



Presentation to Institutional Investors

**London
June 2005**

igd
immobiliare
grande distribuzione

Agenda

- OVERVIEW
 - COMPANY OVERVIEW
 - MARKET & COMPETITION

- OPERATING HIGHLIGHTS
 - PORTFOLIO & NAV
 - SERVICE ACTIVITY

- FINANCIALS

- STRATEGY & 2005 OUTLOOK
 - MONDOVICINO
 - GUIDONIA

- APPENDIX

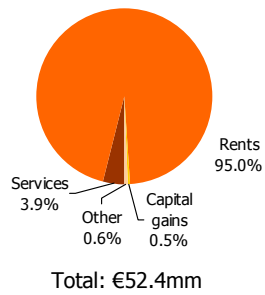
OVERVIEW

- COMPANY OVERVIEW
- MARKET & COMPETITION

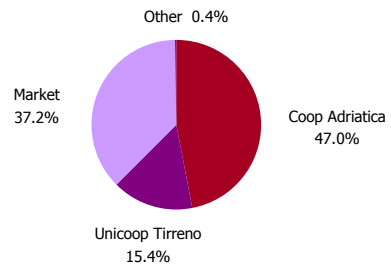
IGD overview

- IGD is one of the main players in the retail segment of the Italian real estate sector
- IGD business is mainly focused on large shopping centres made up of:
 - hypermarkets (with a surface area higher than 2,500 sqm)
 - shopping malls (from 23 to 60 shops each)
- IGD handles the direct and strategic management of both directly-owned and third parties assets

IGD's 2004 revenues breakdown



Shareholding Structure



IGD strengths

Leading player in an attractive and growing market

- One of the leading players in the Italian retail real estate market
 - outperformance in recent years
 - increasing investors' interest
 - scarcity factor due to restrictive planning permissions

Privileged relationship with Cooperatives

- Coop Adriatica & Unicoop Tirreno: major Cooperatives, part of the largest food retailer in Italy
- Leverage on Coop retail network to act as a consolidator in the market

High quality existing portfolio

- Average occupancy rate: 98.5%
- Good asset location
- Modern and well-maintained properties
- Favourable lease terms and conditions

Dynamic management of the real estate portfolio

- Active management of shopping malls through Gescom
- Enlargement, sale or renewal of shopping malls

Strong financial results and clear expansion strategy

- High EBITDA margin
- Strong and stable cash flow generation
- Further upside potential:
 - Pipeline of potential acquisitions
 - Opportunity to Gescom to enter non-captive operators' market

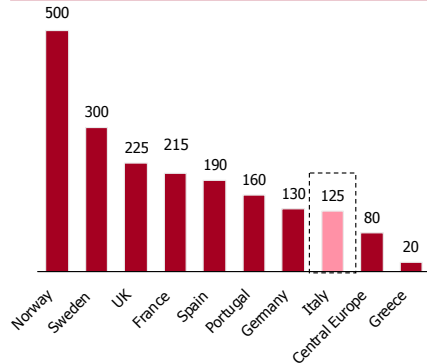
Framework agreement with Coop Adriatica and Unicoop Tirreno

- Signed on 27th October 2004 among IGD, Coop Adriatica and Unicoop Tirreno
- 5 year agreement (+5 year tacit renewal)
- Key terms and conditions for the Cooperatives:
 - inform IGD, on a quarterly basis, of any new investment opportunity under valuation
 - submit to IGD all new investments - both acquisition or development projects (at market price)
 - 3 months for IGD to accept the proposal or submit a counteroffer
- Key terms and conditions for IGD:
 - lease hypermarkets or supermarkets (excluding shopping malls) to the Cooperatives at market price and conditions
 - Average maturity: from 12 up to 18 years + renewal for 6 years
 - Market gross yield (currently in the region of 7.0% of the market value of the asset)
 - Rents indexation: 75% of inflation rate
- 9 investments secured by framework agreement
- Acquisition of 3 shopping mall licences from Vignale Immobiliare (Unicoop Tirreno Group) and 1 from Coop Adriatica

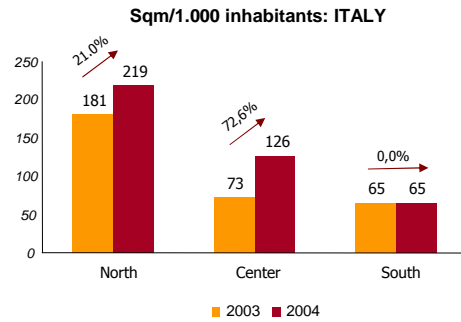
IGD's future expansion will follow two direction lines: the acquisition of investments secured by the framework agreement with Coop Adriatica and Unicoop Tirreno, and the search of attractive market opportunities

