



igd
SIS

Conference call
10 November 2011
2.30 p.m.

Results at 30 September 2011

DISCLAIMER

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These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding plans, performance.

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3 Highlights

REVENUES

• **Total revenues** (*management accounting*)

92.8 € mn
(+ 10.3% vs 30/09/2010)

• **Revenues from core business**

91.1 € mn
(+ 8.3% vs 30/09/2010)

EBITDA

• **EBITDA (core business)**

66.4 € mn
(+ 9.7% vs 30/09/2010)

• **EBITDA margin (core business)**

72.9%

Group Net Profit

39.6 € mn
(+ 74.9% vs 30/09/2010)

Funds From Operations (FFO)

33.7 € mn
(+ 4.8% vs 30/09/2010)

Portfolio Mkt Value

(at 30/06/2011 + purchases in 3Q11 (Hypermarket La Torre))

1.930,4 € mn



ECONOMIC AND FINANCIAL RESULTS

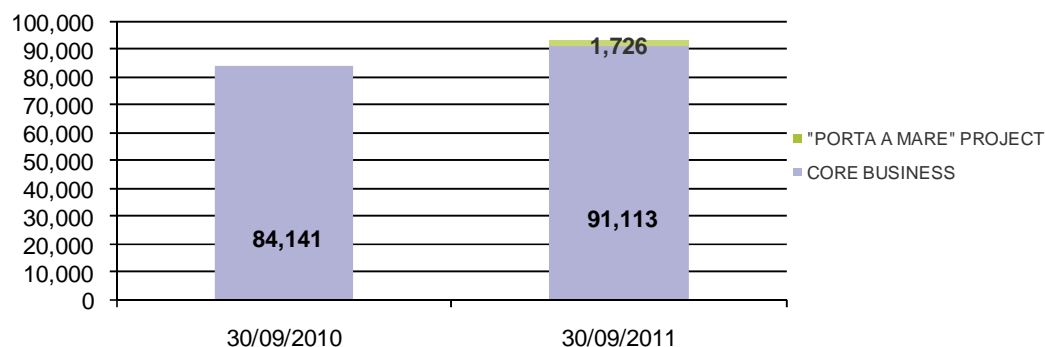
5 Reclassified Income Statement

	CONSOLIDATED			CORE BUSINESS			"PORTA A MARE" PROJECT		
€/000	30/09/2010	30/09/2011	%	30/09/2010	30/09/2011	%	30/09/2010	30/09/2011	%
Revenues from freehold properties	74,496	80,749	8.4%	74,496	80,749	8.4%	0	0	n.a.
Revenues from leasehold properties	6,118	6,380	4.3%	6,118	6,380	4.3%	0	0	n.a.
Revenues from services	3,527	3,984	13.0%	3,527	3,984	13.0%	0	0	n.a.
Revenues from trading	0	1,726	n.a.	0	0	n.a.	0	1,726	n.a.
Revenues	84,141	92,839	10.3%	84,141	91,113	8.3%	0	1,726	n.a.
Direct costs	(14,480)	(15,703)	8.4%	(14,327)	(15,604)	8.9%	(153)	(99)	(35.5)%
Personnel expenses	(2,429)	(2,631)	8.3%	(2,429)	(2,631)	8.3%	0	0	n.a.
Cost of sales and other costs	191	(878)	n.a.	0	0	n.a.	191	(878)	n.a.
Gross Margin	67,423	73,627	9.2%	67,385	72,878	8.2%	38	749	n.a.
G&A expenses	(3,161)	(2,943)	(6.9)%	(3,021)	(2,630)	(13.0)%	(140)	(313)	n.a.
Headquarter personnel costs	(3,871)	(3,865)	(0.2)%	(3,852)	(3,837)	(0.4)%	(19)	(28)	48.4%
EBITDA	60,391	66,819	10.6%	60,512	66,411	9.7%	(121)	408	n.a.
<i>Ebitda Margin</i>				71.9%	72.9%		n.a.	23.6%	
Depreciation	(657)	(768)	16.9%						
Devaluation	(2,907)	(391)	(86.6)%						
Change in FV	(4,414)	12,076	(373.6)%						
Other provisions	(299)	0	(100.0)%						
EBIT	52,114	77,736	49.2%						
Financial income	2,512	515	(79.5)%						
Financial charges	(29,014)	(32,304)	11.3%						
Net Financial Income	(26,502)	(31,789)	20.0%						
Income from equity investments	0	(635)	n.a.						
Pre-tax income	25,612	45,312	76.9%						
Income tax for the period	(3,006)	(5,699)	89.6%						
<i>Tax rate</i>	11.74%	12.58%							
NET PROFIT	22,606	39,613	75.2%						
(profit)/losses related to third parties	42	9	(77.6)%						
NET GROUP PROFIT	22,648	39,622	74.9%						

