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## **PRESS RELEASE**

### **IGD SIIQ SPA: THE BOARD OF DIRECTORS APPROVES THE DRAFT SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2012**

**In a particularly complex environment, the IGD Group closed FY 2012 with positive results in terms of revenue stability and core business Ebitda (unchanged net of the impact of IMU):**

- **Revenue from core business<sup>1</sup>: €123.3 million (€121.2 million at 31 December 2011)**
- **Like-for-like revenue in Italy: €101.9 million (€101.3 million at 31 December 2011)**
- **Core business EBITDA: €85.8 million (€88.1 million at 31 December 2011)**
- **The Group's portion of net profit: €11.3 million (€30.1 million at 31 December 2011), explained primarily by the change in the properties' fair value;**

**With regard to the financial indicators:**

- **Net financial debt: - €1,089.6 million (an improvement with respect to the - €1,094.4 million posted at 31 December 2011)**
- **Gearing ratio: 1.38, unchanged with respect to 31 December 2011**
- **Market Value of the freehold real estate portfolio: €1,906.6 million (basically in line with respect to the €1,924.6 million recorded at 31 December 2011)**
- **Dividend of €0.07 per share proposed (in line with the 2012-2015 Strategic Plan), with shares going ex-div on 20 May 2013 and payable as of 23 May 2013**

**Other resolutions:**

- **the proposed capital increase excluding pre-emption rights reserved exclusively for shareholders, coupon holders entitled to receive the 2012 dividend (the Dividend Reinvestment Option) was approved**
- **other proposed resolutions: authorization for the purchase and disposal of treasury shares; granting of the financial audit assignment for the period 2013-2021; amendment of Articles 16, 26 and 31 of the corporate bylaws**
- **the annual Report on Corporate Governance and Ownership Structure, as well as the Board of Directors' Compensation Report, were also approved.**

Bologna, 28 February 2013 - Today the Board of Directors of **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** ("IGD" or the "Company"), listed on the STAR segment of the Italian Stock Exchange, in a

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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.

meeting chaired by Gilberto Coffari, examined and approved **the draft separate and consolidated financial statements at 31 December 2012**

*“Despite the particularly complex economic and financial environment, the IGD Group closed FY 2012 with core business EBITDA of €85.8 million and a net profit of €11.3 million. These results are even more significant insofar as they were achieved in the most difficult year of IGD’s history: this year, in fact, the economic crisis, which in Italy – our principal market – has persisted almost uninterrupted since 2008, proved to be even more drastic. The operating results make it possible for us to maintain a solid dividend, in line with the targets found in the 2012-2015 Business Plan approved last October”* **Claudio Albertini, Chief Executive Officer of IGD - Immobiliare Grande Distribuzione SIQ S.p.A.** stated. *“We are, therefore, very proud that we were able to deal with this challenging scenario by leveraging on the good quality of our real estate portfolio which is concentrated in the retail segment and characterized, moreover, by the presence of solid food anchors, long term debt which is largely hedged and the traditional approach to the long term sustainability of our commercial policies. These are elements which have always been part of our business model and which, once again, have proven to be key to the stability of our performance”.*

### Operating income statement at 31 December 2012

€'000	CONSOLIDATED			CORE BUSINESS			"PORTA A MARE" PROJECT		
	31/12/2011	31/12/2012	%	31/12/2011	31/12/2012	%	31/12/2011	31/12/2012	%
Revenues from freehold properties	107,369	109,555	2.0%	107,369	109,548	2.0%	0	7	n.a.
Revenues from leasehold properties	8,537	8,573	0.4%	8,537	8,573	0.4%	0	0	n.a.
Revenues from services	5,284	5,136	-2.8%	5,284	5,136	-2.8%	0	0	n.a.
Revenues from trading	1,726	0	n.a.	0	0	n.a.	1,726	0	n.a.
<b>Operating revenues</b>	<b>122,916</b>	<b>123,264</b>	<b>0.3%</b>	<b>121,190</b>	<b>123,257</b>	<b>1.7%</b>	<b>1,726</b>	<b>7</b>	<b>-99.6%</b>
Direct costs	(20,186)	(24,410)	20.9%	(20,036)	(24,076)	20.2%	(150)	(334)	122.8%
Personnel expenses	(3,483)	(3,665)	5.2%	(3,483)	(3,665)	5.2%	0	0	n.a.
Increases, cost of sales and other costs	(731)	663	n.a.	0	0	n.a.	(731)	663	n.a.
<b>Gross Margin</b>	<b>98,516</b>	<b>95,852</b>	<b>-2.7%</b>	<b>97,671</b>	<b>95,516</b>	<b>-2.2%</b>	<b>845</b>	<b>336</b>	<b>-60.2%</b>
G&A expenses	(4,564)	(4,373)	-4.2%	(4,144)	(4,014)	-3.1%	(420)	(359)	-14.6%
Headquarters personnel costs	(5,443)	(5,745)	5.6%	(5,408)	(5,719)	5.8%	(35)	(26)	-27.1%
<b>EBITDA</b>	<b>88,509</b>	<b>85,734</b>	<b>-3.1%</b>	<b>88,119</b>	<b>85,783</b>	<b>-2.7%</b>	<b>390</b>	<b>(49)</b>	<b>n.a.</b>
<i>Ebitda Margin</i>				<b>72.7%</b>	<b>69.6%</b>		<b>n.a.</b>	<b>n.a.</b>	
Depreciation	(1,109)	(1,327)	19.7%						
Devaluation	28	(1,211)	n.a.						
Change in FV	(14,150)	(29,383)	n.a.						
Other provisions	238	(375)	n.a.						
<b>EBIT</b>	<b>73,516</b>	<b>53,438</b>	<b>-27.3%</b>						
Financial income	809	554	-31.5%						
Financial charges	(44,296)	(48,279)	9.0%						
<b>Net financial income</b>	<b>(43,487)</b>	<b>(47,725)</b>	<b>9.7%</b>						
<b>Income from equity investments</b>	<b>(887)</b>	<b>(746)</b>	<b>-15.9%</b>						
<b>PRE-TAX INCOME</b>	<b>29,142</b>	<b>4,966</b>	<b>-83.0%</b>						
Income tax for the period	876	6,185	n.a.						
<i>Tax rate</i>									
<b>NET PROFIT</b>	<b>30,018</b>	<b>11,152</b>	<b>-62.9%</b>						
(Profit)/losses related to third parties	39	136	n.a.						
<b>NET GROUP PROFIT</b>	<b>30,057</b>	<b>11,288</b>	<b>-62.4%</b>						

