

PRESS RELEASE

IGD SIIQ SPA: THE BOARD OF DIRECTORS APPROVES THE INTERIM MANAGEMENT STATEMENT AT 30 SEPTEMBER 2015.

Main results for the first nine months of 2015:

- Group net profit: €30.4 million (vs. €7.1 million in the first nine months of 2014);
- Core business funds from operations (FFO): €33.4 million, +32.7% against 30 September 2014;
- Core business revenue: €93.8 million, +4.3% against the first nine months of 2014;
- Loan To Value 47.9%; average cost of debt 3.79%;
- Financial occupancy: Italy 96.2%, Romania 92.3%;
- Sales of retailers in Italian malls up markedly: + 7.3%; footfalls in malls +1.3%;

Bologna, 10 November 2015. Today the Board of Directors of **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** (“IGD” or the “Company”), one of the main players in Italy’s retail real estate market and listed on the STAR segment of the Italian Stock Exchange examined and approved the **Consolidated Interim Management Statement at 30 September 2015** during a meeting chaired by **Gilberto Coffari**.

“We have achieved very satisfying results in these past nine months, posting further improvement in the key financial performance indicators” Claudio Albertini, IGD – Immobiliare Grande Distribuzione SIIQ S.p.A.’s Chief Executive Officer stated. “The recovery in consumption appears to be stabilizing and we are reporting our seventh consecutive quarter of growth in tenant sales, as well as in the traffic at our shopping centers. We are proceeding with the execution of our 2015-2018 Business Plan as forecast which is allowing us to strengthen our role as a key player in Italy’s retail real estate market. At the same time, we are also carefully monitoring the Italian real estate market and are ready to take advantage of any further development opportunities that might materialize in order to continue along our growth path”.

Operating income statement at 30 September 2015.

€/000	CONSOLIDATED			CORE BUSINESS			PORTA A MARE PROJECT		
	30/09/2014	30/09/2015	Δ%	30/09/2014	30/09/2015	Δ%	30/09/2014	30/09/2015	Δ%
Revenues from freehold real estate and rental activities	76,628	81,038	5.8%	76,425	80,790	5.7%	203	248	21.8%
Revenues from leasehold and real estate rental activities	9,586	9,228	-3.7%	9,586	9,228	-3.7%	0	0	n.a.
Total revenues from real estate and rental activities	86,214	90,266	4.7%	86,011	90,018	4.7%	203	248	21.8%
Revenues from services	3,952	3,811	-3.6%	3,952	3,811	-3.6%	0	0	n.a.
Revenues from trading	1,640	1,570	-4.2%	0	0	n.a.	1,640	1,570	-4.2%
OPERATING REVENUES	91,806	95,647	4.2%	89,963	93,829	4.3%	1,843	1,818	-1.4%
INCREASES, COST OF SALES AND OTHER COST	(1,363)	(1,467)	7.6%	0	0	n.a.	(1,363)	(1,467)	7.6%
Rents and payable leases	(8,432)	(7,552)	-10.4%	(8,432)	(7,552)	-10.4%	0	0	n.a.
Personnel expenses	(2,679)	(2,780)	3.8%	(2,679)	(2,780)	3.8%	0	0	n.a.
Direct costs	(12,623)	(12,860)	1.9%	(12,321)	(12,592)	2.2%	(302)	(268)	-11.3%
DIRECT COSTS	(23,734)	(23,192)	-2.3%	(23,432)	(22,924)	-2.2%	(302)	(268)	-11.3%
GROSS MARGIN	66,709	70,988	6.4%	66,531	70,906	6.6%	178	82	-53.7%
Headquarters personnel	(4,502)	(4,562)	1.3%	(4,423)	(4,506)	1.9%	(79)	(56)	-28.9%
G&A expenses	(3,118)	(3,250)	4.2%	(2,723)	(2,967)	8.9%	(395)	(283)	-28.4%
G&A EXPENSES	(7,620)	(7,812)	2.5%	(7,146)	(7,473)	4.6%	(474)	(339)	-28.4%
EBITDA	59,089	63,176	6.9%	59,384	63,431	6.8%	(295)	(257)	-13.0%
<i>Ebitda Margin</i>	<i>64.4%</i>	<i>66.1%</i>		<i>66.0%</i>	<i>67.6%</i>				
Other provisions	(94)	(162)	73.1%						
Impairment and fair value adjustments	(14,117)	(1,717)	-87.8%						
Depreciations	(1,087)	(943)	-13.2%						
DEPRECIATIONS AND IMPAIRMENTS	(15,298)	(2,822)	-81.6%						
EBIT	43,791	60,354	37.8%						
NET FINANCIAL RESULT	(34,541)	(29,981)	-13.2%						
EXTRAORDINARY MANAGEMENT	120	(137)	n.a.						
PRE-TAX INCOME	9,370	30,236	n.a.						
Taxes	(2,691)	(19)	-99.3%						
NET PROFIT FOR THE PERIOD	6,679	30,217	n.a.						
(Profit)/Loss for the period related to third parties	377	215	-43.1%						
GROUP NET PROFIT	7,056	30,432	n.a.						