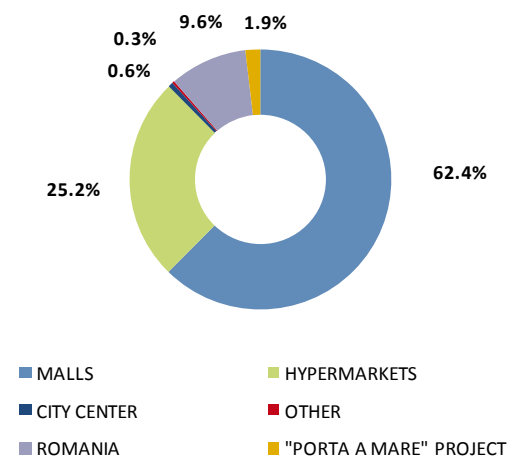
6 Total revenues: + 10.3%

Total operating revenues: + 10.3% - Total revenues from core business: + 8.3%

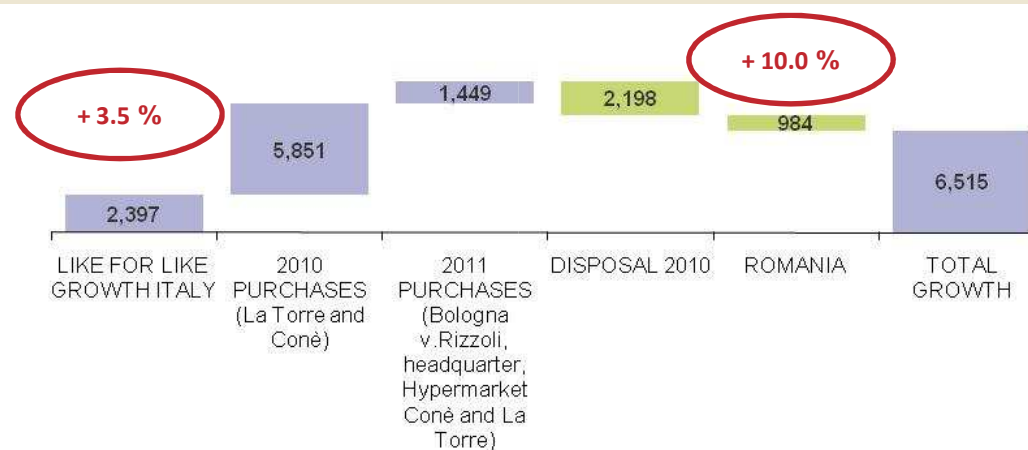
TOTAL REVENUES (€/000)



BREAKDOWN BY TYPE OF REVENUE



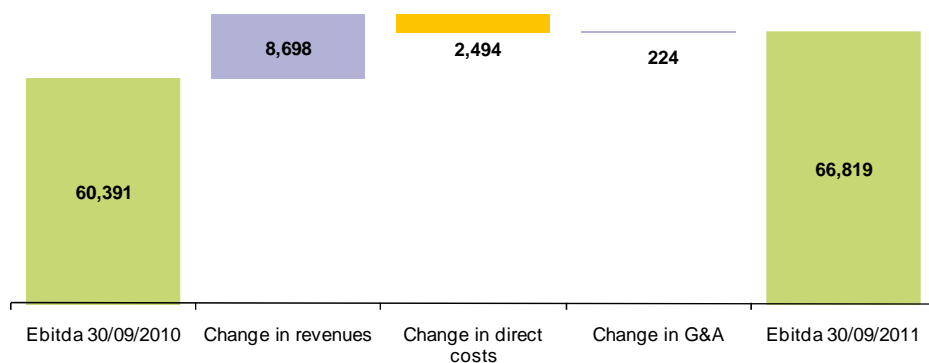
RENTAL INCOME GROWTH (€/000)



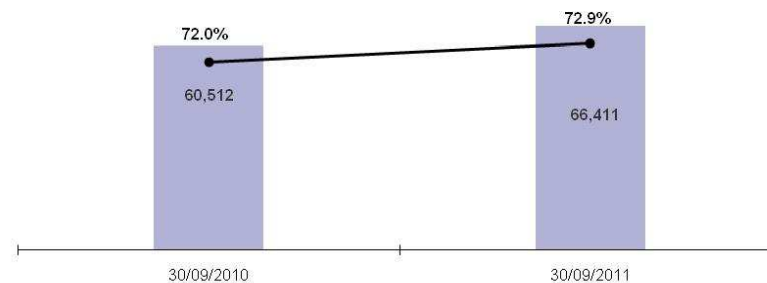
LFL growth Italy equal to 3.5% of which 40% for ISTAT indexing.

7 Ebitda (core business) + 9.7%, Ebitda margin 72.9%

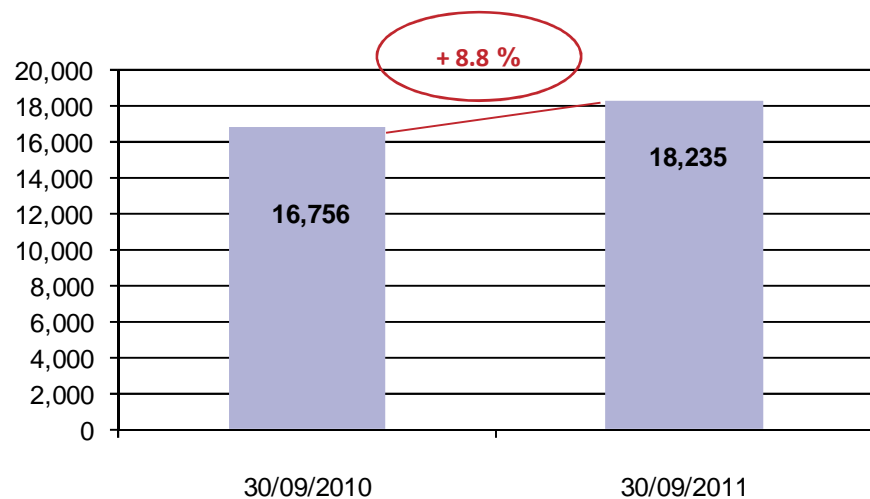
EBITDA (€ 000)



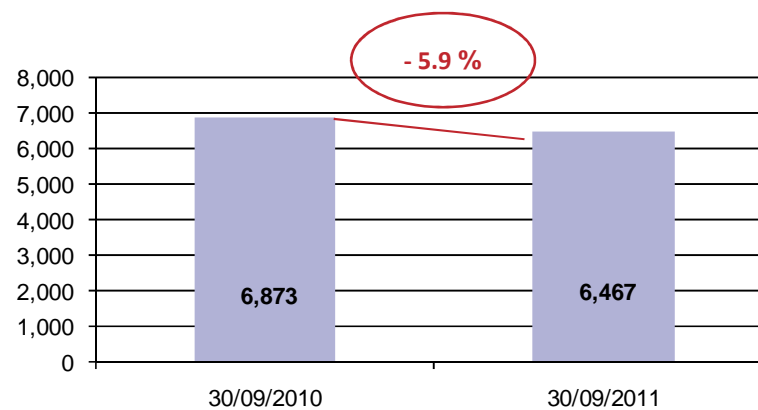
EBITDA and EBITDA MARGIN CORE BUSINESS (€ 000)



CORE BUSINESS DIRECT COSTS (€ 000)

