



1H06 Financial Results

Bologna
September, 27th 2006

Agenda

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➤ INVESTMENTS

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1H 2006 SNAPSHOTS

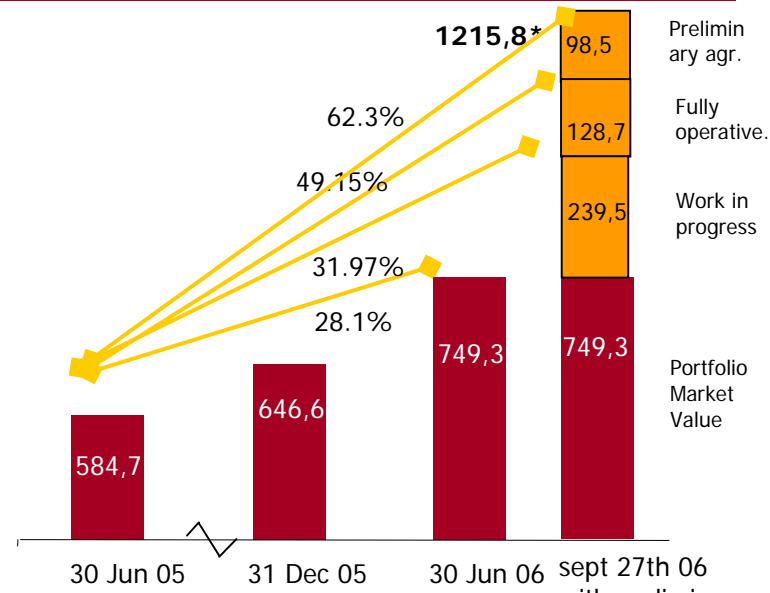
1H2006 Financial Highlights

IGD's 1H06 Highlights

- Total Revenues € 28,5 mln **+9.6%**
- EBITDA € 18,3 mln **+ 10.3%**
- EBIT € 57,7 mln **+88.5%**
- Net Profit €32,8 mln **+84.7%**

- Market Value €749,3 mln **+15.9%**
(New CBRE appraisal)

Igd's Properties fair value and capex value of acquisition made since IPO(€ m)



* Preliminary agreement and works in progress are capex value

INVESTMENTS

Investments

1H06 Investments

■ Catania Shopping Mall in (Gravina)

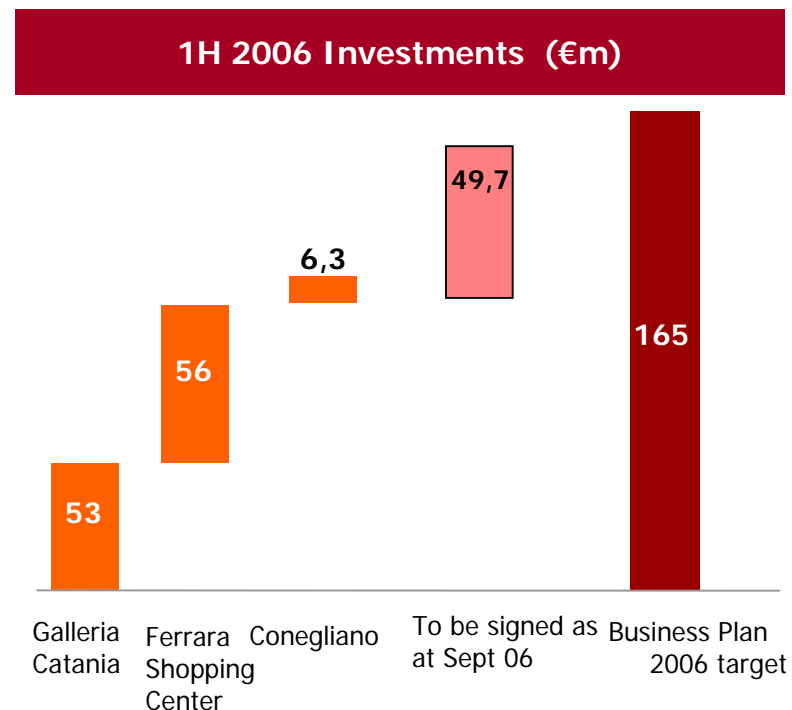
- On January 12th a preliminary agreement for the construction of a shopping mall in a prestigious zone (Gravina) of Catania was bought for € 53 m;
- 1Q07 expected beginning of works
- Since IPO, it's the second investment in Sicily one of the most underretailed market in Italy

