PRESS RELEASE

FINANCIAL INFORMATION AS AT 31 MARCH 2021

- **The restrictions in place for shopping center operations continue to weigh heavily on the sector**
- **"One-off" COVID impact of €5.4 million recognized in 1Q 2021**
- **Net rental income: €26.2 million (-20.7%)**
- **FFO: €13.8 million (-33.3%)**
- **Notes falling due redeemed in full with significant cash on hand at the end of the reporting period of €46.86 million**
- **In the second quarter the Group prepares for the gradual easing of the restrictive measures and the reopening of all the tenants: in the first six days without restrictions, beginning Monday, 26 April, footfalls recovered 94% with respect to 2019**

Bologna, 6 May 2021 Today the Board of Directors of **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.** ("**IGD"** or the "**Company**") examined and approved the **interim financial report at 31 March 2021** during a meeting chaired by Rossella Saoncella.

Message of the Chief Executive Officer, Claudio Albertini

"In these first three months of 2021 the situation continued to be precarious for shopping centers which were impacted severely by the restrictive measures and the closures still in effect. More specifically, the footfalls and sales of our tenants were lower in 2021 compared to a January/February 2020 when the centers were basically fully operational.

Conversely, in March, when the restrictions were less severe and not as widespread, the footfalls were higher (+50% in the month) than in 2020 when an almost complete lockdown was in place. We are also satisfied and encouraged by two other figures which confirm the considerable appeal that shopping centers still have, namely the average ticket, which rose further in the quarter by more than 21% compared to the same period 2020, and rent collection, which reached more than satisfactory levels of around 75% in Italy and almost 90% in Romania. Our focus, however, is now already on the next phase of reopenings, for which we are preparing together with our tenants, and the future challenges of the retail world leveraging on "next steps", an internal project which aims to find solutions that respond to the changed needs of our tenants and shoppers by concentrating on four areas: layouts, services, events, as well as the merchandise and tenant mix of the future. We want to make our centers increasingly more "urban", attractive and places to be lived in, at the service of the communities which visit them every day".

IMPACT OF THE COVID-19 HEALTH CRISIS ON THE GROUP'S ACTIVITIES

Italy

The health crisis begun in 2020 is continuing in 2021, with strong repercussions due to the restrictive measures adopted by the Italian government to contain and combat the spread of the Coronavirus. These measures, already in place at year-end 2020 and confirmed in the first quarter of 2021, consist mainly in the division of Italy in zones of different colors based on the level of risk, the institution of a national curfew from 10:00 p.m. to 5:00 a.m., ban on travel between regions, closure of dine-in restaurant services with only take-out and delivery permitted, and the closure of non-essential retail operations located inside shopping centers on Sundays and holidays.

In the first quarter of 2021 the "non-essential" retailers located inside IGD's shopping malls were closed about 48% of the possible days of operation, with marked differences based on location; while in the same period 2020 they were closed roughly 25% of the possible days of operation.

As a result, the comparison with the operating performance recorded in the same months of 2020 is not easy to interpret nor overtly comparable because January and February of the prior year were not affected by the restrictions to contain the pandemic implemented beginning in March.

In the first quarter of 2021 **footfalls** were down (-19.5%) overall compared to the same period of the prior year, but in March 2021 traffic increased (+50.0%) despite the Sunday and holiday closures, and show a greater decline with respect to 2019 (-36.5%) which was not impacted by Covid. Similarly, and for the same reasons, the **sales** of mall retailers were down in the quarter (-14.4% vs 2020) and the occupancy rate was slightly lower than at the end of 2020, coming in at 93.6%, due to the carry-over effect of the restrictions in place as of November.

The positive trend seen in 2020, with less frequent, but more targeted, shopping continued, however: in the first quarter of 2021 the **average ticket**, in fact, rose more than 21% against the same period 2020 and +29% against the first three months of 2019 to around €27.4.

In the second quarter the Group is preparing for the gradual easing of the restrictive measures and the reopening of all the tenants: in the first six days without restrictions, beginning Monday, 26 April, footfalls recovered 94% with respect to 2019.

Another encouraging signal comes from trading relative, specifically, to the residential portion of Officine Storiche (part of the multi-use project Porta a Mare in Livorno) where we have already finalized preliminary sales agreements for 13 out of the 42 units, expected to be completed in around one year, which bodes well for negotiations going forward. The Porta a Mare district will, therefore, already be well populated when the Officine retail section opens, also taking into account the 73 residential units of the Piazza Mazzini area which have all been sold.