### Principal consolidated results at 31 December 2012

At 31 December 2012, the IGD Group’s **revenue from core business** amounted to **€123.3 million, an increase of 1.7%** with respect to the €121.2 million posted in 2011. More in detail, rental income rose 1.9%

with respect to 2011, thanks primarily to the acquisitions made in the prior year<sup>2</sup> which made a full year contribution in 2012 (acquisitions include the remaining two floors of the office building already owned by the Group and where its headquarters are located, the “City Center” building found on Via Rizzoli in Bologna and the hypermarkets in Conegliano and Palermo).

There was also an increase like-for-like of (+0.52%).

The **direct costs** pertaining to the core business (including personnel expenses) amounted to €27.7 million at 31 December 2012, an increase of 17.9% with respect to the prior year. This increase is primarily attributable to the increase in costs relating to IMU (a property tax introduced in Italy to substitute ICI) which represents approximately 26% of the total direct costs (versus approximately 19% in 2011), as well as the increase in provisions for doubtful accounts, condominium fees and routine maintenance. These costs amounted to 22.5% of revenue, an increase with respect to the prior year, but in line with first half 2012, when the IMU was initially applied by the municipalities to commercial real estate. As in prior years, the steps taken to contain general expenses also proved effective in 2012: general expenses for the core business (including payroll costs at headquarters), reached €9.7 million, in line with the €9.6 million posted at 31 December 2011 and stable as a percentage of revenue (7.9%).

**Core business EBITDA** reached €85.8 million in 2012, a slight drop of 2.6% with respect to the €88.1 million posted in the prior year, while total EBITDA fell 3.1% to €85.7 million.

The IGD Group’s **EBITDA margin** for the core business reached 69.6% at 31 December 2012, down with respect to 2011 due to the more proportional increase in direct costs with respect to revenue.

The IGD Group’s **EBIT** at 31 December 2012 amounted to **€53.4 million, a drop of 27.3%** with respect to the €73.5 million recorded at 31 December 2011. The change is explained primarily by the impact of property writedowns and fair value adjustments of €30.6 million which are almost entirely attributable to the Italian portfolio (the appraisals in Romania were, in fact, largely in line with 2011). Direct costs also increased (above all taxes, like IMU) and there was also a slight increase in the average exit cap rate.

The Group’s portion of **net profit** at 31 December 2012 amounted to **€11.3 million**, versus €30.1 million in 2011. This result reflects, while EBITDA basically held, the negative impact of the fair value adjustments and an increase in net financial charges explained primarily by an increase in the cost of capital.

More significant is the trend in **Funds From Operations (“FFO”)**<sup>3</sup> which at 31 December 2012 reached €35.9 million, versus €42.6 million in 2011, a drop of 15.7% attributable almost entirely to IMU and financial charges<sup>4</sup>.

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<sup>2</sup> Please note that, contrary to what was done through 31 March 2012, the provisions relating to the Darsena City rents were offset directly against revenue. The figures, therefore, at 31 December 2011 have also been reclassified.

<sup>3</sup> A performance indicator commonly used in the analysis of the real estate sector (Siiq and REITS).

