



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 549,760,278.52
B into n. 756,356,289 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.

15 APRIL 2015, 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 16 APRIL 2015, SAME PLACE AND TIME

REPORT OF THE BOARD OF DIRECTORS FOR THE ITEMS 1,2 AND 3 OF THE AGENDA OF 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 31.12.2014; Directors' report on operations; External auditors' report; Report of the Board of Statutory Auditors; Presentation of the consolidated financial statements at 31.12.2014; Allocation of the net income and distribution of the dividend to Shareholders; related and consequent resolutions;
2. Report on compensation in accordance with Art. 123-ter, paragraph 6, of Legislative Decree n. 58/98; related and consequent resolutions;
3. Authorization to buy and sell treasury shares; related and consequent resolutions;

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Item 1 of the Agenda of the Ordinary General Meeting - Separate financial statements for the year ended 31 December 2014; 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 2014; Allocation of the net income and distribution of the dividend to Shareholders; related and consequent resolutions.

Dear Shareholders,

The separate financial statements for the year ended on 31 December 2014 which are being submitted to you for your approval show a net profit of € 3,681,389. This result reflects the extraordinary operation of the transfer of business units and the property in the subsidiary Igd Property SIINQ S.p.A., occurred in December 2013, that has caused significant changes in certain items of the income statement compared to the previous year, such as the revenues from rental activities, property tax costs (IMU) and financial changes.

In particular total revenues amounted to €70.3 million with respect to the €87.8 million posted in the prior year, marking a decrease of 19.96% mainly due to the transfer operation mentioned above and partially offset by revenues from acquisitions made as part of the capital increase operation, as well as by increased revenues as a result of the openings made in 2014. EBIT amounted to €32.0 million which, net of the change in fair value and write-downs of assets under construction, came in at €45.9 million, down with respect to 2013 explained primarily by what is reported above.

The IGD Group's total operating revenue at 31 December 2014 amounted to €122.4 million, a decrease of 3.6% with respect to the 2013 (Total operating revenue at 31 December 2013 amounted to €127 million), due to the lower trading revenue generated by the sales of assets of the Porta a Mare project. Core business revenue reached €120.5 million, in line with the €120.7 million recorded in 2013. More in detail, rental income at 31 December 2014 recorded a 0.2% change with respect to 2013, mainly due to the increased revenues from the new openings and assets' acquisition offset by lower revenues recorded in Romania and higher average vacancy rate, partly instrumental for fit-out works.

Direct costs, pertaining to the core business and including personnel expenses, amounted to €31.1 million at 31 December 2013, an increase of 11% with respect to the prior year. This increase is primarily attributable to the increase in rents and payable leases costs caused by the disposal of the gallery Le Fonti del Corallo, as well as the increase in costs relating to IMU and the building expenses. There has also been a decrease in costs related to the provision, due to reduction of disputed receivables.

General expenses for the core business, including payroll costs at headquarters, amounted to €10.1 million, increasing compared to € 9.9 million posted at 31 December 2013 and with a percentage of revenue at 8.4% on the core business' revenue.

The Gross Operating Margin (EBITDA) in 2014 amounted to €78.8 million, a decrease of 4.9% versus the €82.9 million posted in the prior year. The IGD Group's core business EBITDA at 31 December 2014 amounted to €79.3 million, a decrease of 4.3% with respect to the €82.8 million recorded at 31 December 2013.

The EBITDA margin for the core business amounted to 65.8%, down by 2.8 percentage points with respect to the same period of previous year, when it was 68.6%. The IGD Group's EBIT at 31 December 2014 amounted to €54.2 million, an increase of 12.9% with respect to the €48 million recorded at 31 December 2013 due mainly to lower write-downs and negative changes in the impact of fair value adjustments of €23.1 million with respect to the €33.5 recorded at 31 December 2013. The pre-tax income at 31 December 2015 amounted to €9.4 million, a significant increase with respect to the €0.9 million of 2013.

The Group's portion of net profit at 31 December 2014 amounted to €7.3 million, an increase of 46.1% with respect to €5 million posted in 2013. The core business Funds from Operations (FFO) changed from €35.5 million at 31 December 2013 to €35.1 million at 31 December 2014, with a decrease of 0.9%.

Thanks to the capital increase occurred in October, the IGD Group's financial structure has improved: at 31 December 2014 the *gearing ratio* is equal to 0.95, decreasing with respect to 31 December 2013; the IGD Group's net financial debt at 31 December 2014 amounted to €942.1 million, a significant improvement with respect to 31 December 2013 when it was €1084.9.

The Real Estate Portfolio at 31 December 2013

Based on CBRE Valuation S.p.A, REAG S.p.A. and Cushman & Wakefiled's independent appraisals, the market value at 31 December 2014 of the Igd Group's real estate portfolio reached €1,951.21 million, increasing compared to €1,891.3 million recorded at 31 December 2013.

