SUMMARY NOTE

Issuer

Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.
Registered office Via Agro Pontino, no. 13, Ravenna (RA)
Operational headquarters: Via Trattati Comunitari Europei 1957-2007 no. 13, Bologna
Authorized share capital € 422,882,284.69, subscribed and paid-up share capital € 322,545,915.08 consisting of 330,025,283 ordinary shares
VAT number and Ravenna Companies Register number: 00397420399
Ravenna Economic Administrative Index: 88573
Company subject to management and coordination by Coop Adriatica s.c.a.r.l.

Summary Note filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.

Securities Note filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.

Registration Document filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.

The Summary Note should be read in conjunction with the Registration Document and the Securities Note.

Publication of the Summary Note does not constitute an opinion by CONSOB as to the worthiness of the proposed investment or the value of the related information.

The Summary Note, the Securities Note and the Registration Document are available at the Issuer's registered office in Ravenna, via Agro Pontino 13, as well as on the websites of both the Issuer (www.gruppoigd.it) and Borsa Italiana S.p.A..

The Offer Price and the final number of Shares to be issued and any other information that can be determined on the basis of this information were determined following the approval of the Registration Document, the Securities Note and the Summary Note, and even if filed as part of one single set of documents remain separate from the text of those approved documents and for that reason are reproduced in italics. This information, determined and filed pursuant to article 95-bis, paragraph 1 of the Consolidated Financial Act (Legislative Decree No. 58 of 24 February 1998, as amended), has not been submitted to CONSOB for approval.

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CONTENTS

DEFINITIONS

Below is a list of the definitions of terms used in this Summary Note. Unless specified otherwise, the terms and definitions have the following meanings:

Beni Stabili	Beni Stabili Società per Azioni Società di Investimento Immobiliare Quotata, registered office in Rome, Via Piemonte 38.
Borsa Italiana	Borsa Italiana S.p.A., registered office in Milan, Piazza degli Affari 6.
Bylaws	The bylaws of IGD in force at the Date of the Summary Note.
Capital Increase	The increase in the Issuer's share capital, for payment, in divisible form, to be carried out by 30 September 2013, with a total value of Euro 17,866,726 including any premium, up to the limit of 10% of the company's existing share capital, through the issue of ordinary shares with no indication of nominal value and regular dividend entitlement, with the exclusion of the rights of option pursuant to article 2441, paragraph 4(2) of the Italian Civil Code, to be offered in subscription to those entitled to receive dividends for fiscal 2012, approved by the extraordinary meeting of shareholders on 18 April 2013.
CONSOB	The Italian National Commission for Corporations and the Stock Exchange, registered office in Rome, Via G.B. Martini 3.
Coop Adriatica	Coop Adriatica S.c.a.r.l., registered office in Villanova di Castenaso (Bologna), Via Villanova 29/7.
Date of the Summary Note	Date of publication of the Summary Note.
Exchange Offer	The exchange offer approved by the Issuer's Board of Directors on 18 April 2013 addressed to holders of the outstanding convertible bonds entitled "*€ 230,000,000 3.50 per cent Convertible Bonds due 2013*" issued by IGD and having as consideration newly issued unsecured fixed rate senior bonds entitled "*€ 144,900,000 4.335 per cent Notes due 7 May 2017*". The exchange offer is addressed exclusively to holders of "*€ 230,000,000 3.50 per cent Convertible Bonds due 2013*" inside Italy and outside Italy (excluding the United States of America pursuant to *Regulation S* of the *1933 United States Securities Act* as amended) who on the basis of applicable legislation are qualified investors.
External Auditors	Reconta Ernst & Young S.p.A..
IFRS (International Financial Reporting Standards)	All the International Financial Reporting Standards and International Accounting Standards (IAS) and all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC).
IGD Group or Group	Collectively, the Issuer and the companies directly or indirectly controlled thereby within the meaning of article 2359 of the Italian Civil Code and article 93 of the Consolidated Finance Law.
IGD, the Company or the Issuer	Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A., registered office in Ravenna, Via Agro

	Pontino 13.
IMU	The Single Municipal Tax (Imposta Municipale Unica) introduced by Decree Law no. 201 of 6 December 2011 on "*Measures for growth, equity and the consolidation of the public accounts*" converted by Law no. 214 of 22 December 2011, amended by subsequent legislation by way of Decree Law no. 16 of 2 March 2012 on "*Urgent measures regarding tax simplification and rendering assessment procedures stronger and more efficient*" converted by Law no. 44 of 26 April 2012.
Ipercoop Tirreno	Ipercoop Tirreno S.p.A.
Monte Titoli	Monte Titoli S.p.A., with registered office in Milan, Piazza degli Affari 6.
MTA	The electronic stock exchange organized and managed by Borsa Italiana S.p.A.
Offer	The offer excluding pre-emption rights, under article 2441 paragraph 4(2) of the Italian Civil Code, reserved to persons entitled to receive dividends for fiscal 2012, of a maximum of *23,633,236* Shares, deriving from the Capital Increase with the allocation ratio of *2* Shares for every *27* ordinary shares held in the Issuer, with rights to the dividend for 2012.
Offer Period	The period of time between 20 May 2013 and 3.30 p.m. 31 May 2013.
Offer Price	The price of Euro *0.75* at which each Share will be offered for subscription to those entitled to receive a dividend for 2012.
Real Estate Assets	The Company's real estate assets at the date of this Summary Note.
Real Estate Portfolio	The real estate portfolio of both freehold and leasehold properties the leasing of which is managed by the IGD Group.
Registration Document	The registration document filed by the Issuer with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795. The Registration Document is available to the public at the Issuer's registered office in Ravenna, via Agro Pontino13, as well as on the websites of both the Issuer (www.gruppoigd.it) and Borsa Italiana S.p.A..
Regulation (EC) 809/2004	Regulation (EC) of the Commission dated 29 April 2004, enacting Directive 2003/71/EC of the European Parliament and Council as regards the information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as subsequently amended.
REIT - Real Estate Investment Trust (Società di Investimento Immobiliare Quotata – SIIQ)	A Listed Real Estate Investment Trust governed by article 1, subparagraphs 119-141 of the 2007 Finance Act (Law no. 296 of 27 December 2006), as amended by the 2008 Finance Act (Law no. 244 of 24 December 2007), and by the Regulations containing provisions on REITs (Decree no. 174 of 7 September 2007 of the

	Ministry for the Economy and Finance).
Related Party Regulations	The regulations approved by CONSOB in Resolution no. 17221 of 12 March 2010, as subsequently amended.
Securities Note	The note regarding the securities which are the object of the Offer, filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.
Shares	The Issuer's ordinary shares with no indication of nominal value, deriving from the Capital Increase and forming the subject of the Offer, with regular dividend entitlement. The Shares do not attribute the right to receive dividends for the year 2012.
Summary Note	This Summary Note.
Testo Unico or TUF	Legislative Decree no.58 of 24 February 1998, as amended.
Unicoop Tirreno	Unicoop Tirreno Company Cooperativa, registered office in Piombino (LI), Vignale Riotorto township, S.S. 1 Via Aurelia, km. 237.
WinMagazine	SC Win Magazin S.A., registered office in Bucharest (Romania), 25-29 Decebal Blvd. Olympia Tower Building, 9th Floor District 3.
2012-2015 Plan or the Plan	The 2012-2015 Strategic Plan approved by the Board of Directors on 2 October 2012.

SUMMARY NOTE

This Summary Note (the “Summary Note”) prepared pursuant to Regulation (EC) 809/2004 contains key information relating to the Issuer, the Group and the business sector in which they operate as well as that relating to the Shares subject of the Offer.

The summary notes contain the disclosures the disclosures required by the applicable schedules (“**Elements**”) indicated in Sections A to E (A.1 - E.7).

This Summary Note contains all the Elements required by the schedules applicable with respect to the features of the offered financial instruments and of the Issuer. Since there is no requirement to include Elements in the Summary Note relating to schedules not used in the preparation of the Registration Document and the Securities Note, there may be gaps in the numerical sequence of the Elements.

If the schedules applicable with respect to the features of the offered financial instruments and of the Issuer require the disclosure of a specific Element and there is no relevant information in this regard, the Summary Note contains a summarized description of the separate Element requested by the applicable schedules with the indication “*not applicable*”.

Section A – *Introduction and disclaimers*

<table>
<tr><td>A.1</td><td>Disclaimer</td></tr>
<tr><td></td><td>Notice is expressly given that:
(i) the Summary Note shall be read as an introduction to the Securities Note and the Registration Document;
(ii) any and all decisions to invest in the Shares shall be based on the evaluation made by the investor of, in addition to this Summary Note, the Securities Note and the Registration Document;
(iii) in the event any legal action is filed with the authorities in relation to the information contained in the Summary Note, the Securities Note and/or the Registration Document, the investor petitioner could be asked to sustain the cost of translating the Summary Note, the Securities Note and/or the Registration Document before the proceedings begin;
(iv) the parties who prepared the Summary Note, including any translation, will be held civilly liable only if the same Summary Note is misleading, inaccurate or inconsistent when read in conjunction with the Securities Note and the Registration Document or if it does not provide, if read in conjunction with the Securities Note and the Registration Document, the basic information needed to assist investors when assessing the opportunity of investing in the Shares subject to the Offer.</td></tr>
<tr><td>A.2</td><td>Any consent to the use of the Summary Note, the Securities Note and/or the Registration Document for the subsequent resale of the Shares</td></tr>
<tr><td></td><td>The Issuer does not consent to the use of the Summary Note, the Securities Note and/or the Registration Document for the subsequent resale or final placement of the Shares by financial intermediaries.</td></tr>
</table>

SECTION B – *ISSUER*

B.1 **Legal and trade name of the Issuer**

The Company's name is "Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A." or, in abbreviated form, "IGD SIIQ S.p.A.".

B.2 **Domicile and legal form of the Issuer, legislation under which the Issuer operates and the country in which it was formed**

The Company was formed in Italy as a joint stock company and operates under Italian law. In April 2008 and with effect from 1 January 2008 the Company elected to be treated under the REIT regime. The Company has its registered office in Ravenna, Via Agro Pontino 13 and operational headquarters in Bologna, Via Trattati Comunitari Europei 1957-2007 13, telephone number: +39.051.509111. The Issuer is registered in the Ravenna Companies Register with the number 00397420399.

B.3 **Description of the nature of the Issuer's current business and its main activities, and key relative factors, with an indication of the main categories of products sold and/or services provided and identification of the main markets in which the Issuer competes.**

The IGD Group is a leading owner and manager of retail shopping centers in Italy. As of 2008, the Group is also active in Romania through its subsidiary WinMagazine which owns the country's main chain of department stores.

More in detail, the IGD Group's business activities consist of:

- **Property Management and Leasing**, the objective of which is the medium to long term enhancement of the Real Estate Portfolio through the acquisition and leasing of retail properties, both operational and newly constructed (Shopping Centers, Hypermarkets, Supermarkets and Malls), while also seeking to maximum the returns of the Real Estate Portfolio including through the sale of Malls; and
- **Services** which consists primarily in Agency Management and Pilotage, as well as Facility Management.

The Group's main activity is entering business lease and rental contracts relating to the properties making up the Real Estate Portfolio.

Property Management and Leasing activities also consist in optimizing returns from the Group's Real Estate Assets by means of (*i*) commercial policies and marketing initiatives which keep the attraction of Shopping Centers and the related occupancy rates high; (*ii*) policies concerning property enhancement and management, through improvement measures such as extension or restyling.

The Group combines services with its Property Management and Leasing activities. This business is carried out by IGD and consists of the provision of Agency Management and Pilotage services and Facility Management services, both aimed at owners and renters/lessees of Hypermarkets, Supermarkets and shops situated in Malls.

The following table sets out consolidated management revenues by business area for the quarters ended 31 March 2013 and 2012 and for the years ended 31 December 2012, 2011 and 2010.

Business sector * (*in Euro/000*)	**31/03/2013**	**%**	**31/03/2012**	**%**	**31/12/2012**	**%**	**31/12/2011**	**%**	**31/12/2010**	**%**
Property management and leasing	29,191	96%	29,442	96%	118,128	96%	115,906	95%	110,095	95%
Services	1,250	4%	1,303	4%	5,136	4%	5,284	4%	6,092	5%
Trading	0	0%	0	0%	-	0%	1,726	1%	-	0%

Total	**30,440**	**100%**	**30,745**	**100%**	**123,264**	**100%**	**122,916**	**100%**	**116,187**	**100%**

*From a management standpoint certain income and expense items are reclassified and at times offset compared to the financial statements.

The following table sets out consolidated management revenues by business area and by geographical area for the quarters ended 31 March 2013 and 2012 and for the years ended 31 December 2012, 2011 and 2010.

Business sector	**Italy**									
(*in Euro/000*)										
	31/03/2013	**%**	**31/03/2012**	**%**	**31/12/2012**	**%**	**31/12/2011**	**%**	**31/12/2010**	**%**
Property management and leasing	26,521	96%	26,635	95%	107,026	96%	104,184	94%	97,294	94%
Services	1,219	4%	1,268	5%	4,981	4%	5,094	5%	5,894	6%
Trading	0	0%	0	0%	-	0%-	1,726	1%	-	0%-
Total	**27,740**	**100%**	**27,903**	**100%**	**112,007**	**100%**	**111,004**	**100%**	**103,188**	**100%**
Business sector	**Romania**									
(in Euro/000)										
	31/03/2013	**%**	**31/03/2012**	**%**	**31/12/2012**	**%**	**31/12/2011**	**%**	**31/12/2010**	**%**
Property management and leasing	2,670	99%	2,807	99%	11,102	99%	11,722	98%	12,801	98%
Services	31	1%	35	1%	155	1%	190	2%	198	2%
Trading	0	0%	0	0%	-	0%		0%-		0%-
Total	**2,701**	**100%**	**2,842**	**100%**	**11,257**	**100%**	**11,912**	**100%**	**12,999**	**100%**

The IGD Group's real estate portfolio consists primarily of Hypermarkets and Malls found inside mid/large sized shopping centers.

More in detail, the IGD Group owns in Italy (*i*) 19 Hypermarkets and Supermarkets, (*ii*) 19 Shopping Malls and Retail Parks (including the Mall co-owned with Beni Stabili), (*iii*) 1 City Center property, (*iv*) 4 plots of land for direct development, (*v*) 1 property held for trading, (*vi*) 7 other property units (offices, one shop, one wholesale area, one fitness area, appurtenant to freehold shopping centers).

The Group's real estate portfolio in Romania consists of (*i*) 15 Shopping Centers and (*ii*) 1 office building. These properties are located in 13 different midsized cities in Romania.

The market value of the IGD Group's real estate portfolio at 31 December 2012 amounted to Euro 1,906.56 million compared to Euro 1,924.65 million at 31 December 2011.

No significant changes occurred in the perimeter of the real estate portfolio between 31 December 2012 and the Date of the Summary Note.

At 31 December 2012, the Group had 160 employees, of whom 114 in Italy and 46 in Romania. No significant changes have occurred in the number of the IGD Group's employees between 31 December 2012 and the Date of this Summary Note.

B.4a **Description of recent main trends concerning the Issuer and the sectors in which it operates**

Italy

The recessionary phase in the Italian economy, which began in the second half of 2011, continued in 2012. GDP fell for five consecutive quarters from the fourth quarter of 2011 to reach - 2.7% in the fourth quarter of 2012[1]. The total stock of commercial space in Italy amounted to 16.4 square

[1] Source: ISTAT figures

meters of GLA at the end of 2012, representing an increase of 3% over 2011. At 31 December 2012 shopping centers represented approximately 90% of the total, retail parks approximately 7% and factory outlets approximately 3%[2]. Real estate development slowed down in 2012 compared to the previous year, with a fall of 24% over 2011 (400,000 m²/GLA). In 2012 the total volume of real estate investment in Italy amounted to Euro 1,345 million, representing a contraction of 42% over 2011.

Romania

Romania's GDP rose by less than expectations in 2012 and is now expected to end the year with an increase of 0.8% compared to that of 1.2% forecast by the World Bank. Inflation fell in the first half of 2012 and suddenly picked up again in the second half to lead to an average figure of 3.4% for the year as a whole. The exchange rate at 31 December 2012 was 4.43 Lei/Euro. The total stock of Shopping Centers (including retail parks and outlets) exceeds 2.7 ML/m² of GLA.

The general economic and financial situation, unfavorable in the eurozone and in particular in Italy, with significant repercussions in the real estate sector, has driven the IGD Group to carry out prudent planning in the area of investment, leading the Group to solely develop operations it already holds in its portfolio. No new investments are planned in the light of high funding costs and the objective not to increase current gearing in 2013; no significant changes in the trend of revenues and characteristic profitability are foreseen.

The above economic and financial situation has also had considerable repercussions on the real estate sector, in particular regarding means of re-financing, which as far as the Issuer is concerned have resulted in a reduction in loan periods and a general deterioration in the relative economic conditions. In particular, the volume of retail investments in Italy in the first three months of 2013 came close to Euro 100 million with a profitability estimated to lie between 7% and 8.5%[3].

B.5 Description of the Group to which the Issuer belongs

The following is a list of the direct and indirect subsidiaries of IGD at the Date of the Summary Note.

Name	Registered office	Shareholder(s)	Interest held
IGD Management S.r.l.	Ravenna	IGD SIIQ S.p.A.	100%
Millennium Gallery S.r.l	Ravenna	IGD SIIQ S.p.A.	100%
Porta Medicea S.r.l.	Bologna	IGD Management S.r.l.	80%
		F.IM.PAR.CO S.p.A.	20%
Win Magazin S.A.	Bucharest (Romania)	IGD Management S.r.l. 99.9%, IGD 0.1%	100%
Winmarkt Management S.r.l.	Bucharest (Romania)	Win Magazin S.A.	100%
IGD Property SIINQ S.p.A.	Ravenna	IGD SIIQ S.p.A.	100%
Consorzio I Bricchi	Isola d'Asti	IGD SIIQ S.p.A.	72.25%
		Tiziano S.r.l.	27.75%
Consorzio Forte di Brondolo (*)	Castenaso (Bologna)	IGD SIIQ S.p.A.	100%
Consorzio Proprietari C.C.Leonardo	Imola (Bologna)	IGD SIIQ S.p.A.	52.00%
		Eurocommercial Properties Italia S.r.l.	48.00%

(*) Being wound up.

[2] Source: CBRE figures

[3] Source: CBRE figures, Report on the first quarter of 2013.

B.6	Shareholders having an interest exceeding 2% of capital, voting rights other than those of the Issuer's main shareholders, an indication of the controlling entity pursuant to article 93 of the TUF

At the Date of the Summary Note, on the basis of the stock register and other information available to the Issuer, shareholders holding, directly or indirectly, a number of the Company's ordinary shares exceeding 2% of share capital are as follows:

Shareholder	Number of shares	% of share capital
Schroder Investment Management Ltd. (1)	8,619,250	2.612
European Investors Incorporated (1)	15,161,866	4.594
Coop Adriatica s.c.a.r.l.	141,162,381	42.773
Unicoop Tirreno Società Cooperativa	50,110,360	15.184
UBS AG	8,371,426(2)	2.54
IGD (3)	10,976,592	3.326

(1) Interest held by asset managers.
(2) Of which 4.079.665 shares, being 1.24% of share capital, have voting rights.
(3) The Issuer's treasury shares.

At the Date of the Summary Note the Company is controlled by Coop Adriatica pursuant to article 93 of TUF, which directs and coordinates the Company pursuant to article 2497 of the Italian Civil Code by appointing the majority of the members of the Company's administrative and control bodies.

On 12 June 2012 Coop Adriatica agreed with Unicoop Tirreno to bring the shareholders' agreement signed by the two parties in February 2011 to early termination, and on the same date entered a new shareholders' agreement with Unicoop Tirreno concerning voting rights and blocking rights, pursuant to article 122 paragraph 1 and paragraph 5a) and 5b) of TUF, regarding IGD shares, with the aim of pursuing a single direction in the selection of the Company's strategies and managing such. This agreement expires on 30 June 2012. As far as the Company is aware, negotiations are taking place between Coop Adriatica and Unicoop Tirreno to renew the agreement.

At the Date of the Summary Note the agreement regarded 191,272,741 of the Company's ordinary shares, being 57.957% of its ordinary share capital, as far as voting is concerned, and 168,312,894 ordinary shares, being 51.00% of its ordinary capital, as far as blocking is concerned.

B.7	Selected basic financial information of the Issuer

The following tables provide a summary of the main information concerning the IGD Group's consolidated balance sheet, income statement and debt as of and for the years ended 31 December 2012, 2011 and 2010. The consolidated financial statements of the IGD Group as of and for the years ended 31 December 2012, 2011 and 2010, prepared in accordance with international accounting standards, have been audited by the External Auditors who issued their reports on 25 March 2013, 23 March 2012 and 24 March 2011 respectively.

The following table sets out the main consolidated income statement data of the IGD Group for the quarters ended 31 March 2013 and 2012 and for the years ended 31 December 2012, 2011 and 2010.

Consolidated income statement	**31/03/2013**	**31/03/2012**	**31/12/2012**	**31/12/2011**	**31/12/2010**
(in Euro/000)					
Revenue	**29,181**	**29,475**	**117,979**	**115,800**	**109,882**
Other income	**1,259**	**1,352**	**5,278**	**5,447**	**6,314**
Revenue from property sales	**0**	**0**	**0**	**1,726**	**0**
Total revenue and operating income	**30,440**	**30,827**	**123,257**	**122,973**	**116,196**
Change in construction work in progress inventory	1,629	1,750	7,976	7,356	3,434

Total revenue and change in inventory	**32,069**	**32,577**	**131,233**	**130,329**	**119,630**
Total operating costs	**10,382**	**9,864**	**43,492**	**39,950**	**35,434**
Total depreciation, amortization, provisions, impairment and fair value changes	**(1,148)**	**(1,364)**	**(34,458)**	**(17,015)**	**(16,070)**
OPERATING INCOME	**20,539**	**21,349**	**53,283**	**73,364**	**68,126**
Profit (loss) from equity investments	**(413)**	**(173)**	**(746)**	**(887)**	**(1,140)**
Net financial income (expense)	**(11,229)**	**(12,117)**	**(47,570)**	**(43,335)**	**(35,204)**
PRE-TAX PROFIT	**8,897**	**9,059**	**4,967**	**29,142**	**31,782**
Income taxes	700	733	(6,185)	(876)	2,510
NET PROFIT FOR THE PERIOD	**8,197**	**8,326**	**11,152**	**30,018**	**29,272**
Non-controlling interests in net profit	40	29	136	39	68
Parent company share of net profit	**8,237**	**8,355**	**11,288**	**30,057**	**29,340**
- basic earnings per share	N/A	N/A	0.036	0.101	0.098
- diluted earnings per share	N/A	N/A	0.062	0.112	0.113

The following table sets out the main consolidated balance sheet data of the IGD Group at 31 March 2013 and at 31 December 2012, 2011 and 2010.

Consolidated balance sheet	**31/03/2013**	**31/12/2012**	**31/12/2011**	**31/12/2010**
(in Euro/000)				
TOTAL NON-CURRENT ASSETS (A)	1,890,305	1,890,154	1,897,999	1,786,488
TOTAL CURRENT ASSETS (B)	106,009	104,475	112,773	160,443
TOTAL ASSETS (A + B)	**1,996,314**	**1,994,629**	**2,010,772**	**1,946,931**
NET EQUITY:				
attributable to the parent company	753,815	741,890	755,241	761,603
attributable to non-controlling interests	11,636	11,676	11,812	11,851
TOTAL NET EQUITY (C)	**765,451**	753,556	767,053	773,454
TOTAL NON-CURRENT LIABILITIES (D)	**747,526**	697,004	981,076	946,166
TOTAL CURRENT LIABILITIES (E)	**483,337**	544,059	262,643	227,311
TOTAL LIABILITIES (F=D + E)	**1,230,863**	1,241,063	1,243,719	1,173,477
TOTAL NET EQUITY AND LIABILITIES (C + F)	**1,996,314**	**1,994,629**	**2,010,772**	**1,946,931**

Set out below are movements in the main components of Net Debt, which does not include a measurement of the hedging derivatives of the IGD Group for the years 2012, 2011 and 2010 or for the first quarter of 2013.

NET DEBT				
(in Euro/000)	**31/03/2013**	**31/12/2012**	**31/12/2011**	**31/12/2010**
Liquidity	(5,702)	(8,320)	(16,137)	(39,356)
Current debt	462,844	523,617	234,916	191,463
Net current debt	457,142	515,297	218,778	152,107
Net non-current debt	628,757	574,334	875,618	849,690
Net debt	1,085,899	1,089,631	1,094,397	1,001,797
Net debt ESMA/2011/81*	**1,086,037**	**1,089,656**	**1,094,438**	**1,001,816**

* ESMA net debt does not include non-current financial assets.

The consolidated cash flow statements for the IGD Group for the quarters ended 31 March 2013 and 2012 and for the years ended 31 December 2012, 2011 and 2010 are set out below. These have been taken from the consolidated financial statements as of the respective dates and show:

- cash flows from operating activities;
- cash flows from investing activities;
- cash flows from financing activities;
- cash and cash equivalents at the beginning and end of the period.

Consolidated cash flow statement - summarized data	31/03/2013	31/03/2012	31/12/2012	31/12/2011	31/12/2010
(In Euro/000)					
Cash from operating activities	10,058	14,267	34,841	61,320	49,094
Cash (used in) investing activities	(2,233)	(2,111)	(13,883)	(127,520)	(44,505)
Cash from (used in) financing activities	(10,406)	(9,767)	(27,803)	48,,382	(4,611)
Effect of exchange rate changes on cash	6	(23)	(43)	(13)	(27)
Net increase (decrease) in cash and cash equivalents	**(2,575)**	**2,366**	**(6,888)**	**(17,831)**	**(49)**
Cash and cash equivalents at the beginning of the period	**7,545**	**14,433**	**14,433**	**32,264**	**35,856**
Cash and cash equivalents disposed of on the sale of investments/acquired on the purchase of consolidated investments					**(3,543)**
Cash and cash equivalents at the end of the period	**4,970**	**16,799**	**7,545**	**14,433**	**32,264**

Apart from the matter reported in paragraph B.11 below referring to the Exchange Offer, at the Date of the Summary Note the Issuer is not aware of any significant changes in the Group's financial or business situation that occurred after 31 December 2012.

Related party transactions

The information relating to intragroup transactions with associates and other related parties may be obtained from the 2012 separate and consolidated financial statements (notes to the financial statements, Note 40 Disclosures on related party transactions from page 210), from the 2011 separate and consolidated financial statements (notes to the financial statements, Note 40 Disclosures on related party transactions from page 181) and from the 2010 separate and consolidated financial statements (notes to the financial statements, Note 40 Disclosures on related party transactions from page 153).

The Issuer has elected for incorporation by reference of the above-mentioned documents pursuant to article 11 of Directive 2003/71/EC and article 28 of Regulation (EC) 809/2004. These documents have been published and filed with CONSOB and are available to the public on the Issuer's website (www.gruppoigd.it) as well as at the Issuer's registered office and Borsa Italiana.

No transactions "of an abnormal or unusual nature" compared to ordinary operations were carried out in the years ended 31 December 2012, 2011 and 2010. Any related party transactions, including intragroup transactions, were carried out as part of the ordinary activities of Group companies and were subject to normal market conditions.

On 18 April 2013 the Issuer's Board of Directors approved the promotion of an Exchange Offer. Although addressed under equal terms and conditions to a number of qualified investors, the Exchange Offer qualifies as a "related party transaction", namely with Coop Adriatica and Unicoop Tirreno, which as far as the Company is aware have subscribed to a portion of the *"€ 230,000,000 3.50 per cent Convertible Bonds due 2013*" in the total amount of approximately Euro 182 million. As a consequence, the above-mentioned resolution of the Board of Directors was adopted subject to the prior favorable opinion, issued on 17 April 2013, of the Company's Related Party Transactions Committee, pursuant to article 8 of CONSOB Regulation no. 17221 of 12 March 2010 as amended.

To the best of the Company's knowledge and belief, Coop Adriatica and Unicoop Tirreno subscribed to the Exchange Offer for a total nominal amount of Euro 120 million.

The information document relating to the Exchange Offer prepared pursuant to article 5 of the Related Parties Regulations and article 11 of IGD's Procedure for Related Party Transactions is available to the public on the Issuer's website www.gruppoigd.it.