■ Darsena City Shopping Centre in Ferrara:

- On May 15th a fully operative Shopping Centre in the historic city centre of Ferrara was bought for € 56 m
- The price includes the preliminary agreements for the acquisition of a future enlargement

■ Plot of land in Conegliano

- On June 6th a plot of land was acquired for € 6.3 m
- The acquisition completes the project for the realization of a Retail Park: the land will host big boxes while the one bought in October will host a Shopping Centre and a common car park



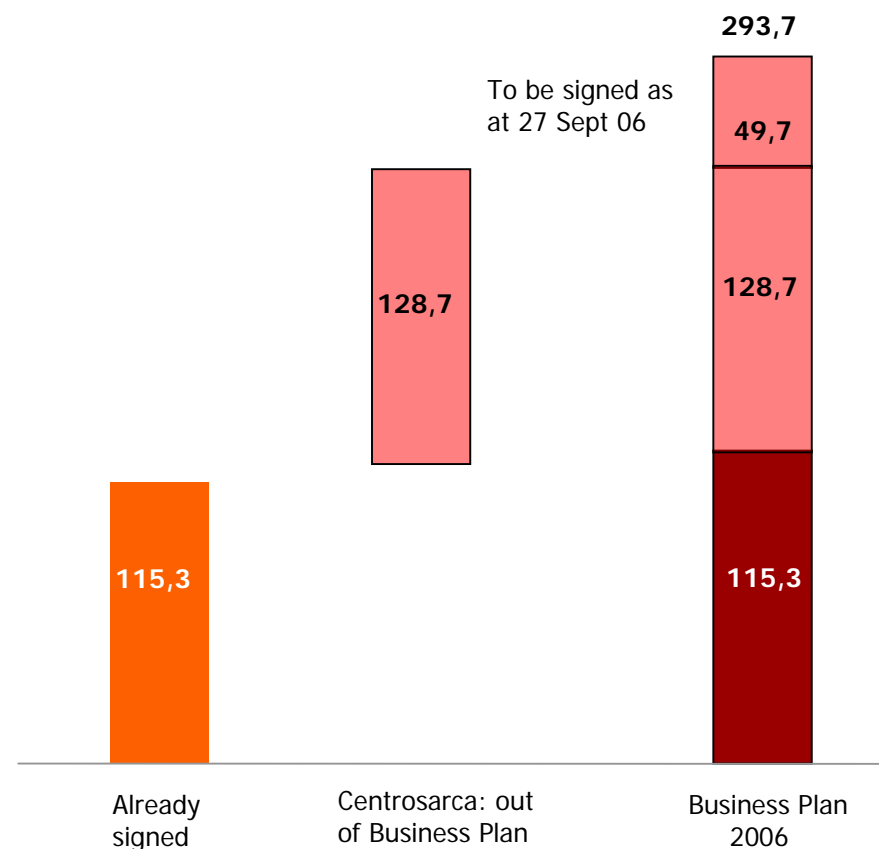
Investments

Investments undertaken after 1H06

■ Centrosarca Shopping Mall (Milan)

