PRESS RELEASE

IGD SIIQ SPA: THE BOARD OF DIRECTORS APPROVES THE INTERIM MANAGEMENT STATEMENT AT 31 MARCH 2016 AND THE UPDATE OF THE BUSINESS PLAN 2016-2018

IN THE QUARTER: SOLID OPERATING RESULTS CONFIRMED

- **Group's net profit: €12.7 million, up 37.4%**
- **Funds from Operations (FFO): €14.1 million, + 33.7%**
- **Core business revenue: €33.8 million, + 8.7% (LFL Italy + 1.6%, Romania +2.3%)**
- **Sales of retailers in Italian malls up + 6%; footfalls +2.4%; occupancy on the rise in Italy and Romania**
- **Cost of debt down significantly at 3.26%**

UPDATE OF THE BUSINES PLAN 2016-2018: FURTHER PROGRES

- **CAGR for rental income around + 7% (total growth of > 20%)**
- **Freehold EBITDA margin at the end of the plan period: around 80%**
- **Improved financial management (cost of debt < 3%, interest cover ratio >3x by end of the plan period)**
- **Yearly FFO of around €75 million by 2018; CAGR above 18%**
- **Investments expected to reach some €195 million, approximately €145 million of which in development projects**
- **Balanced financial structure to be maintained over the life of the plan with a loan to value of between 45% and 50% (trend at 2018 pointing to the lower end of the range)**

Bologna, 10 May 2016. 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 **Interim Management Statement at 31 March 2016 and the update of the business plan 2016-2018 during a meeting chaired by Gilberto Coffari.**

"The results posted in 2015 and in first quarter 2016 demonstrate the solidity of the Group's fundamentals and the validity of the strategic choices made; furthermore, the opportunities that we took advantage of in 2015 (like the acquisition of the Punta di Ferro mall in Forlì) and the initiatives that we will be implementing over the next few months allow us to raise the targets for 2018, particularly with regard to FFO and financial management", **Claudio Albertini,** IGD – Immobiliare Grande Distribuzione SIIQ S.p.A.'s Chief Executive Officer stated. *"With this plan, which we believe has limited execution risk, IGD is confirming the ability to continually increase FFO and provide greater visibility of dividend payouts; all this will be achieved while maintaining a balanced, solid financial structure and solely through organic growth. We will also evaluate any opportunities for external growth that might materialize which would create value for all our shareholders".*

Operating income statement at 31 March 2016.

€/000	CONSOLIDATED			CORE BUSINESS			PORTA A MARE PROJECT		
	31/03/2015	31/03/2016	Δ%	31/03/2015	31/03/2016	Δ%	31/03/2015	31/03/2016	Δ%
Revenues from freehold real estate	26.856	29.507	9,9%	26.780	29.401	9,8%	76	106	38,6%
Revenues from leasehold real estat	3.022	3.086	2,1%	3.022	3.086	2,1%	0	0	n.a.
Total revenues from real estate an	**29.878**	**32.593**	**9,1%**	**29.802**	**32.487**	**9,0%**	**76**	**106**	**38,6%**
Revenues from services	1.264	1.269	0,4%	1.264	1.269	0,4%	0	0	n.a.
Revenues from trading	258	0	n.a.	0	0	n.a.	258	0	n.a.
OPERATING REVENUES	**31.400**	**33.862**	**7,8%**	**31.066**	**33.756**	**8,7%**	**334**	**106**	**(68,3)%**
COST OF SALE AND OTHER COSTS	**(241)**	**(6)**	**(97,7)%**	**0**	**0**	**n.a.**	**(241)**	**(6)**	**(97,7)%**
Rents and payable leases	(2.517)	(2.524)	0,3%	(2.517)	(2.524)	0,3%	0	0	n.a.
Direct personnel	(937)	(951)	1,5%	(937)	(951)	1,5%	0	0	n.a.
Direct costs	(4.212)	(4.315)	2,4%	(4.114)	(4.225)	2,7%	(98)	(90)	(8,2)%
DIRECT COSTS	**(7.666)**	**(7.790)**	**1,6%**	**(7.568)**	**(7.700)**	**1,7%**	**(98)**	**(90)**	**(8,2)%**
GROSS MARGIN	**23.493**	**26.066**	**10,9%**	**23.498**	**26.056**	**10,9%**	**(5)**	**10**	**n.a.**
Headquarter personnel	(1.539)	(1.565)	1,6%	(1.521)	(1.548)	1,8%	(18)	(17)	(8,9)%
G&A expenses	(1.088)	(999)	(8,3)%	(996)	(914)	(8,3)%	(92)	(85)	(8,1)%
G&A EXPENSES	**(2.627)**	**(2.564)**	**(2,4)%**	**(2.517)**	**(2.463)**	**(2,2)%**	**(110)**	**(101)**	**(8,2)%**
EBITDA	**20.866**	**23.502**	**12,6%**	**20.981**	**23.593**	**12,5%**	**(115)**	**(91)**	**(21,0)%**
Ebitda Margin	*66,5%*	*69,4%*		*67,5%*	*69,9%*				
Other provisions	(31)	(49)	55,5%						
Impairment and fair value adjustme	(413)	(577)	39,8%						
Depreciations	(308)	(280)	(9,0)%						
DEPRECIATIONS AND IMPAIRMEN	**(752)**	**(906)**	**20,5%**						
EBIT	**20.114**	**22.596**	**12,3%**						
NET FINANCIAL RESULT	**(10.321)**	**(9.363)**	**(9,3)%**						
EXTRAORDINARY MANAGEMENT	**(50)**	**(20)**	**(60,0)%**						
PRE-TAX PROFIT	**9.743**	**13.213**	**35,6%**						
taxes	(576)	(587)	2,0%						
NET PROFIT FOR THE PERIOD	**9.167**	**12.626**	**37,7%**						
(Profit)/Loss for the period related	48	33	(30,0)%						
GROUP NET PROFIT	**9.215**	**12.659**	**37,4%**						