More specifically, IGD has, amongst others, financial and economic relationships with its parent Coop Adriatica, with other companies of the Coop Adriatica Group (Robintur S.p.A., a subsidiary

	of Coop Adriatica which holds 69.73% of its share capital, Librerie Coop S.p.A., a company in which Coop Adriatica holds 37.50% of the share capital, Viaggia con noi S.r.l., a subsidiary of Robintur S.p.A. which holds 60% of its share capital), with a number of companies of the Unicoop Tirreno Group (Vignale Comunicazioni, Unicoop Tirreno and Ipercoop Tirreno) and with IperCoop Sicilia. The most significant proportion of related party transactions takes place with Coop Adriatica and Unicoop Tirreno. Apart from the matters reported above referring to the Exchange Offer, no significant related party transactions took place between 31 December 2012 and the Date of the Summary Note.
B.9	**Profit forecasts or estimates**
	On 2 October 2012 the Company's Board of Directors approved the 2012-2015 Plan whose aim is to pursue a medium to long term strategy centered on the Group's operational, capital and financial sustainability as well as to maintain a prudent and solid profile which limits the risks associated with carrying out the Plan ("execution" risks) to those arising from external factors. The 2012-2015 Plan contains a set of estimates and assumptions concerning the occurrence of future events and actions that must be undertaken by the Issuer's directors. Among others these include making hypothetical assumptions, subject to the risks and uncertainties which characterize the current macroeconomic scenario, relating to future events and the actions of the directors which will not necessarily occur, and events and actions which the directors and management cannot, or only in part, affect, concerning trends in the main balance sheet and income statement items or in other factors which affect the evolution of these. In particular the Group intends by means of the Plan to sustain revenues and the cost of capital in the income statement and implement policies and investments which enable the market value of the assets in its portfolio to be maintained over time. The Plan seeks to achieve the stability of the Group's operating results by maintaining rental revenue flows constant over time in the following way: *(i)* through the ability to innovate (the entry into Shopping Centers of brands capable of attracting a larger number of visitors, the offering of personal services and the enhancement of items in which the local area excels); *(ii)* by placing significant emphasis on the way in which the sector evolves, with specific reference to the development of the food sector and temporary shops; *(iii)* through a policy of being attentive to the sustainability of operators' results (support plans aimed at operators in difficulty but planned to reduce as a total amount over the term of the Plan). In addition, as far as consistent perimeter revenues are concerned, the Company is aiming to achieve positive results in the following way: *(i)* by a gradual recouping of unrented spaces; *(ii)* through an average increase of approximately 1% in rentals on the renewal of lease agreements; *(iii)* through an increase in the net revenues of Winmagazine in Romania, especially by means of the opportunities permitted by the redevelopment of the GLA, and the positive effects, in terms of both step rents and indexing mechanisms, regarding the more recent agreements. The Plan also aims at achieving synergies between the various Shopping Centers located throughout Italy through the use of coordinated marketing plans that are designed to create a common identity for the Group's Shopping Centers. As regards direct costs, the 2012-2015 Plan has been prepared by assuming that these will remain constant in absolute terms for the whole of the Plan's term and by taking into consideration the significant effect of IMU. Despite the fact that they are expected to increase slightly in absolute terms, by 2015 general expenses are expected to decrease to 8% as a proportion of revenues from ordinary operations.

	In the light of difficult operating and financial conditions, the Company has decided to concentrate its capital expenditure investments on the "committed pipeline", meaning projects that have already been started or for which a binding commitment has been made. Between 2012 and 2015 IGD is planning to make investments totaling approximately Euro 200 million. IGD's financial strategy is based on a gradual deleveraging: a reduction in gearing is planned. The debt structure will continue to tend towards the long term in order to remain balanced with respect to the high level of non-current assets. In addition the Plan provides for "dividend reinvestment options" (these are capital increases reserved for parties with dividend rights), subject to favorable market conditions for each year included in the term covered by the Plan. The forecast data included in the 2012-2015 Plan, as approved by the Issuer's directors on 2 October 2012, envisage an "EBITDA margin from ordinary operations", being the ratio between EBITDA from ordinary operations and revenues from ordinary operations (namely the sum of revenues from leasing activities and from services), higher than 71% in 2015.
B.10	**Description of the nature of any matters included in the auditors' reports on the financial information relating to prior years**
	The financial statements as of and for the years ended 31 December 2010, 2011 and 2012 have been audited by the External Auditors who issued their reports on 25 March 2013, 23 March 2012 and 24 March 2011 respectively. The External Auditors did not qualify their reports or issue disclaimers of opinion for any of these consolidated financial statements.
B.11	**Statement on working capital**
	The Group's working capital at 31 March 2013, being the difference between current assets and current liabilities, was a deficit of approximately Euro 377.33 million, of which part relates to the "*€ 230,000,000 3.50 per cent Convertible Bonds due 2013*" loan which falls due on 28 December 2013 in the amount of Euro 230 million. On the settlment date of the Exchange Offer which took place on 7 May 2013 the Company issued new unsecured fixed rate senior bonds entitled "*€ 144,900,000 4.335 per cent Notes due 7 May 2017*". As a result, therefore, at the Date of the Summary Note, due to the Exchange Offer and the issue of the new senior bonds for a total of Euro 144.9 million the above-mentioned deficit fell by the same amount to approximately Euro 232.43 million. Apart from the matters reported above referring to the Exchange Offer and the issue of the senior bonds, no substantial changes have taken place in the Group's working capital between 31 December 2012 and the Date of the Summary Note. Further, the Company has estimated a total net financial requirement of approximately Euro 31.26 million (in addition to that arising from the deficit) for the 12 months following the Date of the Summary Note. In the light of the preceding, the Company estimates that at the Date of the Summary Note the sum of the working capital deficit and the above-mentioned financial requirement for the 12 months following the Date of the Summary Note amounts in total to approximately Euro 263.69 million. In order to cover this amount, the Issuer intends in the first place to use the net proceeds from the Capital Increase, that in the event of a subscription in full would amount to approximately Euro 17.44 million, which would take the total of the working capital deficit and financial requirement for the following 12 months to approximately Euro 246.25 million. Secondly, the Issuer intends to make recourse to the use of short-term revocable credit facilities, that have already been agreed by the Company in the amount of approximately Euro 278.5 million, of which Euro 99.24 is available and would take the total of the working capital deficit and financial requirements for the following 12 months to approximately Euro 147.01 million.

	In addition, since the Group has available properties free from any encumbrances of approximately Euro 551 million, the Issuer intends to cover the remaining working capital deficit through the issue of secured bonds for an amount of Euro 175 million and/or medium and long term mortgage operations. This operation will lead to a change in the financial structure, leading to a transfer of debt from the short term to the medium-long term. The increase in medium-long term debt will cause an increase in the cost of the debt, due to the effect of a tightening of terms and conditions compared to those applying to short term debt and the effect of the wider spreads currently applied compared to similar operations in the past, with the resulting adverse consequences on the Group's economic and financial situation. At the Date of the Summary Note the Issuer's Board of Directors had not yet adopted any resolutions on these operations. Finally, if necessary to reduce the current financial requirement the Company could also take steps by a) rescheduling the timing of the investments planned in the 12 months after the Date of the Summary Note but not yet contracted, with a reduction of approximately Euro 37.66 million in the financial requirement, b) applying to the parent Coop Adriatica for additional credit facilities or c) carrying out extraordinary operations, such as bringing forward property sales compared to the timing included in the business plan. The Issuer's ability to continue as a going concern over the next 12 months is therefore linked to maintaining the present credit facilities and to the actual possibility of successfully completing the above-mentioned additional initiatives as well as the Capital Increase. Without prejudice to the above matters, if the Capital Increase is not fully subscribed and if the Company were to be unable to successfully complete, in a short time period, the currently planned additional initiatives to cover the Group's working capital deficit and financial requirement for the 12 months following the Date of the Summary Note, the Company estimates that current financial resources, taking into consideration the credit facilities at present agreed and taking into account the timing of the short term financial commitments, could be sufficient to guarantee ordinary operations for at least 12 months. If these short term credit facilities were to be revoked, the Company might not have sufficient cash flows available for the immediate needs of its activities which might therefore be affected by this, with the resulting adverse effects on the Group's results from operations, assets and liabilities and financial situation.

SECTION C – *FINANCIAL INSTRUMENTS*

C.1	**Description of the Shares**
	The Offer relates to a maximum of *23,633,236* Shares arising from the Capital Increase approved by the Extraordinary Shareholders' Meeting of 18 April 2013 with a maximum total countervalue of Euro *17,724,927*, to be wholly allocated as share capital. The Shares will have regular dividend rights and will therefore be fungible with the ordinary IGD shares traded on the STAR segment of the Electronic Stock Exchange on the issue date. As a consequence, the Shares will have coupon no.12 and the ISIN code allocated to the Shares will be IT0003745889. The following code has been allocated to the non-negotiable and non-transferable right to subscribe to the Shares: ISIN IT0004907330.
C.2	**Currency in which the Shares will be issued**
	The Shares will be denominated in Euros.
C.3	**Subscribed and paid-up share capital**
	At the Date of the Summary Note, the Issuer's subscribed and paid-up share capital amounted to Euro 322,545,915.08, consisting of 330,025,283 ordinary shares with no indication of the

	nominal value. Approved share capital at the date of the Summary Note amounts to Euro 422,882,284.69.
C.4	**Description of the rights tied to the Shares**
	The Shares will have the same features and will grant the same rights as those of outstanding IGD ordinary shares on the issue date. The IGD shares listed at the Date of the Summary Note are registered and grant identical rights to their holders. Each share gives the entitlement to one vote at the ordinary and extraordinary shareholders' meetings of IGD, as well as other ownership and administrative rights according to the applicable rules of the law and bylaws. The Shares will have regular dividend rights and do not assign the right to receive dividends for the year 2012.
C.5	**Description of any restrictions on the free transferability of the Shares**
	There are no limits on the free transfer of the Shares imposed by clauses in the bylaws or issue conditions. The right to subscribe to the Shares is not negotiable or transferable.
C.6	**Any applications for admission of the Shares to trading on a regulated market and an indication of the regulated markets on which the Shares are or must be traded**
	The Shares will be admitted automatically to the official listing on the MTA, STAR segment, pursuant to article 2.4.1, paragraph 6 of the Stock Exchange Rules, as is the case with IGD shares listed at the Date of the Summary Note.
C.7	**Dividend policy**
	The Company has elected status as a REIT *(Società di investimento immobiliare quotata* or *SIIQ)* since 1 January 2008. One of the rules for REITs is that at least 85% of the net income from exempt operations must be distributed to shareholders each year. Accordingly, on approving the 2012, 2011 and 2010 financial statements, IGD's shareholders meeting in ordinary session approved the payment of a dividend of respectively Euro 0.070, Euro 0.080 and Euro 0.075 for each ordinary IGD share, which corresponds to at least 85% of the distributable income from exempt operations.

SECTION D – *RISKS*

D.1	**A. Risk factors relating to the Issuer and the Group**
	1. Risk factors relating to the Issuer and the Group **1.1 Risks associated with transactions with the shareholders Coop Adriatica and Unicoop Tirreno and with other related parties** *1.1.1 Risks associated with related party transactions* This risk factor identifies the risks associated with transactions with the shareholders Coop Adriatica and Unicoop Tirreno, related parties of IGD. *1.1.2 Risks associated with the termination or possible non-renewal of lease agreements with the shareholders Coop Adriatica and Unicoop Tirreno* This risk factor identifies the risks associated with the termination or non-renewal of agreements entered into with the shareholders Coop Adriatica and Unicoop Tirreno for leasing, business rental and the granting of commercial space or changes in the terms and conditions of these agreements.

	1.1.3 Purchase and sale transactions and future leases between IGD and the shareholders Coop Adriatica and Unicoop Tirreno: the Framework Agreement This risk factor identifies the risks associated with the case whereby the Framework Agreement were to cease to be valid of if it were not to be renewed on expiry or on the termination of the purchase and sale agreements with third parties regulated by the Framework Agreement. *1.1.4 Risks associated with the control of Coop Adriatica* This risk factor identifies the risks associated with the shareholders' agreement for exercising voting and blocking rights between Coop Adriatica, the controlling shareholder, and Unicoop Tirreno. **1.2 Risks associated with the Group's financial situation** This risk factor identifies the risks associated with the possible revocation of the requested short term credit facilities by the lending banks and the possible refusal to accept requests made for the granting of new medium or long term mortgage loans, as well as with the failure to achieve total subscription to the Capital Increase. **1.3 Risks associated with investment planning** This risk factor identifies the risks associated with any possible errors which may be made in identifying the geographical location of the new Shopping Centers or the mix of offer and retailers, as well as in simulating performance, which could result in adverse effects on finding counterparties interested in entering lease or rental agreements. **1.4 Risks associated with pre-letting** This risk factor identifies the risks associated with the possible lack of success of pre-letting activities or the possible decline in the occupancy rate or the failure to let all of a Shopping Center's space, which could result in lower rental income. **1.5 Risks associated with sources of funding** This risk factor identifies the risks associated with the failure to comply with the covenants contained in loan agreements which could give rise to an obligation for the Issuer to repay the loans early. **1.6 Risks associated with interest rates** This risk factor identifies the risks associated with a possible increase in interest rates and the possible insufficiency of the hedging instruments taken out by the Group. **1.7 Risks associated with exchange rates** This risk factor identifies the risks associated with possible changes in the exchange rate between the Euro and the Lei. **1.8 Risks associated with the geographical concentration and intended use of the Group's Real Estate Portfolio** This risk factor identifies the risks associated with changes in the macroeconomic scenario in Italy and in Romania. **1.9 Risks associated with possible withdrawal from or non-renewal of leases by tenants** This risk factor identifies the risks associated with any delay in the time needed to identify a new tenant in the event of the exercising of a withdrawal right from or non-renewal of existing lease agreements. **1.10 Risks associated with credit management for sales and leasing activities** This risk factor identifies the risks associated with any deterioration in the creditworthiness of the Group's debtors. **1.11 Risks associated with making the election to be treated under the REIT tax regime**

	This risk factor identifies the risks associated the situation in which the Company is no longer capable of satisfying all the requirements needed to qualify under the REIT regime, which would mean that it would no longer benefit from the related tax benefits. **1.12 Risks associated with failure to implement the 2012-2015 Plan** This risk factor identifies the risks associated with the failure or partial failure of the assumptions underlying the 2012-2015 Plan to be satisfied and the uncertainties of the future events on which the forecast data contained in the Plan are based. **1.13 Risks associated with the statements of primacy and information on the evolution of the reference market** This risk factor identifies the risks associated with any divergences in the future of the results, competitive positioning and performance of the Group from those contemplated. **1.14 Risks associated with uncertainties in determining the value of the Real Estate Portfolio** This risk factor identifies the risks associated with the assessment of further elements in addition to those used in calculating the fair value of the Real Estate Portfolio. **1.15 Risks associated with pending legal proceedings** This risk factor identifies the risks associated with pending legal proceedings against certain members of the Group's corporate bodies.
	B. Risk factors relating to the sector and the markets in which the Group operates
	2. Risk factors relating to the sector and the markets in which the Group operates **2.1 Risks associated with the performance of the real estate market** This risk factor identifies the risks associated with any changes in growth trends and fluctuations in the performance of the real estate sector. **2.2 Risks associated with real estate activities in the large-scale retail sector** *2.2.1 Risks associated with the performance of the large-scale retail sector* This risk factor identifies the risks associated with any deterioration in the creditworthiness of the retailers in the Shopping Centers managed by IGD, which could have an adverse effect on the ability of these retailers to honor their lease commitments. *2.2.2 Risks associated with performing activities through contractors* This risk factor identifies the risks associated with the possible occurrence of events which could affect the timing or construction costs of work performed by contractors. *2.2.3 Risks associated with competition in the Shopping Center real estate market* This risk factor identifies the risks associated with the possible increase in competition in the Shopping Center real estate market or market saturation in certain geographical areas, which could make it more difficult to conclude leases and business rentals for units in the Real Estate Portfolio and affect the ability to invest in new projects. **2.3 Risks associated with changes in legislation and regulations** This risk factor identifies the risks associated with the possible failure to comply with regulatory standards concerning the urban planning or environmental impact of certain properties in the Real Estate Portfolio, which could adversely affect the value and/or marketability of the property owned by the Group or generate an increase in IGD's costs, charges or levels of liability. **2.4 Risks associated with the current economic situation** This risk factor identifies the risks associated with the possible continuation of the economic

	recession in the countries where the Group operates.
D.3	**C. Risk factors relating to the financial instruments involved in the offer**
	2. Risk factors relating to the financial instruments involved in the offer **2.1 Risks relating to the marketability and volatility of the Shares** This risk factor identifies the risks of making an investment in listed shares. **2.2 Criteria for determining the Offer Price** This risk factor identifies the risks associated with the criteria used to determine the offer price. **2.3 Dilutive effects** This risk factor identifies the risks associated with any dilutive effects which might arise from a full subscription to the Capital Increase for shareholders entitled to the 2012 dividend who do not subscribe to their portion. **2.4 Risks relating to the absence of undertakings to subscribe to the Capital Increase** This risk factor identifies the risks associated with the absence of undertakings to subscribe to the capital increase if the Capital Increase is not fully subscribed. **2.5 Exclusion of markets in which the Offer is not permitted** This risk factor identifies the impossibility of addressing or accepting the Offer directly or indirectly in or from the United States of America, Canada, Japan, Australia or in or from the Other Countries.

SECTION E – *OFFER*

E.1	**Total net proceeds and estimate of the total expenses associated with the Offer**
	Should the Capital Increase be fully subscribed, the net proceeds raised from the Capital Increase are estimated in approximately Euro 17,436,726. Total expenses are estimated in approximately Euro 430 thousand.
E.2a	**Reasons for the Offer and use of the proceeds**
	In line with the practice adopted by several foreign issuers, including European real estate investment companies, IGD has approved the Capital Increase, allowing the parties entitled to the 2012 dividend to use up to 80% of the sums received by way of dividends to subscribe to the shares arising from the Capital Increase. The aim of the Capital Increase is to reinforce the Company's asset structure. The net cash proceeds of the Capital Increase will be used to cover the general operating requirements of the IGD Group. In particular, it is expected that the proceeds from the Capital Increase can be used to partially cover the deficit in the Group's working capital deficit at the Date of the Summary Note.
E.3	**Terms and conditions of the Offer**
	The Shares will be offered to beneficiaries entitled to the dividend for fiscal 2012, for up to 80% of the total dividend payable to them, in the ratio of *2* Shares for every *27* IGD ordinary shares for which they are entitled to the dividend for fiscal 2012.

The following tables sets out the information relating to the Offer.

KEY DATA	
Number of Shares offered for subscription	*23,633,236*
Allocation ratio	*2* Shares for every *27* IGD ordinary shares which are entitled to the dividend for the year 2012
Offer Price per Share	Euro *0.75*
Maximum amount of Capital Increase	Euro *17,724,927*
Total number of shares making up the share capital following the Capital Increase, in the case of full subscription	*353,658,519*
Share Capital following the Capital Increase in the case of full subscription	Euro *340,270,842.08*
Offer Shares as a percentage of share capital in the case of full subscription to the Capital Increase	*6.68*%

The following table provides an indicative timetable of the transaction and the Offer.

INDICATIVE TIMETABLE OF THE TRANSACTION AND THE OFFER	
2012 ex-dividend date and expiry date for the right to subscribe to the Shares	20 May 2013
Start of the Offer Period	20 May 2013
Payment date for 2012 dividend	23 May 2013
Conclusion of the Offer Period and Share subscription deadline	31 May 2013
Notification of the result of the Offer	Within 5 days from the conclusion of the Offer Period

Parties entitled to the dividend relating to fiscal 2012 who decide to defer collection by sending instructions through authorized intermediaries participating in the clearing system operated by Monte Titoli will be entitled to accept the Offer by the means indicated in this paragraph. Holders of the right to subscribe for Shares who have not accepted the Offer before the last day of the Offer Period will lose their right to subscribe to Shares arising from the Capital Increase.

Acceptance of the Offer will be by subscription, including by electronic means, using forms especially made available by authorized intermediaries participating in the clearing system operated by Monte Titoli which shall contain at least the Offer name and the following information presented in an easily legible font:

- the notice that the subscriber can receive a free copy of the Securities Note, the Summary Note and the Registration Document; and

- the reference to Risk Factors Chapter contained in the Securities Note, in the Summary Note and in the Registration Document.

A copy of the subscription form will also be available at the Issuer’s registered office for intermediaries who request it. The Company will not be liable for any delays caused by authorized intermediaries in executing the instructions given to them by applicants in relation to acceptance of the Offer. The verification of the accuracy and of the applications received by authorized intermediaries shall be the responsibility of those intermediaries themselves.

E.4 Interests of natural or legal persons participating in the Offer

IGD is not aware of any significant interests that a natural or legal person may have in connection with the Offer.

E.5 Selling Shareholders and lock-up agreements

The Shares are offered directly by the Issuer. There are no limits on the free transferability of

	the Shares.
E.6	**Dilution**
	If the Capital Increase is fully subscribed, shareholders entitled to a dividend for fiscal 2012 who do not subscribe to their respective portion would be subject to a maximum dilution of their shareholding of *6.68*% of total share capital.
E.7	**Estimated costs to be charged to subscribers**
	The Issuer does not envisage that subscribers will bear any charges or accessory costs.

REGISTRATION STATEMENT

Issuer

Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.
Registered office Via Agro Pontino, 13, Ravenna (RA)
Operational headquarters: Via Trattati Comunitari Europei1957-2007 No. 13, Bologna
Share capital authorised € 422,882,284.69; Share capital subscribed and paid-up €322,545,915.08
Broken down in 330,025,283 ordinary shares
VAT number and Ravenna Companies Register number: 00397420399
Ravenna Economic Administrative Index: 88573
Company subject to management and coordination by Coop Adriatica s.c.a.r.l.

Registration Document filed with CONSOB on 17 May 2013 following notice of approval dated 16 May 2013, reference no. 13042795.

Publication of the Registration Document does not constitute an opinion by CONSOB as to the worthiness of the proposed investment or the value of the related information.

The Registration Document is available at the Issuer's registered office in Ravenna, via Agro Pontino, n. 13, as well as on the websites of both the Issuer (www.gruppoigd.it) and Borsa Italiana S.p.A..

Please be advised that the Offer Price and the definitive number of Shares to be issued, along with any and all other information to be established on the basis of this information, were determined after the Registration Document, the Securities Note and the Summary Note were approved and, even if they were part of the same filing, appear in cursive in the approved documents as they are distinct from the latter. The information, determined and filed in accordance with Art. 95-bis, paragraph 1 of TUF, was not subject to approval by Consob.

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IMPORTANT NOTE

In consideration of the financial situation of the Company and Group, this paragraph contains certain information which is considered important in order to allow the investors to understand the background and risk factors underlying the operation.

Investors are asked to read the information in this paragraph, together with the contents of Chapter IV of the Registration Document.

Risks connected to the Group's financial situation

In accordance with Regulation 809/2004/EC and the definition of working capital – as "the means by which the Issuer obtains the cash resources necessary to meet the obligations falling due" – contained in the ESMA/2011/81 Recommendations, the Issuer considers that on the Date of the Registration Document, the Group does not have sufficient working capital to meet its requirements for the 12 months following the Date of the Registration Document.

The Group's working capital on 31 March 2013, taken to mean the difference between the current assets and current liabilities, presents a deficit of approximately Euro 377.33 million, Euro 230 million of which is explained by the convertible bond loan "EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013" maturing on 28 December 2013 (please refer to Chapter X, Paragraph 10.1 of the Registration Document).

In settlement of the Exchange Offer completed on 7 May 2013, the Company issued senior unsecured fixed rate notes "EUR 144,900,000 4.335 per cent. Notes due 7 May 2017" (please refer to Chapter X, Paragraph 10.1 of the Registration Document). At the date of the Registration Document, therefore, as a result of the Exchange Offer and the issue of the new senior notes totalling Euro 144.9 million, the above mentioned deficit in working capital fell to approximately Euro 232.43 million.

With the exception of the above relating to the Exchange Offer and the issue of the senior notes, no substantial changes have occurred in the Group's working capital since 31 March 2013 up to the Date of the Registration Document.

In addition, with reference to the 12-month period after the Date of the Registration Document, the Company has estimated an additional total financial requirement (in addition to the above mentioned deficit) of approximately Euro 31.26 million.

In light of the above, the Company estimates that at the Date of the Registration Document, the working capital deficit and the above mentioned financial requirement for the 12-month period subsequent to the same date, will total approximately Euro 263.69 million.

In order to cover the amount referred to above, the Company intends to first use the proceeds deriving from the Capital Increase which should amount to approximately Euro 17.44 million if the Capital Increase is fully subscribed. This would bring the total working capital deficit and the financial requirement for the subsequent 12-month period to approximately Euro 246.25 million.

Secondly, the Company intends to use the short-term non-revolving credit lines already granted to the Company totalling Euro 278.5 million of which Euro 99.24 million is available which would bring the total working capital deficit and financial requirement for the 12-month period subsequent to the Date of the Registration Document to approximately Euro 147.01 million.

Furthermore, as the Company is able to draw against the unencumbered real estate held by the Group of approximately Euro 551 million it intends to cover the remaining working capital deficit by issuing bonds amounting to approximately Euro 175 million and/or by taking out medium/long term mortgage loans.

The above mentioned transaction would change the financial structure resulting in the classification of short term debt as medium/long term debt. The increase in medium/long term debt will cause the cost of debt to rise due to both less favourable conditions with respect to short term debt and higher spreads with respect to similar transactions in the past which will have a negative impact on the Group's economic condition and financial position.

At the Date of the Registration Document, these transactions have yet to be approved by the Company's Board of Directors.

Lastly, in order to reduce its current financial requirement, the Company could take additional steps and a) change the timing of the investments scheduled for the 12-month period subsequent to the date of the Registration Document which have yet to be outsourced, which would result in a decrease in the financial requirement of approximately Euro 37.66 million (please refer to Chapter V, Paragraphs 5.2.2 and 5.2.3 of the Registration Document), b) request additional lines of credit from the Parent Company Coop Adriatica or, c) carry out extraordinary transactions including the disposal of real estate assets ahead of the original timetable (please refer to Chapter XIII of the Registration Document). The continuation of the Company's business operation over the next 12 months is, therefore, tied to maintaining the current lines of credit and the successful completion of the Capital Increase, as well as the other initiatives described above. Without prejudice to the above, in the event the Capital Increase is not adequately subscribed and the Company fails to successfully complete the additional transactions planned by the Company to cover the working capital deficit and the Group's financial requirement in the 12-month period subsequent to the Date of the Registration Document, the Company estimates that, in light of both the lines of credit already granted and the timing of the short term financial payables, the current financial resources should be sufficient to guarantee ordinary business operations for at least 12 months. In the event the above mentioned lines of credit were to be revoked, the Company's cash flows may not be sufficient to meet its immediate business requirements, which could therefore be affected, with adverse consequences on the Group's business, equity and financial situation.

For further information about the financial resources of the IGD Group, please see Chapter X, paragraph 10.1 of the Registration Document, the Interim Report dated 31 March 2013, and the consolidated financial statements dated 31 December 2012, available on the Issuer's website, www.gruppoigd.it.