At the end of 2012 the **gearing ratio** came in at 1.38, unchanged with respect to 31 December 2011. The **average cost of debt** (net of the bond's pro-forma charges) rose to 3.91% from the 3.71% recorded at 31/12/2011.

The IGD Group's **net debt** at 31 December 2012 amounted to - **€1,089.6 million**, an improvement with respect to the - €1,094.4 million recorded at 31 December 2011.

### **The Real Estate Portfolio at 31 December 2012**

Based on CB Richard Ellis's and Reag's independent appraisals, the **market value** at 31 December 2012 of the Igd Group's real estate portfolio reached **€1,906.6 million, basically in line** with the €1,924.6 million recorded at 31 December 2011, which reflects the stability of the valuations of the hypermarket segment (+0.15%) and the Romanian portfolio (-0.06%). The mall segment fell by 2.51%. More in detail, thanks to the stepped rents included in the contracts stipulated with the recently opened hypermarkets in Italy and the execution of new contracts (with both step and variable provisions) with international retailers, which improved the revenue outlook for Romania, the IGD Group was able to partially offset the negative impact of IMU (the new property tax) on fixed costs. The occupancy rates in Italy and Romania, 96.3% and 89.4%, respectively, are testimony to the efficacy of the measures implemented by the Group in 2012.

The market value of the IGD Group's portfolio in Italy at 31 December 2012 on a like-for-like basis was €1,576.6, a drop of - **1.55%** with respect to the prior year due to the negative change in fair value as a result of the introduction of IMU in December 2011. Romania was basically unchanged (-0.06%).

### **Other resolutions – Calling of the Annual General Meeting**

IGD's Board of Directors also resolved to convene the Company's Annual General Meeting in ordinary and extraordinary sessions on 18 April 2013, at 10:00 a.m., at the Company's headquarters in Bologna, in first call and, if necessary, in second call on 19 April 2013, same time and place.

In light of the quality of the results achieved despite the particularly difficult environment, IGD's Board of Directors will propose that the shareholders, meeting in ordinary session, approve a dividend, excluding the 10,976,592 treasury shares, of €0.07 per share, in line with the payout policy outlined in the 2012-2015 Business Plan. The dividend yield for those who purchased IGD shares at the end of 2012 (at a price of €0.82) will reach 8.5% and should be even higher for those who in June 2012 took advantage of the Dividend Reinvestment Option and used the 2011 dividend to subscribe new shares at a price of €0.64, with a yield that reached 10.9%.

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<sup>4</sup> Please note that through 31 December 2011 this figure included the extraordinary items and gains from disposals; in order to highlight the core business (which generates the bulk of the income used to pay dividends) the impact of these items has been excluded. The figure at 31 December 2011 was also adjusted.

The dividend will be payable as of 23 May 2013, with shares going ex-div on 20 May 2013. Pursuant to Art. 83-*terdecies* of Legislative Decree n.58 of 24 February 1998 n. 58, the shareholders of IGD at the record date (22 May 2013) will be entitled to receive the dividend.

The shareholders, meeting in ordinary session, will also be called upon to approve the financial statements at 31 December 2012 and the allocation of the earnings for the year.

The Shareholders will also be called upon to resolve on the authorization to purchase and dispose of treasury shares as follows:

- Motivation: to carry out (i) trading and hedging transactions and (ii) invest liquidity and allow for the use of the treasury shares in transactions pertaining to operating activities and business projects consistent with the Company's strategic guidelines, in relation to which it is beneficial to trade, swap, contribute, or otherwise dispose of the shares;
- Maximum number of treasury shares which may be purchased: the purchases may be made on one or more occasions up to the maximum allowed under the law.
- Expiration of the shareholders' authorization; the authorization to purchase treasury shares is requested for a period of eighteen months as from the date of today's resolution; there is no time limit on the authorization to dispose of the shares.
- Methods and purchase price of the treasury shares: the purchases shall be made in accordance with Art. 132 of Legislative Decree 58/1998, Art. 144-*bis* of the Regulations for Issuers and all other applicable laws and regulations, as well as the accepted market practices recognized by Consob and must be purchased at prices satisfying the provisions of Art. 5(1) of European Commission Regulation EC 2273/2003 of 22 December 2003.
- Treasury shares held by IGD: to date IGD holds 10,976,592 treasury shares or 3.33% of the share capital.

The shareholders, meeting in ordinary session, will also be called upon to resolve on granting the financial audit assignment for the period 2013-2021 as the mandate granted Reconta Ernst & Young S.p.A. will expire upon approval of the financial statements for FY 2012.

The shareholders, meeting in extraordinary session, will also be called upon to resolve on a capital increase of up to 10% of the Company's pre-existing share capital, pursuant to Art. 2441, paragraph 4(2) of the Italian Civil Code, without pre-emption rights, reserved exclusively for shareholders, coupon holders entitled to receive the 2012 dividend. The shareholders who decide to subscribe will be offered the possibility to reinvest a part, not to exceed 80%, of their dividend.