IGD operates in the Italian real estate market

Total sqm. shopping centers/1,000 inhabitants, 2003



2004 Italian market evolution

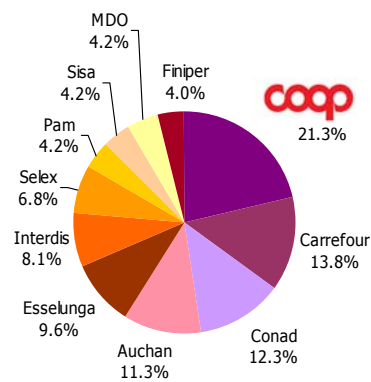


- Outperformance of real estate market in Italy and increasing flow of foreign capital in the past 2 years
- Attractive Italian retail property market, still "under-retailed": low rental values and lowest shopping centre floorspace per capita in Western Europe
- Central Italy is growing faster

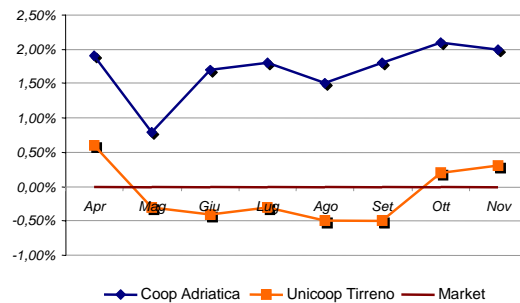


Source: Europroperty, Jones Lang LaSalle, Cushman & Wakefield, CB Richard Ellis
¹ Based on 2004 revenues. Large-scale distribution channels represent about 70% of the total sales in the food retail sector

The Italian large scale food retailers market

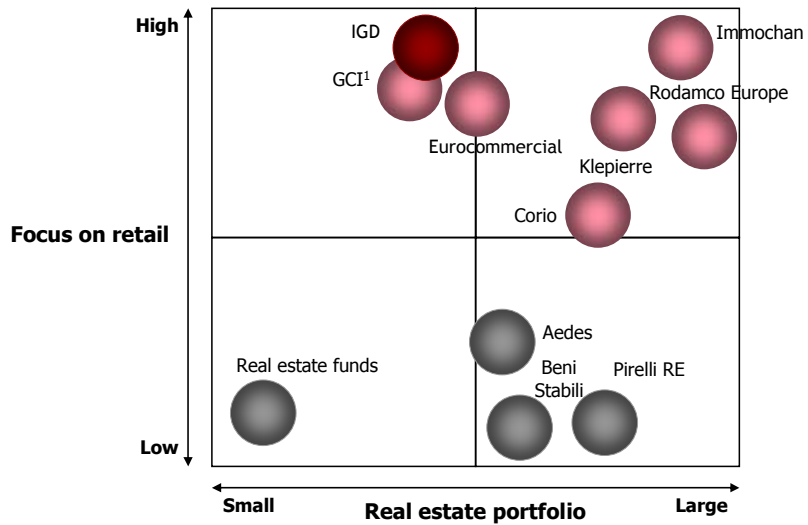


Cumulated delta of Coop Adriatica and Unicoop Tirreno sales (iper-super) against the market average



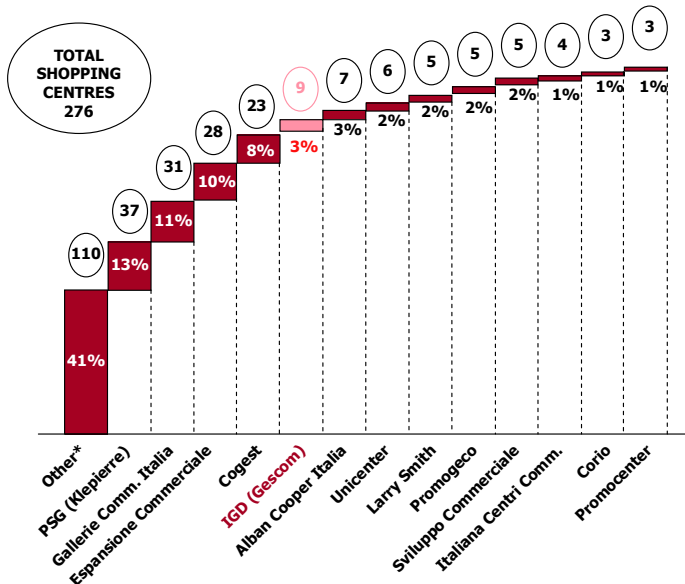
- IGD strong competitive advantage via its relationship with Coop, by far the largest food retailer in Italy
- Coop Adriatica and Unicoop Tirreno have performed better than market