CONTENTS

DEFINITIONS

Below is a list of the definitions of terms used in this Registration Document. Unless specified otherwise, the terms and definitions have the following meanings:

2012-2015 Business Plan or the Plan	The 2012 – 2015 Business Plan approved by IGD's Board of Directors on 2 October 2012.
Beni Stabili	Beni Stabili Company per Azioni Company di Investimento Immobiliare Quotata, registered office in Rome, Via Piemonte n. 38.
Borsa Italiana	Borsa Italiana S.p.A., head office in Milan, Piazza degli Affari n. 6.
Bylaws	The bylaws of IGD in force on the date of the Registration Document.
Capital increase	The increase in the Issuer's share capital, for payment, in divisible form, to be carried out by 30 September 2013, with a total value of Euro 17,866,726 including any premium, up to the limit of 10% of the company's existing share capital, through the issue of ordinary shares with no indication of nominal value and standard dividend entitlement, with the exclusion of the rights of option pursuant to article 2441(4)(2) of the Civil Code, to be offered in subscription to those entitled to receive dividends for the year 2012, approved by the extraordinary meeting of shareholders on 18 April 2013.
Code of Ethics	The Group's Code of Ethics in which the culture and values dictating IGD's standard of conduct with all parties, both internal and external, that the Company, directly or indirectly maintains a relationship are explained.
CONSOB	The Italian National Commission for Corporations and the Stock Exchange, head office Via G.B. Martini, 3, Rome.
Consolidated Finance Law (Testo Unico - TUF)	Legislative Decree n.58 of 24 February 1998, as amended.
Coop Adriatica	Coop Adriatica S.c.a.r.l., registered office in Villanova di Castenaso (Bologna), Via Villanova 29/7.
Corporate Governance Code	The Corporate Governance Code for listed companies approved in December 2011 by the Corporate Governance Committee for listed companies promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.
Date of the Registration Document	The date on which the Registration Document was published.
External auditors	Reconta Ernst & Young S.p.A.
IFRS (International Financial Reporting	All the International Financial Reporting Standards, International Accounting Standards (IAS), and all the interpretations of the

Standards)	International Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC).
IGD Group or Group	Collectively, the Issuer and the companies directly or indirectly controlled thereby within the meaning of Article 2359 of the Italian Civil Code and Article 93 of the Consolidated Finance Law.
IGD, the Company or the Issuer	Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A., registered office in Ravenna, Via Agro Pontino n. 13.
IMU	Imposta Municipale Unica introduced with Legislative Decree n. 201 of 6 December 2011, implementing "*Urgent provisions for the growth, fairness and consolidation of public accounts*" converted with Law n. 214 of 22 December 2011, and subsequently amended in Legislative Decre n. 16 of 2 March 2012, implementing "*Urgent provisions to simplify, render more efficient and strengthen tax audits*" converted with Law n. 44 of 26 April 2012.
Instructions	Instructions accompanying the Market rules.
Ipercoop Tirreno	Ipercoop Tirreno S.p.A.
IRES	Corporate income tax.
IRPEF	Personal income tax.
IVA	Value-added tax.
Market Rules	The rules of the markets organised and managed by Borsa Italiana, authorised by the shareholders meeting of Borsa Italiana on 16 July 2010 and approved by CONSOB with its decision no. 17467 of 7 September 2010, as amended.
Monte Titoli	Monte Titoli S.p.A., head office Milan, Piazza degli Affari n. 6.
MTA	Electronic Stock Exchange organised and managed by Borsa Italiana S.p.A.
Real estate assets	The Company's real estate assets at the Date of the Registration Document.
Real estate portfolio	The real estate portfolio of both freehold and leasehold properties the leasing of which is managed by the IGD Group.
Registration Document	This registration document.
Regulation (EC) 809/2004	Regulation (EC) of the Commission dated 29 April 2004, enacting Directive 2003/71/EC of the European Parliament and Council as regards the information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as

	subsequently amended.
Regulations for Issuers	The regulations approved by CONSOB in Resolution n. 11971 of 14 May 1999, as subsequently amended.
REIT - Real Estate Investment Trust (Società di Investimento Immobiliare Quotata – SIIQ)	A Listed Real Estate Investment Trust governed by article 1, subparagraphs 119-141, of the 2007 Finance Act (law no. 296 of 27 December 2006), as amended by the 2008 Finance Act (law no. 244 of 24 December 2007), and by the Regulations containing provisions on REITs (decree no. 174 of 7 September 2007, of the Ministry for the Economy and Finance).
Related Party Regulations	The regulations approved by CONSOB in Resolution n. 17221 of 12 March 2010, as amended.
The Exchange Offer	The Exchange Offer, approved by the Issuer's Board of Directors on 18 April 2013, made to holders of the outstanding convertible bonds issued by IGD as part of the *"€ 230,000,000 3.50 per cent. Convertible Bonds due 2013*" against newly issued senior unsecured fixed rate notes "*Euro 144,900,000 4.335 per cent. Notes due 7 May 2017*". The Exchange Offer was presented exclusively to holders of the convertible bonds *"€ 230,000,000 3.50 per cent. Convertible Bonds due 2013*" in Italy and abroad (with the exception of the United states of America, pursuant to Regulation S of the 1933 United States Securities Act, as subsequently amended) to investors deemed qualified under the applicable law.
Unicoop Tirreno	Unicoop Tirreno Società Cooperativa, con sede in Piombino (LI), frazione Vignale Riotorto, S.S. 1 Via Aurelia, km 237.
WinMagazine	SC Win Magazin S.A., registered office in Bucharest (Romania), 25-29 Decebal Blvd. Olympia Tower Building, 9th Floor District 3.

GLOSSARY

Below please find a list of the technical terms used in this Registration Document. Unless otherwise specified, these terms will have the following meanings.

Agency	Activities aimed at finding the most profitable tenant mix and negotiating leases for stores at malls.
Asset held for trading	Real estate asset held for sale.
City Center	Retail real estate complex located on the main streets of urban centers.
Exempt operations	All the income statement items pertaining to the rental of freehold properties. These items do not include the effect of the change in the properties' fair value or the impact of any disposals.
Facility Management	Supply of specialized services to shopping centers.
Gearing	Ratio of debt to equity.
GLA	Superficie lorda affittabile.
Gross Initial Yield	The gross initial yield of the investment calculated as a percentage of revenue for the first year based on the discounted cash flow method and the fair value of the property.
Hypermarket	Property with a sales floor in excess of 2,500 m^2, used for the retail sale of food and non-food products.
Loan To Value or LTV	Ratio between the amount borrowed and the fair market value of the property acquired with that loan.
Mall	Property comprised of many stores plus the common spaces around which they are situated.
Midsize store	A property with a sales floor of 250 to 2,500 m^2 used for the retail sale of non-food consumer goods.
NAV	Net Asset Value, the difference between the value of properties (Asset Value) and net debt.
Net sales area	The sales area within a building (i.e. all internal areas accessible to the customer), but warehouses, storage, workshops, restrooms and offices.
Retail Park	Group of three or more complexes with a combined area of more than 4,500 m^2 and shared parking.
Shopping Center	Real estate complex comprised of a hypermarket and a shopping mall, featuring common areas and services.
Store	Property for the retail sale of non-food consumer goods.
Supermarket	A property with a sales floor of 250 to 2,500 m^2 used for the retail sale of food and non-food products.
Tenant mix	Set of store operators and brands found within a mall.

CHAPTER I – PARTIES RESPONSIBLE

1.1 Parties responsible for the Registration Document

The Issuer accepts responsibility for the accuracy and truthfulness of the information and data contained in the Registration Document.

1.2 Declaration of liability

IGD, the entity responsible for drafting the Registration Document, declares that, as far as it is aware and having applied all reasonable diligence in this regard, the information contained herein, to the best of its knowledge, is accordant with the fact and does not include any omission which would alter its meaning.

The Registration Document is compliant to the model filed with CONSOB on 17 May 2013, after notification of the approval in a letter dated 16 May 2013, reference no. 13042795.

* * *

CHAPTER II - FINANCIAL AUDIT OF THE ACCOUNTS

2.1 The Issuer's external auditors

The Company granted the assignment for the financial audit of its accounts for the past periods referred to in the Registration Document to Reconta Ernst&Young S.p.A., with registered offices in Rome, Via Po n. 32, registered in the special role for financial auditors pursuant to Legislative Decree n. 39 of 27 January 2010.

Shareholders granted the assignment for the financial audit of its financial statements on 16 September 2004. This assignment was subsequently renewed on 23 April 2007 for the period 2006-2014. The duties assigned include:

i) the financial audit of the Issuer's consolidated and separate annual financial statements;

ii) the financial audit of the Issuer's consolidated and separate half-yearly financial statements;

iii) verification that the Company's accounts are kept regularly and that they truly reflect the Company's operations.

The external auditors found no issues with nor refused to certify the financial information provided in this Registration Document regarding past years and the Issuer's annual and half-yearly financial statements (which were subject to a limited audit).

On 18 April 2013 the Issuer's shareholders, meeting in ordinary session, granted the assignment for the financial audit of its financial statements for the period 2013-2021 to PricewaterhouseCoopers S.p.A. - PWC, with registered offices in Milan, Via Monte Rosa n. 91, registered in the special role for financial auditors pursuant to Legislative Decree n. 39 of 27 January 2010, based on the motivated opinion of the Board of Statutory Auditors.

2.2 Information on the relationship with the external auditors

As of the Date of the Registration Document the assignment granted by the Issuer to the external auditors has not been revoked nor have the external auditors withdrawn.

CHAPTER III - SELECTED FINANCIAL INFORMATION

Introduction

Selected economic and financial information on the IGD Group is reported below for the years ended 31 December 2012, 2011 and 2010 and for the quarters ended 31 March 2013 and 2012. The information has been drawn from the directors' report and consolidated financial statements of the IGD Group at and for the year ended 31 December 2012 (the “2012 Financial Statements”), the directors' report and consolidated financial statements of the IGD Group at and for the year ended 31 December 2011 (the "2011 Financial Statements"), and the directors' report and consolidated financial statements of the IGD Group at and for the year ended 31 December 2010 (the "2010 Financial Statements"), jointly referred to as the "Financial Statements", and from the interim management statement at and for the period ended 31 March 2013(unaudited). The Financial Statements have been audited by the independent accounting firm, which issued its reports on 25 March 2013, 23 March 2012 and 24 March 2011, respectively.

The Issuer opts for incorporation by reference of the documents specified above, pursuant to Art. 11 of Directive 2003/71/EC and Art. 28 of Commission Regulation (EC) no. 809/2004, as concerns Chapter IX – Operating and financial review, Chapter X – Capital resources, and Chapter XX – Financial information concerning the issuer's assets and liabilities, financial position and profits and losses. Said documents have been published and filed with Consob and are available to the public online at www.gruppoigd.it, or from the head office of the Issuer and Borsa Italiana.

3.1 Information on the income statement and statement of financial position

The following table shows consolidated income statement highlights of the IGD Group for the quarters ended 31 March 2013 and 2012, and for the years ended 31 December 2012, 2011 and 2010.

Consolidated income statement (in Euro /000)	31/03/2013	31/03/2012	31/12/2012	31/12/2011	31/12/2010
Revenue	**29,181**	**29,475**	**117,979**	**115,800**	**109,882**
Other income	**1,259**	**1,352**	**5,278**	**5,447**	**6,314**
Revenue from property sales	**0**	**0**	**0**	**1,726**	**0**
Total revenue and operating income	**30,440**	**30,827**	**123,257**	**122,973**	**116,196**
Change in work in progress inventory	1,629	1,750	7,976	7,356	3,434
Total revenue and change in inventory	**32,069**	**32,577**	**131,233**	**130,329**	**119,630**
Total operating costs	**10,382**	**9,864**	**43,492**	**39,950**	**35,434**
Total depreciation, amortization, provisions, impairment and fair value changes	**(1,148)**	**(1,364)**	**(34,458)**	**(17,015)**	**(16,070)**
EBIT	**20,539**	**21,349**	**53,283**	**73,364**	**68,126**
Income/(loss) from equity investments	**(413)**	**(173)**	**(746)**	**(887)**	**(1,140)**
Net financial income (charges)	**(11,229)**	**(12,117)**	**(47,570)**	**(43,335)**	**(35,204)**
PRE-TAX PROFIT	**8,897**	**9,059**	**4,967**	**29,142**	**31,782**
Income taxes	700	733	(6,185)	(876)	2,510
NET PROFIT	**8,197**	**8,326**	**11,152**	**30,018**	**29,272**
Non-controlling interests in net profit	40	29	136	39	68
Parent company share of net profit	**8,237**	**8,355**	**11,288**	**30,057**	**29,340**
- basic earnings per share	n.a.	n.a.	0.036	0.101	0.098
- diluted earnings per share	n.a.	n.a.	0.062	0.112	0.113

Please note that effective 31 December 2012, for the sake of greater clarity, the provision made in regard to the “Darsena” shopping center was reclassified as a deduction from revenue. With regard to first quarter 2013, this provision amounted to Euro 496 thousand (100% of revenue). With regard to 2012, this provision amounted to Euro 1,857 thousand (95% of revenue), an increase with respect to the provisions made in 2011 of Euro 1,741 thousand (90% of revenue). The costs and revenue were also offset by reinvoicing.

Furthermore, in order to provide a consistent comparison between the figures for first quarter 2012 and 2011 and 2010: *(i)* with regard to the financial information at 31 March 2012 reported in this Registration Document, Euro 180 thousand of the “provision for doubtful accounts” was reclassified resulting in a reduction in “revenue” and costs and revenue from reinvoicing, previously recognized under “costs for services” and “other income” were offset by Euro 1,066 thousand; *(ii)* with regard to the financial information at 31 December 2011 reported in this Registration Document, Euro 1,741 thousand of the “provision for doubtful accounts” was reclassified resulting in a reduction in “revenue” and costs and revenue from reinvoicing, previously recognized under “costs for services” and “other income” were offset by Euro 5,539 thousand; *(iii)* with regard to the financial information at 31 December 2010 reported in this Registration Document, costs and revenue from reinvoicing, previously recognized under “costs for services” and “other income” were offset by Euro 6,245 thousand .

The table below shows key figures from the IGD Group's consolidated statement of financial position at 31 March 2013 and at 31 December 2012, 2011 and 2010.

Consolidated statement of financial position	**31/03/2013**	**31/12/2012**	**31/12/2011**	**31/12/2010**
(in Euro /000)				
TOTAL NON-CURRENT ASSETS (A)	1,890,305	1,890,154	1,897,999	1,786,488
TOTAL CURRENT ASSETS (B)	106,009	104,475	112,773	160,443
TOTAL ASSETS (A + B)	1,996,314	**1,994,629**	**2,010,772**	**1,946,931**
NET EQUITY:				
IGD SIIQ S.p.A. share	753,815	741,890	755,241	761,603
Non-controlling interests	11,636	11,676	11,812	11,851
TOTAL NET EQUITY (C)	765,451	753,566	767,053	773,454
TOTAL NON-CURRENT LIABILITIES (D)	747,526	697,004	981,076	946,166
TOTAL CURRENT LIABILITIES (E)	483,337	544,059	262,643	227,311
TOTAL LIABILITIES (F = D + E)	1,230,863	1,241,063	1,243,719	1,173,477
TOTAL NET EQUITY AND LIABILITIES (C + F)	1,996,314	**1,994,629**	**2,010,772**	**1,946,931**

The following table summarizes the consolidated statement of cash flows for the quarters ended 31 March 2013 and 2012 and for the years ended 31 December 2012, 2011 and 2010.

CONSOLIDATED STATEMENT OF CASH FLOWS - key data	31 March 2013	31 March 2012	31 December 2012	31 December 2011	31 December 2010
(in Euro /000)					
CASH FLOW FROM OPERATING ACTIVITIES	10,058	14,267	34,841	61,320	49,094
CASH FLOW FROM INVESTING ACTIVITIES	(2,233)	(2,111)	(13,883)	(127,520)	(44,505)
CASH FLOW FROM FINANCING ACTIVITIES	(10,406)	(9,767)	(27,803)	48,382	(4,611)
Exchange gains/(losses) on cash and cash equivalents	6	(23)	(43)	(13)	(27)
NET INCREASE (DECREASE) IN CASH BALANCE	(2,575)	2,366	**(6,888)**	**(17,831)**	**(49)**

The net indebtedness at 31 March 2013 and at 31 December 2012, 2011 and 2010 is detailed below.

	Net debt			
	31/03/2013	**31/12/2012**	**31/12/2011**	**31/12/2010**
Cash and cash equivalents	(4,970)	(7,545)	(14,433)	(32,264)
Related party financial receivables and other current financial assets	(712)	(734)	(1,426)	(1,091)
Financial receivables and other current financial assets	(20)	(41)	(278)	(6,001)
LIQUIDITY	**(5,702)**	**(8,320)**	**(16,137)**	**(39,356)**
Related party current financial liabilities	24,363	21,783	50,469	4,127
Current financial liabilities	157,209	160,038	146,841	137,591
Mortgage loans - current portion	53,007	116,836	35,398	48,431
Finance leases - current portion	277	275	2,142	1,248
Convertible bond loan - current portion	227,988	224,685	66	66
CURRENT DEBT	**462,844**	**523,617**	**234,916**	**191,463**
NET CURRENT DEBT	**457,142**	**515,297**	**218,778**	**152,107**
Non-current financial assets	(138)	(25)	(41)	(19)
Derivative assets	8,499	8,081	25,170	21,497
Non-current financial liabilities due to other sources of finance	5,374	5,444	5,719	7,863
Finance leases - non-current portion	600,022	545,834	610,304	590,707
Non-current financial liabilities	15,000	15,000	15,000	15,000
Related party non-current financial liabilities	0	0	219,466	214,642
Convertible bond loan	**628,757**	**574,334**	**875,618**	**849,690**
Derivative liabilities	**1,085,899**	**1,089,631**	**1,094,397**	**1,001,797**
NET NON-CURRENT DEBT				
Net debt ESMA/2011/81*	**1,086,037**	**1,089,656**	**1,094,438**	**1,001,816**

* Under ESMA net debt does not contain non-current financial assets.

As of the year ending 31 December 2012 net debt does not include the valuation of hedges. In order to provide a consistent comparison, the figures for 2011 and 2010 were restated.

3.2 Alternative performance indicators

The following tables report some alternative performance indicators at and for the quarters ended 31 March 2013 and 2012 and the years ended 31 December 2012, 2011 and 2010. The alternative performance indicators stem from financial statements prepared on an IAS/IFRS-compliant basis, but have also been calculated using other sources or alternative methods. These may not comply with the accounting standards required of audited financial statements and may not consider the accounting, recognition and measurement requirements associated with such standards.

EBITDA, or Earnings Before Interest, Taxes, Depreciation & Amortization, is the most significant measure of the company's operating performance.

The table below demonstrates the IGD Group's method of calculating EBITDA:

Total EBITDA	**31/03/2013**	**31/03/2012**	**31**/12/2012	**31/12/2011**	**31/12/2010**
(*in Euro /000*)					
OPERATING PROFIT (EBIT)	**20,539**	**21,349**	53,283	**73,364**	**68,126**
Depreciation and amortization	327	323	**1,326**	**1,109**	**900**
Provisions/(utilizations) for other risks and charges	31	0	**374**	**(238)**	**563**
(Impairment losses)/reversals on work in progress and goodwill	0	0	**1,211**	**(28)**	**3,842**
	275	483	**29,383**	**14,150**	**8,746**
Bank fees and charges	44	38	**155**	**152**	**140**
Total EBITDA	**21,216**	**22,193**	85,732	**88,509**	**82,317**

In order to monitor core business activities, the Company has also calculated EBITDA without considering the "Porta a Mare" project in Livorno. This involves the construction and partial sale of a multipurpose center zoned for shops, services, housing and accommodations within the 70,616 square meter site in Livorno known as "Porta a Mare" (see Chapter V/Sections 5.1.5 and 5.2.2 of the Registration Document). The complex project falls outside the IGD Group's core businesses and consists of the management and rental of commercial properties and the provision of related services (see Chapter VI of the Registration Document).

	Q1 2013	**Q1 2012**	**FY 2012**	**FY 2011**	**FY 2010**
EBITDA core businesses	**21,310**	**22,166**	**85,781**	**88,119**	**82,480**
EBITDA margin core businesses	**70.05%**	**72.10%**	**69.59%**	**72.71%**	**70,99%**

Please note that due to the reclassification of provisions for doubtful accounts above the Ebitda margin for first quarter 2012 rose from 71.68% to 72.10%, while the figure at 31 December rose from 71.68% to 72,71%.

Funds from operations (FFO), the key index used in the real estate industry, defines cash flow by adjusting the profit by non-monetary items such as deferred taxes, impairment losses, fair value adjustments, and depreciation and amortization, as well as by the impact of the extraordinary income and earnings generated by property sales and, therefore, provides a more adequate representation of the Group's typical, recurring operations.

	Q1 2013	**Q1 2012**	**FY 2012**	**FY 2011**	**FY 2010**
CONSOLIDATED FFO	9,468	9,475	35,943	42,630	43,859

The trend in FFO is a direct consequence of the results achieved by the Group due to new openings from 2010 to 2012, as well as the arrival of new tenants at its shopping centers and the renegotiation of existing tenants' contracts thanks in part to the restyling of some of those centers. The growth of revenue outpaced the increase in costs.

In 2012 FFO was impacted by the rise of direct costs (in particular of IMU) and the increase in financial charges. Another factor behind the rise in FFO was the lower incidence of current taxes in 2012 and 2011, due to an increase in the share of exempt operations.

FFO at 31 March 2013 was largely in line with the same period of the prior year.

Please note that through 31 December 2011 the calculation also included extraordinary items and profits generated by property sales. In order to highlight the core business (which generates most of the income distributed as dividends) it was deemed appropriate to exclude these items; the figures for the years ended on 31 December 2011 and 31 December 2010 were adjusted.

NAV per share, reported in IGD's financial statements for the years ended 31 December 2012, 2011 and 2010, is calculated as the sum of net equity and the potential capital gain or loss on freehold properties and on treasury shares held, with respect to their carrying amounts. The sum is adjusted for the tax effect. This Net NAV (NNAV) figure is then divided by the number of shares issued.

Below is the calculation of NNAV per share:

		2012	2011	2010
Market value of freehold properties, land and direct development projects, and properties held for	a	1,906.56	1,924.65	1,803.98
Investment property, land and development properties, and properties held for trading	b	1,905.78	1,916.79	1,804.01
Potential capital gain	**c=a-b**	**0.78**	**7.86**	**(0.03)**
Net equity (including non-controlling interests)		753.57	767.05	773.45
Value of treasury shares (including fees and commissions)		22.25	22.25	22.25
Adjusted net equity	**h**	**775.82**	**789.31**	**795.71**
Current IGD share price	31/12/	**0.82**	**0.74**	**1.46**
Potential capital gain/(capital loss) on treasury shares	**d**	**(13.14)**	**(14.02)**	**(6.12)**
Total capital gain/(capital loss)	**e=c+d**	**(12.36)**	**(6.16)**	**(6.15)**
NAV	**f=e+h**	**763.45**	**783.15**	**789.56**
Number of shares	g	330.03	309.25	309.25
NAV per share	**f/g**	**2.31**	**2.53**	**2.55**
Tax rate on capital gain/(loss) from properties		27.6%	27.6%	27.7%
Total net capital gain/(capital loss)	**i**	**(12.58)**	**(8.33)**	**(6.14)**
NNAV	**l=h+i**	**763.24**	**780.98**	**789.57**
NNAV per share	**m=l/g**	**2.31**	**2.53**	**2.55**

The trend in NNAV per share was affected on the one hand by the increase in net equity and in the potential capital gain on investment property over the three-year period, and on the other hand by the significant loss arising from the measurement of treasury shares at their current stock market value.

Furthermore, the Dividend Reinvestment Option transaction (the capital increase excluding pre-emption rights reserved for shareholders entitled to receive the 2011 dividend approved by shareholders during the Extraordinary AGM held on 19 April 2012) carried out in 2012 had a dilutive effect as a result of the issue of 20,776,022 new ordinary shares.

CHAPTER IV - RISK FACTORS

This chapter of the Registration Document describes the risk to which the Issuer, Group companies and the sector in which it operates are exposed.

The risk factors described below should be read in conjunction with the information contained in the Registration Document.

References to Sections, Chapters and Paragraphs are to Sections, Chapters and Paragraphs of the Registration Document.

4.1 RISK FACTORS RELATING TO THE ISSUER AND THE GROUP

4.1.1 Risks associated with transactions with the shareholders Coop Adriatica and Unicoop Tirreno and with other related parties

4.1.1.1 Risks associated with related party transactions

The Group has had and still has commercial, financial and economic dealings with related parties. The most important of these transactions are with Coop Adriatica and Unicoop Tirreno. During the period ended 31 March 2013, related party transactions generated revenue of Euro 9.60 million (31.54% of the Group's revenue), costs of Euro 0.83 million (7.97% of the Group's costs), and financial charges of Euro 0.37 million (3.24% of the Group's financial charges). During the year ended 31 December 2012, related party transactions generated revenue of Euro 37.68 million (30.57% of the Group's revenue), financial income of Euro 0.009 million (1.71% of the Group's financial income), costs of Euro 3.47 million (7.98% of the Group's costs), and financial charges of Euro 2.24 million (4.65% of the Group's financial charges).

During the period to which the financial information included in the Registration Document refers, IGD’s main transactions with related parties and, in particular, with the parent Coop Adriatica, concerned, among others: (*i*) rental income earned by IGD from hypermarkets forming part of the Real estate portfolio (at 31 March 2013 and 31 December 2012, total revenue from lease and rental contracts with related parties, including the letting of retail space, was Euro 9.2 million and Euro 36.2 million respectively); (*ii*) rights of usufruct of malls owned by Coop Adriatica (whose cost, at 31 March 2013 and 31 December 2012, totalled approximately Euro 0.45 million and Euro 1.87 million respectively); (*iii*) acquisition of certain malls, hypermarkets and shopping centers (such as the acquisition in 2011 and 2010 of the hypermarket and mall within the "Conè" Shopping Center in Conegliano); *(iv)* Coop Adriatica's provision of electronic data processing and data entry services; (*v*) construction services relating to site expansions or new buildings; (*vi*) acceptance of security deposits on leases; (*vii*) opening of current account overdrafts.

On 18 April 2013, the Issuer’s Board of Directors approved promotion of the Exchange Offer. While the Exchange Offer was presented to a variety of investors at the same conditions it may be construed as a “transaction with related parties”, namely Coop Adriatica and Unicoop Tirreno which, as far as the Company knows, subscribed the convertible bond “*€ 230,000,000 3.50 per cent. Convertible Bonds due 2013*” for a total of approximately Euro 182 million. Therefore, the Board of Directors’ resolution above, was adopted subject to the favourable opinion of the Committee for Related Party Transactions issued on 17 April 2013, pursuant to Art. 8 of Consob Regulation n. 17221 of 12 March 2010, as amended. To the extent of the Company’s knowledge, Coop Adriatica and Unicoop Tirreno participated in the Exchange Offer tendering a total nominal amount of Euro 120 million.

In particular, the impact of transactions with Coop Adriatica on the Group's statement of financial position and income statement at 31 December 2012 was as follows:

(in Euro /000)	Receivables and other current assets	Financial receivables	Payables and other current liabilities	Payables and other non-current liabilities(*)	Financial liabilities (**)	Other non-current assets	Increases in fixed assets	Decreases in fixed assets
Coop Adriatica	52	22	4.144	9.322	36.783	3.689	136	0
Reported total	**96.155**	**775**	**19.606**	**20.240**	**1.097.976**	**33.587**		
Total increase/decrease in period							**13.805**	**30**
% share Coop Adriatica	**0.05%**	**2.81%**	**21.14%**	**46.06%**	**3.35%**	**10.98%**	**0.99%**	**0.00%**
Total share of related party transactions %	**0.55%**	**94.71%**	**22.31%**	**63.45%**	**3.35%**	**10.98%**	**3.50%**	**33.33%**

(in Euro /000)	Revenue - other income	Financial income	**Costs**	Financial charges
Coop Adriatica	22.848	0	2.229	2.165
Reported total	**123,257**	**554**	**43,492**	**48,124**
% share Coop Adriatica	**18.54%**	**0.00%**	**5.12%**	**4.50%**
Total share of related party transactions %	**30.57%**	**1.71%**	**7.98%**	**4.65%**

(*) Liabilities for security deposits paid by Coop Adriatica as a tenant under lease agreements with the Group.

(**) Current account credit and long and short-term loans granted by Coop Adriatica.

The impact of transactions with Coop Adriatica on the Group's statement of financial position and income statement at 31 March 2013 was as follows:

(in Euro /000)	Receivables and other current assets	Financial receivables	Payables and other current liabilities	Payables and other non-current liabilities (*)	Financial liabilities (**)	Other non-current assets	Increases in fixed assets	Decreases in fixed assets
Coop Adriatica	24	0	3,402	9,322	39,364	3,240	2	**0**
Reported total	**100,307**	**732**	**17,960**	**20,333**	**1,091,739**	**31,998**		**0**
Total increase/decrease in period							**2,233**	**0**
% share Coop Adriatica	**0.02%**	**0.00%**	**18.94%**	**45.85%**	**3.61%**	**10.13%**	**0.10%**	**0%**
Total share of related party transactions %	**0.78%**	**97.30%**	**21.12%**	**63.25%**	**3.61%**	**10.13%**	**0.20%**	**0%**

(in Euro /000)	Revenue - other income	Financial income	**Costs**	Financial charges
Coop Adriatica	5,784		520	348
Reported total	**30,440**	**84**	**10,382**	**11,313**
% share Coop Adriatica	**19.00%**	**0.00%**	**5.01%**	**3.08%**
Total share of related party transactions %	**31.54%**	**0.00%**	**7.97%**	**3.24%**

In the Company's opinion, related party transactions are conducted under normal market conditions. However, there is no certainty that if such transactions had been concluded with third parties, that the same terms and conditions would have been negotiated and applied.

It should be noted that on 11 November 2010, the Company adopted, effective from 1 January 2011, a procedure for related party transactions in implementation of the provisions of the Related Party Regulations.

(See Chapter XIX of the Registration Document,as well as the Group's consolidated financial statements at 31 December 2012, incorporated by reference in the Registration Document and publicly available at the registered office of IGD, and on its website at www.gruppoigd.it).

4.1.1.2 Risks associated with the termination or possible non-renewal of leases with the shareholders Coop Adriatica and Unicoop Tirreno

At the Date of the Registration Document, the IGD Group's real estate assets in Italy consist of: (*i*) 19 Hypermarkets and Supermarkets; (*ii*) 19 Shopping Malls and Retail Parks (including one Shopping Mall co-owned with Beni Stabili); (*iii*) 1 City Center property; (*iv*) 4 plots of land for direct development; (*v*) 1 asset held for trading; (*vi*) 7 other property units (offices, one shop, one wholesale area and one fitness area, appurtenant to freehold shopping centers).

At the Date of the Registration Document, of the properties forming part of the real estate assets, 12 Hypermarkets and 1 Supermarket are leased to Coop Adriatica, while 8 Stores are leased to its subsidiaries, and 4 Hypermarkets are leased to Unicoop Tirreno and its subsidiaries. The related leases were concluded under market terms and conditions.