Romania

In Romania the government measures adopted in the first few months of 2021 also limited the operations of the Winmartk malls: more in detail, beginning in March, limits on restaurants and entertainment activities (cinemas, gyms, game arcades, playgrounds and casinos) were reintroduced locally based on infection rates and a quasi-lockdown is in place nationally with the closing of businesses inside shopping centers at 6:00 p.m..

Overall, however, the operating performance of the Winmarkt shopping centers was encouraging: **occupancy** reached 94.4%, higher than at 31 December 2020. This figure provides the most significant signal for the commercial activities as it demonstrates that the marketing of the spaces vacated due, above all, to the economic impact of the pandemic is already beginning to have an impact. Lastly, another important indicator, **rent collection,** which for 2020 reached more than 95% of turnover and more than 88% for the first quarter of 2021.

THE SHOPPING CENTERS HAVE SHOWN SIGNFICANT RESILIENCE

Overall, IGD's shopping centers adapted to this "rubber band" situation of more or less severe restrictions in different periods and in various locations, always ready and operative, at the service of the local community whenever it was allowed.

The commercial activities never stopped either as demonstrated by the **24 openings**, comprising new brands (17) and full restyling of points of sale (7), made in Italy through the end of April.

New brands were found and added to IGD's portfolio for the first time which fueled excellent performances despite the difficult period including, for example, Pepco, which after positive first experiences at Centro Borgo in Bologna and La Favorita in Mantua, decided to open also at Le Maioliche in Faenza, as well as Fonti del Corallo in Livorno, and has scheduled other openings in IGD's network over the coming months.

There were **also new entries** in one of the sectors hit the hardest by the restrictions, namely **restaurants,** like La Piadineria at Centro Lame in Bologna and Poke Kal at Centrosarca in Milan. Consistent with the strategy to give greater priority to **brands focused on innovation**, a lease was signed with Mi **Store**, a single-brand retailer authorized by Xiaomi, that will open at the Tiburtino Shopping Center in Rome.

In Italy **rent collection** at 31 March 2021 had also reached a good level**: at 3 May, more than 95% of 2020 turnover had been collected, along with around 75% of the turnover for first quarter 2021.**

FINANCIAL – ECONOMIC RESULTS

The results for the first three months of 2021 were impacted noticeably by the containment measures in place to limit the spread of Covid-19: while the pandemic did not have an economic impact on the first three months of 2020, in the first quarter of 2021 a one-off impact of roughly €5.4 million was recognized.[1].

[1] Based on internal estimates of the COVID impact, €0.2 million in discounts and €5.2 million in loss on receivables were recognized.

Net rental income amounted to €26.2 million, a decrease of -20.7%, explained mainly by:

- for around -€1 million, lower revenue like-for-like in Italy. The decrease is explained by Italian malls (-4%) and due mainly to the drop in variable and temporary revenue, as well as the increase in vacancies in the reporting period; hypermarkets rose slightly (+1.1%)
- for around -€0.3 million, lower revenue in Romania (greater temporary discounts and the exit of a tenant with multiple points of sale in June 2020)
- for around -€0.2 million, lower revenue not like-for-like
- for around -€5.4 million (between discounts and credit losses), the direct impact of Covid-19 (one-off and without carry over in subsequent years) stemming from the so-called "second lockdown period"

Core business Ebitda fell 21.6% to €23.8 million, with the margin at 61.8%. The freehold core business Ebitda margin (relative to freehold properties) came to 62.0%.

Financial charges amounted to €8.8 million; this figure, net of the accounting impact of IFRS 16 and non-recurring expenses, was down an additional 1.5% with respect to 2020.

Funds from Operations (FFO) amounted to €13.8 million, down compared to 31 March 2020 (-33.3%).

GRADUAL ELIMINATION OF THE RESTRICTIONS

The "Reopening" Legislative Decree approved by Italy's Council of Ministers on 21 April 2021 outlines the timeframe for the gradual elimination of the restrictions in place to limit the spread of Covid-19 which take into account the numbers relative to the epidemic and the status of the vaccine roll-out. The main measures introduced which could impact IGD's business include confirmation of the curfew from 10:00 p.m. to 5:00 a.m., but as of 26 April in the "yellow zone" outdoor restaurants with table service may resume their activities, serving both lunch and dinner. Cinemas may also reopen, but only at 50% capacity with a distance of at least one meter between each spectator. A date for the reopening of shopping centers, including on Sundays and holidays, has yet to be determined, but the government is evaluating another gradual and progressive easing of the restrictions based on the infection rates and the status of the vaccine roll-out.

