

igd SIIQ



Conference Call 1H08 Results

August 27th, 2008

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AGENDA

➤ HIGHLIGHTS

➤ 1H'08 RESULTS






➤ OUTLOOK

➤ APPENDICES

HIGHLIGHTS

HIGHLIGHTS

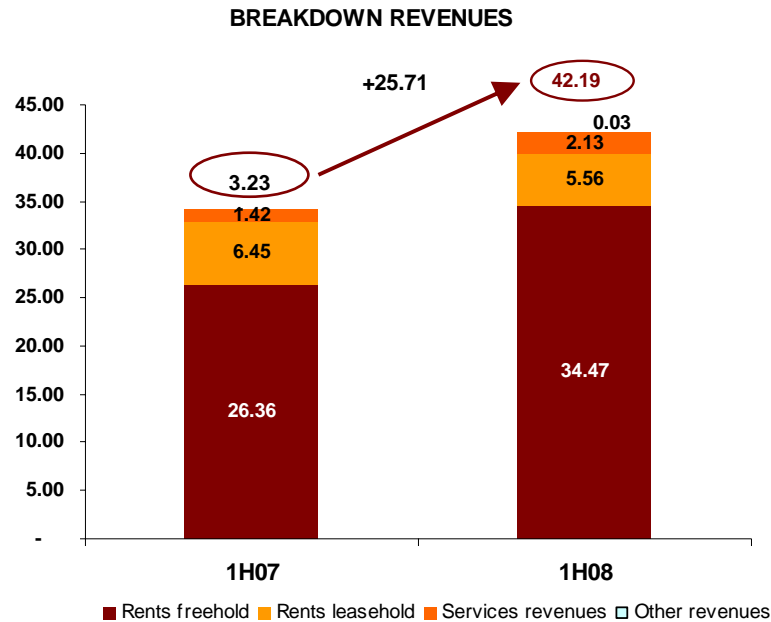
- ➔ **Credit crunch is seriously affecting the real estate market.**
- ➔ **Even in such a hard environment IGD achieved sound first half results:**

| | | |
|-------------------------------|---|--|
| ▪ Revenues € 45.54 |  | + 25.71% |
| ▪ Ebitda € 27.88 |  | + 21.52% |
| ▪ Market value € 1,259.01 mln |  | + 24.93% - LIKE FOR LIKE +0.72% |
| ▪ Net profit € 34.22 |  | + 42.35% |
| ▪ NNAV € 2.49 per share |  | + 3.59% |

