PRESS RELEASE

RESULTS AS AT 31 DECEMBER 2020: THE MOST DIFFICULT YEAR, BUT WITH SEVERAL POSITIVE CERTAINTIES

- **The appeal of IGD's format confirmed: in the periods when the restrictions were eased the average ticket rose + 17%, retailers' sales +0.3% better than in 2019[1]**
- **Rent collection at around 91% of net turnover in Italy and around 94% in Romania**
- **Financial occupancy maintained at high levels: Italy 94.3%; Romania 93.6%**
- **Net rental income: €109.5 million (-19.8%); FFO: €59.3 million (-28.8%). Both reflect the net direct impact of Covid-19 for €18.5 million in rent abatements of around 1.7 months' rent, expensed entirely in the year**
- **Cash on hand at the end of the reporting period of around €117 million, in addition to €60 million in committed credit lines and about €151 in uncommitted lines**
- **EPRA NAV and NRV at €10.38 p.s. (-8.9%)**

- **With a view to reinforcing the financial structure and the investment grade profile, and as no mandatory dividend payment is required given the loss recorded in the year, the BoD has proposed that shareholders not approve distribution of a dividend for 2020;**
- **Mandate granted to CBRE, a premiere international advisor, for the disposal of a portfolio of stand-alone hypermarkets/supermarkets for approximately €185 million**

- **Corporate Sustainability Report Approved**

Bologna, 25 February 2021. Today, in a meeting chaired by **Elio Gasperoni**, **the Board of Directors of IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** ("**IGD**" or the "**Company**") examined and approved the **draft separate and consolidated financial statements at 31 December 2020.**

Message from the Chief Executive Officer, Claudio Albertini

"2020 was undoubtedly the most difficult year in the Group's history, with the severe repercussions of the pandemic weighing on the retail sector and, consequently, on property companies like ours.
We did not, however, remain inert in the face of the situation. To the contrary, we worked on all fronts with more determination than ever. To the extent that the law and the protection of health and safety allowed, all of our shopping centers were maintained operational. The centers were confirmed as points of reference for the communities served and demonstrated great resilience, as well as the ability to react quickly, in the months when the restrictions were eased. We worked on timely and extensive commercial initiatives with the tenants, providing support which made it possible to maintain high occupancy and rent collection. We also wanted to maintain a financial structure consistent with the investment grade profile, protecting cash flow and safeguarding the resources needed to cover financial needs in 2021. Toward this end, we

[1] Figures refer to the period August – October 2020

began working on the disposal of a portfolio of stand-alone hypermarkets and supermarkets which would provide the Company with the financial resources to significantly reduce the LTV. The difficult decision to not distribute a dividend this year is in line with the same reasoning, fully aware that this is an unforeseen choice and that as soon conditions allow, IGD will resume providing its shareholders with the same attractive and sustainable remuneration it has provided in the past".

OPERATING PERFORMANCE: THE VALID POSITIONING OF IGD'S PORTFOLIO CONFIRMED

Italy

In 2020 IGD's performance was severely impacted by the various restrictive measures adopted by the Italian government, which are still in effect, in response to the Covid-19 crisis.

The Group's shopping centers recorded positive performances in the first two months of the year (retailers' sales were up 2.0% at the end of February) but, as the epidemic spread, operations were limited considerably and only stores selling "essential" goods (such as, for example, food products, pharmaceutical and parapharmaceutical items, etc.) were allowed to stay open in the period 12 March – 18 May (a total of 66 days of limitations and closures were recorded).

In the months from June to October there was a gradually easing of the restrictions and a return to almost full operation (though all the social distancing and sanitization measures used in the shopping centers were maintained and organized events and many leisure activities were still not allowed): in this period, the shopping centers showed strong signs of recovery with the retailers' sales back in positive territory. The shopper turnout was more cautious but characterized by a greater propensity to consume and a decided increase in the average ticket (+17%).

These dynamics confirm that consumers are still focused on shopping centers and highlight a significant capacity to move quickly once stores could open and foot traffic was allowed. The validity of IGD's format was also confirmed: medium sized assets, dominant in their catchment areas, experienced as the ideal place for safe, practical and convenient shopping. **IGD outperformed the market thanks mainly to a portfolio comprised of urban centers, with an attractive food anchor, capable of offering a complete range of goods and services under one roof which allows for ample choice while optimizing time**.

In the wake, however, of the new surge in infections, beginning on 6 November the government enacted new restrictions which called for, among other things, the closure of all shopping centers on weekends and on holidays (for a total of 21 days in November and December) with the exception solely of "essential" categories which were allowed to operate. These restrictions, along with the limits on movement between cities placed periodically based on changes in infection rates, had a significant impact on the performance of our centers at a time of year that is usually very positive for shopping.

In light of the above, in 2020 the sales recorded by mall retailers were down by around 28% compared to the prior year, which was, however, better than the market average (Source: CNCC); conversely, despite the inevitable repercussions of the restrictive measures implemented (such as, for example, the closure of non-food areas and the limits on movement described above), sales at the Group's freehold hypermarkets and supermarkets were down only slightly against 2019 (-2.8%).

At the start of the pandemic the Company implemented a series of initiatives consistent with its sustainability policies, beginning with the protection and safety of visitors, shopping center employees and its own employees. As for the mall retailers, one of the categories hit the hardest by this crisis, the Company spoke directly with the tenants in order to determine the best way to provide support during the periods of mandatory closures and compensate for the loss in sales (also taking into account the relief mechanisms implemented by the Italian government).