N.B.: Certain cost and revenue items have been reclassified or offset which explains the difference with respect to the financial statements.

Principal consolidated results at 30 September 2015

The shopping centers continued to perform well in the first nine months of 2015 with retailers' sales at Italian shopping centers rising 7.3% (including the extensions, the seventh consecutive quarter of growth) and footfalls rising 1.3% versus a 0.2% drop on a national level based on the Italian Council of Shopping Center's latest statistics; in Romania, footfalls increased (+1.7%) due also to a decrease in the construction work underway.

The financial occupancy in Italy was unchanged against June 2015 at 96.2% (average for malls and hyper), while it improved noticeably in Romania (92.3% versus 88.9% at 30/06/2015).

Core business revenue reached **€93.8 million**, an increase of 4.3% against the same period of the prior year.

Core business rental income rose 4.7% against the same period 2014 to €90.0 million; the change is explained primarily by:

- for €4.8 million, the new openings made in 2014 like the Centro d'Abruzzo extension, the first retail spaces at Piazza Mazzini in Livorno, the reformatted Le Porte di Napoli center, the inauguration of Clodi Retail Park in May 2015 and the acquisition of a portfolio of core real estate assets in October 2014 post-capital increase;
- like-for-like revenue in Italy which, net of the strategic or planned vacancies, was largely unchanged for both hypermarkets and malls:

- for -€821 thousand, by like-for-like strategic vacancies (vacant space which has already been pre-let, but where new layouts are being completed), sale of the City Center property on via Rizzoli at the end of May 2015 and other minor changes;
- for €332 thousand by an increase in like-for-like revenue in Romania (+5.5%) linked to the pre-letting carried out in the period (average upside +0.3%). The vacancies needed to proceed with the investment plan and other changes caused revenue to fall by -€317 thousand

As for the Porta a Mare project, the income generated by the rental of offices at Palazzo Orlando reached €248 thousand, while revenue from trading (relating to the sale of five residential units, 5 garages and 1 parking place) amounted to €1.6 million.

Core business **Ebitda** amounted to €63.4 million, an increase of 6.8% against 30 September 2014, while total Ebitda rose 6.9% to €63.2 million.

The core business **Ebitda Margin** came to **67.6%**, while the **Ebitda Margin for freehold properties** reached **77.6%**.

Ebit came to €60.3 million, an increase of 37.8% against the same period 2014, due primarily to a drop in writedowns and negative fair value adjustments.

Net financial expense fell considerably against 30 September 2014, coming in at **€30.2 million** (-€4.6 million) and the average cost of debt came to 3.79% (vs. 3.88% at June 2015). The change is linked primarily to the decrease in financial payables as a result of the capital increase completed year-end 2014 which made it possible to extinguish a few loans. The use of short term credit lines fell, as did the spreads applied to both short term credit lines and refinanced mortgages, along with Euribor. The bond swap completed in April 2015 also helped to reduce financial expense.