In greater detail, the transaction to be submitted for the shareholders' approval, referred to as the Dividend Reinvestment Option, will be structured as follows:

- shareholders holding IGD shares on the above mentioned record date will be given the option to participate in the offering of IGD shares;
- the capital increase will be for a maximum total of 80% of the distributable dividends for 2012 or € 17,866,726.70.

- each shareholder may subscribe to a number of shares, the amount of which does not exceed 80% of their dividend;
- during the Annual General Meeting shareholders will determine the criteria to be used to establish 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 eight trading sessions prior to the date on which the price is set, less the amount of the 2012 cash dividend and a discount of a maximum of 10%. The issue price of the new shares, however, may not be below €0.61 (the official average closing price of IGD shares in the six months prior to 28 February 2013 less the amount of the 2012 cash dividend and a discount of a maximum of 15%). The BoD will subsequently resolve on the final subscription price on the basis of the criteria established during the Annual General Meeting close to the offer launch date.

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

The purpose of this transaction, which is in line with the best practices adopted by a number of European REITs, is to give 2012 dividend recipients the possibility to reinvest in IGD and IGD to recapitalize itself. The Company intends to launch the capital increase, subject to approval by the authorities, on the date as of which the 2012 dividend is payable and, at any rate, by the deadline of 30 September 2013.

IGD has appointed Mediobanca – Banca di Credito Finanziario to act as the financial advisor and Mediobanca – Banca di Credito Finanziario to act as the legal advisor for the transaction.

Lastly, the shareholders of IGD, meeting in extraordinary session, will be called upon to resolve on amendments to Articles 16, 26 and 31 of the corporate by-laws in order to fully comply with the measures introduced in Law n.120 of 12 July 2011 relating to gender equality in the administrative and control bodies of listed companies.

The Board of Directors, in accordance with Borsa Italiana's Corporate Governance Code, also confirmed whether or not the independent directors still qualified as independent based on the information they provided.

IGD's Board of Directors approved the Annual Report on Corporate Governance and Ownership Structure, which forms an integral part of the annual report, as well as the Board of Director's Compensation Report the first section of which, pursuant to Art. 123-ter, par. 6 of Legislative Decree. 58/98, will be voted on by shareholders during the next Shareholders' Meeting.



*Grazia Margherita Piolanti, IGD S.p.A.'s Financial Reporting Officer, declares pursuant to para. 2, article 154-bis 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.



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The draft separate financial statements at 31 December 2012, the Directors' report on operations, the Board of Statutory Auditors' report, the external auditors' reports, the consolidated financial statements at 31 December 2012 and the Report on Corporate Governance and Ownership Structure will be made available to the general public at the company's registered office, Borsa Italiana S.p.A. and will be published on the company's website [www.gruppoigd.it](http://www.gruppoigd.it) in the "Investors" section in accordance with the law.



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

Immobiliare Grande Distribuzione SIIQ S.p.A. is one of the main players 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 circa €1,906.56 million at 31 December 2012, comprised of, in Italy, 19 hypermarkets and supermarkets, 19 shopping malls and retail parks, 1 city center, 4 plots of land for development, 1 property held for trading and an additional 7 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.

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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, as well as the operating income statement, at 31 December 2012<sup>5</sup>.

## Consolidated income statement at 31 December 2012

Consolidated income statement	31/12/2012	31/12/2011	Change
(€/000)	(A)	(B)	(A-B)
<b>Revenue:</b>	<b>117,979</b>	<b>115,800</b>	<b>2,179</b>
- from third parties	81,778	82,336	(558)
- from related parties	36,201	33,464	2,737
<b>Other income:</b>	<b>5,278</b>	<b>5,447</b>	<b>(169)</b>
- other income	3,799	4,095	(296)
- from related parties	1,479	1,352	127
<b>Revenue from property sales</b>	<b>0</b>	<b>1,726</b>	<b>(1,726)</b>
<b>Total revenue and operating income</b>	<b>123,257</b>	<b>122,973</b>	<b>284</b>
Change in inventories for assets under construction	7,976	7,356	620
<b>Total revenue and change in inventory</b>	<b>131,233</b>	<b>130,329</b>	<b>904</b>
Costs of assets under construction	7,313	8,061	(748)
Material and service costs	19,451	18,305	1,146
- third parties	15,981	14,794	1,187
- related parties	3,470	3,511	(41)
Cost of labour	8,217	7,850	367
Other operating costs	8,511	5,734	2,777
<b>Total operating costs</b>	<b>43,492</b>	<b>39,950</b>	<b>3,542</b>
(Depreciation, amortization and provisions)	(3,864)	(2,893)	(971)
(Impairment losses/Reversals on work in progress and goodwill)	(1,211)	28	(1,239)
Change in fair value - increases / (decreases)	(29,383)	(14,150)	(15,233)
<b>Total depreciation, amortization, provisions, impairment and change in fair value</b>	<b>(34,458)</b>	<b>(17,015)</b>	<b>(17,443)</b>
<b>EBIT</b>	<b>53,283</b>	<b>73,364</b>	<b>(20,081)</b>
<b>Income/(loss) from equity investments</b>	<b>(746)</b>	<b>(887)</b>	<b>141</b>
Income/(loss) from equity investments	(746)	(887)	141
<b>Financial income:</b>	<b>554</b>	<b>809</b>	<b>(255)</b>
- third parties	545	782	(237)
- related parties	9	27	(18)
<b>Financial charges:</b>	<b>48,124</b>	<b>44,144</b>	<b>3,980</b>
- third parties	45,887	42,997	2,890
- related parties	2,237	1,147	1,090
<b>Net financial income (charges)</b>	<b>(47,570)</b>	<b>(43,335)</b>	<b>(4,235)</b>
<b>PRE-TAX PROFIT</b>	<b>4,967</b>	<b>29,142</b>	<b>(24,175)</b>
Income taxes	(6,185)	(876)	(5,309)
<b>NET PROFIT FOR THE PERIOD</b>	<b>11,152</b>	<b>30,018</b>	<b>(18,866)</b>
Minorities portion of net profit	136	39	97
<b>Parent Company's portion of net profit</b>	<b>11,288</b>	<b>30,057</b>	<b>(18,769)</b>
basic earnings per share	0.036	0.101	
diluted earnings per share	0.062	0.112	