The **tenant negotiations relative to the first lockdown are currently almost completed and the negotiations relative to the November-December restrictions are beginning now.**

No changes to existing leases were made as a result of the negotiations (with rare exceptions), while, depending on the specifics of each case, payments were reformulated during the year, lease expirations were extended and temporary discounts were granted.

These measures produced tangible and encouraging results.

The occupancy of the Italian portfolio **was maintained at a high level (94.3%)**, albeit lower than the 96.9% reported at 31 December 2019.

Excellent results were also achieved in terms of rent collection which reached more than 91%[2] at 31 December, net of the discounts granted.

Normal pre-letting continued at the same time as these negotiations which, despite the difficult context, was effective and brought good results: **101 leases (55 renewals and 46 attributable to turnover) were signed in the year at largely stable rents** (**-0.38%)**.

IGD's portfolio, with a couple of exceptions, was not subject to large retailer bankruptcies. Overall, only 5 tenants began bankruptcy proceedings.

There was, however, **a considerable difference in the performances depending on the category of merchandise.** The demand for home comfort improvement solutions was high, as well as for consumer electronics and personal care products. At the moment restaurants, entertainment and clothing/footwear, however, continue to be penalized noticeably.

Romania

In Romania the government measures adopted also limited the operation of the Winmartk malls: between March and May only stores selling merchandise considered essential (food products, pharmaceuticals, veterinarian products...) were allowed to operate. In the summer the restrictions were then eased, but restaurants and entertainment businesses are still subject to local restrictions based on changes in the infection rates.

All of this affected the operating performance of the Winmarkt shopping centers: occupancy reached 93.6% which, while still excellent, is lower than the 97.6% recorded year-end 2019 including as a result of the exit of a tenant with an extensive store footprint/with multiple points of sale.

With regard to management of the lockdown, IGD opted to grant temporary discounts to the retailers during the two months of mandatory closures; the support provided facilitated rent collection. At 31 December, therefore, rent collection for FY 2020 amounted to more than 94% of the turnover. Normal pre-letting continued during the year and 370 leases were signed (290 renewals and 80 attributable to turnover) at largely stable rents (-0.47%).

[2] Calculated based on rents payable net of the temporary discounts and abatements.

FINANCIAL-ECONOMIC RESULTS: THE PANDEMIC IMPACTS THE YEAR'S PERFORMANCE

In 2020 **rental income amounted to €150.0 million, a decrease of -3.4%**, explained by:

- for around -€0.8 million, lower revenue not like-for-like;
- for around -€4.0 million, lower revenue like-for-like in Italy. The decrease is attributable entirely to malls due above all to the drop in variable and temporary revenue linked to the lockdown period and the subsequent restrictions; hypermarkets were up slightly;
- for around -€0.5 million, lower revenue like-for-like in Romania due to lower variable revenue and the exit of a tenant with an extensive store footprint/with multiple points of sale.

Net rental income amounted to €109.5 million, **down -19.8%** against the same period of the prior year, due above all to the one-off direct impact of Covid-19 (which will not impact subsequent reporting periods) amounting to €18.5 million (including discounts and credit losses, net the savings on rents payable) or approximately 1.7 months in rent abatements.

Core business Ebitda fell 20.6% to €99.4 million, with the margin at 65.4%. The freehold core business Ebitda margin (relative to freehold properties) came to 65.3%.

Financial charges amounted to €36.2 million; this figure, net of the accounting impact of the last bond issue completed in November 2019 and excluding the negative carry of roughly €3.8 million (linked to the refinancing of future maturities), was **4.7% lower than at 31 December 2019.**

Funds from Operations (FFO) amounted to €59.3 million, down with respect to 31 December 2019 (-28.8%), including the one-off provisions made for Covid-19.

ASSET MANAGEMENT AND PROJECTS

Given the difficult environment, during the year IGD deemed it opportune to postpone or cancel a few capex and investments, resulting in a **reduction in the budgeted cash-out of circa €40 million**.

This decision was made in order to limit the pandemic's impact on cash flow and maintain a solid and balanced financial structure.

The restyling of the Porto Grande (San Benedetto del Tronto) and La Favorita (Mantua) shopping centers was, therefore, postponed. Work on these two projects, along with the restyling and remodeling of the hypermarket at the Casilino Shopping Center (Rome), will resume in 2021 and should be completed the following year.

Work on Porta a Mare in Livorno and the development of the Officine Storiche section was also suspended, but resumed in the second half of 2020 and currently is expected to be completed by the end of first half 2022.

DISPOSALS

Consistent with the strategic objective to maintain an investment grade portfolio IGD has granted CBRE, a premiere international advisor, a mandate for the **disposal of a portfolio of stand-alone hypermarkets and supermarkets** for approximately **€185 million**.

At the moment this portfolio is of great interest to the market: it comprises assets with good appeal, providing interesting returns to investors, with long-term leases and stable rents.
The proceeds from the transaction will be used to reduce the Loan to Value and bring it to 45% or less as soon as possible.

PORTAFOLIO AND ASSET VALUATION

The market value of **Gruppo IGD's real estate portfolio** reached **€2,265.69 million, a decrease of 4.86% compared to December 2019.** More in detail:

- **malls** fell 6.43 % (-€101.2 million), with a **gross initial yield of 6.53%.** The difference is explained by, for around 29%, different DCF assumptions (rates, inflation, ERV) and for around 71%, by changes in cash flow with regard particularly to variable revenue and caps on operating expenses;
- **hypermarkets** were basically unchanged, showing a slight drop (- 0.99%), with a **gross initial yield of 6.02%;**
- in **Romania** the value of the real estate portfolio reached €138.6 million at 31 December 2020, lower than the €150.3 million posted at 31 December 2019**, with a gross initial yield of 7.35%.**

Including the leasehold properties, the market value of Gruppo IGD's real estate portfolio reaches €2,309.01 million.

