



**igd** SIG  
SPACES TO BE LIVED IN

Conference call  
8 March 2012  
3.0 p.m.

Results presentation at 31/12/2011

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## 3

## 2011 results (1/2)

After a promising first half and a sharp deterioration of the macroeconomic and financial environment in the second half of the year, IGD Group achieved more than satisfying results in 2011.

### OPERATING PROFITABILITY AND CASH FLOW



- **Ebitda (core business): € 88.1 mn (Ebitda margin: 71.7%, an increase of 0.7 percentage points)**
- **FFO: € 43.3 mn**

### INVESTMENTS



DATE	DESCRIPTION	(€)
15-Mar	Purchased business unit within Gran Rondò shopping center in Crema	4.9 mn
24-Mar	Purchased 2 plots of land next to the land in Chioggia (to build medium surfaces)	3.7 mn
17-Apr	First purchase part of the strategy "City Center Project": Via Rizzoli in Bologna	25 mn
29-Apr	Purchase of the 2 <sup>nd</sup> and 3 <sup>rd</sup> floor of the headquarters in Bologna	6.1 mn
27-Jun	Purchased business unit relating to the cinema and bar in Centro Sarca shopping center in Sesto San Giovanni (MI)	3.5 mn
30-Jun	First purchase part of the strategy "Asset Turn Over": hypermarket in Conè shopping center in Conegliano	23.5 mn
14-Jul	Second and last purchase part of the strategy "Asset Turn Over": hypermarket in La Torre shopping center in Palermo	36 mn
20-Dec	Purchased land for the extension of Centro D'Abruzzo in Pescara (including land and operational costs)	5.4 mn

## 4 2011 results (2/2)

### DIVIDENDS



- At a historical maximum: 0.08 € per share
- Dividend yield 10.1% (p at 30/12/2011)
- Dividend yield 9.4% (p at 7/3/2012)

### FINANCIAL STRUCTURE



- Net debt: € 1,129 mn
- Cost of debt amongst the lowest in the sector: 4.08%
- Adjusted gearing ratio: 1.38

### CONFIRMED PORTFOLIO'S QUALITY



- Market Value: € 1,924.6 mn
- Portfolio strength:
  - Change in income related FV LFL (hypermarkets, mall and others) Italy: - 0.05%
  - Change in FV LFL Romania: - 1.17%
- Maintaining quality of portfolio assets over time with ordinary and extraordinary maintenance and energy efficiency restructuring

### ORGANIZATIONAL AND STRATEGIC ENHANCEMENTS



- Control practices improved with the introduction of *Enterprise Risk Management (ERM)*
- Operational Marketing Office and Analysis Marketing Office established
- Reorganization of the Geographical Areas of the Italian Commercial Network: 2 Macro Areas (North and South) and 7 geographical areas
- In 2011 the **first Sustainability Report** relating to 2010 was published.

## 5

# Highlights

## REVENUES

•Total revenues (*management accounting*)

**124.7 € mn**  
(+ 7.3% vs 31/12/2010)

•Revenues from core business

**122.9 € mn**  
(+ 5.8% vs 31/12/2010 )

## EBITDA

•EBITDA (core business)

**88.1 € mn**  
(+ 6.8% vs 31/12/2010)

•EBITDA margin (core business)

**71.7%**  
( + 0.7 percentage points)

**Group Net Profit**

**30.1 € mn**  
( + 2.4% vs 31/12/2010)

**Funds From Operations (FFO)**

**43.3 € mn**  
(+ 0.6% vs 31/12/2010)

**Dividend per share**

**0.08 €**  
(+6.7% vs 31/12/2010)

**Portfolio Mkt Value**

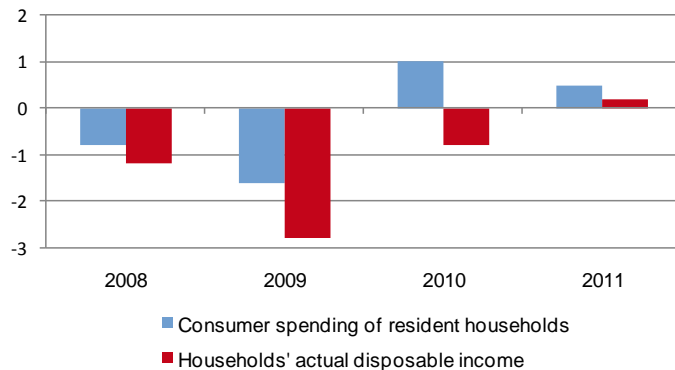
**1,924.6 € mn**  
(+119.6 € mn vs 31/12/2010)



**ECONOMIC CONTEXT**

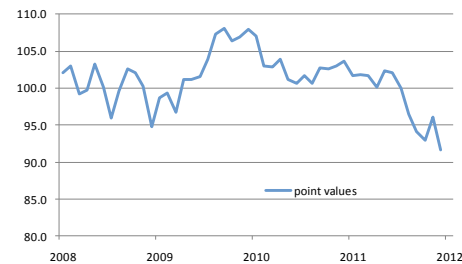
# 7 The Italian economic context

## CONSUMER CONSUMPTION AND INCOME IN ITALY (change %)



Data source: ISTAT

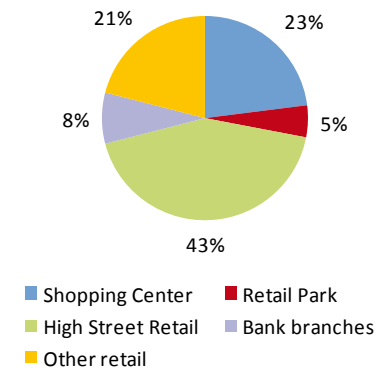
## CONSUMER CONFIDENCE



Data source: ISTAT



## RETAIL INVESTMENT VOLUME



Data source: CBRE



### Outlook

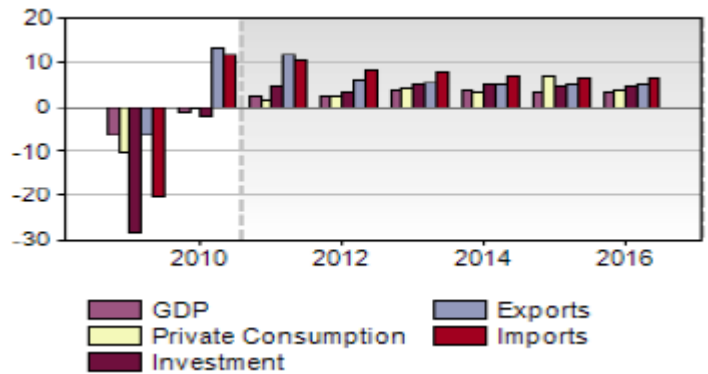
In 2011, the preliminary estimate of GDP trend was equal to + 0.4%, but the **GDP** growth rate gradually declined, until it recorded – 0.7% in 4Q; this has been influenced by a decrease in consumer confidence, an increase in the spread on family and company loans.

A recession phase is expected in 2012 (estimated at – 1.5%). The economic policy of the government has, however, made remarkable progress towards financial stability and this, together with growth measures, will enable Italy to benefit from the normalization of the market conditions.

Real **estate investment** total in 2011 (€ 4.3 bl) confirmed the interest of institutional investors **for retail real estate market** (+67%) especially in “prime” property, in the North of Italy, already existing and with consolidated profitability. The credit access difficulty has slowed down the completion of retail real estate projects (in 2011 26 new projects of which 17 shopping centers, were completed). Demand for spaces from the most important retailers has remained steady, but very selective.

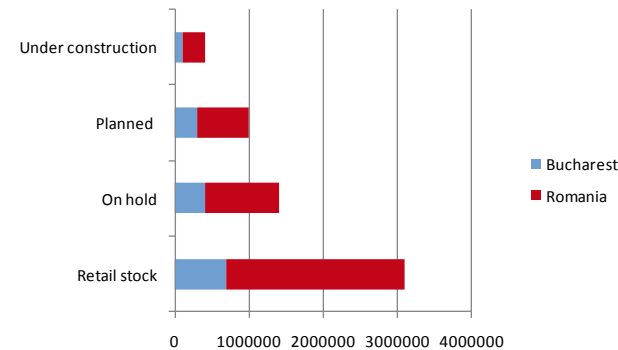
# 8 The Romanian economic context

**ECONOMIC GROWTH: MEDIUM TERM OUTLOOK (% change yoy)**



Source: IHS Global Insight Jan 2012

**RETAIL STOCK & PIPELINE IN BUCAREST AND IN ROMANIA AT 4Q2011**



Source: CBRE



## Outlook

The 2011 GDP was expected to grow by 1.7% and for 2012, it is expected to grow by about 2% (source: Eurostat). The exchange rate at 30 December 2011 stood at 4.32 ron/eur.