At 31 March 2013, approximately 30.33% of the Group's consolidated revenue came from commercial leases, business rental agreements and retail space concessions to related parties (at 31 December 2012, this percentage was approximately 29.37%). In particular, (i) approximately 19.14% of the Group's revenue came from Hypermarket or Store leases to Coop Adriatica or its subsidiaries (at 31 December 2011, this percentage was approximately 18.67%) and (ii) approximately 6.64% from Hypermarket leases and business rentals to Unicoop Tirreno or its subsidiaries (at 31 December 2012, this percentage was approximately 6.47%). The hypermarket and supermarket lease contracts stipulated with shareholders Coop Adriatica and Unicoop Tirreno had an average term of approximately 7 years at the Date of the Registration Document. Any termination, non-renewal or conclusion of leases under terms and conditions that differ from those of existing leases with Coop Adriatica, Unicoop Tirreno or companies within their groups could have adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

However, the Issuer believes that - given the location and technical characteristics of the properties and the particular nature of the retail trade carried on therein - the properties in question could be leased to other operators in the sector that hold the necessary commercial licenses. (See Chapter VI, Paragraph 6.1.2.2 of the Registration Document).

4.1.1.3 Purchase and sale transactions and future leases between IGD and the shareholders Coop Adriatica and Unicoop Tirreno: the framework agreement

On 27 October 2004, IGD, Coop Adriatica and Unicoop Tirreno entered into a framework agreement (the "**Framework Agreement**"), designed to regulate future sale and lease transactions between these parties under market terms and conditions.

In particular, under the Framework Agreement (whose initial term was set at 5 years, automatically renewable for a further 5 years), Coop Adriatica and Unicoop Tirreno agreed to offer IGD an exclusive option to buy property due to be built or already built, and that, in the event of sales involving shopping malls, they would transfer to IGD all the licenses and permits required to conduct business in the same.

Upon conclusion of final sale contracts, the Framework Agreement requires IGD to grant a lease to Coop Adriatica and/or Unicoop Tirreno, for a period of time which can vary from a minimum of 12 to a maximum of 18 years, for the portion of the property used as a hypermarket or supermarket, under an agreement whose rent allows the company to earn an average income defined, at the date of entering into the Framework Agreement, as 7% of the purchase price, that the Parties will review annually, or at the time of specific transactions, on the basis of market conditions. In particular, the rent is in line with the average yield of the IGD Portfolio and of real estate portfolios of companies operating in the mass distribution sector.

If it is IGD that starts independent investment projects on land that it owns, the Company has agreed to inform the shareholder cooperatives of such projects and to lease them the properties that they might require. If the property is built by IGD at the request of the shareholder cooperatives, the latter will be required to rent the property upon completion of the work.

Please note that the weighted gross initial yield for the hypermarkets/supermarkets leased to Coop Adriatica and Unicoop Tirreno was 6.64% at 31 December 2012. This figure includes independent investment initiatives.

Although the Framework Agreement applies market conditions to purchase, sale and lease transactions between IGD, Coop Adriatica and Unicoop Tirreno, if the agreement were to cease to be valid or if it were not renewed at its expiry, sale and lease contracts governed by the Agreement that might be concluded with third parties might not be concluded under the same conditions and in the same manner, with possible adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

The Issuer does not have any other master agreements with Coop Adriatica other than those governed by the Framework Agreement. (See Chapter XIX of the Registration Document).

4.1.1.4 Risks associated with the control of Coop Adriatica

At the Date of the Registration Document, IGD is controlled, within the meaning of Art. 93 of TUF, by Coop Adriatica which owns 42.773% of IGD's share capital and exercises management and coordination activities for it within the meaning of Art. 2497 of the Italian Civil Code.

Furthermore, at the Date of the Registration Document, Coop Adriatica and Unicoop Tirreno are party to a shareholders' agreement for the exercise of block voting rights over IGD shares, under Art. 122, paragraphs 1 and 5 lett. a) b), of TUF, with the aim of pursuing a common policy for deciding the Company's strategy and management.

The pact expires on 30 June 2013. To the extent of the Company’s knowledge, negotiations are underway between Coop Adriatica and Unicoop Tirreno to renew the pact.

According to the provisions of the above shareholders' agreement, as the controlling shareholder Coop Adriatica is entitled to appoint the majority of the members of the IGD Board of Directors and can influence, among other things, the Issuer's investment policy and management in general. Consequently, non-controlling shareholders have limited possibilities of influencing the above decisions. It is noted that at the Date of the Registration Document, independent directors form the majority on the Company's Board of Directors. (See Chapter VII, Paragraph 7.1 of the Registration Document).

4.1.2 Risks associated with the Group's financial situation

In accordance with Regulation 809/2004/EC and the definition of working capital – as “the means by which the Issuer obtains the cash resources necessary to meet the obligations falling due” – contained in the ESMA/2011/81 Recommendations, the Issuer considers that on the Date of the Registration Document, the Group does not have sufficient working capital to meet its requirements for the 12 months following the Date of the Registration Document.

The Group's working capital on 31 March 2013, taken to mean the difference between the current assets and current liabilities presents a deficit of approximately Euro 377.33 million,

Euro 230 million of which is explained by the convertible bond loan "*EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013*" maturing on 28 December 2013 (please refer to Chapter X, Paragraph 10.1 of the Registration Document).

In settlement of the Exchange Offer completed on 7 May 2013, the Company issued senior unsecured fixed rate notes "*EUR 144,900,000 4.335 per cent. Notes due 7 May 2017*" (please refer to Chapter X, Paragraph 10.1 of the Registration Document). At the date of the Registration Document, therefore, as a result of the Exchange Offer and the issue of the new senior notes totalling Euro 144.9 million, the above mentioned deficit in working capital was reduced to approximately Euro 232.43 million.

With the exception of the above relating to the Exchange Offer and the issue of the senior notes, no substantial changes have occurred to the Group's working capital since 31 March 2013, up to the Date of the Registration Document.

In addition, with reference to the 12-month period after the Date of the Registration Document, the Company has estimated an additional total financial requirement (in addition to the above mentioned deficit) of approximately Euro 31.26 million.

In light of the above, the Company estimates that at the Date of the Registration Document, the working capital deficit and the above mentioned financial requirement for the 12-month period subsequent to the same date, will total approximately Euro 263.69 million.

In order to cover the amount referred to above, the Company intends to first use the proceeds deriving from the Capital Increase which should amount to approximately Euro 17.44 million if the Capital Increase is fully subscribed. This would bring the total working capital deficit and the financial requirement for the subsequent 12-month period to approximately Euro 246.25 million.

Secondly, the Company intends to use the short-term non-revolving credit lines already granted to the Company totaling Euro 278.5 million of which Euro 99.24 million is available which would bring the total working capital deficit and financial requirement for the 12-month period subsequent to the Date of the Registration Document to approximately Euro 147.01 million.

Furthermore, as the Company is able to draw against the unencumbered real estate held by the Group of approximately Euro 551 million it intends to cover the remaining working capital deficit by issuing bonds amounting to approximately Euro 175 million and/or by taking out medium/long term mortgage loans.

The above mentioned transaction would change the financial structure resulting in the classification of short term debt as medium/long term debt. The increase in medium/long term debt will cause the cost of debt to rise due to both less favourable conditions with respect to short term debt and higher spreads with respect to similar transactions in the past which will have a negative impact on the Group's economic condition and financial position.

At the Date of the Registration Document, these transactions have yet to be approved by the Company's Board of Directors.

Lastly, in order to reduce its current financial requirement, the Company could take additional steps and a) change the timing of the investments scheduled for the 12-month period subsequent to the date of the Registration Document which have yet to be subcontracted, which would result in a decrease in the financial requirement of approximately Euro 37.66 million (please refer to Chapter V, Paragraphs 5.2.2 and 5.2.3 of the Registration Document), b) request additional lines of credit from the Parent Company

Coop Adriatica or, c) carry out extraordinary transactions including the disposal of real estate assets ahead of the original timetable (please refer to Chapter XIII of the Registration Document). The continuation of the Company’s business operation over the next 12 months is, therefore, tied to maintaining the current lines of credit and the successful completion of the Capital Increase, as well as the other initiatives described above. Without prejudice to the above, in the event the Capital Increase is not adequately subscribed and the Company fails to successfully complete the additional transactions planned by the Company to cover the working capital deficit and the Group’s financial requirement in the 12-month period subsequent to the Date of the Registration Document, the Company estimates that, in light of both the lines of credit already granted and the timing of the short term financial payables, the current financial resources should be sufficient to guarantee ordinary business operations for at least 12 months. In the event the above mentioned lines of credit were to be revoked, the Company’s cash flows may not be sufficient to meet its immediate business requirements, which could therefore be affected, with adverse consequences on the Group's business, equity and financial situation.

For further information about the financial resources of the IGD Group, please see Chapter X, paragraph 10.1 of the Registration Document, the Interim Report dated 31 March 2013, and the consolidated financial statements dated 31 December 2012, available on the Issuer's website, www.gruppoigd.it.

4.1.3 Risks associated with investment planning

The Group's principal activity is represented by the lease or rental of property units within its shopping centers. The decision to invest in the acquisition or construction of a shopping center is therefore linked to the expected profitability of leasing or renting its component stores.

The Issuer's investment planning is divided into the following phases: (*i*) analysis of the suitability of the geographical location of shopping centers to be developed with respect to potential customers in the reference area; (*ii*) identification of mix of offer and retailers, with the objective of constructing or purchasing new shopping centers that meet the needs of target customers in the reference area.

In particular, an appropriate qualitative mix of offer and retailers is identified by (i) evaluating the shopping center's location, (ii) analyzing the shopping center's intrinsic characteristics, including with the assistance of specialist professionals, and (iii) evaluating the local area.

In addition, all investments are made after simulating performance against expected objectives, defined strategies and individual investment operational plans.

The Issuer may also revise the timing of any investments for reasons linked to the Group’s financial requirements or changes in the reference economic environment. In the event an agreement has been stipulated with a contractor, the Issuer, as Customer, may (i) revise the roll-out of the work to be done or in progress at any time; or (ii) terminate the agreement at any time without prejudice to the contractor’s right to be compensated for any expenses incurred, work done and loss of income.

Although, in the opinion of the Issuer's management, investment planning is carried out after detailed analysis and using the Group's established experience, possible errors in identifying the geographical location of new shopping centers, or the mix of offer and retailers, and in the performance simulations, could have a negative impact in terms of finding parties interested in lease or rental contracts, as well as lead to a decline in the level of sales by retailers within shopping centers with a consequent reduction in their ability to honor their contractual obligations to IGD. Furthermore, the decision to revise the roll-out of investments could increase costs for the Issuer. Such events could have possible adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group. (See Chapter VI, Paragraphs 6.1.2.1 and 6.1.2.2 of the Registration Document).

4.1.4 Risks associated with pre-letting

As part of the activities relating to shopping center construction, the Issuer carries out promotional activities prior to their opening and offers incentives to the existing portfolio of retailers and to potential new retailers in order to optimize space occupancy.

This activity includes activities designed to conclude leases and rentals in shopping centers under development (so-called pre-letting).

Furthermore, over the course of a shopping center's life and operation, the Issuer constantly monitors space occupancy rates in order to evaluate suitable promotional strategies to maximize occupancy and carries out investments to improve the quality and attraction of its properties.

Although pre-letting activity is done by highly qualified staff in this sector and the promotional activities and monitoring of Shopping Center occupancy rates are carried out continuously, if the pre-letting activity is unsuccessful, any decline in the occupancy rate or failure to let all a shopping center's space could result in lower rental income, with possible adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter VI, Paragraph 6.1.3 of the Registration Document).

4.1.5 Risks associated with sources of funding

The IGD Group obtains the financial resources needed to conduct its business from the banking system (mainly short-term credit lines and medium/long-term variable rate mortgage loans), and adopts a cash flow planning strategy under which each medium/long-term credit line finances a single project so as to minimize any risks associated with the need to refinance. Loan agreements to acquire property are also structured to match the cash flows expected to be generated by the properties themselves, taking into account the management costs for which the owner is contractually liable.

The following table presents the main components of net debt at the end of FY 2012, FY 2011 and FY 2010 and at the end of the first quarter of 2013:

	NET DEBT			
(*importi in migliaia di Euro*)	**31/03/2013**	**31/12/2012**	**31/12/2011**	**31/12/2010**
Liquidity	**(5,702)**	**(8,320)**	**(16,137)**	**(39,356)**
Current debt	**462,844**	**523,617**	**234,916**	**191,463**
Net current debt	**457,142**	**515,297**	**218,778**	**152,107**
Net non-current debt	**628,757**	**574,334**	**875,618**	**849,690**
Total net debt	**1,085,899**	**1,089,631**	**1,094,397**	**1,001,797**
Net debt ESMA/2011/81*	**1,086,037**	**1,089,656**	**1,094,438**	**1,001,816**

*Under ESMA net debt does not contain non-current financial assets.

In particular, at 31 December 2012, the Group's net debt amounted to Euro 1,089.631 million against a book value of property of Euro 1,905.784 million, inclusive of property held for trading and land. The main changes at 31 March 2013 compared with 31 December 2012 relate to the extension for two years effective 25 March 2013 of a loan agreement Cassa di Risparmio di Bologna, which would have expired on 27 September 2013, relating to the acquisition of the "Tiburtino" Shopping Center (Guidonia). The amount of the loan was reclassified under non-current financial liabilities at 31 March 2013.

With regard to the IGD Group's net debt, please note that the Exchange Offer resulted in current financial liabilities totaling Euro 122,900,000 being reclassified as non-current financial liabilities. With regard to the placement with institutional investors of the senior unsecured fixed rate notes maturing in May 2017, not exchanged pursuant to the Exchange Offer, please note that this transaction had no impact on the Group's net debt.

There is no guarantee that in the future the Group will be able to negotiate and obtain the necessary financing to develop its business or to refinance loans at maturity, under the same terms and conditions obtained up until the date of the Registration Document,also because of the recent financial crisis, which could result in tighter conditions for accessing credit.

Consequently, a possible tightening of the economic conditions attaching to new loans and a possible future reduction in the lending capacity of the banking system could have adverse effects on the Group's economic and financial situation and/or limit its capacity for growth.

The financial covenants relating to the Group's medium/long term loan are typical of the sector in which the Group is active.

The main covenants are linked to the debt-to-equity ratio, the loan-to-value ratio and the interest cover ratio.

Other covenants relating to loan agreements entered in to by the Issuer are linked to (i) change of control clauses, (ii) cross default clauses, for debt in excess of a certain amount, if events that could negatively impact the Issuer's earnings and financial structure materialize, (iii) clauses based on which the lending bank is entitled to receive the income generated by a financed property.

The loan agreement signed with Centrobanca S.p.A. on 30 June 2011 contains provisions based on which IGD is not to distribute profits or reserves, issue bonds, or take on new debt if this will result in a breach of covenant.

Furthermore, all the above loan agreements include include partical and/or total acceleration clauses for circumstances such as insolvency proceedings, declaration of bankruptcy, or in the event assets used as collateral lose value.

Please note that with regard to the covenants above and other obligations contained in current loan agreements, that the Exchange Offer, as well as the placement of the senior unsecured fixed rate notes maturing in May 2017 with institutional investors, not exchanged pursuant to the Exchange Offer, had no impact on these loans.

Any non-compliance with the covenants, the contractual obligations and the clauses contained in the loan agreements could give rise to an obligation for the Issuer to repay the loans early, with consequently adverse effects on the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group. In addition, the contractual obligation to not distribute earnings found in the above mentioned loan agreement with Centrobanca S.p.A. could have an impact on compliance with the distribution obligations under the REIT rules.

For more information on the obligations, clauses and current financial covenants see Chapter X, Paragraph 10.1, of the Registration Document.

Breach of financial covenants is verified each year.

In 2010, 2011 and 2012 and at 31 March 2013 no covenants were breached.

In addition to the above, as a result of the requirement to distribute income generated from exempt operations under the REIT regime, the ability of the Issuer to allocate earnings to operations or development could be limited.

Lastly, in the event the Company no longer meets all the requirements under the REIT regime, the latter could lose the tax benefits related to this status and, consequently, the Company's tax burden could increase as the income generated by the exempt operations would be subject to ordinary taxation.

(See Chapter V, Paragraph 5.1.5 and Chapter X of the Registration Document, as well as the Group's consolidated financial statements at 31 December 2012, incorporated by reference in the Registration Document and publicly available at the registered office of IGD, and on its website at www.gruppoigd.it).

4.1.6 Risks associated with interest rates

At 31 March 2013, approximately 78% of the Group's debt was at variable rates, for a total of approximately Euro 853.08 million (of which Euro 620.40 million in medium/long-term debt and Euro 232.68 million in short-term debt). At 31 December 2012, approximately 79% of the Group's debt was at variable rates, for a total of approximately Euro 863.23 million (of which Euro 566.28 million in medium/long-term debt and Euro 296.95 million in short-term debt).

The Group has implemented a policy to minimize the cost of debt in general and particularly the effects of interest rate fluctuations, for which purpose it has arranged interest rate swaps. At 31 March 2013, 68.14% of the medium/long-term variable rate loans were covered by such interest rate swaps. The IGD Group incurred approximately Euro 3.54 million in costs during the first quarter of 2013 to minimize the impact of interest rate fluctuations. At 31 December 2012, 68.08% of the medium/long-term variable rate loans were covered by such interest rate swaps. The IGD Group incurred approximately Euro 12.05 million in costs during the year ending on 31 December 2011 to minimize the impact of interest rate fluctuations.

Although the Group has an active risk management policy, in the event of rising interest rates and insufficient hedges taken out by the Group, the increase in the financial charges on its variable rate debt could have adverse effects on the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter X of the Registration Document,as well as the Group's consolidated financial statements at 31 December 2012, incorporated by reference in the Registration Document and publicly available at the registered office of IGD, and on its website at www.gruppoigd.it).

4.1.7 Risks associated with exchange rates

The Group's activities involving the Shopping Centers in Romania are conducted in Lei, the Romanian currency. This exposes the IGD Group to risks connected with fluctuations in the Euro exchange rate against the Lei.

Although rents under leases with retailers in the Romanian Shopping Centers are denominated in Lei, they are tied to changes in the Euro, so any changes in the Euro exchange rate against the Lei could affect their amount, making it difficult for retailers to fulfill their contractual obligations and resulting in possible adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

Furthermore, the Euro is the currency of the Group's consolidated financial statements, meaning that any negative changes in the Lei could have adverse effects when translating the financial statements of the Winmagazine subsidiary into Euro and lead to the impairment of property forming part of the Romanian Real Estate Assets, resulting in possible adverse effects on the assets, liabilities, results of operations and/or financial condition of the Group.

(See Chapter VI of the Registration Document,as well as the Group's consolidated financial statements at 31 December 2012, incorporated by reference in the Registration Document and publicly available at the registered office of IGD, and on its website at www.gruppoigd.it).

4.1.8 Risks associated with geographical concentration and intended use of the Group's real estate portfolio

The Group operates mainly in Italy. At 31 December 2012, about 90.86% of the Group's consolidated revenue was earned in Italy, while approximately 9.14% was earned in Romania (88.23% and 11.77% respectively at 31 December 2011). At 31 March 2013, there were no significant changes compared with 31 December 2012.

Although the Group's activities are geographically distributed throughout Italy and Romania, these are nonetheless exposed to changes in the macroeconomic situation in these two countries.

In particular, a stagnation or reduction in Italy's gross domestic product and a rise in unemployment could lead to a decrease in the level of consumption and consequently cause a reduction in demand for the services provided by the Group, resulting in adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

Furthermore, during the years ended 31 December 2010, 2011 and 2012 and at the date of the Registration Document, approximately 99% of the GLA (gross leasable area) of the Group's real estate portfolio is intended for use in the commercial/retail segment, with reference to both the real estate portfolio in Italy and to the entire real estate portfolio (also including the properties in Romania).

Such concentration in terms of the intended use of the properties means that a possible economic downturn in this specific market sector could have adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter VI, Paragraph 6.1 of the Registration Document).

4.1.9 Risks associated with possible withdrawal from or non-renewal of leases by tenants

The Group's business primarily involves letting and renting businesses relating to property units within shopping centers. At 31 December 2012, 38.6% of the Group's total rental income came from lease and rental agreements with its top ten customers.

Under Italian law governing commercial leases, every tenant may unilaterally terminate such contracts for "serious reasons". The concept of "serious reasons" has been interpreted broadly by case law and applies both to events relating to the tenant's business and to other kinds of event. If such a right of withdrawal is exercised, any protraction in the time required to find a new tenant to whom to lease the property could affect the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

With reference to the Group's letting of property units within shopping centers, existing leases last for a specified period at the end of which the tenant can exercise the right to give notice, as permitted by law. In such a case, any protraction in the time required to find a new tenant to whom to lease the property could affect the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

Furthermore, if the activity conducted in the leased property involves direct contact with the public and consumers and the non-renewal is for reasons other than notice given by the tenant, if the lease is not renewed the tenant is entitled to receive compensation equal to 18 months of rent payments, or 36 months if the property is subsequently used for similar activities to those of the tenant.

(See Chapter VI, Paragraph 6.1.2.2 of the Registration Document).

4.1.10 Risks associated with credit management for sales and leasing activities

The Group is exposed to credit risk, i.e. the risk that Shopping Center retailers or purchasers of the properties forming part of the Real estate portfolio do not fulfill their payment obligations or that difficulties are encountered in collecting credit from the same.

In order to minimize credit risk, the Group selects potential customers, including with external professional support, according to their financial reliability and solidity and the economic prospects of their business, and it adopts internal credit management procedures. In addition, the Group requires all tenants to give guarantees and/or security deposits against the contractual commitments assumed and monitors their creditworthiness and compliance with these commitments.

Nevertheless, a possible deterioration in the creditworthiness of the Group's debtors could adversely affect their ability to honor their lease or purchase commitments, resulting in possible adverse effects on the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

Trade receivables at 31 March 2013 amounted to approximately Euro 16.3 million, approximately 4% of which expired 30 days ago, approximately 2% 31 to 60 days ago, approximately 34% 61 days to 1 year ago. Receivables that expired more than 1 year ago amount to approximately 2% of the total, while unexpired trade receivables amount to approximately 39%. The residual amount relates to receivables that are part of bankruptcy proceedings written down by approximately 79% and legal disputes, which net of the ongoing dispute with Magazzini Darsena S.p.A., were written down by approximately 51%. With regard to the dispute with Magazzini Darsena S.p.A., at 31 March 2013 the total writedown amounted to approximately 93%.

(See Chapter VI, Paragraphs 6.1.2.2 and 6.1.2.4, of the Registration Document).

4.1.11 Risks associated with making the election to be treated under the REIT tax regime

The special REIT regime was introduced under Art. 1, paragraphs 119 - 141, of Law 296 dated 27 December 2006 (the 2007 budget law).

The regulatory framework was completed when the Ministry of Economics and Finance issued the Founding Law as Regulation 174/2007 which was subsequently interpreted by the Tax Office in Bulletin 8/E issued on 31 January 2008.

Subsequently, pursuant to Art. 12 of Legislative Decree 135 dated 25 September 2009 a new paragraph, 141-*bis*, of Art. 1 of Law 296 dated 27 December 2006, was introduced eliminating the Italian residency requirement for the companies that intend to participate in the REIT regime. Further reference was made in this regard in the Tax Office’s Resolution 136 of 27 December 2010.

Based on the above mentioned norms and regulations and common practice, at the date of the Registration Document,the requirements for eligibility under the special REIT regime are the following:

Subjective requirements

- must be a joint stock company;
- must reside in Italy for tax purposes or, with regard to companies with stable real estate businesses in Italy, in one of the countries member of the European Union and party to the agreement to create a single European economic zone as indicated in the list appended to the decree issued by the Ministry of Economics and Finance as per paragraph 1 of Art. 168-*bis* of the Uniform Income Tax Act approved by Presidential Decree 917 dated 22 December 1986;
- shares must be traded on a regulated market.

Statutory requirements

- The bylaws must necessarily establish:

- the rules adopted to regulate investments;
- limits on the concentration of investment and counterparty risk;
- limits on the maximum financial leverage permitted.

Ownership requirements

- limited concentration of controlling interest, the so-called "Control limit"; no shareholder may hold more than 51% of voting rights exercisable in ordinary shareholders' meetings and more than 51% of the dividend rights;
- sufficient distribution and fragmentation of share capital, the so-called "Float requisite": at the time of making the election, at least 35% of the float must be held by shareholders who own less than 2% of the voting rights exercisable in ordinary shareholders' meetings and less than 2% of the dividend rights (Art. 1, paragraph 119 of Law 296/2006, as amended by Art. 1, paragraph 374 of Law 244/2007).

Objective requirements

- freehold rental properties must make up at least 80% of the real estate assets, the so-called "Asset Test";
- revenue from rental activities must total at least 80% of the positive entries in the income statement, the so-called "Profit Test".

The primary characteristic of this special regime is the possibility, after having satisfied certain legal requirements, to be eligible for a tax regime under which income is subject to income tax only when distributed to shareholders rather than when generated by the company itself.

Given the fact that income generated by the REIT is subject to income tax solely when distributed to shareholders, the law requires that at least 85% of the rental income must be distributed.

With regard to the verification of eligibility, the Founding Law requires the subjective, statutory and ownership requisites to be met before the option is exercised, while the verification of the objective requisites is done after the close of the financial statements for the year in which the election was made.

As mentioned, in April 2008, once it was clear that all the subjective, statutory and ownership requirements had been satisfied, IGD exercised the option to be treated under the special regime effective 1 January 2008.

For the purposes of REIT status, the total capital gains, net any losses, resulting from the difference between the normal value of the rental assets, the real property rights on same, the plots of land and the value for tax purposes at the end of the fiscal year, are subject to IRES (corporate income tax) and IRAP (regional business tax) at a tax rate of 20% (the "Entry Tax").

As mentioned above, under the special REIT regime, the income generated by property rental activities is exempt from IRES and IRAP as long as the company distributes at least 85% of same. With regard specifically to 2012, on 18 April 2013, during the ordinary AGM, the IGD's shareholders resolved to distribute a total sum of Euro 22,333,408 as a dividend. This amount included (i) approximately Euro 10,000,013 or 100% of the profits generated by the exempt operations which, after the provisions required by law, were available for distribution (*ii*) Euro 9,360,968 in income from exempt operations distributable due to a negative change in the fair value of the investment properties which resulted in a reduction of the fair value reserve pursuant to Art. 6, par. 3, of Legislative Decree n. 38 of 28 February 2005, (*iii*) Euro 2,972,427 from the reserve for retained earnings from exempt operations.

At 31 December 2012 and the Date of the Registration Document, IGD satisfies the requirements established by law to maintain its REIT status.

In particular, based on IGD's financial statements at 31 December 2012, both the asset test, under which the value of freehold rental properties must represent more than 80% of the total value of the real estate assets, and the profit test, under which revenue from the rental of freehold properties or other property rights rental activities must total at least 80% of the positive entries in the income statement, were satisfied.

With regard to the requirements related to corporate bylaws, please note the following.

With regard to investments, it is expressly provided in Art. 4.3 lett. i) of the Company's bylaws that:

- "*the Company shall not, either directly or through its subsidiaries, invest more than 30 percent of its assets in a single property with urban and functional characteristics, except in the case of development plans covered by a single planning scheme, where portions of the property are covered by individual, functionally independent building permits, or equipped with urban works that are sufficient to guarantee connection to public services*".

The Company has not invested, either directly or through its subsidiaries, more than 30% of its assets in a single property with urban and functional characteristics.

With regard to the limits on the concentration of investment and counterparty risk, it is expressly provided in Art. 4.3 lett. ii) of the Company's bylaws that:

- "*income from a single tenant or from tenants belonging to a single group may not exceed 60% of total rental income*".

The income from a single tenant or tenants belonging to a single group does not exceed 60% of total rental income. In particular, at 31 March 2013, approximately 37.1% of total lease and rental income came from the Group's top ten customers, while the Group's principal customer accounted for about 19.97% of total lease and rental income (the Group's top ten customers and principal customer accounted for approximately 38.6% and 19.5% respectively of total lease and rental income at 31 December 2012, for approximately 37.2% and 18.5% at 31 December 2011 and for approximately 39.3% and 18.8% at 31 December 2010).

With regard to limits on the maximum financial leverage permitted, it is expressly provided in Art. 4.3 lett. ii) of the Company's bylaws that:

- "*the maximum permitted financial leverage, at a company or group level, is 85% of equity*"

Financial leverage, both at the group and individual level, does not exceed 85% of equity.

As a result of the requirement to distribute income generated from exempt operations under the REIT regime, the ability of the Issuer to allocate earnings to operations or development could be limited.

Lastly, in the event the Company no longer meets all the requirements under the REIT regime, the latter could lose the tax benefits related to this status and, consequently, the Company's tax burden could increase as the income generated by the exempt operations would be subject to ordinary taxation.

4.1.12 Risks associated with the failure to implement the 2012-2015 Business Plan

On 2 October 2012, IGD's Board of Directors approved the Group's 2012 – 2015 Business Plan.

This Plan contains operational, economic and financial targets through 2015 based on a global market environment of moderate growth and clearly defined managerial action.