## Consolidated statement of financial position at 31 December 2012

Consolidated statement of financial position	31/12/2012	31/12/2011	Change
(€/000)	(A)	(B)	(A-B)
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>			
- Intangible assets with finite useful lives	98	78	20
- Goodwill	11,427	11,427	0
	<b>11,525</b>	<b>11,505</b>	<b>20</b>
<b>Property, plant, and equipment</b>			
- Investment property	1,754,550	1,779,445	( 24,895)
- Buildings	9,349	9,592	( 243)
- Plant and machinery	1,271	1,388	( 117)
- Equipment and other assets	2,179	2,467	( 288)
- Leasehold improvements	1,317	1,460	( 143)
- Assets under construction	76,376	69,834	6,542
	<b>1,845,042</b>	<b>1,864,186</b>	<b>( 19,144)</b>
<b>Other non-current assets</b>			
- Deferred tax assets	29,280	19,888	9,392
- Sundry receivables and other non-current assets	3,828	1,965	1,863
- Equity investments	304	212	92
- Non-current financial assets	25	41	( 16)
- Derivatives - assets	150	202	( 52)
	<b>33,587</b>	<b>22,308</b>	<b>11,279</b>
<b>TOTAL NON-CURRENT ASSETS (A)</b>	<b>1,890,154</b>	<b>1,897,999</b>	<b>( 7,845)</b>
<b>CURRENT ASSETS:</b>			
Work in progress inventory and advances	78,039	71,152	6,887
Inventory	-	7	( 7)
Trade and other receivables	14,441	13,101	1,340
Related party trade and other receivables	531	983	( 452)
Other current assets	3,144	11,393	( 8,249)
Related party financial receivables and other current financial assets	734	1,426	( 692)
Financial receivables and other current financial assets	41	278	( 237)
Cash and cash equivalents	7,545	14,433	( 6,888)
<b>TOTAL CURRENT ASSETS (B)</b>		<b>112,773</b>	<b>( 8,298)</b>
<b>TOTAL ASSETS (A + B)</b>		<b>2,010,772</b>	<b>( 16,143)</b>
<b>NET EQUITY</b>			
Share capital	311,569	298,273	13,296
Share premium reserve	147,730	147,730	0
Other reserves	240,938	252,347	( 11,409)
Group profit	41,653	56,891	( 15,238)
<b>Total Group net equity</b>	<b>741,890</b>	<b>755,241</b>	<b>( 13,351)</b>
Portion pertaining to minorities	11,676	11,812	( 136)
<b>TOTAL NET EQUITY (C)</b>	<b>753,566</b>	<b>767,053</b>	<b>( 13,487)</b>
<b>NON-CURRENT LIABILITIES:</b>			
Derivatives - liabilities	54,125	34,773	19,352
Non-current financial liabilities	559,359	860,659	( 301,300)
Related party non-current financial liabilities	15,000	15,000	0
Provision for employee severance indemnities	1,191	796	395
Deferred tax liabilities	45,422	48,366	( 2,944)
Provisions for risks and future charges	1,667	1,386	281
Sundry payables and other non-current liabilities	7,398	7,325	73
Related party sundry payables and other non-current liabilities	12,842	12,771	71
<b>TOTAL NON-CURRENT LIABILITIES (D)</b>	<b>697,004</b>	<b>981,076</b>	<b>( 284,072)</b>
<b>CURRENT LIABILITIES:</b>			
Current financial liabilities	501,834	184,447	317,387
Related party current financial liabilities	21,783	50,469	( 28,686)
Trade and other payables	8,287	11,215	( 2,928)
Related party trade and other payables	4,359	2,643	1,716
Current tax liabilities	836	7,869	( 7,033)
Other current liabilities	6,946	5,982	964
Related party other current liabilities	14	18	( 4)
<b>TOTAL CURRENT LIABILITIES (E)</b>	<b>544,059</b>	<b>262,643</b>	<b>281,416</b>
<b>TOTAL LIABILITIES (F=D + E)</b>	<b>1,241,063</b>	<b>1,243,719</b>	<b>( 2,656)</b>
<b>TOTAL NET EQUITY AND LIABILITIES (C + F)</b>	<b>1,994,629</b>	<b>2,010,772</b>	<b>( 16,143)</b>