Unemployment stood at below the European average and in December, it was 7% (source: Eurostat).

The European consumption pattern is flourishing in Romania, there is a slight recovery in consumption, although remittances from abroad in euro have reduced drastically (-7% 2011 vs 2010 whereas -8% 2010 vs 2009).

The development pipeline in Romania is very volatile. Projects under construction are concentrated in the capital, Bucharest, or in the major urban towns.

Positive signals from the activity of large international retail operators and from the big international fashion retailers (H&M, New Yorker, C&A ...) continued their development activities in 2011 especially in Bucharest and new openings are expected in 2012.





**ECONOMIC AND  
FINANCIAL  
RESULTS**

# 10 Consolidated Income Statement

	CONSOLIDATED			CORE BUSINESS			"PORTA A MARE" PROJECT			
	€/000	31/12/2010	31/12/2011	%	31/12/2010	31/12/2011	%	31/12/2010	31/12/2011	%
Revenues from freehold properties		101,864	109,110	7.1%	101,864	109,110	7.1%	0	0	n.a.
Revenues from leasehold properties		8,231	8,537	3.7%	8,231	8,537	3.7%	0	0	n.a.
Revenues from services		6,092	5,284	-13.3%	6,092	5,284	-13.3%	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>116,187</b>	<b>124,657</b>	<b>7.3%</b>	<b>116,187</b>	<b>122,931</b>	<b>5.8%</b>	<b>0</b>	<b>1,726</b>	<b>n.a.</b>
Direct costs		(20,628)	(21,927)	6.3%	(20,424)	(21,777)	6.6%	(204)	(150)	(26.29)%
Personnel expenses		(3,368)	(3,483)	3.4%	(3,368)	(3,483)	3.4%	0	0	n.a.
Cost of sales and other costs		280	(731)	n.a.	0	0	n.a.	280	(731)	n.a.
<b>Gross Margin</b>		<b>92,471</b>	<b>98,516</b>	<b>6.5%</b>	<b>92,395</b>	<b>97,671</b>	<b>5.7%</b>	<b>76</b>	<b>845</b>	<b>n.a.</b>
G&A expenses		(4,922)	(4,564)	-7.3%	(4,713)	(4,144)	-12.1%	(209)	(420)	n.a.
Headquarter personnel costs		(5,232)	(5,443)	4.0%	(5,202)	(5,408)	4.0%	(30)	(35)	19.79%
<b>EBITDA</b>		<b>82,317</b>	<b>88,509</b>	<b>7.5%</b>	<b>82,480</b>	<b>88,119</b>	<b>6.8%</b>	<b>(163)</b>	<b>390</b>	<b>n.a.</b>
<i>Ebitda Margin</i>					<b>71.0%</b>	<b>71.7%</b>		<b>n.a.</b>	<b>22.6%</b>	
Depreciation		(900)	(1,109)	23.2%						
Devaluation		(3,842)	28	-100.7%						
Change in FV		(8,746)	(14,150)	61.8%						
Other provisions		(563)	238	-142.2%						
<b>EBIT</b>		<b>68,266</b>	<b>73,516</b>	<b>7.7%</b>						
Financial income		2,675	809	-69.8%						
Financial charges		(38,019)	(44,296)	16.5%						
<b>Net Financial Income</b>		<b>(35,344)</b>	<b>(43,487)</b>	<b>23.0%</b>						
<b>Income from equity investments</b>		<b>(1,140)</b>	<b>(887)</b>	<b>n.a.</b>						
<b>PRE-TAX INCOME</b>		<b>31,782</b>	<b>29,142</b>	<b>-8.3%</b>						
Income tax for the period		(2,510)	876	-134.9%						
<i>Tax rate</i>		<b>7.9%</b>	<b>-3.0%</b>							
<b>NET PROFIT</b>		<b>29,272</b>	<b>30,018</b>	<b>2.5%</b>						
(Profit)/losses related to third parties		68	39	-43.1%						
<b>NET GROUP PROFIT</b>		<b>29,340</b>	<b>30,057</b>	<b>2.4%</b>						

## Total revenues from properties:

**117,647€000**

From **Shopping Malls**: 84,672 €000 o.w.:

Italian malls 72,950 €000

Winmarkt malls 11,722 €000

From **Hypermarkets** : 31,888 €000

From **City Center Project – v. Rizzoli**: 867 €000

From **other**: 221 €000

# 11 Reclassified Income Statement MARGIN

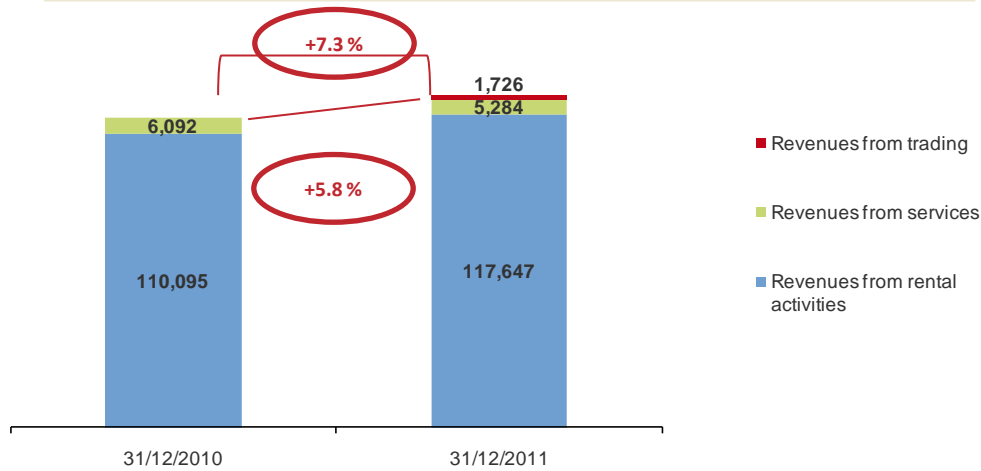
	CONSOLIDATED			CORE BUSINESS			"PORTA A MARE" PROJECT			
	€/000	31/12/2010	31/12/2011	%	31/12/2010	31/12/2011	%	31/12/2010	31/12/2011	%
Margin from freehold properties		89,573	94,825	5.9%	89,573	94,825	5.9%			n.a.
Margin from leasehold properties		1,772	1,917	8.2%	1,772	1,917	8.2%			n.a.
Margin from services		1,050	929	(11.5)%	1,050	929	(11.5)%			n.a.
Margin from trading		76	845	n.a.				76	845	n.a.
<b>Gross Margin</b>		<b>92,471</b>	<b>98,516</b>	<b>6.5%</b>	<b>92,395</b>	<b>97,671</b>	<b>5.7%</b>	<b>76</b>	<b>845</b>	<b>n.a.</b>
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<b>NET GROUP PROFIT</b>		<b>29,340</b>	<b>30,057</b>	<b>2.4%</b>						

Margin from freehold properties: 86.91%  
Margin from leasehold properties: 22.45%

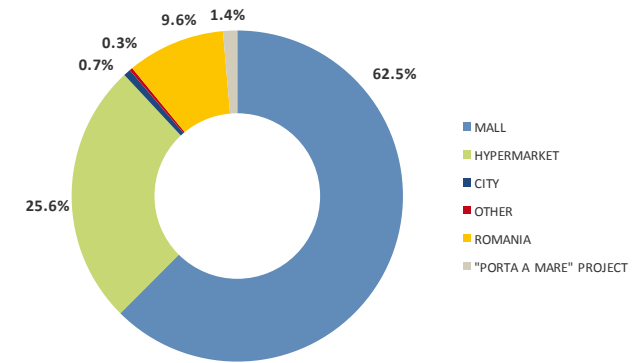
# 12 Total revenues: + 7.3%

Total operating revenues: + 7.3% - Total revenues from core business: + 5.8%

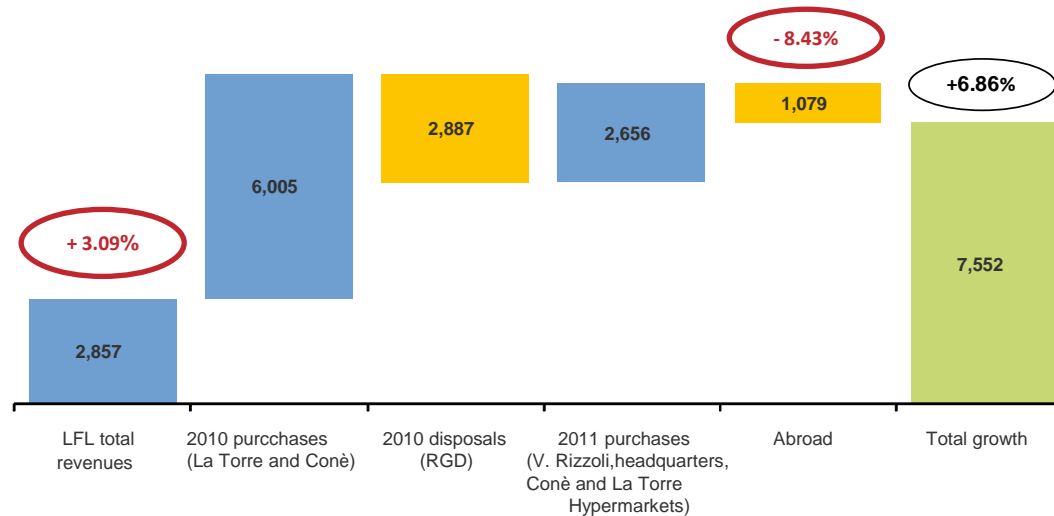
TOTAL REVENUES (€/000)