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 31 March 2016

Excellent operating results continued in first quarter 2016: **sales of retailers** in Italina malls rose 6% and **footfalls were up by 2.4%;** in Romania footfalls increased (+1%).

The average occupancy also rose further reaching 97.2% in Italy and 94.2% in Romania.

Core business revenue reached €**33.8 million, an increase of 8.7%** against the same period of the prior year.

Rental income rose 9.1% against the same period 2015 to €32.6 million; the change is explained primarily by:

- the **1.6% increase in like-for-like revenue in Italy** (upside on renewals and turnover was around +2%);
- for €2.4 million, the new openings and acquisitions made in 2015;
- the **+2.3% increase in revenue posted in Romania** (average upside of +1.4%).

Operating costs dropped significantly in the quarter, boosting the core business **Ebitda Margin** which amounted to 69.9**%, while the freehold Ebitda margin came to 79.2%**.

Financial expense also fell noticeably (dropping – 9.3% against 1q 2015 to €9.4 million), with the average cost of debt falling to 3.26%.

The Group's portion of **net profit** amounted to **€12.7 million**, **an increase of 37.4%** against the same period 2015.

Funds from Operations (**FFO**) came to €**14.1 million**, up considerably compared to first quarter 2015 (**+33.7%).**

The IGD Group's **net debt** at 31 March 2016 was largely in line with 31 March 2015 at €984.2 million, as was the Loan to Value which came to 47.3%.

Update of the Business Plan 2016-2018

The Business Plan 2016-2018 was updated in order to reflect both the changing global market conditions, as well as, in particular, the acquisition and capital increase completed year-end 2015 which were not taken into account in the prior version.
Even though market instability persists and growth in Italy is still moderate, the overall environment **remains positive**. The signals gathered by the Group also point in this direction and appear particularly convincing (and were confirmed by the results posted year-end 2015 and in 1Q 2016, as well as the operating performances recorded in both Italy and Romania).

The targets for the main **financial and economic indicators are confirmed or raised with respect to the prior version of the Plan.**

From an economic standpoint, CAGR[1] for **rental income is expected to reach around 7%**, while like-for-like revenue is projected to grow at a CAGR of around 2%. Overall, rental income is expected **to increase by more than 20% by the end of the plan period**.
The **new openings**, which also account for the majority of the investments in development, will have a significant impact. These include:

- the mall in the **Grosseto** shopping center which is expected to open in November 2016. Pre-letting is underway with a view to achieving full occupancy by the opening (pre-letting more than 80%);
- the extension of the **ESP shopping center in Ravenna** which is expected to open first-half 2017. Pre-letting is going well (goal of 100% occupancy by the opening);
- the shopping mall at **Officine Storiche in Livorno** which is expected to open second-half 2018. The first inquiries have been received.

With regard to profitability, the Group expects the **freehold EBITDA margin to reach 80%** by year-end: revenue will increase more than proportionately with respect to the increased operating costs (linked to the expanded perimeter).

