>     | <b>20,706</b>     | <b>2,068</b>    |
| (Depreciation, amortization and provisions)  | (1,939)           | (1,449)           | (490)           |
| (Impairment losses)/Reversals on work in progress and goodwill                               | (140)             | (2,907)           | 2,767           |
| Change in fair value - increases / (decreases)   | 12,776            | (4,167)           | 16,943          |
| <b>Total depreciation, amortization, provisions,<br/>impairment and change in fair value</b> | <b>10,697</b>     | <b>(8,523)</b>    | <b>19,220</b>   |
| <b>EBIT</b>  | <b>56,129</b>     | <b>32,272</b>     | <b>23,857</b>   |
| <b>Income/(loss) from equity investments</b>   | <b>(633)</b>      | <b>0</b>          | <b>(633)</b>    |
| Income/(loss) from equity investments  | (633)             | 0                 | (633)           |
| <b>Financial income:</b>   | <b>397</b>        | <b>2,350</b>      | <b>(1,953)</b>  |
| - third parties  | 380               | 2,339             | (1,959)         |
| - related parties  | 17                | 11                | 6               |
| <b>Financial charges:</b>  | <b>20,589</b>     | <b>19,091</b>     | <b>1,498</b>    |
| - third parties  | 20,247            | 18,684            | 1,563           |
| - related parties  | 342               | 407               | (65)            |
| <b>Net financial income (charges)</b>  | <b>(20,192)</b>   | <b>(16,741)</b>   | <b>(3,451)</b>  |
| <b>PRE-TAX PROFIT</b>  | <b>35,304</b>     | <b>15,531</b>     | <b>19,773</b>   |
| Income taxes   | 5,092             | 1,522             | 3,570           |
| <b>NET PROFIT FOR THE PERIOD</b>   | <b>30,212</b>     | <b>14,009</b>     | <b>16,203</b>   |
| Minority interests in net (profit)/loss  | (19)              | 22                | (41)            |
| <b>Parent Company's portion of net profit</b>  | <b>30,193</b>     | <b>14,031</b>     | <b>16,162</b>   |
| - basic earnings per share   | 0.101             | 0.047             |                 |
| - diluted earnings per share   | 0.096             | 0.053             |                 |