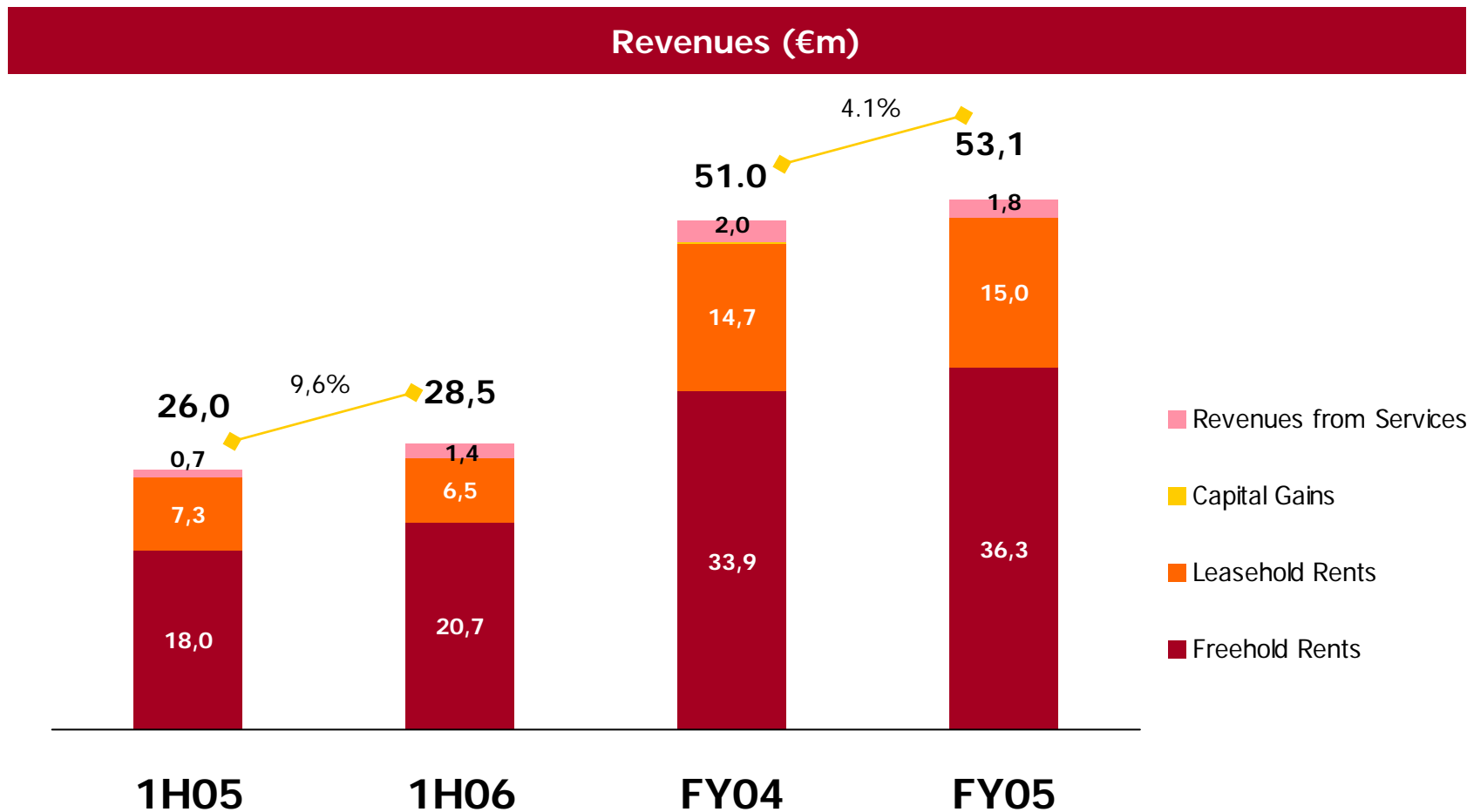
- On July 26th a shopping mall hosting 80 shops, 7 of which medium size surfaces, was bought for € 128.75 mln and it was not included in the € 810 mln business plan:
- Coop Lombardia sold to Igd instead of national and international competitors for:
 - Igd investment and management skills;
 - Igd and Coop system relationship.
- A very strategic investment:
 - Coop Lombardia
 - Milan Market
 - High increase in shops managed by Gescom (critical mass)

2H 2006 Investments (€m)