BREAKDOWN OF REVENUES BY TYPE OF ASSET



RENTAL INCOME GROWTH (€/000)

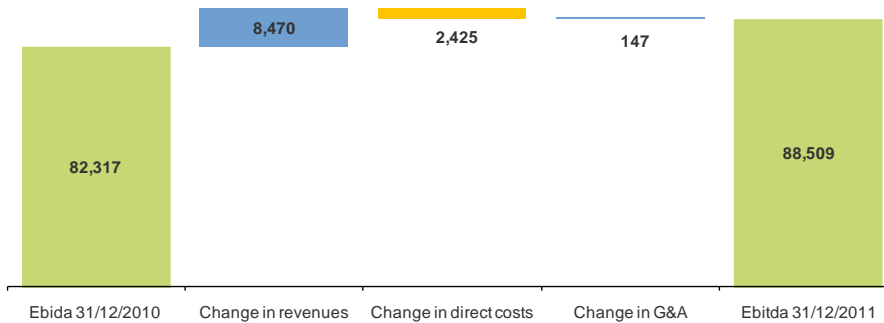


LFL Italian growth equal to 3.09% of which 40% due to ISTAT indexation

# 13 Ebitda (core business): + 6.8%, Ebitda margin: 71.7%

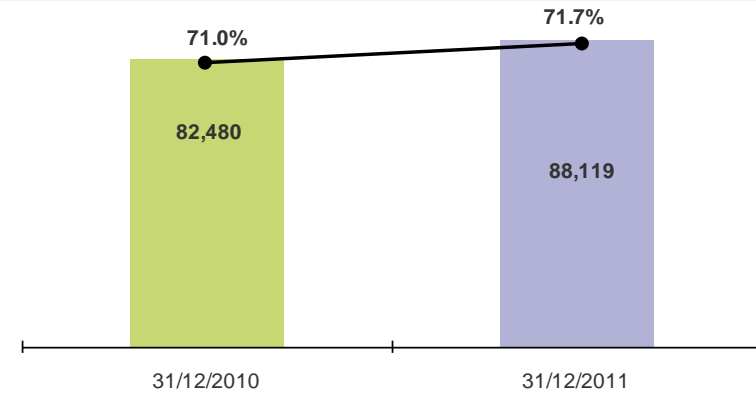
## CONSOLIDATED EBITDA

(€ 000)

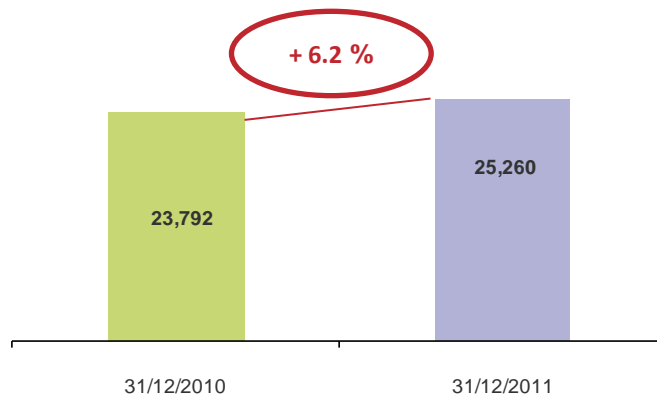


## EBITDA and EBITDA MARGIN CORE BUSINESS

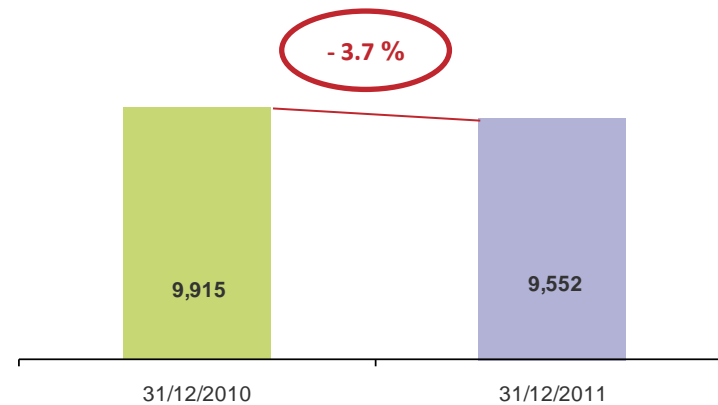
(€ 000)



## CORE BUSINESS DIRECT COSTS (€ 000)

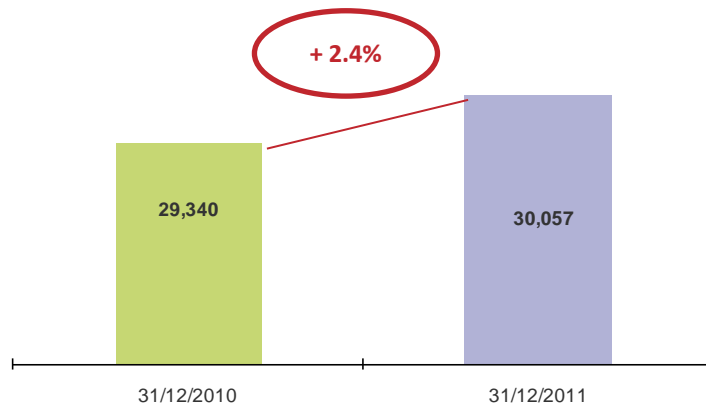


## CORE BUSINESS G&A EXPENSES (€ 000)

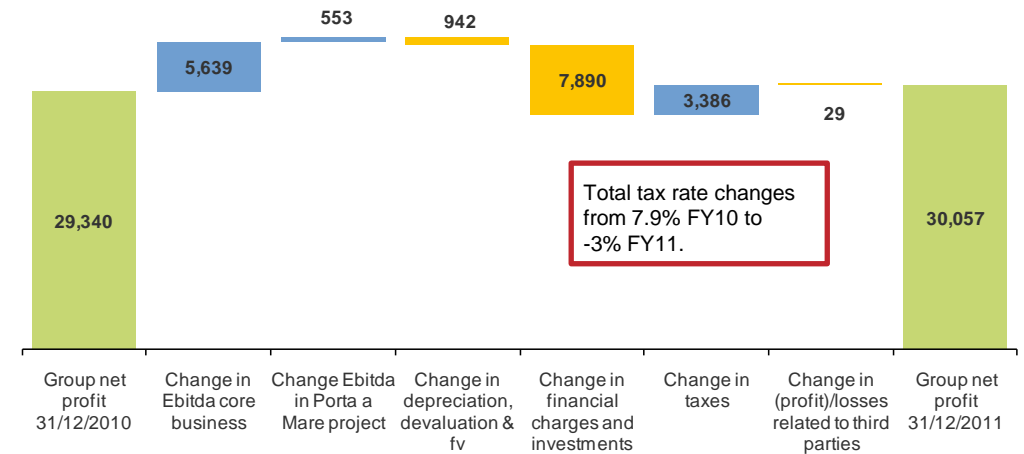


# 14 Group Net Profit: + 2.4%

## NET GROUP PROFIT (€ 000)



## NET PROFIT EVOLUTION (€ 000)



### NET PROFIT GROWTH (GROUP SHARE), EQUAL TO € 30.1 MN AT 31/12/2010, REFLECTS:



- an increase in profitability: total Ebitda € 88.5 mn (+7.5%)
- a decrease in taxes (€ 3.4 mn vs FY2010) due to the change in fv which brought about active deferred taxation at 31/12/2011.