IGD's competitive environment in the property activity



- Since hypermarket operators remain the main developers in the Italian market, the investment activity relies increasingly on strategic partnerships between large-scale retailers and the real estate companies (Carrefour-Klepierre, La Rinascente-Simon)

IGD's competitive environment in the real estate service business



- The real estate services business is highly fragmented
- The largest players are either controlled by or linked through formal agreements to large-scale retailers and real estate companies
- The 4 largest players accounts for a market share equal to approximately 42%
- IGD comes immediately after these players, having 9 centres under management

Note: sample composed of 276 shopping centres and retail parks with a GLA in excess of 12,000 sqm. Data available for the hypermarket and shopping mall surface

Note: market share calculated on nr. of shopping centres
 Source: 2003 CNCC report, Largo Consumo
 * Includes other players with market share lower than 1%



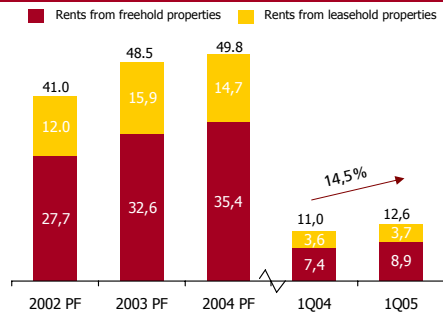
OPERATING HIGHLIGHTS

- PORTFOLIO & NAV
- SERVICE ACTIVITY

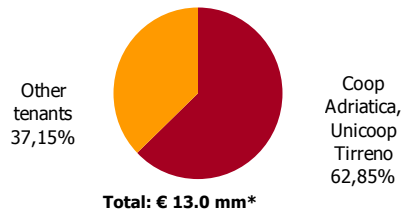
Property management and sub-leasing activity

- IGD property management activity consists of:
 - acquisition and development of retail real estate assets
 - leasing and sub-leasing activity of IGD Real Estate portfolio
 - increasing the capital value of the current portfolio (via restructuring, refurbishment and enlargement)
 - asset disposal

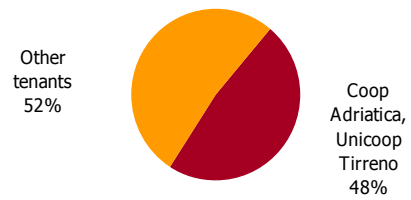
Total gross rents on IGD Real Estate portfolio (€mm)



1Q05 total revenues breakdown by tenant



Expected total revenues breakdown by tenant



* Coop Adriatica and Unicoop Tirreno, following the transfer of the licences of four shopping malls to Gescom will decrease their contribute on 2005 IGD total revenues

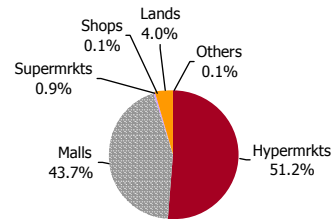
Freehold properties

- Market value of IGD freehold properties is approx. €555.2mm as of July 2004 (CB Richard Ellis)
- Gross lettable area equal to approx. 260,000 sqm.
- Total average occupancy rate²: 98.52%
 - hypermarkets and supermarket: 100.0%
 - shopping malls: 96.27%
- Key features:
 - High quality: modern and well maintained
 - Good asset location
 - Leasing activity mainly to high-quality, low-risk tenants via long term contracts

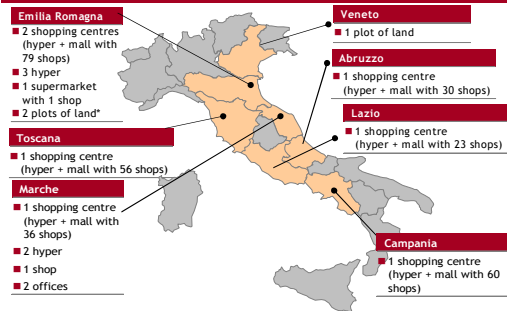
Freehold properties breakdown by destination¹