The Group's portion of **net profit** amounted to **€30.4 million, a significant increase** against the €7 million recorded in the same period 2014.

Funds from Operations (FFO) rose 32.7% against the first nine months of 2014 to **€33.4 million**.

The IGD Group's **net financial position** improved further against the prior year, reaching €931.4 million versus €937.9 million at 30 June 2015. Capital structure ratios like the gearing ratio, which went from the 0.95 posted at 30 June 2015 to 0.94, and loan to value, which reached 47.9% against 48.3% at 30 June 2015, improved slightly.

This document is available on IGD's website, <http://www.gruppoigd.it/Governance>, as well as at the Company's registered offices, at Borsa Italiana S.p.A. and the authorized storage mechanism provided through www.emarketstorage.com.

777

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.



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 €1,942.38 million at 30 June 2015, comprised of, in Italy, 25 hypermarkets and supermarkets, 20 shopping malls and retail parks, 1 city center, 2 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 14 shopping centers and an office building, found in 13 different Romanian cities, were added to the portfolio. An extensive domestic presence, a solid financial structure, the ability to plan, monitor and manage all phases of a center's life cycle: these qualities summarize IGD's strong points.

www.gruppoigd.it

CONTACTS INVESTOR RELATIONS

CLAUDIA CONTARINI

Investor Relations
+39 051 509213
clazorzettoudia.contarini@gruppoigd.it

FEDERICA PIVETTI

IR Assistant
+39 051 509242
federica.pivetti@gruppoigd.it

CONTACTS MEDIA RELATIONS

IMAGE BUILDING

Cristina Fossati, Federica Corbeddu
+39 02 89011300
igd@imagebuilding.it

The press release is available on the website www.gruppoigd.it, in the Investor Relations section, and on the website www.imagebuilding.it, in the Press Room section.



Please find attached the IGD Group's income statement, statement of financial position, statement of cash flows and net financial position, as well as the operating income statement at 30 September 2015¹.

¹ The Immobiliare Grande Distribuzione Group's Interim Management Statement and consolidated financial statements at 30 September 2015 are not subject to financial audit by external auditors.

Consolidated income statement at 30 September 2015

Consolidated income statement (in thousands of Euro)	30/09/2015 (A)	30/09/2014 (B)	Change (A-B)	3Q 2015 (C)	3Q 2014 (D)	Change (C-D)
Revenue	90,266	86,207	4,059	30,359	28,473	1,886
Other income	3,811	4,066	-255	1,260	1,249	11
Revenue from property sales	1,570	1,533	37	684	255	429
Total revenue and operating income	95,647	91,806	3,841	32,303	29,977	2,326
Change in work in progress inventory	-728	-702	-26	-308	-130	-178
Total revenue and change in inventory	94,919	91,104	3,815	31,995	29,847	2,148
Cost of work in progress	707	608	99	338	87	251
Purchase of materials and services	16,444	17,071	-627	5,124	5,660	-536
Cost of labour	6,457	6,397	60	1,910	2,062	-152
Other operating costs	7,089	6,942	147	2,226	2,331	-105
Total operating costs	30,697	31,018	-321	9,598	10,140	-542
(Depreciation, amortization and provisions)	-2,151	-2,331	180	-790	-803	13
(Impairment losses)/Reversals on work in progress and inventories	-1,327	-1,673	346	0	0	0
Change in fair value - increases / (decreases)	-390	-12,445	12,055	-1,314	-363	-951
Total depreciation, amortization, provisions, impairment and change in fair value	-3,868	-16,449	12,581	-2,104	-1,166	-938
EBIT	60,354	43,637	16,717	20,293	18,541	1,752
Gains/losses from equity investments and disposals	-37	120	-157	124	0	124
Financial income	32	80	-48	10	20	-10
Financial charges	30,113	34,467	-4,354	9,809	11,639	-1,830
Net financial income/(charges)	-30,081	-34,387	4,306	-9,799	-11,619	1,820
PRE-TAX PROFIT	30,236	9,370	20,866	10,618	6,922	3,696
Income tax for the period	19	2,691	-2,672	625	4,363	-3,738
NET PROFIT FOR THE PERIOD	30,217	6,679	23,538	9,993	2,559	7,434
Minorities portion of net profit	215	377	-162	29	43	-14
Parent Company's portion of net profit	30,432	7,056	23,376	10,022	2,602	7,420