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 2014;*
- *having acknowledged the report prepared by the external auditors PricewaterhouseCooper S.p.A.;*
- *as the total maximum number of ordinary shares with dividend rights at the proposed ex-div date amounts to 756,356,289;*

resolve

1. *to approve the Board of Directors’ report on operations and the financial statements of IGD SIHQ S.p.A. for the year ended 31 December 2014*
2. *to combine the Euro conversion reserve in its entirety (€23,113) with the legal reserve which would then rise from €12,348,038 to €12,371,151;*
3. *to combine the share premium reserve of €97,580,905 with the legal reserve up to one fifth of the share capital as a result of which the legal reserve would rise from €12,371,151 to €109,952,056, and would, therefore, be fully formed as per Art. 2430 of the Italian Civil Code; the share premium reserve would drop from €147,730,288 to € 50,149,383*
4. *to use €10,178,231.80 of the share premium reserve to cover the negative reserve balance following the sale of treasury shares (-€10,178,231.80) which would cause the share premium reserve to fall from €50,149,383 to €39,971,151.20;*
5. *to reclassify €10,430,269.36 of the fair value reserve, as a result of the partial elimination of the provisions governing availability found in Art. 6 of Legislative Decree n. 38 of 28 February 2005, increasing the non-distributable reserve by the same amount. The fair value reserve, relating to the fair value of the real estate assets, will, therefore, decrease from €226,296,595 to €215,866,325.64, while the non-distributable reserve will rise from €4,472,026.45 to €14,902,295.81;*
6. *to pay a dividend of €0.0375 per ordinary share outstanding when the shares go ex-div.*
The total dividend payout, calculated based on the number of shares outstanding at 26 February 2015 (756,356,289), amounts to €28,363,360.84 to be taken from:
 - ✓ *for €3,681,389, distributable income generated entirely by exempt operations.*
 - ✓ *for €1,102,448.39, the reserve for retained earnings from exempt operations;*

- ✓ for €10,430,269.36, the reserve for retained earnings arising from the elimination of the restrictions on the fair value reserve and entirely attributable to exempt operations;

The total income distributed generated by exempt operations amounts to €15,214,106.75, equal to €0.020115 per share;

- ✓ for €3,369,578.06, the reserve for retained earnings accrued prior to becoming a SIIQ
- ✓ for €9,779,676.03, the merger surplus reserve (profit carried forward of €273,790.18 and equity reserve of €9,505,885.85) equal to €0.012568 per share, which would, therefore, drop from €13,735,610.48 to €3,955,934.45.

The distributions made using reserves formed prior to the adoption of the special SIIQ regime amount to €3,643,368.24, equal to €0.004817 per share.

Each outstanding share with dividend rights, excluding treasury shares, therefore, shall receive a dividend of €0.0375 for a total of €28,363,360.84 calculated on the number of outstanding shares at today's date.

The dividend will be payable as of 20 May 2014 with shares going ex-div on 18 May 2015 (detachment of coupon n. 15). In accordance with Art. 83-terdecies of Legislative Decree n.58 of 24 February 1998, the shareholders of IGD at the record date (19 May 2015) 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.

7. *to grant the Chairman and the Chief Executive Officer, jointly or severally, the power to determine the exact number of shares with dividend rights, the net income distributed;*

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Item 2 of the Agenda of the Ordinary General Meeting – Remuneration report pursuant to 123-ter, paragraph 6, of Legislative Decree 58/98; related and consequent resolutions.

Dear Shareholders,

as you are well aware, pursuant to art. 123-ter of TUF listed companies are required to prepare a Remuneration Report and make it available to the general public.

This report was approved by the Board of Directors on 26 February 2015, subject to approval by the Nominations and Compensation Committee, and made available to the public at the Company's registered office, on the Company's website <http://eng.gruppoigd.it/Governance/Shareholders-Meetings> in accordance with the law.

Pursuant to art. 123-ter, paragraph 6, of TUF, you are being asked to resolve either in favor or against the first section of the Remuneration Report, called for in paragraph 3 of art. 123-ter, which describes the Company's policies relating to remuneration of the Board of Directors, the general managers and executives with strategic responsibilities, as well as the procedures used to adopt and implement said policies.

We remind also that, pursuant to art. 123-ter, paragraph 6, of TUF, the resolution that you are requested to approve will not, in any case, be binding in nature.

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 examined and discussed the section of the Remuneration Report called for under art. 123-ter, paragraph 3, of Legislative Decree n. 58 dated 24 February 1998, prepared by the Board of Directors based on the recommendations of the Remuneration and Nominations Committee, which describes the Company's policies relating to remuneration of the Board of Directors, the general managers and executives with strategic responsibilities, as well as the procedures used to adopt and implement said policies, and made available to the public in accordance with the law;*

resolves

to approve the first section of the Remuneration Report adopted by the Board of Directors on 26 February 2015 pursuant to art. 123-ter of Legislative Decree n. 58 dated 24 February 1998.”

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Item 3 of the Agenda of the Ordinary General Meeting – Authorization to buy and sell treasury shares; related and consequent resolutions.

Dear Shareholders,

On 15 April 2014 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 18 (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 15 October 2015.

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 (eighteen) months. The authorization we propose to grant to the Board will be in line with the one granted on 15 April 2014.

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

At the date of this report the share capital is equal to €549,760,278.52 entirely subscribed and paid-in, broken down in 756,356,289 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, equal to the 20% of share capital pursuant art. 2357, item 3 of the Civil Code.

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 neither the Company nor its subsidiaries 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 Finanza*" 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 15 April 2014 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.”*

Bologna, 16 March 2015

On behalf of the Board of Directors

The Chairman

Gilberto Coffari