## Consolidated balance sheet and financial position at 30 June 2011

| (€/000)  | 30/06/2011<br>(A) | 31/12/2010<br>(B) | Change<br>(A-B) |
|--|-------------------|-------------------|-----------------|
| <b>NON-CURRENT ASSETS</b>  |                   |                   |                 |
| <b>Intangible assets</b>   |                   |                   |                 |
| - Intangible assets with finite useful lives                           | 88                | 69                | 19              |
| - Goodwill   | 11,427            | 11,427            | 0               |
|  | <b>11,515</b>     | <b>11,496</b>     | <b>19</b>       |
| <b>Property, plant, and equipment</b>                                  |                   |                   |                 |
| - Investment property  | 1,741,240         | 1,666,630         | 74,610          |
| - Buildings  | 7,620             | 7,668             | (48)            |
| - Plant and machinery  | 1,526             | 1,130             | 396             |
| - Equipment and other assets   | 2,131             | 1,549             | 582             |
| - Leasehold improvements   | 1,551             | 1,640             | (89)            |
| - Assets under construction  | 81,918            | 74,291            | 7,627           |
|  | <b>1,835,986</b>  | <b>1,752,908</b>  | <b>83,078</b>   |
| <b>Other non-current assets</b>  |                   |                   |                 |
| - Deferred tax assets  | 10,518            | 13,104            | (2,586)         |
| - Sundry receivables and other non-current assets                      | 3,238             | 4,581             | (1,343)         |
| - Non-current financial assets   | 4,905             | 4,399             | 506             |
|  | <b>18,661</b>     | <b>22,084</b>     | <b>(3,423)</b>  |
| <b>TOTAL NON-CURRENT ASSETS (A)</b>                                    | <b>1,866,162</b>  | <b>1,786,488</b>  | <b>79,674</b>   |
| <b>CURRENT ASSETS:</b>   |                   |                   |                 |
| Work in progress inventory and advances                                | 67,390            | 64,289            | 3,101           |
| Inventory  | 8                 | 7                 | 1               |
| Trade and other receivables  | 13,107            | 12,265            | 842             |
| Related party trade and other receivables                              | 1,056             | 714               | 342             |
| Other current assets   | 20,382            | 43,812            | (23,430)        |
| Related party financial receivables and other current financial assets | 660               | 1,091             | (431)           |
| Financial receivables and other current financial assets               | 27,511            | 6,001             | 21,510          |
| Cash and cash equivalents  | 5,386             | 32,264            | (26,878)        |
| <b>TOTAL CURRENT ASSETS (B)</b>  | <b>135,500</b>    | <b>160,443</b>    | <b>(24,943)</b> |
| <b>TOTAL ASSETS (A + B)</b>  | <b>2,001,662</b>  | <b>1,946,931</b>  | <b>54,731</b>   |
| <b>NET EQUITY:</b>   |                   |                   |                 |
| Portion pertaining to the Parent Company                               | 773,771           | 761,603           | 12,168          |
| Portion pertaining to minorities                                       | 11,870            | 11,851            | 19              |
| <b>TOTAL NET EQUITY (C)</b>  | <b>785,641</b>    | <b>773,454</b>    | <b>12,187</b>   |
| <b>NON-CURRENT LIABILITIES:</b>  |                   |                   |                 |
| Non-current financial liabilities                                      | 843,340           | 854,374           | (11,034)        |
| Related party non-current financial liabilities                        | 15,000            | 15,000            | 0               |
| Provision for employee severance indemnities                           | 664               | 612               | 52              |
| Deferred tax liabilities   | 52,355            | 48,910            | 3,445           |
| Provisions for risks and future charges                                | 1,662             | 1,645             | 17              |
| Sundry payables and other non-current liabilities                      | 7,401             | 13,687            | (6,286)         |
| Related party sundry payables and other non-current liabilities        | 11,959            | 11,938            | 21              |
| <b>TOTAL NON-CURRENT LIABILITIES (D)</b>                               | <b>932,381</b>    | <b>946,166</b>    | <b>(13,785)</b> |
| <b>CURRENT LIABILITIES:</b>  |                   |                   |                 |
| Current financial liabilities  | 227,819           | 187,336           | 40,483          |
| Related party current financial liabilities                            | 25,325            | 4,127             | 21,198          |
| Trade and other payables   | 12,165            | 15,733            | (3,568)         |
| Related party trade and other payables                                 | 3,432             | 4,924             | (1,492)         |
| Current tax liabilities  | 9,776             | 8,266             | 1,510           |
| Other current liabilities  | 5,109             | 6,911             | (1,802)         |
| Related party other current liabilities                                | 14                | 14                | 0               |
| <b>TOTAL CURRENT LIABILITIES (E)</b>                                   | <b>283,640</b>    | <b>227,311</b>    | <b>56,329</b>   |
| <b>TOTAL LIABILITIES (F=D + E)</b>                                     | <b>1,216,021</b>  | <b>1,173,477</b>  | <b>42,544</b>   |
| <b>TOTAL NET EQUITY AND LIABILITIES (C + F)</b>                        | <b>2,001,662</b>  | <b>1,946,931</b>  | <b>54,731</b>   |