The Net Initial Yield, calculated using EPRA criteria, reached 5.3% for the Italian portfolio (5.4% topped up) and 6.0% for the Romanian portfolio (6.2% topped up).

The EPRA NAV and EPRA NRV reached €1,145.8 million or €10.38 per share. The figure is 8.9% lower with respect to 31 December 2019. The change is attributable to the positive contribution of FFO which was more than offset by the reduced dividend approved and the drop in the portfolio's fair value.
The EPRA NTA came to €10.31 per share, 8.7% lower compared to 31 December 2019
The EPRA NDV came to €10.42 per share, down 3.6% compared to 31 December 2019.

FINANCIAL STRUCTURE: FINANCIAL NEEDS COVERED IN 2021 AND THROUGH APRIL 2022

In 2020 the Company worked, above all, on guaranteeing the sustainability of its financial structure and on having the resources needed to cover the financial needs for 2021.
Toward this end, in the first half €60 million in committed credit lines were renewed; an agreement was also signed with Banca Monte dei Paschi di Siena for a 6-year €36.3 million loan, guaranteed by SACE as part of the Garanzia Italia program (at a rate which, including the cost of the government guarantee, is in line with the Group's average cost of debt).
With regard to IGD's ratings, given the impact of the Covid-19 outbreak, during the year S&P Global Ratings downgraded IGD's rating from BBB- to BB+ with a negative outlook, while Fitch Ratings Fitch Ratings Ltd confirmed the investment grade rating of BBB- and changed the outlook to negative. As a result of this confirmation, the economic conditions of the bond loans remain unchanged.

Thanks also to the actions on costs, the Company **closed the year with cash on hand** of €**117 million** which, as announced on 13 January 2021, will allow for early redemption of the circa €70 million outstanding on the *"€300,000,000 2.500 per cent Notes due 31 May 2021".*

In addition to the cash on hand and **the €60 million in committed credit lines referred to above, approximately €151 million in uncommitted credit lines are also available.**

The average cost of debt was 2.30% at 31 December 2020 versus 2.35% at year-end 2019, while **the interest cover ratio or ICR came to 3.2X**[3] versus 3.8x at 31 December 2019.

The Loan to Value of 49.9% is higher than the 47.6% recorded at year-end 2019 and reflects the €146 million decrease in fair value. The net financial debt was €1,155.5 million, largely unchanged with respect to year-end 2019 (€1,162.6 million).

DIVIDEND: NO MANDATORY SIIQ DISTRIBUTION

In light of the loss recorded by the parent company IGD SIIQ SpA (which waives the distribution requirement) and with a view to safeguarding financial stability and the investment grade profile, the Board of Directors has proposed that shareholders not approve distribution of a dividend for 2020, subject to the approval of the financial statements for the year ended on 31 December 2020 and the Directors' Report on Operations.

This difficult decision is to be viewed as one-off and unforeseen, triggered by the exceptional circumstances that developed as a result of the pandemic; as soon as conditions allow, the Company intends to resume paying dividends and providing its shareholders with attractive remuneration.

OUTLOOK 2021

The first few months of 2021 will undoubtedly still be difficult for shopping center operations due to the restrictions that are still in place and it is, therefore, plausible that the Company will again be impacted directly and indirectly by the pandemic. Assuming, however, that an effective vaccination plan will be implemented (which should reduce infection rates, the severity of the virus and result in a gradual easing of the restrictions) and assuming that the economy and consumption gradually improve in 2021, starting in the second half particularly, the Company estimates that FFO will grow between +3% and +4% in FY 2021.

This outlook does not take into account the potential disposal mentioned above.

[3] Excluding the effects of the last financial transaction; including these effects the figure reaches 2.7X at 31/12/2020

Operating income statement at 31 December 2020

GROUP CONSOLIDATED	(a) FY_CONS_2019	(b) FY_CONS_2020	Δ (b)/(a)
Revenues from freehold rental activities	142.7	133.8	-6.3%
Revenues from leasehold rental activities	12.6	11.9	-5.6%
Total income from rental activities	**155.3**	**145.6**	**-6.2%**
Rents and payable leases	0.0	0.0	-27.1%
Direct costs from rental activities	-18.7	-36.1	93.3%
Net rental income	**136.6**	**109.5**	**-19.8%**
Revenues from services	6.4	6.3	-0.8%
Direct costs from services	-5.5	-5.2	-5.0%
Net services income	**0.9**	**1.1**	**25.4%**
HQ Personnel expenses	-6.8	-6.3	-7.8%
G&A Expenses	-5.5	-4.9	-10.0%
CORE BUSINESS EBITDA (Operating income)	**125.2**	**99.4**	**-20.6%**
Core business Ebitda Margin	*77.5%*	*65.4%*	
Revenues from trading	0.4	0.7	74.4%
Cost of sale and other costs from trading	-1.0	-1.4	38.1%
Operating result from trading	**-0.6**	**-0.7**	**15.1%**
EBITDA	**124.6**	**98.7**	**-20.8%**
Ebitda Margin	*76.9%*	*64.7%*	
Impairment and Fair Value adjustments	-72.8	-146.0	n.a.
Depreciation and provisions	-1.4	-5.0	n.a.
EBIT	**50.3**	**-52.3**	**n.a.**
FINANCIAL MANAGEMENT	-36.8	-36.2	-1.5%
ENTRAORDINARY MANAGEMENT	0.0	-0.1	n.a.
PRE-TAX RESULT	**13.6**	**-88.6**	**n.a.**
Taxes	-1.0	14.2	n.a.
NET RESULT OF THE PERIOD	**12.6**	**-74.3**	**n.a.**
(Profit/Loss) for the period related to third parties	0.0	0.0	n.a.
GROUP NET RESULT	**12.6**	**-74.3**	**n.a.**

N.B.: Certain cost and revenue items have been reclassified or offset which explains the difference with respect to the financial statements.