1H'08 RESULTS

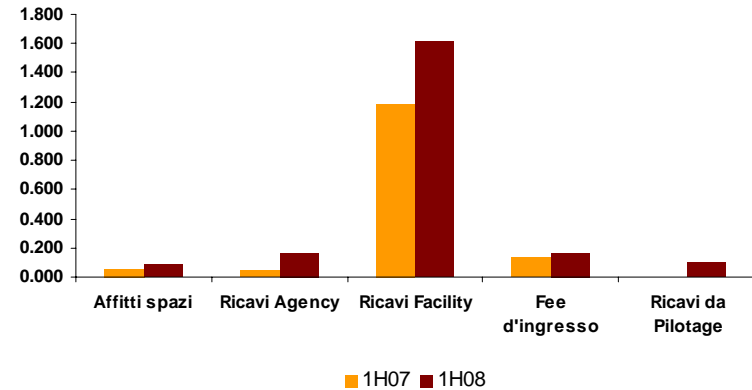
REVENUES: GROWTH AND BREAKDOWN

Revenues net of reinvoices

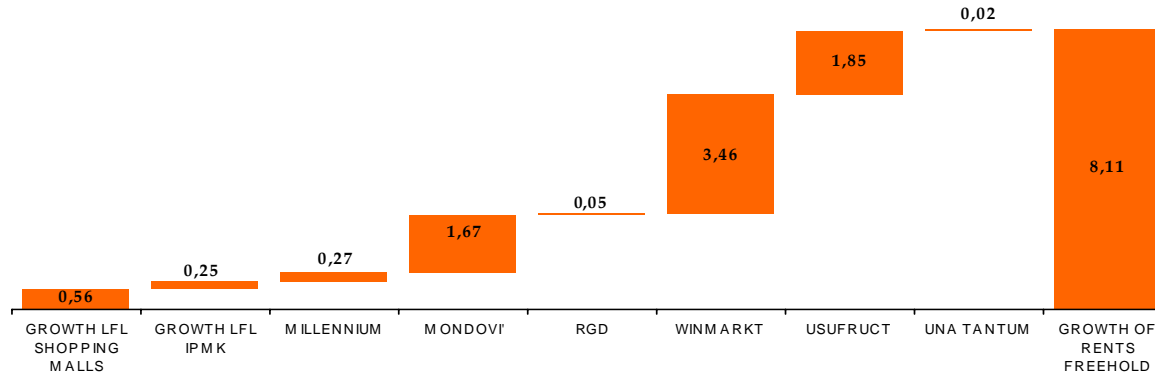


- **Rents from freehold** increased by 30.76%. Shopping malls' LFL growth: + 4.61%
- **Rents from leasehold** decreased by 13.81%, since in H1 IGD bought a *right of usufruct* related to three shopping malls. These revenues were reclassified in rents from freehold
- **Revenues from services** is made of recurrent revenues (facility management and fees for temporary space rents) and of non-recurring revenues (agency and entry fees, pilotage)
- **Other revenues** are related to services provided by subsidiaries not fully controlled

SERVICES: GROWTH AND BREAKDOWN

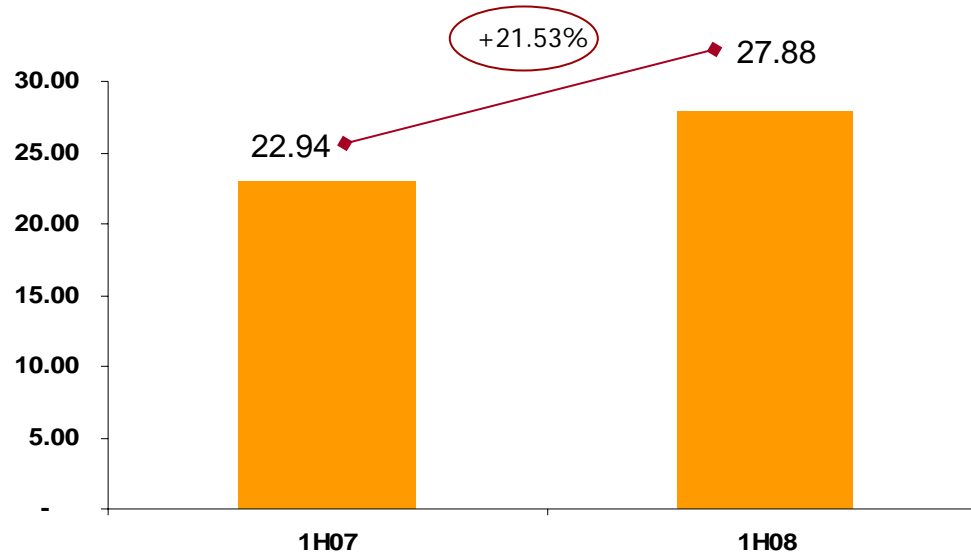


GROWTH OF FREEHOLD RENTS



EBITDA - EBIT Trend, Yields

EBITDA (€m)



- **EBITDA** increase by **21.53%** in line with our growth path
- **EBITDA** margin 1 H '08: **66.08%**, in line with strategic plan targets

FISCAL IMPACT

At tax level IGD SIIQ SPA posted a positive item of +€10.02mn

€30.8mn

When adopting the SIIQ structure IGD charged a one-off entry-tax of €30.8mn (to be paid in 5 instalments)