IGD freehold portfolio

- 7 shopping centre (hyper + mall)
- 5 hypermarkets
- 3 plots of land
- 2 buildings used as offices



Freehold properties – geographical distribution



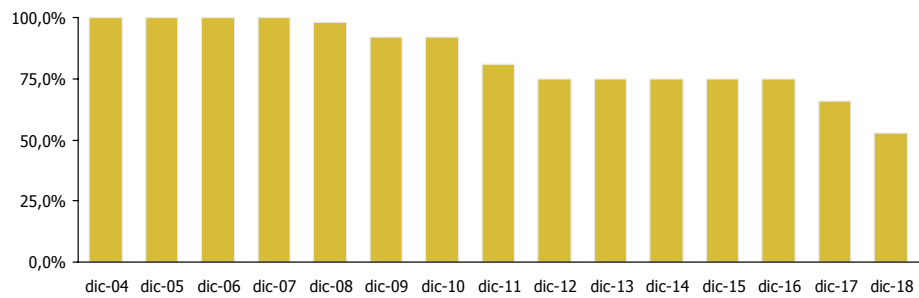
¹ Breakdown in terms of market value
² Calculated on GLA

Hypermarkets and supermarket: lease terms and main tenants

Main lease terms:

- Average maturity: from 6 to 18 years + 6 years
- Rents indexation: 75% of inflation rate
- Maintenance: ordinary and extraordinary maintenance works charged to the tenant. External maintenance of the properties (façade, etc.) payable by the landlord
- All hypermarkets and the supermarket of IGD Portfolio are leased to Coop Adriatica and Unicoop Tirreno Group
 - 10 hypermarkets and 1 supermarket to Coop Adriatica
 - 3 hypermarkets to Unicoop Tirreno Group
- Coop Adriatica and Unicoop Tirreno are among the major cooperatives of Coop, the first retailer in Italy

2004 freehold rents arising from hypermarkets still rented at a certain date

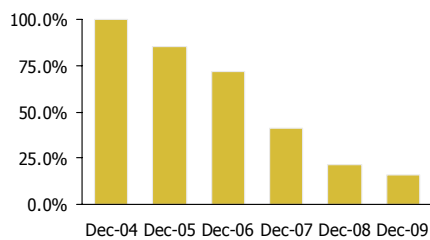


Shopping malls: lease terms and tenant mix

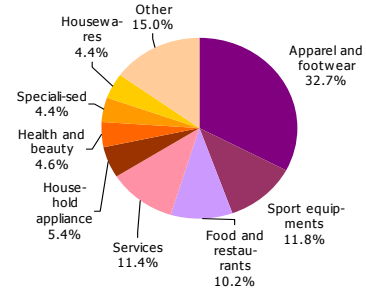
Main lease terms:

- Average maturity:
 - lease agreement of the going concern¹: 5 years
 - rental agreement: 6 years
- Rental income: a minimum guaranteed rent plus a percentage based on the occupier's sales
- Key money (non-recurrent): from 20% to 60% of annual rent
- Rents indexation
 - lease agreement of the going concern¹: 100% of inflation rate
 - rental agreement: 75% of inflation rate
- 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

Rents arising from shopping malls still rented at a certain date



Surface breakdown by retail sector*



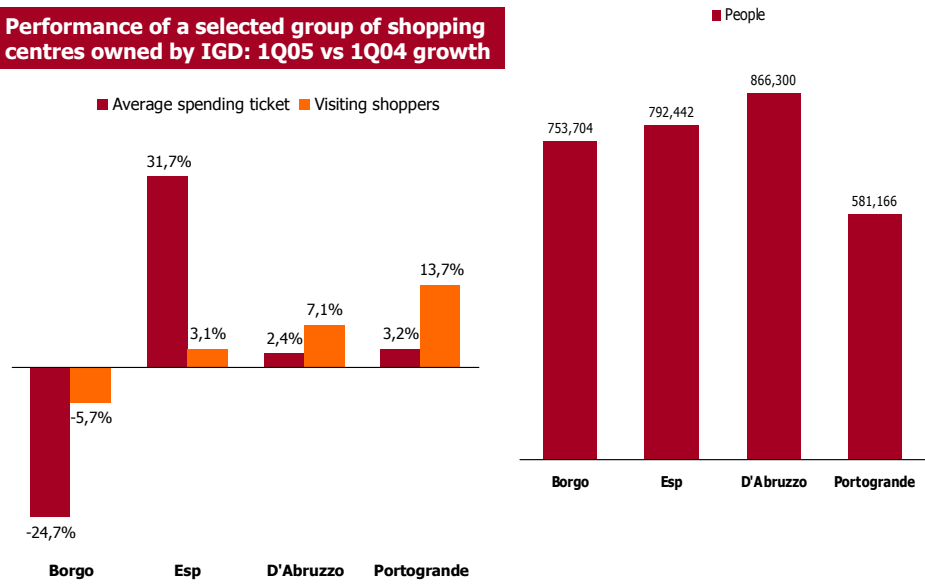
¹ Rental agreement regarding the shop and the commercial licences
 *Analysis based on shop operators. Source: company data, CBRE