THE ELEVENTH CORPORATE SUSTAINABILITY REPORT APPROVED

The Board of Directors approved the Corporate Sustainability Report which was subject to Limited Assurance by PricewaterhouseCoopers which certified compliance with the most important international standards (the GRI Standards).
The report approved takes into account the impact that the Covid-19 pandemic had on both the strategy and the performance. If overall the strategy is unchanged, partial adjustments were made to its 3 pillars: the material topics, specific sustainability risks, and the short/medium-term targets. Furthermore, due to the restrictions put into place by the authorities, which impacted the shopping centers' operations, the indicators used to measure sustainability performance in 2020 are, sometimes, hard to compare with prior years.
In 2020 IGD formalized its adhesion to the United Nations' Global Compact, the world's largest corporate sustainability initiative. For this reason, as of the 2020 Corporate Sustainability Report the policies and performances geared to support the Ten Principles of the Global Compact relating to Human Rights, Labor, Environment and Anti-Corruption are also reported on. In the report IGD also addresses the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) with regard, specifically, to climate change and related risks.
As of 2017 IGD's sustainability strategy is summarized in «Becoming Great», which testifies to the Company's commitment to growth that focuses on the environment (Green), people (Responsible), ethics (Ethical), attractive locations (Attractive),

together with its stakeholders (Together). The same titles are also the names of the chapters in the CSR which reports on the company's performance during the year:

• **Green**: invested €1.2 million in improving the energy efficiency of the structures, including the costs for the relamping of a shopping center (a total of 19 centers are now equipped with LED lighting); BREEAM IN USE certification for 3 more key assets (Conè in Conegliano-Treviso, Leonardo in Imola-Bologna and Le Porte di Napoli in Afragola-Naples) for a total of 8 certified shopping centers; reached the goal to obtain UNI EN ISO 14001 environmental certification for 95% of the freehold malls (24 centers are certified, in addition to the headquarters); used renewable energy exclusively since 2017; installed 19 charging stations for electric cars in 10 shopping centers (34 had been installed at 17 shopping centers at the end of 2020).

• **Responsible**: number of employees stable; specific measures implemented to prevent the spread of the virus inside the shopping centers (for a total cash-out of around €1.3 million), as well as ensure that employees could work safely; the Corporate Welfare Plan was confirmed for the fourth year, with the participation of 98% of the employees; training activities for all employees continued.

• **Ethical**: UNI ISO 37001 certification ("Anti Bribery Management System"), the key international standard for anti bribery management systems. The same certification was also obtained in Romania in 2018. The legality rating was renewed with the highest score (3 stars); the Decree 231/2001 Organizational, Management and Control Model was updated in order to include the new crimes, as well as incorporate the Anti Bribery Management System; the structure and content of the Code of Conduct was revised in order to reflect new company policies and procedures, as well as comply with the law and regulations.

• **Attractive**: scouting for new brands continued, resulting in the introduction of 18 new tenants in the Italian shopping malls; the marketing strategy was modified to reflect the continuous changes stemming from the development and spread of the pandemic in order to maintain contact with the community and spotlight promotions; a communication campaign was launched focused on reassuring visitors about shopping center safety and post lockdown supply; IGD's first digital plan was defined which, beginning in 2021, will strive to systemize existing online tools and identify others in order to use the web to increase contact with visitors, as effectively as possible.

• **Together**: structured involvement of the stakeholders was carried out in order to understand their expectations, especially in a complex year like 2020; collaboration with 140 local associations and nonprofit organizations, even though it was impossible to organize meetings and gatherings; the 16,600 jobs offered, the partnerships with 882 local providers and the fact that 42% of the brands present in the malls are local, confirmed IGD's social role within the community.

OTHER RESOLUTIONS

Guidelines for the composition of the new Board of Directors

In accordance with the Corporate Governance Code and as the corporate bodies are to be renewed, IGD's exiting Board of Directors prepared guidelines relative to the future size and composition of the board, also taking into account the outcome of the 2020 Board Review, to be submitted to the shareholders during the Shareholders' Meeting.

The guidelines also include indications about the professional profile, experience and expertise of the Directors, including in light of IGD's size and complexity, as well as its business targets and strategic goals.

The guidelines are available as of today on the Company's website at https://www.gruppoigd.it/en/governance/shareholders-meeting/.

Calling of the Annual General Meeting in ordinary session

IGD's Board of Directors also resolved to convene the Company's Annual General Meeting in ordinary session on 15 April 2021, in first call and, if necessary, in second call on 16 April 2021, to resolve on the following agenda:

1. Separate financial statements at 31.12.2020; Directors' report on operations; External auditors' report; Report of the Board of Statutory Auditors; Presentation of the consolidated financial statements at 31.12.2020; related and consequent resolutions. Allocation of the net earnings for the year; related and consequent resolutions.
2. Report on compensation in accordance with Art. 123-ter, paragraphs 3-ter and 6, of Legislative Decree n. 58/98:
   2.1 first section: report on the compensation policy. Binding resolution;
   2.2 second section: report on compensation paid. Non-binding resolution.