### Consolidated statement of cash flows at 31 December 2012

CONSOLIDATED STATEMENT OF CASH FLOWS	31/12/2012	31/12/2011
	(€/000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Pre-tax profit for the period	4,967	29,142
<b>Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:</b>		
Non-monetary items	8,186	6,343
Depreciation, amortization and provisions	3,864	2,893
(Impairment)/reversal of assets under construction and goodwill	1,211	(29)
(writedowns of inventories for construction in progress)	0	0
Change in fair value	29,383	14,150
Equity investments	746	528
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>48,357</b>	<b>53,027</b>
Income tax	(1,270)	(1,049)
<b>CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX</b>	<b>47,087</b>	<b>51,978</b>
Change in inventories	(6,880)	(6,863)
Net change in current assets and liabilities	(6,115)	22,242
Net change in current assets and liabilities w. related parties	2,164	(2,546)
Net change in non-current assets and liabilities	(1,486)	(4,324)
Net change in non-current assets and liabilities w. related parties	71	833
<b>CASH FLOW FROM OPERATING ACTIVITIES (a)</b>	<b>34,841</b>	<b>61,320</b>
Investments in non-current assets	(13,805)	(127,905)
Disposal of non-current assets	30	385
Disposal of equity investments	0	0
Investments in equity stakes	(108)	-
<b>CASH FLOW FROM INVESTING ACTIVITIES (b)</b>	<b>(13,883)</b>	<b>(127,520)</b>
Change in non-current financial assets	15	(22)
Change in financial receivables and other current financial assets	237	5,695
Change in financial receivables and other current financial assets w. related parties	692	(335)
Dividend reinvestment option	12,712	0
Payment of dividends	(23,862)	(22,370)
Change in current debt	317,387	(2,889)
Change in current debt w. related parties	(28,686)	46,342
Change in non-current debt	(306,298)	21,961
Change in non-current debt w. related parties	0	0
<b>CASH FLOW FROM FINANCING ACTIVITIES (c)</b>	<b>(27,803)</b>	<b>48,382</b>
Difference in translation of liquidity	(43)	(13)
<b>NET INCREASE (DECREASE) IN CASH BALANCE</b>	<b>(6,888)</b>	<b>(17,831)</b>
<b>CASH BALANCE AT BEGINNING OF THE PERIOD</b>	<b>14,433</b>	<b>32,264</b>
<b>CASH BALANCE AT END OF THE PERIOD INCLUDING DISPOSALS</b>	<b>0</b>	<b>0</b>
<b>CASH BALANCE AT END OF THE PERIOD</b>	<b>7,545</b>	<b>14,433</b>

### Consolidated net financial position at 31 December 2012

<b>NET FINANCIAL POSITION</b>		
	<b>(€/000)</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>
Cash and cash equivalents	(7,545)	(14,433)
Financial receivables and other current financial assets w . related parties	(734)	(1,426)
Financial receivables and other current financial assets	(41)	(278)
<b>LIQUIDITY</b>	<b>(8,320)</b>	<b>(16,137)</b>
Current financial liabilities w . related parties	21,783	50,469
Current financial liabilities	160,038	146,841
Mortgage loans - current portion	116,836	35,398
Leasing – current portion	275	2,142
Convertible bond loan - current portion	224,685	66
<b>CURRENT DEBT</b>	<b>523,617</b>	<b>234,916</b>
<b>CURRENT NET DEBT</b>	<b>515,297</b>	<b>218,778</b>
Non-current financial assets	(25)	(41)
Non-current financial liabilities due to other sources of finance	8,081	25,170
Leasing – non-current portion	5,444	5,719
Non-current financial liabilities	545,834	610,304
Non-current financial liabilities w . related parties	15,000	15,000
Convertible bond loan	0	219,466
<b>NON-CURRENT DEBT</b>	<b>574,334</b>	<b>875,618</b>
<b>NET FINANCIAL POSITION</b>	<b>1,089,631</b>	<b>1,094,397</b>