The Company will guarantee implementation of all the measures, already in place since the beginning of the pandemic, needed to promote safe shopping inside its centers like increased cleaning and sanitization, mandatory masks, hand sanitizer and thermometers, control of traffic entering, circulating and leaving the malls with social distancing.

The Company is also already finalizing **a few actions to make the centers ready to accommodate visitors immediately, above all in restaurants.** The shopping centers have already started working on a total of 12 projects involving the creation of patios, kiosks and outdoor spaces and some are already up and running in, for example, Esp in Ravenna, Le Maioliche in Faenza and Le Porte di Napoli in Naples, while others will be completed over the next few weeks. In order to further support restaurants IGD is also organizing spaces for the pick-up and delivery of the orders made online or in person.

IGD also completed another important project, namely the creation of a **vaccination hub inside the La Torre Shopping Center in Palermo**, where a dedicated area of 1,800 m^2 was identified which can provide around 900 vaccinations each day. The shopping center, with its large spaces that are well organized, supervised, systematically sanitized, and easy to reach is the ideal location for the quick and safe creation of areas which **guarantee local medical assistance, increasing IGD's ties with the communities in which its centers are located.**

Lastly, in order to be ready to face the complete reopening of the shopping centers as effectively as possible and capture the new trends accelerated by the pandemic, IGD began the **"Next Steps" Project** which, based on the needs of users that emerged including through direct surveys, aims to find solutions to meet these needs in order **to establish an even more direct and personalized relationship with the shopper, including through the integration of the Group's CRM system and Digital Plan**.

The Project work group will be focused on layouts, services, events, as well as the merchandise and tenant mix, with a view to increasing the centers' appeal and confirming them as places to be lived in, at the service of the communities which visit them every day.

FINANCE

On 1 March 2021 IGD redeemed in full the "€300,000,000 2.500 per cent. Notes due 31 May 2021" for an aggregate principal amount of €70,793,000 and, consequently, cancelled the Notes.

Taking into account the cash on hand, which amounted to roughly €46 million at the end of March, as well as the committed and uncommitted credit lines, we have resources available to cover our financial needs through 2021 and the first few months of 2022.

The average cost of debt was 2.32% at the end of March 2021, while the interest cover ratio or ICR came to 2.9X.

The net financial debt was €1,145.4 million (-€1,101.8 million adj. ex IFRS16), approximately €10 million lower with respect to year-end 2020. The Loan-to-Value was also lower coming in at 49.5%.

Operating income statement at 31 March 2021

GROUP CONSOLIDATED	(a) 1Q_CONS_2020	(c) 1Q_CONS_2021	Δ (c)/(a)
Revenues from freehold rental activities	35.3	33.6	-5.0%
Revenues from leasehold rental activities	3.1	3.1	1.9%
Total income from rental activities	**38.4**	**36.7**	**-4.4%**
Rents and payable leases	0.0	0.0	-9.8%
Direct costs from rental activities	-5.4	-10.5	95.6%
Net rental income	**33.0**	**26.2**	**-20.7%**
Revenues from services	1.6	1.7	7.3%
Direct costs from services	-1.4	-1.4	-2.4%
Net services income	**0.2**	**0.4**	**67.4%**
HQ Personnel expenses	-1.7	-1.7	3.7%
G&A Expenses	-1.2	-1.1	-14.7%
CORE BUSINESS EBITDA (Operating income)	**30.3**	**23.8**	**-21.6%**
Core business Ebitda Margin	*75.8%*	*61.8%*	
Revenues from trading	0.0	0.0	n.a.
Cost of sale and other costs from trading	-0.1	-0.2	22.9%
Operating result from trading	**-0.1**	**-0.1**	**-0.4%**
EBITDA	**30.2**	**23.6**	**-21.7%**
Ebitda Margin	*75.5%*	*61.4%*	
Impairment and Fair Value adjustments	-5.9	-4.1	-29.4%
Depreciation and provisions	-0.3	-0.3	3.4%
EBIT	**24.1**	**19.2**	**-20.1%**
		0.0	
FINANCIAL MANAGEMENT	-9.0	-8.8	-2.4%
ENTRAORDINARY MANAGEMENT	0.0	0.0	n.a.
PRE-TAX RESULT	**15.1**	**10.4**	**-30.8%**
Taxes	-0.1	-0.1	18.4%
NET RESULT OF THE PERIOD	**14.9**	**10.3**	**-31.1%**
(Profit/Loss) for the period related to third parties	0.0	0.0	n.a.
GROUP NET RESULT	**14.9**	**10.3**	**-31.1%**

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

↗↗↗

"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.