€30.8mn represents 20% of the [mkt value-bookvalue] difference

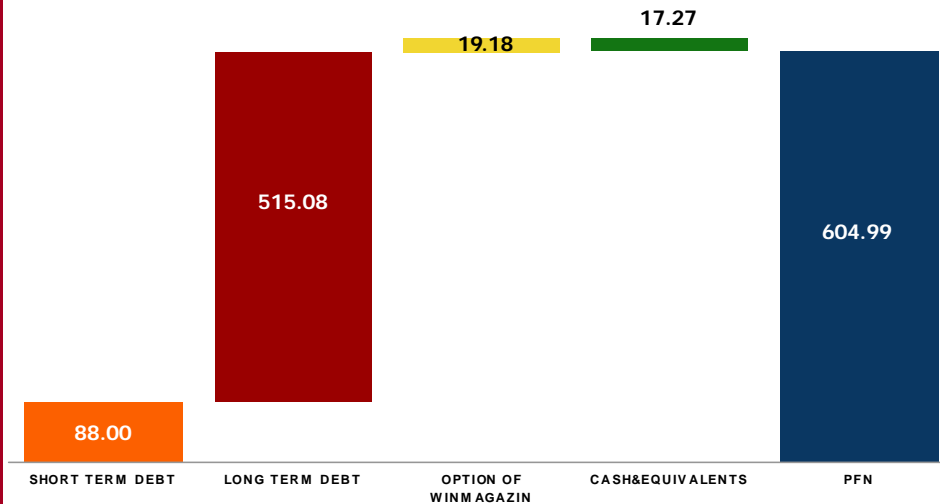
€43.0mn

The amount reflects the write-in impact of deferred taxes already accounted

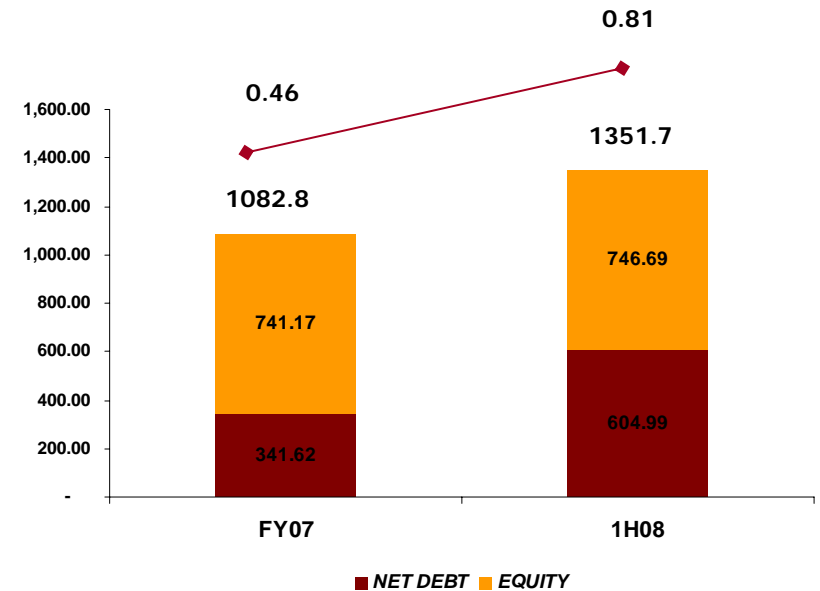
| | <i>30/06/2008</i> | <i>30/06/2007</i> | <i>change</i> |
|------------------------|---------------------|-------------------|---------------------|
| Current Taxes | 2.225.342 | 1.080.710 | 1.144.632 |
| Substitute tax | 30.797.217 | | 30.797.217 |
| Deffered/Prepaid Taxes | (43.042.670) | 15.342.918 | (58.385.588) |
| Total | (10.020.111) | 16.423.628 | (26.443.739) |

1H08 Net Debt and Enterprise Value

Net Debt 30 June '08 (€m)



Enterprise Value (€m)