### Income statement for the parent company IGD SIIQ S.p.A. at 31 December 2012

Income statement (€/000)	31/12/2012 (A)	31/12/2011 (B)	Change (A-B)
<b>Revenue:</b>	<b>89,371,465</b>	<b>87,104,192</b>	<b>2,267,273</b>
- from third parties	50,332,436	51,366,793	(1,034,357)
- from related parties	39,039,029	35,737,399	3,301,630
<b>Other income:</b>	<b>589,001</b>	<b>574,703</b>	<b>14,298</b>
- other income	161,436	147,185	14,251
- from related parties	427,565	427,518	47
<b>Total revenue and operating income</b>	<b>89,960,466</b>	<b>87,678,895</b>	<b>2,281,571</b>
<b>Material and service costs</b>	<b>9,911,125</b>	<b>8,974,272</b>	<b>936,853</b>
- third parties	6,442,829	5,503,637	939,192
- related parties	3,468,296	3,470,635	(2,339)
Cost of labour	4,452,931	4,121,646	331,285
Other operating costs	6,746,138	4,217,161	2,528,977
<b>Total operating costs</b>	<b>21,110,194</b>	<b>17,313,079</b>	<b>3,797,115</b>
(Depreciation, amortization and provisions)	(2,136,728)	(1,658,331)	(478,397)
(Impairment losses/Reversals on work in progress and goodwill)	(1,210,894)	27,689	(1,238,583)
Change in fair value - increases / (decreases)	(22,306,162)	(6,155,893)	(16,150,269)
<b>Total depreciation, amortization, provisions, impairment and change in fair value</b>	<b>(25,653,784)</b>	<b>(7,786,535)</b>	<b>(17,867,249)</b>
<b>EBIT</b>	<b>43,196,488</b>	<b>62,579,281</b>	<b>(19,382,793)</b>
<b>Income/(loss) from equity investments</b>	<b>6,000</b>	<b>5,727</b>	<b>273</b>
Income/(loss) from equity investments	6,000	5,727	273
<b>Financial income:</b>	<b>585,208</b>	<b>984,587</b>	<b>(399,379)</b>
- third parties	66,493	344,994	(278,501)
- related parties	518,715	639,593	(120,878)
<b>Financial charges:</b>	<b>40,319,126</b>	<b>36,119,717</b>	<b>4,199,409</b>
- third parties	38,906,349	35,085,313	3,821,036
- related parties	1,412,777	1,034,404	378,373
<b>Net financial income (charges)</b>	<b>(39,733,918)</b>	<b>(35,135,130)</b>	<b>(4,598,788)</b>
<b>PRE-TAX PROFIT</b>	<b>3,468,570</b>	<b>27,449,878</b>	<b>(23,981,308)</b>
Income taxes	(7,057,759)	(2,517,648)	(4,540,111)
<b>NET PROFIT FOR THE PERIOD</b>	<b>10,526,329</b>	<b>29,967,526</b>	<b>(19,441,197)</b>

