



ITALIAN SUSTAINABILITY DAY

Milan, 10/07/2017

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1. Introduction to IGD

SALDI



IGD at a glance

IGD is one of *the main players in the Italian retail real estate sector: develops and manages shopping centers* across the country and has a significant presence in retail distribution in Romania

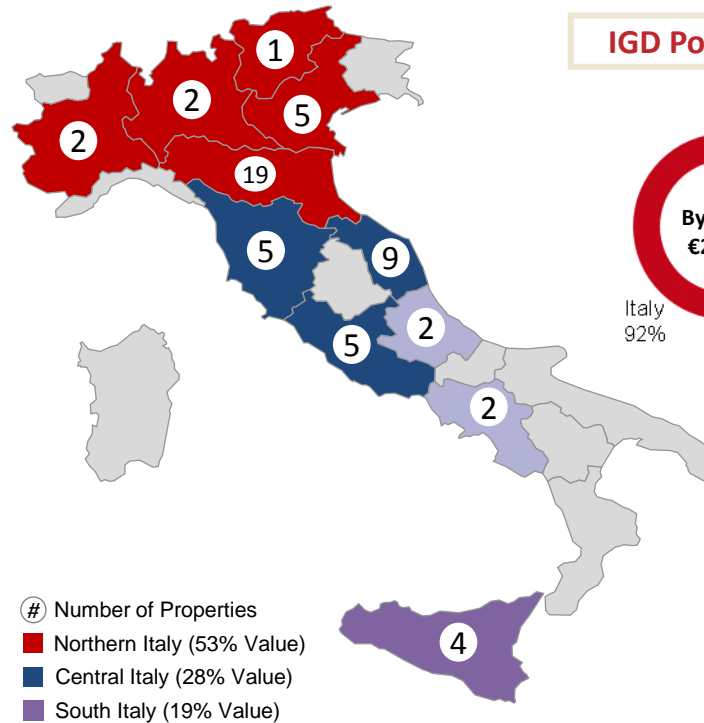
#1 Italian Retail SIIQ (REIT)

€2.2 Bn Portfolio
Mainly Malls / Retail Parks /
Hypemarkets

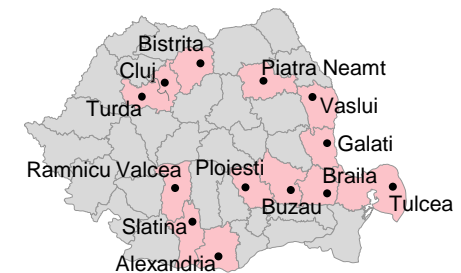
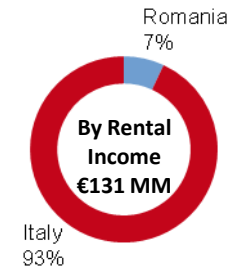
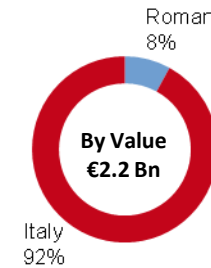
71 Assets
56 units in **Italy (c.92% of value)**
15 units in Romania (c.8% of
value)

Rental Income > €140 MM
(expected FY2017)

IGD Portfolio Snapshot



IGD Portfolio Breakdown by Geography



56 Properties in 11 Regions
(92% of Value)

15 Properties in 13 Cities
(8% of Value)

IGD unique positioning in the Italian retail property sector

- 1 Large portfolio of retail property assets with a strong customer base generating sound and visible revenues and growing cashflows over the business plan timespan
- 2 Strong competitive position in the stable and attractive Italian retail property market
- 3 Track record of uninterrupted profitable growth with a clear operating strategy and prudent development activities
- 4 Low exposure to commercialization risks related to development activities
- 5 Diversified debt structure with proven access to capital markets
- 6 Solid and supportive shareholding structure
- 7 Strong and stable Management Team with a strong expertise both in retail market and retail real estate market

Our business model

DIRECT MANAGEMENT OF THE SHOPPING CENTRES

A careful merchandising mix, marketing activity adapted to each context and various customer related services and careful attention paid to tenants' needs

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

Strategic presence in Northern/ Central Italy with GDP per capita above EU average

SHOPPING CENTERS WITH FOOD ANCHORS

The presence of a strong food anchor (COOP), intimately integrated in the Italian territory guarantees a high and steady level of footfalls

SIIQ regime: main features

SIIQ STATUS FOR IGD SINCE 1 JANUARY 2008

KEY PARAMETERS

At least 80% of total assets must be rental asset

At least 80% of total positive components of P&L must be rental income
(excluding change in FV)

SHAREHOLDING LIMITS

Largest shareholder stake $\leq 60\%$ (vs. previous 51%)*

Free float (shareholders $< 2\%$) $\geq 25\%$ (vs. previous 35%)*
(only at the time of admission to the regime)

DIVIDEND DISTRIBUTION

Dividend payout at least 70% (vs. previous 85%)* of net rental income available for distribution

CORPORATE INCOME TAX EXEMPTION

Exemption from Italian corporate income tax (IRES and IRAP)

Capital gains on the disposal of properties, SIIQ and SIIQ shares and real estate fund units are exempted from corporate income tax subject to distribution of at least 50% of the gain in the 2 years subsequent to the disposal (vs. previous full taxation of capital gains)*

EXIT TAX

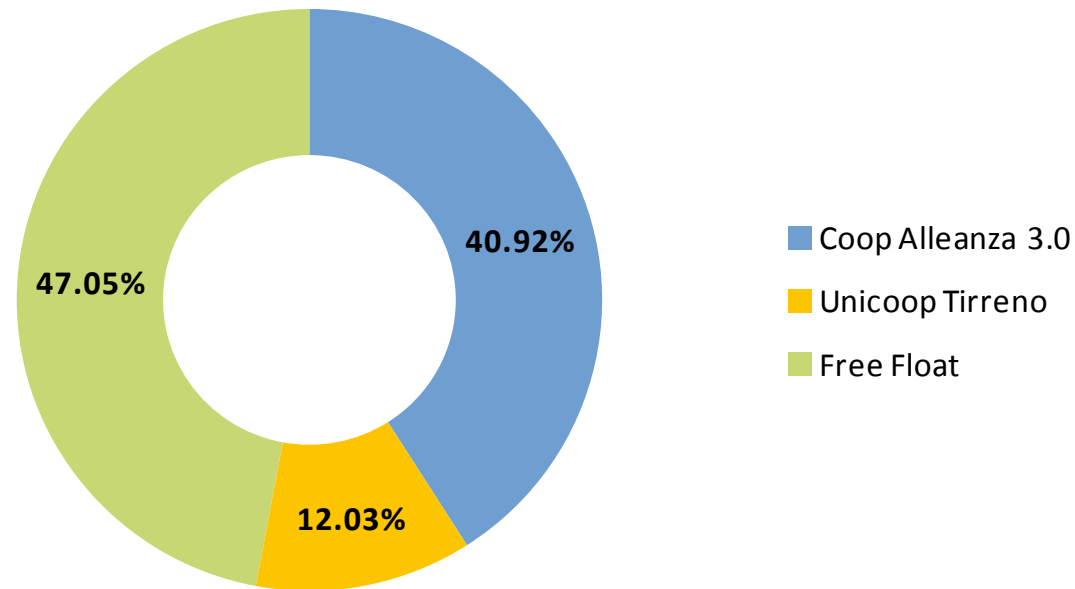
20% tax rate applies to capital gains from asset contributions

(*) Law 133/2014, so called "Sblocca Italia" («Unlock Italy»)

IGD's shareholders



IGD IS LISTED ON THE STAR SEGMENT OF BORSA ITALIANA
TOTAL SHARES 813,045,631 *SHARE CAPITAL € 599,760,278.16*



MARKET SHAREHOLDING REFLECTED IN A GOVERNANCE STRUCTURE IN LINE WITH BEST STANDARDS

IGD top management



ELIO GASPERONI (1953)

Chairman

- ☑ Chairman of IGD's Board since April 2017
- ☑ Vice Chairman of Coop Alleanza
- ☑ Board member of IGD since 2015
- ☑ He has held numerous roles in the Public Administrations and Local institutions



CLAUDIO ALBERTINI (1958)

Chief Executive Officer

- ☑ Appointed in May 2009
- ☑ Board member at IGD since 2006
- ☑ More than 20 years of experience with the Unipol Group, where he ultimately acts as General Manager of Unipol Merchant
- ☑ Certified financial auditor registered in Bologna



DANIELE CABULI (1958)

Chief Operating Officer

- ☑ More than 20 years of experience in the retail distribution
- ☑ Joined IGD in 2008 as Network Management Director and COO since 2009
- ☑ Worked for Coop Adriatica since 1986 with several roles: Head of Projects in the Marketing Division (1989), Head of different geographical areas and Hypermarket Manager (until 2003), Director of Marketing and Commercial Development (from 2003)



ROBERTO ZOIA (1961)

Director of Asset Management and Development

- ☑ Director of Asset Management and Development since 2006
- ☑ Joined GS Carrefour Italia Group in 1999 as Head of Hypermarket and Shopping Center Development
- ☑ In 2005 becomes Head of Asset Management and Development for Carrefour Italia
- ☑ Previously, Business Manager at Coopsette with responsibility in projects involving mainly shopping centres (since 1986)



GRAZIA MARGHERITA PIOLANTI (1953)

Director of Administration, Legal & Corporate Affairs

- ☑ Part of IGD since its creation, played a key role in SIIQ adoption
- ☑ Appointed Head of Legal Affairs, Tax and Subsidiaries of the new Coop Adriatica Group in 1995
- ☑ Appointed Administrative Director of Coop Romagna Marche in 1989, previously worked as Head of Accounting in a cooperative of constructors
- ☑ Registered Chartered Accountant and Official Financial Auditor



ANDREA BONVICINI (1963)

Director of Finance Division

- ☑ Head of the IGD Group's Finance Division since September 2009
- ☑ In July 2012 he was appointed Director of Finance and Treasury Department
- ☑ More than 20 years of professional experience in the world of credit, first in Cooperbanca and, subsequent to 1997, in the Bank of Bologna



RAFFAELE NARDI (1976)

Head of Planning, Control and Investor Relations

- ☑ Head of the division to which 3 different departments report: planning, control and investor relations.
- ☑ Joined IGD in October 2010
- ☑ Formerly head of the Advisory Service of UGF Merchant, bank of the Unipol Financial Group, where he matured more than ten years of professional experience
- ☑ Holds a degree in Business Economics



CARLO BARBAN (1978)

Chief Executive Officer of Winmarkt Group

- ☑ Appointed CEO in April 2014
- ☑ Worked in Winmarkt as Operating & Reporting Manager since January 2009 with responsibilities also for administration, planning and control and finance
- ☑ Previously working as qualified accountant and for international consultancy companies
- ☑ Graduated in Economics and Commerce



2. Operating data

IGD: A cluster of retail assets dominant in their catchment area



MONDOVICINO SHOPPING CENTER & RETAIL PARK
MONDOVÌ (CN)



I BRICCHI
ISOLA D'ASTI (AT)



CENTRO SARCA
SESTO S. GIOVANNI (MI)



GRAN RONDÒ
CREMA (CR)



MILLENNIUM GALLERY
ROVERETO (TN)



CONÈ
CONEGLIANO (TV)



CENTRO PIAVE (1)
SAN DONA' DI PIAVE (VE)



CLODÌ
CHIOGGIA (VE)



CENTRO NOVA (1)
VILLANOVA DI CASTENASO (BO)



CENTRO BORGO
BOLOGNA



ESP + Extension
RAVENNA



LE MAIOLICHE
FAENZA (RA)



LUNGO SAVIO
CESENA



I MALATESTA
RIMINI



PUNTADIFERRO FORLÌ



FONTI DEL CORALLO (1)
LIVORNO



CITTÀ DELLE STELLE
ASCOLI PICENO



CENTRO PORTO GRANDE
PORTO D'ASCOLI (AP)



TIBURTINO
GUIDONIA (RM)



CASILINO
ROMA



MAREMA'
GROSSETO



CENTRO D'ABRUZZO
PESCARA



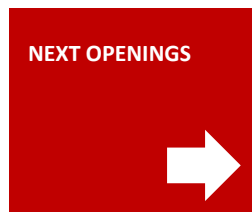
LE PORTE DI NAPOLI
AFRAGOLA (NA)



LA TORRE
PALERMO



KATANÉ
CATANIA



OFFICINE STORICHE
LIVORNO



GRAN RONDÒ' Extension
CREMA (CR)

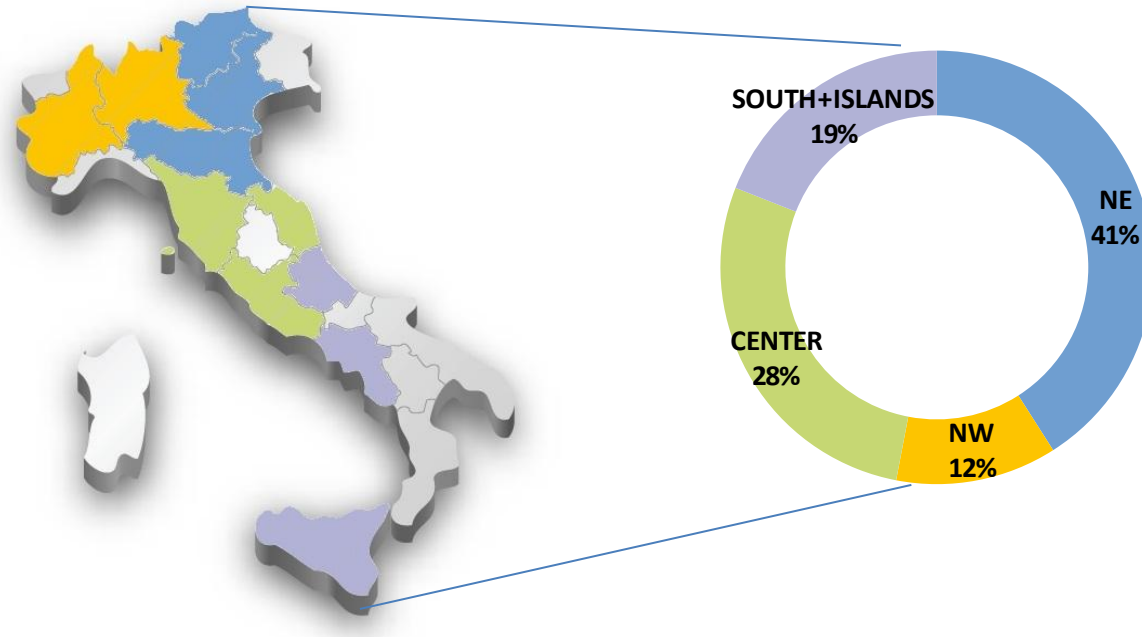
Italian Portfolio: hypermarkets and shopping malls

(as at 31/12/2016)

