**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 approved: EUR 405,015,558.69

Share capital fully subscribed and paid-in: EUR 322,545,915.08

B into n. 330,025,283 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 Adriatica S.c.a.r.l.

ANNUAL GENERAL MEETING OF IGD SIIQ S.P.A.
18 APRIL 2013, 10:00 A.M. IN FIRST CALL
AT THE HEADQUARTERS OF IGD SIIQ S.P.A. IN BOLOGNA, VIA TRATTATI COMUNITARI EUROPEI 1957-2007 N.13,
AND, IN SECOND CALL, ON 19 APRIL 2013, SAME PLACE AND TIME

**REPORT OF THE BOARD OF DIRECTORS FOR THE ORDINARY GENERAL MEETING OF IGD SIIQ S.P.A.**

**PREPARED BY THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLES 125-*TER* AND 154-*TER* OF LEGISLATIVE DECREE N. 58/1998 AS WELL AS ART. 73 OF THE CONSOB REGULATION ADOPTED IN RESOLUTION N. 11971/1999**

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## AGENDA OF THE ORDINARY GENERAL MEETING

1. Separate financial statements at 31.12.2012; Directors' report on operations; External auditors' report; Report of the Board of Statutory Auditors; Presentation of the consolidated financial statements at 31.12.2012; Allocation of the dividend to Shareholders; Report on compensation in accordance with Art. 123-*ter*, paragraph 6, of Legislative Decree n. 58/98; related and consequent resolutions;
2. Authorization to buy and sell treasury shares; related and consequent resolutions;
3. Granting of the statutory audit assignment for 2013-2021 and determination of the remuneration.

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Item 1 of the Agenda of the Ordinary General Meeting - Separate financial statements for the year ended 31 December 2012; Directors' report on operations; External auditors' report; Report of the Board of Statutory Auditors; Presentation of the consolidated financial statements for the year ended 31 December 2012; Allocation of the dividend to Shareholders; Remuneration report pursuant to 123-*ter*, paragraph 6, of Legislative Decree 58/98; related and consequent resolutions.

Dear Shareholders,

The separate financial statements for the year ended on 31 December 2012 which are being submitted to you for your approval show a net profit of €10.5 million.

Total revenue amounted to €89.9 million, an increase of 2.6% with respect to the €87.7 million posted in the prior year, due primarily to the new acquisitions made in 2011.

EBIT amounted to €43.2 million which, net of the change in fair value and write-downs of assets under construction, came in at €66.7 million, down with respect to 2011 explained primarily by the introduction of IMU.

The IGD Group's total operating revenue at 31 December 2012 amounted to €123.3 million, an increase of 0.3% with respect to the €122.9 million posted in 2011, due to the absence, with respect to 2011, of the trading revenue generated by the Porta a Mare project. Core business revenue reached €123.3 million, a rise of 1.7% with respect to the €121.2 million recorded in 2011. More in detail, rental income at 31 December 2012 was up by 1.9% with respect to 2011, thanks primarily to the acquisitions made in the prior year which contributed for the entire year in 2012 (acquisitions include the remaining two floors of the office building already owned by the Group and where its headquarters are located, the "City Center" building found on Via Rizzoli in Bologna and the hypermarkets in Conegliano and Palermo).

Total EBITDA in 2012 amounted to €85.7 million, a decrease of 3.1% versus the €88.5 million posted in the prior year. The IGD Group's core business EBITDA at 31 December 2012 amounted to €85.8 million, a decrease of 2.6% with respect to the €88.1 million recorded at 31 December 2011.

Direct costs, pertaining to the core business and including personnel expenses, amounted to €27.7 million at 31 December 2012, a rise of 17.9% with respect to the prior year. This increase is primarily attributable to the increase in costs relating to IMU, as well as the increase in provisions for doubtful accounts, condominium fees and routine maintenance; as a percentage of revenue direct costs came in at 22.5%.

General expenses for the core business, including payroll costs at headquarters, amounted to €9.7 million, in line with the € 9.6 million posted at 31 December 2011 and stable as a percentage of revenue at 7.9%.

The EBITDA margin for the core business amounted to 69.6%, down with respect to 2011, when it was 72.7%, due to the more proportional increase in direct costs with respect to revenue. The IGD Group's EBIT at 31 December 2012 amounted to €53.4 million, a decrease of 27.3% with respect to the €73.5 million recorded at 31 December 2011 due to the impact of property writedowns and fair value adjustments of €30.6 million. The Group's portion of net profit at 31 December 2012 amounted to €11.3 million, with respect to Euro 30.1 million posted in 2011. This result reflects the negative impact of the fair value adjustments and an increase in net financial charges explained primarily by an increase in the cost of capital. The Funds from Operations (FFO) rose from €42.6 million at 31 December 2011 to €35.9 million at 31 December 2012, a decrease of 15.7% attributable almost entirely to IMU and financial charges and core business.