3. Appointment of the Board of Directors
   3.1 Determination of the number of directors;
   3.2 Determination of the Board of Directors' term of office;
   3.3 Appointment of the members of the Board of Directors;
   3.4 Determination of the Board of Directors' remuneration;
4. Appointment of the Board of Statutory Auditors
   4.1 Appointment of the three Standing Auditors and the three Alternate Auditors;
   4.2 Appointment of the Chairman of the Board of Statutory Auditors;
   4.3 Determination of the Board of Statutory Auditors' remuneration.

The lists for the renewal of the Board of Directors and the Board of Statutory Auditors must be submitted by 22 March 2021. The lists of candidates may be presented by individual shareholders or groups of shareholders who together hold voting shares representing at least 4.5% of the share capital, as established by Consob in executive order n. 44 of 29 January 2021 relating to the "Holdings needed in order to be entitled to submit lists of candidates for members of administrative and control bodies".

For further details please refer to the Notice of Call which will be made available starting 5 March 2021 on the company website at https://www.gruppoigd.it/en/governance/shareholders-meeting/.

Assessment of independent status

IGD's Board of Directors verified, based on the information provided by the interested parties to the Company that the 7 (seven) independent directors (Luca Dondi dall'Orologio, Elisabetta Gualandri, Isabella Landi, Livia Salvini, Rossella Saoncella, Timothy Guy Michele Santini ed Eric Jean Véron) still qualify as independent in accordance with and pursuant to Art. 148, paragraph 3, of Legislative Decree n. 58/1998, guideline 7 of the Corporate Governance Code and Art. 16 of Consob Regulation n. 20249/2017.

Approval of the Report on Corporate Governance and Ownership Structure and the Compensation Report

The Board of Directors approved the Report on Corporate Governance and Ownership Structure, which forms an integral part of the annual report, as well as, in accordance with the recommendation of the Appointments and Compensation Committee, the Compensation Report, the first section of which, pursuant to Art. 123-ter, par. 3-ter of Legislative Decree. 58/98, will be subject to a binding vote by the shareholders during the next shareholders' meeting, while, pursuant to Art.

123-ter, par. 6 of TUF, the second section – which refers to the compensation paid –will be subject to an advisory vote during the same shareholders' meeting.

The documents will be made available to the public – as well as published on IGD's website http://www.gruppoigd.it/Governance - at the Company's registered office, Borsa Italiana S.p.A. and on the authorized storage system www.emarketstorage.com in accordance with the law and applicable regulations.

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"Carlo Barban, IGD S.p.A.'s Financial Reporting Officer, declares pursuant to para. 2, article 154-bis of Legislative Decree n. 58/1998 ("Testo Unico della Finanza" or TUF) that the information reported in this press release corresponds to the underlying records, ledgers and accounting entries".

Please note that in addition to the standard financial indicators provided for as per the IFRS, alternative performance indicators are also provided (for example, EBITDA) in order to allow for a better evaluation of the operating performance. These indicators are calculated in accordance with standard market procedures.

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IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.

Immobiliare Grande Distribuzione SIIQ S.p.A. is one of the main players in Italy's retail real estate market: it develops and manages shopping centers throughout the country and has a significant presence in Romanian retail distribution. Listed on the Star Segment of the Italian Stock Exchange, IGD was the first SIIQ (Società di Investimento Immobiliare Quotata or real estate investment trust) in Italy. IGD has a real estate portfolio valued at circa €2,265.69 million at 31 December 2020, comprised of, in Italy, 25 hypermarkets and supermarkets, 27 shopping malls and retail parks, 1 plot of land for development, 1 property held for trading and 6 other real estate properties. Following the acquisition of the company Winmark Magazine SA in 2008 14 shopping centers and an office building, found in 13 different Romanian cities, were added to the portfolio. An extensive domestic presence, a solid financial structure, the ability to plan, monitor and manage all phases of a center's life cycle, leadership in the retail real estate sector: these qualities summarize IGD's strong points.

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The press release is available on the website www.gruppoigd.it, in the Investor Relations section, and on the website www.imagebuilding.it, in the Press Room section.

Please find attached Gruppo IGD's income statement, statement of financial position, statement of cash flows, consolidated net financial position, and the operating income statement at 31 December 2020, along with the draft income statement, statement of financial position and the statement of cash flows of the parent company IGD SIIQ S.p.A. at 31 December 2020.

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Consolidated income statement at 31 December 2020