	22 SHOPPING MALLS	25 HYPERMARKETS	TENANTS OF HYPERMARKETS
FULL OWNERSHIP OF 14 SHOPPING CENTRES (MALL + HYPERMARKET)	CENTRO D'ABRUZZO -Pescara	CENTRO D'ABRUZZO -Pescara	Coop Alleanza 3.0
	CLODI' - Chioggia	CLODI' - Chioggia	Coop Alleanza 3.0
	PORTO GRANDE - Porto d'Ascoli (AP)	PORTO GRANDE - Porto d'Ascoli (AP)	Coop Alleanza 3.0
	ESP - Ravenna	ESP - Ravenna	Coop Alleanza 3.0
	CENTRO BORGO -Bologna	CENTRO BORGO -Bologna	Coop Alleanza 3.0
	CONE' RETAIL PARK - Conegliano (TV)	CONE' RETAIL PARK - Conegliano (TV)	Coop Alleanza 3.0
	LE MAIOLICHE - Faenza	LE MAIOLICHE - Faenza	Coop Alleanza 3.0
	LUNGO SAVIO -Cesena	LUNGO SAVIO -Cesena	Coop Alleanza 3.0
	CITTA' DELLE STELLE - Ascoli Piceno	CITTA' DELLE STELLE - Ascoli Piceno	Coop Alleanza 3.0
	KATANE' - Catania	KATANE' - Catania	Coop Sicilia
	TORRE INGASTONE - Palermo	TORRE INGASTONE - Palermo	Coop Sicilia
	CASILINO -Roma	CASILINO -Roma	Distribuzione Lazio Umbria srl
	LE PORTE DI NAPOLI -Afragola (NA)	LE PORTE DI NAPOLI -Afragola (NA)	Distribuzione Centro Sud Srl (ipercoop)
	TIBURTINO -Guidonia (RM)	TIBURTINO -Guidonia (RM)	Distribuzione Centro Sud Srl (ipercoop)
8 SHOPPING MALLS	MILLENNIUM GALLERY - Rovereto (TN)	Hypermkts not totally owned by IGD	
	PUNTADIFERRO - Forlì (FC)		
	MAREMA' - Grosseto		
	CENTRO SARCA - Sesto S. Giovanni (MI)		
	MONDOVICINO RETAIL PARK -Mondovì (CN)		
	Gran Rondò (Crema)		
I BRICCHI - Isola d'Asti (AT)			
DARSENA CITY - Ferrara (50% owned by			
11 HYPERMARKETS	Malls not owned by IGD	Supermkt Civita Castellana (Viterbo)	Distribuzione Lazio Umbria srl
		Supermkt Cecina (Livorno)	Unicoop Tirreno
		Hypermkt Le Fonti del Corallo - Livorno	Unicoop Tirreno
		Hypermkt Schio-Schio (Vicenza)	Coop Alleanza 3.0
		Hypermkt LAME - Bologna	Coop Alleanza 3.0
		Hypermkt LEONARDO - Imola (BO)	Coop Alleanza 3.0
		Hypermkt LUGO - Lugo (RA)	Coop Alleanza 3.0
		Hypermkt IL MAESTRALE - Senigallia (AN)	Coop Alleanza 3.0
		Hypermkt MIRALFIORE - Pesaro	Coop Alleanza 3.0
		Supermkt AQUILEJA - Ravenna	Coop Alleanza 3.0
		Hypermkt I MALATESTA - Rimini	Coop Alleanza 3.0

Balanced portfolio

from a geographical point of view



- Leader in their catchment area
- Present in 11 Italian regions, from North to South, mainly in medium/large size cities



MILAN – C. Sarca



BOLOGNA – C. Borgo



RAVENNA - ESP



ROME -Tiburtino



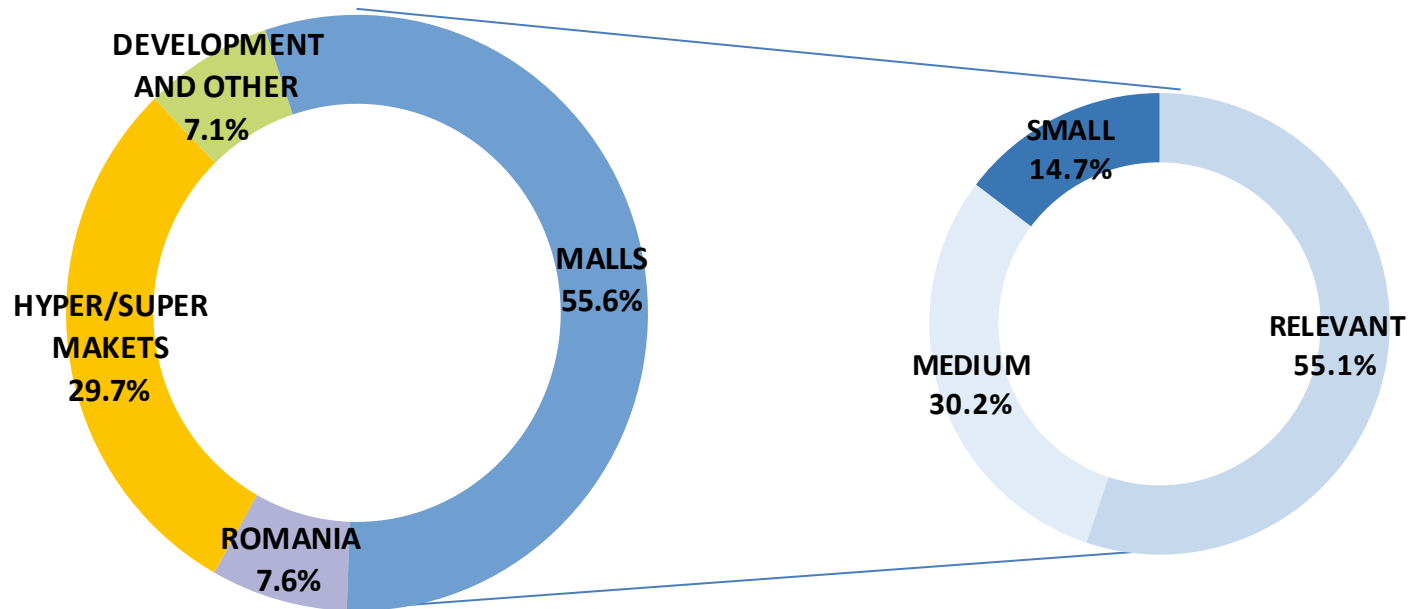
NEAPLES –Porte di Napoli



CATANIA - Katanè

Balanced portfolio

from a market value point of view



7 Relevant Malls

(mkt value >€70mn):

Punta di Ferro (FC)

Centro Sarca (MI)

Tiburtino (RM)

Le Porte di Napoli (NA)

Katanè (CT)

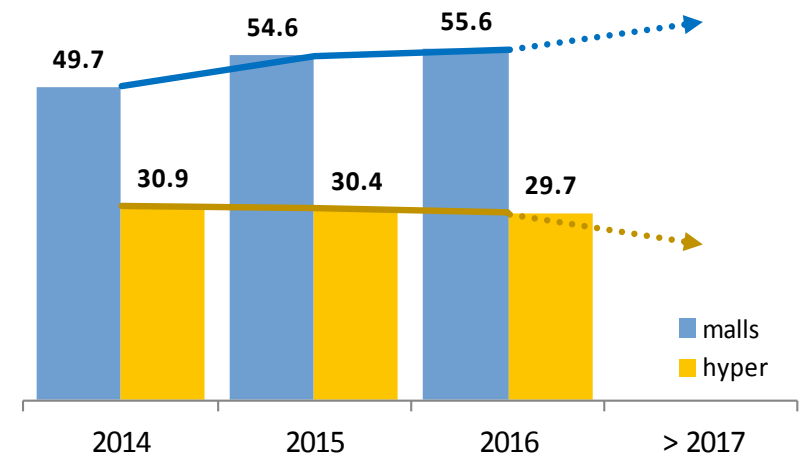
Conè (TV)

Esp (RA)

- Decrease in hypermarket and Romania
- Increase in malls
- Relevant and Medium malls equal to 85% of asset class

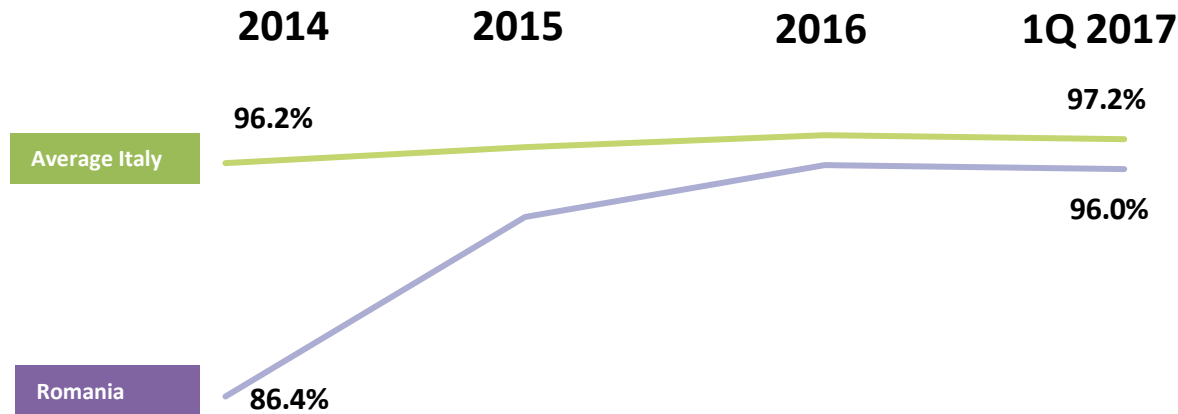
Medium malls: mkt value >€30mn <€70mn

Small malls: mkt value < €30mn



Performing and effective portfolio

Resilience in occupancy



Occupancy rate always high thanks to the restyling/extension/remodeling activities

Flexibility and adaptability

m²

Average mall dimension:
approx 15,000 m²



Average no. of shops:
55

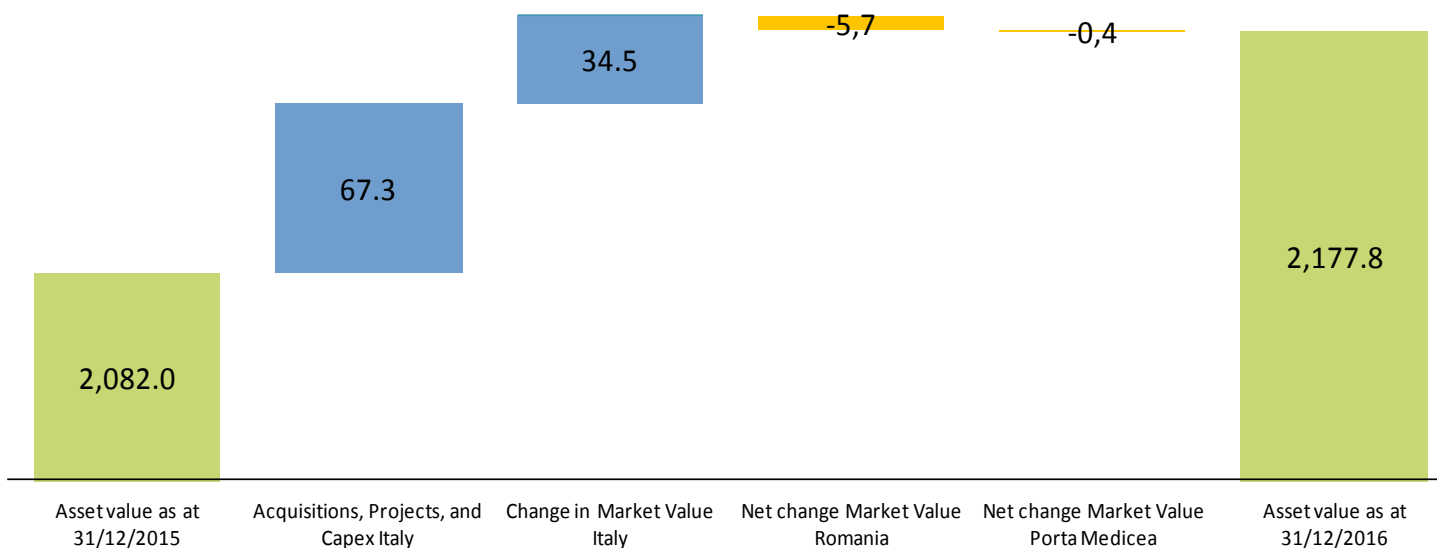


No. of full ownership shopping center*:
14

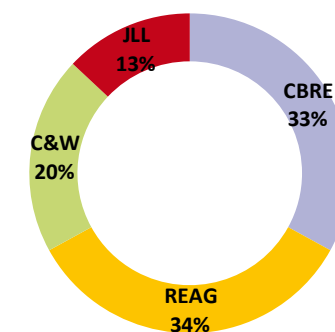
Portfolio that can easily be remodeled/reconverted (ie. Le Porte di Napoli, Città delle Stelle)

IGD Portfolio is growing...

€ mn	FV 2015	FV 2016	? %	? % Like for Like	Gross Initial Yield	Sqm
Italy malls	1,136.81	1,211.60	+ 6.6%	+ 1.5%	6.23%	334,029
Hypermarkets	633.63	646.09	+ 2.0%	+ 2.0%	6.17%	269,623
Romania	170.60	164.91	-3.3%	-3.3%	6.51%	92,628
Porta a Mare + development + other	140.97	155.17				
IGD Total Portfolio	2,082.01	2,177.77	+ 4.6%			

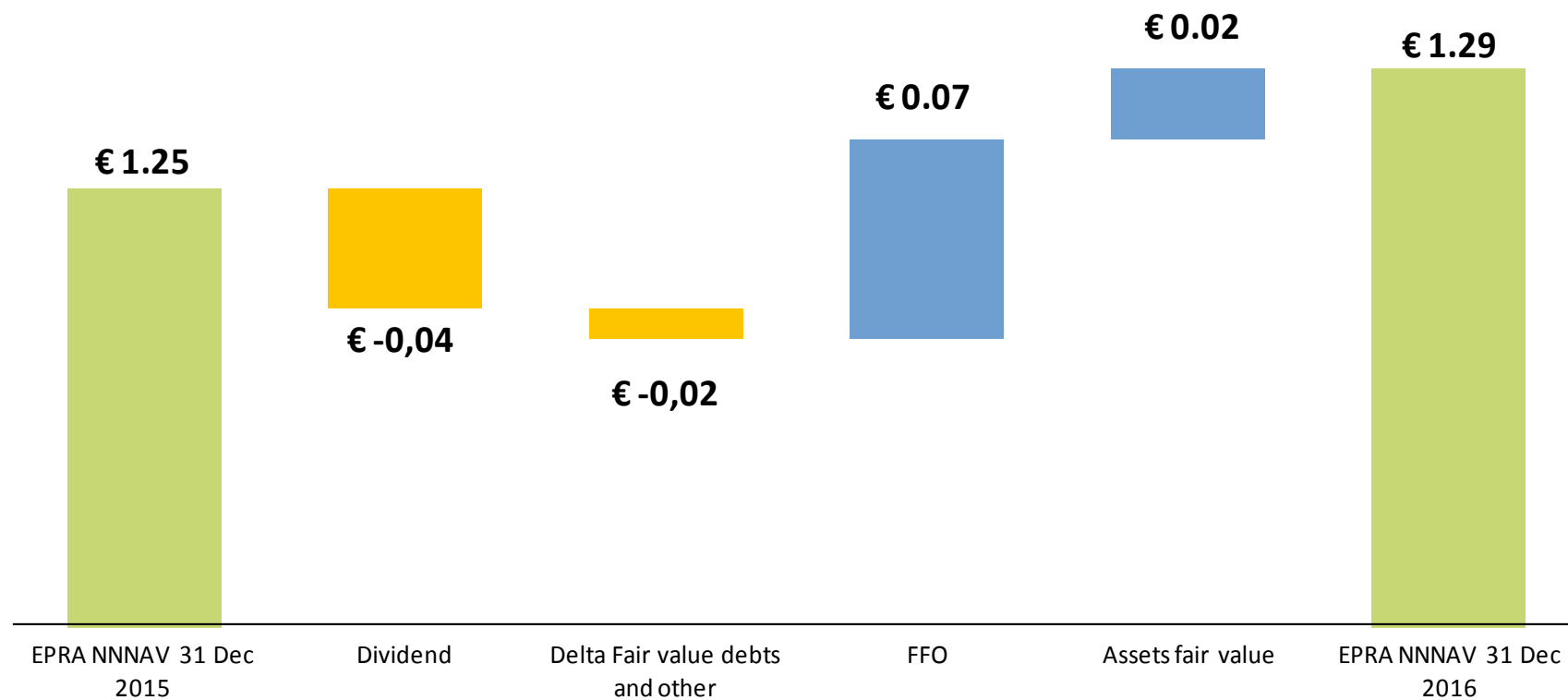


Breakdown of the portfolio appraisals



...and so is the value created

€ p.s.	31-Dec-15	31-Dec-16	Δ%
EPRA NAV	1.32	1.37	+ 3.4%
EPRA NNAV	1.25	1.29	+ 3.2%