1H 2006 FINANCIALS

Revenue growth and breakdown

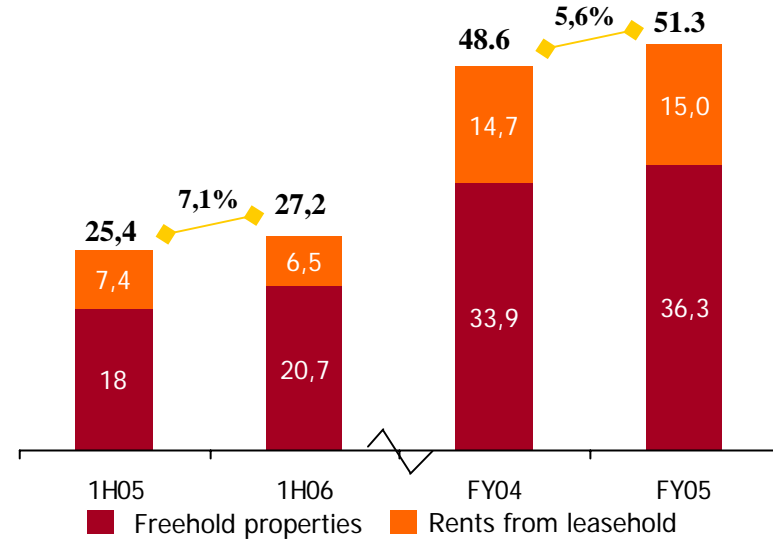


Existing Portfolio

Property management

- Revenues from **freehold properties** increased of 14,98%
- Revenues from **leasehold properties** decreased of 12,19%

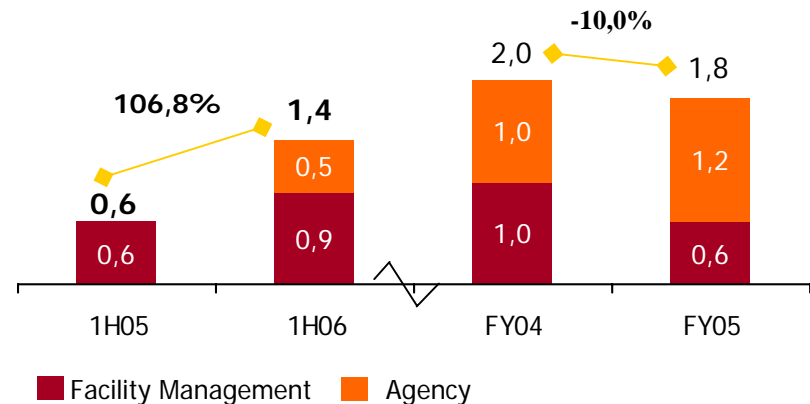
Total gross rents revenues (€ m)



Service activity

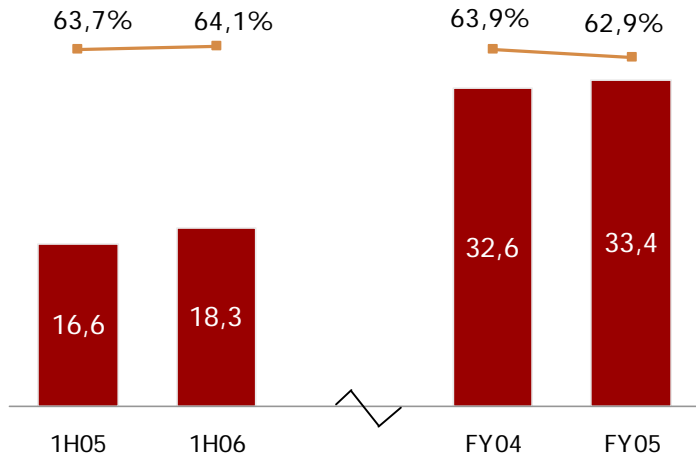
- Revenues from **facility management** increased of 39,26%
- Revenues from **agency** are mostly due to *Minganti Shopping Centre*

Real estate service revenues (€ m)