Consolidated statement of financial position at 30 September 2015

Consolidated statement of financial position (in thousands of Euro)	30/09/2015 (A)	30/06/2015 (B)	31/12/2014 (C)	Change (A-B)	Change (A-C)
NON-CURRENT ASSETS					
Intangible assets					
Intangible assets with finite useful lives	80	74	82	6	(2)
Goodwill	12,662	12,662	12,662	0	0
	12,742	12,736	12,744	6	(2)
Property, plant, and equipment					
Investment property	1,832,410	1,832,410	1,782,283	0	50,127
Buildings	8,679	8,741	8,861	(62)	(182)
Plant and machinery	321	372	473	(51)	(152)
Equipment and other assets	1,847	1,966	2,098	(119)	(251)
Leasehold improvements	1,341	1,408	1,514	(67)	(173)
Assets under construction	53,229	51,631	82,179	1,598	(28,950)
	1,897,827	1,896,528	1,877,408	1,299	20,419
Other non-current assets					
Deferred tax assets	7,510	7,463	9,722	47	(2,212)
Sundry receivables and other non-current assets	66	77	75	(11)	(9)
Equity investments	5,003	4,916	408	87	4,595
Non-current financial assets	1,022	1,052	1,128	(30)	(106)
Derivatives - assets	18	28	49	(10)	(31)
	13,619	13,536	11,382	83	2,237
TOTAL NON-CURRENT ASSETS (A)	1,924,188	1,922,800	1,901,534	1,388	22,654
CURRENT ASSETS:					
Work in progress inventory and advances	67,820	68,186	69,355	(366)	(1,535)
Trade and other receivables	13,830	16,795	15,566	(2,965)	(1,736)
Other current assets	3,454	4,389	3,623	(935)	(169)
Financial receivables and other current financial assets	151	151	151	0	0
Cash and cash equivalents	13,348	10,661	15,242	2,687	(1,894)
TOTAL CURRENT ASSETS (B)	98,603	100,182	103,937	(1,579)	(5,334)
Non-current assets held for sale (C)	-	-	28,600	0	(28,600)
TOTAL ASSETS (A + B + C)	2,022,791	2,022,982	2,034,071	(191)	(11,280)
NET EQUITY:					
Share capital	549,760	549,760	549,760	0	0
Share premium reserve	39,971	39,971	147,730	0	(107,759)
Other reserves	324,650	324,830	231,818	(180)	92,832
Group profit	43,200	33,178	20,921	10,022	22,279
Total Group net equity	957,581	947,739	950,229	9,842	7,352
Portion pertaining to minorities	10,374	10,403	10,589	(29)	(215)
TOTAL NET EQUITY (D)	967,955	958,142	960,818	9,813	7,137
NON-CURRENT LIABILITIES:					
Derivatives - liabilities	36,558	36,047	43,961	511	(7,403)
Non-current financial liabilities	794,488	800,810	850,466	(6,322)	(55,978)
Provision for employee severance indemnities	2,164	2,073	1,910	91	254
Deferred tax liabilities	24,180	24,155	24,730	25	(550)
Provisions for risks and future charges	4,041	3,775	1,827	266	2,214
Sundry payables and other non-current liabilities	20,768	20,807	20,302	(39)	466
TOTAL NON-CURRENT LIABILITIES (E)	882,199	887,667	943,196	(5,468)	(60,997)
CURRENT LIABILITIES:					
Current financial liabilities	151,468	148,958	108,150	2,510	43,318
Trade and other payables	12,478	19,247	15,034	(6,769)	(2,556)
Current tax liabilities	2,816	3,106	954	(290)	1,862
Other current liabilities	5,875	5,862	5,919	13	(44)
TOTAL CURRENT LIABILITIES (F)	172,637	177,173	130,057	(4,536)	42,580
TOTAL LIABILITIES (G = E + F)	1,054,836	1,064,840	1,073,253	(10,004)	(18,417)
TOTAL NET EQUITY AND LIABILITIES (D + G)	2,022,791	2,022,982	2,034,071	(191)	(11,280)