The 2012-2015 Business Plan is based on a set of estimates and projections relating to future events and actions to be undertaken by management. Some of the most important principles relate to the global market environment which the management has no control over, as well as assumptions relating to the effects of specific actions or future events over which management only has partial control, and which could not take place or not materialize in the amount of time forecast. Results, therefore, could differ, even significantly, with respect to the forecasts.

Lastly, please note that in addition to revising the roll-out of the investments for which it does not have a binding obligation as a result of the need to reduce the Group's financial requirements, the Issuer may also do the same in order to take account of any changes in global market conditions which could cause the results to differ from the 2012-2015 Plan forecasts.

(See Chapter XIII of the Registration Document).

4.1.13 Risks associated with the statements of primacy and information on the evolution of the reference market

The Registration Document contains certain statements of primacy and estimates about the Group's competitive positioning, made by the Group itself on the basis of its specific know-how in its field, available data and its own experience. For example, such information is contained in the description of the Group's business, markets and competitive positioning (See Chapter VI, Paragraphs 6.1 and 6.3 of the Registration Document). This information has not been audited by independent third parties. The results, competitive positioning and performance of the Group in its business segments could experience significant divergences in the future from those contemplated in such statements due to known and unknown risks, uncertainties and other factors described in the present chapter on "Risk Factors".

4.1.14 Risks associated with uncertainties in determining the value of the real estate portfolio

The Issuer commissions appraisals to determine the fair value of its real estate portfolio at 30 June and 31 December every year.

With reference to FY 2011 and 2012, the appraisal of the real estate portfolio was split between two independent experts, CB Richard Ellis and Reag, both leading firms offering specialist property investment valuation services. The valuation of the IGD Group's real estate portfolio in Italy was performed by CB Richard Ellis for the year ended 31 December 2010. The real estate portfolio in Romania were appraised solely by CB Richard Ellis at 31 December 2012, 2011 and 2010.

The appraisals are conducted using standard valuation methods more in detail, a Discounted Cash Flow model is used to appraise properties which have already been completed, while the development method, based on the discounting of the future revenue streams to be generated by the rental of the property, net of construction costs and other expenses for which the owner is responsible and the cost of sales, is used to appraise projects under development. However, these do not take certain factors into account, such as those relating to the environmental impact of buildings (i.e. possible presence of hazardous substances) or their compliance with applicable regulatory requirements (i.e. presence of the required building permits, or compliance with zoning laws and intended use). Consequently, when these factors exist and when deemed relevant by the Company as a result of due diligence carried out by third party experts when the property was purchased or, subsequently, during the course of ordinary operations, the Company points them out to the appraiser.

Although the Company is of the opinion that the appraisals take into account all the relevant factors for determining the fair value of the real estate portfolio, the consideration of additional factors to those used, the lack of real comparison figures due to the market standstill and the lack of transactions involving comparable assets, as well as a negative growth trend in the real estate sector, could lead to a different determination of fair value, with consequently adverse effects on the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

Please note that in 2012 the writedown of the real estate assets amounted to approximately Euro 30.6 million.

More in detail, the impact of a significant writedown of the Romanian portfolio assets and of "Millennium Center Rovereto", could impact the recoverability of goodwill recognized amounting to, at 31 December 2012, Euro 5,409 thousand and Euro 3,952 thousand, respectively.

Furthermore, a significant writedown of the real estate asssets could result in a breach of the loan-to-value covenants found in the loan agreements.

(See Chapter VI, Paragraph 6.1.4 and Chapter X, Paragraph 10.1 of the Registration Document, as well as the Group's consolidated financial statements at 31 December 2012, incorporated by reference in the Registration Document and publicly available at the registered office of IGD, and on its website at www.gruppoigd.it).

4.1.15 Risks associated with legal proceedings in progress

In an order dated 14 October 2009, the Bank of Italy has imposed financial penalties, totaling Euro 24,000 each, on Mr. Robert Chiusoli, in his capacity as chairman of the board of statutory auditors of Unipol Banca S.p.A., and on Mr. Gilberto Coffari, in his capacity as a member of the board of directors of Unipol Banca S.p.A. These penalties have also been imposed on other officers of this company - including all members of the board of directors and board of statutory auditors - as part of an action against irregularities concerning shortcomings in the organization and internal controls of certain sectors of Unipol Banca S.p.A. and failures to report to the supervisory authorities.

The Director Gilberto Coffari, in his capacity as legal representative of Coop Adriatica, is involved in the following criminal proceedings relating to work related accidents: (a) a trial held by the Court of Ancona for an alleged violation of Art. 40, paragraph 2, Art. 590 and Art. 583, paragraph 1 (1) of the Penal Code, as well as work safety regulations, in relation to which a penal decree has been issued condemning the guilty party to a fine of Euro 2,400, which has been appealed. At the Date of the Registration Document, the hearing is scheduled to take place on 30 January 2014; and (b) two trials with the Court of Ravenna for alleged violations of Art. 590 of the Penal Code, in relation to which decrees have been issued condemning the guilty party to a fine of Euro 1,140 per decree, which have been appealed. At the Date of the Registration Document, the relative hearings are scheduled to take place in May 2013 and July 2013, respectively; (*c*) a trial held by the Court of Chieti for an alleged violation of Art. 590 of the Penal Code relative to personal damages and in relation to which a penal decree was issued which was appealed. At the Date of the Registration Document the hearing is to take place in June 2013. With regard to urban planning violations, director Gilberto Coffari was involved in a trial with the Court of Bologna for alleged violations of Art. 81 of the Penal Code, Art. 44 (c) of Presidential Decree 380/2001 and Art. 169 of Legislative Decree 42/2004 relating to illegal construction and failure to comply with historic and artistic preservation ordinances relative to the "Ambasciatori" building in relation to which a penal decree was issued condemning the guildty party to a fine of Euro 19,800, which was appealed. At the Date of the Registration Document the date of the hearing has yet to be set.

(See Chapter XIV, Paragraph 14.1.1 of the Registration Document).

Furthermore, as part of its normal course of operations, the Group is party to different administrative and judicial proceedings.

The accrual to provisions for legal proceedings in progress amounted to approximately Euro 374 thousand at 31 December 2012 and relates primarily to the estimated charges stemming from two IMU disputes. The relative provisions total approximately Euro 951 thousand.

It, however, cannot be excluded that in the future the Group may be subject to charges and damages which the provisions for legal proceedings fail to cover, negatively impacting the

Group's economic and financial condition. (See Chapter XX, Paragraph 20.5 of the Registration Document).

Lastly, please note that the IGD Group is also party to a number of pending judicial, civil and administrative proceedings.

At any rate, the Group does not feel that any liabilities stemming from the proceedings in progress would have a significant impact on its economic situation and financial soundness.

4.2 RISK FACTORS RELATING TO THE SECTOR IN WHICH THE ISSUER AND THE GROUP OPERATE

4.2.1 Risks associated with the real estate market

Both the national and international real estate markets are cyclical and influenced by a number of macroeconomic variables, related, among others, to general economic conditions, changes in interest rates, inflation, the tax system, market liquidity and the presence of profitable alternative investments.

Since 2008, the real estate market has experienced a slowdown across every segment (residential, commercial and tertiary), although with different trends by region and sector, involving a decline in demand, falling prices and a lengthening of the time to conclude sales and leases. Operationally, this has resulted in a decrease in trading transactions and an increase in vacant properties.

The banking system has also experienced a general liquidity crisis, leading to a decrease in the total amount of loans granted by lenders, also in view of amounts previously granted and the rigidity of the banking system, therefore making it more difficult to access credit and purchase property.

In 2012 the ongoing economic crisis continued to affect the real estate sector resulting in a decline in retail property investments compared with 2011.

The market value of the real estate assets at 31 December 2012 amounted to Euro 1,906.56 million, a decrease with respect to the Euro 1,924.65 million recorded at 31 December 2011 (the figure reached Euro 1,803.98 million at 31 December 2010). Possible changes in real estate sector growth trends, fluctuations in real estate sector performance or in other factors could affect property values, which in turn might have adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter VI, Paragraphs 6.1 and 6.3 of the Registration Document).

4.2.2 Risks associated with real estate activities in the mass distribution sector

4.2.2.1 Risks associated with trends in the mass distribution sector

The mass distribution sector, which had a 41.4% share of the entire Italian domestic retail market in 2011 (Source: Nielsen-Istat), is influenced by a series of macroeconomic, socio-cultural and institutional variables. Any negative trends in this sector could have significant effects on the assets and liabilities, economic performance and financial condition of mass distribution operators within shopping centers and, in more serious cases, in their insolvency, resulting in possible effects on the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

In particular, the Issuer continuously monitors the creditworthiness of the retailers within the shopping centers under its management in order to minimize credit risk. Nevertheless, a possible deterioration of the creditworthiness of these retailers might have adverse effects on their ability to honor their lease commitments, resulting in possible adverse effects on the assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter VI, Paragraph 6.3 of the Registration Document).

4.2.2.2 Risks associated with performing activities through contractors

The IGD Group's strategies entail enhancing its real estate portfolio through, on the one hand, its expansion, renovation and refurbishment, and through building shopping centers on the other. In carrying out the above work, the Group not only uses the services of engineering firms but also enters into specific agreements with contractors. The procurement contracts stipulated by the Issuer contain clauses prohibiting the contractor from subcontracting the work, in accordance with the law, unless the customer grants express authorization in writing and without prejudice to the responsibilities of the primary contractor. Furthermore, current law in Italy provides for joint responsibility, for a maximum of the consideration owed for the work contracted, of the customer, contractor and any subcontractors relating to compensation, contributions and taxes owed stemming from the work contracted or subcontracted. This means that the possible occurrence of events that affect the timing or construction costs of work performed by contractors or events resulting in the joint responsibility of the Issuer in relation to the obligations of the contractor or the subcontractor,could impact the assets, liabilities, results of operations and/or financial condition of the Issuer and the IGD Group.

(See Chapter VI, Paragraph 6.1 of the Registration Document).

4.2.2.3 Risks associated with competition in the shopping center real estate market

The Italian real estate market is highly competitive. In this context, the Issuer has to compete not only with small and midsize real estate companies, but also with Italian and international groups that have undertaken various development projects in Italy in recent years. These current and potential competitors often have: (*i*) efficiently managed assets; (*ii*) significant financial resources; (*iii*) considerable investment capacity; and (*iv*) highly visible networks or brands on national and international markets.

The increase of competition in the shopping center real estate market, or market saturation in some geographical areas could make it more difficult to conclude leases and business rentals for units in the Real estate portfolio and affect the ability to invest in new projects, resulting in adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter VI, Paragraph 6.3 of the Registration Document).

4.2.3 Risks associated with changes in legislation and regulations

The Issuer's activities are subject to national and local Italian laws and regulations, including the special rules applying to listed real estate companies, well as to EU legislation and regulations concerning the environment, urban planning, application of established safety and maintenance standards in buildings and related facilities, relationships between landlords and tenants and between lessors and lessees, and taxation on property and the related income. In particular, the shopping center real estate sector is the subject of a particularly detailed regulatory regime with regard to administrative authorizations (the subject of recent legislation, namely Legislative Decree 201/2011, which introduced a nationwide general principle regarding the freedom to keep retail businesses open and recently, Legislative Decree n.1 of 24 January 2012, converted into Law n. 27 of 24 March 2012 – which abrogated limits on operation and opening of new retail businesses) as well as legislation regarding hygiene, sanitation and environmental protection. In addition, Legislative Decree 201 of 6 December 2011, on "*Urgent measures for growth, fairness and consolidation of public accounts"* converted in Law 214 dated 22 December 2011, has introduced into Italy new rules for the Comprehensive Municipal Tax (Imposta Municipale Unica or IMU); this tax was the subject of subsequent legislation in Legislative Decree 16 dated 2 March 2012, on "*Urgent measures on tax simplification, improving the efficiency of and enhancing assessment procedures*" converted into Law 44 dated 26 April 2012; the application of IMU has resulted in an increase in direct costs of ordinary operations (at 31

March 2013 and at 31 December 2012, equal to approximately 26% of total direct costs) and has had a negative impact on the income statement for FY 2012 in relation to the fair value of property investments in Italy (at 31 December 2012, fair value impairments represented about 1.55% of the market value of the income-generating real estate portfolio in Italy).

The table below compares the situation prior to the introduction of IMU with the first year of application:

(in €/000)	**2011**	**2012**	**Change 2011/2012**	**Change % 2011/2012**
Imu/(former ici) on investment properties (Italy and Romania)	4,388	7,166	2,777	63.29%

The impact of the introduction of IMU on the fair value of the real estate assets appraised by the independent experts was already considered in 2012 insofar as it is taken into account in the DCF model.

Furthermore, Art. 14 of Legislative Decree n. 201 of 6 December 2011, implementing “"*Urgent measures for growth, fairness and consolidation of public accounts"* effective 1 January 2013, introduced in Italy the so-called “*Tax on waste management and services (“Tassa sui rifiuti e servizi*” or “Tares”) which resulted in increased costs for the retailers inside the shopping centers that could indirectly affect the Issuer’s and the Group’s economic situation and/or financial soundness.

The Issuer is also subject to the provisions of Legislative Decree 231/2001 concerning administrative responsibility, as well as current statutes relating to health and safety in the workplace.

Any future changes in the existing regulatory and legislative framework, including the tax rules applicable to real estate operators, including in the interpretation or implementation of existing rules, could result in changes to operating conditions and require an increase in the investments, costs, charges or levels of liability of the Group, with possible adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

Furthermore, any failure to comply with regulatory standards concerning urban planning or environmental impact of certain properties in the real estate portfolio could adversely affect the value and/or marketability of the property owned by the Group, or generate an increase in the Issuer’s costs, charges or levels of liability, resulting in possible adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter VI of the Registration Document).

4.2.4 Risks associated with the current economic situation

The crisis over the past few years in the banking system and financial markets and the consequent deterioration in macroeconomic conditions, translating into a decline in worldwide consumer spending and industrial output, have resulted in recent years in tighter access to credit, a low level of liquidity in financial markets and extreme volatility in equity and bond markets.

The crisis in the banking system and financial markets has led, along with other factors, to economic recession in some EU countries, including Italy and Romania. If this economic downturn were to continue over time in countries where the Group operates, this could have adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

(See Chapter VI, Paragraph 6.3 of the Registration Document).

CHAPTER V – ISSUER PROFILE

5.1 The Issuer's History and Development

5.1.1. The Issuer's legal name and commercial identity.

The Company's name is Immobiliare Grande Distribuzione Company di Investimento Immobiliare Quotata S.p.A. or, in abbreviated form, IGD SIIQ S.p.A.

5.1.2. Where the Issuer is registered and its registration number.

The Company is registered with the Ravenna Company Register under number 00397420399.

5.1.3. Formation and duration.

The Company was formed on 28 July 1977 under the name ESP Dettaglianti Associati S.r.l. In 1980 the Company was transformed into a joint stock company named ESP Commercianti Associati S.p.A. On 6 November 2000, the Company changed its name to Immobiliare Grande Distribuzione S.p.A.

Under Article 3 of the bylaws, the Company's duration is through December 31, 2050 (and may be extended by resolution of the shareholders).

5.1.4 Domicile and legal form, law to which the Issuer is subject, where formed and registered office

IGD is a joint stock company conducting business on the basis of Italian law. In April 2008 IGD exercised the option to be treated under the special regime effective 1 January 2008.

The Company's registered office is in Ravenna, Via Agro Pontino n. 13 and its operational headquarters are in Bologna, Via Trattati Comunitari Europei 1957-2007 n.13, telephone number +39.051.509111.

5.1.5. Highlights in the development of the Issuer's and the Group's business activities.

<u>Origins</u>

The Company was formed on 28 July 1977 with the name ESP Dettaglianti Associati S.r.l. (which became, in 1980, ESP Commercianti Associati S.r.l., and was subsequently transformed into a joint stock company named ESP Commercianti Associati S.p.A.).

In the first few years the Company was involved primarily in the rental of companies and leasing of properties used for the sale of non food products in the Ravenna area.

The Company completed the construction of its first shopping center in Ravenna, called "ESP", in 1998.

<u>The aggregation of Coop Adriatica's and Unicoop Tirreno's real estate assets</u>

On 6 November 2000, the Company changed its name to Immobiliare Grande Distribuzione S.p.A. and two shopping centers ("Centro Lame" and "Centro Borgo" located in Bologna) and two hypermarkets (located in Lugo and Pesaro) were transferred to it by Coop Adriatica

On 4 September 2001, effective 1 November 2001, the merger by incorporation of Did Immobiliare S.r.l., Iper San Benedetto S.r.l. and Centro Leonardo S.p.A. (each of which was a subsidiary of Coop Adriatica and owner of a shopping center, with the exception of Centro Leonardo S.p.A., which owned a hypermarket) in IGD was completed. This merger, which came after the conferment described above, marked another phase of the process by way of which Coop Adriatica was creating a separate legal entity to which it could transfer the ownership of a large part of its retail real estate portfolio.

In 2002, IGD acquired Sageco S.p.A., a subsidiary of Coop Adriatica, a supermarket and a store located in Ravenna, and completed the expansion of the "Porto Grande" Shopping Center located in San Benedetto del Tronto.

After having subscribed a reserved capital increase, on 20 December 2002 IGD became the majority shareholder (with 60%) of Centropiave, which was then a subsidiary of Coop Adriatica. On 6 October 2003 Centropiave, a company active in the promotion and management of shopping centers owned by Coop Adriatica and other third parties, as well as property leasing and store rentals, changed its name to Gescom.

On 26 March 2003, the Company approved a reserved capital increase, based on which the "Le Porte di Napoli" Shopping Center in Afragola (NA) was transferred to Ipercoop Tirreno, part of the Unicoop Tirreno Group. Following the capital increase Ipercoop Tirreno held 24.58% of IGD's share capital. This transaction made it possible for Coop Adriatica to combine the larger part of its real estate assets with those pertaining to the Unicoop Tirreno Group. Subsequently, on 23 December 2003, Ipercoop Tirreno sold its share in IGD to Unicoop Tirreno.

On 1 July 2003, the Company acquired the "Casilino" Shopping Center, located in Rome, from Ipercoop Tirreno. On 5 December 2003, IGD sold the mall of the "Centro Lame" Shopping Center in Bologna to Juma S.r.l., part of the Eurocommercial Group.

On 29 March 2004, the Company acquired the "Le Fonti del Corallo" Shopping Center, in Livorno, from Acov S.r.l., part of the Unicoop Tirreno Group.

On 7 December 2004, the Company acquired the remaining 40% of Gescom S.r.l. from Coop Adriatica.

The IPO and the expansion of the real estate portfolio

In February 2005, the Company's ordinary shares were listed on the Italian Stock Exchange, as part of the STAR segment.

Subsequent to its IPO, IGD purchased other malls and shopping centers in Italy and abroad. More in detail:

- in 2006, IGD (i) acquired the business divisions relative to the malls "Fonti del Corallo" in Livorno, "Casilino", in Rome, "Le Porte di Napoli", in Afragola, and "Centro Borgo", in Bologna from the Unicoop Group and from Coop Adriatica, for a total of Euro 4.6 million; (ii) acquired the "Darsena City" Shopping Center in Ferrara from Magazzini Darsena S.p.A. for Euro 56 million; (iii) acquired the entire share capital of Immobiliare Larice S.r.l. (which in 2012 changed its name to IGD Management S.r.l.) from Coop Lombardia for approximately Euro 129 million and became the owner of the "Centrosarca" Shopping Mall in Sesto San Giovanni (Milan); (iv) sold the extension of the "Centro Leonardo" Shopping Mall in Imola to Eurocommercial Properties for Euro 43 million;
- in 2006 the merger by incorporation of Gescom S.r.l., a company wholly owned by IGD active primarily in agency and facility management, was completed effective 1 October 2006;
- in 2007, IGD acquired (i) the entire share capital of Millennium Gallery S.r.l., becoming owner of part of the "Millenium Center" in Rovereto worth approximately Euro 21 million, from Santoni Costruzioni S.p.A. for approximately Euro 14 million; and (ii) the entire share capital of M.V. S.r.l. from Lago s.r.l., Close world S.A. and Tavolera S.r.l. for approximately Euro 18.8 million, in addition to a retail park "Shopping Village Mondovicino" in Mondovì (Cuneo) from Lago s.r.l., Close world S.A. and Tavolera S.r.l. for approximately Euro 22 million;
- in 2007, IGD also formed a 50/50 joint venture with Beni Stabili called "Riqualificazione Grande Distribuzione S.r.l." ("RGD") in order to acquire and enhance existing shopping centers. The joint venture's assets upon formation consisted in a shopping center owned by IGD ("Darsena City") and a shopping

center owned by Beni Stabili ("Nerviano");

- in 2008, IGD acquired (i) WinMagazine, with a portfolio of 15 shopping centers in different cities in Romania from Ivington Enterprises Ltd. and Broadhurst Investment Ltd., part of the NCH Capital Group, a US private equity firm, for Euro 191.78 million; (ii) the "Lungo Savio" Shopping Mall in Cesena from Coop Adriatica for approximately Euro 18 million, and an office building inside the "Gran Rondò" Shopping Center in Crema again from Coop Adriatica for approximately Euro 52 million; (iii) a plot of land in Conegliano where a retail park was to be built next to the shopping center in the process of being built by CoopAdriatica from ICI S.r.l. for approximately Euro 6.5 million; and (iv) the vehicle company Nikefin Asti S.r.l. which built the "I Bricchi" Shopping Center in Isola D'Asti from Nikefin Promozioni commerciali S.r.l. for approximately Euro 8.72 million. The total investment, including the debt assumed, reached approximately Euro 41 million;

- in 2008, IGD also formed the company Porta Medicea S.r.l., held 80% by Immobiliare Larice S.r.l. (which in 2012 changed its name to IGD Management S.r.l.), and 20% by Azimut-Benetti S.p.A. Porta Medicea S.r.l. purchased the area referred to as "Porta a Mare" in Livorno, of approximately 70,616 m^2 in order to construct a multi-use center (to be zoned for shops, services, housing and accommodations) from the company Trasformazione Urbana Porta a Mare S.p.A., for approximately Euro 68 million. As part of this project IGD signed a preliminary agreement with Porta Medicea S.r.l. for the purchase of the portion of the multi-use center to be used as a shopping center for approximately Euro 77 million;

- in 2009, IGD acquired (i) the "Tiburtino" Shopping Center in Guidonia from Euromarketing S.r.l. for approximately Euro 106 million; (ii) the "Katanè" Mall in Gravina (Catania) from Iniziative Immobiliari Siciliane (CMC Group in Ravenna), for approximately Euro 98 million; (iii) the "Le Maioliche" Shopping Center in Faenza from Coop Adriatica. With this transaction IGD purchased the entire share capital of Faenza Sviluppo S.r.l., owner of the property, from Coop Adriatica. The consideration paid for the company reached approximately Euro 13.8 million while the total investment, including the debt assumed, amounted to approximately Euro 85.3 million;

- in 2010, IGD acquired (i) the remaining 10% of the share capital of WinMagazine from Investitori & Partner Immobiliari S.p.A. for Euro 21 million; following this acquisition the Group held 100% of the WinMagazine's share capital; (ii) the mall found inside the "Torre Ingastone" Shopping Center in Palermo from Cogei Costruzioni S.p.A. for approximately Euro 55 million; (iii) the mall inside the "Coné" Shopping Center in Conegliano from Coop Adriatica for approximately Euro 57 million,

- in 2010, IGD also sold (i) its interest in RGD (50% of the share capital) to Beni Stabili the disposal of two shopping centers held by RGD. The third shopping center ("Darsena City") is still jointly owned with Beni Stabili (50/50). The consideration paid for the interest in RGD amounted to Euro 59.2 million, while 50% of the Darsena City property was acquired by IGD for Euro 22.3 million, (ii) 20% of the interest held, through Immobiliare Larice S.r.l. (which in 2012 changed its name to IGD Management S.r.l.), in Porta Medicea S.r.l. to the CMB Group for approximately Euro 13 million;

- in 2011, IGD acquired (i) the commercial business division found inside the mall in the "Gran Rondò" Shopping Center in Crema from Immobiliare Gran Rondò S.r.l., for approximately Euro 4.9 million; (ii) a complex comprised of connected and adjacent properties in downtown Bologna from Leggenda S.r.l. (the Stefanel Group) for Euro 25 million. In this way the Group added a new class of property to its real estate portfolio referred to as "City Center"; (iii) the second and third floors of building one of the Bologna Business Park which already housed the Group's headquarters from Città Scambi S.r.l. for approximately Euro 6.8 million. The Group now owns the entire building; (iv) the hypermarket found inside the "Conè" Shopping Center and Retail Park in Conegliano (Treviso) from Coop Adriatica for approximately Euro 23.5 million; following this acquisition IGD now owns 100% of the "Conè" Shopping Center and Retail Park; (v) the hypermarket found inside the "La Torre" Shopping Center in Palermo from Ipercoop Sicilia S.p.A. for approximately Euro 36 million; following this acquisition IGD now owns 100% of the "La Torre" Shopping Center;

- in 2012, IGD Management S.r.l. (formerly Immobiliare Larice S.r.l.), exercised the call option provided for under the agreements stipulated in March 2009 with Cooperare S.p.A. and acquired a 20% interest in Porta Medicea S.r.l.

The REIT regime

In April 2008 IGD exercised the option to be treated under the special regime of the REIT effective 1 January 2008.

This regime provides for: (i) the possibility, after having satisfied certain legal requirements, to be eligible for a tax regime under which income is subject to income tax only when distributed to shareholders rather than when generated by the company itself; (ii) special provisions to be applied to the transfer of rental property (and real property rights on same) as long as the REIT company maintains ownership of the property conferred for at least three years. More in detail, for the purposes of REIT status the total capital gains resulting from the difference between the normal value of any rental assets (and real property rights) transferred to the REIT and the value for tax purposes may be subject, as decided by the transferor, to a substitute IRES (corporate income tax) and IRAP (regional business tax) tax of 20% instead of to ordinary income tax; and (iii) the distribution by the REIT each year of at least 85% of the earnings generated by the exempt operations.

5.2. Principle Investments

5.2.1. Investments made in the last three years

The following table shows the investments made in property, plant and euipment and intangible assets, as well as in the continuation of the Porta a Mare Project, made by the Group in first quarter 2013 and in the years closed on 31 December 2012, 2011 and 2010.

	Q1 2013	**2012**	**2011**	**2010**
	Euro/mln	**Euro/mln**	**Euro/mln**	**Euro/mln**
REAL ESTATE INVESTMENTS	**0.17**	**3.33**	**104.98**	**67.73**
ASSETS UNDER CONSTRUCTION	**2.02**	**10.03**	**18.91**	**58.28**
INTANGIBLE ASSETS	**0.01**	**0.04**	**0.04**	**1.51**
OTHER FIXED ASSETS	**0.03**	**0.40**	**3.99**	**0.81**
TOTAL INVESTMENTS IN FIXED ASSETS	**2.23**	**13.80**	**127.91**	**128.33**
Inventories Porta a Mare Project	**1.47**	**6.89**	**6.86**	**9.18**
TOTAL INVESTMENTS	**3.70**	**20.69**	**134.77**	**137.51**

In first quarter 2012 investments made in Italy amounted to approximately Euro 3.37 million relating primarily to the advancement of the work on the mixed use commercial and residential “Mazzini” area, the continuation of the urbanization works at the retail park in Chioggia, the expansion of the “Esp” Shopping Center and the work on the mall in the “Centro d’Abruzzo” Shopping Center. Investments in Romania totaled approximately Euro 0.33 thousand at 31 March 2013.

In 2012 the restyling of the ESP Shopping Center in Ravenna was completed. The urbanization works relative to the retail park in Chioggia and the expansion of the ESP Shopping Center also continued in 2012. Work began in December 2012 on the mall in the Centro d’Abruzzo Shopping Center, in the province of Chieti. In December 2012 the permit for the construction of the midsize stores that will expand the“Porto Grande” Shopping Center, in the province of Ascoli Piceno, was obtained, subject to the planning of the urbanization works. Furthermore, through the subsidiary Porta Medicea, work also continued in 2012 on the “Mazzini” area (residential and commercial). With regard to asset management, in 2012 investments were also made on extraordinary maintenance of the Italian portfolio, including on fit outs needed in order to accommodate premiere retailers in spaces which IGD delivers already finished and fitted based on the retailers’ requests.

In 2012 extraordinary maintenance was completed in Romania relating primarily to the restructuring of the facades of 2 centers, as well as refurbishment inside the centers.

The investments made in 2011 relate to the acquisition of the hypermarket found inside the shopping center in Conegliano, the hypermarket found inside the “La Torre” Shopping Center in Palermo, the real estate complex found in downtown Bologna in via Rizzoli, the offices found on the 2nd and 3rd floors of the business park building in Bologna, the retail management division responsible for the management of the stores found inside the mall of the “Gran Rondò” Shopping Center in Crema, and to the acquisition of the retail management division responsible for the management of the multplex cinema and bar found inside the “Centro Sarca” Shopping Center.