Statement of financial position (€'000)	31/12/2012 (A)	31/12/2011 (B)	Change (A-B)
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>			
- Intangible assets with finite useful lives	61,645	34,400	27,245
- Goodwill	64,828	64,828	0
	<b>126,473</b>	<b>99,228</b>	<b>27,245</b>
<b>Property, plant, and equipment</b>			
- Investment property	1,426,655,000	1,446,945,000	( 20,290,000)
- Buildings	9,348,508	9,592,014	( 243,506)
- Plant and machinery	266,311	59,935	206,376
- Equipment and other assets	1,329,150	1,607,763	( 278,613)
- Leasehold improvements	3,777	7,554	( 3,777)
- Assets under construction	58,628,646	50,185,824	8,442,822
	<b>1,496,231,392</b>	<b>1,508,398,090</b>	<b>( 12,166,698)</b>
<b>Other non-current assets</b>			
- Deferred tax assets	25,025,450	16,466,404	8,559,046
- Sundry receivables and other non-current assets	3,806,392	1,939,561	1,866,831
Equity investments	185,454,524	184,802,048	652,476
Derivatives - assets	149,898	201,843	( 51,945)
	<b>214,436,264</b>	<b>203,409,856</b>	<b>11,026,408</b>
<b>TOTAL NON-CURRENT ASSETS (A)</b>	<b>1,710,794,129</b>	<b>1,711,907,174</b>	<b>( 1,113,045)</b>
<b>CURRENT ASSETS:</b>			
Trade and other receivables	9,563,318	8,315,030	1,248,288
Related party trade and other receivables	251,566	349,552	( 97,986)
Other current assets	1,301,113	6,737,255	( 5,436,142)
Other related party current assets	339,955	473,898	( 133,943)
Related party financial receivables and other current financial assets	16,439,510	17,034,187	( 594,677)
Financial receivables and other current financial assets	21,425	277,819	( 256,394)
Cash and cash equivalents	3,278,922	2,846,961	431,961
	<b>31,195,809</b>	<b>36,034,702</b>	<b>( 4,838,893)</b>
<b>TOTAL ASSETS (A + B)</b>	<b>1,741,989,938</b>	<b>1,747,941,876</b>	<b>( 5,951,938)</b>
Share capital	311,569,323	298,272,669	13,296,654
Share premium reserve	147,730,288	147,730,288	0
Other reserves	254,505,055	264,613,326	( 10,108,271)
Income	23,695,055	39,694,374	( 15,999,319)
	<b>737,499,721</b>	<b>750,310,657</b>	<b>( 12,810,936)</b>
<b>NON-CURRENT LIABILITIES</b>			
Derivatives - liabilities	40,442,792	22,711,645	17,731,147
Non-current financial liabilities	467,716,364	743,861,058	( 276,144,694)
Related party non-current financial liabilities	15,000,200	15,000,200	0
Provision for employee severance indemnities	756,511	513,718	242,793
Deferred tax liabilities	16,801,875	19,818,687	( 3,016,812)
Provisions for risks and future charges	1,362,549	1,138,545	224,004
Sundry payables and other non-current liabilities	10,713	10,713	0
Related party sundry payables and other non-current liabilities	12,842,278	12,770,665	71,613
	<b>554,933,282</b>	<b>815,825,231</b>	<b>( 260,891,949)</b>
<b>CURRENT LIABILITIES</b>			
Current financial liabilities	438,062,350	138,353,893	299,708,457
Related party current financial liabilities	207,819	25,389,539	( 25,181,720)
Trade and other payables	3,408,166	4,915,849	( 1,507,683)
Related party trade and other payables	4,369,975	2,656,717	1,713,258
Current tax liabilities	334,497	7,292,422	( 6,957,925)
Other current liabilities	2,923,708	2,948,787	( 25,079)
Related party other current liabilities	250,420	248,781	1,639
	<b>449,556,935</b>	<b>181,805,988</b>	<b>267,750,947</b>
<b>TOTAL LIABILITIES* (F=D + E)</b>	<b>1,004,490,217</b>	<b>997,631,219</b>	<b>6,858,998</b>
<b>TOTAL NET EQUITY AND LIABILITIES (C + F)</b>	<b>1,741,989,938</b>	<b>1,747,941,876</b>	<b>( 5,951,938)</b>

Statement of cash flows for the year ending (€/000)	31/12/2012	31/12/2011
CASH FLOW FROM OPERATING ACTIVITIES:		
Pre-tax profit	3,468,570	27,449,878
<b>Rettifiche per riconciliare l'utile del periodo al flusso di cassa generato (assorbito) dall'attività di esercizio:</b>		
Non-monetary items	7,972,052	6,492,353
Depreciation, amortization and provisions	2,136,728	1,658,331
(Impairment)/reversal of assets under construction and goodwill	1,210,894	(27,689)
(writedowns of inventories for construction in progress)	0	0
Change in fair value	22,306,162	6,155,893
Equity investments	0	1,273
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>37,094,406</b>	<b>41,730,039</b>
Income tax	154,380	625,881
<b>CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX</b>	<b>37,248,786</b>	<b>42,355,920</b>
Change in inventories	0	0
Net change in current assets and liabilities	(7,285,276)	14,095,159
Net change in current assets and liabilities w. related parties	1,923,122	(950,828)
Net change in non-current assets and liabilities	(1,733,534)	(4,301,509)
Net change in non-current assets and liabilities w. related parties	71,613	832,967
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>30,224,711</b>	<b>52,031,709</b>
Investments in non-current assets	(13,363,892)	(112,066,046)
Disposal of non-current assets	12,720	0
Disposal of equity investments		
Equity investments	(257,476)	0
<b>CASH FLOW FROM INVESTING ACTIVITIES (b)</b>	<b>(13,608,648)</b>	<b>(112,066,046)</b>
Change in non-current financial assets	0	0
Change in financial receivables and other current financial assets	256,394	5,723,666
Change in financial receivables and other current financial assets w. related parties	594,677	2,198,226
Dividend reinvestment option	12,711,893	0
Payment of dividends	(23,861,814)	(22,370,451)
Change in current debt	299,708,638	14,877,649
Change in current debt w. related parties	(25,181,720)	21,539,993
Change in non-current debt	(280,412,170)	18,011,615
Change in non-current debt w. related parties	0	0
<b>CASH FLOW FROM FINANCING ACTIVITIES (c)</b>	<b>(16,184,102)</b>	<b>39,980,698</b>
<b>NET INCREASE (DECREASE) IN CASH BALANCE</b>	<b>431,961</b>	<b>(20,053,639)</b>
<b>CASH BALANCE AT THE BEGINNING OF THE YEAR</b>	<b>2,846,961</b>	<b>22,900,600</b>
<b>CASH BALANCE AT YEAR-END</b>	<b>3,278,922</b>	<b>2,846,961</b>