↗↗↗

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 5 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.

www.gruppoigd.it

CONTACTS INVESTOR RELATIONS

CLAUDIA CONTARINI
Investor Relations
+39 051 509213
claudia.contarini@gruppoigd.it

CONTACTS MEDIA RELATIONS

IMAGE BUILDING
Cristina Fossati,
+39 02 89011300
igd@imagebuilding.it

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 the income statement, statement of financial position, statement of cash flows, consolidated net financial position at 31 March 2021[2]

[2] The Interim Financial Report and the consolidated financial statements at 31 March 2021 of Gruppo Immobiliare Grande Distribuzione are unaudited.

Consolidated income statement at 31 March 2021

(in thousands of Euros)	31/03/2021 (A)	31/03/2020 (B)	Change (A)-(B)
Revenue	**36,705**	**38,400**	**(1,695)**
Revenues from third parties	26,789	28,211	(1,422)
Revenues from related parties	9,916	10,189	(273)
Other revenue	**1,736**	**1,618**	**118**
Other revenues from third parties	1,092	958	134
Other revenues from related parties	644	660	(16)
Revenues from property sales	**30**	0	**30**
Operating revenues	**38,471**	**40,018**	**(1,547)**
Change in inventory	774	849	(75)
Revenues and change in inventory	**39,245**	**40,867**	**(1,622)**
Construction costs for the period	(792)	(849)	57
Service costs	(3,134)	(3,831)	697
Service costs from third parties	(2,234)	(3,088)	854
Service costs from related parties	(900)	(743)	(157)
Cost of labour	(2,637)	(2,567)	(70)
Other operating costs	(2,617)	(2,769)	152
Total operating costs	**(9,180)**	**(10,016)**	**836**
Depreciations, amortization and provisions	(159)	(151)	(8)
Provisions for doubtful accounts	(6,528)	(751)	(5,777)
Change in fair value	(4,137)	(5,856)	1,719
Depreciation, amortization, provisions, impairment and change in fair value	**(10,824)**	**(6,758)**	**(4,066)**
EBIT	**19,241**	**24,093**	**(4,852)**
Financial Income	**31**	**16**	**15**
Financial income to third parties	31	16	15
Financial charges	**(8,843)**	**(9,047)**	**204**
Interests and financial charges to third parties	(8,843)	(9,030)	187
Interests and financial charges to related parties	0	(17)	17
Net financial income (expense)	**(8,812)**	**(9,031)**	**219**
Pre-tax profit	**10,429**	**15,062**	**(4,633)**
Income taxes	(139)	(118)	(21)
NET PROFIT FOR THE PERIOD	**10,290**	**14,944**	**(4,654)**
Non-controlling interests in (profit)/loss for the period	0	0	0
Profit/(loss) for the period attributable to the Parent Company	**10,290**	**14,944**	**(4,654)**

igd immobiliare grande distribuzione società di investimento immobiliare quotata spa