(in thousands of Euros)	31/12/2020 (A)	31/12/2019 (B)	Change (A)-(B)
Revenue	**145,578**	**155,259**	**(9,681)**
Revenues from third parties	105,674	113,375	(7,701)
Revenues from related parties	39,904	41,884	(1,980)
Other revenue	**6,388**	**6,383**	**5**
Other revenues from third parties	3,763	3,791	(28)
Other revenues from related parties	2,625	2,592	33
Revenues from property sales	**708**	**406**	**302**
Operating revenues	**152,674**	**162,048**	**(9,374)**
Change in inventory	2,594	1,288	1,306
Revenues and change in inventory	**155,268**	**163,336**	**(8,068)**
Construction costs for the period	(3,509)	(1,729)	(1,780)
Service costs	(13,409)	(15,847)	2,438
Service costs from third parties	(9,087)	(12,587)	3,500
Service costs from related parties	(4,322)	(3,260)	(1,062)
Cost of labour	(9,618)	(10,217)	599
Other operating costs	(19,423)	(10,823)	(8,600)
Total operating costs	**(45,959)**	**(38,616)**	**(7,343)**
Depreciations, amortization and provisions	(4,563)	(1,026)	(3,537)
(Impairment losses)/Reversals on work in progress and inventories	(3,152)	(992)	(2,160)
Provisions for doubtful accounts	(11,003)	(561)	(10,442)
Change in fair value	(142,866)	(71,796)	(71,070)
Depreciation, amortization, provisions, impairment and change in fair value	**(161,584)**	**(74,375)**	**(87,209)**
EBIT	**(52,275)**	**50,345**	**(102,620)**
Income/ (loss) from equity investments	**(72)**	**11**	**(83)**
Financial Income	**126**	**86**	**40**
Financial income from third parties	126	84	42
Financial income from related parties	0	2	(2)
Financial charges	**(36,329)**	**(36,840)**	**511**
Financial charges from third parties	(36,322)	(36,736)	414
Financial charges from related parties	(7)	(104)	97
Net financial income (expense)	**(36,203)**	**(36,754)**	**551**
Pre-tax profit	**(88,550)**	**13,602**	**(102,152)**
Income taxes	14,229	(1,011)	15,240
NET PROFIT/(LOSS) OF THE YEAR	**(74,321)**	**12,591**	**(86,912)**
Non-controlling interests in (profit)/loss for the year	0	0	0
Profit/(loss) of the year attributable to the Parent Company	**(74,321)**	**12,591**	**(86,912)**
Basic earnings per share	(0.672)	0.114	(0.786)
Diluted earnings per share	(0.672)	0.114	(0.786)

Consolidated statement of financial position at 31 December 2020

(in thousands of Euros)	31/12/2020 (A)	31/12/2019 (B)	Change (A)-(B)
NON CURRENT ASSETS:			
Intangible assets			
Intangible assets with finite useful lives	35	50	(15)
Goodwill	8,533	12,485	(3,952)
	8,568	**12,535**	**(3,967)**
Property, plant, and equipment			
Investment property	2,234,484	2,365,214	(130,730)
Buildings	7,414	7,643	(229)
Plant and machinery	143	161	(18)
Equipment and other goods	969	1,166	(197)
Assets under construction and advance payments	42,674	40,827	1,847
	2,285,684	**2,415,011**	**(129,327)**
Other non-current assets			
Deferred tax assets	7,995	0	7,995
Sundry receivables and other non-current assets	129	118	11
Equity investments	151	223	(72)
Non-current financial assets	174	174	0
	8,449	**515**	**7,934**
TOTAL NON-CURRENT ASSETS (A)	**2,302,701**	**2,428,061**	**(125,360)**
CURRENT ASSETS:			
Work in progress inventory and advances	33,843	33,602	241
Trade and other receivables	18,260	11,114	7,146
Related party trade and other receivables	775	921	(146)
Other current assets	3,736	3,084	652
Cash and cash equivalents	117,341	128,677	(11,336)
TOTAL CURRENT ASSETS (B)	**173,955**	**177,398**	**(3,443)**
TOTAL ASSETS (A + B)	**2,476,656**	**2,605,459**	**(128,803)**
NET EQUITY:			
Share capital	650,000	749,738	(99,738)
Share premium reserve	30,058	30,058	0
Treasury share reserve	0	(198)	198
Other reserves	499,131	416,263	82,868
Group profit/(loss) carried forward	9,574	2,562	7,012
Group profit/(loss)	(74,321)	12,591	(86,912)
Total Group net equity	**1,114,442**	**1,211,014**	**(96,572)**
Capital and reserves of non-controlling interests	0	0	0
TOTAL NET EQUITY (C)	**1,114,442**	**1,211,014**	**(96,572)**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	14,396	17,365	(2,969)
Non-current financial liabilities	1,135,707	1,232,669	(96,962)
Provisions for employee severance indemnities	3,267	3,057	210
Deferred tax liabilities	18,281	26,313	(8,032)
Provisions for risks and future charges	3,793	4,068	(275)
Sundry payables and other non-current liabilities	9,849	8,152	1,697
Related parties sundry payables and other non-current liabilities	13,462	13,721	(259)
TOTAL NON-CURRENT LIABILITIES (D)	**1,198,755**	**1,305,345**	**(106,590)**
CURRENT LIABILITIES:			
Current financial liabilities	137,266	58,820	78,446
Trade and other payables	12,091	15,960	(3,869)
Related parties trade and other payables	499	1,031	(532)
Current tax liabilities	1,814	2,601	(787)
Other current liabilities	11,789	10,688	1,101
TOTAL CURRENT LIABILITIES (E)	**163,459**	**89,100**	**74,359**
TOTALE PASSIVITA' (F=D+E)	**1,362,214**	**1,394,445**	**(32,231)**
TOTAL NET EQUITY AND LIABILITIES (C + F)	**2,476,656**	**2,605,459**	**(128,803)**