The work relating to the expansion of the “Esp” Shopping Center also continued and two plots of land were purchased, next to the ones already owned, where the Chioggia retail park will be built and the urbanization works progressed. A plot of land was also purchased in San Giovanni Teatino and the secondary urbanization works relating to the expansion of the Centro d'Abruzzo Shopping Center were monetized. Lastly, work continued on the multi-purpose center in Livorno (retail sector only).

The principal investments made in 2010 include the acquisition of the mall found in the “Conè” Shopping Center in Conegliano from the parent company Coop Adriatica in December 2010 and the acquisition of the “La Torre” Mall in Palermo from Cogei S.p.A. in June 2010. Other investments include the purchase of two business units found inside the “Millennium Center” in Rovereto (Trento) and the extraordinary maintenance carried out in most of the shopping centers. In the same year two midsize stores were completed and opened in the “Coné” Shopping Center and the restyling of the “Le Porte di Napoli” was completed, as were the works at the “Esp” Shopping Center, the Retail Park in Mondovì and at the “Le Maioliche” Shopping Center. In December 2010 the IGD Group also sold its 50% interest to Beni Stabili which resulted in the disposal of two shopping centers (“Beinasco” and “Nerviano”), while 50% of the third shopping center (“Darsena City”) was repurchased by RGD. The increase in intangible assets is explained by the recognition, pursuant to the previous version of IFRS 3, of a forward on quotas held by third parties in Winmagazin S.A.

In the three year period 2010-2013, the Group made no investments in long term financial assets.

Subsequent to 31 December 2012, through the Date of the Registration Document the Group has not made any significant investments.

5.2.2. Assets under construction

The assets under construction approved by the Issuer at 31 March 2013 relate primarily to the expansion of the “Centro d'Abruzzo” Shopping Center, for a total of Euro 5.83 million, the Chioggia project where the retail park will be built, for a total of Euro 16.55 million.

Along with these investments there is also the waterfront transformation project in Livorno for a total of Euro 8.07 million relating to the Mazzini area. Extraordinary maintenance of the Italian and Romanian real estate portfolios of approximately Euro 12.68 million and approximately Euro 4.62 million, respectively, will also be carried out.

While the above investments, totalling approximately Euro 47.75 million, have been approved the Issuer, only about Euro 13.90 million of the work involved, relating to Abruzzo and the Mazzini area of the Porta a Mare project Mazzini, has been contracted. The remaining investments, amounting to around Euro 33.85 million, will be contracted during the year and may be subject to revision.

These investments will be financed:

- with regard to the “Porta a Mare” project, through the use of a mortgage loan based on the progression of the work stipulated with Banca Popolare di Verona for a total of Euro 17.6 million, approximately Euro 9.6 million of which has already been utilized (see Chapter VIII, Paragraph 8.1 and Chapter X, Paragraph 10.1);
- with regard to the Chioggia and Abruzzo projects, through the use of short term lines of credit; medium/long term mortgage loans will only be used when construction of the property is completed;
- with regard to extraordinary maintenance, through the use of short term lines of credit.

5.2.3. Future investments

The Company, in line with the 2012-2015 Business Plan, approved by IGD’s Board of Directors on 2 October 2012 calls for investments over the life of the 2012-2015 Plan of approximately Euro 200 million (See Chapter XIII, Paragraph 13.1 of the Registration Document).

More in detail, for the years subsequent to 2012, the 2012-2015 Plan calls for investments of approximately: (i) Euro 66 million in 2013, (ii) Euro 65 million in 2014 and (iii) Euro 47 million in 2015.

The difference between the investments referred to in Paragraph 5.2.2 above for 2013 with respect to the 2012-2015 Plan is explained by the fact that certain investments included in the 2012-2015 Plan had not been resolved upon by the Issuer’s Board of Directors at the Date of the Registration Document, as they are in the process of being finalized.

With the exception of what was completed at 31 March 2013 and what is contemplated above in Paragraph 5.2.2, at the Date of the Registration Document, the Issuer’s only definitive future investment is the extension of the “Centro d’Abruzzo” Shopping Center, in the Chieti province, which will include the construction of a building in order to expand the mall, in addition to new parking which should be completed by 2014, amounting to approximately Euro 3.12 million.

The investment above will be financed through the use of short term lines of credit and medium/long term mortgage loans will only be used when construction of the property is completed.

Please note that the Company has made no definitive investment commitments with regard to the assets in Romania.

CHAPTER VI – BUSINESS OVERVIEW

6.1 The IGD Group's Main Activities

6.1.1. Introduction

The IGD Group is a leading owner and manager of retail shopping centers in Italy. As of 2008, the Group is also active in Romania through its subsidiary WinMagazine which owns the country's main chain of department stores.

More in detail, the IGD Group's business activities include:

- **Property management and leasing**, the objective of which is the long term enhancement of the real estate portfolio through the acquisition and leasing of retail properties, both operational and newly constructed (Shopping Centers, Hypermarkets, Supermarkets and Malls), while also seeking to maximum the returns of the portfolio including through the sale of malls; and
- **Services** which consists primarily in Agency Management and Pilotage, as well as Facility Management.

The following table shows the consolidated operating income by sector at 31 March 2013 and 2012 and for the years ending 31 December 2012, 2011 and 2010.

	31/03/2013	%	31/03/2012	%	31/12/2012	%	31/12/2011	%	31/12/2010	%
Property management and leasing	29,191	96%	29,442	96%	118,128	96%	115,906	95%	110,095	95%
Services	1,250	4%	1,303	4%	5,136	4%	5,284	4%	6,092	5%
Revenue from trading	0	0%	0	0%		0%	1,726	1%	-	0%
Total	**30,440**	**100%**	**30,745**	**100%**	**123,264**	**100%**	**122,916**	**100%**	**116,187**	**100%**

* For the purposes of this operating review, some cost and revenue items have been reclassified and/or offset with respect to figures in the financial statements.

The following table shows the consolidated operating income by sector and geographical area for the quarters ending 31 March 2013 and 2012 and for the years ending 31 December 2012, 2011 and 2010.

Business sector	**Italy**									
(Euro /000)	**31/03/ 2013**	**%**	**31/03/ 2012**	**%**	**2012**	**%**	**2011**	**%**	**2010**	**%**
Property management and leasing	26,521	96%	26,635	95%	107,026	96%	104,184	94%	97,294	94%
Services	1,219	4%	1,268	5%	4,981	4%	5,094	5%	5,894	6%
Revenue from trading	0	0%	0	0%		0%	1,726	1%		0%
Total	**27,740**	**100%**	**27,903**	**100%**	**112,007**	**100%**	**111,004**	**100%**	**103,188**	**100%**
Business sector	**Romania**									
(Euro /000)	**31/03/ 2013**	**%**	**31/03/ 2012**	**%**	**2012**	**%**	**2011**	**%**	**2010**	**%**
Property management and leasing	2,670	99%	2,807	99%	11,102	99%	11,722	98%	12,801	98%
Services	31	1%	35	1%	155	1%	190	2%	198	2%
Revenue from trading	0	0%	0	0%		0%		0%		0%
Total	**2,701**	**100%**	**2,842**	**100%**	**11,257**	**100%**	**11,912**	**100%**	**12,999**	**100%**

The revenue from property management and leasing refer to the leases and rental agreements signed by the retailer tenants found inside the malls and the leases and rental agreements stipulated with Coop Adriatica, Unicoop Tirreno, Ipercoop Tirreno and Ipercoop Sicilia for the hypermarkets found inside the various shopping centers.

The revenue from services consists primarily in the revenue generated by Facility Management and Pilotage.

The trading revenue, an item recognized beginning in 2011, is explained by the sale of a portion of the office units pertaining to the "*Porta a Mare*" project in Livorno.

6.1.2 Property management and leasing

The IGD Group's freehold portfolio consists primarily in Hypermarkets and Malls found inside mid/large sized shopping centers.

At the Date of the Registration Document, IGD's freehold Shopping Centers can be found in eleven Italian regions. More in detail the IGD Group owns 19 Hypermarkets and Supermarkets, 19 Shopping Malls and Retail Parks (including the mall co-owned with Beni Stabili), 1 City Center property, 4 plots of land for direct development, 1 asset held for trading and 7 other property units.

Beginning in 2008 the Group is also active in Romania through its subsidiary WinMagazine which owns the country's main chain of department stores, found in thirteen different cities. At the Date of the Registration Document, the IGD Group owns 15 shopping centers and one office building in Romania.

The Group's freehold properties, along with the leasehold properties, comprise the real estate portfolio.

The activities relative to the IGD Group's Property Management and Leasing of the Real Estate Portfolio include:

- the purchase and realization of commercial properties (shopping centers, hypermarkets, supermarkets and malls);
- leasing of the properties included in the Group's real estate portfolio;
- the optimization of the returns from the portfolio through: (*i*) commercial policies and initiatives which maintain the shopping center's appeal and occupancy rates at high levels; (*ii*) property enhancement which involves improvements like extensions or restyling, as well as routine and extraordinary maintenance;
- possible sale of the older or less strategic freehold properties.

6.1.2.1 Acquisition and development of retail properties

The IGD Group's real estate portfolio is developed through both acquisitions and extraordinary transactions such as mergers by incorporation, absorptions and transfers in kind (for more information please refer to Chapter V, Paragraph 5.1.5 of the Registration Document).

When assessing each investment, the IGD Group avails itself of specialized companies in order complete market studies which look at and analyze primarily: (*i*) the social-demographic potential of the catchment area where the shopping center is to be built; (*ii*) the presence (current and potential) in the same area of other sector operators; and (*iii*) the spending power of the shopping center's potential end customers by studying their shopping habits and needs in order to select the right tenant mix for the mall located inside the shopping center. These market studies also look at the proforma income statement/financial position in order to understand, on the one hand, the possible return on the investment and, on the other hand, the financial structure and costs.

Once the initial assessment of each investment is completed the IGD Group then hires a specialized sector company to complete more in depth market analyses and/or due diligence.

In the event the investment involves an existing shopping center, the IGD Group usually asks the sponsor to verify compliance with the mandatory technical requisites and to complete any improvements. Conversely, in the case of an investment involving a new shopping center, this check depends on whether the center is to be on third party land or on IGD's land. When the shopping center is built on third party land, the Group is involved in the planning phase and may ask that the same technical requisites be complied with and that adjustments be made in order to optimize the distribution of the commercial space in light of the expected yields. If the shopping center is to be built on land owned by the Company, the latter will verify directly that the engineering company and the subcontractors comply with the law.

In the three year period 2010 – 2012, the IGD Group continued to expand its real estate portfolio acquiring, in particular, the hypermarket found inside the "Coné" Shopping Center (Conegliano Veneto) and the hypermarket found inside the "La Torre" Shopping Center in Palermo in 2011. In 2011, the Group also acquired a real estate complex in the historic heart of Bologna; this acquisition marks the introduction of a new asset class in IGD's portfolio, City Center, namely properties found on the main streets of Italy's principal cities, in order to diversify the asset base with the introduction of a type of property destined to increase in value over time due to the prestigious locations.

6.1.2.2 Leasing/renting of properties included in the real estate portfolio

The Group's principal activity is leasing or renting its real estate portfolio properties to businesses.

The table below shows the revenue generated by the leasing/rental business in first quarter 2013 and 2012 and in 2012, 2011 and 2010 broken down by class of property.

(*Euro /000*)	**31/03/2013**	**31/03/2012**	**31/12/2012**	**31/12/2011**	**31/12/2010**
Freehold hypermarkets	8,701	8,343	34,152	31,403	29,038
Leasehold hypermarkets	29	28	114	111	108
Freehold supermarkets	96	94	381	373	367
TOTAL HYPERMARKETS/SUPERMARKETS	**8,826**	**8,465**	**34,647**	**31,887**	**29,513**
Freehold malls, offices and city center	17,700	18,285	72,634	73,217	70,136
Leasehold malls	1,967	2,001	7,915	7,849	7,595
Revenue – other contracts	248	279	1,158	1,113	1,003
Revenue – rental of temporary space in freehold centers	440	445	1,625	1,734	1,635
TOTAL MALLS	**20,355**	**21,010**	**83,332**	**83,913**	**80,369**
TOTAL	**29,181**	**29,475**	**117,979**	**115,800**	**109,882**

<u>Leasing of hypermarkets and supermarkets</u>

The management of Hypermarkets and Supermarkets consists primarily in managing and stipulating rental/lease agreements with mass distributers active in retail sales.

At 31 December 2012, the IGD Group owned 19 Hypermarkets and Supermarkets. The management of the Hypermarkets and Supermarkets involves in addition to such Hypermarkets and Supermarkets one Hypermarket owned by third parties.

The table below, shows for each of the Hypermarkets and the Supermarkets managed by the IGD Group, the duration of the lease, the expiration date and the GLA (Gross Leasable Area). Upon expiration, each of these leases may be renewed for another 6 years, with the possibility to renew again at 6 year intervals.

Property	Duration of the lease	Next expiration date	G.L.A.
Freehold hypermarkets/supermarkets			
CENTRO ESP	16+6	30/06/2019	16,536
CENTRO BORGO	8+6	30/06/2017	11,480
CENTRO LAME	15+6	30/06/2018	15,681
CENTRO LEONARDO	14+6	30/06/2017	15,862
LUGO	18+6	30/06/2021	7,937
AQUILEIA	6+6	22/07/2014	2,250
I MALATESTA	18+6	22/12/2023	10,232
LE MAIOLICHE	18+6	03/06/2027	9,277
CONE’	18+6	29/06/2029	9,498
CENTRO D’ABRUZZO	9+6	30/06/2018	14,127
PORTOGRANDE	8+6	30/06/2017	15,290
CASILINO	18+6	30/06/2021	11,435
LE PORTE DI NAPOLI	18+6	25/03/2021	17,248
FONTI DEL CORALLO	18+6	28/03/2022	15,371
KATANE’	18+6	28/10/2027	13,663
TIBURTINO	18	01/04/2027	7,124
MIRALFIORE	18+6	30/06/2021	10,356
IL MAESTRALE	6+6	30/06/2015	12,501
LA TORRE	18+6	11/07/2029	11,910
Leasehold hypermarkets/supermarkets			
CENTRO PIAVE	9	30/04/2022	15,826

At the Date of the Registration Document, the majority of the Hypermarkets and Supermarkets included in the Group’s real estate portfolio are leased, at market conditions, to Coop Adriatica, Unicoop Tirreno, and respective group companies.

The main terms and conditions of the Hypermarket and Supermarket leases are summarized below.

Duration. As shown in the table above, the duration of the leases varies from a minimum of six to a maximum of eighteen years. Each lease contains a six year automatic renewal clause in accordance with Art. 28 of Law 392/78. Based on these contracts the tenants may not withdraw, unless for the serious motives outlined in the last paragraph of Art. 27 of Law 392/78, with the exception of the agreements relative to the Tiburtino and Centro Piave centers for which business rental agreements and not commercial leases were stipulated.

Lease payments. The payments are determined based on the yields calculated on the basis of the property’s sales price or construction costs. The lease is guaranteed by a security deposit equal to six monthly lease payments. The lease payment calls for a guaranteed minimum and includes a variable component linked to the hypermarket’s sales.

Lease payment adjustments. The leases call for yearly adjustments which are indexed to 75% of the ISTAT index relative to the prior year and published in the Official Gazette. Only the above mentioned business rental agreements are indexed to 100% of ISTAT. Tenants are responsible for all routine and extraordinary maintenance on plants and the interiors of the buildings.

Maintenance. Tenants are responsible for all routine and extraordinary maintenance on plants and the interiors of the buildings. IGD is responsible for external extraordinary maintenance.

Insurance. The tenant must stipulate the following insurance policies: (*i*) "fire and accessory guarantee", covering its merchandise, furniture and fittings, systems, equipment and all its other property, waiving any right to request a reimbursement from the lessor and any sub-tenants; (*ii*) "third party liability" covering the risks connected to the lease of the building and the systems appurtenant and the property and merchandise, furniture and fittings, systems, equipment and all its other property. The fire insurance must cover a loss equal to the new replacement cost of the goods covered. The lessor must stipulate: (*i*) "fire and accessory guarantee" policy which covers the building, the systems appurtenant to the building and the common areas and spaces, as well as (*ii*) "third party liability" policy covering the building and the systems appurtenant. "All risk", coverage is entirely the responsibility of the lessee while policies have already been stipulated for the hypermarkets/supermarkets found inside the following shopping centers: Le Porte di Napoli, Le Fonti del Corallo, Le Maioliche, Coné, Casilino, La Torre, I Malatesta, Katanè, Tiburtino, and for the supermarket in Ravenna Aquileia.

Rental of Malls and Retail Parks

Italy

In Italy the rental of Malls and Retail Parks involves 19 freehold malls and retail parks (including the mall co-owned with Beni Stabili) and 3 leasehold malls.

With regard to the leasehold malls, IGD has stipulated six year rental agreements which include a possible tacit six year renewal clause, with the owners of two of these malls and has granted a beneficial interest to other mall which expires on 31 December 2014. Subsequently, IGD subleases the stores (or the business division) to the retailers.

The following table shows the GLA (Gross Leasable Area) and the number of stores found in each of IGD's freehold malls, updated through 31 December 2012 in order to take into account the requalification and optimization of the commercial layout carried out in 2012.

Property	G.L.A.	Number of stores
CENTRO BORGO	7,074	32
CENTRO ESP	12,038	43
CONE'(Mall and Retail Park)	12,146+5,961	63
KATANE'	14,912	70
LA TORRE	14,412	58
CENTRO D'ABRUZZO	13,276	30
PORTOGRANDE	8,097	37
CASILINO	5,515	25
TIBURTINO	33,419	116
LE PORTE DI NAPOLI	11,383	60
LE MAIOLICHE	22,717	48
FONTI DEL CORALLO	7,313	57
MONDOVICINO (Mall and Retail Park)	7,318 + 9,660	59
CENTRO SARCA (Mall and cinema)	17,146 + 5,491	81
MILLENNIUM GALLERY	6,994	33
GRAN RONDO' (Mall and exterior structures)	5,812 + 5,657	49
I BRICCHI	16,239	31
LUNGOSAVIO	2,908	24
CENTRO DARSENA	5,896 +6,424	31

The following table shows the total rents paid for freehold assets, the expirations broken down year in Euro and as a percentage of the total rents owed.

Total rents expiring in 2013 (€/mn)	Total rents expiring in 2014 (€/mn)	Total rents expiring in 2015 (€/mn)	Total rents expiring in 2015 (€/mn)
8.60	12.67	9.08	38.53
Percentage of total rents expiring in 2013	**Percentage of total rents expiring in 2014**	**Percentage of total rents expiring in 2015**	**Percentage of total rents expiring after 2015**
12.49%	18.40%	13.18%	55.93%

The following table shows the GLA (Gross Leasable Area) and the number of stores found in each of IGD's leasehold malls and retail parks.

Property	Owner	Number of stores	Next expiration date
CENTRO PIAVE	C.S.I.I. SPA	46	30/06/2016
CENTRO NOVA	C.S.I.I. SPA E LES COPAIN HOLDING SPA	59	28/02/2015
CITTÀ DELLE STELLE	COOP ADRIATICA SOC COOP A R.L.	48	31/12/2014

In Italy, with the single tenants/lessees of stores found inside the mall, IGD stipulates one of the following: (i) business rental agreements, in the event the retail license holder is an IGD Group company; (ii) rental (or sublet) agreements, if the tenants provide services or if the relative retail license can be issued only *ad personam*, (iii) agreements for the temporary spaces.

At 31 December 2012, the business rental agreements in Italy amounted to 82% of the total contracts, equal to 82.4% of the mall's sales.

Business rental agreements. These contracts typically last for five years and the rents are determined on the basis of a minimum guaranteed and a variable component, in proportion with the sales generated by each single retailer. The rent is guaranteed by a surety/security deposit equal to six months rent. The yearly rent increases are indexed 100% to the ISTAT of the previous year.

Rental (or sublet) agreements. These contracts, in accordance with Art. 27 of Law n. 392 of 27 July 1978, as amended, typically last for six years and contain a six year automatic renewal clause. The rent is guaranteed by a surety/security deposit equal to six months rent. The yearly rent increases are indexed 75% to the ISTAT of the previous year and published in the Official Gazette.

Determining the minimum guaranteed and the variable component of rent. The minimum guaranteed (with regard to both business rental and sublet agreements) is determined on the basis of different factors: location of the center, the area of the point of sale and its position inside the mall, the merchandise sold and the type of retailer.

The minimum guaranteed is adjusted by a variable component, calculated on the basis of the sales generated by each retailer in the previous 12 months. Typically the measure used to calculate the variable component is 7% of sales, net of VAT. At the end of each contract year, IGD calculates 7% of the retailer's sales based on the VAT return to see if the figure obtained is above the minimum guaranteed paid in the previous four quarters. In the event the amount exceeds the minimum guaranteed paid over the last four quarters, the retailer tenant must pay the difference between these amounts. Conversely, if the amount obtained after having made this calculation is less than the minimum guaranteed paid over the last four quarters, the retailer need not pay anything extra.

Rental of temporary spaces. This contracts are used for the rental of display windows and shared advertising space found in the malls and can even be limited to weekly periods. With regard, above all, to the rental of shared spaces these are normally granted in concession for promotional activities (and, therefore, not for the sale of the goods). The rent paid is normally tied to the footfalls recorded in each shopping center.

<u>Romania</u>

The IGD Group is also involved in the rental of Malls in Romania, where it has a real estate portfolio of 15 Shopping Centers and an office building.

In Romania, the Group stipulates rental agreements for the Malls the average duration of which depends on whether or not the tenants are (i) local retailers (average duration reaches two years), (ii) national retailers (average duration reaches five years) or (iii) international retailers (average duration reaches ten years). The rents are usually indexed to the Euro.

The following table shows the GLA (Gross Leasable Area) and the number of stores found in each of IGD's freehold malls in Romania, updated through 31 December 2012 in order to take into account the requalification and optimization of the commercial layout carried out in 2012.

Property	GLA	Number of stores
SHOPPING CENTER "OMNIA"	7,593	88
SHOPPING CENTER "GRAND CENTER"	9,829	49
SHOPPING CENTER "BIG"	4,109	89
SHOPPING CENTER "MODERN"	7,640	61
SHOPPING CENTER "COZIA"	7,862	46
SHOPPING CENTER "PETRODOVA"	5,838	74
SHOPPING CENTER "DUNAREA"	6,898	44
SHOPPING CENTER "DACIA"	5,354	21
SHOPPING CENTER "DIANA"	3,790	39
SHOPPING CENTER "SOMES"	6,883	36
SHOPPING CENTER "MAGURA"	4,838	28
SHOPPING CENTER "CRINUL NOU"	3,321	32
SHOPPING CENTER "OLTUL"	4,552	22
SHOPPING CENTER "CENTRAL"	3,728	17
SHOPPING CENTER "BIG-TURDA"	2,623	5
"JUNIOR" OFFICE BUILDING	2,646	2

Rental of City Center properties

Following the purchase, in April 2011, of the real estate complex found on Via Rizzoli in downtown Bologna, the Group's now includes a class of property referred to as "City Center".

The complex covers a GLA of approximately 2,500 m^2 spread out over three floors which are rented entirely to high profile retailers on the basis of long term agreements.

For more information about the City Center class of property please refer to Paragraph 6.1.4 of this Registration Document.

6.1.2.3 *Optimization of the yields of the IGD Group's real estate portfolio*

Property management and leasing also includes optimizing the yields of the IGD Group's real estate portfolio through (i) commercial policies and marketing initiatives which maintain the shopping center's appeal and occupancy rates at high levels; (ii) property enhancement and management which involves improvements like extensions or restyling.

This is done through routine and extraordinary maintenance, extensions, restructuring and restorations of the properties included in the real estate portfolio, the renegotiation of business rental or store rental agreements as well as monitoring and maintaining the optimal Tenant Mix (please refer to Chapter VI, Paragraph 6.1.3 of the Registration Document). The extensions, restructuring and restorations are done by third party companies hired by the IGD Group.

In 2012 the IGD Group continued to pay great attention to the routine maintenance of its shopping centers both directly and through management consortiums; a larger sum was dedicated to updating systems in order to comply with new regulations, as well as to maintain the quality of the entire portfolio over time.

With regard to asset management, approximately Euro 5.5 million had been spent at 31 December 2012 on extraordinary maintenance Euro 1 million of which was spent on the fit-outs in order to accommodate premiere retailers in spaces which IGD delivers already finished and fitted based on the retailer's requests.

More in detail, the Company completed the restyling of the ESP Shopping Center in Ravennawhich involved the flooring, lighting and fresher interiors, in addition to a rethinking of the layout of a few points of sale in the mall which made it possible to renew existing contracts with an average increase of around 7%; at the end of 2012, significant expansion (by a gross surface area of 23,400 m^2) of the same shopping center also began. At the end of 2012, the Company also began the restyling of the Centro d'Abruzzo Shopping Center, in the province of Chieti, and obtained the building permit needed to expand the Porto Grande Shopping Center in the province of Ascoli Piceno. Optimization of the real estate portfolio was also done by improving the energy efficiency of the properties through the installation of new systems and the use of better performing materials during restructuring.

Lastly, the restyling and implementation of the steps needed to improve the environmental impact of the Centro Sarca Shopping Center in Milan should begin in the second half of 2013 which is expected to be completed by 2015.

In 2012 work was done in **Romania** to create a more European image of the various department stores with a view to attracting new large international retail chains. The first work done was on the facades which showcase the most important brands found in the mall, next to the Winmarkt logo (redesigned to reflect IGD's corporate identity). The new look of the facades, inspired by the idea of technology, also includes the use of large screens which will feature advertising and colors that change, giving the department store a new look throughout the day. The work done on the building interiors was completed with a view to providing the new structures with maximum flexibility, to facilitate the insertion of new retailers.

6.1.2.4 Disposal of the IGD Group's malls

The IGD Group periodically looks at possibly disposing of malls in the event they have reached maturity.

In 2010, IGD sold its share in RGD to Beni Stabili (equal to 50% of the share capital); this resulted in the sale of two of the three shopping centers held by RGD. The third shopping center held by RGD is still 50% co-owned with Beni Stabili.

6.1.3 Services

Along with Property Management and Leasing the Group is also involved in providing services. This activity includes Agency Management and Pilotage, as well as Facility Management services which are provided to both the owners and tenants/lessees of the hypermarkets, supermarkets and stores found in the malls.

At the Date of the Registration Document, the IGD Group provides these services to its shareholders Coop Adriatica and Unicoop Tirreno (as well as to their subsidiaries), as well as to third parties like Eurocommercial Properties, Beni Stabili, CoopLombardia through owner consortiums constituted for this purpose.

At 31 December 2012, service revenue consisted primarily in revenue from Facility Management which contributed Euro 4,885 million or 96% to the total service revenue generated in 2012.

Agency Management and Pilotage

Agency Management and Pilotage generally includes:

(i) qualification of the mall designed to under stand if the structure should focus solely on local consumers or if it should appeal to a larger catchment area targeting other consumers (toward this end things like the size of the mall, the relationship with the local community and the presence of competitors may be looked at);

(ii) an analysis of the synergies that may exist between the hypermarket and the mall in order to ensure a complementary merchandise mix;

(iii) the selection of the Tenant Mix, namely the choice of the type of stores and retailers to which the mall stores should be leased/rented including with regard to the merchandise offered;

(iv) the identification of the most qualified tenants in the various categories of merchandise, through a selection which takes into account their reliability;

(v) carrying out negotiations with the retailers, in line with the income targets identified in the feasibility study;

(vi) defining the guidelines for mall management and the services' qualitative standards;

(vii) management of the relationships with the current lessees/tenants;

(viii) selection of new lessees/tenants and turnover management in general;

Facility Management

Facility Management includes:

(i) management of the shopping center's costs and general services;

(ii) preparation of budgets for management, promotional and advertising expenses;

(iii) calculating the breakdown of the retailers' share of the expenses and amounts to be paid;

(iv) supervision and monitoring of any legal disputes relating to credit recovery;

(v) finding the providers to carry out system maintenance as well as the control and supervision of the works to be done;

(vi) acting as a consultant with regard to continuous legal compliance in each shopping center;

(vii) preparation of the shopping centers' marketing plan as defined and in collaboration with the lessees of the hypermarkets and the single mall stores;

(viii) the selection of suppliers and advertising agencies to entrust with the graphic design of campaigns and verification that center events occur regularly;

(ix) management reporting based on the monthly checks of the retailers' sales trends.

Beginning in January 2012 IGD added a new role to this operating segment, the Facility

Manager, who is in direct contact with the network in order to support the mall managers with routine maintenance activities. The Facility Manager also plays a key role in monitoring safety in the workplace and monitors certain legal aspects linked to energy consumption in the shopping centers.

6.1.4 Description of the IGD Group's real estate portfolio

The IGD Group's real estate portfolio consists primarily in Hypermarkets and Malls found inside mid/large sized Shopping Centers.

As of 2011 the real estate portfolio includes a new class of property referred to as "City Center", which includes commercial property found on the main shopping streets of urban centers.