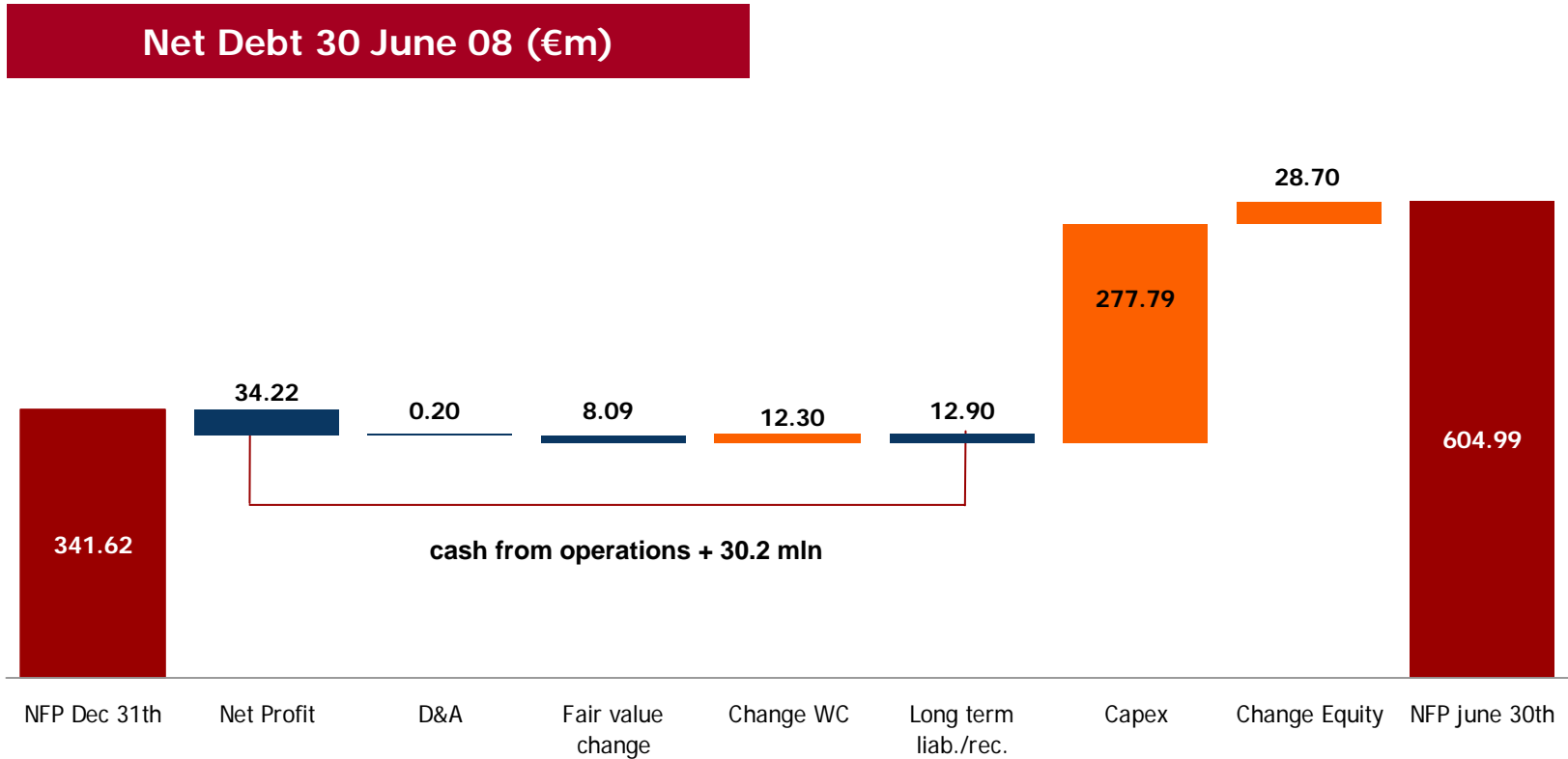


Situation only IGD

| LT Debt Breakdown at June 30 2008 | | | | |
|-----------------------------------|-----------------------------------|--------------|--------------|-------------|
| | Residual Debt | Cost | Hedging | Duration |
| Total LT Debt | 121 | 3.72% | Fully hedged | 5.97 |
| Bond | 230 | 2.50% | | 5.00 |
| LT Debt hedged after 1H larice | 97.0 | 4.93% | Fully hedged | 18.88 |
| Total LT fixed debt | 448 | 3.36% | | 5.70 |
| LT Variable debt | 79 | 5.44% | | |
| Total LT Debt | 528 | 3.67% | | |
| Short Term Debt | Euribor 1M + 0,20% - 0,50% | | | |

- **Equity** net of treasury shares value: € 22.25 mln
- **Gearing ratio** of 0.81 provides growth sustainability, given a targeted gearing of 1.5
- **LTV** (NFP/Market value) 48.05%, LTV (mortgage,bond/market value) 40.45%
- 84,9% of debt is fixed

Net Debt Change (31Dec07-30June08)



- Positive cash from operations + 30.2 mln €
- The capex amount mainly relates to Romania's portfolio which already operational and therefore revenue-generating for IGD since the time of its acquisition as well as to downpayments for on going project.

NAV (as at 30 June)

| | 1H '08 | FY '07 |
|--|---------------|---------------|
| Market value freehold properties | 1,259.01 | 1,007.80 |
| Investment property and land | 1,256.96 | 1,004.82 |
| Potential capital gains | 2.05 | 2.98 |
| Net Equity | 746.69 | 741.17 |
| Value of treasury shares (inc. comm.) | 22.25 | 0.00 |
| Net Equity adj. | 768.94 | 741.17 |
| Price of share 30-gju-08 | 1.88 | 0.00 |
| Potential Capital gains/(capital loss) of treasury shares | -1.51 | 0.00 |
| Total capital gains | 0.54 | 2.98 |
| NAV | 769.49 | 744.15 |
| n. of shares | 309.25 | 309.25 |
| NAV per share | 2.49 | 2.41 |
| Tax rate of land's capital gains of land | 0.0% | 31.4% |
| Tax rate of share's capital gains | 27.5% | 27.5% |
| Total capital gains | 0.96 | 2.04 |
| NNAV | 769.90 | 743.21 |
| NNAV per share | 2.49 | 2.40 |

•NAV increase: 3.40%

•NNAV increase: 3.59% yoy

•It is a 'triple net NAV'

•It does not take into account 123,12 mn € of preliminary contracts already signed

•It does not take into account the service activity

OUTLOOK

Financing our business in a tougher environment

We experienced a limited impact of the liquidity crisis dominating the banking sector *mainly it took us longer to get new credit facilities.*

We got *new loans* from a primary Italian bank at the conditions presented below:

| | AMOUNT €mIn | DURATION | BALLON | SPREAD | COMMISSION |
|----------------------|-------------|----------|--------|--------------------|------------|
| GUIDONIA ACQUISITION | 78 | 15 Y | | 30% from 95 to 125 | 0.10 |
| MONDOVI' REFINANCING | 44 | 15 Y | | 30% from 95 to 125 | 0.10 |
| ROMANIA REFINANCING | 30 | 5Y | | from 80 to 115 | 0.10 |