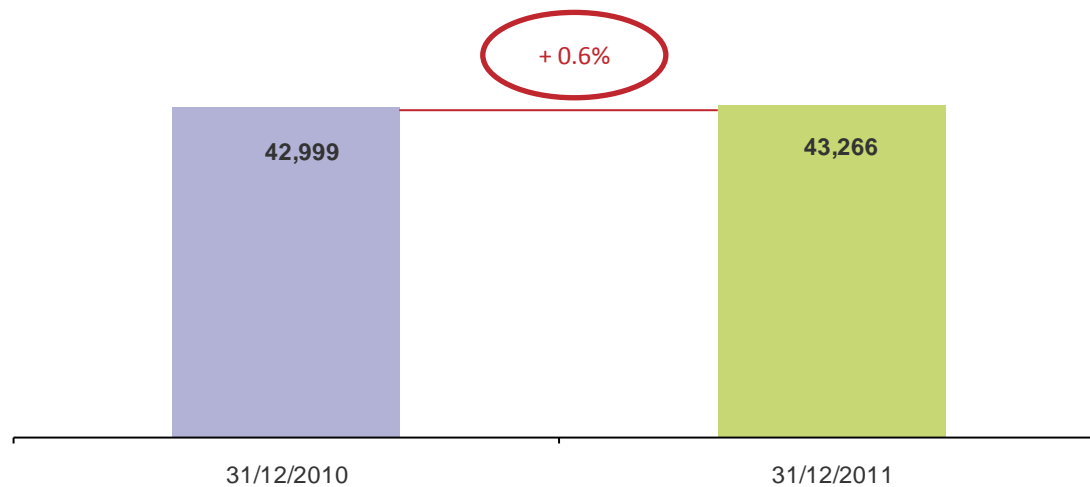


- a change in fair value of the portfolio at 31/12/2011 (€ -14.1 mn)
- an increase in net financial income (+ 23.0%) due to:
  - IRS underwritten in 2010 but starting from 1.1.2011
  - Increase of debt cost
  - New loans undertaken

# 15 Funds From Operations

FFO (€/000)	30/09/2010	30/09/2011	Δ	Δ%
<b>Pre-tax profit</b>	<b>31,782</b>	<b>29,142</b>	-2,640	-8.3%
Depreciation & other provisions	1,463	871	-592	-40.4%
Real estate devaluation&investments	3,842	500	-3,343	-87.0%
Change in FV	8,746	14,150	5,404	61.8%
Income tax for the period	-2,834	-1,397	1,438	-50.7%
<b>FFO</b>	<b>42,999</b>	<b>43,266</b>	267	0.6%

## FFO TREND (€/000)



# 16 2011 results confirm of a rewarding business model

**DIRECT MANAGEMENT** of centers

A careful merchandising mix, marketing activity adapted to each context and various customer related services, but especially in this economic environment careful attention paid to tenants and their problems.

**MEDIUM SIZED** and **EASILY REACHABLE** shopping centers

In line with the geographical structure of Italy which is characterized by a lot of **MEDIUM SIZED** provinces.

**Presence in THE WHOLE OF ITALY**

Presence from North to South in 11 of the most densely populated regions out of 20 (79% of Italian population).

In this moment of crisis **LOCATION** is rewarding.

**Shopping centers with FOOD ANCHORS**

The presence of **COOP** which is completely integrated in the territory guarantees a high and steady level of footfalls.



# 17 Performance of our Shopping Centers

TENANT SALES AND FOOTFALLS IN OUR SHOPPING MALLS					
	SALES		FOOTFALLS		
	Total trend	LFL	Total trend	LFL	abs. Value
<b>ITALY</b>	12.0%	- 2.9%	18.1%	<b>0.8%</b>	68.1 mn
<b>ROMANIA</b>	n.p*		- 0.8%		31.3 mn

\*not all our tenants have a cash register

## ITALY

**Footfalls : + 0.8%** particularly positive in Tiburtino, Katanè and Le Porte di Napoli.  
Up and down swing compared to 2010. Increase of 2.4% in December not in proportion to sales

### Sales: - 2,9%

Negative in the second half after a first half the same as 2010. December negative value of - 7.2%.  
Declining sales in clothing (- 5.4%), in hobby & media (- 5.7%) in particular electronics and telephone accessories.  
(details next slide)

## ROMANIA

**Footfalls: - 0,8%** total network average, with yoy improvement in shopping centers where the inclusion of attractive brands was completed and a slight drop in the others.

**Sales** (only those that we can monitor): we estimate a growth trend for food, substantially in line with 2010 for personal care goods and further decrease in clothing, footwear and household goods.

# 18 | Hypermarkets e shopping malls trends

HYPERMARKET/SUPERMARKET SALES IN ITALY						
MARKET	coop		coop		Coop Adriatica	
	Total trend	LFL	Total trend	LFL	Total trend	LFL
Supermarkets + Hypermarkets	+ 1.5%	- 1.0%	+ 1.7%	- 0.3%	+ 2.5%	- 0.8%
Hypermarkets	- 2.1%	- 3.6%	0.0%	- 2.0%	+ 2.0%	- 1.6%
Supermarkets	+ 2.8%	- 0.1%	+ 3.2%	+ 1.1%	+ 2.9%	0.0%

**Hypermarkets in shopping centers owned by IGD registered LFL - 1.6%**

Source: Processing COOP on IRI Infoscan data

NON FOOD DEPARTMENT TREND IN IGD'S HYPERMARKETS AND MALLS		
	IGD's malls*	Ipercoop
Non food	-5.7%	-9.1%

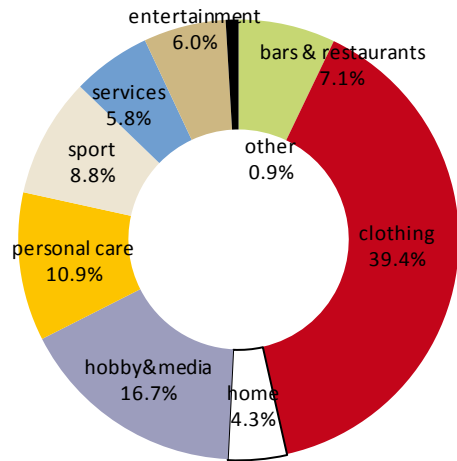
\* IGD's non food: includes clothing, home, personal care, hobby & media (electronics, telephone accessories...). COOP non food is the total non food.

In **HOBBY & MEDIA Consumer electronics** is the one that lost the most, a general decrease of the market due to the positive effect for the digital terrestrial change over in 2010. Electronics, in our malls lost – 7.7%. Decrease also in **telephone accessories**, which registered -8.4% .

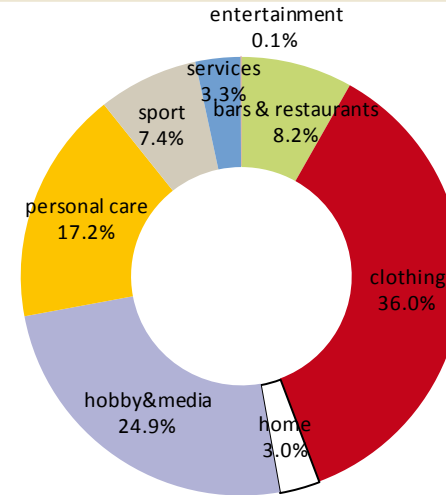
Source: IGD's mktg analysis

# 19 Shopping malls merchandising mix

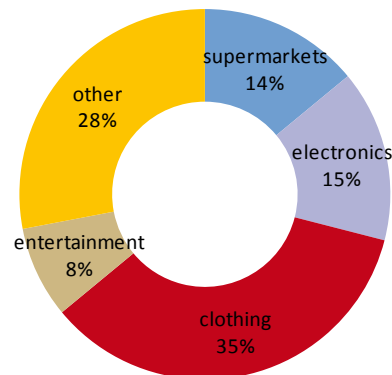
**ITALIAN SHOPPING MALLS MERCHANDISING MIX GLA**



**ITALIAN SHOPPING MALLS MERCHANDISING MIX TURNOVER**



**ROMANIAN SHOPPING MALLS MERCHANDISING MIX GLA\***



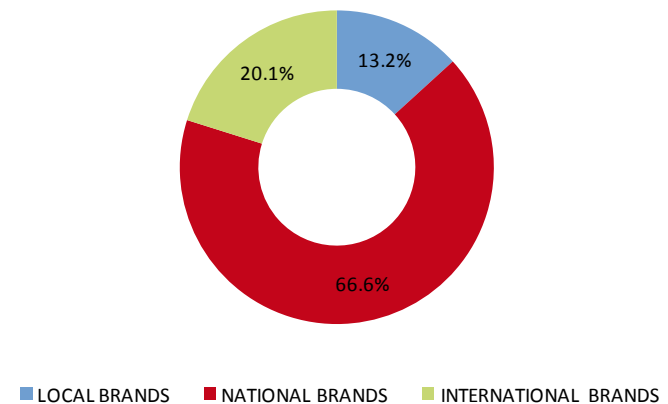
\* Including food anchor

# Tenants in Italy

TOP 10 TENANTS	BRANDS	TURNOVER IMPACT	CONTRACTS
 Gruppo Mirogio	 	4.0%	38
PIAZZA ITALIA		2.9%	12
		2.0%	7
COMPAR	 	1.8%	10
		1.6%	3
		1.6%	22
BBC		1.3%	2
		1.3%	21
		1.3%	11
		1.3%	1
<b>Total</b>		<b>19.0%</b>	<b>127</b>