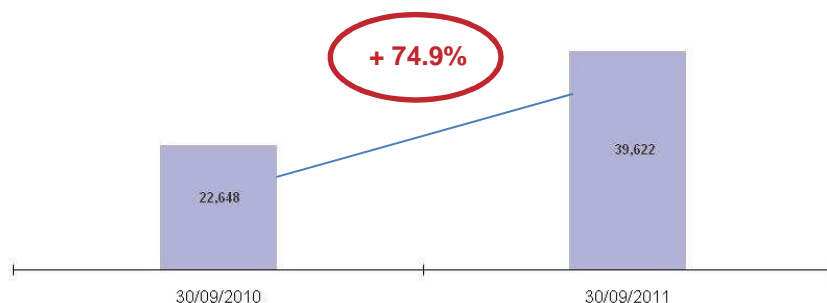


CORE BUSINESS G&A EXPENSES (€ 000)

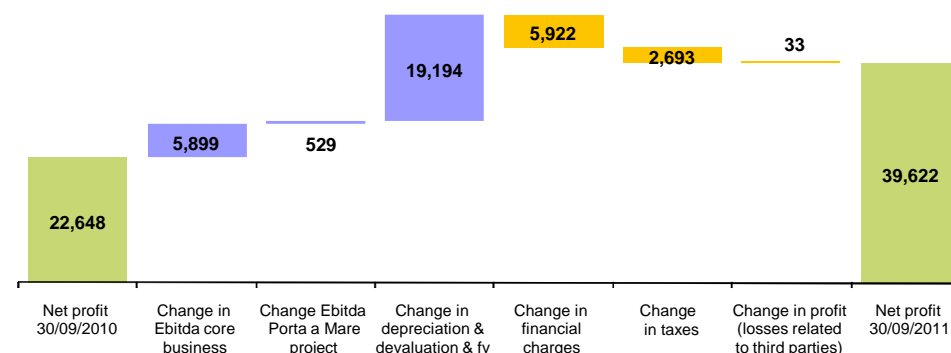


8 Net Group Profit: + 74.9%

NET GROUP PROFIT (€ 000)



NET PROFIT EVOLUTION (€ 000)



NET PROFIT GROWTH (GROUP SHARE), EQUAL TO 39.6 € MN COMPARED TO 3Q2010, REFLECTS:



- An improvement in Ebitda core business (+ 9.7% vs 30/09/2010) in particular due to commercial activities and new openings
- The continuing reduction of G&A expenses (-5.9%)
- A positive change in fair value of the portfolio at 30/06/2011

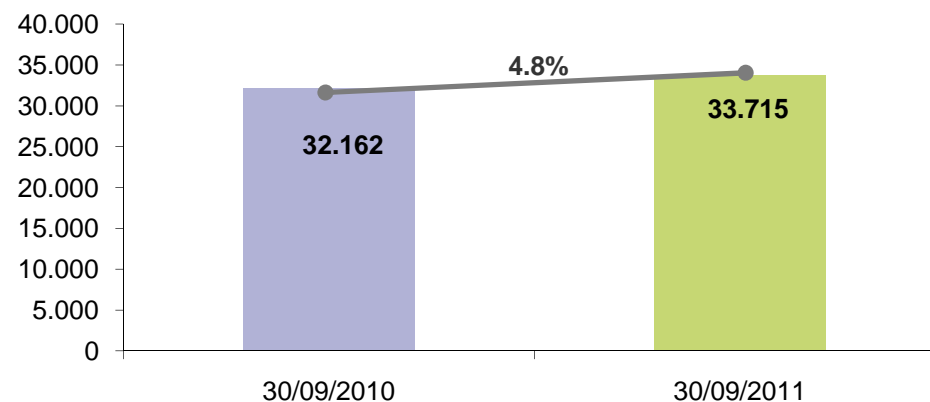


- An increase in direct costs of core business (+ 8.8%) due to an increase in provisions on loans (+ 85.3%) mainly due to the devaluation of Darsena City Shopping Center
- An increase in net financial income (+ 19.9%) due to higher euribor in addition to the increase of the debt cost for new IRS subscriptions occurred in 2010 but starting in 2011 and also to new funding under taken
- An increase in taxes (2.7 mn € vs 3Q2010) as a results of deferred taxation on fv change at 30/09/2011

9 Funds From Operations

FFO (€/000)	30/09/2010	30/09/2011	Δ	Δ%
Pre/tax profit	25,612	45,312	19,699	76.9%
Depreciation & other provisions	956	768	-188	-19.7%
Devaluations	2,907	814	-2,094	-72.0%
Change in FV	4,414	-12,076	-16,490	-373.6%
Income tax for the period	-1,727	-1,103	625	-36.1%
FFO	32,162	33,715	1,554	4.8%

FFO TREND (€/000)



10 Performance of our Shopping Centers

TENANT SALES AND FOOTFALLS IN OUR SHOPPING CENTERS

	SALES		FOOTFALLS		
	Total trend	LFL	Total trend	LFL	abs. value
ITALY	+ 13%	- 1.4%	+ 14.5%	flat	49.9 mn
ROMANIA	nr*		- 1.0%		23.4 mn

*Not all our tenants have a cash register

ITALY

Footfalls: stable

Sales: - 1.4%

The month of September in particular had an effect on sales as a result of a weakness in consumption and seasonal particularities (clothing and footwear were most affected)

ROMANIA

Footfalls: -1%

Sales (regarding those that we can monitor) in the footwear, clothing and jewellery sectors show the slight fall whereas an increase was seen in the food sector and for our international tenants

Both Coop and the Market confirmed the problems in non food sector. In this scenario Coop Adriatica is in line with the Coop system, with better results compared to the market in general

HYPERMARKET/SUPERMARKET SALES IN ITALY

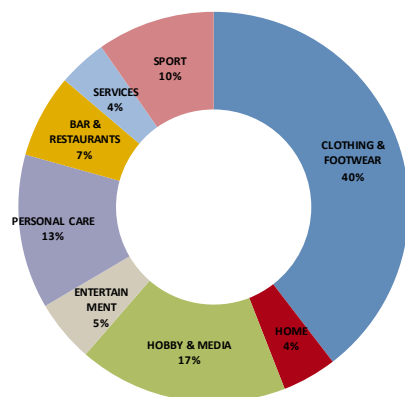
	coop		Coop Adriatica coop Adriatica	
	Total trend	LFL	Total trend	LFL
Supermarkets + hypermakets	+ 1.7%	- 0.5%	+ 2.8%	- 0.6%
hypermarkets	+ 0.4%	- 1.8%	+ 2.9%	- 1.6%
Supermarkets	+ 2.8%	+ 0.7%	+ 2.7%	+ 0.2%