More in detail, the IGD Group's real estate portfolio in Italy consists of: (*i*) 19 Hypermarkets and Supermarkets; (*ii*) 19 Shopping Malls and Retail Parks (including the mall co-owned with Beni Stabili); (*iii*) 1 City Center property; (*iv*) 4 plots of land for direct development; (*v*) 1 asset held for trading; (*vi*) 7 other property units (offices, one shop, one wholesale area and one fitness area, appurtenant to freehold shopping centers).

The Group's freehold properties are found in eleven regions:

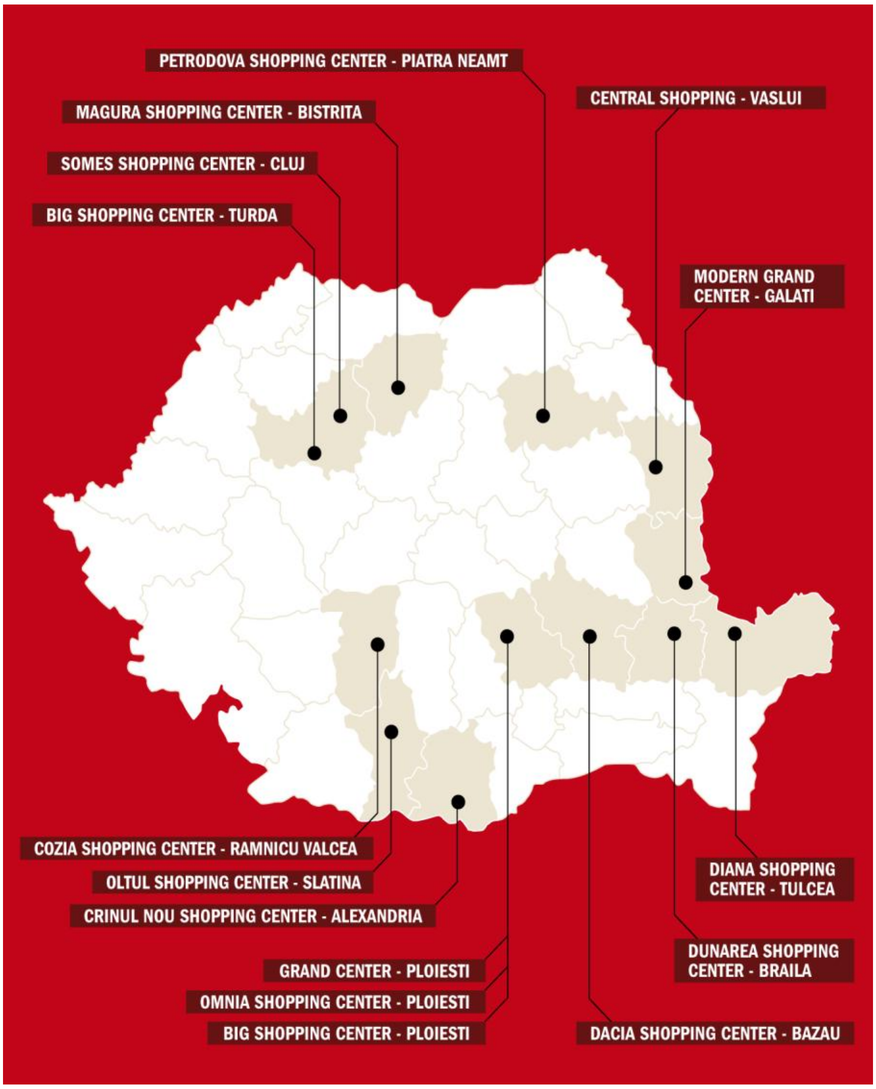
(i) in northern Italy: Emilia Romagna (five malls, eight hypermarkets and supermarkets, a city center property, one plot of land, five other property units); Piedmont (a mall and a retail park); Lombardy (two malls), Trentino (1 mall) and Veneto (one plot of land, a retail park and a hypermarket); and

(ii) in southern-central Italy: Marche (a mall, three hypermarkets, a plot of land and three other property units); Abruzzo (a mall, a hypermarket and a plot of land); Lazio (two malls and two hypermarkets); Tuscany (a mall, a hypermarket, on asset held for trading); Campania (a mall and a hypermarket), Sicily (two malls and two hypermarkets).

A map of the Group's presence in Italy at the Date of the Registration Document is shown below.

The Group’s real estate portfolio in Romania consists in (*i*) 15 shopping centers and (*ii*) one office building. These properties are located in 13 different midsize cities in Romania.

A map of the Group’s presence in Romania at the Date of the Registration Document is shown below.



Please note that between 31 December 2012 and the Date of this Registration Document no significant changes have occurred in the perimeter of the real estate portfolio.

Breakdown of the real estate portfolio

The market value of the IGD Group's real estate portfolio at 31 December 2012 reached Euro 1,906.56 million.

The table below shows the market value of the IGD Group's freehold real estate portfolio at 31 December 2012, 2011 and 2010.

Class of property (€/mn)	**Market value at 31/12/2012**	**Market value at 31/12/2011**	**Market value at 31/12/2010**
IGD Group's real estate portfolio			
Hypermarkets and supermarkets	538.42	537,60	470,90
Shopping malls Italy	1,003.78	1,029,66	1,035,07
City Center	27.70	27,30	
Other	6.76	6,89	2,43
Total Italy	**1.576.65**	**1.601,45**	**1.508,40**
Shopping malls Romania	173.60	173,70	175,90
Other Romania	4.30	4,30	4,20
Total Romania	177.90	**178,00**	**180,10**
Total IGD Group	**1,754.55**	**1,779,45**	**1,688,50**
Class of property (€/mn)	**Market value at 31/12/2012**	**Market value at 31/12/2011**	**Market value at 31/12/2010**
Direct development projects			
Plots of land and accessory costs	42.91	42.80	28.79
Total direct development projects	**42.91**	**42.80**	**28.79**
Class of property (€/mn)	**Market value at 31/12/2012**	**Market value at 31/12/2011**	**Market value at 31/12/2010**
Assets held for trading**	**109.10**	**102.40**	**86.69**
Total Market Value	**1,906.56**	**1,924.65**	**1,803.98**

The appraisal of the IGD Group's real estate portfolio at 31 December 2010 was done by the independent expert CB Richard Ellis, while the appraisal of the Italian portfolio for 2011 and 2012 was split between two independent experts, CB Richard Ellis and Reag.

The Romanian real estate portfolio at 31 December 2012, 2011 and 2010 was appraised solely by CB Richard Ellis.

Description of the IGD Group's real estate portfolio.

IGD's freehold real estate portfolio, broken down by class of property and geographical area, is described below.

Italy

Shopping centers

"LE PORTE DI NAPOLI" SHOPPING CENTER - Via Santa Maria La Nuova 1 - Località Marziasepe - AFRAGOLA (NA)	
The Shopping Center "Le Porte di Napoli", comprised of a mall and a hypermarket, is found outside of Naples in Afragola (NA), near the municipality of Acerra.	
Mall	
Book value at 31 December 2012 (Euro)	55,400,000
Appraised value at 31 December 2012 (Euro)	55,400,000
GLA mall (m^2)	11,383
Mall's net sales area (m^2)	9,065
Mall tenant	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	33,800,000
Appraised value at 31 December 2012 (Euro)	33,800,000
GLA hypermarket(m^2)	17,248
Net sales area hypermarket(m^2)	9,800
Hypermarket tenant	Ipercoop Tirreno

"CENTRO BORGO" SHOPPING CENTER - Via Marco Emilio Lepido, 184-186 – BOLOGNA	
The Shopping Center "Centro Borgo", comprised of a mall and a hypermarket, is found in Borgo Panigale, approximately 6 km northeast of Bologna, near the airport "Guglielmo Marconi".	
Mall	
Book value at 31 December 2012 (Euro)	33,900,000
Appraised value at 31 December 2012 (Euro)	33,900,000
GLA mall (m^2)	7,074
Mall's net sales area (m^2)	3,980
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	34,200,000
Appraised value at 31 December 2012 (Euro)	34,200,000
GLA hypermarket(m^2)	11,480
Hypermarket's net sales area (m^2)	7,163
Hypermarket tenant	Coop Adriatica

"KATANÈ" SHOPPING CENTER - Via Salvatore Quasimodo, SNC - GRAVINA DI CATANIA	
The Shopping Center "Katanè", comprised of a mall and a hypermarket, is found outside the city, near the ring road exit for Catania.	
Mall	
Book value at 31 December 2012 (Euro)	71,700,000
Appraised value at 31 December 2012 (Euro)	71,700,000

GLA mall (m^2)	14,912
Mall's net sales area (m^2)	10,626
Mall tenant	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	39,500,000
Appraised value at 31 December 2012 (Euro)	39,500,000
GLA Hypermarket(m^2)	13,663
Hypermarket's net sales area (m^2)	7,650
Hypermarket tenant	Ipercoop Sicilia

"CONE'" SHOPPING CENTER - Via San Giuseppe - CONEGLIANO VENETO	
The Shopping Center "Conè", comprised of a mall, a retail park and hypermarket, is found in a peripheral area (South) near the Conegliano exit off the Motorway A27 Mestre Belluno, referred to as the "Alemagna".	
Mall and retail park	
Book value at 31 December 2012 (Euro)	72,500,000
Appraised value at 31 December 2012 (Euro)	72,500,000
GLA Mall (m^2)	12,146
Mall's net sales area (m^2)	8,574
GLA retail park (m^2)	5,961
Retail park's net sales area (m^2)	4,090
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	24,300,000
Appraised value at 31 December 2012 (Euro)	24,300,000
GLA Hypermarket(m^2)	9,498
Hypermarket's net sales area (m^2)	6,399
Hypermarket tenant	Coop Adriatica

"DARSENA CITY" SHOPPING CENTER - Via Darsena, 73 – FERRARA	
The Shopping Center "Darsena City" is located not far from the historic heart of the city. The commercial property, of which IGD owns 50%, is part of the real estate complex "Darsena City Village" which includes university housing, traditional residences and offices.	
Book value at 31 December 2012 (Euro)	18,875,000
Appraised value at 31 December 2012 (Euro)	18,875,000
GLA mall (m^2)	5,896
GLA hypermarket (m^2)	3,715
Mall's net sales area (m^2)	2,679
Hypermarket's net sales area (m^2)	2,335
GLA cinema (m^2)	6,424
Mall tenants	Independent retailers
"LE MAIOLICHE" SHOPPING CENTER - Via Bisaura, 1/3 - FAENZA	
The Shopping Center "Le Maioliche", comprised of a mall and a hypermarket, is found northeast of Faenza, approximately 50 Km south of Bologna and approximately 30 southeast of Ravenna.	
Mall	
Book value at 31 December 2012 (Euro)	62,900,000
Appraised value at 31 December 2012 (Euro)	62,900,000
GLA mall (m^2)	21,717

Mall's net sales area (m^2)	17,244
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	19,900,000
Appraised value at 31 December 2012 (Euro)	19,900,000
GLA hypermarket(m^2)	9,277
Hypermarket's net sales area (m^2)	5,875
Hypermarket tenant	Coop Adriatica

"FONTI DEL CORALLO" SHOPPING CENTER - Via Gino Graziani 6 - LIVORNO	
The Shopping Center "Fonti del Corallo", comprised of a mall and a hypermarket, is found northeast of Livorno near the main railroad station.	
Mall	
Book value at 31 December 2012 (Euro)	48,500,000
Appraised value at 31 December 2012 (Euro)	48,500,000
GLA mall (m^2)	7,313
Mall's net sales area (m^2)	5,917
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	36,200,000
Appraised value at 31 December 2012 (Euro)	36,200,000
GLA hypermarket(m^2)	15,371
Hypermarket's net sales area (m^2)	8,500
Hypermarket tenant	Unicoop Tirreno

"LA TORRE" SHOPPING CENTER - Via Torre Ingastone – Località Borgo Nuovo - PALERMO	
The Shopping Center "La Torre", comprised of a mall and a hypermarket, is found outside of Palermo, in the area around the Borgo Nuovo and Cruillas quarters.	
Mall	
Book value at 31 December 2012 (Euro)	63,000,000
Appraised value at 31 December 2012 (Euro)	63,000,000
GLA mall (m^2)	14,412
Mall's net sales area (m^2)	9,937
Mall tenants	Independent retailers
Hypermarket	
Restructuring/Extension	-
Book value at 31 December 2012 (Euro)	37,300,000
Appraised value at 31 December 2012 (Euro)	37,300,000
GLA hypermarket(m^2)	11,217
Hypermarket's net sales area (m^2)	6,049
Hypermarket tenant	Ipercoop Sicilia

"ESP" SHOPPING CENTER - Via Marco Bussato, 7 - RAVENNA	
Il Shopping Center "ESP", comprised of a mall and a hypermarket, is located southeast of Ravenna near the intersection of Via Classicana and Via Vincenzo Randi, which is one of the city's main access roads.	
Mall	

Book value at 31 December 2012 (Euro)	60,600,000
Appraised value at 31 December 2012 (Euro)	60,600,000
GLA mall (m^2)	12,038
Mall's net sales area (m^2)	8,032
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012(Euro)	38,400,000
Appraised value at 31 December 2012 (Euro)	38,400,000
GLA hypermarket(m^2)	16,536
Hypermarket's net sales area (m^2)	9,500
Hypermarket tenant	Coop Adriatica

"CASILINO" SHOPPING CENTER - Via Casilina 1011 – ROMA	
The Shopping Center "Casilino", comprised of a mall and a hypermarket, is located east of Rome, just outside of the city.	
Mall	
Book value at 31 December 2012 (Euro)	24,700,000
Appraised value at 31 December 2012(Euro)	24,700,000
GLA mall (m^2)	5,515
Mall's net sales area (m^2)	4.245
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	30,600,000
Appraised value at 31 December 2012 (Euro)	30,600,000
GLA hypermarket(m^2)	11,435
Hypermarket's net sales area (m^2)	6,500
Hypermarket tenant	Unicoop Tirreno

"TIBURTINO" SHOPPING CENTER - Via Tiburtina - Località Martellona - GUIDONIA MONTECELIO	
The Shopping Center "Tiburtino", comprised of a mall and a hypermarket, is located in southeastern Guidonia Montecelio, in the Martellona area.	
Mall	
Book value at 31 December 2011 (Euro)	114,700,000
Appraised value at 31 December 2011 (Euro)	114,700,000
GLA mall (m^2)	33,419
Mall's net sales area (m^2)	26,167
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	14,900,000
Appraised value at 31 December 2012 (Euro)	14,900,000
GLA hypermarket(m^2)	7,125
Hypermarket's net sales area (m^2)	4,300
Hypermarket tenant	Unicoop Tirreno

“PORTO GRANDE” SHOPPING CENTER - Via Pasubio, 114 - SAN BENEDETTO DEL TRONTO (PORTO D’ASCOLI)	
The Shopping Center “Porto Grande”, comprised of a mall and a hypermarket, is located near the commercial zone S. Giovanni, located 1 km from the S. Benedetto del Tronto – Ascoli Piceno exit.	
Mall	
Book value at 31 December 2012 (Euro)	26,600,000
Appraised value at 31 December 2012 (Euro)	26,600,000
GLA mall (m^2)	8,097
Mall’s net sales area (m^2)	6,657
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	20,700,000
Appraised value at 31 December 2012 (Euro)	20,700,000
GLA hypermarket(m^2)	15,290
Hypermarket’s net sales area (m^2)	8,243
Hypermarket tenant	Coop Adriatica

“CENTRO D’ABRUZZO” SHOPPING CENTER - Via Po, Loc. Sambuceto - SAN GIOVANNI TEATINO	
The Shopping Center “Centro d’Abruzzo” is located next to the motorway ring road Pescara – Chieti, near the Asse Attrezzato (Sambuceto) exit.	
Mall	
Book value at 31 December 2012 (Euro)	39,700,000
Appraised value at 31 December 2012 (Euro)	39,700,000
GLA mall (m^2)	13,276
Mall’s net sales area (m^2)	6,705
Mall tenants	Independent retailers
Hypermarket	
Book value at 31 December 2012 (Euro)	21,500,000
Appraised value at 31 December 2012 (Euro)	21,500,000
GLA hypermarket(m^2)	14,127
Hypermarket’s net sales area (m^2)	7,785
Hypermarket tenant	Coop Adriatica

Malls

MALL - “MILLENIUM CENTER” SHOPPING CENTER - Via Del Garda 175 - ROVERETO	
The Shopping Center “Millennium Center” is located south of Rovereto, just 3 from the city center, easily reached from the regional highway SS 12 (Trento - Verona), motorway A22 (Brennero motorway) and from Garda Lake by following the SS 240.	
Book value at 31 December 2012 (Euro)	24,400,000
Appraised value at 31 December 2012 (Euro)	24,400,000
GLA mall (m^2)	6,994
Mall’s net sales area (m^2)	5,467
Mall tenants	Independent retailers

MALL – "I BRICCHI" SHOPPING CENTER - S.S. 231 Angolo Strada Pratoboschiero - ISOLA D'ASTI	
The Shopping Center "I Bricchi" is located outside the city of Asti, near the roads leading to downtown Asti and Alba.	
Book value at 31 December 2012 (Euro)	31,100,000
Appraised value at 31 December 2012 (Euro)	31,100,000
GLA mall, external block B and C (m^2)	16,239
Mall's net sales area, external block B and C (m^2)	10,198
Mall tenants	Independent retailers

MALL – "GRAN RONDÒ" SHOPPING CENTER - Via Giorgio La Pira, 12 - CREMA	
The Shopping Center "Gran Rondò" is located west of Crema, near the city's downtown area.	
Book value at 31 December 2012 (Euro)	54,900,000
Appraised value at 31 December 2012 (Euro)	54,900,000
GLA mall (m^2)	5,812
Mall's net sales area (m^2)	4,100
External units and other areas (GLA m^2)	5,657
Mall tenants	Independent retailers

MALL – "LUNGO SAVIO" SHOPPING CENTER - Via Arturo Carlo Jemolo 110 - CESENA	
The Shopping Center "Lungo Savio" is located fairly close to the city's historic center, from both the state highway S.S. 9 ("Secante") and the S.S. n. *3bis*.	
Book value at 31 December 2012 (Euro)	19,200,000
Appraised value at 31 December 2012 (Euro)	19,200,000
GLA mall (m^2)	2,908
Mall's net sales area (m^2)	2,450
Mall tenants	Independent retailers

MALL - "CENTROSARCA" SHOPPING CENTER - Via Milanese SNC - SESTO SAN GIOVANNI	
The Shopping Center "Centrosarca" is located southwest of Sesto San Giovanni, a municipality just outside of Milan, inside an urban area that is bordered by via Milanese, via Granelli, via Aldo Moro and via Del Parco.	
Book value at 31 December 2012 (Euro)	122,900,000
Appraised value at 31 December 2012 (Euro)	122,900,000
GLA mall (m^2)	17,146
Mall's net sales area (m^2)	10,327
GLA cinema (m^2)	5,491
Mall tenants	Independent retailers

MALL "MONDOVICINO" SHOPPING CENTER & RETAIL PARK	
The Shopping Center and Retail Park "Mondovicino" is located near the A6 "Torino - Savona" motorway, 5 km northeast of Mondovì.	
Mall	
Book value at 31 December 2012 (Euro)	36,500,000
Appraised value at 31 December 2012 (Euro)	36,500,000

GLA mall (m^2)	7,318
Mall's net sales area (m^2)	4,546
Mall tenants	Independent retailers
Retail park	
Year built	2007
Book value at 31 December 2012 (Euro)	21,700,000
Appraised value at 31 December 2012 (Euro)	21,700,000
Total GLA (m^2)	9,660

Hypermarkets and supermarkets

"AQUILEIA" SUPERMARKET - Via Aquileia 110-112 - RAVENNA	
The "Aquileia" Supermarket is located in the Darsena area, east of the city's historic center going towards Marina di Ravenna and Lidi di Adriano.	
Book value at 31 December 2012 (Euro)	5,320,000
Appraised value at 31 December 2012 (Euro)	5,320,000
GLA supermarket(m^2)	2,250
Supermarket's net sales area (m^2)	1,226
Supermarket tenant	Coop Adriatica

"CENTRO LAME" HYPERMARKET - Via Marco Polo, 3 - BOLOGNA	
Hypermarket located inside the "Centro Lame" Shopping Mall, north of Bologna in the "Lame" quarter.	
Book value at 31 December 2012 (Euro)	46,400,000
Appraised value at 31 December 2012 (Euro)	46,400,000
GLA hypermarket(m^2)	15,681
Hypermarket's net sales area (m^2)	7,916
Hypermarket tenant	Coop Adriatica

"CENTRO LEONARDO" HYPERMARKET - Viale Amendola, 129 - IMOLA	
Hypermarket located inside the "Leonardo" Shopping Mall, approximately 40km of Bologna and approximately 3 km from the motorway A14 exit.	
Book value at 31 December 2012 (Euro)	32,700,000
Appraised value at 31 December 2012 (Euro)	32,700,000
GLA hypermarket(m^2)	15,862
Hypermarket's net sales area (m^2)	7,754
Hypermarket tenant	Coop Adriatica

"LUGO" HYPERMARKET - Via della Concordia, 36 - LUGO DI ROMAGNA	
Hypermarket located inside the "Il Globo" Shopping Mall, approximately 30 km west of Ravenna and approximately 45 km southeast of Bologna.	
Book value at 31 December 2012 (Euro)	14,800,000
Appraised value at 31 December 2012 (Euro)	14,800,000
GLA hypermarket(m^2)	7,937
Hypermarket's net sales area (m^2)	4,468
Hypermarket tenant	Coop Adriatica

“MIRALFIORE” HYPERMARKET - Mall dei Fonditori, 1 - PESARO (PU)	
Hypermarket located in a commercial complex west of downtown Pesaro.	
Book value at 31 December 2012 (Euro)	31,900,000
Appraised value at 31 December 2012 (Euro)	31,900,000
GLA hypermarket(m^2)	10,356
Hypermarket’s net sales area (m^2)	5,258
Hypermarket tenant	Coop Adriatica

“I MALATESTA” HYPERMARKET - Via Emilia, 150 - RIMINI	
Hypermarket inside the “I Malatesta” Shopping Mall located north of Rimini near the ring road that borders the city center at the intersection of via Emilia Vecchia and via Emilia.	
Book value at 31 December 2012 (Euro)	37,100,000
Appraised value at 31 December 2012 (Euro)	37,100,000
GLA hypermarket(m^2)	10,232
Hypermarket’s net sales area (m^2)	4,667
Hypermarket tenant	Coop Adriatica

“IL MAESTRALE” HYPERMARKET - Strada Statale 16 Adriatica Nord, 91 - FRAZIONE CESANO DI SENIGALLIA	
Hypermarket inside the “Il Maestrale” Shopping Mall located north of Senigallia and approximately 5 km from the city center, near the main thoroughfare leading to the city center.	
Book value at 31 December 2012 (Euro)	20,300,000
Appraised value at 31 December 2012 (Euro)	20,300,000
GLA hypermarket(m^2)	12,551
Hypermarket’s net sales area (m^2)	6,660
Hypermarket tenant	Coop Adriatica

City Center property

RIZZOLI CITY CENTER - Via Rizzoli, 16-18 - BOLOGNA	
The City Center property, which is comprised of two buildings that are connected to one another, is found in the historic heart of Bologna near Piazza Maggiore, in what is the city’s most vibrant shopping district as well as where the city’s most interesting architecture and works of art can be found.	
Book value at 31 December 2012 (Euro)	27,700,000
Appraised value at 31 December 2012 (Euro)	27,700,000
GLA (m^2)	2,350
Number of stores	2

Plots of land

PLOT OF LAND - Località Brondolo S. Anna – CHIOGGIA	
The plot of land is part of a regularly formed flat lot found along the state highway that joins Chioggia with Ravenna, approximately 2 Km south of Chioggia, in Brondolo di Chioggia. A retail park with a sales area of 12,023 m^2(GLA 18,522 m^2) is to be built on this plot of land The hypermarket will occupy 4,490 m^2 of the sales area (GLA 7,550 m^2) and there will be an outdoor parking lot.	
Book value at 31 December 2012 (Euro)	16,200,000

Appraised value at 31 December 2012 (Euro)	16,200,000
Buildable area (m^2)	75,192

PLOT OF LAND - Via Marco Bussato - RAVENNA	
The plot of land, currently used for agricultural purposes, is next to the "ESP" Shopping Center and is to be used to expand the commercial area by 23,000 m^2.	
Book value at 31 December 2012 (Euro)	16,100,000
Appraised value at 31 December 2012 (Euro)	16,100,000
Buildable area (m^2)	98,283

PLOT OF LAND - Località San Giovanni – SAN BENEDETTO DEL TRONTO	
To midsize stores and a mall with a gross area of 4,991 m^2 are to be built on this plot of land which has a largely regular shape found near the "Porto Grande" Shopping Center.	
Book value at 31 December 2012 (Euro)	3,610,000
Appraised value at 31 December 2012 (Euro)	3,610,000
Buildable area (m^2)	14,345

PLOT OF LAND - Via Po – SAN GIOVANNI TEATINO	
This plot of land is to be used, in part, for public parking and, in part, for the extension of approximately 4,700 m^2 GLA of the mall in the "Centro D'Abruzzo" Shopping Center.	
Book value at 31 December 2012 (Euro)	6,520,219
Appraised value at 31 December 2012 (Euro)	7,000,000
Buildable area (m^2)	4,688

Assets held for trading

DEVELOPMENT PROJECTS - "Porta A Mare" - LIVORNO	
Real estate complex located near waterfront and surrounding the port, Porto Mediceo, in Livorno which is comprised of historic buildings and tourist spots such as a ferry terminal from where the ferry's for the local islands leave and a marina. The project calls for the creation of residential and commercial areas, as well as services and accommodations, broken down in 5 sub-areas referred to as: (i) MOLO MEDICEO: commercial area, services, tourist accommodations; (ii) LIPS: commercial area, services, tourist accommodations; (iii) ARSENALE: commercial area, tourist accommodations; (iv) PIAZZA MAZZINI, along with Palazzo Orlando: commercial area, services and residential; (v) OFFICINE STORICHE: commercial area, residential and services. At 31 December 2012 the restructuring of Palazzo Orlando had been completed.	
Book value at 31 December 2012 (Euro)	108,803,340
Appraised value at 31 December 2012 (Euro)	109,100,000
Buildable area (m^2)	Approximately 100,000

Other properties

OFFICE BUILDING - Via dei Trattati Comunitari Europei 1957-2007 n.13 - BOLOGNA	
The property, located in suburbs northeast of Bologna, is comprised of a newly built office building referred to as the "Bologna Business Park".	
Book value at 31 December 2012 (Euro)	4,630,000

Appraised value at 31 December 2012 (Euro)	4,630,000
GLA (m^2)	1,539
Parking spaces (garage)	16
Lessee	Hera Group, Librerie Coop

OFFICE BUILDING – Località San Giovanni – SAN BENEDETTO DEL TRONTO	
Office building with above ground floors (the last of which is an attic), in addition to a smaller external area used as a parking garage, located in San Giovanni, approximately 1 km from the A14 motorway "San Benedetto del Tronto – Ascoli Piceno" exit.	
Book value at 31 December 2012 (Euro)	290,000
Appraised value at 31 December 2012 (Euro)	290,000
GLA (m^2)	307
Surface area garage	40
Lessee	Coop Adriatica

STORE MIRALFIORE - Mall dei Fonditori, 1 - PESARO (PU)	
The store is west of downtown Pesaro inside a commercial-services complex.	
Book value at 31 December 2012 (Euro)	200,000
Appraised value at 31 December 2012 (Euro)	200,000
GLA store (m^2)	56
Store lessee	Independent retailer

"I MALATESTA" FITNESS CENTER - Via Emilia, 150 - RIMINI	
The fitness center is found inside the "I Malatesta" Shopping Mall, north of Rimini.	
Book value at 31 December 2012 (Euro)	820,000
Appraised value at 31 December 2012(Euro)	820,000
GLA fitness area (m^2)	882
Fitness center lessee	Independent retailer

"I MALATESTA" WHOLESALE AREA - Via Emilia, 150 - RIMINI	
The property used for the wholesale area is found inside the "I Malatesta" Shopping Mall, north of Rimini.	
Book value at 31 December 2012 (Euro)	620,000
Appraised value at 31 December 2012 (Euro)	620,000
GLA wholesale area (m^2)	203
Wholesale area lessee	Vacant

STORE AQUILEIA - Via Aquileia 110-112 - RAVENNA	
The store is next to the supermarket found in Darsena, east of Ravenna's historic center going towards Marina di Ravenna and Lidi di Adriano.	
Book value at 31 December 2012 (Euro)	195,000
Appraised value at 31 December 2012 (Euro)	195,000
GLA store (m^2)	185
Store lessee	Independent retailer

Romania

Shopping centers

“OMNIA” SHOPPING CENTER - 15, Bvd. Republicii - PLOIESTI	
The “Omnia” Shopping Center is located in the center of Ploiesti – the largest city in the Prahova region - approximately 60 km north of Bucharest, 70 km west of Buzau and 50 km east of Targoviste.	
Book value at 31 December 2012 (Euro)	26,900,000
Appraised value at 31 December 2012 (Euro)	26,900,000
GLA Shopping Center (m^2)	7,593
Shopping center’s net sales area (m^2)	6,443
Mall tenants	Independent retailers