Consolidated statement of cash flows at 31 December 2020

(In thousands of Euros)	31/12/2020	31/12/2019
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (loss) of the year	**(74,321)**	**12,591**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities		
Taxes of the year	(14,229)	1,011
Financial charges / (income)	36,203	36,752
Depreciation and amortization	611	1,026
Writedown of goodwill	3,952	0
Writedown of receivables	11,003	561
(Impairment losses) / reversal on work in progress	3,152	926
Changes in fair value - increases / (decreases)	142,866	71,862
Gains/losses from disposal - equity investments	72	0
Changes in provisions for employees and end of mandate treatment	156	716
CASH FLOW FROM OPERATING ACTIVITIES:	**109,465**	**125,445**
Financial charge paid	(29,344)	(35,385)
Income tax	(788)	(1,476)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:	**79,333**	**88,584**
Change in inventory	(2,594)	(1,309)
Change in trade receivables	(18,003)	2,521
Net change in other assets	(8,658)	2,347
Change in trade payables	(4,401)	1,786
Net change in other liabilities	8,357	(1,378)
CASH FLOW FROM OPERATING ACTIVITIES (A)	**54,034**	**92,551**
(Investments) in intangible assets	(8)	(35)
Disposals of intangible assets	0	0
(Investments) in tangible assets	(14,837)	(40,219)
Disposals of tangible assets	36	12,800
(Investments) in equity interests	0	(59)
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(14,809)**	**(27,513)**
Change in non-current financial assets	0	69
Disposal/(purchase) of treasury shares	198	294
Capital gain/ (loss) on disposal of treasury shares	(200)	0
Capital increase net of costs	0	23
Distribution of dividends	(25,150)	(55,153)
Rents paid for financial leases	(7,991)	(10,301)
Collections for new loans and other financing activities	34,682	588,472
Loans repayments and other financing activities	(52,003)	(462,182)
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(50,464)**	**61,222**
Exchange rate differences on cash and cash equivalents (D)	(97)	(133)
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C+D)	**(11,336)**	**126,127**
CASH BALANCE AT BEGINNING OF THE PERIOD	**128,677**	**2,472**
RGD Ferrara cash balance	**0**	**78**
CASH BALANCE AT END OF THE PERIOD	**117,341**	**128,677**

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Consolidated net financial position at 31 December 2020

(In thousanda of Euros)	31/12/2020	31/12/2019	Change
Cash and cash equivalents	(117,341)	(128,677)	11,336
LIQUIDITY	**(117,341)**	**(128,677)**	**11,336**
Mortgage loans - current portion	51,418	44,090	7,328
Leasing - current portion	9,448	9,070	378
Bond loans - current portion	76,400	5,660	70,740
CURRENT DEBT	**137,266**	**58,820**	**78,446**
CURRENT NET DEBT	**19,925**	**(69,857)**	**89,782**
Non-current financial assets	(174)	(174)	0
Leasing - non-current portion	39,626	49,074	(9,448)
Non-current financial liabilities	453,199	473,289	(20,090)
Bond loans	642,882	710,306	(67,424)
NON-CURRENT NET DEBT	**1,135,533**	**1,232,495**	**(96,962)**
Net debt	**1,155,458**	**1,162,638**	**(7,180)**

Draft income statement of the parent company IGD SIIQ S.p.A. at 31 December 2020

(in Euros)	31/12/2020 (A)	31/12/2019 (B)	Change (A)-(B)
Revenue	**120,737,180**	**127,633,926**	**(6,896,746)**
Revenues from third parties	76,855,048	82,451,366	(5,596,318)
Revenues from related parties	43,882,132	45,182,560	(1,300,428)
Other revenue	**913,777**	**874,580**	**39,197**
Other revenues from third parties	433,850	421,399	12,451
Other revenues from related parties	479,927	453,181	26,746
Operating revenues	**121,650,957**	**128,508,506**	**(6,857,549)**
Service costs	(10,750,671)	(11,845,204)	1,094,533
Service costs from third parties	(7,360,992)	(9,194,428)	1,833,436
Service costs from related parties	(3,389,679)	(2,650,776)	(738,903)
Cost of labour	(5,331,729)	(5,693,735)	362,006
Other operating costs	(16,507,482)	(9,228,998)	(7,278,484)
Total operating costs	**(32,589,882)**	**(26,767,937)**	**(5,821,945)**
Depreciations, amortization and provisions	(532,724)	(928,607)	395,883
(Impairment losses)/Reversals on work in progress and inventories	(256,958)	(71,710)	(185,248)
Provisions for doubtful accounts	(9,017,400)	(465,857)	(8,551,543)
Change in fair value	(111,212,086)	(56,226,719)	(54,985,367)
Depreciation, amortization, provisions, impairment and change in fair value	**(121,019,168)**	**(57,692,893)**	**(63,326,275)**
EBIT	**(31,958,093)**	**44,047,676**	**(76,005,769)**
Income/ (loss) from equity investments	**4,000**	**4,539**	**(539)**
Financial Income	**171,909**	**139,245**	**32,664**
Financial income from third parties	81,614	14,417	67,197
Financial income from related parties	90,295	124,828	(34,533)
Financial charges	**(34,539,232)**	**(34,753,258)**	**214,026**
Financial charges from third parties	(34,526,756)	(34,646,059)	119,303
Financial charges from related parties	(12,476)	(107,199)	94,723
Net financial income (expense)	**(34,367,323)**	**(34,614,013)**	**246,690**
Pre-tax profit	**(66,321,416)**	**9,438,202**	**(75,759,618)**
Income taxes	(115,624)	32,366	(147,990)
NET PROFIT/(LOSS) OF THE YEAR	**(66,437,040)**	**9,470,568**	**(75,907,608)**

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Draft statement of financial position of the parent company IGD SIIQ S.p.A. at 31 December 2020