General objectives:

- + convenience
- + security
- new products and services
- **Shops renewal**
- Innovation through e-commerce

**DEEP TRANSFORMATION
OF THE HYPERMARKET**
Investments €240 mn
8 – 10 hyper per year
(approx. €10 mn each)

Are also expected:

- 30 new openings
- 160 refurbishments (renewals of 1/3 of pos, supermarkets included)
- development of new corners dedicated (62 optician corners, 57 healthcare areas, 60 new pet store)

FURTHERMORE:

- **More choice of packaged products** (new products for rising needs, more national and international excellences, centrality of Coop products)
- **Centrality and requalification** and better offer on **fresh food**
- **Modern non-food** and careful to customer needs (also thanks to the on-line)
- **Prices repositioning:** impressive price reduction throughout 2017, price simplification, offers and promotions more understandable

2017-2019 Business Plan and its impacts on IGD

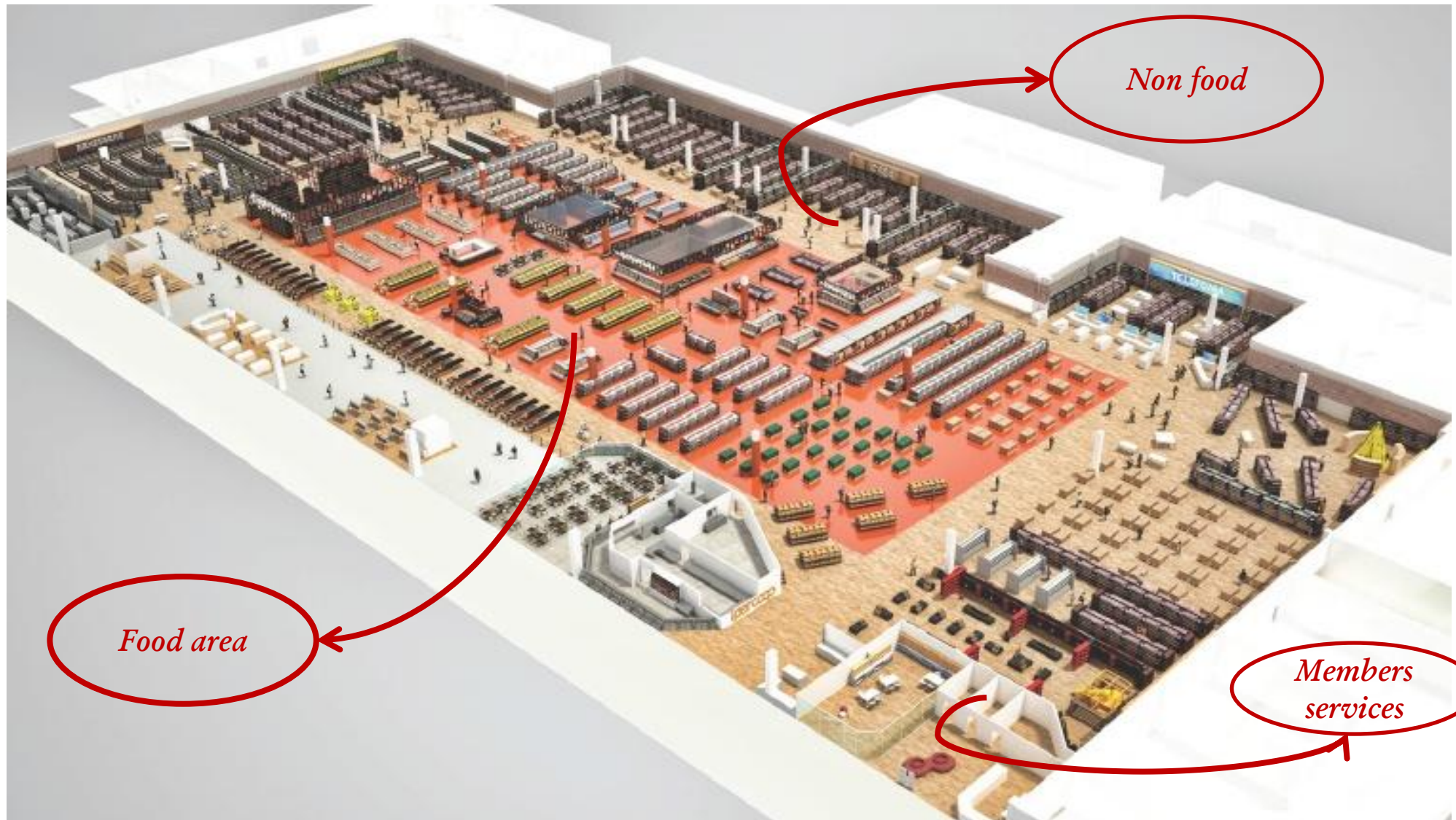
Investments for the points of sale transformation will be fully covered by
Coop Alleanza 3.0

First intervention have been carried out...



Ipercoop Formigine (MO) opened on 29 April 2017

Others are still being studied...

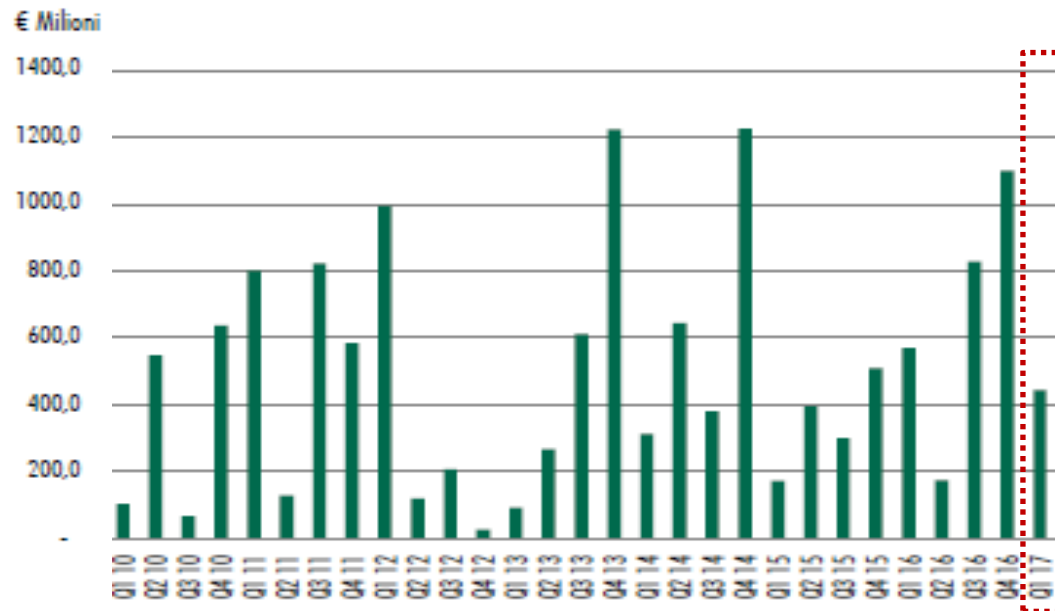


Render of a new big hypermarket

Retail real estate in Italy: an interesting market...

- Real Estate investments FY2016: €9.1 bn, of which retail investments: €2.6 bn (+80% vs FY 2015)
- Real Estate investments 1Q2017: €1.9 bn (+12% vs 1Q 2016).
- 67% of the total investments of the period (approx. €1.3 bn) came from foreign investors.

Retail investments evolution

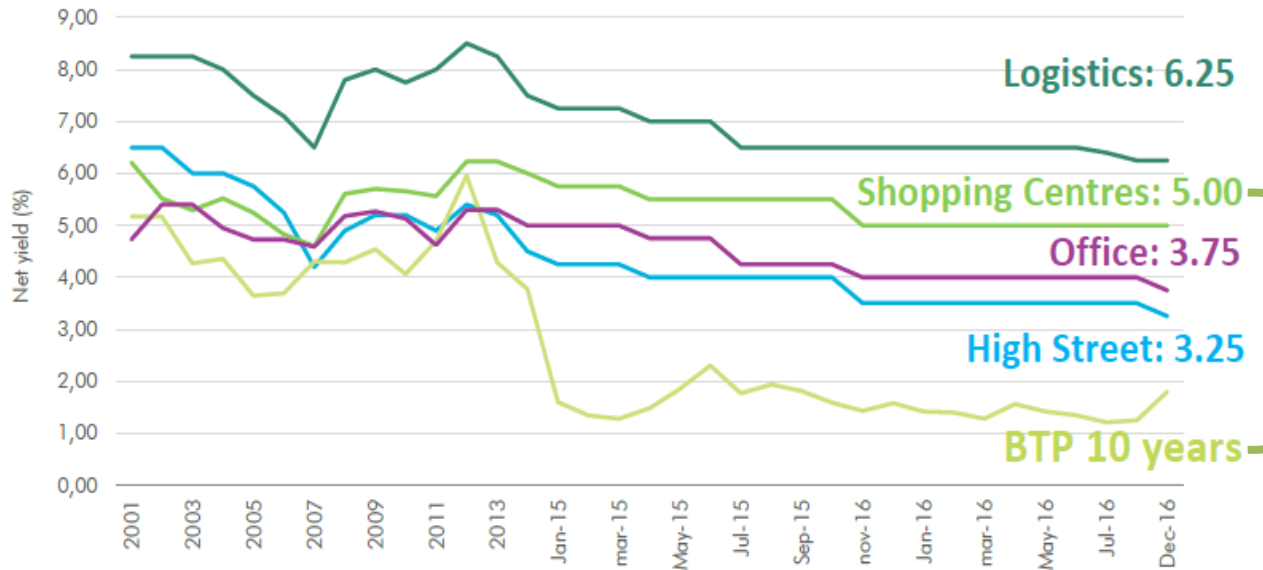


Fonte: CBRE Research, Q1 2017.

- Retail investments 1Q 2017: approx. €445 mn, -12% vs 1Q 2016 (but the most relevant transaction on a prime asset - Le before shopping center in Rimini - was closed in April for approx. €300mn).

Source: CBRE, "Italia Retail Q1 2017", April 2017

...also from the yields point of view



Source: CBRE Research, Q4 16

Spread Record
>300 bps
Prime shopping centers
Vs
BTP 10 years



ITALY
5%

VS



SPAIN
4.50%



GERMANY
4%



FRANCE
3.50%



IRELAND
4%

Average net yields
prime shopping centers

Significant gap
between Italy and other European
countries**

*Source: Treasury Minister

**Source: CBRE (the data for France is referred to the Ile de France region)

Main lease terms

Italian Shopping Malls

Main lease terms

Average maturity:

- ☑ Lease agreement (space only): 6 years (+ 6 years)
- ☑ Rental agreement (space + licence): 5 years

Rental income:

- ☑ Minimum guaranteed rent plus a percentage based on the occupier's sales

Rents indexation:

- ☑ Lease agreement of the going concern: 75% of CPI
- ☑ Rental agreement: 100% of CPI

Lease of temporary spaces:

- ☑ IGD can benefit from a very diversified tenants base, with limited credit risk, thanks to a careful screening of potential new tenants

Italian Hypermarkets

Main lease terms

Average maturity:

- ☑ 6 to 18 years (with tacit renewal every 6 years)

Rents indexation:

- ☑ 75% of CPI

Maintenance:

- ☑ Tenant in charge of ordinary and extraordinary maintenance works. Landlord in charge of external maintenance of the properties (façade, etc.)

Romanian Shopping Malls

Main lease terms

Average maturity:

- ☑ 2 years for local tenants
- ☑ 5 years for national tenants
- ☑ 10 years for international tenants

Rental income:

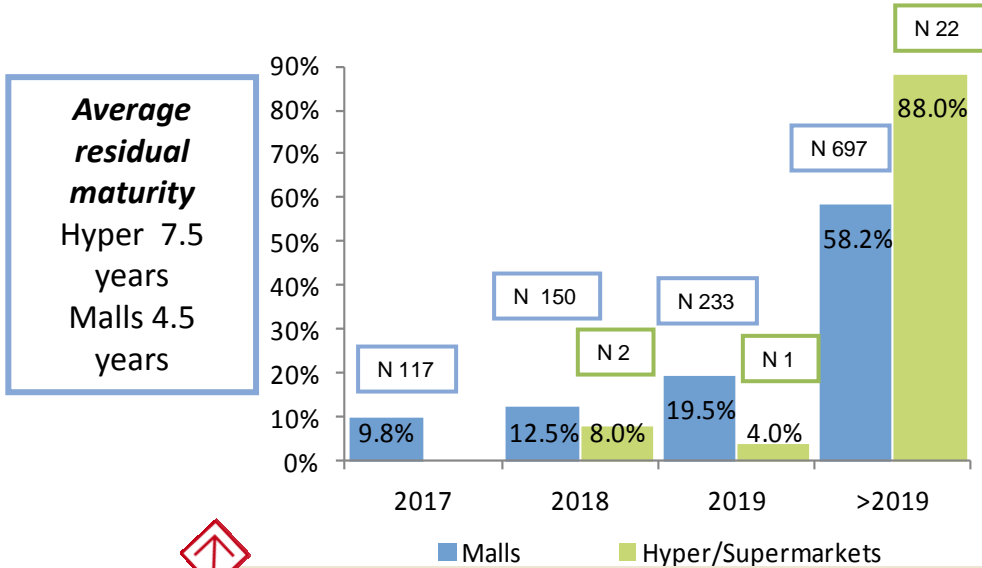
- ☑ Rents are paid in EURO

Rents indexation:

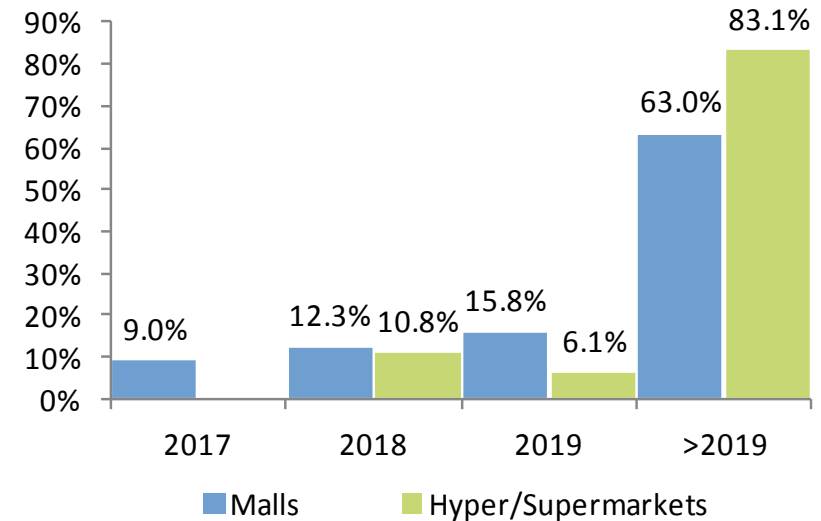
- ☑ All contracts are EUROLINKED

Contracts in Italy and Romania as at 31 March 2017

EXPIRY DATE OF HYPERMARKETS AND MALLS CONTRACTS ITALY (% no. of contracts)



EXPIRY DATE OF HYPERMARKETS AND MALLS CONTRACT ITALY (% value)



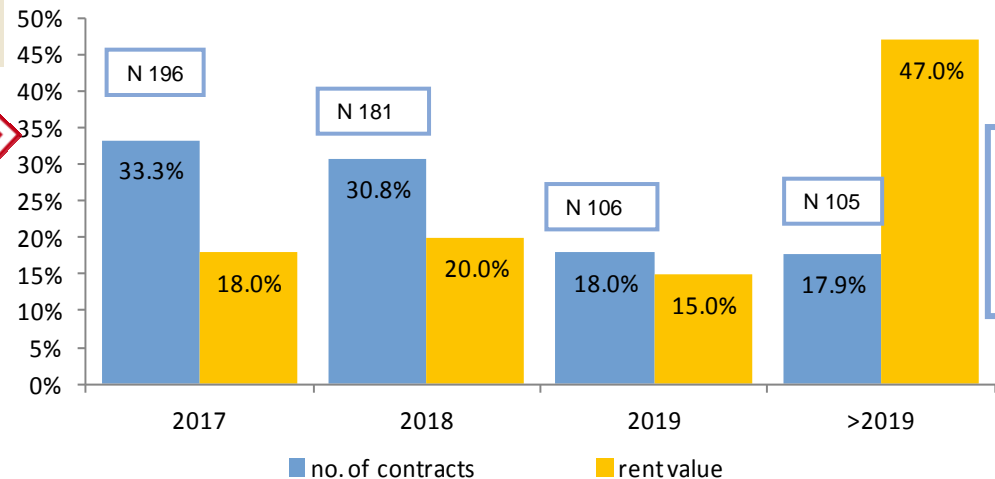
ITALY (Total mall contracts 1,197)

In 1Q 2017 **36 contracts** were signed, of which **13 turnover** and **23 renewals**. Renewals with upside **+3.8%**

ROMANIA (total contracts 588)

In 1Q 2017 **75 contracts** were renewed (upside **+2.8%**) and **59 new contracts** were signed. (Renewals and new contracts of 1Q 2017 represent 7.1% and 3.8% of Winmarkt total revenues)

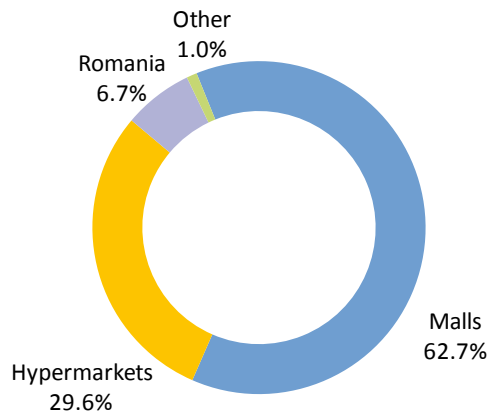
EXPIRY DATE OF MALL CONTRACTS ROMANIA (no. and % of contracts and % value)



Average residual maturity
6 years

Key tenants as at 31/03/2017

1Q2017 Rental Income Breakdown



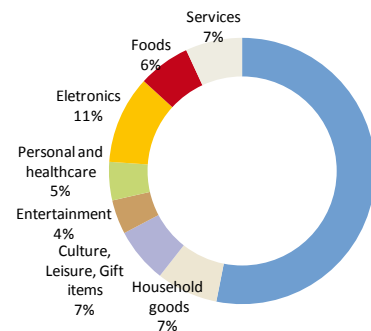
Top 10 Tenants Italia

TOP 10 Tenant	Product category	Turnover impact	No. of contracts
PIAZZA ITALIA	clothing	3.3%	12
H&M	clothing	2.8%	10
Gruppo Miroglio mabivi FIORELLA RUBINO oltre	clothing	2.6%	28
OVS	clothing	2.3%	7
unieuro	elettronica	2.0%	5
SCARPE SCARPE	shoes	1.9%	6
CALZEDONIA	clothing	1.8%	24
ALCOTT	clothing	1.5%	11
DECATHLON	clothing	1.5%	4
KASANOVA l'amante della casa	households goods	1.4%	16
Total		21.1%	123

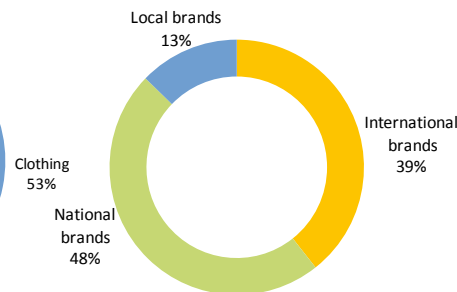
Top 10 Tenants Romania

TOP 10 Tenant	Product category	Turnover impact	No. of contracts
Carrefour MARKET	food	9.2%	9
H&M	clothing	8.1%	6
PEPCO	clothing	3.2%	10
ALTEX	eletronics	2.9%	4
B&B collection	jewellery	2.7%	7
dm	grocery	2.6%	5
SENSA	pharmacy	1.9%	4
Oficiul de Cadastru OCPI	offices	1.8%	1
BILLA	food	1.3%	2
Art	clothing	1.3%	5
Total		35.0%	53

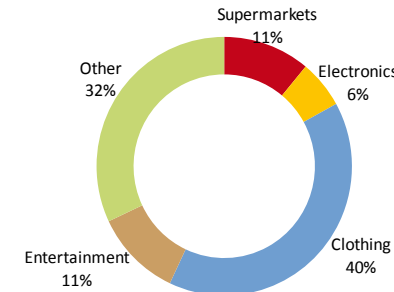
MALLS MERCHANDISING MIX



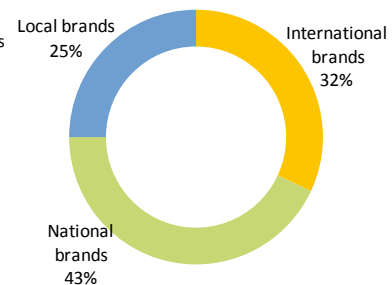
MALLS TENANT MIX



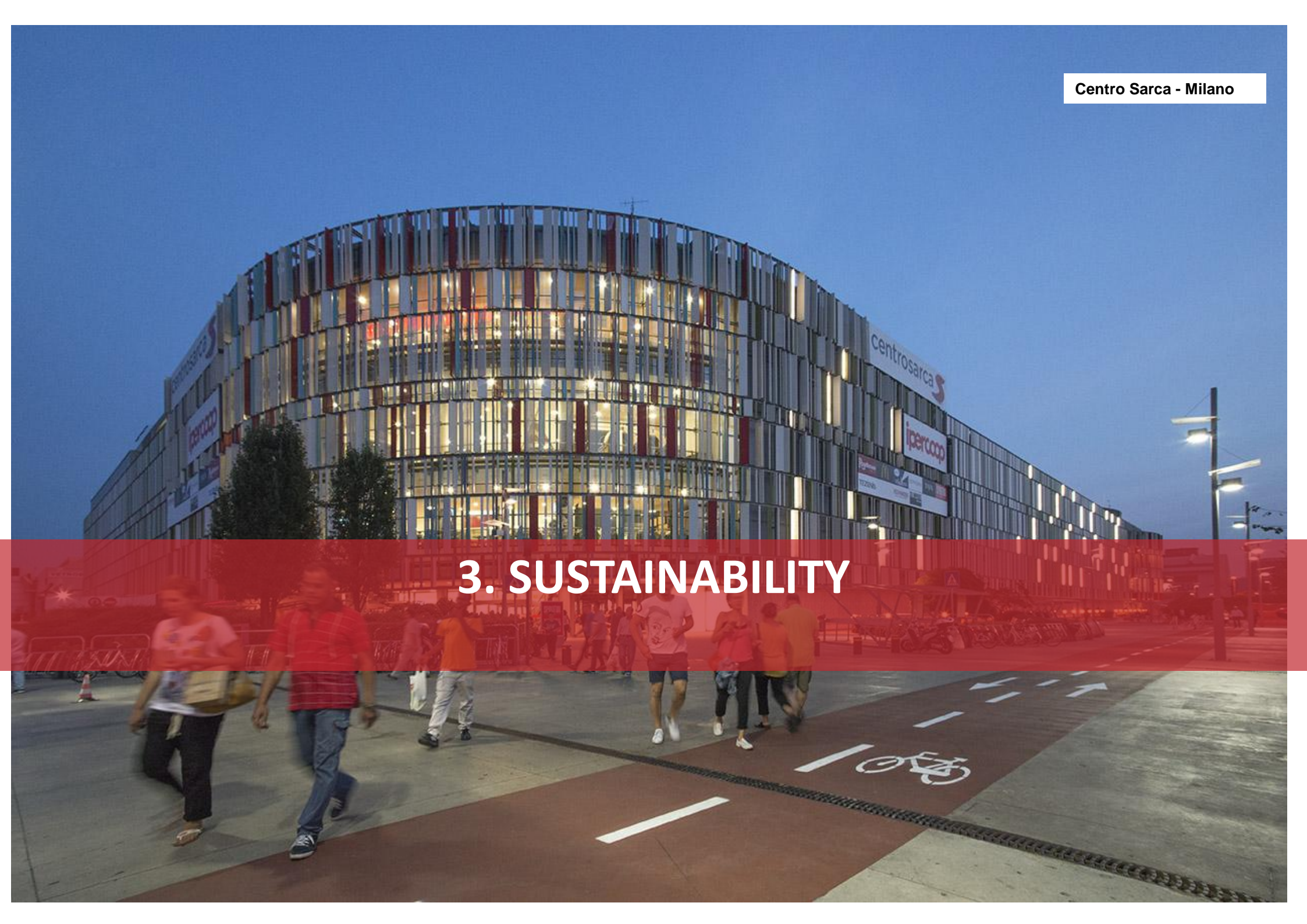
MALLS MERCHANDISING MIX



MALLS TENANT MIX



3. SUSTAINABILITY



IGD Sustainability

The starting point

In 2010 IGD decided to take a structured path towards **Social Responsibility**, considering:

Internal reasons

- The cooperative background.
- The belief that adopting sustainability criteria in the real estate sector is a way to pursue a lasting growth over time.

External reasons

- The will to meet the expectations of the stakeholders interested in sustainability
- The UN “Call for Action” and the attention that the real estate sector is paying on sustainability issues.

IGD sustainability steps



What is sustainability for IGD?

MACRO ISSUES AND MATERIAL ISSUES

1. Integrity in business and management



- Corporate Governance
- Transparent information
- Legality
- Operate ethically

2. Quality and efficiency of the Shopping Centers



- Environmental impact of the structures
- Attractiveness and liveability of the Shopping Center

3. A changing context



- Stakeholder engagement and awareness

4. The concept of "Spaces to be lived in"



- Social role of the Shopping Center
- Territorial importance
- Communication
- Innovation

5. Employees



- Steady and attractive workforce
- Equal opportunities and diversities
- Internal culture
- Employee wellbeing

The Business Plan defines the sustainability goals starting from materiality. Each of the material issue has qualitative and quantitative targets (for a total of 31), which are attributed to Managers and periodically monitored by the Sustainability Committee.

In order to realize the sustainability targets, IGD intends to invest ~ **10 million euro** throughout 2016-2018.

1. Integrity in business and management ^{1/2}

A transparent and efficient governance ensures protection to investors and an effective management of the Company

IGD's governance has been in line with the criteria of the Self Regulatory Code of Italian Stock Exchange since the listing.

From 2008, an internal Corporate Governance Code has been adopted

COMMITTEES:

- Chairman's Committee
- Nominations and compensation Committee
- Control and Risks Committee
- Committee for Related Parties Transactions (3 independent directors)

In addition to Compliance Committee

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Held by the Chairman, including the Internal Audit and Risk Management



New BoD appointed by AGM on 15 April 2015 for the period 2015-2018

13 Directors of which:

- **7 independent (since the listing the majority of the directors has been independent)**
- **4 directors of the less represented gender (31%)**

1. Integrity in business and management ^{2/2}

Risk Management

Since 2010 IGD defined and implemented an **integrated risk management process** based on the internationally recognised standards in the field of Enterprise Risk Management (ERM)

The **ERM Model** adopted assists the Top Management in the identification of the principal corporate risks and the relevant ways in which to manage them, as well as in the definition of safeguard measures to protect them from such risks.

Sustainability is an integral part of this system:

43 risks monitored

19 of which have ESG implications

1 specific risk regarding environmental sustainability

Other initiatives

Protocols to promote business sustainability

15

n. of Sustainability
Protocols signed

Adopted by **winmarkt** shopping in center document signed by the supplier, which commits the latter to behave in such a manner that is consistent with several ethical principles, and failure to do so constitutes a breach of contract.

Legality Rating

In 2016 IGD obtained the **Legality Rating** from the Antitrust Authority **with the maximum score (three stars)**.

The Rating represents a **reward system** for companies that comply with the law and structures their organizations and business activities accordingly.