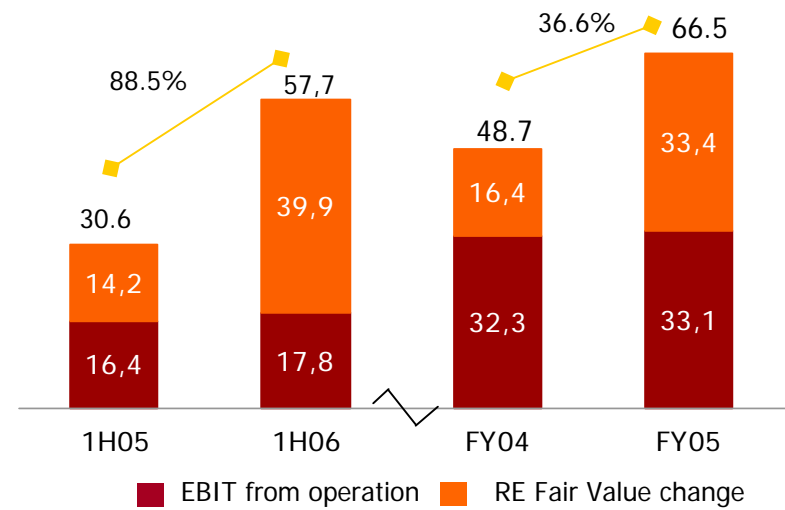


EBITDA and EBIT Trend

EBITDA (€m) and EBITDA margin (%)

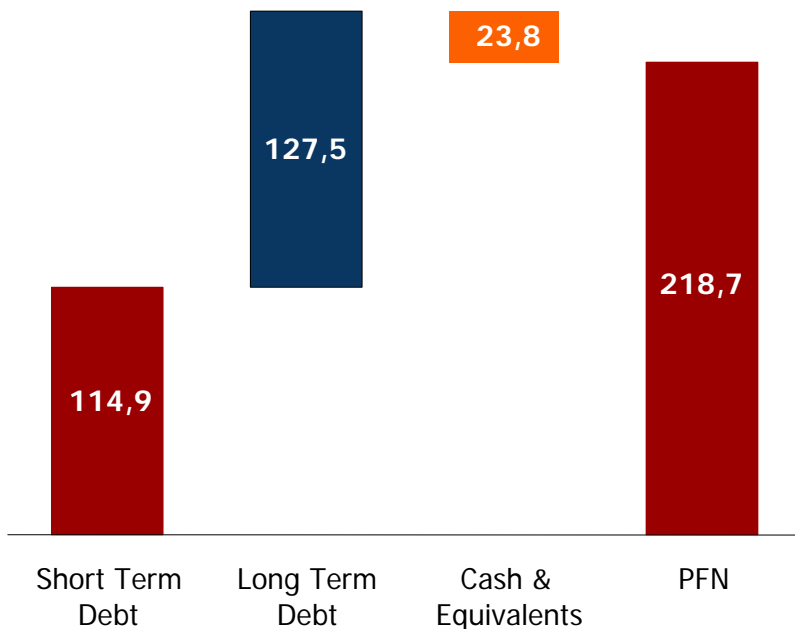


EBIT (€m)

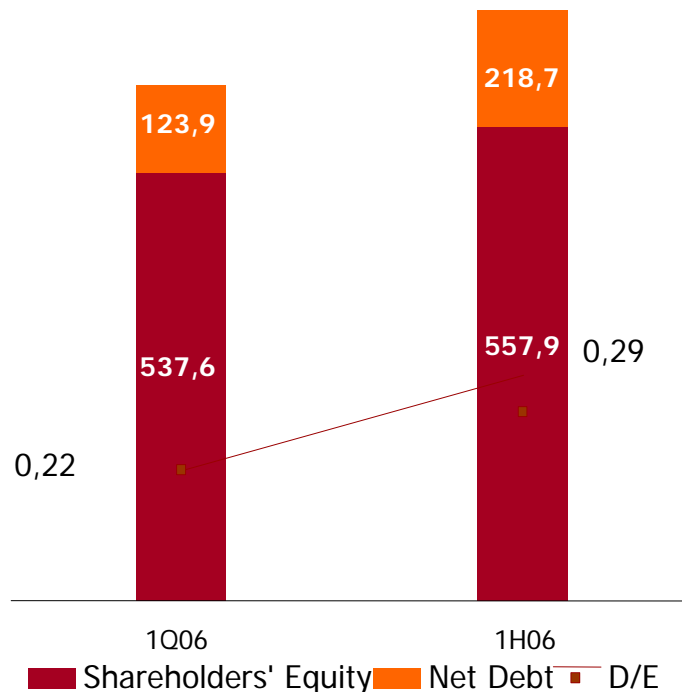


Capital Structure

Net Debt – 30 June 2006 (€m)