PERSPECTIVE OUTLOOK

Negotiations for further €130m loans are presently underway

Assets in Romania boast a market value of €204.1mn. They are not mortgaged so far → Further opportunities to achieve new credit lines

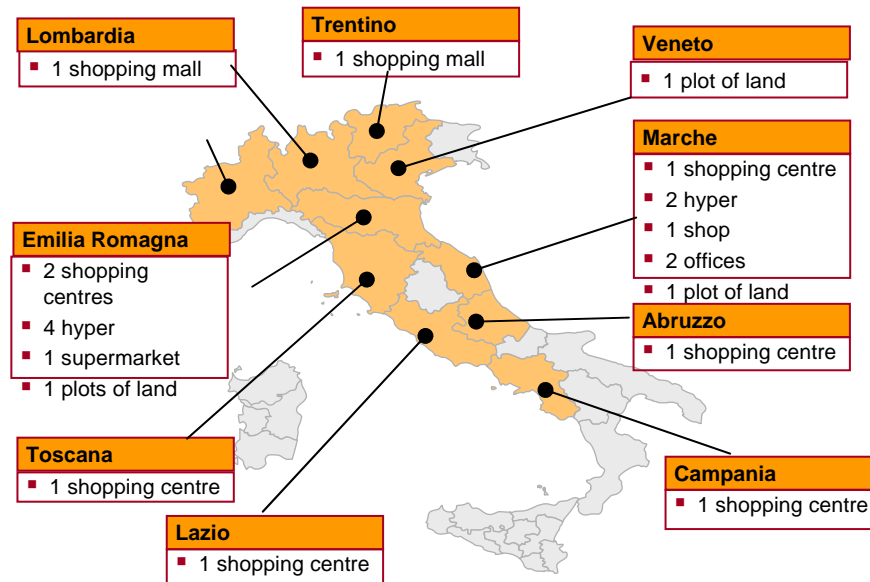
A LTV 48,05% proves that we have further room for new mortgages (some €120 mln loans are close to their expiring dates) 14

A portfolio generating healthy cash flows and attractive yields:

OUTLOOK

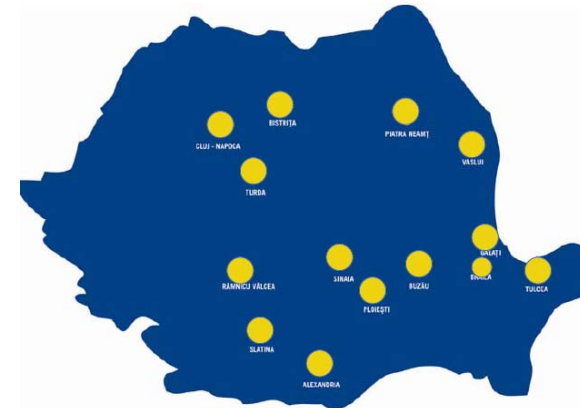
Escluding RGD Portfolio

Freehold Properties in Italy



| | NUMBERS | VALUE | OCCUPANCY | YIELD |
|----------------|---------|-------|-----------|-------|
| SHOPPING MALLS | 10 | 530.3 | 97.14% | 5.96% |
| HYPERMARKET | 14 | 391.2 | 100% | 6.37% |
| LAND | 3 | 29.5 | | |
| OTHER | 3 | 4.546 | | |