Net Asset Value as of March 31, 2005

Net Asset Value (€ mm)	
Total Portfolio market value - 30 July 2004	555,2
Total Portfolio book value	418,4
Embedded capital gain	136,8
Shareholders' Equity	374,9
NAV	511,7
Estimated Tax on capital gain (37.25%)	51
Net NAV	460,7
Net NAV / share	1,632

Portfolio performance

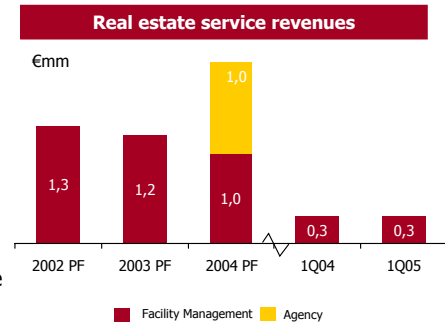
Performance of a selected group of shopping centres owned by IGD: 1Q05 vs 1Q04 growth



Note: Negative trend in Borgo due to work in progress

Real estate services

- IGD offers real estate services in the retail real estate segment through its subsidiary, Gescom. The real estate services include the following activities: agency and facility management
- The agency activity includes:
 - marketing and promotion activity of the shopping centre and management of the mall expansion
 - analysis of potential synergies between the hypermarkets and the shopping malls
 - tenant mix definition and screening
 - lease negotiations with shop operators
- The facility management activity includes:
 - preparation and implementation of the shopping centre's marketing plan
 - shopping centre's internal budgeting and reporting system
 - organisation of security, cleaning, and maintenance services

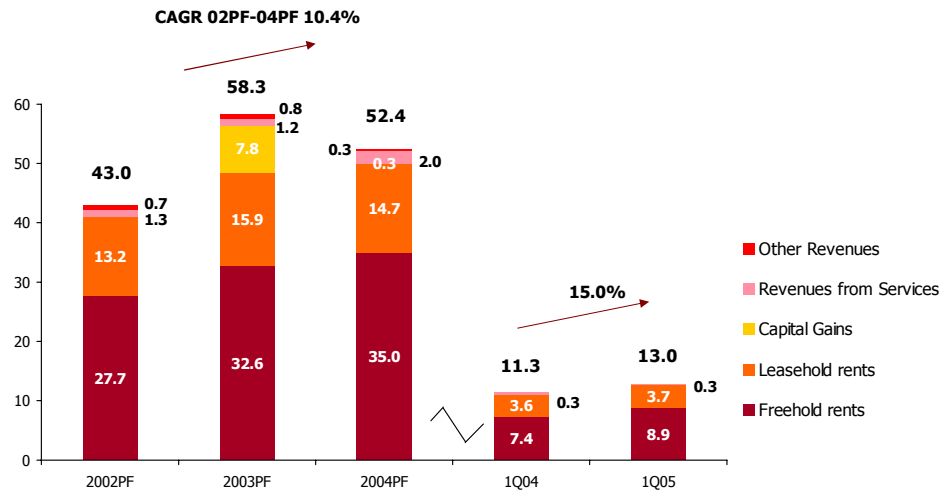


IGD is targeting to expand this service activities to recently acquired centres and to third parties' centres

FINANCIALS

Revenue growth and breakdown

Revenues 2002 – 1Q05 (€mm)