TOTAL CONTRACTS	
	Italy
Malls	1,043
Hypermarkets	19
<b>Total</b>	<b>1,062</b>

BRANDS BREAKDOWN



The continuous dialogue with tenants resulted in an effective relationship and this enabled the sudden and critical situation to be handled well

# 21

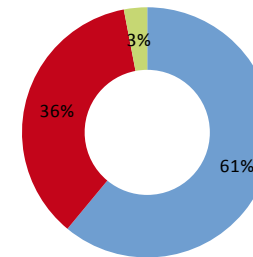
## Tenants in Romania

TOP 10 TENANTS	PRODUCT CATEGORY	TURNOVER IMPACT	CONTRACTS
	electronics	6.2%	10
 House of Art	clothing (family)	6.1%	13
	footwear	4.9%	13
	jewellery	5.0%	12
	food	4.4%	5
	services	3.0%	1
	fast food	1.4%	2
	household goods	1.2%	4
	clothing (underwear)	1.1%	8
	services	0.9%	8
<b>Total</b>		<b>32.9%</b>	<b>76</b>

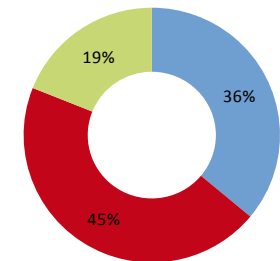
**TOTAL CONTRACTS 612**

### LENGTH OF CONTRACTS Consolidation tenant portfolio

**2010**



**2011**

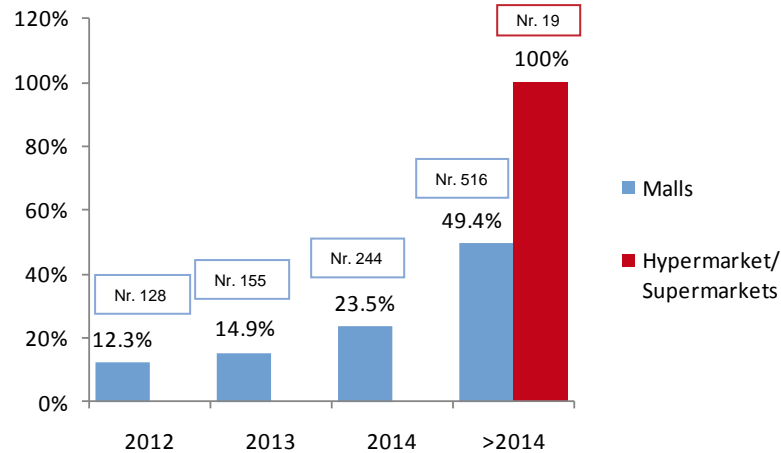


■ <3 years ■ from 3 to 5 years ■ >5 years

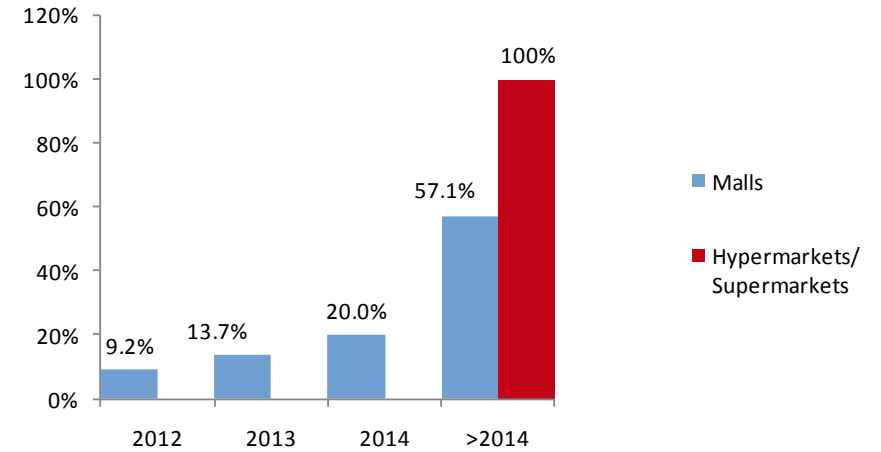
■ <3 years ■ from 3 to 5 years ■ >5 years

# Contracts in Italy and Romania

**EXPIRY DATE OF CONTRACTS OF HYPERMARKET AND MALLS IN ITALY (% no. of contracts)**



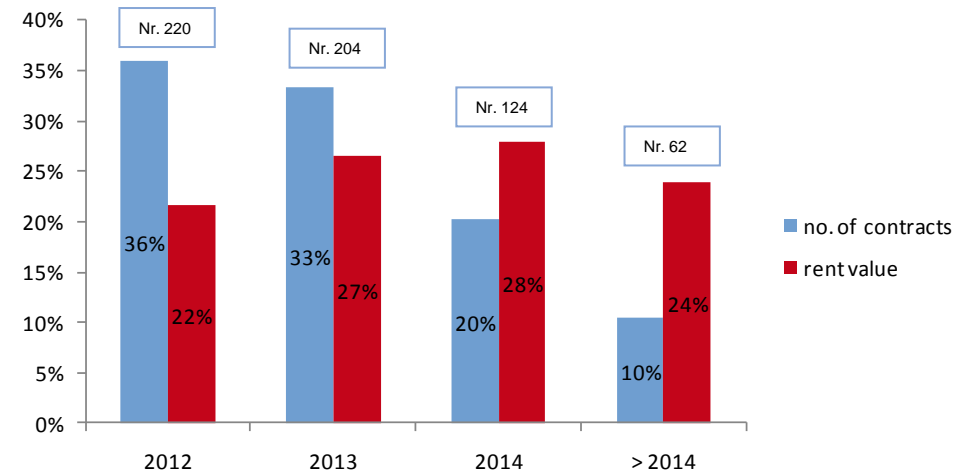
**EXPIRY DATE OF CONTRACTS OF HYPERMARKETS AND MALLS IN ITALY (% of value)**



**ITALY**  
 90 new contracts of which 41 turned over and 49 renewed were signed in 2011. Average upside on renewal: **+ 7.40%** (good upsides have occurred in shopping malls involved in extensions and restyling)

**ROMANIA**  
 225 contracts renewed (equal to 21.6% of the Winmarkt total revenues) mainly signed before the crisis with downside equal to **- 13%** and 107 new contracts in 2011.

**EXPIRY DATE OF CONTRACTS OF MALLS IN ROMANIA (no. and % of contracts and % of value)**



# 23 Focus on Romania

## VALUE ADDED CONTRIBUTION by Winmarkt



### REBRANDING

To emphasize the concept of group management and enhance the strength of central location



### Continuous decrease in vacancy from 22.58% end 2010 to **11.23% end 2011**

Continuous introduction of new brands and new product categories dedicated to entertainment on the upper floors (4<sup>th</sup> and 5<sup>th</sup> floor): fitness, wellness, GameLand, discolounge which favor the footfalls through out the mall. The installation of the new traffic generators were paid out by the tenants.



GameLand – Rm Valcea



Billa – Piatra Neamt



La cucina - Ploiesti



Capex for ordinary and extraordinary maintenance € 0.85 mn: introduction of escalators in Galati and Buzau for easy access to upper floors was completed and other maintenance work carried out.

Utility costs increased due to higher unit prices, service costs (- 8%) in the shopping centers continued to decrease without variation to the quality of the service (annual tenders and rotation of suppliers).

# 24 Igd spaces to be lived in...



## COMMON APPROACH TO MARKETING

Saving of 10% of marketing costs

- **CREATING A COMMON IDENTITY** maintaining individual local characteristics
- Shopping centers as places to be lived in, meeting places, provided good footfalls (+0.8% LFL)

## “NEW“ EVENTS FOR IGD

Give precedence to social/cultural and sports events and to those paying particular attention to local characteristics.