In 2012 the gearing ratio was equal to 1.38 unchanged with respect to 31 December 2011; the IGD Group's net financial debt at 31 December 2012 amounted to €1,089.6 million, an improvement with respect to €1,094.4 million recorded at 31 December 2011.

**The Real Estate Portfolio at 31 December 2012**

Based on CB Richard Ellis's and Reag's independent appraisals, the market value at 31 December 2012 of the Igd Group's real estate portfolio reached €1,906.6 million, almost in line with the €1,924.6 million recorded at 31 December 2011, testimony to the stability of the valuations of the hypermarket segment (+0.15%) and the Romanian portfolio (-0.06%), including with the mall segment down by 2.51%. The market value of the IGD Group's portfolio in Italy at 31 December 2012 on a like-for-like basis was equal to € 1,576.6 with respect to 2011 (-1.55%), despite the negative impact on fair value of the introduction in December 2011 of a municipal property tax (*Imposta Municipale Unica sugli immobili* or IMU), while market value in Romania was basically unchanged (-0.06%).

The Board of Directors proposes to pay shareholders a dividend equal to €0.07 per ordinary outstanding IGD SIIQ SpA share, excluding the 10,976,592 treasury shares held by the Company. The dividend will be payable as of 23 May 2012, going ex-div on 20 May 2012. Pursuant to Art. 83-*terdecies* of Legislative Decree n.58 of 24 February 1998 n. 58, as amended, the shareholders of IGD based on the records of the intermediary, pursuant to Art. 83-*quater*, par. 3, of TUF at the end of the record date (22 May 2013) will be entitled to receive the dividend.

€1,018,999 will be allocated to the legal reserve pursuant to Art. 2430 of the Italian Civil Code.

The Company's Remuneration Report, prepared in accordance with Art. 123-*ter* of Legislative Decree 58/1998, will also be made available to the public prior to the Annual General Meeting called to approve the financial statements at 31 December 2012.

This report was approved by the Board of Directors on 28 February 2013, subject to approval by the Compensation Committee, and made available to the public in accordance with the law.

The first part of the remuneration report, submitted to the shareholders for approval, describes the Company's remuneration policy with respect to the directors, general managers and managers with strategic responsibilities, as well as the procedures used to adopt and implement this policy.

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

"*The shareholders of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.,*

- *having seen the Board of Directors' report on operations;*
- *having seen the Board of Statutory Auditors' report;*
- *having examined the Company's financial statements for the year ended 31 December 2012;*
- *having acknowledged the report prepared by the external auditors Reconta Ernst & Young S.p.A.;*
- *as the total maximum number of ordinary shares with dividend rights at the proposed ex-div date amounts to 330,025,283;*

*resolve*

1. *to approve the Board of Directors' report on operations and the financial statements of IGD SIIQ S.p.A. for the year ended 31 December 2012;*
2. *to approve the Board of Directors' proposal to allocate the profit for the year of €10,*526,329 *as follows:*
   a) *€526,316 to the legal reserve;*
   b) *€10,*000,013 *to the shareholders as dividend.*

   *The dividends to be distributed derive entirely from exempt operations and represent not less than 85% of the income generated by these operations in accordance with the norms and regulations governing the SIIQ regime.*

   *The Board of Directors also, in light of the fact that the writedowns of the real estate investments recognized in the year resulted in - pursuant to Art. 6, par. 3, of Legislative Decree n. 38 of 28 February 2005 – the reduction of the Fair Value Reserve by €9,853,651, proposes to allocate this amount:*

   c) *5% or €492,683 to the legal reserve*
   d) *€9,360,968 to the shareholders as a dividend per Euro 9.360.968*

   *In this instance, as well, the dividends to be distributed derive entirely from exempt operations (see*

*Chapter 6, Note 25, Net equity, of the notes to the accounts) and represent not less than 85% of the income generated by these operations in accordance with the norms and regulations governing the SIIQ regime.*

*Lastly, the Board of Directors propose to distribute the following to shareholders as dividends:*

*e) €2,972,427 using the reserve for retained earnings from exempt operations*

*Each outstanding share, excluding treasury shares, therefore, shall receive a dividend of €0.07 for a total of €22,333,408 (taking account of the accretion due as a result of the treasury shares held).*