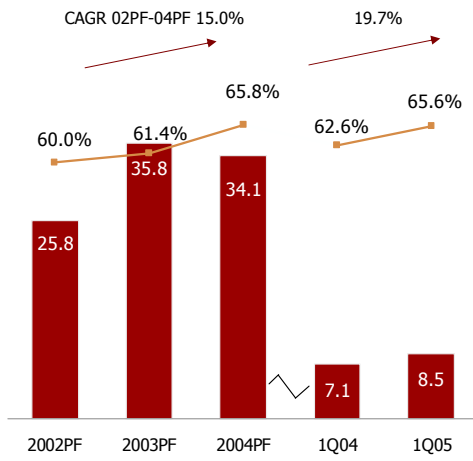


- Revenues trend 2003-2004 is +3.8% without 2003 extraordinary capital gain

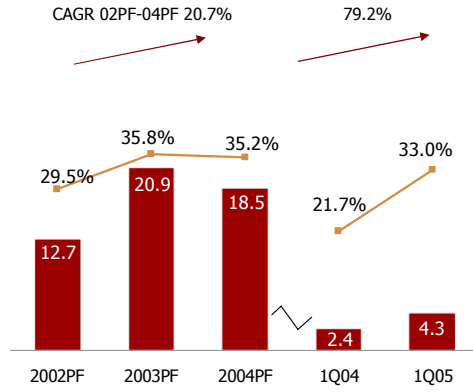
The management of freehold shopping centres represents the core business of IGD

EBITDA and EBIT Trend

Ebitda and Ebitda Margin (€mm)



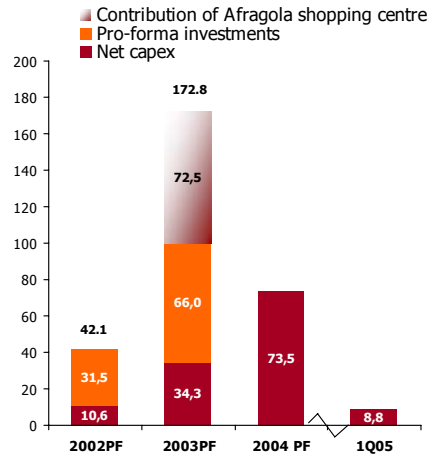
Ebit and Ebit Margin (€mm)



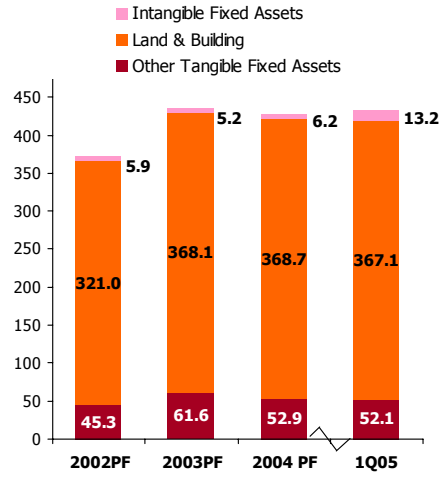
Note: Italian GAAP, pro-forma accounts

Fixed Assets and Capex

Capital Expenditure (€mm)



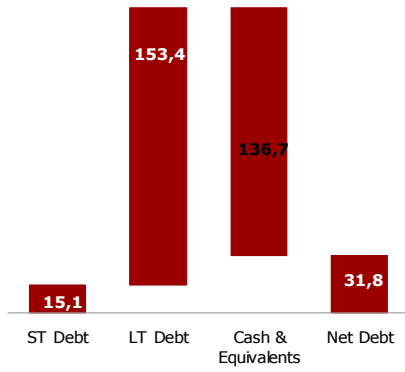
Fixed Assets (€mm)



Note: net capex includes investments in land & building, intangible fixed assets and financial fixed assets, net of divestiture proceeds

Capital Structure

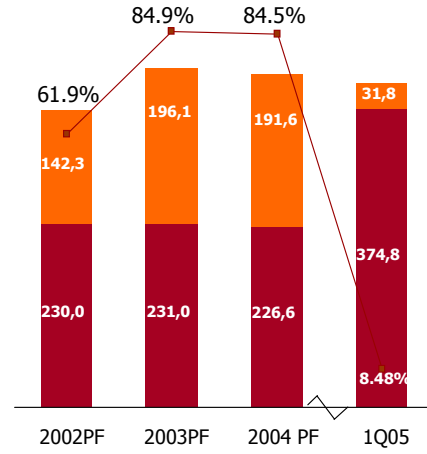
Net Debt as of March 31, 2005 (€mm)



Interest Expense

- 100% long term debt is hedged with Interest Rate Swaps at a fixed average rate of 3.59%
- Short term debt is linked to Euribor plus a spread from 0.5% to 0.85%

Total Capitalisation (€mm)