Fonte: Elaborazioni COOP su dati IRI Infoscan

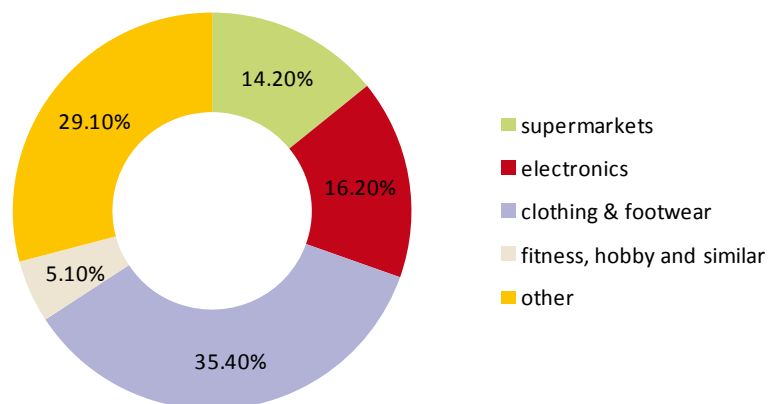
11 Tenants/Contracts Italy

Quality of tenants and a good tenant mix are the key to guarantee a high occupancy rate and to maintain the attractiveness of our shopping centers

ITALIAN SHOPPING MALL MERCHANDISING MIX



ROMANIAN SHOPPING MALL MERCHANDISING MIX



TOP 10 TENANTS IN OUR MALLS

WEIGHT

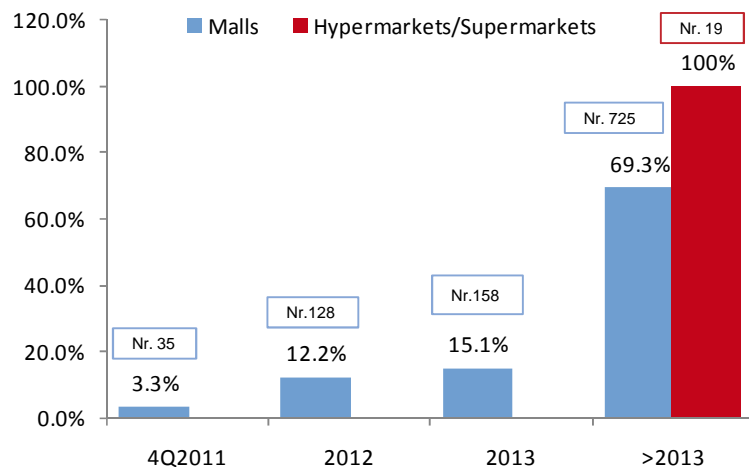
GRUPPO MIROGLIO (Motivi, Fiorella Rubino, Oltre)	4.03%
PIAZZA ITALIA	2.94%
COMPAR (BATA)	2.00%
H&M	1.83%
DECATHLON	1.56%
CALZEDONIA	1.50%
BBC - OBI	1.34%
GAMESTOP	1.31%
CAMST	1.29%
SGM (Marco Polo Expert)	1.27%
TOTAL	19.07%

TOTAL CONTRACTS

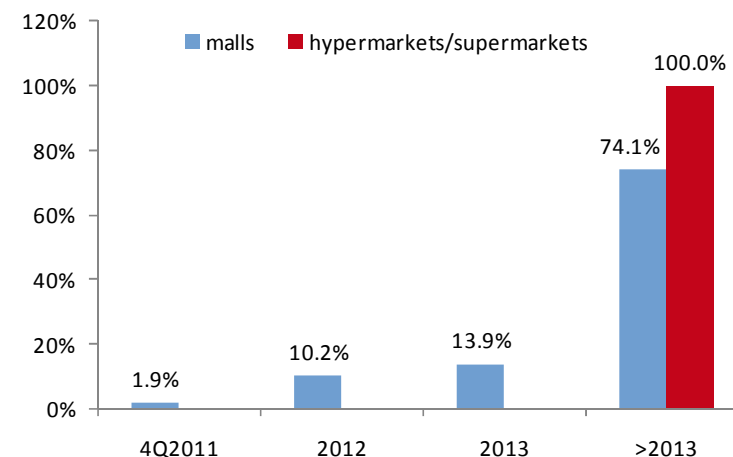
	Italy	Romania
malls	1046	660
hypermarkets	19	
total	1065	660

Contracts in Italy and Romania

EXPIRY DATE OF CONTRACTS OF HYPERMARKETS AND MALLS IN ITALY (% n. of contracts)



EXPIRY DATE OF CONTRACTS OF ITALIAN MALLS (% of value)



ITALY

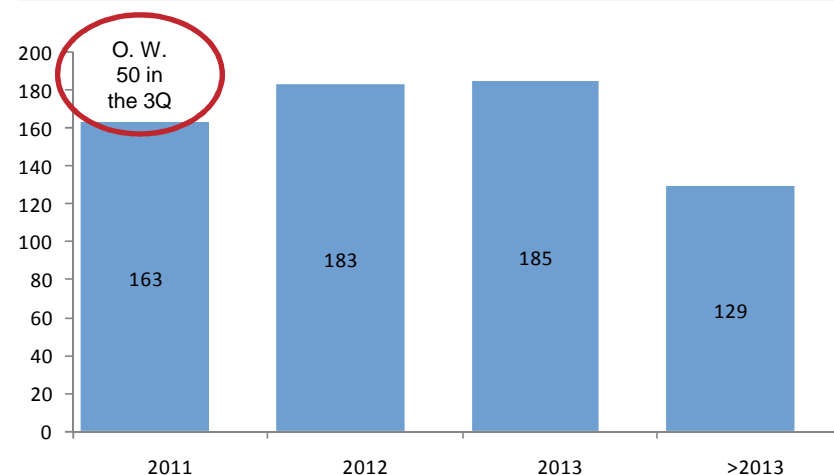
At 30/09 82 contracts were renewed of which 37 turn over and 45 renewed.
Average upside on renewal: **+ 7.7 %** (good results occurred in malls under extensions and restylings)

ROMANIA

During 3Q2011 50 contracts were renewed (equal to 3.7 % of total Winmarkt rents) with a downside equal to **- 22%**.
In 4Q contracts equal to 14% of the total income will expire .