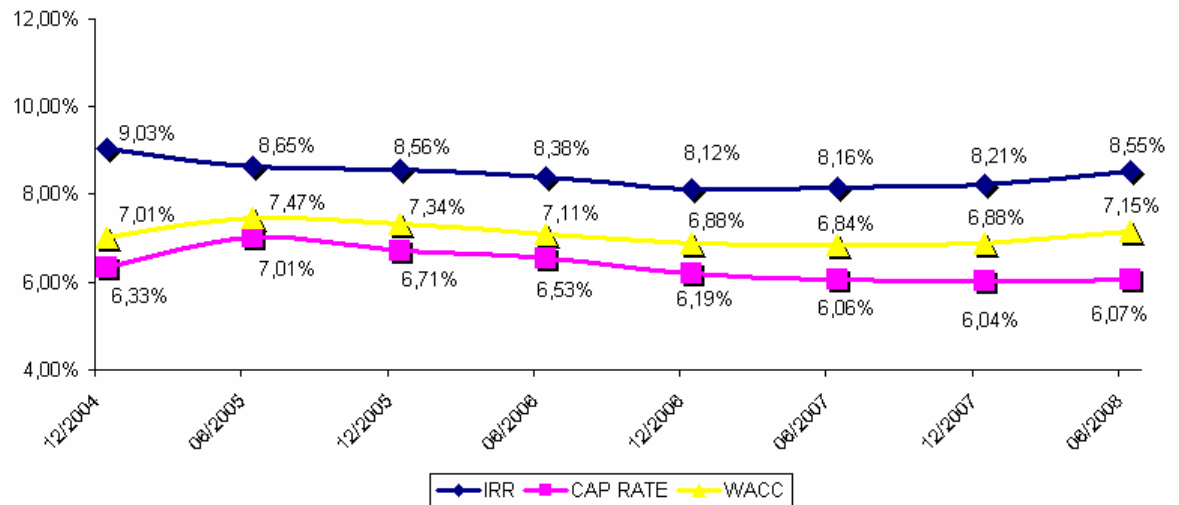
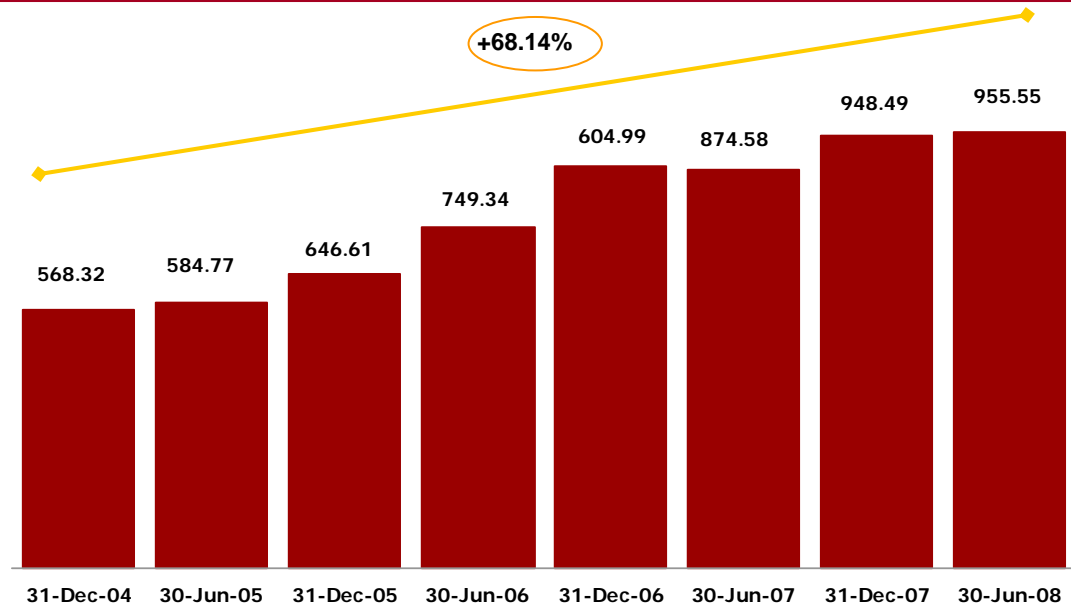
Freehold Properties in Romania



| | NUMBERS | VALUE | YIELD |
|----------------|---------|-------|-------|
| SHOPPING MALLS | 15 | 200.1 | 9.81% |
| OTHER | 1 | 4.1 | 9.13% |