Noticeable improvement in financial management will be recorded thanks to a further reduction in the cost of debt[2] (estimated to reach **3%** by the end of the plan period with the **interest cover ratio above 3x**). The goal to obtain a rating from a premiere rating agency in order to access the bond market at even more favorable conditions is confirmed.

Over the period 2016-2018, the Group intends to complete the committed pipeline with **investments of around €195 million**, approximately €145 million of which relating to expansions and development projects with a focus

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1 Calculated based on figures at 31/12/2015

2 Net of loan fees (both recurring and non)

on the quality, as well as the efficiency, of the shopping centers and enhancement of the "spaces to be lived in " concept. **New GLA of more than 70 thousand square meters will be added with yields on cost above 7%**.

Rigorous financial discipline will be maintained when making the investments, along with a balanced capital structure: the Loan to Value is expected to remain between 45% and 50%, reaching the low end of the range by 2018.

Funds from Operations (FFO) are also expected to rise significantly at a CAGR of more than 18% (target FFO by 2018 of €75 million); toward this end, of note is the positive result recorded between 2014 and 2015 (FFO rose +28.5% to €45.1 million).

These performances will also directly benefit shareholders: the Group intends, in fact, to distribute approximately 2/3 of the FFO as a dividend, reserving the right to propose a Dividend Reinvestment Option as it has in the past, market conditions permitting.

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 €2,082.01 million at 31 December 2015, comprised of, in Italy, 25 hypermarkets and supermarkets, 21 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.
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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 31 March 2016[3].

[3] The Interim Management Statement and the financial statements of Gruppo Immobiliare Grande Distribuzione at 31 March 2016 are unaudited.

Consolidated income statement at 31 March 2016

Consolidated income statement (in thousands of Euros)	31/03/2016 (A)	31/03/2015 (B)	Change (A-B)
Revenue	32.593	29.862	2.731
Other income	1.269	1.280	-11
Revenue from property sales	0	258	-258
Total revenue and operating income	**33.862**	**31.400**	**2.462**
Change in work in progress inventory	543	-29	572
Total revenue and change in inventory	**34.405**	**31.371**	**3.034**
Cost of work in progress	543	203	340
Purchase of materials and services	5.319	5.456	-137
Cost of labour	2.239	2.222	17
Other operating costs	2.484	2.435	49
Total operating costs	**10.585**	**10.316**	**269**
(Depreciation, amortization and provisions)	-647	-614	-33
Change in fair value - increases / (decreases)	-577	-413	-164
Total depreciation, amortization, provisions, impairment and change in fair value	**-1.224**	**-1.027**	**-197**
EBIT	**22.596**	**20.028**	**2.568**
Gains/losses from equity investments and disposals	**5**	**0**	**5**
Financial income	17	9	8
Financial charges	9.405	10.294	-889
Net financial income/(charges)	**-9.388**	**-10.285**	**897**
PRE-TAX PROFIT	**13.213**	**9.743**	**3.470**
Income tax for the period	587	576	11
NET PROFIT FOR THE PERIOD	**12.626**	**9.167**	**3.459**
Minorities portion of net profit	33	48	-15
Parent Company's portion of net profit	**12.659**	**9.215**	**3.444**

