



IMMOBILIARE GRANDE DISTRIBUZIONE SOCIETÀ DI INVESTIMENTO IMMOBILIARE QUOTATA S.P.A.

Registered office: Via Agro Pontino 13, Ravenna

Headquarters: Via Trattati Comunitari Europei 1957-2007, n. 13, Bologna

Share capital fully subscribed and paid-in: EUR 599,760,278.16

comprising n. 813,045,631 ordinary shares

Ravenna Companies Register and tax identification no. 00397420399

Ravenna Chamber of Commerce (R.E.A.) no.: 88573

Company subject to the direction and control of Coop Alleanza 3.0 Soc. Coop.

EXTRAORDINARY ANNUAL GENERAL MEETING OF IGD SIIQ S.P.A.
12 - 13 APRIL 2017

EXPLANATORY NOTES ON THE ITEMS OF THE AGENDA PREPARED BY THE BOARD OF DIRECTORS
IN ACCORDANCE WITH ARTICLES 125-*TER* OF LEGISLATIVE DECREE N. 58/1998 AS WELL AS ART. 73
OF THE CONSOB REGULATION ADOPTED BY RESOLUTION N. 11971/1999

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1. Proposals to amend articles 4 and 6 of the Corporate By-laws; related and consequent resolutions;

Dear Shareholders,

you were called to an extraordinary general meeting to resolve on the proposed amendments to the corporate by-laws in order to: (i) clarify the corporate purpose defined in article 4 by including express reference to retail activities; and (ii) renew, after revoking the prior authorization granted during the extraordinary Annual General Meeting held on 19 April 2012, the power granted to the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, to increase share capital, on one or more occasions, against payment and in divisible form, by up to a maximum of 10% of the company's pre-existing share capital, excluding pre-emption rights pursuant to art. 2441, paragraph 4.2 of the Italian Civil Code, and, subsequently, amend art. 6 of the corporate by-laws.

The proposed amendments to the corporate by-laws submitted to the shareholders for approval are described below.

SECTION II – COMPANY PURPOSE

Art. 4

When applying for the authorization to carry out retail activities in the Company's freehold centers one municipal administration gave instructions that a clarification should be included in the company purpose, as defined in art. 4.1 of IGD's by-laws, specifying that the "management of companies and public concerns " also includes "retail activities".

While we retain that this business already falls within the scope of the current definition of the company purpose, in order to fully cooperate with the public administration, we propose to include the above mentioned change in art. 4.1 of the corporate by-laws as follows:

CURRENT TEXT	PROPOSED TEXT
<p style="text-align: center;">Article 4</p> <p>4.1 The Company's sole purpose is any activity or operation in the real estate sector, on its own or third parties' behalf, including but not limited to the purchase, sale, swap, construction, renovation and restoration, management and administration of properties for any use or purpose including through the assumption and/or assignment of contracts or concessions; the development of initiatives in the real estate sector; the submission of bids in national or international calls for tenders; and the establishment, purchase, sale, swap, and cancellation of real estate rights; this excludes real estate agency and brokerage activities and the trading or operation of businesses or commercial concerns.</p> <p><i>(Omissis)</i></p>	<p style="text-align: center;">Article 4</p> <p>4.1 The Company's sole purpose is any activity or operation in the real estate sector, on its own or third parties' behalf, including but not limited to the purchase, sale, swap, construction, renovation and restoration, management and administration of properties for any use or purpose including through the assumption and/or assignment of contracts or concessions; the development of initiatives in the real estate sector; the submission of bids in national or international calls for tenders; and the establishment, purchase, sale, swap, and cancellation of real estate rights; this excludes real estate agency and brokerage activities and the trading or operation of businesses or commercial, including retail activities.</p> <p><i>(Omissis)</i></p>

Please note that the above amendment to the by-laws does not constitute a significant change to the Company's activities and, therefore, no withdrawal rights will be granted to shareholders who do not vote in favour of the above amendment as described in this report.

SECTION III – SHARE CAPITAL, SHARES, BONDS

Art. 6

We propose an amendment to art. 6 of the corporate by-laws in order to renew, pursuant to art. 2443 of the Italian Civil Code and after revoking the authorization granted to the Board of Directors on 19 April 2012 which will expire on 19 April 2017, the power to increase share capital, on one or more occasions, against payment and in divisible form, by up to a maximum of 10% of the company's pre-existing share capital, for a period of up to five years as from the date of the shareholders' resolution and, at any rate, by 12 April 2022, reserved for parties to be identified by the Board of Directors (including Italian or foreign qualified and/or industrial and/or financial investors or shareholders of the Company), excluding pre-emption rights pursuant to Art. 2441, fourth paragraph, second sentence, of the Italian Civil Code, provided that the issue

price corresponds to the shares’ market value and this is confirmed in a report prepared specifically by the external auditors.

The power so granted will allow for greater flexibility in the Company’s capital market transactions, with advantages in terms of speed and efficiency as it will no longer be necessary to convene a Shareholders’ Meeting each time a transaction takes place.