Total Capitalisation (€m)



Interest Expense

- 100% long term debt is hedged with Interest Rate Swaps at a fixed average rate of 3.59%
- Short term debt is due to new investment financing while waiting to convert it into long term debt
- On August Rimini long term financing was undertaken:
 - Cost: Euribor + 0,4%
 - IRS hedge: 3,84%

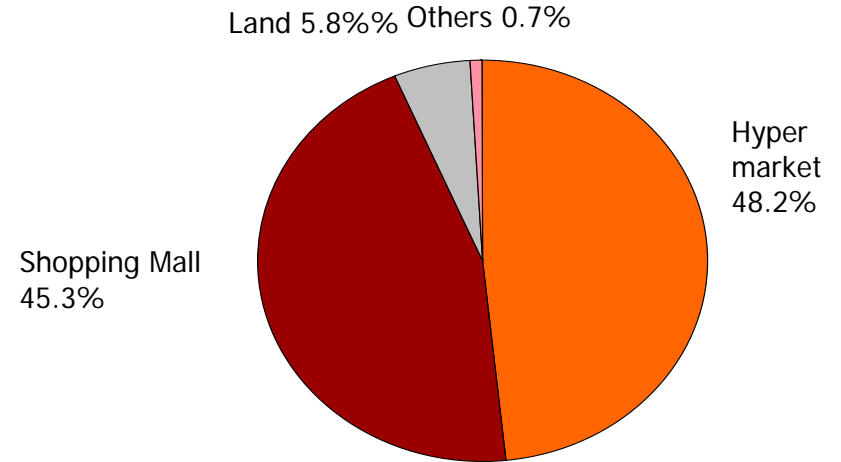
Tax Impact

- low impact** of the new law as:
 - 1% on rents (0,5% paid by tenants)
 - 4% Imposta di registro e catastale (indirect) tax on new acquisition with low impact
 - Normally IGD buys companies
 - IGD manages its properties so the effect can be spread over a long period

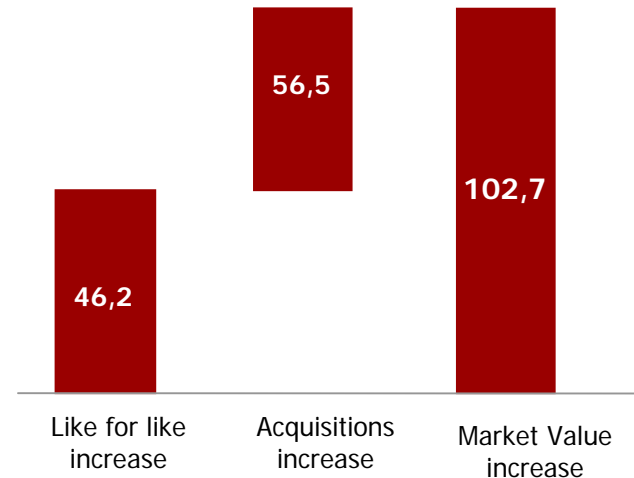
Increase in Portfolio Value

- **Market value** of IGD freehold properties is € **749.3 m** as of June 06 (CB Richard Ellis)
- 1H change in fair value was affected by:
 - **Exit Cap Rates decrease**
 - improvements of the existing portfolio
 - market trend
 - **Acquisition of a hypermarket in Ferrara**

Igd's Freehold Properties fair value (€ m) breakdown



Igd's Market Value increase breakdown



NAV as of June 30 2006

Double Net NAV per Share (€)

Total Portfolio market value - 30 June 2006	749,3
Total Portfolio book value	712,9
Embedded capital gain	36,4
Shareholders' Equity	557,9
NAV	594,3
Estimated Tax on capital gain (37.25%)	-13,6
Net NAV	580,8
Net NAV / share	2,06