### EVENTS

“Libera Terra”, prevention project with ANT, “A canestro con IGD” (Virtus Basketball Team). Other events have been planned for 2012: “La bussola del lavoro”, “Concorso sul fumetto” (Comics competition) in partnership with COOP, CREATIVITALIA exhibition on Italy visiting 28 shopping centers

During the VIRTUS events in shopping centers involved, the footfalls registered + 10%





**PORTFOLIO**

# Italian Portfolio

## 51 REAL ESTATE UNITS IN 11 ITALIAN REGIONS:

- 19 shopping malls and retail park
- 19 hypermarkets and supermarkets
- 1 city center
- 4 plots of land for development
- 1 property held for trading
- 7 other

### Emilia Romagna

5 shopping malls, 8 hypermarkets-Super, 1 city center, 5 other, 1 land

### Piemonte

1 shopping mall, 1 shopping mall + retail park

### Lombardia

2 shopping malls

### Trentino

1 shopping mall

### Veneto

1 shopping mall + Retail park, 1 hypermarket, 1 land

### Marche

1 shopping mall, 3 hypermarkets, 2 other, 1 land

### Abruzzo

1 shopping mall, 1 hypermarket, 1 land

### Campania

1 shopping mall, 1 hypermarket

### Lazio

2 shopping malls, 2 hypermarket

### Toscana

1 shopping mall, 1 hypermarket, 1 asset held for trading

### Sicilia

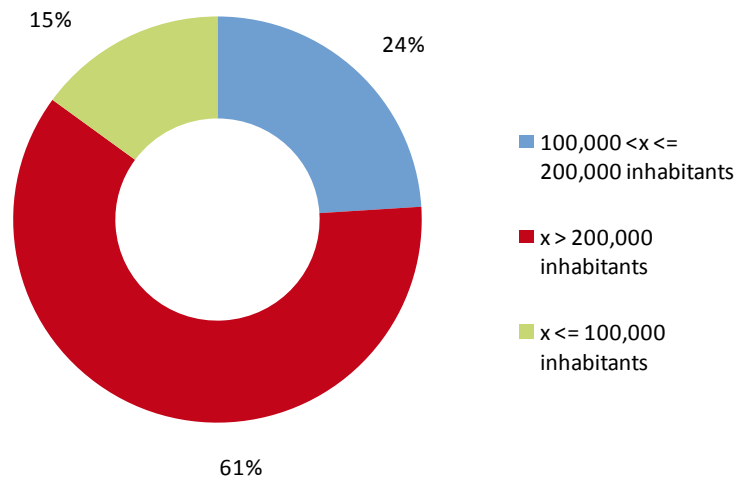
2 shopping malls, 2 hypermarkets



# 27 Romanian Portfolio

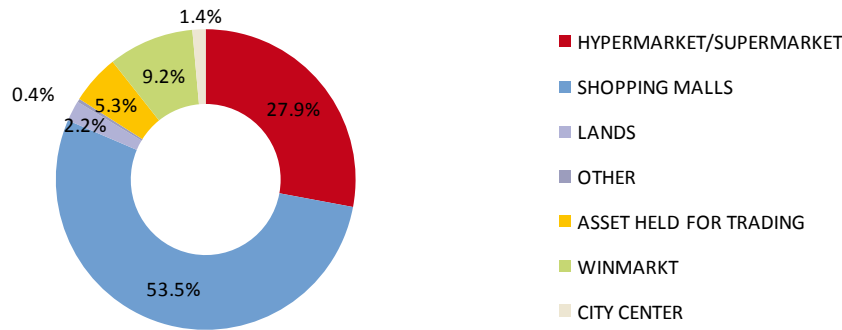
**15 SHOPPING CENTERS + 1 OFFICE BUILDING IN 13 DIFFERENT ROMANIAN MEDIUM SIZED CITIES**

**GEOGRAPHICAL DISTRIBUTION OF ROMANIAN PORTFOLIO**

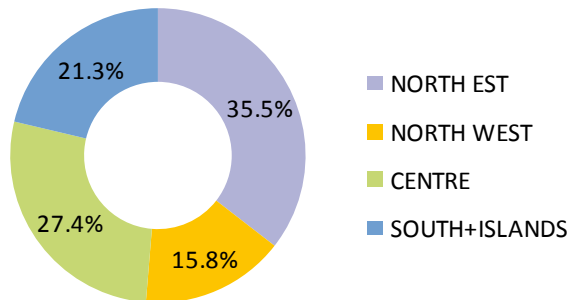


# Italian and Romanian Portfolio

**BREAKDOWN BY TYPE OF IGD'S PORTFOLIO MARKET VALUE**



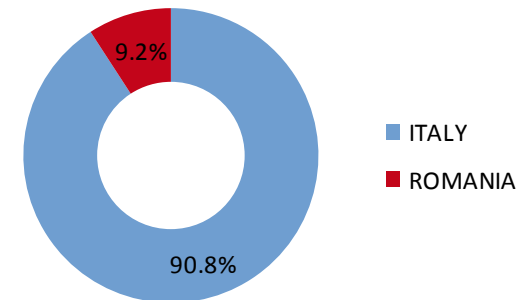
**BREAKDOWN BY GEOGRAPHIC AREA IN ITALY**



**APPRAISAL BREAKDOWN OF PORTFOLIO**

PROPERTY CATEGHORY	% PORTFOLIO	APPRAISER
Hypermarkets and Supermarkets	13.27%	CBRE
	14.66%	REAG
Shopping Malls	29.86%	CBRE
	23.64%	REAG
City Center	1.42%	CBRE
Other	0.33%	CBRE
	0.02%	REAG
Assets held for trading	5.32%	CBRE
Development and plots of land	1.68%	CBRE
	0.55%	REAG
Winmarkt (Romania)	9.25%	CBRE
100.00%		
<b>Total</b>	<b>61.13%</b>	<b>CBRE</b>
	<b>38.87%</b>	<b>REAG</b>
100.00%		

**PORTFOLIO BREAKDOWN ITALY AND ROMANIA**



## 29 Portfolio characteristic

€ mn	MKT VALUE 31/12/2010	MKT VALUE 31/12/2011
LFL Italian Portfolio	1,508.40	<b>1,505.26</b>
Income related assets in 2011 (Hypermarkets of Conè in Conegliano and La Torre in Palermo)	\	<b>62.00</b>
Asset held for trading + lands + other (in addition to work under construction in 2011)	115.48	<b>152.09</b>
City Center Project V. Rizzoli	\	<b>27.30</b>
Winmarket Portfolio Romania (shopping malls + office building)	180.10	<b>178.00</b>
<b>IGD TOTAL PORTFOLIO</b>	<b>1,803.98</b>	<b>1924.65</b>

€ mn	HYPERMARKETS	SHOPPING MALLS ITALY	SHOPPING MALLS ROMANIA
Financial occupancy	100%	96.52%	88.77%
Market value at 31 December 2011 €mn	537.60	1,029.66	173.70
Compound average yield total portfolio	6.36%	6.50%	7.57%

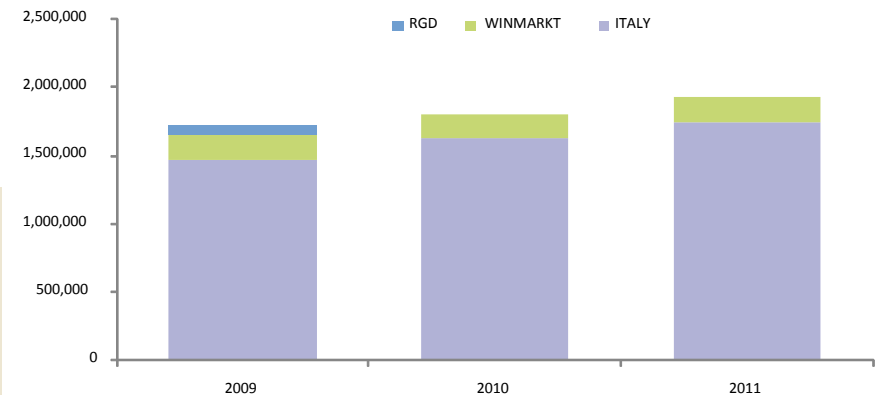
# 30 Market value evolution

**ITALIAN Portfolio**  
**Change in income related FV LFL (hypermarkets, shopping malls and other): - 0.05%**  
 LFL change **HYPERMARKETS: +1%**  
 LFL change **SHOPPING MALLS and RETAIL PARKS: -0.52%**  
 (including Crema and CentroSarca business unit)  
 LFL change **OTHER: - 3.46%**

**ROMANIAN Portfolio**  
**LFL change: -1.17%**  
 LFL change **SHOPPING MALLS: -1.25%**  
 LFL change **OFFICE BUILDING: +2.38%**

**+** In 2011, IGD Group portfolio was enriched with its first City Center Project in Bologna - Via Rizzoli, its headquarters, hypermarket "Conè" in Conegliano, hypermarket "La Torre" in Palermo, 2 business units, one in Centro Sarca and one in Gran Rondò, land for the extension of Centro D'Abruzzo shopping center and 2 plots of land next to the plot of land in Chioggia on which medium surfaces will be built.