In light of the above we propose, therefore, to amend art. 6 of the corporate by-laws as follows:

CURRENT TEXT	PROPOSED TEXT
<p>Article 6</p> <p>6.1 The share capital is EUR 599,760,278.16 (five hundred ninety-nine million, seven hundred sixty thousand, two hundred seventy-eight and sixteen hundredths), represented by 813,045,631 (eight hundred thirteen million, forty -five thousand, six hundred thirty-one) ordinary shares without a stated par value.</p> <p><i>(Omissis)</i></p> <p>6.4 Pursuant to Article 2443 of the Italian Civil Code, by April 19, 2017 the Board of Directors may increase the share capital, for cash, in a divisible manner, on one or more occasions, by up to 10% of the pre-existing share capital, reserved for parties to be identified by the Board of Directors – including Italian or foreign qualified and/or industrial and/or financial investors or shareholders of the Company - excluding pre-emption rights pursuant to Art. 2441, fourth paragraph, second sentence, of the Italian Civil Code, provided that the issue price corresponds to the shares’ market value and this is confirmed in a</p>	<p>Article 6</p> <p>Unchanged</p> <p>(Omissis)</p> <p>6.4 Pursuant to Article 2443 of the Italian Civil Code, by April 19, 2017 the Board of Directors may increase the share capital, for cash, in a divisible manner, on one or more occasions, by up to 10% of the pre-existing share capital, reserved for parties to be identified by the Board of Directors – including Italian or foreign qualified and/or industrial and/or financial investors or shareholders of the Company - excluding pre-emption rights pursuant to Art. 2441, fourth paragraph, second sentence, of the Italian Civil Code, provided that the issue price corresponds to the</p>

<p>report prepared specifically by the external auditors</p>	<p>shares' market value and this is confirmed in a report prepared specifically by the external auditors.</p> <p>6.4 Pursuant to Article 2443 of the Italian Civil Code, by April 12, 2022 the Board of Directors may increase the share capital, for cash, in a divisible manner, on one or more occasions, by up to 10% of the pre-existing share capital, reserved for parties to be identified by the Board of Directors – including Italian or foreign qualified and/or industrial and/or financial investors or shareholders of the Company - excluding pre-emption rights pursuant to Art. 2441, fourth paragraph, second sentence, of the Italian Civil Code, provided that the issue price corresponds to the shares' market value and this is confirmed in a report prepared specifically by the external auditors.</p>
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Please note that no withdrawal rights will be granted to shareholders who do not vote in favor of the above amendment as described in this Report.

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In the light of the above, the Board of Directors submits the following proposal to you for approval

Proposal

“The extraordinary Annual General Meeting of IGD SIIQ S.p.A., having examined the Board of Directors' report on the proposed amendments of articles 4 and 6 of the corporate by-laws resolves

1. *to amend article 4 of the corporate by-laws as follows: “4.1 The Company's sole purpose is any activity or operation in the real estate sector, on its own or third parties' behalf, including but not limited to the purchase, sale, swap, construction, renovation and restoration, management and administration of properties for any use or purpose including through the assumption and/or*

assignment of contracts or concessions; the development of initiatives in the real estate sector; the submission of bids in national or international calls for tenders; and the establishment, purchase, sale, swap, and cancellation of real estate rights; this excludes real estate agency and brokerage activities and the trading or operation of businesses or commercial, including retail activities”.

2. *to revoke the authorization to increase share capital pursuant to art. 2443 of the Italian Civil Code granted on 19 April 2012;*
3. *to grant the Board of Directors the power to increase share capital, on one or more occasions, against payment and in divisible form, by up to a maximum of 10% of the company's pre-existing share capital, by 12 April 2022, reserved for parties to be identified by the Board of Directors (including Italian or foreign qualified and/or industrial and/or financial investors or shareholders of the Company), excluding pre-emption rights pursuant to Art. 2441, fourth paragraph, second sentence, of the Italian Civil Code, provided that the issue price corresponds to the shares' market value and this is confirmed in a report prepared specifically by the external auditors*
4. *to amend article 6 of the corporate by-laws as follows: “6.4 Pursuant to Article 2443 of the Italian Civil Code, by April 12, 2022 the Board of Directors may increase the share capital, for cash, in a divisible manner, on one or more occasions, by up to 10% of the pre-existing share capital, reserved for parties to be identified by the Board of Directors – including Italian or foreign qualified and/or industrial and/or financial investors or shareholders of the Company - excluding pre-emption rights pursuant to Art. 2441, fourth paragraph, second sentence, of the Italian Civil Code, provided that the issue price corresponds to the shares' market value and this is confirmed in a report prepared specifically by the external auditors.”*
5. *To grant the Board of Directors – and, on its behalf the Chairman and the Chief Executive Officer, including separately amongst themselves – the amplest of powers needed to execute, including through delegates, any and all other acts necessary to or useful in the implementation of the above resolutions, including in order to comply with requests received from the authorities, as well as complete the formalities needed to register the resolutions in the Corporate Registry”.*

Bologna, 28 February 2017

On behalf of the Board of Directors
The Chairman

Gilberto Coffari