PRESS RELEASE

IGD SIIQ SPA: THE BOARD OF DIRECTORS APPROVES THE 2014 – 2016 BUSINESSS PLAN

Targets included in the new plan:

- **CAGR for income from rental business of +2.6% (+1.5% LFL);**
- **Ebitda Margin Freehold Management at the end of the period: > 80%;**
- **Expected investments of approximately €195 million expected, €110 million for capex and expansion of the current perimeter and approximately €85 million for the development of the pipeline;**
- **Disposals for approximately € 190 million, of which €150 million from disposals and about €40 million from sales of Porta a Mare project;**
- **Reduction of financial leverage, gearing ratio and loan to value at the end of the plan of <1.2X and approximately 54%, respectively**
- **FFO €30/35 million;**

Bologna, 19 December 2013 - 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")**, listed on the Star segment of the Italian Stock Exchange, examined and unanimously approved the 2014 – 2016 Business Plan updated in light of changed global market conditions. The Plan focuses on the sustainability of portfolio management and the existing pipeline, as well as the improvement of the financial indicators. For the first time the Plan also includes strategies targeting corporate sustainability.

"We revised our business plan to reflect the changes that have impacted the environment in which we operate, but the outlook continues to be positive, particularly in the medium term" , **Claudio Albertini, Chief Executive Officer of IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** stated. " *Over the past few years IGD has demonstrated its ability to meet the needs of both the sector and its stakeholders. We intend to continue to move forward in this direction in order to maintain the profitability of the core business at interesting levels and to work dynamically including through asset rotation and growing the service business. We will also work to further optimize the cost of debt, gradually reducing the use of bank borrowings. We will maintain an attractive dividend policy, as well, linked to the FFO trend."*

The IGD Group's 2014–2016 Business Plan takes into account the changed global market conditions, which worsened at the end of 2012 and throughout 2013, as well as the revised forecasts for subsequent years. The most significant revisions relate to GDP, consumption and inflation which, along with the property tax (IMU), have a noticeable impact on IGD's business.
In a particularly difficult context, the performance of IGD's core business has, however, confirmed the validity of the business model and recently institutional investors (including foreign) have shown renewed interest in Italy, particularly in the Retail sector (important to the asset rotation called for in the Plan) .

From an economic standpoint, the Plan calls for a CAGR in rental income of approximately 2.6% and like-for-like of approximately 1.5%.

With regard to profitability, the IGD Group, by increasing revenue and controlling costs, will strive to reach an EBITDA Margin Freehold Management (relating to the management of freehold properties) above 80% by the end of 2016. This growth is concentrated at the end of the plan in order to allow the investments made to reach full capacity.

The consolidation of operating results will be done through commercial strategies in Italy which will focus on maintaining a high occupancy rate and sustaining revenues by renewing the merchandise mix (personal services and local specialities) and the ability to understand and react to changing consumer habits (paying careful attention to the new trends with regard to food anchors and temporary shops). The Group will also, in line with its mission, continue to focus on the sustainability of its tenants, focusing on, on the one hand, coordinated marketing plans designed to increase a shared identity and, and on the other, credit risk management. The layouts of the shopping centers will be revisited, revising the mix of midsize stores and neighbouring shops.
With regard to Romania, the focus will be on consolidating leadership, updating the formats with a merchandising mix comprised primarily of food anchors, fashion and entertainment. The Plan calls for an improvement in the current occupancy rate, as well as the creation of new GLA through the transformation of approximately 1.5% of areas that are currently not being utilized.

Over the three year period 2014-2016, IGD expects to invest approximately €200 million, approximately €110 million of which in capex and expansion of the existing portfolio - through restyling and extensions of the prime centers as dictated by the retail businesses, as well as through the support of recently opened centers with a view to reaching full profitability. The remainder of approximately €85 million will be used to develop the pipeline – through new openings with good potential and innovative projects already underway, such as Porta a Mare in Livorno.
In Romania the Group intends to continue investing in the requalification of portfolio centers in order to adapt them to international standards, including increasing energy efficiency and sustainability, and making the centers more appealing to new tenants, consumers and potential investors.

With regard to financial sustainability, the work done to maintain the high quality of the properties along with the above mentioned renewed interest of institutional investors in the retail sector make it possible to be confident about the target set for disposals of approximately €190 million including sales of Porta a Mare project. The objective of the planned asset rotation is to improve IGD's capital structure and reduce leverage in order to reach a gearing ratio (debt/equity) in 2016 of approximately 1.2x at the end of the plan. Similarly the Loan to Value at the end of the period is expected to reach approximately 54%.

The targets for financial sustainability will be supported by the transactions implemented beginning in 2013 to gather new resources which include the €144.9 million generated by the Convertible Bond Exchange Offer, the recent €135 million loan granted by BNP Paribas, the €13.5 million generated by the Dividend Reinvestment Option (DRO) in addition to new credit lines obtained during the year for € 15 million, for a total of approximately €309 million. Over the life of the plan the Group intends to gradually reduce its use of bank borrowings and tap the bond market more frequently.
With regard to the DRO, it is expected that the transaction will be repeated in 2014 given the success achieved in the past (subscription reached 70% of the net dividend in 2012 and 76% in 2013).

As mentioned above, for the first time IGD is including corporate sustainability targets in its business plan. The good results achieved in 2013, which include market recognition (CDP, GRESB), ISO 14001 certification of the environmental management system, and the drop in the consumption of electricity (-8.4% between January and October 2013 with respect to the same period 2012) represent a good starting point. The objectives over the three year period will be to increase the quality and efficiency of the centers, implementing a roll out plan for ISO 14001 and BREEAM certification. Lastly, the concept "Spaces to be lived in" will be reinforced through the use of more integrated and more advanced communication strategies.

The BoD also approved the financial calendar for 2014:

27 February 2014	BoD to approve the draft separate and consolidated financial statements at 31 December 2013
15 April 2014	First call – Annual General Meeting to approve the financial statements for the year ending 31 December 2013 (second call 16 April 2013)
8 May 2014	BoD to approve the Intermediate Management Statement at 31 March 2014
7 August 2014	BoD to approve the Half-Year Financial Report at 30 June 2014
12 November 2014	BoD to approve the Intermediate Management Statement at 30 September 2014

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This press release contains forward-looking statements and as such may contain elements of risk and uncertainty as they depend on future events and developments. The actual results may, therefore, be different than the forecast results due to different factors which include: the level of demand, supply and prices, the general global market conditions, the impact of regulations, changes in the expectations of shareholder and other business conditions

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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 €1,895.9 million at 30 June 2013, 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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