**MARKET VALUE EVOLUTION (€ 000)**

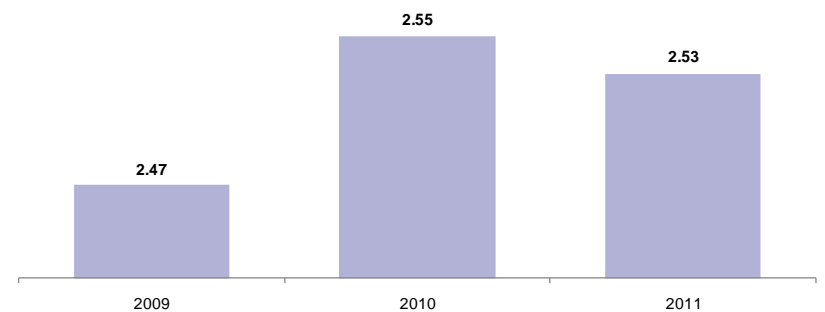


- In Italy the FV decrease was concentrated entirely in the second half of 2011 for a LFL value with a strong IMU property tax impact.
- The LFL Italian portfolio income related FV change recorded a decrease of -0.05% (€ 0.79 mn in absolute value) compared to 31.12.2010. Investments on the existing portfolio and balance sheet reclassification leads to a total devaluation equal to € 14.1 mn.

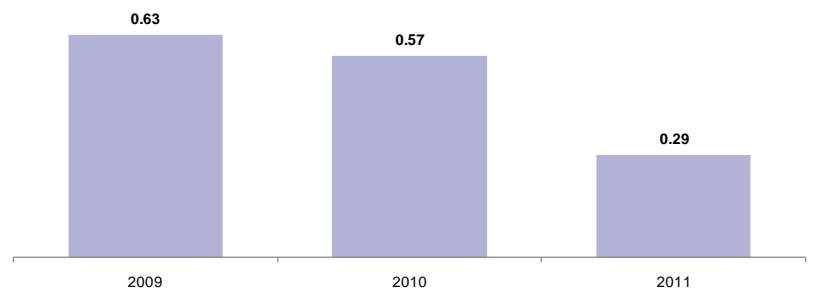
# 31 NAV

NNAV		FY10	FY11
Market value owned properties, lands and development initiatives, assets held for trading	a	1,803.98	1,924.65
Investment properties, lands and development initiatives, assets held for trading	b	1,804.01	1,916.79
<b>Potential capital gain /loss</b>	<b>c=a-b</b>	<b>(0.03)</b>	<b>7.86</b>
Shareholders' equity (incl. Third parties)		773.45	767.05
Treasury shares (incl. Commissions)		22.25	22.25
<b>Adjusted Shareholders' equity</b>	<b>h</b>	<b>795.71</b>	<b>789.31</b>
<b>Present IGD stock price</b>	31dic-11	<b>1.46</b>	<b>0.74</b>
<b>Potential gain (loss) on treasury shares</b>	<b>d</b>	<b>(6.12)</b>	<b>(14.02)</b>
<b>Total capital gain</b>	<b>e=c+d</b>	<b>(6.15)</b>	<b>(6.16)</b>
<b>NAV</b>	<b>f=e+h</b>	<b>789.56</b>	<b>783.15</b>
N. of share	g	309.25	309.25
<b>NAV per share</b>	<b>f/g</b>	<b>2.55</b>	<b>2.53</b>
Tax rate on asset gain		27.7%	27.6%
<b>Total net capital gain</b>	<b>i</b>	<b>(6.14)</b>	<b>(8.33)</b>
<b>NNAV</b>	<b>l=h+i</b>	<b>789.57</b>	<b>780.98</b>
<b>NNAV per share</b>	<b>m=l/g</b>	<b>2.55</b>	<b>2.53</b>

## NNAV PS (€)



## YE PRICE/NAV (€)





**FINANCIAL STRUCTURE**



# 33 Financial Highlights 1/2

	31/12/2010	31/12/2011
<b>ADJUSTED GEARING RATIO</b> (net of Cash Flow Hedge reserve effects)	1.28	<b>1.38</b>
<b>LOAN TO VALUE</b>	56.4%	<b>58.7%</b>
<b>COST OF DEBT</b>	3.53%	<b>4.08%</b>
<b>INTEREST COVER RATIO</b>	2.33	<b>2.04</b>
<b>AVERAGE LENGHT OF LONG TERM DEBT</b>	12 years	<b>11.5 years</b>
<b>AVERAGE LENGHT OF LONG TERM DEBT including BOND</b>	9.6 years	<b>8.9 years</b>

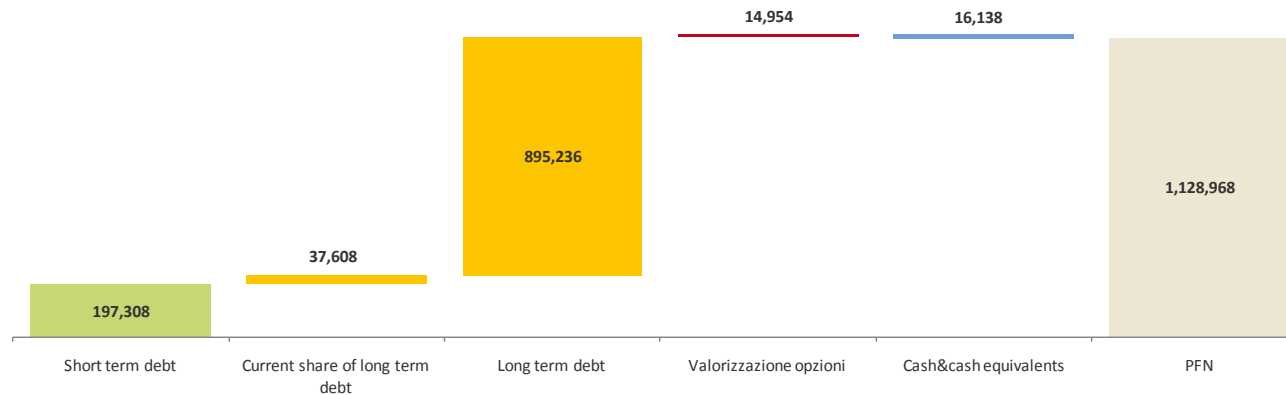
# 34 Financial Highlights 2/2

	31/12/2010	31/12/2011
BALANCED CAPITAL STRUCTURE (LT debt +Bond)	84.0 %	78.6 %
HEDGING ON LONG TERM DEBT + BOND	74.1 %	79.1%
HEDGING ON LONG TERM DEBT	65.1%	74.1 %
BANKING CONFIDENCE	€ 293 mn	€ 303 mn
BANKING CONFIDENCE AVAILABLE*	€ 173.6 mn	€ 106.7 mn
ASSETS MKT VALUE MORTGAGES FREE	€ 315.8 mn	€ 562.2 mn

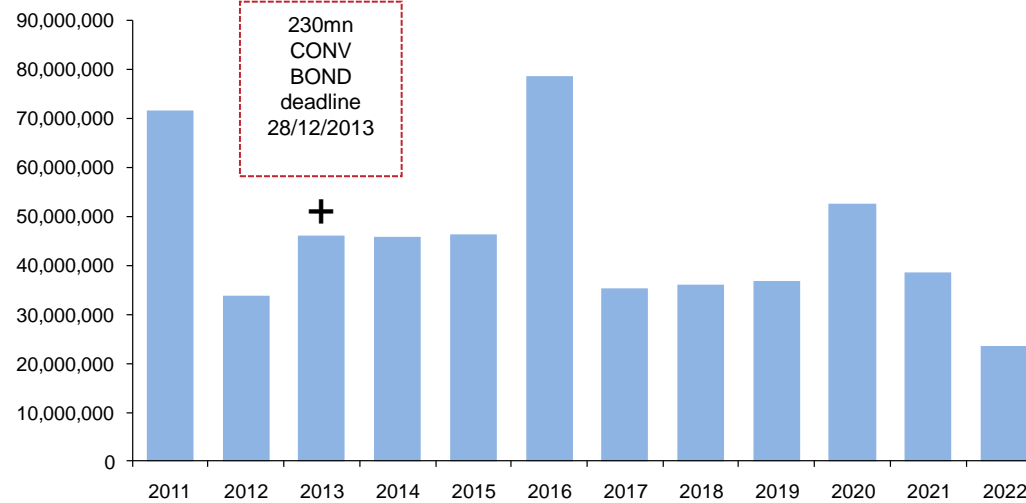
\* Use of short-term lines was increased waiting for better conditions for long-term debt

