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## **PRESS RELEASE**

### **APPROVAL OF THE PROPOSAL OF SHARE CAPITAL INCREASE TO BE OFFERED ON A PRE-EMPTIVE BASIS TO SHAREHOLDERS FOR UP TO EURO 200 MILLION**

Bologna, 7 August 2014 – **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** ("**IGD**" or the "**Company**"), following the press release published on 8 July 2014, announces that today the Extraordinary Shareholders' Meeting, held on first call in a meeting chaired by Gilberto Coffari, has resolved to increase the share capital, against payment, in divisible form, for up to Euro 200 million (including the relevant share premium, if any) to be completed by 31 March 2015 through the issue of ordinary shares with no par value and regular entitlement (the "**Share Capital Increase**"). The new shares will be offered on a pre-emptive basis to shareholders pursuant to Art. 2441, first paragraph, of the Italian Civil Code, in proportion to the number of shares held.

The Board of Directors will determine, on or around the launch date, in accordance with standard market practices, the subscription price, the relevant share premium, if any, the number of newly issued shares and the issue ratio.

The Share Capital Increase is aimed at strengthening the economic and financial structure of the Company and the Group, supporting the relevant growth and investment targets.

In particular, the Share Capital Increase will allow the Company to reduce its financial leverage, in advance with respect to the deleveraging targets provided by the Business Plan 2014 – 2016, and to stabilize the financial profile of the Company in order to align it with the main financial indebtedness indicators (*Loan To Value*, *Interest Cover Ratio*, unencumbered real estate) as observed in European real estate retail operators.

Furthermore, the Share Capital Increase will also contribute to improve over time the access to debt capital markets, as an additional source of funding with respect to banking indebtedness, also through an enhancement of the *equity story* of growth and creation of value of the Company.

Moreover, the increase in the market capitalization resulting from the Share Capital Increase will represent a further element of visibility and liquidity for the IGD shares, with consequential expected effects on the value thereof.

In line with the aforementioned growth and investment targets, part of the proceeds of the Share Capital Increase will be used to wholly fund the real estate acquisition by the Company, already disclosed to the market on 8 July 2014, of a portfolio comprising a Shopping Center and three Hypermarkets owned by Coop Adriatica S.c.ar.l. ("**Coop Adriatica**") as well as two Supermarkets owned by Unicoop Tirreno Società Cooperativa ("**Unicoop Tirreno**"), for an aggregate counter-value equal to approximately Euro 94.765 million (of which Euro 92.665 million concerning the purchase price of the real estate assets plus transfer taxes and additional expenses estimated in an amount equal to Euro 2.1 million), together with a lease of the Hypermarkets and being purchased Supermarkets. Please be reminded that the aforementioned real estate acquisition is conditional upon the full subscription of the Share Capital Increase and will be perfected immediately thereafter.

Coop Adriatica and Unicoop Tirreno, IGD's majority shareholders, have undertaken to subscribe in full their respective portions of the Share Capital Increase (which respectively amount to approximately 43.99% and 12.93%), for an aggregate percentage equal to approximately 56.92% and an aggregate counter-value equal to approximately Euro 114 million.

As far as the residual amount is concerned, the offer shall be assisted by an underwriting syndicate promoted, coordinated and managed by BNP Paribas, which has already undertaken a pre-underwriting commitment in respect of the unsubscribed shares.

Subject to the required authorizations from competent authorities, the offering period for the subscription of the newly issued shares is expected to be completed by October 2014.

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