EXPIRY DATE OF CONTRACTS IN ROMANIA (n. of contracts)



Focus on Romania

REINFORCEMENT OF THE PORTFOLIO CONTINUES

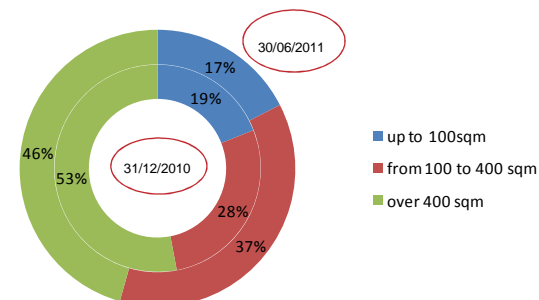


REDUCING VACANCY AND RECOVERING PRESTIGIOUS SURFACES

EBITDA MARGIN EQUAL TO 75.7% AT 30/09/2011

- Dm Drogerie markt already present in Cluji and in Bistrita will open within the end of 2011 in Ploiesti and in Ramnicu Valcea
- An agreement with Billa has been signed for the opening of two new supermarkets in Piatra Neamt and Galati within the first months of 2012
- In order to make the most of the upper floors and non prestigious surfaces, the introduction of wellness and fitness centers, café cinema and disco/lounge continues
- Continuous maintenance and restyling to maintain an attractive portfolio (renovation of Cluji's facade and complete introduction of escalators in Galati and Buzau) expected yearly capex about 1.3 mn €
- Attention to the sustainability of operators with temporary discounts granted mainly to national operators and those in the clothing sector with pre-crisis contracts

Average size stores in Romania 2010vs2011



Cluj Fitness center
Average rent 3,350/month
Average surface from 460 to 1100 sqm