- Net NAV includes both direct and indirect costs
- Net NAV includes taxes
- NAV per share increased as a consequence of the new portfolio appraisal

Appendices

Centrosarca – Out of Business Plan Shopping Mall Acquisition

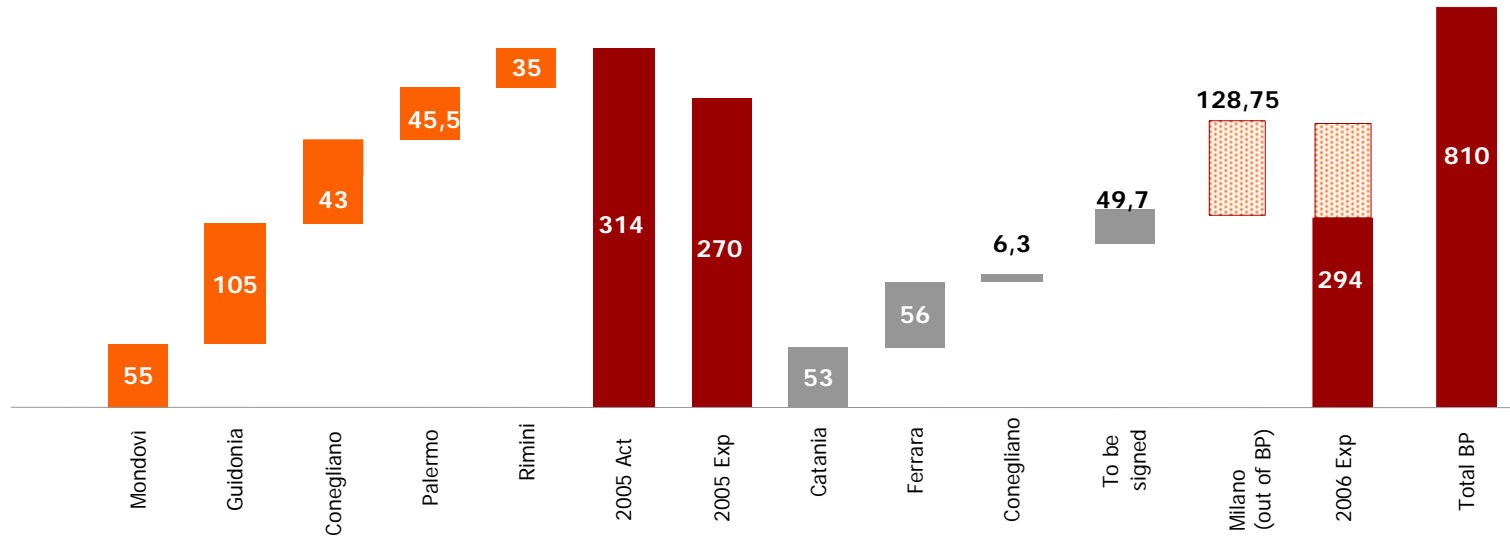


Centrosarca – Out of Business Plan Shopping Mall Acquisition

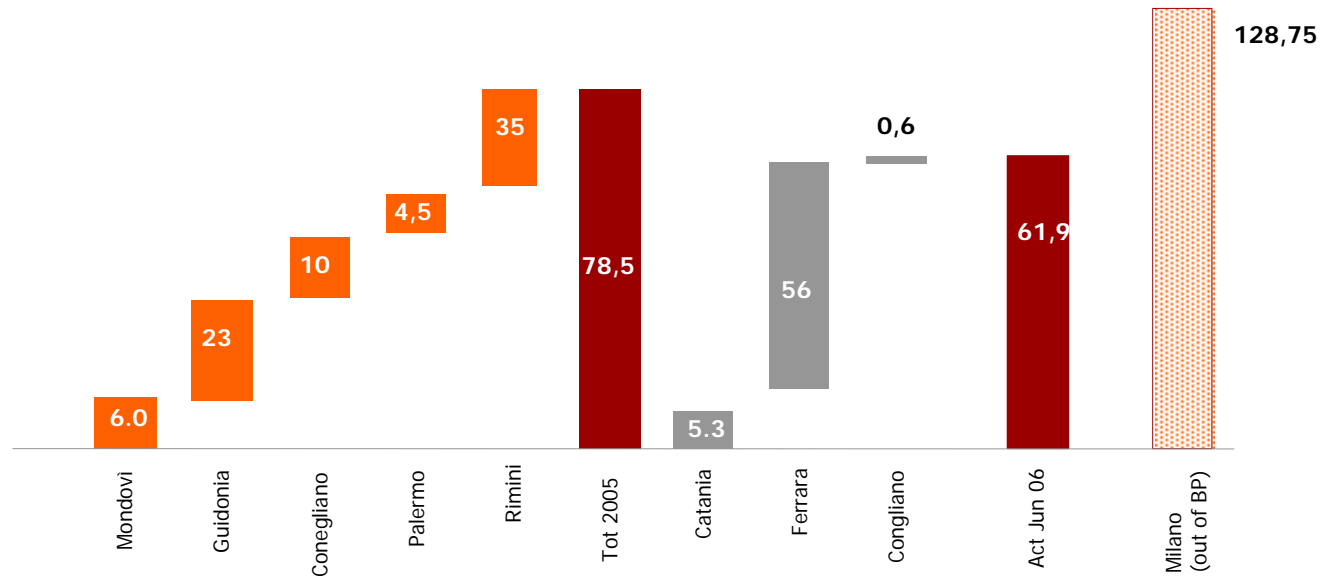
- Acquired the **Shopping Mall** in **Milan** from Coop Lombardia thanks to the relationship with Coop System
- The shopping centre is located in the city of Milan with a strong potential in terms of clients situated in a zone with an high concentration of inhabitants
- 8,000 sqm Hypermarket (Coop Lombardia) surface, 22,270 sqm of **GLA**
- **73 shops, and 7 medium size surface shops**
- **Investment** of € **128,75** million.
- Totally financed through Debt
- **Out of Business Plan** investment which foresees an € 810 m capex in 2005-2008 period

Achievements and relative cashout

Signed Agreements (€ m)



Cash-out on signed Agreements (€ m)



Consolidated Balance Sheet

€ m	1H06	FY05
Intangible Assets	2,6	2,9