(in Euros)	31/12/2020 (A)	31/12/2019 (B)	Change (A)-(B)
NON CURRENT ASSETS:			
Intangible assets			
Intangible assets with finite useful lives	25,079	31,464	(6,385)
Goodwill	1,000,000	1,000,000	0
	1,025,079	**1,031,464**	**(6,385)**
Property, plant, and equipment			
Investment property	1,912,265,817	2,016,326,762	(104,060,945)
Buildings	7,413,703	7,643,966	(230,263)
Plant and machinery	138,018	163,472	(25,454)
Equipment and other goods	329,415	407,861	(78,446)
Assets under construction and advance payments	26,044,757	26,423,514	(378,757)
	1,946,191,710	**2,050,965,575**	**(104,773,865)**
Other non-current assets			
Deferred tax assets	4,320,495	5,300,362	(979,867)
Sundry receivables and other non-current assets	82,562	75,116	7,446
Equity investments	186,473,918	186,473,918	0
	190,876,975	**191,849,396**	**(972,421)**
TOTAL NON-CURRENT ASSETS (A)	**2,138,093,764**	**2,243,846,435**	**(105,752,671)**
CURRENT ASSETS:			
Trade and other receivables	13,463,549	8,091,691	5,371,858
Related party trade and other receivables	325,324	237,239	88,085
Other current assets	1,333,339	1,615,686	(282,347)
Related parties other current assets	63,518	317,414	(253,896)
Related parties financial receivables and other current financial assets	93,208,810	91,923,773	1,285,037
Cash and cash equivalents	110,733,403	124,539,213	(13,805,810)
TOTAL CURRENT ASSETS (B)	**219,127,943**	**226,725,016**	**(7,597,073)**
TOTAL ASSETS (A + B)	**2,357,221,707**	**2,470,571,451**	**(113,349,744)**
NET EQUITY:			
Share capital	650,000,000	749,738,139	(99,738,139)
Share premium reserve	30,058,205	30,058,205	0
Treasury share reserve	0	(198,017)	198,017
Other reserves	502,945,601	419,472,787	83,472,814
Profit (loss) carried forward	3,892,525	611	3,891,914
Net profit (loss) of the year	(66,437,040)	9,470,568	(75,907,608)
TOTAL NET EQUITY (C)	**1,120,459,291**	**1,208,542,293**	**(88,083,002)**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	11,202,543	14,835,796	(3,633,253)
Non-current financial liabilities	1,056,269,785	1,144,161,496	(87,891,711)
Provisions for employee severance indemnities	1,929,299	1,847,402	81,897
Provisions for risks and future charges	3,537,916	3,669,020	(131,104)
Sundry payables and other non-current liabilities	2,393,411	1,810,713	582,698
Related parties sundry payables and other non-current liabilities	13,462,013	13,721,967	(259,954)
TOTAL NON-CURRENT LIABILITIES (D)	**1,088,794,967**	**1,180,046,394**	**(91,251,427)**
CURRENT LIABILITIES:			
Current financial liabilities	128,176,484	49,960,840	78,215,644
Related parties current financial liabilities	3,828,409	9,317,969	(5,489,560)
Trade and other payables	5,568,887	11,272,157	(5,703,270)
Related parties trade and other payables	515,237	1,012,001	(496,764)
Current tax liabilities	709,260	1,952,146	(1,242,886)
Other current liabilities	9,052,177	8,415,441	636,736
Related parties other current liabilities	116,995	52,210	64,785
TOTAL CURRENT LIABILITIES (E)	**147,967,449**	**81,982,764**	**65,984,685**
TOTAL LIABILITIES (F=D+E)	**1,236,762,416**	**1,262,029,158**	**(25,266,742)**
TOTAL NET EQUITY AND LIABILITIES (C + F)	**2,357,221,707**	**2,470,571,451**	**(113,349,744)**

Draft statement of cash flows of the parent company IGD SIIQ S.p.A. at 31 December 2020

(In thousands of Euros)	31/12/2020	31/12/2019
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (loss) of the year	**(66,437)**	**9,471**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities		
Taxes of the year	116	(33)
Financial charges / (income)	34,368	34,614
Depreciation and amortization	533	929
Writedown of receivables	9,017	466
(Impairment losses) / reversal on work in progress	257	72
Changes in fair value - increases / (decreases)	111,212	56,227
Changes in provisions for employees and end of mandate treatment	192	602
CASH FLOW FROM OPERATING ACTIVITIES:	**89,258**	**102,348**
Financial charge paid	(27,563)	(34,505)
Income tax	0	18
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:	**61,695**	**67,861**
Change in trade receivables	(14,477)	666
Net change in other assets	1,508	2,529
Change in trade payables	(6,200)	(21)
Net change in other liabilities	(734)	(1,299)
CASH FLOW FROM OPERATING ACTIVITIES (A)	**41,792**	**69,736**
(Investments) in intangible assets	(7)	(18)
Disposals of intangible assets	0	0
(Investments) in tangible assets	(7,079)	(31,562)
Disposals of tangible assets	0	0
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(7,086)**	**(31,580)**
Change in non-current financial assets	(1,285)	6,843
Disposal/(purchase) of treasury shares	198	294
Capital gain/ (loss) on disposal of treasury shares	(200)	0
Capital increase net of costs	0	24
Distribution of dividends	(25,150)	(55,153)
Rents paid for financial leases	(2,615)	(3,446)
Collections for new loans and other financing activities	34,682	588,472
Loans repayments and other financing activities	(54,142)	(452,113)
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(48,512)**	**84,921**
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C+D)	**(13,806)**	**123,077**
CASH BALANCE AT BEGINNING OF THE PERIOD	**124,539**	**1,462**
CASH BALANCE AT END OF THE PERIOD	**110,733**	**124,539**