# 35 Financial structure

## NET DEBT COMPOSITION (€ 000)

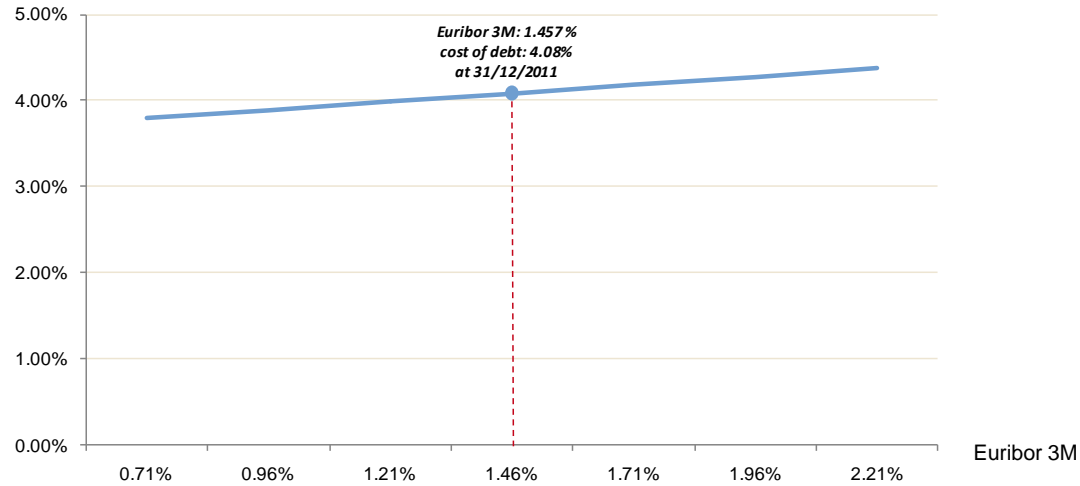


## DEBT MATURITY (€ 000)



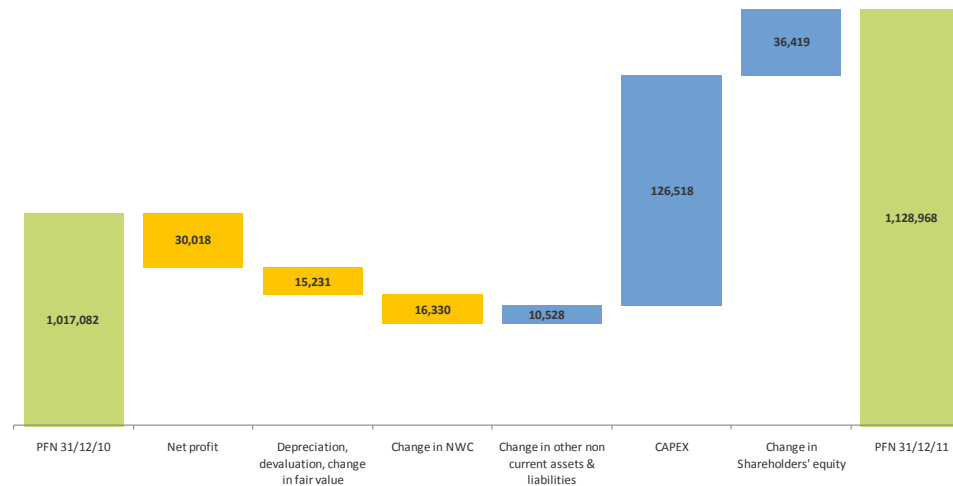
# 36 Net debt

## SENSITIVITY



In the event of an increase or decrease in rates the average cost of debt would increase inferior in proportion thanks to hedging.

## NET DEBT CHANGE (€ 000)

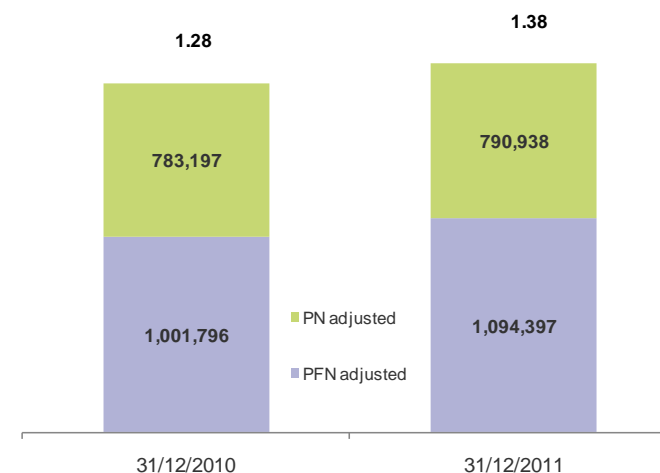


## 37 Reclassified Balance Sheet

SOURCES/USE OF FUNDS(€ 000)	FY10	FY11	Δ	Δ%
Fixed assets	1,782,089	1,897,756	115,667	6.5%
NWC	85,239	68,909	-16,330	-19.2%
Other long term liabilities	-76,792	-70,644	6,148	-8.0%
<b>TOTAL USE OF FOUNDS</b>	<b>1,790,536</b>	<b>1,896,021</b>	<b>105,485</b>	<b>5.9%</b>
Net debt	1,017,082	1,128,968	111,886	11.0%
Shareholders' equity	773,454	767,053	-6,401	-0.8%
<b>TOTAL SOURCES</b>	<b>1,790,536</b>	<b>1,896,020</b>	<b>105,485</b>	<b>5.9%</b>

### ADJUSTED GEARING RATIO\* (€ 000)

	31/12/2010	31/12/2011
Net profit	773,454	767,053
Net debt	1,017.08	1,128,968
<b>Gearing ratio</b>	<b>1.31</b>	<b>1.47</b>
Adjusted net profit*	783,197	790,938
Adjusted net debt*	1,001,979	1,094,397
<b>Adjusted gearing ratio*</b>	<b>1.28</b>	<b>1.38</b>



# 38 Dividend

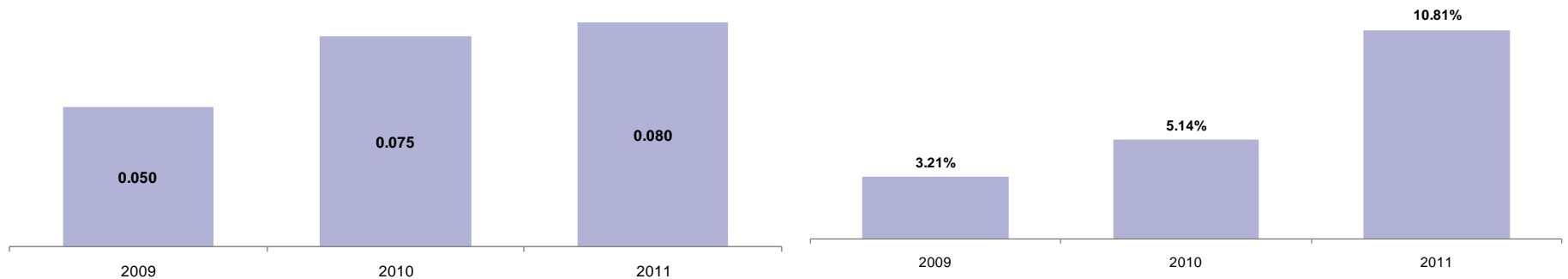
Thanks to the good results reached in 2011, the IGD BoD will ask AGM of **19 April 2012** to approve the distribution of a:



dividend of 0,08 € per share

DIVIDEND (€)

DIVIDEND YIELD (%)



### Which represents:



An **increase of 6.7%** (0.005 €) compared to the dividend per share in 2010 of 0.075 € per share.



A **payout of at least 85%** of IGD net rental income available for distribution



A **dividend yield del 9.4%** , on the basis of the share price at 7 March 2012 equal to 0.85€

## 39 Dividend Reinvestment Option

The ***Board of Directors***

at the

***Annual General Meeting*** to be held on 19 April 2012

will propose a capital increase without pre-emption rights for shareholders, coupon holders entitled to receive the 2011 dividend.

The shareholders who decide to subscribe will be offered the possibility to reinvest a part, not to exceed 80%, of their dividend.

The dividend will be paid in cash in accordance with standard procedures and shareholders may then decide whether to invest part of the dividend received as per the conditions proposed.

The purpose of this transaction, which is in line with the best practices adopted by a number of European REITs, is to give dividend recipients the possibility to reinvest in IGD and IGD to recapitalize itself.

# 40 Dividend Reinvestment Option: steps

## Who can participate

Shareholders, coupon holders entitled to receive the 2011 dividend

## How much

The **total offer will amount to 80% of the proposed 2011 dividend**

Each shareholder may subscribe to a number of shares, the amount of which does not exceed 80% of the dividend received

## How

During the Annual General Meeting shareholders will establish the criteria to be used to determine the subscription price of the new shares on the basis of the BoD's proposal, market practices for similar transactions, and in light of the average stock price during trading sessions prior to the ex-div date, less the amount of the 2011 cash dividend and a discount of a maximum of 10%.

The BoD will subsequently determine the final subscription price on the basis of the criteria established during the Annual General Meeting.

*The details of the transaction will be disclosed to the market after the Annual General Meeting and before the transaction's launch*



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