Consolidated statement of financial position at 31 March 2016

Consolidated statement of financial position (in thousands of Euros)	31/03/2016 (A)	31/12/2015 (B)	Change (A-B)
NON-CURRENT ASSETS			
Intangible assets			
Intangible assets with finite useful lives	67	74	(7)
Goodwill	12.663	12.662	1
	12.730	**12.736**	**(6)**
Property, plant, and equipment			
Investment property	1.970.028	1.970.028	0
Buildings	8.557	8.618	(61)
Plant and machinery	308	309	(1)
Equipment and other assets	1.598	1.699	(101)
Leasehold improvements	1.205	1.273	(68)
Assets under construction	53.292	50.533	2.759
	2.034.988	**2.032.460**	**2.528**
Other non-current assets			
Deferred tax assets	5.750	5.387	363
Sundry receivables and other non-current assets	89	90	(1)
Equity investments	6.370	6.366	4
Non-current financial assets	468	493	(25)
Derivatives - assets	6	12	(6)
	12.683	**12.348**	**335**
TOTAL NON-CURRENT ASSETS (A)	**2.060.401**	**2.057.544**	**2.857**
CURRENT ASSETS:			
Work in progress inventory and advances	67.612	67.068	544
Trade and other receivables	14.654	14.074	580
Other current assets	3.577	3.132	445
Financial receivables and other current financial assets	9.184	9.174	10
Cash and cash equivalents	14.060	23.603	(9.543)
TOTAL CURRENT ASSETS (B)	**109.087**	**117.051**	**(7.964)**
TOTAL ASSETS (A + B + C)	**2.169.488**	**2.174.595**	**(5.107)**
NET EQUITY:			
Share capital	599.760	599.760	0
Share premium reserve	39.971	39.971	0
Other reserves	322.002	323.915	(1.913)
Group profit	71.066	58.407	12.659
Total Group net equity	**1.032.799**	**1.022.053**	**10.746**
Portion pertaining to minorities	10.117	10.150	(33)
TOTAL NET EQUITY (D)	**1.042.916**	**1.032.203**	**10.713**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	37.702	35.002	2.700
Non-current financial liabilities	751.765	764.930	(13.165)
Provision for employee severance indemnities	2.134	2.046	88
Deferred tax liabilities	23.669	23.634	35
Provisions for risks and future charges	4.795	4.688	107
Sundry payables and other non-current liabilities	26.452	26.460	(8)
TOTAL NON-CURRENT LIABILITIES (E)	**846.517**	**856.760**	**(10.243)**
CURRENT LIABILITIES:			
Current financial liabilities	256.109	253.155	2.954
Trade and other payables	11.347	14.804	(3.457)
Current tax liabilities	5.492	4.236	1.256
Other current liabilities	7.107	13.437	(6.330)
TOTAL CURRENT LIABILITIES (F)	**280.055**	**285.632**	**(5.577)**
TOTAL LIABILITIES (G = E + F)	**1.126.572**	**1.142.392**	**(15.820)**
TOTAL NET EQUITY AND LIABILITIES (D + G)	**2.169.488**	**2.174.595**	**(5.107)**

Consolidated statement of cash flows at 31 March 2016

CONSOLIDATED STATEMENT OF CASH FLOWS	31/03/2016	31/03/2015
(In thousands of Euros)		
CASH FLOW FROM OPERATING ACTIVITIES:		
Pre-tax profit for the period	**13.213**	**9.743**
Adjustments to reconcile net profit with the cash flow generated (absorbed) in the period:		
Non-monetary items	(1.645)	1.356
Depreciation, amortization and provisions	647	614
Change in fair value of investment property	577	413
Gains/losses from equity investments and disposals	(5)	0
CASH FLOW FROM OPERATIONS	**12.787**	**12.126**
Income tax	(262)	(248)
CASH FLOW FROM OPERATIONS NET OF TAX	**12.525**	**11.878**
Change in inventories	(544)	37
Net change in current assets and liabilities	(9.877)	3.252
Net change in non-current assets and liabilities	134	352
CASH FLOW FROM OPERATING ACTIVITIES (a)	**2.238**	**15.519**
Investments in non-current assets	(3.514)	(7.512)
Divestments of non-current assets	154	0
Equity investments in subsidiaries	0	(4.399)
CASH FLOW FROM INVESTING ACTIVITIES (b)	**(3.360)**	**(11.911)**
Change in non-current financial assets	25	50
Change in financial receivables and other current financial assets	(10)	0
Change in current debt	5.457	1.184
Change in non-current debt	(13.902)	(7.619)
CASH FLOW FROM FINANCING ACTIVITIES (c)	**(8.430)**	**(6.385)**
Difference in translation of liqudity (d)	9	9
NET INCREASE (DECREASE) IN CASH BALANCE (a)+(b)+(c)+(d)	**(9.543)**	**(2.768)**
CASH BALANCE AT BEGINNING OF THE PERIOD	**23.603**	**15.242**
CASH BALANCE AT END OF THE PERIOD	**14.060**	**12.474**

Consolidated net financial position at 31 March 2016

NET FINANCIAL POSITION		
	31/03/2016	31/12/2015
Cash and cash equivalents	(14.060)	(23.603)
Financial receivables and other current financial assets	(9.184)	(9.174)
LIQUIDITY	**(23.244)**	**(32.777)**
Current financial liabilities	186.256	179.954
Mortgage loans - current portion	64.079	64.947
Leasing – current portion	305	303
Convertible bond loan - current portion	5.469	7.951
CURRENT DEBT	**256.109**	**253.155**
CURRENT NET DEBT	**232.865**	**220.378**
Non-current financial assets	(468)	(493)
Non-current financial liabilities due to other sources of finance	188	375
Leasing – non-current portion	4.486	4.564
Non-current financial liabilities	464.249	477.642
Convertible bond loan	282.842	282.349
NON-CURRENT DEBT	**751.297**	**764.437**
NET FINANCIAL POSITION	**984.162**	**984.815**