Braila disco/lounge
825 sqm, average rent 2,000/month



NEW
Billa Supermarkets
Average surface 850 sqm

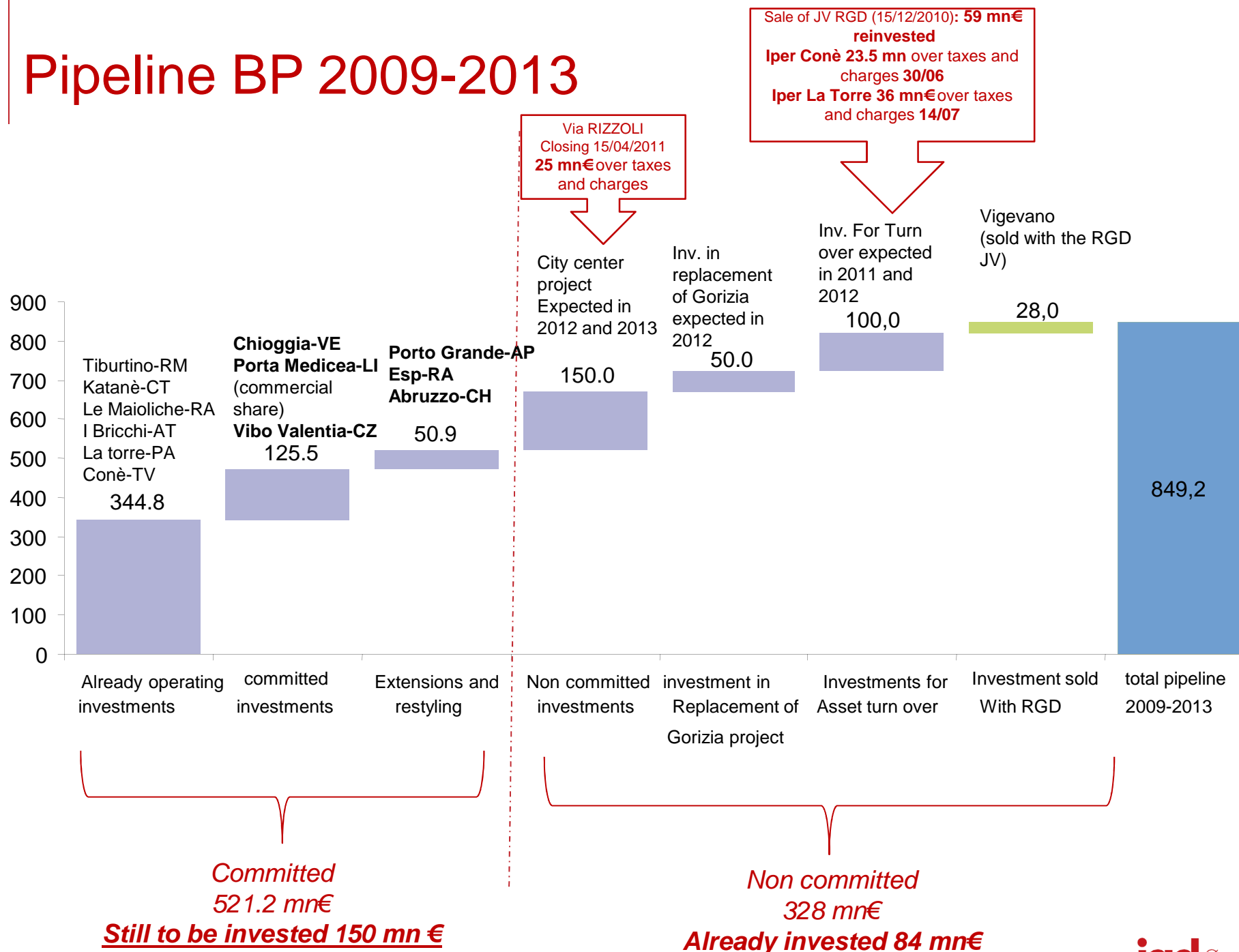


Drogerie markt store
Average surface 350 sqm



PORTFOLIO

15 Pipeline BP 2009-2013



16 City Center project development: Via Rizzoli - Bologna



Apple Store opening on 17, September 2011

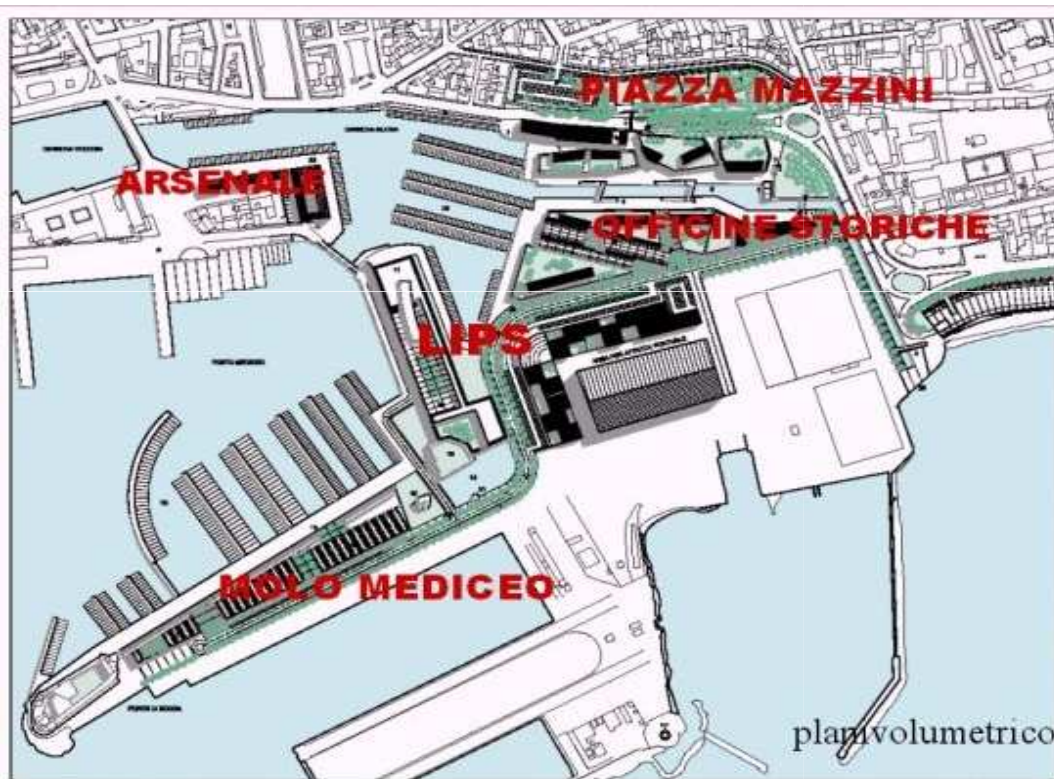


The opening of the Apple Store in the city of Bologna was a great success with good results in terms of footfalls and sales

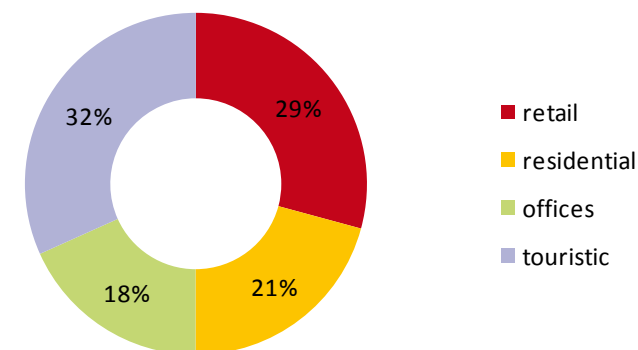


**First
Apple Store
in historical city
center in Italy**

17 Porta a Mare Project development - Livorno



BREAKDOWN SURFACE "PORTA A MARE" PROJECT



5 AREAS	TYPOLGY	GROSS SURFACES	START OF WORK
Piazza Mazzini (including Palazzo Orlando)	retail, residential and offices	19,309 mq	Oct-10
Officine Storiche	retail, residential and offices	21,981 mq	2011
Lips	area dedicated to accomodation and hotel facilities	8,212 mq	2015
Molo Mediceo	retail, touristic and residential	15,755 mq	2015
Arsenale	retail, touristic and residential	7,771 mq	2015

Total surface 70,000 sqm
Tot expected inv
 about € 200 mn
Tot expected revenues
 about € 240 mn

18 Porta a Mare Project development - Livorno



Strong interest has been seen in the residential area with **14** committed proposals in the first 4 months of which many transformed into preliminary purchase contracts.

73 residences having planned in the sub area of Piazza Mazzini and **97** in the sub area of Officine Storiche

Total 14,676 sqm dedicated to residential area

“PORTA A MARE” PROJECT – Livorno: work in progress and banking confidence

Sub area Piazza Mazzini

retail (including retail tertiary)	7,685 sqm	Investment expected 63mn€ Revenues expected 79.8mn€
residential	6,348 sqm	
P. Orlando (tertiary)	5,276 sqm	
Total gross surfaces	19,309 sqm	

Start of work Dec 2010
End of work end 2013

Sub area Officine Storiche

retail	9,600 sqm	Investment expected 61.6 mn€ Revenues expected 80.6mn€
retail tertiary (offices)	3,998 sqm	
residential	8,328 sqm	
Total gross surfaces	21,926 sqm	

Start of work end 2012
End of work end 2015

Porta Medicea S.r.l. CREDIT LINES

	granted	available
Credit lines/hot money/cash	11,000,000	6,000,000
m.l.t financing	11,000,000	-
m.l.t. credit lines work in progress staging	17,600,000	13,300,000
TOTAL	39,600,00	19,300,000

Restyling and extension ESP- Ravenna

RESTYLING: work in progress
End of work by the end of 2011

The restyling (inside and outside) regards lighting, flooring, furnishing and layout of some stores in the shopping mall.

Total expected investment about **2.6 mn €**

Before the restyling



After the restyling



EXTENSION: at the authorization and planning stage

End of work by the beginning of 2015

The extension includes an increase of 23,400 sqm of GLA and the creation of 1,100 parking places. The project regards both the mall and the food anchor

Total expected investment about **46 mn€** (16 mn€ already spent)

21 Extensions Porto Grande and Centro D'Abruzzo

“PORTO GRANDE” Shopping Center in Porto d’Ascoli (AP)

Start of work within 1H 2012

End of work by end of 2013

Work stage: the final urban planning with the municipality is in progress

The extension consists of an additional 5,000 sqm for 2 external medium surfaces, in addition to 1,700 sqm of green areas and 10,531 sqm of new parking places

Total expected investment about 9.8 mn €



Post extension: Centro Porto Grande

“Centro D’Abruzzo” Shopping Center in San Giovanni Teatino (CH)

Start of work within 1H2012

End of work by end 2013

Work stage: the final urban planning with the municipality is in progress

The extension consists of the construction of a building of 4,700 sqm with 3,000 GLA in addition to 8,743 sqm for parking places

Total expected investment about 18.25 mn €



Pre extension: Centro D'Abruzzo



Post extension: Centro D'Abruzzo

22 Chioggia Retail Park

Chioggia Retail Park (VE)

Start of work 1H2012

End of work 2H2013

The project consists of a total GLA of 18,343 sqm, in which there will be an Ipercoop of 7,490 sqm, 5 medium surfaces for a total of 9,575 sqm and 8 stores of which one will be a restaurant. The expected parking places will be 1,465.