2. Quality and efficiency of the shopping centers 1/3

Sustainable buildings are less expensive to run and more attractive for tenants and visitors

Actions carried out by IGD

1. Environmental management system (EMS) certified ISO14001



- Monthly monitoring of the electricity consumption by the Commercial Division

- Half-yearly monitoring of targets in order to continuously improve the performance



- Specific training on energy efficiency offered to the managers of the shopping centers

2. Structural works



LED

15 shopping centers are using LED lighting system



PHOTOVOLTAIC SYSTEM

Photovoltaic panels already installed in 4 shopping centers and agreement signed for 3 centers more

MATERIALS

use of highly energy efficient and last generation materials in the shopping centers recently opened or restyled

3. Raising awareness



10 CONSIGLI PER MIGLIORARE I NOSTRI CENTRI COMMERCIALI. INSIEME

Rulebook on good environmental practices distributed to all tenants



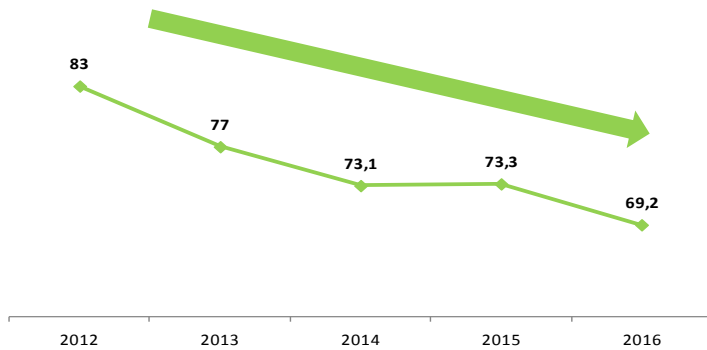
Awareness-raising panels installed in the shopping centers

2. Quality and efficiency of the shopping centers 2/3

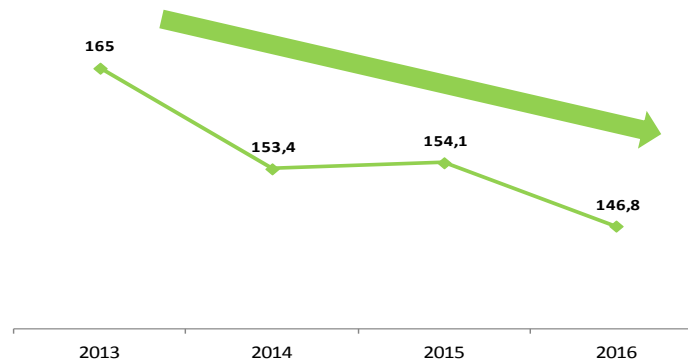
Results



GHG INTENSITY* (kgCo2eq/sqm)
-18% since 2012



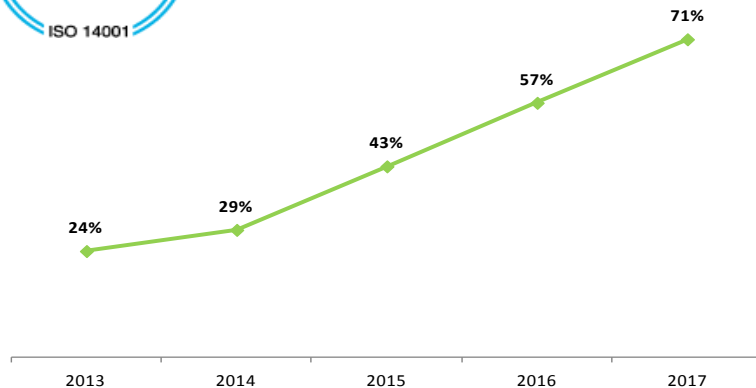
ENERGY INTENSITY (kwh/sqm)
-11% since 2013



€ 1.6mn
Tenants' saving on electricity consumption since 2012



ISO14001 CERTIFICATION
2017: 71% Italian malls certified



CENTRO SARCA SHOPPING CENTER
Milan



In June 2016, the shopping center obtained the **BREEAM** environmental certification. **First Center in Italy** to have obtained both ISO14001 and BREEAM certifications.

2. Quality and efficiency of the shopping centers ^{3/3}

What's next?



GHG target 2018: **further progressive reduction.**



From 2017, **all the Shopping Centers' electricity supply will come from renewable energy sources.**



Target 2018: **90%** Italian malls certified ISO14001



Feasibility study in order to certify "**Breeam in use**" 4 big assets (Katanè, Tiburtino, Puntadiferro and ESP)





3. A Changing context

A structured approach to engage with all its stakeholders enables IGD to understand their needs and expectations

Who?

How?

Why?

 Shareholders and financial community	Conference call, one to one meetings, roadshow and fieldtrip
 Visitors to the center and community	Event satisfaction and customer satisfaction surveys
 Tenants	Tenants satisfaction surveys and one to one meeting
 Employees	Internal atmosphere assessments

Feedback used to finetune activities

4. The concept of spaces to be lived in ^{1/2}

shopping center as an important social and meeting place, capable to capture cultural stimulus and trends and create impacts on the reference territory

Employment impact

IGD's shopping centers provide employment overall to approx. **14,200 people** (taking into account also the approx. 2,200 subcontract employees).

Social impact

Use of the **SROI evaluation method** in order to have both forecast and final target parameters of the **social impact of a new event** for IGD's stakeholders. (i.e. **Happy Hand in Tour**)

"Meeting place" impact

A total of **488 events** was held in 2016 in IGD's shopping centers and approx. **1/3 of the events carried out was an event linked to the territory**

4. The concept of spaces to be lived in 2/2

Lines of action

Actions carried out

Use social media in an accurate and inclusive manner



Enhance the omnichannel approach in the Malls



Offers new services to visitors



Digitise the shopping centers



New Innovation Project defined and structured

5. Employees

IGD's employees are a strategic factor for the development of the Group

WORKFORCE



123 employees

96% with permanent contracts



47 employees

100% with permanent contracts

DISTINCTIVE FEATURES:

1. RESOURCE DEVELOPMENT

- **Management By Objectives (MBO):** IGD assigns both common and specific targets to each employee with a permanent contract. Reaching this targets is a factor for the distribution of the variable pay.
- **Skills Assessment:** all the Managerial Staff and Department Heads that are fully operative in their role are assessed by means of a skills development system

2. PEOPLE WELLBEING

Corporate WELFARE PLAN: since March 2017, every employee can access a corporate portal that provides for incentives into the following welfare areas: education and training, recreation, welfare services and healthcare. A dedicated budget given by the company is available for each employee

3. TRAINING

All employees have been trained on CSR and more specific issues.

IGD sustainability in the national and international context

Awards and international benchmarks



Network



4. 1Q2017RESULTS



Financials highlights: 2016 of growth and strong start of 2017

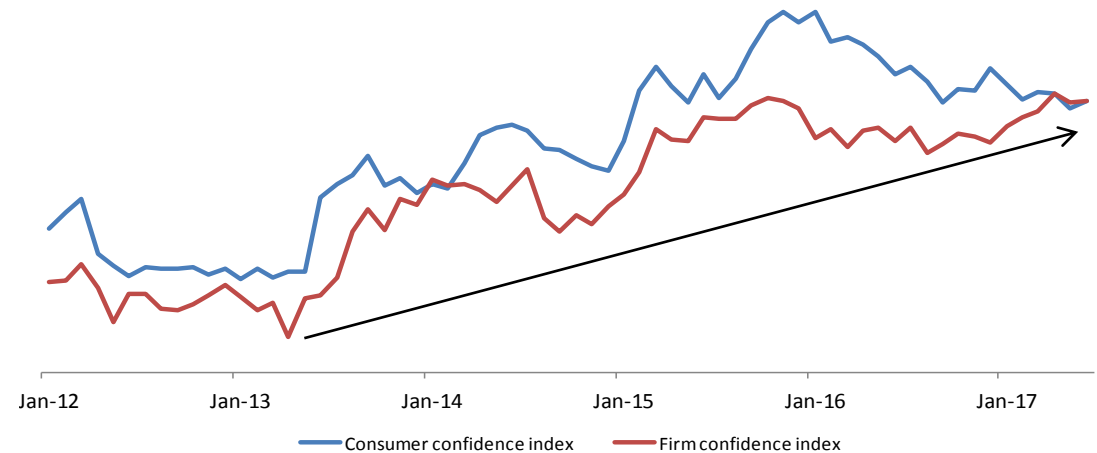
	2015	2016		1Q 2016	1Q 2017	
Revenues						
• Core Business Revenues	€125.9MM	€136.8MM	+8,4%	€33.8MM	€35.4MM	+4.6%
EBITDA						
• EBITDA (Core Business)	€84.7MM	€94.9MM	+11,6%	€23.6MM	€25MM	+5.8%
• EBITDA Margin (Core Business)	67.3%	69.3%	+200pts	69.9%	70.7%	+80pts
• EBITDA Margin from Freehold	77.2%	78.7%	+150pts	79.2 %	79.9%	+70pts
• Group Net Profit	€46 MM	€68.3MM	+49.7%	€12.7MM	€14.3MM	+13%
Core Business Funds from Operation (FFO)	€45 MM	€53.9MM	+18.9%	€14.1MM	€15.6MM	+10.2%
Core Business FFO <i>per share</i> ⁽¹⁾	€0.056	€0.066				
• Epra NNNAV per share	€1.25	€1.29				

The macroeconomic context: outlook 2017



↗ **GDP +1.1%**
(2016 Official data: +1.0%)

↗ **Consumption +1.0%**
(2016 Official data: +1.3%)



- April 2017: firms confidence index has reached the highest level since 2007
- GDP 1Q 2017: growth accelerated vs the previous quarter (+0.4%)
- Inflation 1Q 2017: +1.3%, highest value since 2013



↗ **GDP +4.0%**
(2016 Official data: +4.8%)

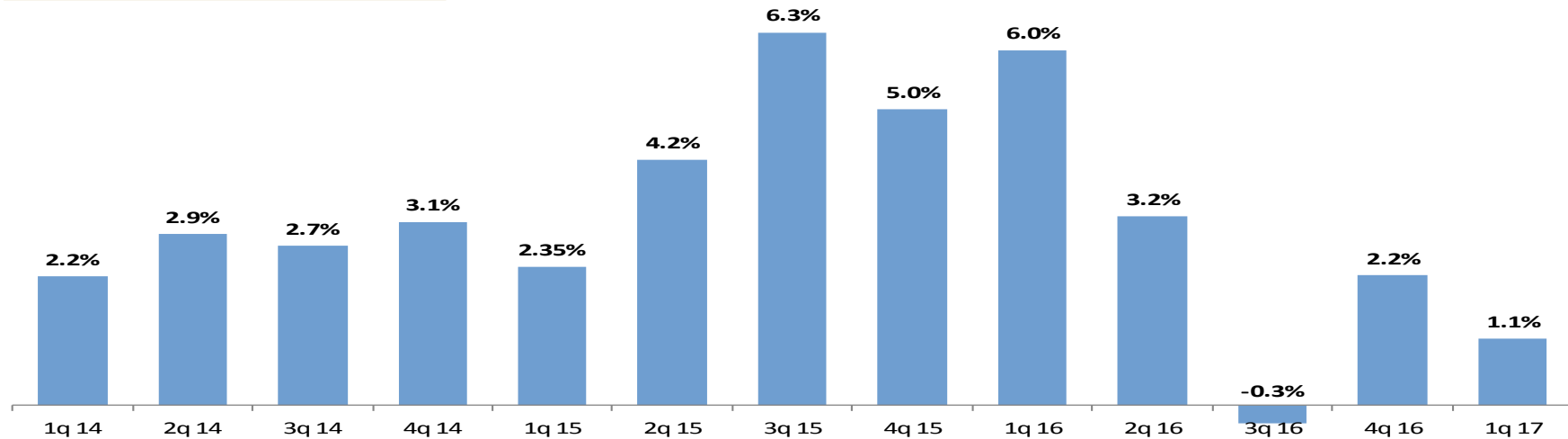
↗ **Consumption +5.9%**
(2016 Official data: +8.9%)

- New set of fiscal measures to sustain growth is expected in 2017
- Growth will be driven by strong domestic demand that will remain sustained despite an expected acceleration in consumer prices.

Sources: Istat, Banca d'Italia, European Commission, International Monetary Fund. Forecast: IGD internal processing on research institutes panel

Operating performance Italy

Tenant sales trends



1Q
2017



+1.1%

Tenant sales shopping malls
(FY 2016 +2.6%)



-2.7%
Footfalls

Particularly negative in January.
(FY 2016 slight decline)

Different reasons:

- **calendar:** 1 less weekend and 1 less Sunday in January, 1 less working day in February.
- **climatic:** strong snowfall in January in the central regions.

Commercial performances: Italy



36 signed contracts
of which 13 turnover and 23 renewals



+3.8% upside



1.1% rotation rate
new brands



97.2% occupancy
stable



Puntadiferro (FO)

Commercial performances: Romania



134 signed contracts

of which 59 turnover and 75 renewals



+2.8% upside



10% rotation rate



96% occupancy

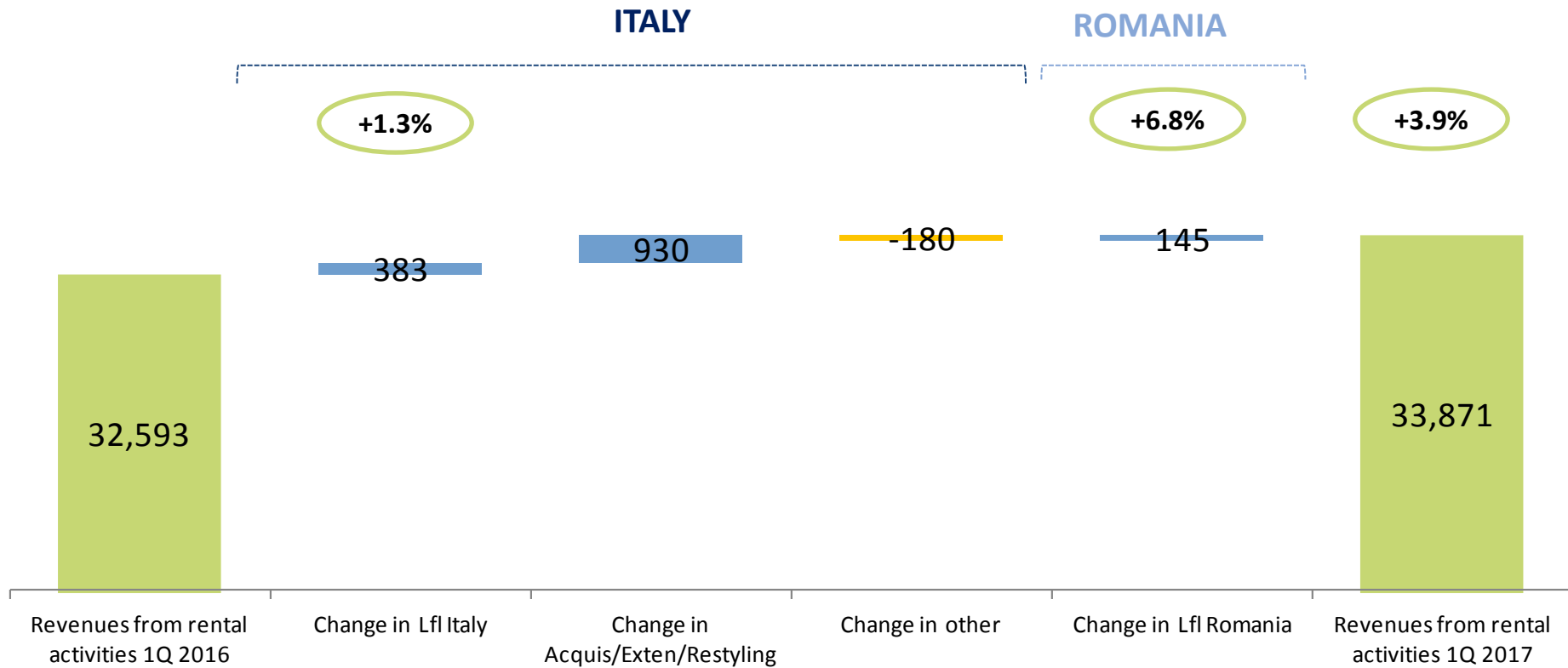
stable



+0.6% footfalls



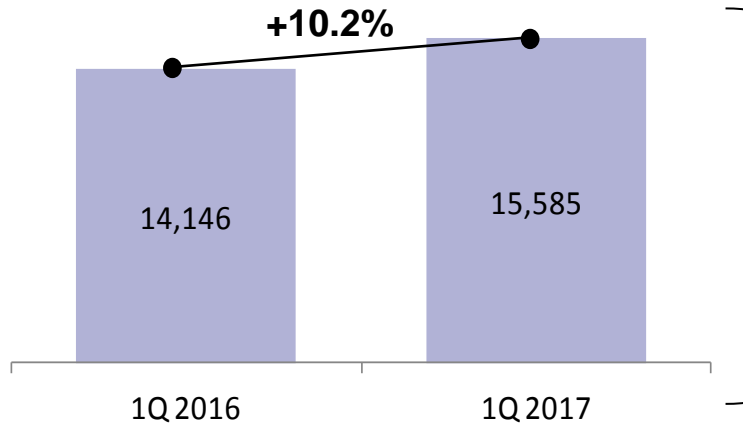
The results: rental revenues + 3.9%



↗ **Like for like Italy +1.3%:** shopping malls are growing (+2.0%) and hypermarkets are stable; still marginal contribution from inflation over the period