Tangible Assets	775,4	661,5
Total Assets	778,0	664,4
Inventories	25,8	14,0
Receivables	5,4	7,7
Other receivables	17	13,1
Payables	(7,4)	(10,0)
Other Payables	(3,7)	(26,6)
Net Working Capital	37,10	(1,8)
Long term payables	(38,6)	(18,8)
Invested Capital	776,5	643,8
<i>Funded by:</i>		
Shareholder's Equity	557,9	527,2
Cash & Cash Equivalents	23,8	61,0
ST Financial Debt	(114,9)	(37,8)
LT Financial Debt	(127,5)	(139,8)
NFP	(218,6)	(116,6)
Total Funding	776,5	643,8

Consolidated Income Statement

€ m	1H05	2H06	Var %	FY05
Freehold rents	18,0	20,7	15,0%	36,3
Leasehold rents	7,4	6,5	-12,2%	15,0
Revenues from services	0,7	1,4	106,9%	1,8
Total Revenues	26,0	28,5	9,6%	53,1
Direct costs	(8,0)	(8,0)	-0,9%	(16,6)
<i>of which passive rents</i>	<i>(6,5)</i>	<i>(6,0)</i>	<i>-8,3%</i>	<i>(13,2)</i>
SG&A	(1,4)	(2,3)	60,6%	(3,3)
EBITDA	16,6	18,3	10,3%	33,2
EBITDA %	63,71%	64,14%		62,5%
Depreciation	(0,2)	(0,5)	233,1%	(0,3)
Fair Value Change	14,18	39,9	181,5%	33,4
EBIT	30,6	57,7	88,5%	66,3
Net Financial Income/(charges)	(2,0)	(2,5)	27,0%	(3,8)
Profit Before Tax	28,6	55,2	92,8%	62,5
Net Profit	17,7	32,8	85,1%	62,5