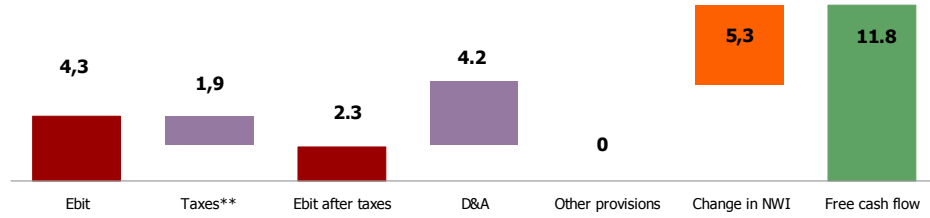


Legend: Shareholders' Equity (dark red), Net Debt (orange), %D/E (line)

- Our target capital structure is 60% D/E with a 50% D/E of LT debt

Free Cash Flow

1Q05 Free Cash Flow reconciliation*



Historical cash flow reconciliation

2004	18.5	-8.0	10.6	15.3	0.3	-2.8	22.5
2003	20.9	-5.5	15.4	14.1	0.9	-6.2	23.3
2002	12.7	-1.8	10.9	12.5	0.7	-8.1	15.2

* We don't consider the change in debt allocated in order to pay dividends on 19/05/2005

** Based on average tax rate for the fiscal year

STRATEGY & 2005 OUTLOOK

➤ MONDOVICINO

➤ GUIDONIA

Corporate strategy

Expansion via acquisitions and new investments*

- Acquire shopping centres, either recently developed or already operating, in under-retailed markets
- Become the consolidator of the real estate portfolio owned by the Coops
 - benefit from strong relationship with Coop world
 - the IPO of the company represents a key step to achieve higher visibility
- Develop new shopping centres

Extract value from the existing portfolio

- Extract value through expansion of shopping malls, extraordinary maintenance, marketing activity
- Disposal of galleries fully valued by the market

Expand the service business

- Cross-selling between the facility and agency businesses
- Improve the perception of the centre through marketing activity
- Establish partnerships in order to achieve the critical mass to attract interest from anchor tenants
- Expand the offer of real estate services to new customers
- Allows IGD to have access to third-parties' centres and identify the best strategic positioning

Optimise capital structure

- Increase of financial leverage
- Use of derivatives to hedge interest rate exposure
- Payout ratio around 80%

* 9 acquisition related by framework agreement with Coop, 1 MOU signed on December 2004 and other potential market investments expected by 2008

Mondovicino



- IGD signed an agreement for the **acquisition** of the **shopping mall** and **retail park** for a total GLA of approximately 18,000 mq, on April 26 .
- The shopping park "Parco Commerciale e per il Tempo Libero Mondovicino", located in Mondovì (Cuneo) will consist of:
 - a hypermarket and a mall
 - a retail park made up of 5 mid-sized stores
 - a factory outlet of approximately 25,000 mq of GLA
- The shopping park, designed by Giugaro Architecture using cutting-edge technology and top level solutions, will be a strong point of attraction for the public.
- The purchase price of **39.5 million euros** (that specifically regards the property housing the retail park and the company which owns the mall) will be settled as follows:
 - 6 million euros at the signing of the contract
 - 2 million euros at the beginning of the works (**end of 2005**)
 - the remaining at the end of the works (**2007-2008**)
- The acquisition states the:
 - IGD aim to grow also through independent lines
 - IGD intervention in the early stages of the shopping centre's design and construction in order to maximise the creation of value
 - IGD and GESCOM contribution to the definition of the shopping mall layout, specifically on the base of the tenant mix previously identified

Guidonia

- IGD signed an agreement, with non related parties for the **acquisition** of a **shopping centre** located in Guidonia (Rome), on May 30.
- The shopping centre (Works will start by the end of **2005** and will last until **2007**) will be composed by:
 - a hypermarket: 8.500 sm, Coop (Unicoop Tirreno)
 - a mall: 25.000 sm GLA, approximately 120 shops
- The purchase price of **105 million euros** will be settled as follows:
 - 23 million euros at the signing of the contract
 - the remaining at the end of the works
- The acquisition states the:
 - IGD significant backlog of projects not linked to the freamework agreement
 - IGD aim to grow also through independent lines
 - IGD intervention in the early stages of the shopping centre's design and construction in order to maximise the creation of value
 - IGD and GESCOM contribution to the definition of the shopping mall layout, specifically on the base of the tenant mix previously identified