↗ **Like for like Romania +6.8%**

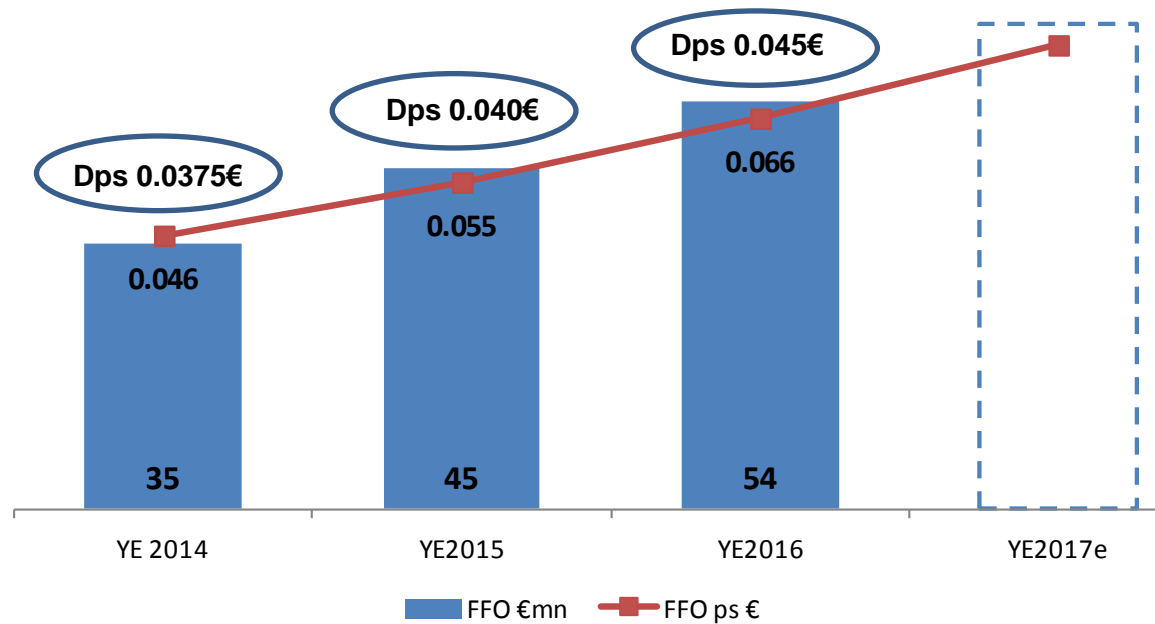
Fund from Operations (FFO) €15.6 mn



- + €1.4 mn increase in Ebitda
- + €0.1 mn financial management

Target stated for the full year 2017: +18/19%

Target confirmed, considering the opening of the ESP extension (1 June 2017) and the financial management improvement that will accelerate in 2H 2017



Financial Highlights 1/2



MOODY'S RATING BAA3 OUTLOOK STABLE, confirmed

	2015	2016	31/03/2017
GEARING RATIO (D/E)	0.93	0.97	0.95
LOAN TO VALUE	47.07%	48.25%	47.9%
COST OF DEBT	3.67%	3.30%	3.10%
INTEREST COVER RATIO	2.15X	2.24X	2.72X

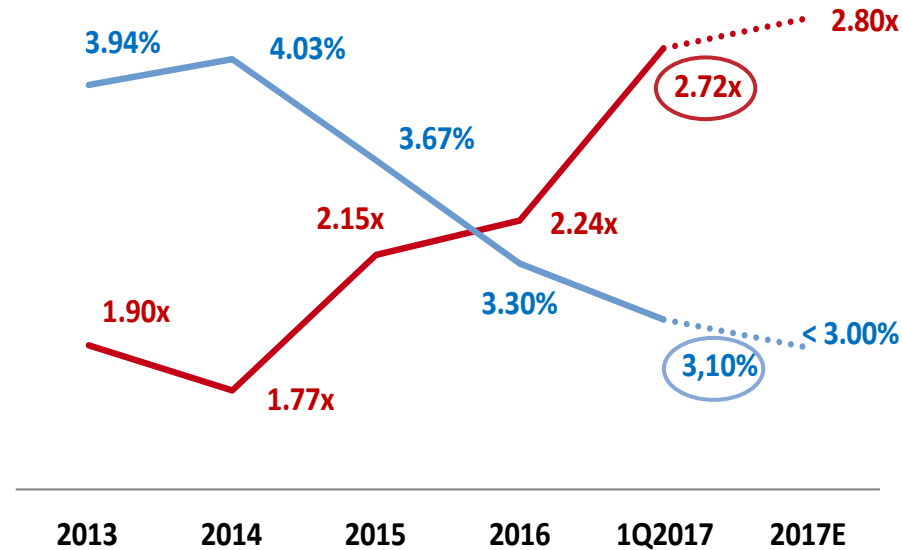
Financial Highlights 2/2

	2015	2016	31/03/2017
LONG-TERM DEBT AVERAGE RESIDUAL MATURITY (bonds included)	6.3 years	5.5 years	5.4 years
SHARE OF MEDIUM /LONG-TERM DEBT	77.6%	84.6%	94.1%
HEDGING ON LONG-TERM DEBT + BOND	91.6%	93.8%	94.4%
UNENCUMBERED ASSETS	€ 867.6 mn	€ 1,406.9 mn	€ 1,406.9 mn

Financial indicators

Average cost of debt

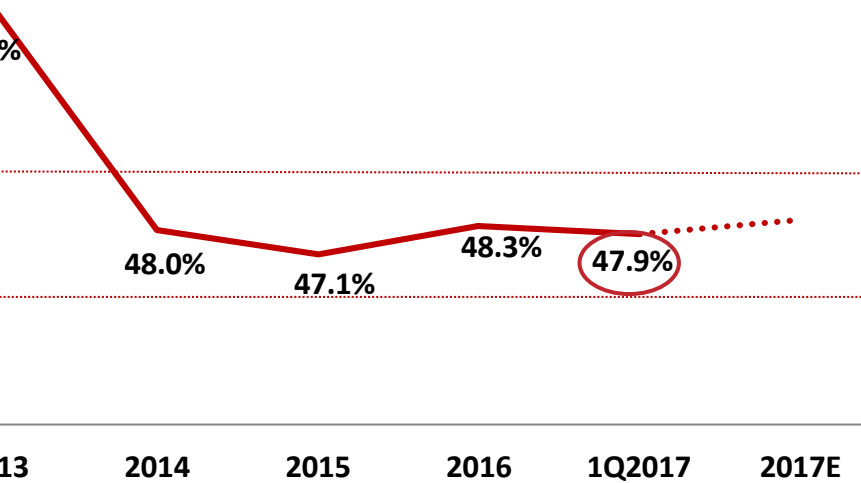
ICR



- Constant decrease in average cost of debt
- Increase in interests coverage

LTV

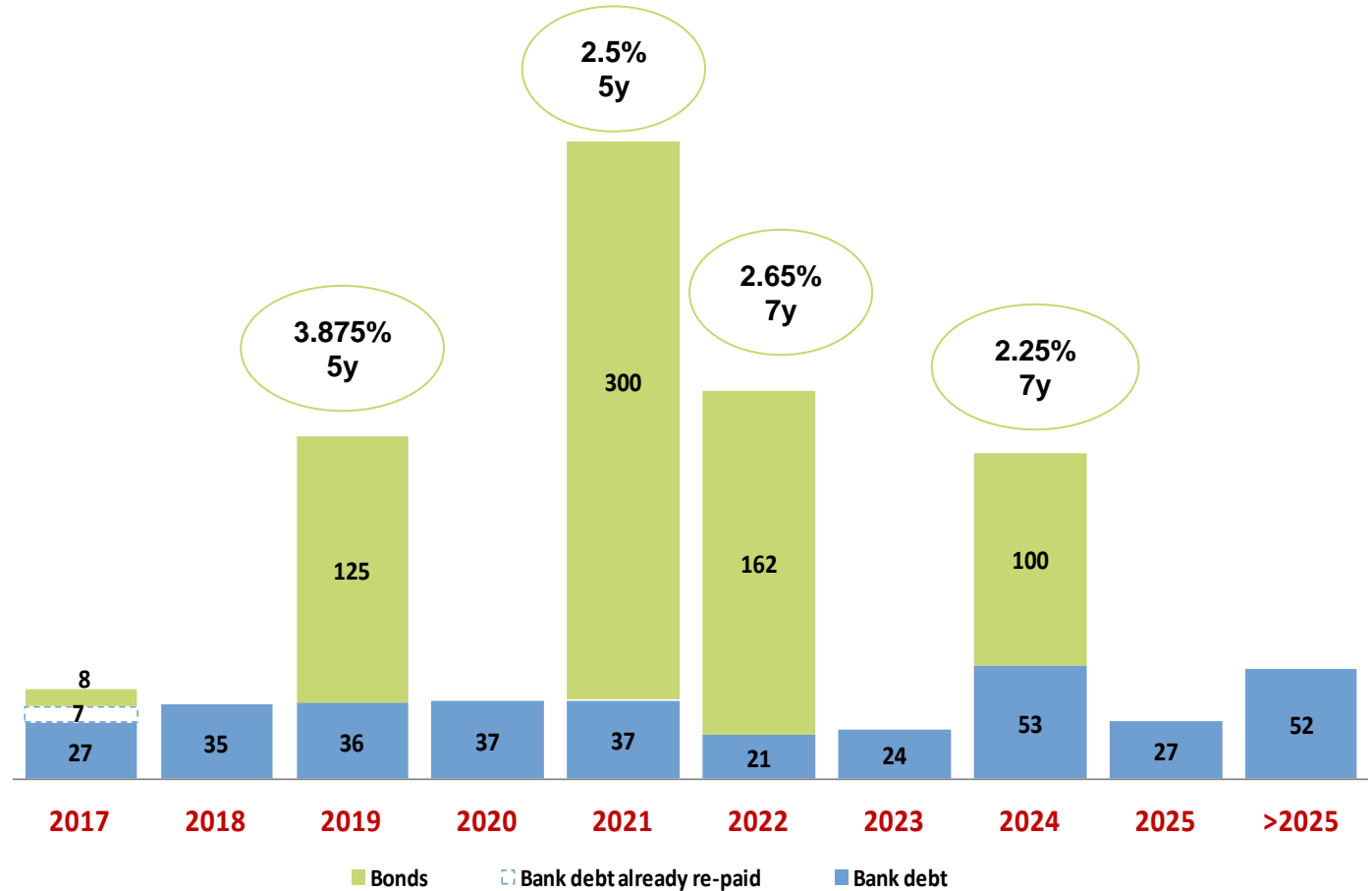
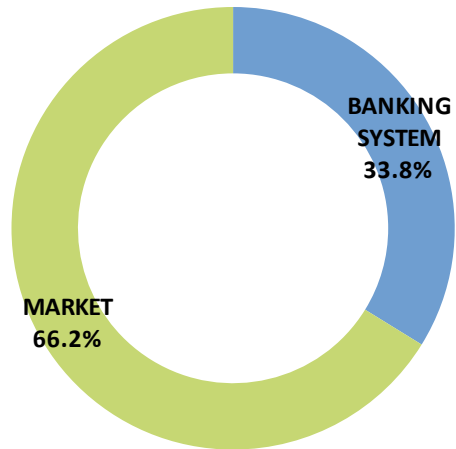
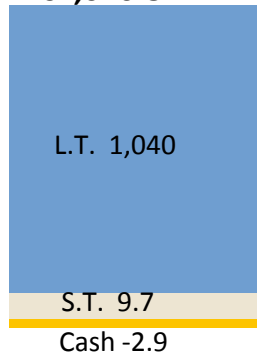
Range LTV da BP
50%
45%



- Strict financial discipline respected

The debt structure

Net Debt
1Q2017
€1,046.8 mn



- Bank financing reduced... and “committed”

- Extended debt maturity profile

Centro Sarca – Sesto San Giovanni (MI)

4. Highlights on 2016-2018 Business Plan (released in May 2016)



Main targets - BP 2016-2018

New Targets BP 2016-2018

REVENUES FROM RENTAL ACTIVITIES

Total growth > +20% approx.
cagr* +7% approx.
cagr* LFL +2% approx.