Market Value

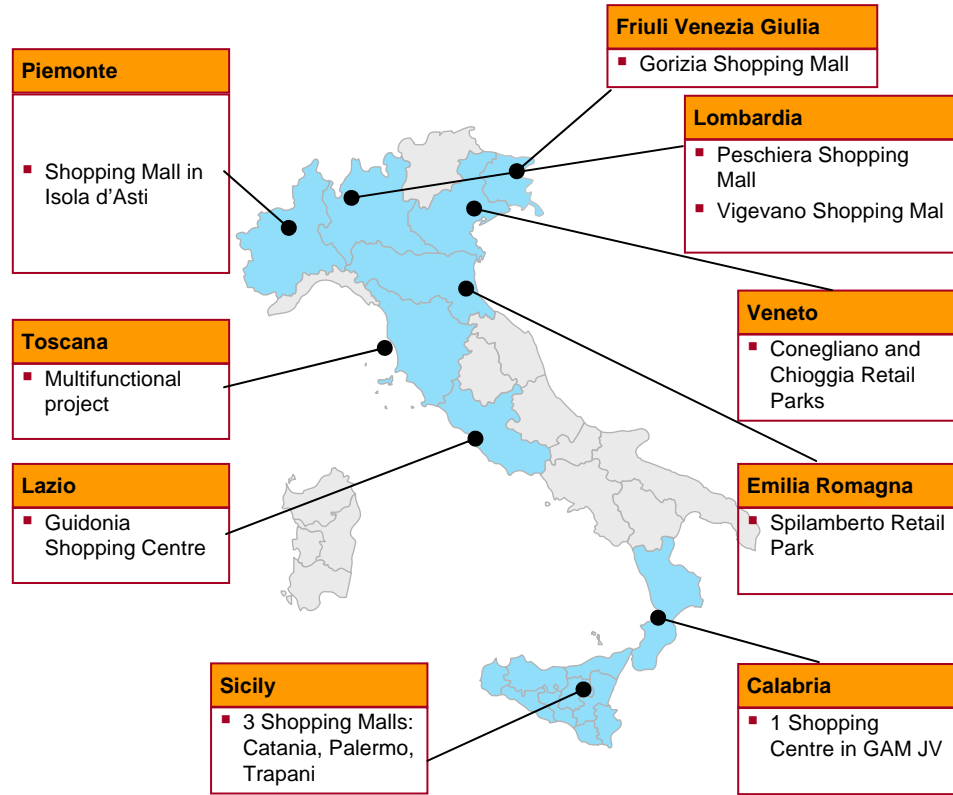
- Market value of Igd freehold properties is **€1,259.01 m** as of 30 June 08 including 50% of Rgd Assets and Porta Medicea's investment € 18.4 m (book value)
- After a strong mkt value increase experienced in 2006 and 2007, in 1H '08 stable mkt values mirror stable cap rates
- LFL growth in 1 H '08 of **0.72%**
- Stable cap rate** – 6.07% vs. 6.04% as at Dec 2007 – prove that quality assets in attractive markets and locations can boast stable values
- Increase WACC** – 7.15% vs. 6.88% as at Dec 2007 – due to growth interest rates
- IRR increasing** from 8.21% to 8.55% over the last six months of 2008 reflect improvements in marginality



NB: IRR, CAP RATE, WACC sono stati calcolati escluso Romania


Opportunities to make the best out of the secured pipeline

Preliminary agreements and Work-in-Progress



| PROJECT | OPENING | NOTE |
|---------------|---------|---------------------|
| GUIDONIA | 2H'08 | |
| ISOLA D'ASTI | 1H'09 | |
| CATANIA | 1H'09 | |
| PALERMO | 2010 | |
| TRAPANI | 2010 | UNDER RE-ASSESSMENT |
| VIBO VALENTIA | 2010 | |
| SPILAMBERTO | 2010 | UNDER RE-ASSESSMENT |
| CONEGLIANO | 2010 | |
| CHIOGGIA | 2013 | |
| PESCHIERA | 2010 | UNDER RENEGOTIATION |
| GORIZIA | 2011 | |
| LIVORNO | 2012 | |

WINMARKT – Encouraging early results

- 2-month revenues amounted to €3.46mn  FY08 targeted revenues of €19,38mn likely to be exceeded
- Strong performance at EBITDA margin: 87.04%
- High level of rents cashed-in at the end of each month: 97.8% in July

NEXT STEPS

We are presently analysing markets in any single city

BoD will examine those results and approve new strategic guidelines at the end of December

We will present a detailed business plan on the Winmarkt portfolio in January 2009

Romania strenghts

Euro adoption planned in 2014

Economic growth

Inflation

National Debt

Reference rate

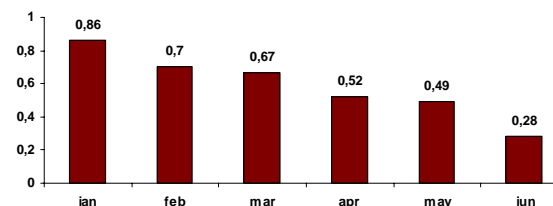
adoption in 2014

7.5% avg GDP growth Q1'08

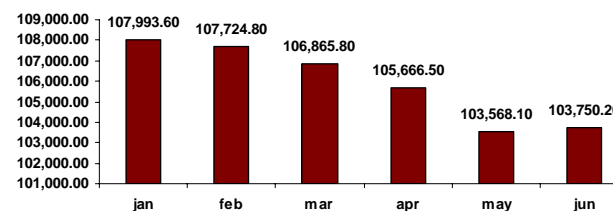
Pro-capite GDP from €5,600 in 2007 to €10,000 in 2008

6.7% estimates 2008 higher than UE CPI

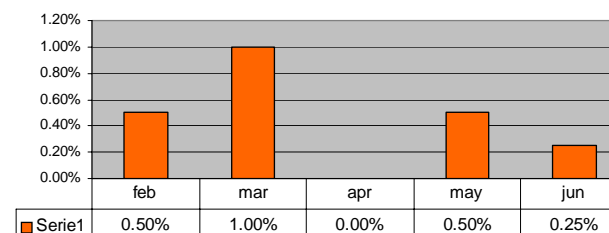
MONTHLY CHANGE OF INFLATION



Monthly monetary balance sheet of BNR (mln LEI)