Total expected investment about 38.7 mn €



Planimetry



FINANCIAL AND ECONOMIC STRUCTURE

24 Financial highlights 1/2

	30/06/2011	30/09/2011
ADJUSTED GEARING RATIO (net of Cash Flow Hedge reserve effects)	1.34	1.37
LOAN TO VALUE	56.66%	58.22%
COST OF DEBT	3.87%	3.96%
INTEREST COVER RATIO	2.17	2.10
AVERAGE LENGTH OF LONG TERM DEBT	12 years	11.6 years
AVERAGE LENGTH OF LONG TERM DEBT including BOND	8.9 years	9.4 years

25 Financial Highlights 2/2

	30/06/2011	30/09/2011
BALANCED CAPITAL STRUCTURE (LT debt +Bond)	78.59%	78.56 %
HEDGING ON LONG TERM DEBT+ BOND *	72.52%	80.71%*
HEDGING ON LONG TERM DEBT	65.76%	74.08 %
BANKING CONFIDENCE	311.33 € mn	303 € mn
BANKING CONFIDENCE AVAILABLE	131.86 € mn	98.72 € mn
ASSETS MKT VALUE MORTGAGES FREE	562.92 € mn	560.9 € mn

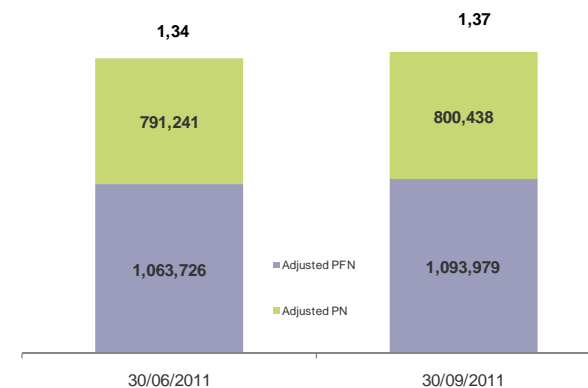
* Considering the swaps closed on July 12 2011 for 46,675 mn€ and on 12 September 2011, for 47,250 mn€ starting fwd on 31/12/2011 LT hedging + bond

26 Reclassified Balance Sheet

SOURCES/USE OF FUNDS (€ 000)	31/12/2010	30/09/2011	Δ	Δ%
Fixed assets	1,782,089	1,903,677	121,588	6.8%
NWC	85,239	74,259	-10,980	-12.9%
Other long term liabilities	-76,792	-74,213	2,579	-3.4%
TOTAL USE OF FUNDS	1,790,536	1,903,723	113,187	6.3%
PFN	1,017,082	1,123,863	106,781	10.5%
Shareholders' equity	773,454	779,860	6,406	0.8%
TOTAL SOURCES	1,790,536	1,903,723	113,188	6.3%

	30/06/2011	30/09/2011
Shareholders' equity	785,641	779,860
PFN	1,703,022	1,123,863
Gearing ratio	1.37	1.44
Adjusted shareholders' equity*	791,241	800,438
Adjusted PFN*	1,063,726	1,093,979
Adjusted gearing ratio*	1.34	1.37

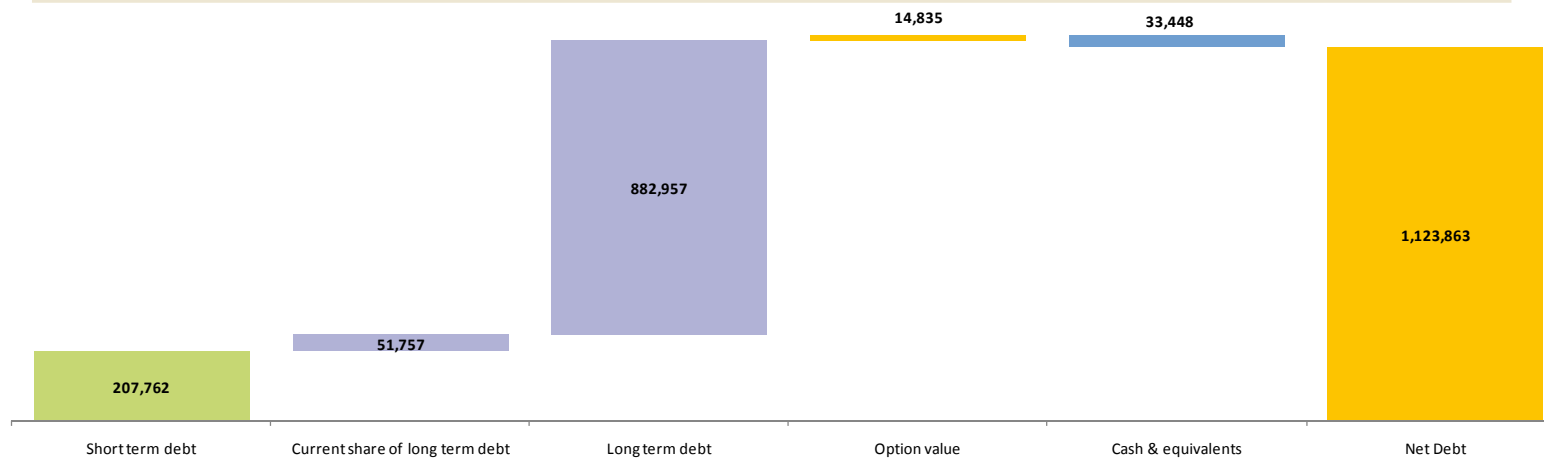
ADJUSTED GEARING RATIO* (€000)