Consolidated statement of financial position at 31 March 2021

(in thousands of Euros)	31/03/2021 (A)	31/12/2020 (B)	Change (A)-(B)
NON CURRENT ASSETS:			
Intangible assets			
Intangible assets with finite useful lives	93	35	58
Goodwill	8,533	8,533	0
	8,626	**8,568**	**58**
Property, plant, and equipment			
Investment property	2,231,246	2,234,484	(3,238)
Buildings	7,354	7,414	(60)
Plant and machinery	139	143	(4)
Equipment and other goods	1,608	969	639
Assets under construction and advance payments	44,182	42,674	1,508
	2,284,529	**2,285,684**	**(1,155)**
Other non-current assets			
Deferred tax assets	7,706	7,995	(289)
Sundry receivables and other non-current assets	129	129	0
Equity investments	99	151	(52)
Non-current financial assets	174	174	0
	8,108	**8,449**	**(341)**
TOTAL NON-CURRENT ASSETS (A)	**2,301,263**	**2,302,701**	**(1,438)**
CURRENT ASSETS:			
Inventory and advances	34,617	33,843	774
Trade and other receivables	21,843	18,260	3,583
Related party trade and other receivables	1,435	775	660
Other current assets	5,121	3,736	1,385
Cash and cash equivalents	46,862	117,341	(70,479)
TOTAL CURRENT ASSETS (B)	**109,878**	**173,955**	**(64,077)**
TOTAL ASSETS (A + B)	**2,411,141**	**2,476,656**	**(65,515)**
NET EQUITY:			
Share capital	650,000	650,000	0
Share premium reserve	30,058	30,058	0
Other reserves	500,719	499,131	1,588
Group profit (loss) carried forward	(64,747)	9,574	(74,321)
Net profit (loss) of the year	10,290	(74,321)	84,611
Total Group net equity	**1,126,320**	**1,114,442**	**11,878**
Capital and reserves of non-controlling interests	0	0	0
TOTAL NET EQUITY (C)	**1,126,320**	**1,114,442**	**11,878**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	12,827	14,396	(1,569)
Non-current financial liabilities	1,129,127	1,135,707	(6,580)
Provisions for employee severance indemnities	3,192	3,267	(75)
Deferred tax liabilities	18,351	18,281	70
Provisions for risks and future charges	4,131	3,793	338
Sundry payables and other non-current liabilities	9,861	9,849	12
Related parties sundry payables and other non-current liabilities	13,462	13,462	0
TOTAL NON-CURRENT LIABILITIES (D)	**1,190,951**	**1,198,755**	**(7,804)**
CURRENT LIABILITIES:			
Current financial liabilities	63,288	137,266	(73,978)
Trade and other payables	13,042	12,091	951
Related parties trade and other payables	521	499	22
Current tax liabilities	4,753	1,814	2,939
Other current liabilities	12,266	11,789	477
TOTAL CURRENT LIABILITIES (E)	**93,870**	**163,459**	**(69,589)**
TOTAL LIABILITIES (F=D+E)	**1,284,821**	**1,362,214**	**(77,393)**
TOTAL NET EQUITY AND LIABILITIES (C + F)	**2,411,141**	**2,476,656**	**(65,515)**

Consolidated statement of cash flows at 31 March 2021

(in thousands of Euros)	31/03/2021	31/03/2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (loss) of the year	**10,290**	**14,784**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities		
Taxes of the year	139	118
Financial charges / (income)	8,812	9,031
Depreciation and amortization	159	151
Writedown of receivables	6,528	751
Changes in fair value - increases / (decreases)	4,137	5,856
Changes in provisions for employees and end of mandate treatment	343	285
CASH FLOW FROM OPERATING ACTIVITIES:	**30,408**	**30,976**
Financial charge paid	(5,252)	(3,864)
Income tax	(188)	(248)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:	**24,968**	**26,864**
Change in inventory	(774)	(850)
Change in trade receivables	(10,771)	(3,434)
Net change in other assets	(1,096)	(1,619)
Change in trade payables	973	(3,799)
Net change in other liabilities	3,433	3,213
CASH FLOW FROM OPERATING ACTIVITIES (A)	**16,733**	**20,375**
(Investments) in intangible assets	(64)	0
Disposals of intangible assets	0	0
(Investments) in tangible assets	(3,101)	(5,647)
Disposals of tangible assets	0	0
Disposals in Equity investments	52	0
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(3,113)**	**(5,647)**
Disposal/(purchase) of treasury shares	0	(327)
Rents paid for financial leases	0	(2,576)
Loans repayments and other financing activities	(84,048)	(10,362)
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(84,048)**	**(13,265)**
Exchange rate differences on cash and cash equivalents (D)	(51)	(44)
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C+D)	**(70,479)**	**1,419**
CASH BALANCE AT BEGINNING OF THE PERIOD	**117,341**	**128,677**
CASH BALANCE AT END OF THE PERIOD	**46,862**	**130,096**

Consolidated net financial position at 31 March 2021

(in thousands of Euros)	31/03/2021	31/12/2020	Change
Cash and cash equivalents	(46,862)	(117,341)	70,479
LIQUIDITY	**(46,862)**	**(117,341)**	**70,479**
Mortgage loans - current portion	46,542	51,418	(4,876)
Leasing - current portion	9,538	9,448	90
Bond loans - current portion	7,208	76,400	(69,192)
CURRENT DEBT	**63,288**	**137,266**	**(73,978)**
CURRENT NET DEBT	**16,426**	**19,925**	**(3,499)**
Non-current financial assets	(174)	(174)	0
Leasing - non-current portion	37,175	39,626	(2,451)
Non-current financial liabilities	448,339	453,199	(4,860)
Bond loans	643,613	642,882	731
NON-CURRENT NET DEBT	**1,128,953**	**1,135,533**	**(6,580)**
NET DEBT	**1,145,379**	**1,155,458**	**(10,079)**