Consolidated statement of cash flows at 30 September 2015

CONSOLIDATED STATEMENT OF CASH FLOWS	30/09/2015	30/09/2014
<i>(In thousands of Euro)</i>		
CASH FLOW FROM OPERATING ACTIVITIES:		
Pre-tax profit for the period	30,236	9,370
Adjustments to reconcile net profit with the cash flow generated (absorbed) in the period:		
Non-monetary items	(484)	2,438
Depreciation, amortization and provisions	2,452	2,332
(Impairment losses)/Reversals on work in progress and inventories	1,327	1,673
Change in fair value of investment property	390	12,445
Gains/losses from equity investments and disposals	90	(120)
CASH FLOW FROM OPERATIONS	33,711	28,138
Income tax	(772)	(883)
CASH FLOW FROM OPERATIONS NET OF TAX	32,939	27,255
Change in inventories	799	713
Net change in current assets and liabilities	631	(187)
Net change in non-current assets and liabilities	520	969
CASH FLOW FROM OPERATING ACTIVITIES (a)	34,889	28,750
Investments in non-current assets	(22,549)	(28,264)
Divestments of non-current assets	28,577	46,890
Equity investments in subsidiaries	(4,384)	(100)
CASH FLOW FROM INVESTING ACTIVITIES (b)	1,644	18,526
Change in non-current financial assets	106	(166)
Change in financial receivables and other current financial assets	0	20
Dividend reinvestment option	0	13,693
Sale of treasury shares	0	12,050
Capital increase	(108)	0
Payment of dividends	(28,363)	(22,620)
Change in current debt	47,844	(157,813)
Change in non-current debt	(57,914)	111,826
CASH FLOW FROM FINANCING ACTIVITIES (c)	(38,435)	(43,010)
Difference in translation of liquidity (d)	8	26
NET INCREASE (DECREASE) IN CASH BALANCE (a)+(b)+(c)+(d)	(1,894)	4,292
CASH BALANCE AT BEGINNING OF THE PERIOD	15,242	8,446
CASH BALANCE AT END OF THE PERIOD	13,348	12,738

Consolidated net financial position at 30 Settembre 2015

NET FINANCIAL POSITION			
	30/09/2015	30/06/2015	31/12/2014
Cash and cash equivalents	(13,348)	(10,661)	(15,242)
Financial receivables and other current financial assets	(151)	(151)	(151)
LIQUIDITY	(13,499)	(10,812)	(15,393)
Current financial liabilities	90,556	90,021	33,210
Mortgage loans - current portion	55,046	55,460	66,708
Leasing – current portion	300	298	293
Convertible bond loan - current portion	5,566	3,179	7,939
CURRENT DEBT	151,468	148,958	108,150
CURRENT NET DEBT	137,969	138,146	92,757
Non-current financial assets	(1,022)	(1,052)	(1,128)
Non-current financial liabilities due to other sources of finance	563	750	1,125
Leasing – non-current portion	4,640	4,716	4,867
Non-current financial liabilities	507,427	513,977	553,293
Convertible bond loan	281,858	281,367	291,181
NON-CURRENT DEBT	793,466	799,758	849,338
NET FINANCIAL POSITION	931,435	937,904	942,095