EBITDA MARGIN Core business

>70% (BP end)

EBITDA MARGIN Freehold

approx. 80% (BP end)

Funds From Operations Core business

approx. €75 mn (ffo in 2018)
Cagr* > 18%

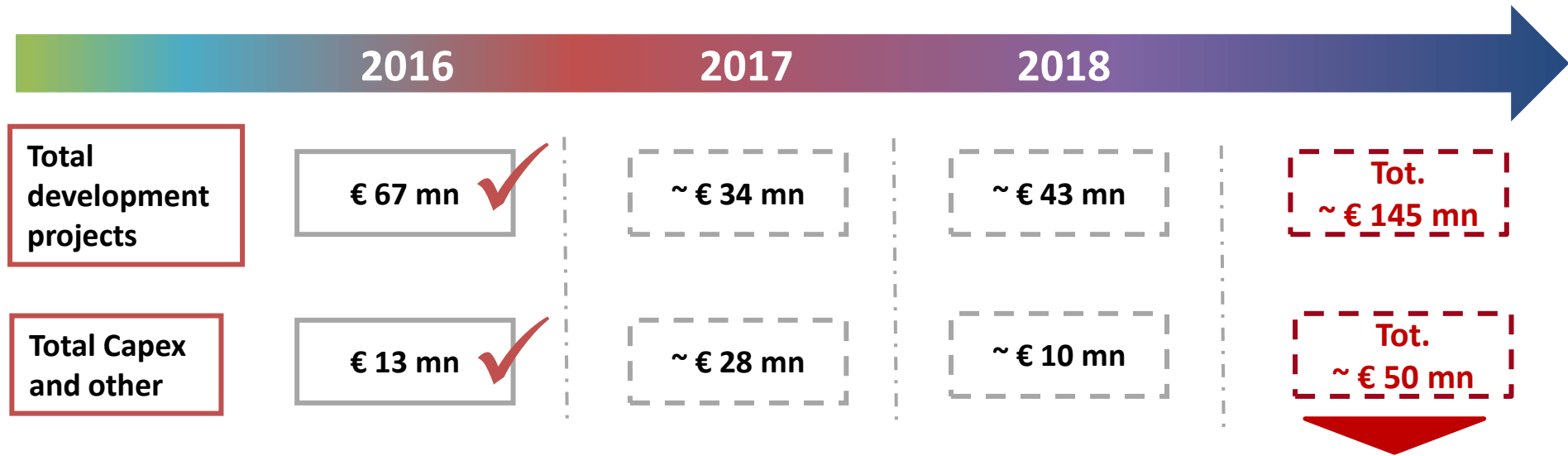
LTV

>45% <50% (BP timespan)

PIPELINE

approx. €195 mn BP timespan (of which for
development approx. €145mn)

Investment pipeline



↗ A new mall every year; new GLA around 71,500 sqm

↗ Average yield on cost approx. 7%

↗ Attention on sustainability and energy saving

↗ Seismic improvement works: voluntary action plan to improve the safety of customers and employees

2016 news: Maremà (Grosseto)



27 October 2016: Opening
Investment ~ € 47 mn Yield on cost >8%
Footfalls 2016: approx. 850,000 people in 2 months
Full occupancy

1 June 2017 Opening of the ESP extension (Ravenna)



> 500,000 footfalls
in the 1° month



Bershka



PULL&BEAR



OVS



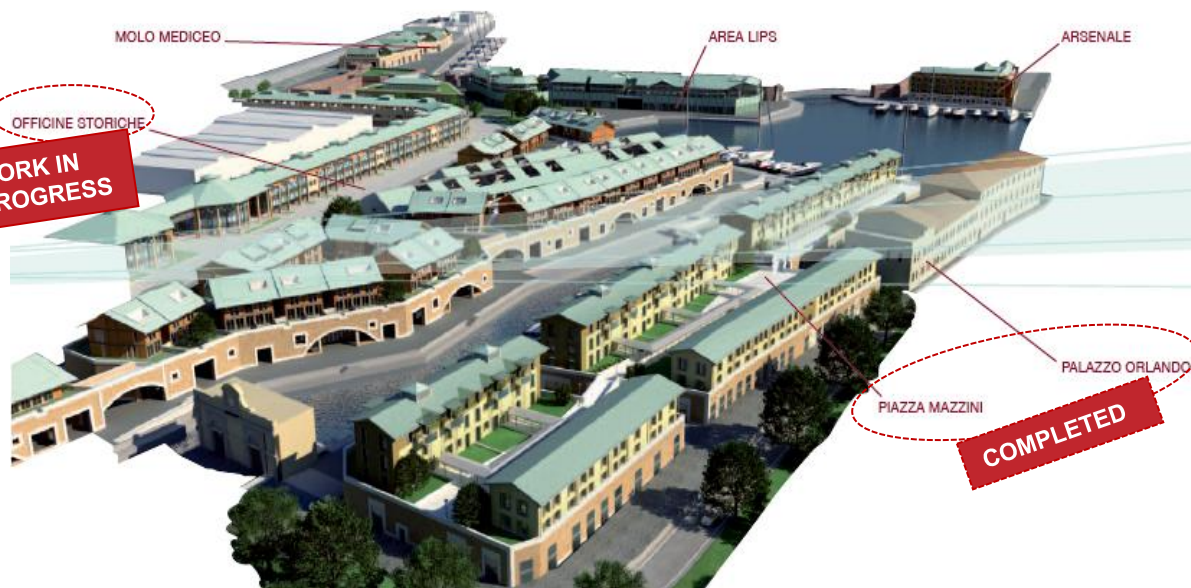
PIAZZA ITALIA



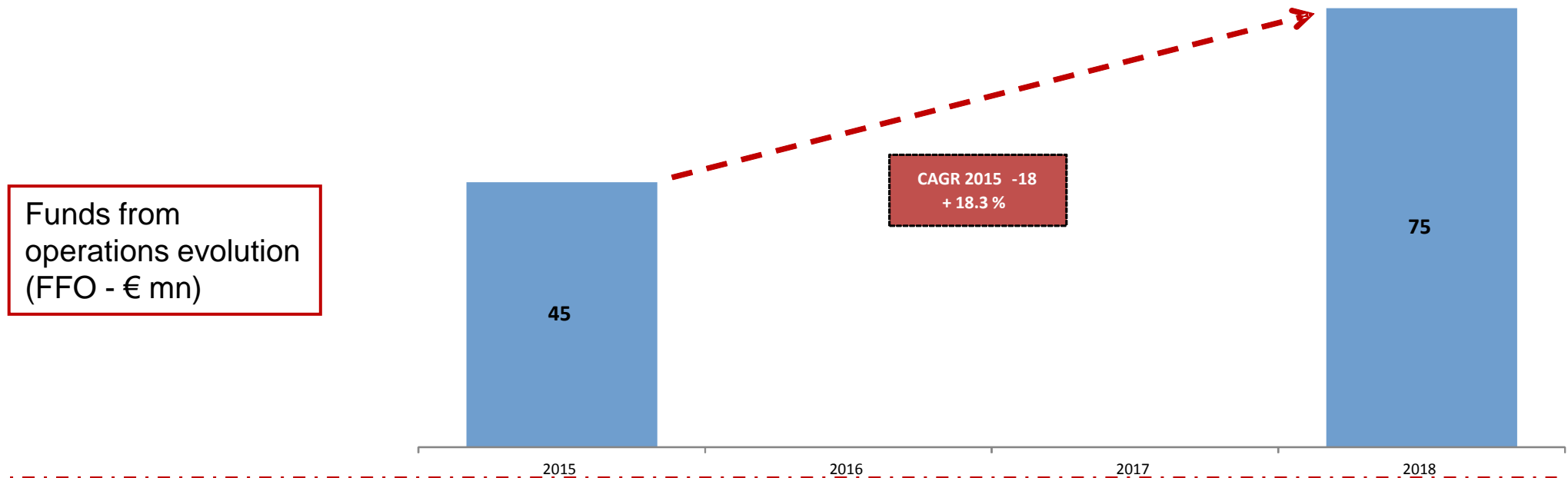
Restyling and extension - Gran Rondò (Crema)



Porta Medicea and Officine Storiche (Livorno)



FFO evolution and Dividend policy



As for *dividends*,
policy, already communicated to the market, of the distribution of **about 2/3 of the core business FFO**, is confirmed

Dividend Reinvestment Option (DRO)
remains an option that we intend to evaluate in the coming years, according to financial markets conditions

Final remarks

The updated Business Plan, that has a low execution risk, confirms IGD's ability to increase FFOs and strengthen visibility of the dividends that will be distributed.

Following Punta di Ferro acquisition, not foreseen in the previous Plan, FFO target has been further improved.



Therefore:

✓ **Confirmation of strategy of organic development pipeline completion**

and

✓ **Possibility to evaluate any further external growth options that would be accretive for our shareholders**

5. Appendix



Consolidated income statement

€/'000	CONSOLIDATED			CORE BUSINESS			PORTA A MARE PROJECT		
	31/03/2016	31/03/2017	Δ%	31/03/2016	31/03/2017	Δ%	31/03/2016	31/03/2017	Δ%
Revenues from freehold real estate and rental act.	29,507	30,741	4.2%	29,507	30,741	4.2%	0	0	n.a.
Revenues from leasehold real estate and rental act.	3,086	3,130	1.4%	3,086	3,130	1.4%	0	0	n.a.
Total revenues from real estate and rental act.	32,593	33,871	3.9%	32,593	33,871	3.9%	0	0	n.a.
Revenues from services	1,269	1,540	21.4%	1,269	1,540	21.4%	0	0	n.a.
Revenues from trading	0	0	n.a.	0	0	n.a.	0	0	n.a.
OPERATING REVENUES	33,862	35,411	4.6%	33,862	35,411	4.6%	0	0	n.a.
COST OF SALE AND OTHER COST	(6)	(5)	(16.0)%	0	0	n.a.	(6)	(5)	(16.0)%
Rents and payable leases	(2,524)	(2,546)	0.9%	(2,524)	(2,546)	0.9%	0	0	n.a.
Personnel expenses	(951)	(1,072)	12.7%	(951)	(1,072)	12.7%	0	0	n.a.
Direct costs	(4,314)	(4,283)	(0.7)%	(4,249)	(4,221)	(0.7)%	(65)	(62)	(3.7)%
DIRECT COSTS	(7,789)	(7,901)	1.4%	(7,724)	(7,839)	1.5%	(65)	(62)	(3.7)%
GROSS MARGIN	26,067	27,505	5.5%	26,137	27,572	5.5%	(70)	(67)	(4.7)%
Headquarters personnel	(1,566)	(1,626)	3.9%	(1,549)	(1,608)	3.8%	(17)	(18)	9.0%
G&A expenses	(999)	(978)	(2.2)%	(915)	(915)	0.0%	(85)	(63)	(26.0)%
G&A EXPENSES	(2,565)	(2,604)	1.5%	(2,464)	(2,523)	2.4%	(101)	(81)	(20.2)%
EBITDA	23,502	24,901	6.0%	23,674	25,049	5.8%	(171)	(148)	(13.8)%
<i>Ebitda Margin</i>	<i>69.4%</i>	<i>70.3%</i>		<i>69.9%</i>	<i>70.7%</i>				
Other provisions	(49)	(99)	n.a.						
Impairment and Fair Value adjustments	(577)	(235)	(59.3)%						
Depreciations	(280)	(255)	(8.9)%						
DEPRECIATIONS AND IMPAIRMENTS	(906)	(589)	(35.0)%						
EBIT	22,596	24,312	7.6%						
FINANCIAL MANAGEMENT	(9,363)	(9,151)	(2.3)%						
EXTRAORDINARY MANAGEMENT	(20)	(38)	89.2%						
PRE-TAX PROFIT	13,213	15,123	14.5%						
Taxes	(587)	(829)	41.1%						
PROFIT FOR THE PERIOD	12,626	14,294	13.2%						
(Profit)/Loss for the period related to Third Parties	33	13	(60.6)%						
GROUP NET PROFIT	12,659	14,307	13.0%						

Total revenues from rental activities:

€33.9 mn

From Shopping Malls: €23.5 mn of which:

Italians malls €21.2 mn (62.7%)

Winmarkt Malls €2.2 mn (6.7%)

From Hypermarkets : €10.0 mn (29.6%)

From City Center Project – P.za Mazzini: €0.2 mn (0.5%)

From Other and Porta a Mare: €0.2 mn (0.5%)

Margins from activities

	CONSOLIDATED			CORE BUSINESS			PORTA A MARE PROJECT		
	31/03/2016	31/03/2017	Δ%	31/03/2016	31/03/2017	Δ%	31/03/2016	31/03/2017	Δ%
€/000									
Margin from freehold properties	25,487	26,755	5.0%	25,487	26,755	5.0%	0	0	n.a.
Margin from leasehold properties	518	574	10.9%	518	574	10.9%	0	0	n.a.
Margin from services	132	242	83.5%	132	242	83.5%	0	0	n.a.
Margin from trading	(70)	(67)	(4.3)%	0	0	n.a.	(70)	(67)	(4.3)%
Gross margin	26,067	27,505	5.5%	26,137	27,572	5.5%	(70)	(67)	(4.3)%

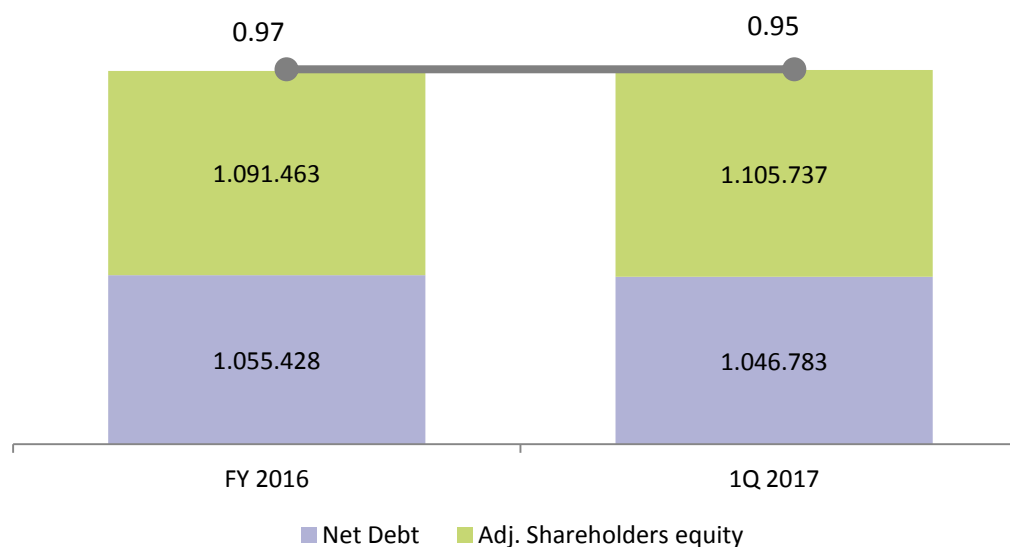
**Margin from freehold properties:
87%, increased compared to te previous year (86.4%)**


**Margin from leasehold properties:
18.4% increased compared to the previous year (10.9%), mainly thanks to higher revenues and decrease of the related costs.**

Re-classified Balance Sheet

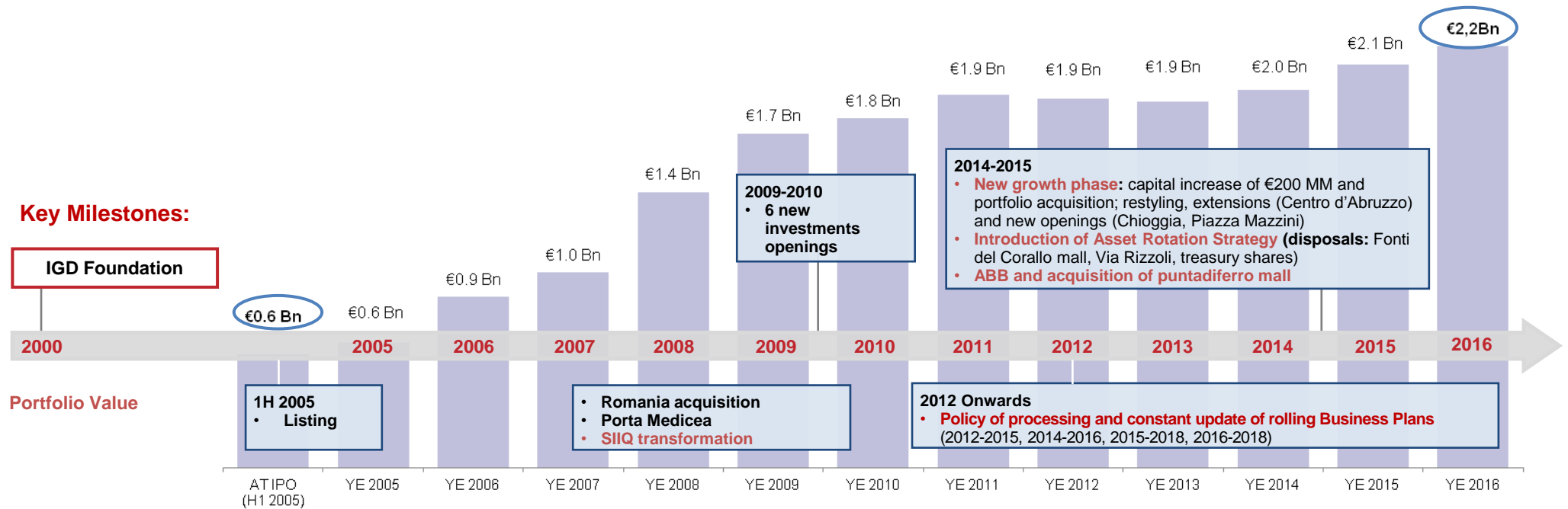
Sources - Uses of funds	31/12/2016	31/03/2017	Δ	Δ%
Fixed assets	2,050,728	2,050,728	0	0.0%
Assets under construction	75,004	83,003	7,999	10.7%
Other non-current assets	25,543	25,322	-221	-0.9%
Other non-current liabilities	-32,150	-32,613	-463	1.4%
NWC	56,378	55,381	-997	-1.8%
Net deferred tax (assets)/liabilities	-21,901	-23,153	-1,252	5.7%
TOTAL USE OF FUNDS	2,153,602	2,158,668	5,066	0.2%
Net debt	1,055,428	1,046,783	-8,645	-0.8%
Shareholders' equity	1,069,426	1,086,167	16,741	1.6%
Net (assets)/liabilities for derivative instruments	28,748	25,718	-3,030	-10.5%
TOTAL SOURCES	2,153,602	2,158,668	5,066	0.2%