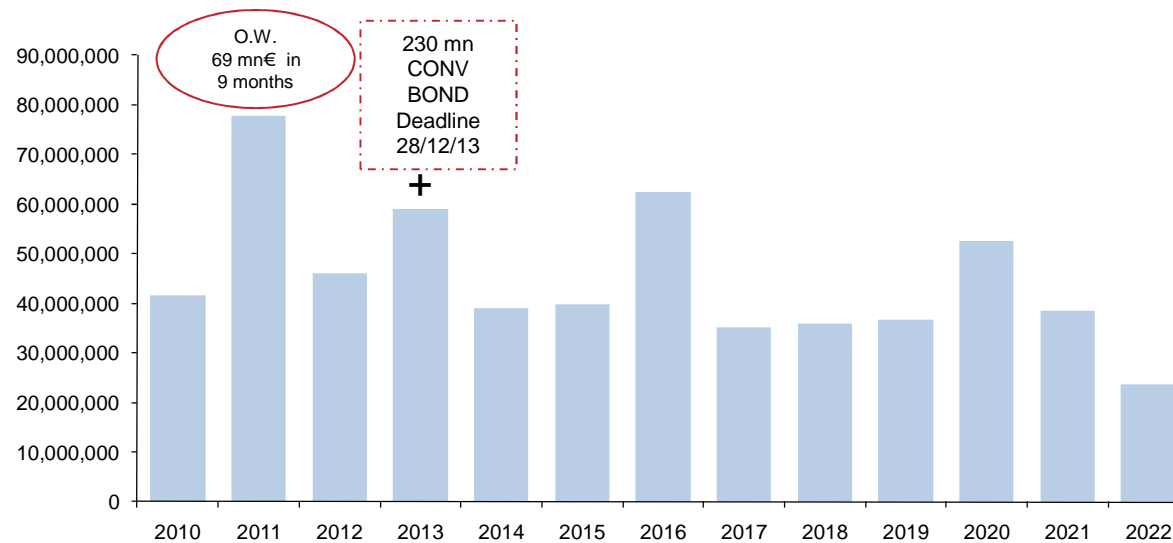
* It do not reflect the mere accounting effect of the fair value valuation of derivatives

27 Financial Structure

NET DEBT COMPOSITION (€ 000)

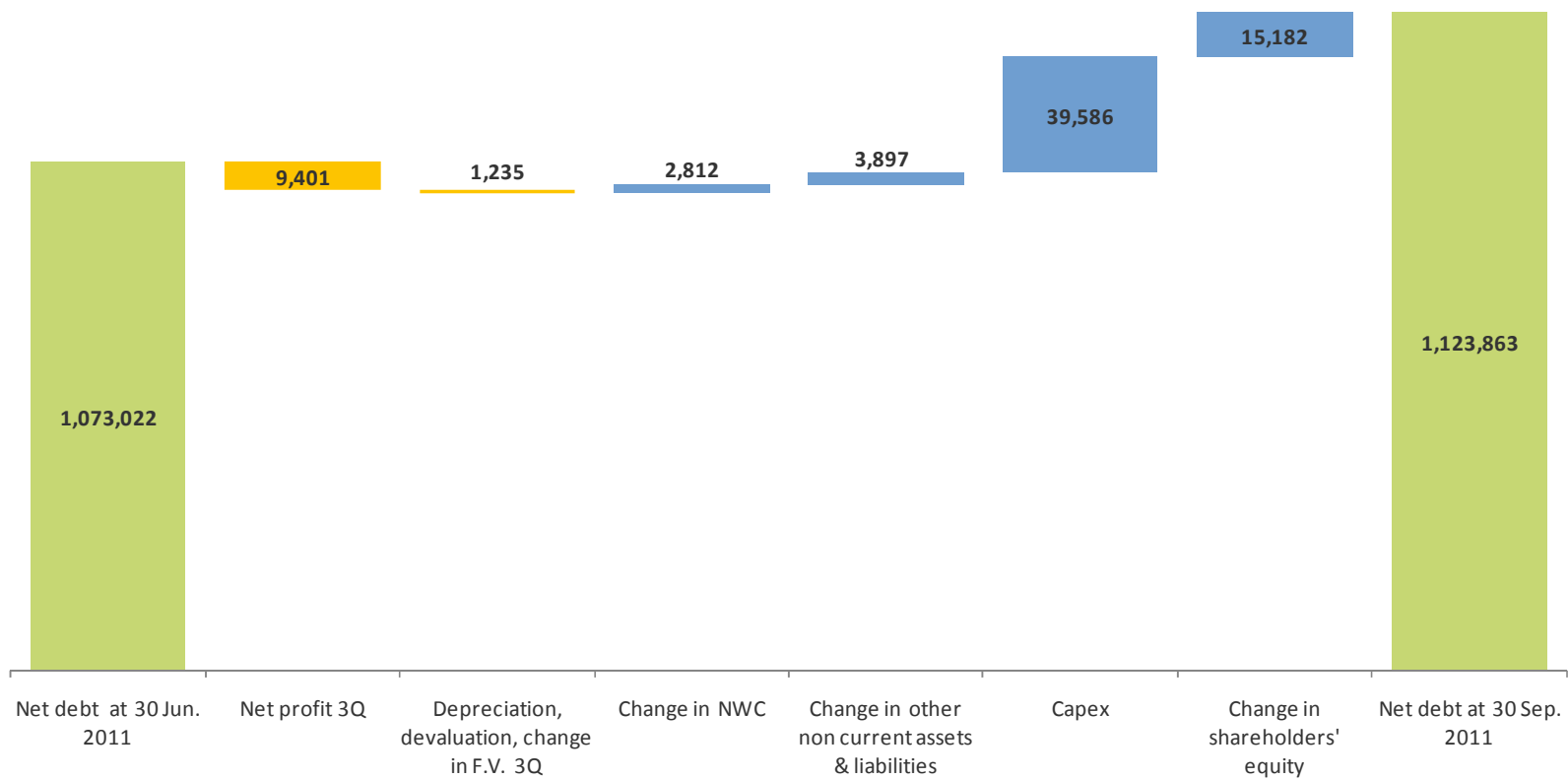


DEBT MATURITY (€ 000)



28 Net debt

NET DEBT CHANGE (€ 000)



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