Appendices

Mondovicino

MONDOVICINO



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Mondovicino

MONDOVICINO



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2005

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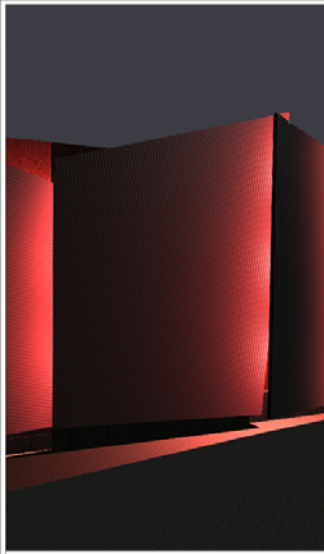
MONDOVICINO



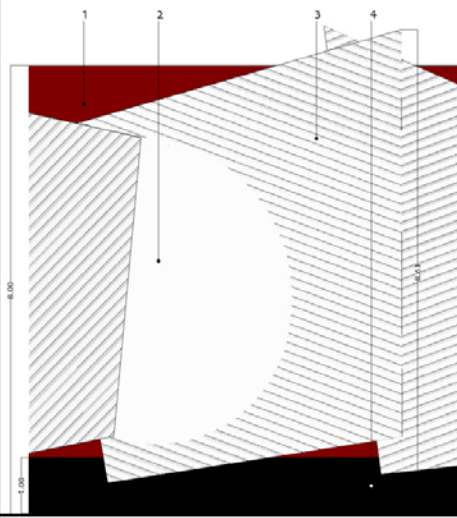
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Mondovicino

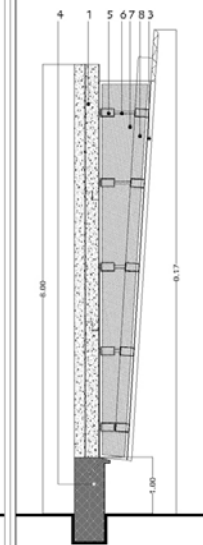
MONDOVICINO



PARTICOLARE PROSPETTO FRONTALE
VISTA NOTTURNA



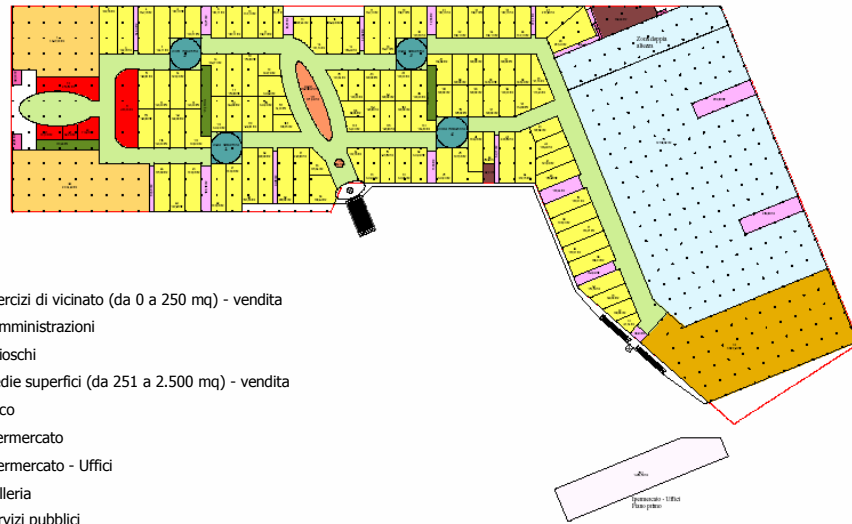
PARTICOLARE PROSPETTO FRONTALE
SCALA 1:20



SEZIONE PROSPETTO FRONTALE
SCALA 1:20

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JUNE
2005

The Project



- Esercizi di vicinato (da 0 a 250 mq) - vendita
 - Somministrazioni
 - Chioschi
 - Medie superfici (da 251 a 2.500 mq) - vendita
 - Brico
 - Ipermercato
 - Ipermercato - Uffici
 - Galleria
 - Servizi pubblici
 - Locali Tecnici, Guardiania, Centro Direzionale
 - Scale di sicurezza
 - Uscite di sicurezza
- * La posizione dei pilastri è indicativa

Corporate Governance

IGD adopted a strong code of Corporate Governance

- Board of Directors: 15 members, of which 8 independent non executive directors
- Internal control committee, consisting of 3 non executive Board members of which 2 independent
- Internal dealing code
- Treatment of confidential information
- Lean and flexible organisation structure
- 30% of the top managers' total compensation is based on IGD financial results
- Outsourcing of non-core functions (accounting, legal, IT, tax...)