### Consolidated statement of cash flows at 30 June 2011

|   | 30/06/2011      | 30/06/2010      |
|---|-----------------|-----------------|
| (€/000)   |                 |                 |
| CASH FLOW FROM OPERATING ACTIVITIES:  |                 |                 |
| <b>Net profit for the year</b>  | <b>30,212</b>   | <b>14,009</b>   |
| <b>Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:</b> |                 |                 |
| Capital gains/ (losses) and other non-monetary items  | 2,048           | 791             |
| Depreciation, amortization and provisions   | 1,939           | 1,449           |
| (Impairment)/reversal of assets under construction and goodwill   | 140             | 2,907           |
| Net change in (deferred tax assets)/provision for deferred tax liabilities                              | 4,663           | 122             |
| Change in fair value of investment property   | (12,776)        | 4,167           |
| Change in inventory   | (3,102)         | (1,970)         |
| Net change in current assets and liabilities  | 17,208          | 17,724          |
| Net change in current assets and liabilities with related parties                                       | (1,834)         | 1,078           |
| Net change in non-current assets and liabilities  | (4,874)         | (5,853)         |
| Net change in non-current assets and liabilities with related parties                                   | 21              | 364             |
| <b>CASH FLOW FROM OPERATING ACTIVITIES (a)</b>  | <b>33,645</b>   | <b>34,788</b>   |
| (Investments) in fixed assets   | (72,279)        | (22,790)        |
| Disposals of fixed assets   | 1,339           | 7,727           |
| Divestments in subsidiaries   |                 | 13,120          |
| (Equity investments) in subsidiaries  |                 |                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES (b)</b>  | <b>(70,940)</b> | <b>(1,943)</b>  |
| Change in non-current financial assets  | 0               | 0               |
| Change in financial receivables and other current financial assets                                      | (21,469)        | (24,250)        |
| Change in financial receivables and other current financial assets with related parties                 | 431             | (2,278)         |
| Change in translation reserve   | 18              | (66)            |
| Payment of dividends  | (22,370)        | (14,914)        |
| Change in current debt  | 40,504          | (122)           |
| Change in current debt with related parties   | 21,198          | (210)           |
| Change in non-current debt  | (7,895)         | (12,248)        |
| Change in non-current debt with related parties   | 0               | 0               |
| <b>CASH FLOW FROM FINANCING ACTIVITIES (c)</b>  | <b>10,417</b>   | <b>(54,087)</b> |
| <b>NET INCREASE (DECREASE) IN CASH BALANCE</b>  | <b>(26,878)</b> | <b>(21,242)</b> |
| <b>CASH BALANCE AT BEGINNING OF YEAR</b>  | <b>32,264</b>   | <b>35,856</b>   |
| <b>CASH BALANCE AT END OF YEAR</b>  | <b>5,386</b>    | <b>14,614</b>   |



**Consolidated net debt at 30 June 2011**

| <b>NET DEBT</b>  |                   |                   |
|--|-------------------|-------------------|
|  | <b>30/06/2011</b> | <b>31/12/2010</b> |
| Cash and cash equivalents  | (5,386)           | (32,264)          |
| Financial receivables and other current financial assets w . related parties | (660)             | (1,091)           |
| Financial receivables and other current financial assets                     | (27,511)          | (6,001)           |
| <b>LIQUIDITY</b>   | <b>(33,557)</b>   | <b>(39,356)</b>   |
| Current financial liabilities w . related parties                            | 25,325            | 4,127             |
| Current financial liabilities  | 179,236           | 137,591           |
| Mortgage loans - current portion   | 46,181            | 48,431            |
| Leasing – current portion  | 2,358             | 1,248             |
| Convertible bond loan - current portion                                      | 44                | 66                |
| <b>CURRENT DEBT</b>  | <b>253,144</b>    | <b>191,463</b>    |
| <b>CURRENT NET DEBT</b>  | <b>219,587</b>    | <b>152,107</b>    |
| Non-current financial assets   | (20)              | (19)              |
| Derivatives - assets   | (4,885)           | (4,380)           |
| Non-current financial liabilities due to other sources of finance            | 21,886            | 21,497            |
| Leasing – non-current portion  | 6,133             | 7,863             |
| Non-current financial liabilities  | 584,152           | 590,707           |
| Non-current financial liabilities w . related parties                        | 15,000            | 15,000            |
| Convertible bond loan  | 216,988           | 214,642           |
| Derivatives - liabilities  | 14,181            | 19,665            |
| <b>NON-CURRENT NET DEBT</b>  | <b>853,435</b>    | <b>864,975</b>    |
| <b>NET DEBT</b>  | <b>1,073,022</b>  | <b>1,017,082</b>  |