*The dividend will be payable as of 23 May 2013, with shares going ex-div on 20 May 2013. In accordance with Art. 83-terdecies of Legislative Decree n.58 of 24 February 1998, the shareholders of IGD at the record date (22 May 2013) as per the records of the intermediary, pursuant to Art. 83-quater, par. 3 of Legislative Decree n.58 of 24 February 1998, will be entitled to receive the dividend.*

3. *to grant the Board of Directors – and on its behalf the Chairman and Chief Executive Officer – the power to determine the exact number of shares with dividend rights, the dividend amount paid to each outstanding share*;
4. *to approve the first part of the Remuneration Report adopted by the Board of Directors on 28 February 2013 pursuant to Art. 123-ter of Legislative Decree n. 58 dated 24 February 1998.*"

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Item 2 of the Agenda of the Ordinary General Meeting – Authorization to buy and sell treasury shares; related and consequent resolutions.

Dear Shareholders,

On 19 April 2012 shareholders granted the Board of Directors the authorization to buy and sell treasury shares pursuant to Art. 2357, second paragraph, of the Italian Civil Code. The authorization to purchase treasury shares was effective for eighteen months as from the date of the shareholder's resolution, while the authorization to dispose of treasury shares was without a time limit. The authorization to purchase treasury shares, therefore, will expire on 19 October 2013.

We propose that the shareholders renew the authorization granted the Board, revoking the authorization which is about to expire and granting a new authorization for a period of 18 months. The authorization we propose to grant to the Board will be in line with the one granted on 19 April 2012.

Reasons underlying the proposed authorization

The authorization to buy and sell treasury shares is deemed opportune in order to pursue the Company's aims as allowed by regulations and market practices recognized by Consob, which include:

i) trading and hedging transactions;

ii) to invest liquidity;

iii) to allow for the use of treasury shares in transactions related to current operations and business projects in accordance with the strategic guidelines pursued by the Company, in relation to which opportunities arise to exchange, swap, contribute or otherwise dispose of said shares.

Maximum number of shares subject to authorization

The share capital approved to date amounts to €405,015,558.69 of which €322,545,915.08 is subscribed and paid-in. The share capital is comprised of 330,025,283 ordinary shares without a stated par value.

In this regard, we propose that the shareholders authorize the purchase of treasury shares on one or more occasions of up to the maximum permitted by law.

The purchases may be made using distributable income and available reserves as of the last annual report approved.

The authorization includes the ability to dispose, including before the maximum amount has been purchased, and repurchase the shares held to the extent that the total treasury shares held by the Company does not exceed the limit established in this authorization.

Useful valuation information provided pursuant to Art. 2357, paragraph 3 of the Italian Civil Code.

As of the date of this report the Company holds 10,976,592 treasury shares or 3.33 % of the share capital. IGD SIIQ S.p.A.'s subsidiaries do not hold any shares in the Company. The subsidiaries are required to advise of any purchases made in a timely manner in accordance with and pursuant to Art. 2359-*bis* of the Italian Civil Code.

Duration of the authorization

The authorization to purchase treasury shares will be effective for eighteen months as from the date of the shareholder's resolution.

There is no time limit on the authorization to dispose of the shares.

Maximum and minimum prices

The purchases may be made at prices which comply with Art. 5, paragraph 1, of EC Regulation n. 2273/2003 of 22 December 2003. More in detail, based on this article the issuer may not acquire shares at a price that is greater than the highest between the last independent trade and last independent offer made on the stock exchange organized and managed by *Borsa Italiana S.p.A.*

The disposal of treasury shares, as part of cash transactions, may be made at a price that is not 90% lower than the stock's official closing price recorded during the last market session of the stock exchange organized and managed by *Borsa Italiana S.p.A.* prior to each single transaction. This parameter is deemed to adequately reflect when the sale is in the best interest of the Company.

In the event the treasury shares are part of exchanges, swaps, transfers or any other non-cash transaction, the economic terms and conditions of the transaction, including the valuation of the shares exchanged, will be determined on the basis of the type of transaction, as well as the market performance of IGD SIIQ S.p.A.'s shares.

Ways in which the purchases and the disposals will be made.

The purchase of treasury shares must be done in accordance with Art. 132 of Legislative Decree n. 58 dated 24 February 1998 ( "*Testo Unico della Finanz*a" or "TUF"), Art. 144-*bis* of CONSOB Resolution n. 11971/99 (the "Regulations for Issuers") and any other applicable regulation, as well as the market practices recognized by Consob.

More in detail, the purchases of treasury shares must be made in accordance with Art. 144-*bis*, para. 1 (b) and (c) of the Regulations for Issuers. The purchases may be made in ways others than those mentioned above when allowed under Art. 132, para. 3, of TUF or any other legal provisions applicable at the time of the transaction.