GEARING RATIO (€ 000)



 EPRA NNAV Calculation	31-Dec-15		31-Dec-16		Δ%
	€'000	€ p.s.	€'000	€ p.s.	
Total number of shares	813,045,631		813,045,631		
1) Group shareholders' equity	1,022,053	1.26	1,060,701	1.30	3.8%
<i>Excludes:</i>					
Fair Value of financial instruments	34,990		28,748		-17.8%
Deferred taxes	19,917		23,633		18.7%
Goodwill as a results of deferred taxes					
2) EPRA NAV	1,076,960	1.32	1,113,083	1.37	3.4%
<i>Includes:</i>					
Fair Value of financial instruments	(34,990)		(28,748)		-17.8%
Fair Value of debt	(9,560)		(15,749)		64.7%
Deferred taxes	(19,917)		(23,633)		18.7%
3) EPRA NNAV	1,012,492	1.25	1,044,952	1.29	3.2%

A successful story of growth fueled by strong capital market access...



IGD Capital Markets Track Record

EQUITY

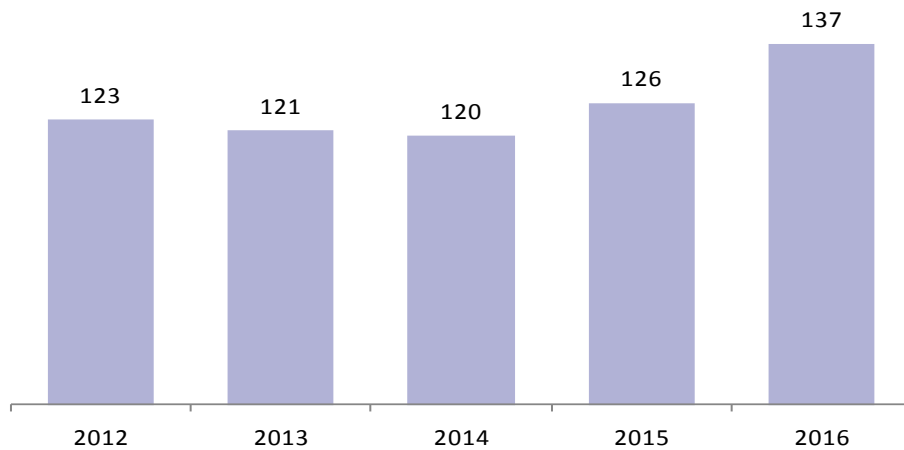
Total resources c. €0.5 Bn
Of which c. €0.4 Bn from the market

DEBT

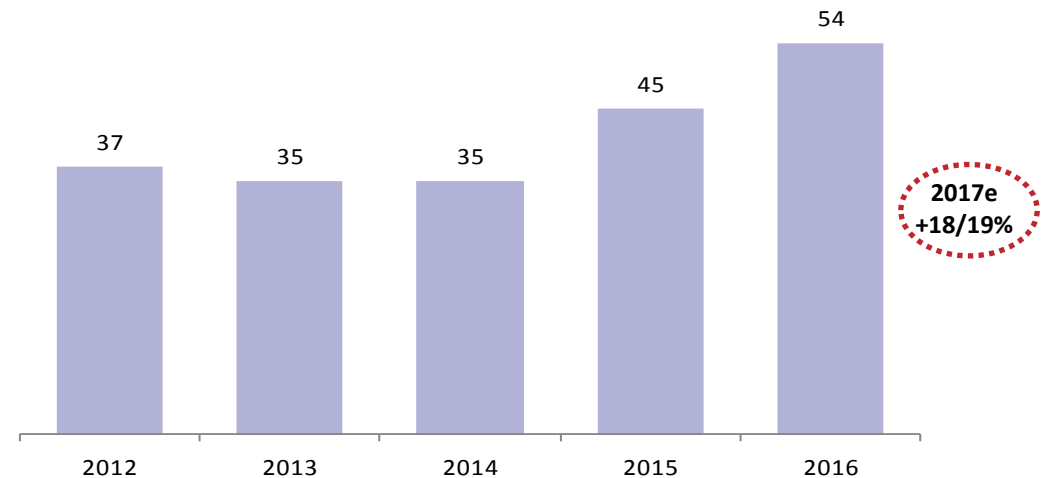
Total resources c. €0.9 Bn (net of exchanges)
Of which c. €0.8 Bn from the market
(high percentage from FOREIGN INVESTORS)

...delivering strong results and maintaining financial discipline...

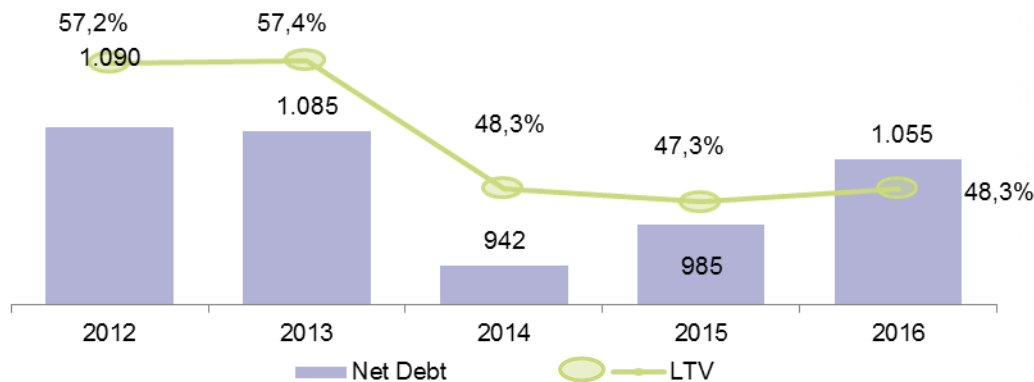
CORE BUSINESS REVENUES (€ MM)



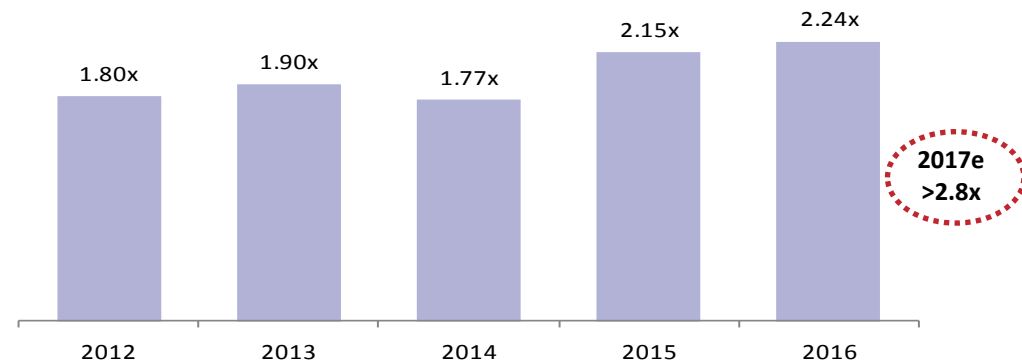
CORE BUSINESS FFO (€ MM)



NET DEBT (€ MM)

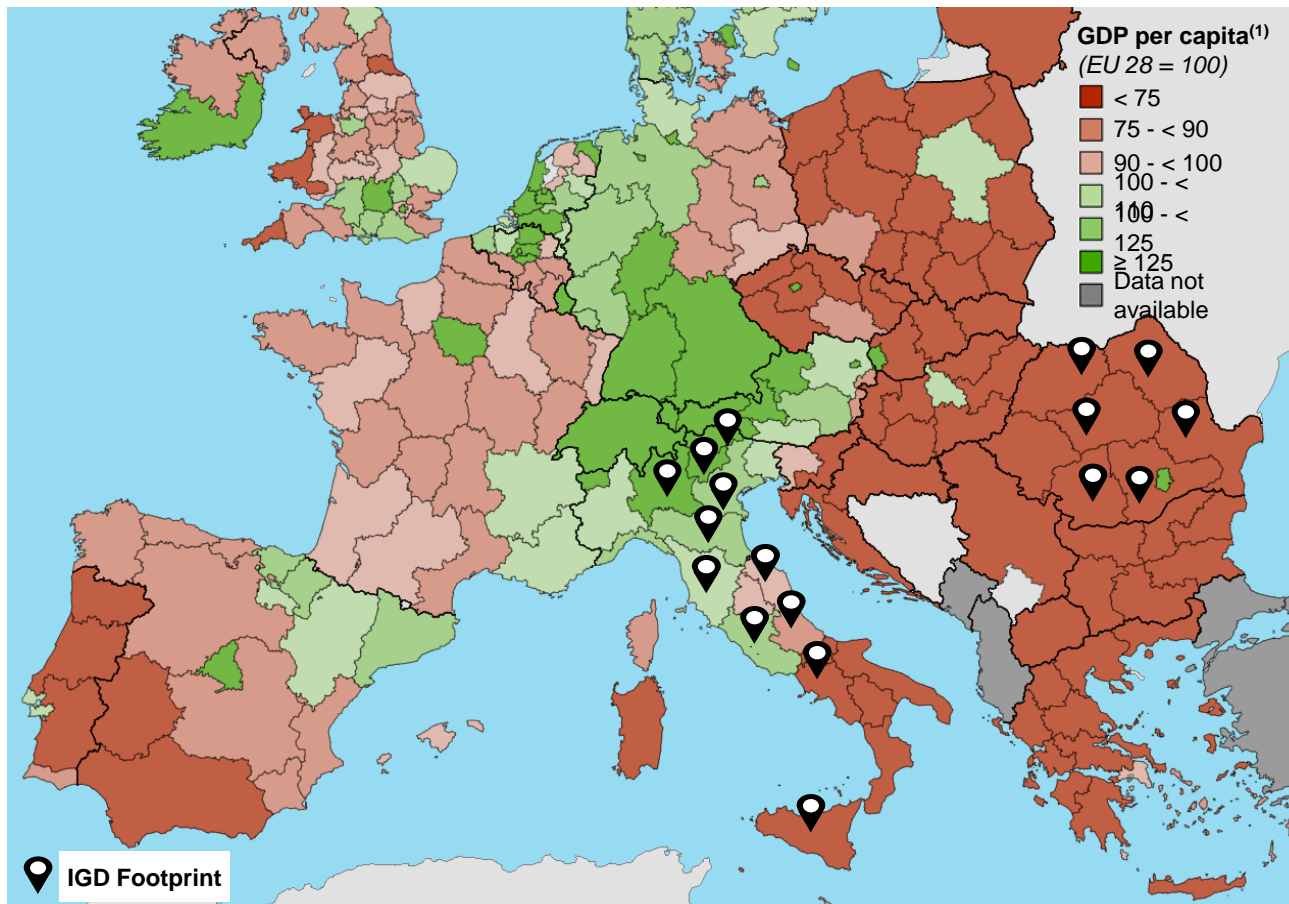


INTEREST COVER RATIO (x)



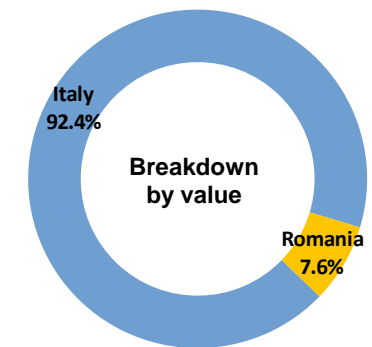
...benefitting from strong gearing in regions with GDP per capita above European average

92% of IGD portfolio value located in Italy, with strong gearing on the wealthy Northern regions, benefitting from GDP per capita well above EU average

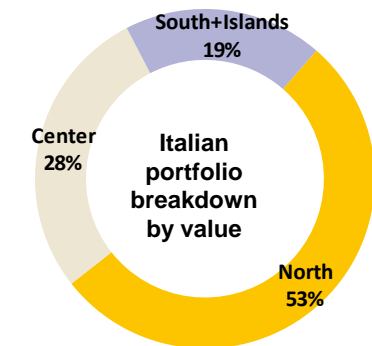


Source: Eurostat Statistical Atlas

92% of portfolio located in Italy...



...of which c.80% located in regions with GDP per capita above European average



coop WORLD

7 LEGAL ENTITIES THROUGHOUT ITALY



Emilia Romagna, Lombardia, Trentino, Veneto, Friuli Venezia Giulia, Marche, Abruzzo, Puglia, Basilicata



Lombardia, Sicilia



Toscana, Umbria, Abruzzo



Toscana, Lazio, Umbria, Campania



Piemonte



Toscana



Liguria, Piemonte



Regions covered by Coop

KEY DATA*

As at 31/12/2016

- Turnover ~ 14.5 bn €
- No. of points of sale: ~ 1,100
- Employees ~ 53,600
- Members > 8.5 million people

From 1st January 2016 by merging of Coop Adriatica, Coop Estense and Coop Consumatori Nordest

* Source: Coop Italia press release on 2016 results (03/07/2017);

Data as at 31/12/2016¹⁾

By merging of Coop Adriatica, Coop Estense and Coop Consumatori Nordest

Revenues : ~ 4,7 bn €


N° of points of sale: ~427


Employees: ~ 22,000

Members: ~ 2.7 million

Deposits from members: ~ 4.3 bn €

STRATEGIC INVESTMENTS IN LISTED COMPANIES

☑ UNIPOL GRUPPO FINANZIARIO (Insurance and banking) 

☑ IGD SIIQ SPA 

Data as at 31/12/2015⁽¹⁾

Revenues: ~ 1 bn €





N° of points of sale: 112

Employees: ~ 4,225

Members: ~ 990,000

Deposits from members: ~ 1.1 bn €

STRATEGIC INVESTMENTS IN LISTED COMPANIES

-  UNIPOL GRUPPO FINANZIARIO (Insurance and banking) 
-  IGD SIIQ SPA 

Further information can be found on IGD corporate website <http://eng.gruppoigd.it/>
<http://eng.gruppoigd.it/Sustainability>

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