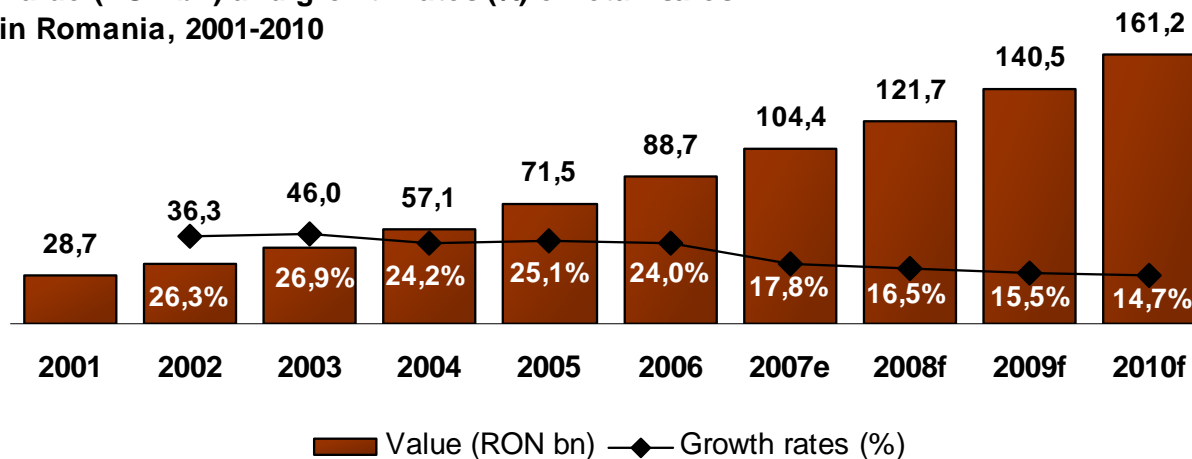


Change in BNR Reference rate



Romania strenghts

Value (RON bn) and growth rates (%) of retail sales in Romania, 2001-2010



e - estimate

f - forecasts

Source: INS, PMR Publications, 2008

www.pmrpublications.com

Appendices

A&L

| €MLN | 1 H '08 | FY '07 | CHANGES | % |
|---------------------------------------|-----------------|-----------------|---------------|---------------|
| Net invested capital | 1.233,38 | 996,28 | 237,10 | 23,80% |
| Net working capital | 198,62 | 168,15 | 30,47 | 18,12% |
| CCN | 33,85 | 21,56 | 12,29 | 57,02% |
| Long term receivables/(liabilities) - | 114,17 - | 103,19 - | 10,97 | 10,63% |
| NET INVESTED CAPITAL | 1.351,68 | 1.082,79 | 268,89 | 24,83% |
| Net financial position | 604,99 | 341,62 | 263,37 | 77,09% |
| Net Equity | 746,69 | 741,17 | 5,52 | 0,75% |
| NET FUNDING | 1.351,68 | 1.082,79 | 268,89 | 24,83% |

P&L

| €MLN | 1 H '08 | 1 H '07 | CHANGES | % |
|-----------------------------|--------------|--------------|---------------|----------------|
| Freehold rents | 34,47 | 26,36 | 8,11 | 30,77% |
| Leashold rents | 5,56 | 6,45 | -0,89 | -13,80% |
| Services revenues | 2,13 | 1,42 | 0,71 | 50,00% |
| Others revenues | 0,03 | 0,00 | 0,03 | 0,00% |
| TOTAL REVENUES | 42,19 | 34,23 | 7,96 | 23,25% |
| Direct Cost | -10,25 | -8,52 | -1,73 | 20,31% |
| G&A | -4,06 | -2,77 | -1,29 | 46,57% |
| EBITDA | 27,88 | 22,94 | 4,94 | 21,53% |
| D&A | -0,20 | -0,15 | -0,05 | 33,33% |
| Plus/(minus) fair value | 8,09 | 24,51 | -16,42 | -66,99% |
| EBIT | 35,77 | 47,30 | -16,47 | -34,82% |
| Financials (charges)/income | -11,57 | -6,83 | -4,74 | 69,40% |
| PBT | 24,20 | 40,47 | -21,21 | -52,41% |
| Taxes | 10,02 | -16,42 | 26,44 | -161,02% |
| NET PROFIT | 34,22 | 24,05 | 5,23 | 21,75% |

Shareholders (June 2008)