The disposals may be made, on one or more occasion, even prior to having completed the purchases. The disposals may be made in accordance with the law and recognized market practices as follows:

i) as part of cash transactions on regulated and/or non regulated markets (off the market);

ii) as part of exchanges, swaps, transfers or any other disposals related to business projects or extraordinary financial transactions.

Information regarding the purchases and the reduction of share capital

Please note that the authorization requested to purchase treasury shares is not instrumental to reducing share capital.

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

"*The shareholders of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. meeting in ordinary session, having acknowledged the proposal submitted by the Board of Directors,*

*resolve*

1. *to revoke the authorization granted by the Ordinary General Meeting on 19 April 2012 to buy and sell treasury shares;*
2. *to authorize the purchase, including through the trading of options and IGD SIIQ S.p.A ordinary stock derivatives on one or more occasions up to the maximum permitted by law,*

   *for a period of eighteen months as from the date of the this resolution.*

   *The purchases must be made in accordance with Art. 144-bis, par. (b) and (c) of the Regulations for Issuers at prices which comply with Art. 5, par. 1, of EC Regulation n. 2273/2003 of 22 December 2003. More in detail, based on this article the issuer may not acquire shares at a price that is greater than the highest between the last independent trade and last independent offer made on the stock exchange organized and managed by Borsa Italiana S.p.A.*

   *The purchase of treasury shares must be done in accordance with Art. 2357 et seq., Art. 132 of Legislative Decree n. 58/98, Art. 144-bis of the Regulations for Issuers and any other applicable regulation, as well as the market practices recognized by Consob.*
3. *to authorize the disposal of treasury shares, on one or more occasion, without a time limit, as deemed in the interest of the Company and in accordance with the law as follows:*

   *i) as part of cash transactions on regulated and/or non regulated markets (off the market) at a price that is not 90% lower than the stock's official closing price recorded during the last market session of the stock exchange organized and managed by Borsa Italiana S.p.A. prior to each single transaction;*

   *ii) as part of exchanges, swaps, transfers or any other disposals related to business projects or extraordinary financial transactions. In this case the economic terms and conditions of the transaction, including the valuation of the shares exchanged, will be determined on the basis of the type of transaction, as well as the shares' market performance.*

   *The disposals may be made even prior to having completed the purchases authorized in this resolution;*
4. *to grant the Board of Directors – and on its behalf the Chairman and Chief Executive Officer, severally, the broadest powers to take all other action necessary or useful to implementing the*

*above resolutions and to make the necessary market disclosures in accordance with the law*."

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4. Item 3 of the Agenda of the Ordinary General Meeting – Granting of the statutory audit assignment for 2013-2021 and determination of the remuneration.

Dear Shareholders,

Please be advised that the statutory audit assignment granted to external auditors *Reconta Ernst & Young S.p.A.* for the period 2007-2012 during the Annual General Meeting held on 23 April 2007, extending the assignment already granted during the Annual General Meeting held in ordinary session on 24 September 2004, is due to expire on the day in which the Annual General Meeting is called in ordinary session, on 18 April 2013, in first call, and on 19 April 2013, in second call, to approve the financial statements for the closed on 31 December 2012.

You are, therefore, asked to examine the proposal relative to the granting of the statutory audit assignment for the years 2013 through 2021 and the determination of the relative remuneration, pursuant to Legislative Decree n. 39 of 27 January 2010 ("**Decree 39/2010**").

Based on Art. 13 of Decree 39/2010 the shareholders meeting in ordinary session shall grant the statutory audit assignment and determine the statutory audit firm's remuneration for the duration of the assignment, as well as any criteria for the adjustment of said remuneration during the term, based on the motivated opinion presented by the Board of Statutory Auditors.

Furthermore, based on Art. 17 of Decree 39/2010 Italian companies with shares listed on regulated Italian and EU markets shall grant the statutory audit assignment for nine years and the assignment may not be renewed unless at least three years have passed since the date on which the prior assignment ended.

In light of the above, the Board of Directors, therefore, submits the motivated opinion prepared by the Board of Statutory Auditors pursuant to Art. 13, par. 1 of Decree 39/2010 regarding the granting of the assignment for the statutory audit of Immobiliare Grande Distribuzione – Società di Investimento Immobiliare Quotata S.p.A 's accounts to the external audit firm PricewaterhouseCoopers S.p.A. (PWC) for the years 2013 through 2021, attached to this report, to the shareholders for examination and approval.

Attachments:

- Motivated opinion of the Board of Statutory Auditors

Bologna, 28 February 2013

On behalf of the Board of Directors

*The Chairman*

Gilberto Coffari