“GRAND CENTER” SHOPPING CENTER - 17-25, Bvd. Republicii - PLOIESTI	
The “Grand Center” Shopping Center is located in the center of Ploiesti - the largest city in the Prahova region - approximately 60 km north of Bucharest, 70 km west of Buzau and 50 km east of Targoviste.	
Book value at 31 December 2012 (Euro)	29,700,000
Appraised value at 31 December 2012 (Euro)	29,700,000
GLA Shopping Center (m^2)	9,829
Shopping center’s net sales area (m^2)	9,485
Mall tenants	Independent retailers

SHOPPING CENTER “BIG” - 8, Piata 1 Decembrie 1918 - PLOIESTI	
The “Big” Shopping Center is located not far from Ploiesti (near the city’s train station) - the largest city in the Prahova region - approximately 60 km north of Bucharest, 70 km west of Buzau and 50 km east of Targoviste.	
Book value at 31 December 2012 (Euro)	8,200,000
Appraised value at 31 December 2012 (Euro)	8,200,000
GLA Shopping Center (m^2)	4,110
Shopping center’s net sales area (m^2)	2,634
Mall tenants	Independent retailers

“MODERN” SHOPPING CENTER - 24, Str. Domneasca - GALATI	
The “Modern” Shopping Center is located in the center of Galati - the largest city in the Galati region – approximately 240 km northwest of Bucharest, 350 km south of Pitesti, 190 km from Costanta.	
Book value at 31 December 2012 (Euro)	20,100,000
Appraised value at 31 December 2012 (Euro)	20,100,000
GLA Shopping Center (m^2)	7,640
Shopping center’s net sales area (m^2)	6,758
Mall tenants	Independent retailers

“COZIA” SHOPPING CENTER - 127, Str. Calea lui Traian - RAMNICU VALCEA	
The “Cozia” Shopping Center is in the center of Ramnicu Valcea - the largest city in the Vâlcea region - approximately 195 km northwest of Bucharest, 120 km north of Craiova, 100 km south of Sibiu, 130 km from TârguJiu and 60 km from Pitesti.	
Book value at 31 December 2012 (Euro)	14,600,000
Appraised value at 31 December 2012 (Euro)	14,600,000
GLA Shopping Center (m^2)	7,862

Shopping center's net sales area (m^2)	7,364
Mall tenants	Independent retailers

"PETRODAVA" SHOPPING CENTER - 1, Bvd. Decebal – PIATRA NEAMT	
The "Petrodava" Shopping Center is in the center of Piatra Neamt - the largest city in the Neamt region- approximately 350 km northeast of Bucharest, 131 km west of Iasi, 60 km south of Bacau and 297 km from Cluj-Napoca.	
Book value at 31 December 2012 (Euro)	13,900,000
Appraised value at 31 December 2012 (Euro)	13,900,000
GLA Shopping Center (m^2)	5,838
Shopping center's net sales area (m^2)	4,516
Mall tenants	Independent retailers

"DUNAREA"SHOPPING CENTER - 90, Str. Mihai Eminescu – BRAILA	
The "Dunarea" Shopping Center is in the center of Braila – the largest city in the Neamt region – 213 km northeast of Bucarest, 178 km northwest of Constanta and 32 km north of Galati.	
Book value at 31 December 2012 (Euro)	13,300,000
Appraised value at 31 December 2012 (Euro)	13,300,000
GLA Shopping Center (m^2)	6,898
Shopping center's net sales area (m^2)	6,197
Mall tenants	Independent retailers

"DACIA" SHOPPING CENTER - 1, Piata Daciei – BUZAU	
The "Dacia" Shopping Center is in the center of Buzau – the largest city in the Buzau region – 110 km northeast of Bucharest, approximately 75 km south of Focsani, 136 km from Galati and 230 km from Constanta.	
Book value at 31 December 2012 (Euro)	10,300,000
Appraised value at 31 December 2012 (Euro)	10,300,000
GLA Shopping Center (m^2)	5,354
Shopping center's net sales area (m^2)	4,837
Mall tenants	Independent retailers

"DIANA" SHOPPING CENTER - 1, Piata Civica – TULCEA	
The "Diana" Shopping Center is in the center of Tulcea – the largest city in the Tulcea region – 280 km northeast of Bucharest and approximately 120 km from Costanta and Galati.	
Book value at 31 December 2012 (Euro)	8,000,000
Appraised value at 31 December 2012 (Euro)	8,000,000
GLA Shopping Center (m^2)	3,790
Shopping center's net sales area (m^2)	3,316
Mall tenants	Independent retailers

"SOMES" SHOPPING CENTER - Str. Izlazului – CLUJ NAPOCA	
The "Somes" Shopping Center is just outside of Cluj Napoca – the largest city in the Cluj region – 426 km north of Bucharest, 644 km northeast of Constanta, 390 km from Iasi and 264 km from Brasov.	
Book value at 31 December 2012 (Euro)	8,400,000
Appraised value at 31 December 2012 (Euro)	8,400,000
GLA Shopping Center (m^2)	6,883
Shopping center's net sales area (m^2)	5,292

Mall tenants	Independent retailers

“MAGURA” SHOPPING CENTER - 17, Str. Garii – BISTRITA	
The “Magura” Shopping Center is just outside of Bistrita – the largest city in the Bistrita Nasaud region – approximately 420 km north of Bucharest and 120 km northeast of Cluj-Napoca.	
Book value at 31 December 2012 (Euro)	6,800,000
Appraised value at 31 December 2012 (Euro)	6,800,000
GLA Shopping Center (m^2)	4,838
Shopping center’s net sales area (m^2)	4,284
Mall tenants	Independent retailers

“CRINUL NOU” SHOPPING CENTER - 242, Str. Libertatii – ALEXANDRIA	
The “Crinul Nou”Shopping Center is in the center of Alexandria – the largest city in the Teleorman region – 87 km southeast of Bucharest, 114 km south of Pitesti, 40 km from Zimnicea and 48 km from Turnu Magurel.	
Book value at 31 December 2012 (Euro)	5,100,000
Appraised value at 31 December 2012 (Euro)	5,100,000
GLA Shopping Center (m^2)	3,321
Shopping center’s net sales area (m^2)	3,096
Mall tenants	Independent retailers

“OLTUL” SHOPPING CENTER - 20, Bvd. Al. I. Cuza – SLATINA	
The “Oltul” Shopping Center is in the center of Slatina – the largest city in the Olt region– approximately 200 km west of Bucharest, 50 km east of Craiova and 75 km west of Pitesti.	
Book value at 31 December 2012 (Euro)	2,300,000
Appraised value at 31 December 2012 (Euro)	2,300,000
GLA Shopping Center (m^2)	4,522
Shopping center’s net sales area (m^2)	3,454
Mall tenants	Independent retailers

“CENTRAL” SHOPPING CENTER– 82, Str. Stefan cel Mare – VASLUI	
The “Central” Shopping Center is in the center of Vaslui – the largest city in the Vaslui region – 332 km north of Bucharest, 170 km from Galati, 81 km from Bacau, 70 km south of Iasi and 362 km from Constanta.	
Book value at 31 December 2012 (Euro)	3,500,000
Appraised value at 31 December 2012 (Euro)	3,500,000
GLA Shopping Center (m^2)	3,728
Shopping center’s net sales area (m^2)	3,676
Mall tenants	Independent retailers

”BIG” SHOPPING CENTER - 34-36, Piata 1 Decembrie 1918 – TURDA	
The “Big” Shopping Center is in the center of Turda – a city found in the Cluj region – approximately 300 km northwest of Bucharest, 30 km south of Cluj-Napoca, 70 km from Targu-Mures and 70 km from Alba-Iulia.	
Book value at 31 December 2012 (Euro)	2,500,000
Appraised value at 31 December 2012 (Euro)	2,500,000
GLA Shopping Center (m^2)	2,623
Shopping center’s net sales area (m^2)	2,615
Mall tenants	Independent retailers

Other properties

PALAZZINA UFFICI "JUNIOR" – 2, Str. Unirii - PLOIESTI	
The office building is in the center of Ploiesti - the largest city in the Prahova region – approximately 60 km north of Bucharest, 70 km west of Buzau and 50 km east of Targoviste.	
Book value at 31 December 2012 (Euro)	4,300,000
Appraised value at 31 December 2012 (Euro)	4,300,000
GLA (m^2)	2,464
Lessee	Raiffeisen Bank, Sensiblu

6.2 Future plans and strategy

The Issuer intends to focus the Group's operating strategy on confirming itself as one of the leaders of the Italian shopping center real estate sector.

On 2 October 2012, the Company's Board of Directors approved the 2012-2015 Plan which contains a medium/long term strategy focused on operational, structural and financial sustainability of the Group, as well as on maintaining a prudent and solid profile in order to limit the Plan's execution risk.

More in detail, based on the Plan, the Group intends to pursue a sustainable level of revenue and financing costs, as well as implement policies and make investments which make it possible to conserve the market value of the portfolio's assets over time.

For more information about the 2012-2015 Plan see Chapter XIII, Paragraph 13.1 of the Registration Document.

6.3 Main markets and competitive positioning

Italy

In 2011 real estate transactions rose 25% worldwide, with an increase of 60 % in US dollar denominated transactions in the Americas[1] and of 16% in the EMEA region.
Despite the natural disasters, investment in the Asia Pacific region was close to the solid levels recorded in 2010.

The recessionary phase of the Italian economy begun in the second half of 2011 continued in 2012. Beginning fourth quarter 2011, and then for 5 quarters in a row, the change in GDP was negative reaching -2.7% in fourth quarter 2012[1].

The total stock of commercial space in Italy at year-end 2012 amounted to 16.4 million m^2 GLA, an increase of 3% with respect to 2011. At 31 December 2012 shopping centers represented approximately 90% of the total, retail parks approximately 7% and factory outlets approximately 3%[2].

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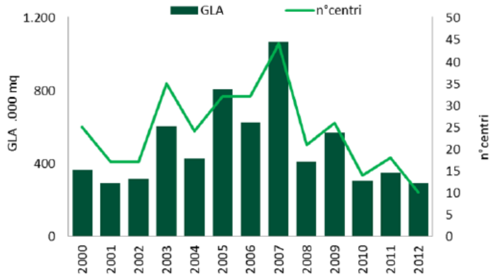
[1] Source: Jones Lang LaSalle data

[1] Source: ISTAT data

Source: CBRE data [2]

Grafico 5: Nuovi centri commerciali completati in Italia, mq GLA e numero di unità

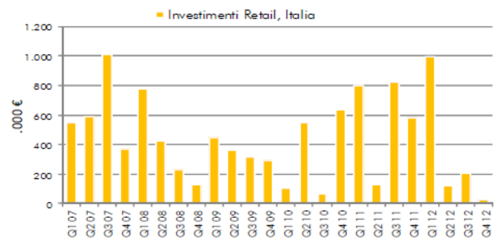


Real estate development in 2012 slowed with respect to the prior year, dropping 24% with respect to 2011 (400,000 m^2/GLA). The decrease is smaller if we consider shopping centers alone which fell by - 11.4 %. The most important shopping centers opened include "Le Officine" (Savona), "Le Terrazze" (La Spezia), "Conca d'Oro" (Palermo), "La Cartiera" (Naples), "CC San Giuliano" (S. Giuliano Milanese), "Città dei Templi" (Agrigento), "Castel Romano Shopping Centre" (Rome).

At the end of December 2012 we estimate that 26 retail projects were under construction in Italy which should be completed by 2015 for a total GLA of 780,400 m^2. 22 of these 26 projects (for a total GLA of 716,000 m^2) are pure shopping centers[3].

In 2012, the number of real estate transactions in Italy reached Euro 1,345 million, a drop of 42% with respect to 2011. Please note the disposal of Simon Property's 49% interest in GCI to Immoauchan in the first half of 2012 alone reached approximately one billion euros[4].

Grafico 7: Evoluzione degli investimenti retail



(Source: CBRE)

The difficult economic environment and the uncertain Italian political situation continued to keep foreign investors away from the country who turned their attention to European markets which are traditionally more solid and more liquid like the United Kingdom, France and Germany.

The most important real estate transactions in the mass distribution sector in the first nine months of 2012 were[5]:

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3 Source: CBRE data

4 Source:Cusham & Wakefield

5 Source:Cusham & Wakefield.

Mass distribution property	City	Period of the year	GLA (m^2)	Price €/mn	Buyer
2 retail malls	Milan	1st quarter	4,775	13.0	Carrefour Property Italy
H&M via Sparano n.48	Bari	1st quarter	4,434	37.0	Private party
Ex Emmelunga	Milan	1st quarter	4,855	11.0	Private party
Mediaworld Alessandria	Alessandria	2nd quarter	4,850	4.0	Fonciere LFPI
CC Sidicium	Caserta	2nd quarter	20,687	45.0	P&G Alternative Sgr
Piazzale Siena 5	Milan	3rd quarter	2,132	5.0	Private party
Via del Tritone	Rome	3rd quarter	17,500	130.0	Gruppo La Rinascente
Coin Excelsior	Verona	3rd quarter	-	39.0	Private party
CC Le Porte di Moncalieri	Moncalieri	3rd quarter	20,051	40.0	Sanda Vadò S.r.l.

In 2012 international brands continued to show interest in high street properties in the most important Italian cities where existing stores underwent requalification and the use of entire buildings was changed.

As for shopping centers, the centers considered prime and/or with access to prime catchment areas held, while the vacancies at secondary centers rose due to the increase in the time needed to replace tenants which reached 9-12 months.

In 2012 international retailers in the electronics sector Darty and Fnac abandoned the Italian market.

In 2012 the yields rose in all segments of the retail sector. As rents were largely unchanged, the increase is explained primarily by the drop in the market value of the properties in light of reduced projections for sales growth.

Romania

In 2012 the Romanian GDP grew less than expected, closing 2012 at +0.8% versus the +1.2% forecast by the World Bank. Inflation dropped in the first half of 2012 followed by a sudden increase in the second half ending the year with an average yearly rate of inflation of 3.4%.

The lei/euro exchange rate at 31 December 2012 was 4.43.

In 2012 the stock of shopping centers (including retail parks and outlets) reached a GLA of more than 2.7 million m^2 .

There were six new openings. The most important ones include Cora rahova, Cangrasi Shopping Center and InterCora Mihai Bravu in Bucharest alone, along with Ploiesti Shopping City in Ploiesti.

At the end of 2012 the pipeline under construction amounted to approximately 60,000 m^2 and at the end of 2013 the total stock is expected to reach a GLA of more than 2.8 million m^2 .

The new openings programmed for 2013 include Coresi Shopping City – phase 1 (Brasov), AFI Ploiesti, Promenada Mall (Bucharest), Uvertura Mall (Botosani), Corall (ConstanzA) and Cora Slobozia.

Over the next few years the construction projects will be concentrated primarily in the capital, Bucharest and Brasov, Costanza, Ploiesti, Slobozia which, despite their size, are not among the top ten Romanian cities for density of m^2 retail stock/1,000 inhabitants[6].

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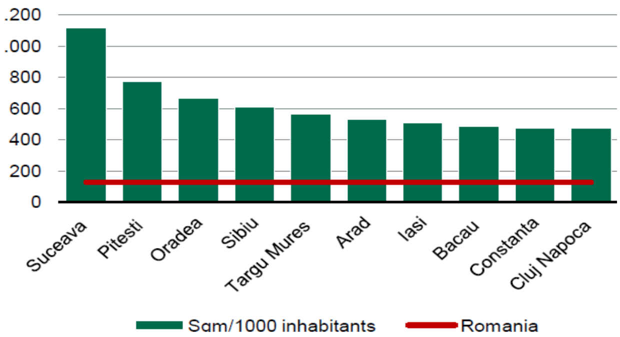
[6] Source: CBRE figures

Chart 3: Retail stock per 1,000 inhabitants top 10 2012



(Source: CBRE)

In 2012 the prime yields and prime rents for shopping centers were largely unchanged with respect to the prior year coming in at 8.75% and Euro 600/m^2, respectively, testimony to the market stability achieved.

Yields were higher, but in line with the end of 2011, for the on-street locations in Bucharest where prime yields reached 10.25% and rents Euro 840/m^2.

In 2012 the large international fashion retailers like C&A, H&M, Inditex brands, New Yorker, Deichmann (clothing), Penny market, Profi, Lidl, Mega image, Carrefour Express (food), as well as Domo, Altex and Flanco (electronics) continued with their development campaign.

The new brands that opened in Romania in 2012 included the fast food chain Subway; CCC, Polish footwear chain; Oodji, a Russian clothing chain.

With regard to luxury brands, Escada and Burberry, as well as Roberto Cavalli, in the last quarter of 2012, chose to occupy prestigious spaces in the lobbies of five star hotels.

In 2012 three international chains which entered the Romanian market several years ago closed their operations: Burger King (franchise); Kiabi (direct management) and InterEX (direct management).

Competitive positioning

At the date of this Registration Document, the IGD Group is one of the key players in the Italian retail real estate sector. The Group's business model is focused primarily on property management and leasing, as well as on services. IGD, given the uniqueness of its business model and the prevalence of income from rental and leasing activities, was the first Italian company to obtain, in 2008, REIT status.

IGD decided to position itself in the retail segment, focusing primarily on the Italian market. Its real estate portfolio has a market value of approximately Euro 1.9 billion and consists of 51 real estate units in Italy (including 19 malls and 19 hypermarkets), and 15 malls in Romania.

In Italy, the companies Beni Stabili (second company to have obtained REIT status in Italy as of 2011) Risanamento, Brioschi, Aedes and Prelios, while the main listed real estate companies in Italy, do not have a portfolio focused on the retail real estate sector and, therefore, their businesses are not fully comparable with the Group's business[7].

IGD's main competitors, insofar as they are focused on the same sector, are companies which belong to foreign groups. These include listed companies like (i) Klepierre, a public limited company, with a massive presence in Europe (in 13 countries), which owns 35 shopping centers in Italy; (ii) Corio N.V., a company which is focused on the foreign market

[7] Source: Data processed by the Company based on information made available to the public by Beni Stabili, Risanamento, Brioschi, Aedes and Prelios (as per the latest financial statements published on the corporate websites of these companies).

(present in 7 European countries), owns 9 shopping centers in Italy; and (iii) Eurocommercial Properties (the portfolio is divided between Italy, Scandinavia and France) which owns 10 shopping centers in Italy. The unlisted companies in Italy include Immochan (the international real estate arm of the Auchan Group) which through its subsidiary Gallerie Commerciali Italia, owns and manages 46 shopping malls and 6 retail parks.

6.4 Extraordinary factors

The information reported in the previous paragraphs no 6.1 and 6.2 were not influenced by exceptional events in the reference periods.

6.5 The Issuer's dependence on patents or licenses; industrial, commercial or financial contracts; or new production processes

At the Date of the Registration Document, the Group's business does not depend in any relevant way on brands, patents, licenses or third party production processes, or on industrial, commercial or financial contracts.

CHAPTER VII – ORGANIZATIONAL STRUCTURE

7.1 Description of the Group to which the Issuer belongs

The Company is controlled, pursuant to and in accordance with Art. 93 of TUF, by Coop Adriatica which directs and coordinates the Company pursuant to Art. 2497 of the Italian Civil Code. This activity is carried out by appointing the majority of the members of the Company's administrative and control bodies. Toward this end, please note that at the date of this Registration Document, the Board of Directors is comprised of a majority of independent directors.

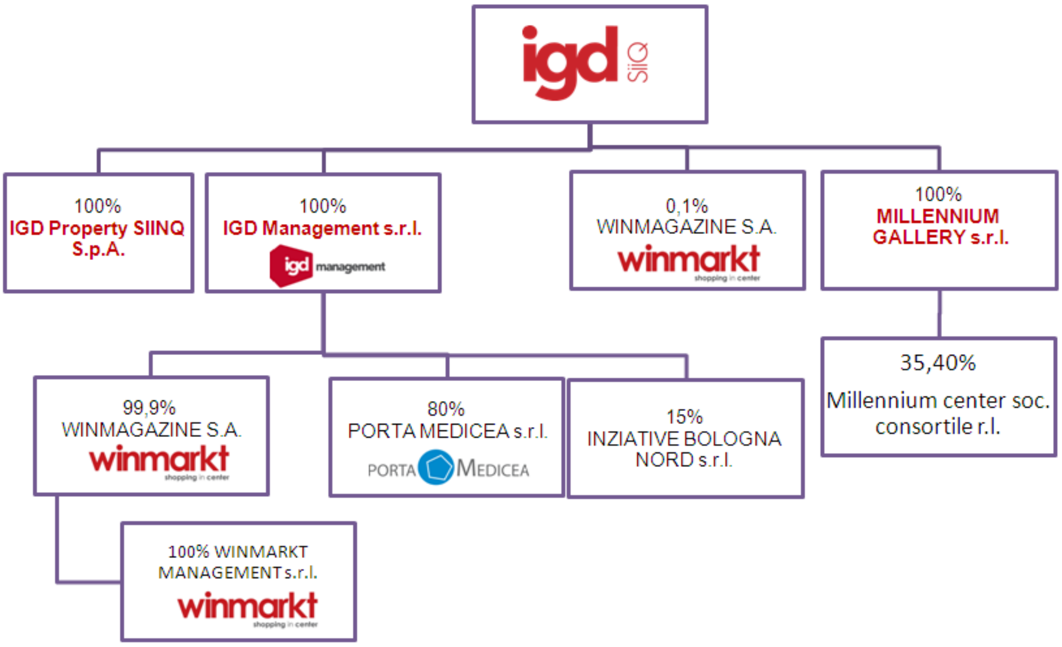
For more information about the relationship between IGD and Coop Adriatica please refer to the Chapter XIX of the Registration Document.

Based on Part IX of Title V, Subpart V of the Italian Civil Code (Articles 2497 *et seq*.): *(i)* the Company which exercises direction and coordination is directly responsible to shareholders and corporate creditors of the Company over which it exercises direction and coordination (in the event the Company which exercises direction and coordination, when acting on behalf of its own entrepreneurial interest or that of others, violates the principles of correct corporate and entrepreneurial management of the Company – hinders the profitability and the value of the equity investment or damages the Company's financial position to the detriment of the Company's creditors); *(ii)* the directors of the Company subject to direction and coordination are liable if they fail to comply with the mandatory disclosure called for under Art. 2497-*bis* of the Italian Civil Code, for any damages caused shareholders or third parties due to the lack of said disclosure.

The Issuer complies with the Article 37 of the Market Regulations approved by CONSOB in Resolution 16191 on 29 January 2007, as subsequently amended, relative to the listing of Companies subject to the direction and coordination of another, unlisted Company. The Issuer, specifically, (*i*) has made all the mandatory disclosures called for under Art. 2497-*bis* of the Italian Civil Code; (*ii*) negotiates independently with customers and suppliers; (*iii*) as of April 2011 it is not party to a cash pooling agreement with Coop Adriatica; (*iv*) has a Control and Risk Committee, a Nominations and Compensation Committee and a Committee for Related Party Transactions comprised of independent directors in accordance with Art. 37 of the Market Regulations.

7.2 Description of the Group companies

The organizational chart below reflects the Group's structure at the Date of the Registration Document.



The companies controlled directly and indirectly by IGD at the Date of the Registration Document are shown below.

Name	Registered office	Shareholder	Percentage held
IGD Management S.r.l.	Ravenna	IGD SIIQ S.p.A.	100%
Millennium Gallery s.r.l	Ravenna	IGD SIIQ S.p.A.	100%
Porta Medicea s.r.l.	Bologna	IGD Management S.r.l.	80%
Win Magazin S.A.	Bucharest (Romania)	IGD Management S.r.l.. 99.9%, IGD 0.1%	100%
Winmarkt management s.r.l.	Bucharest (Romania)	Win Magazin S.A.	100%
Consorzio I Bricchi	Isola d'Asti	IGD SIIQ S.p.A.	72.25%
Consorzio Forte di Brondolo (*)	Castenaso (Bologna)	IGD SIIQ S.p.A.	100%
Consorzio Proprietari C.C.Leonardo	Imola (Bologna)	IGD SIIQ S.p.A.	52.00%

(*) being liquidated.

With regard to the subsidiary Porta Medicea S.r.l., please note the following agreements entered into with the current partner F.IM.PAR.CO. S.p.A.:

i) agreements relating to the composition of the Board of Directors;

ii) agreements relating to the voting rights of the Board of Directors;

iii) lock-up agreements with the minority shareholder (for a period of 5 years);

iv) reciprocal right of first refusal in the event the entire holding is to be disposed of;

v) IGD's commitment to maintain control of IGD Management S.r.l.

CHAPTER VIII - PROPERTY, PLANT AND EQUIPMENT

8.1 Existing or planned material tangible fixed assets

Freehold properties

The Company does not own any real estate aside from its property portfolio; for a description of the properties it contains, see Chapter VI, Paragraph 6.1.4 of the Registration Document.

The following table shows the mortgages outstanding on properties as of the Date of the Registration Document.

(*In Euro/000*)

Property	Lender	Original amount disbursed	Balance due at 31/03/13	Mortgage value	Value of mortgaged property
Malatesta hypermarket, wholesale zone, fitness area – Rimini	BANCA NAZIONALE DEL LAVORO	28,000	16,454	47,040	38.540
Mondovicino mall - Mondovì	BANCA REGIONALE EUROPEA MV	14,000	10,616	28,000	36.500
Retail Park "Mondovicino" - Mondovì	CASSA DI RISPARMIO DEL VENETO	30,000	27,808	60,000	21.700
Centrosarca mall – Milan	UNIPOL	100,000	82,700	200,000	122.900
Tiburtino shopping center – Guidonia	CARISBO	78,000	67,337	156,000	129.600
Lungosavio mall – Cesena	UNIPOL	12,000	10,353	24,000	19.200
I Bricchi mall - Isola d'Asti	CARIGE	30,000	26,104	60,000	31.100
Lugo hypermarket	INTERBANCA	150,000	114,868	300,000	14.800
Il Maestrale hypermarket					20.300
Miralfiore hypermarket					31.900
Centro d'Abruzzo shopping center					61.200
Leonardo hypermarket					32.700
Portogrande shopping center					47.300
Portogrande office building					290
Le Porte di Napoli shopping center					89.200
Le Maioliche shopping center – Faenza	MEDIOCREDITO ITALIANO	55,000	46,340	96,250	82.800
Katanè hypermarket – Catania	MEDIOCREVAL	20,000	15,512	36,000	39.500
La Torre mall – Palermo	MPS	36,000	32,104	72,000	63.000
Conè mall – Conegliano	CENTROBANCA	49,500	43,315	99,000	72.500
Conè hypermarket – Conegliano	CENTROBANCA	16,000	14,811	32,000	24.300
Palazzo Orlando ("Porta a Mare" Project)	CENTROBANCA	11,000	11,001	60,000	111.635 (*)
"La Torre" hypermarket Palermo	CARIGE	25,000	24,401	50,000	37.300
"Piazza Mazzini" ("Porta a Mare" Project)	BANCO POPOLARE DI VERONA - SAN GEMINIANO E SAN PROSPERO	9,638	9,633	26,400	111.635(*)
Darsena mall	FIDO IPOTECARIO RGD-IGD	16,691	16,551	33,750	18.875
Gran Rondò mall - Crema + Fonti del Corallo shopping center	CASSA DI RISPARMIO DI FIRENZE	40,000	39,919	80,000	54.900
	INTESASANPAOLO	30,000	27,203	60,000	84.700
CITY CENTER Rizzoli	MEDIOCREDITO ITALIANO	18,000	15,999	31,500	27.700

(*) Value of the entire "Porta a Mare" area in Livorno, of approximately 70,616 m^2, to be used for the construction of a multipurpose center zoned for commercial and residential use, serivces, as well as accommodations. The mortgage is on a portion of this area.

The following table shows the unencumbered real estate assets at the Date of the Registration Document.

Unencumbered properties	**Carrying value of the property** *(€/000)*
Millennium center	24,400
Romania	177,900
Aquileia store and Miralfiore store	395
Bologna headquarters 3rd floor	920
Bologna headquarters 2nd floor	3,710
C.C. Casilino – Rome	53,900
Super Aquileja - Ravenna	5,320
Iper Lame – Bologna	46,400
C.C. Borgo – Bologna	68,100
C.C. ESP – Ravenna	99,000
Katane' Mall	71,700

Leasehold properties

At the end of 2012, the Group leased properties in Italy and Romania. The following table shows the main properties that the Group uses under leases, specifying the location, the lessor and the date the lease will expire.

Location	**Address**	**Lessor**	**Expiration of lease**
Villanova di Castenaso (BO)	Via Villanova n. 29	C.S.I.I. SPA and LES COPAIN HOLDING SPA	28 February 2015
San Donà di Piave (VE)	Via Iseo n. 1	C.S.I.I. SPA	30 June 2016
Ascoli Piceno (AP) (*)	Zona Industriale Campolungo	COOP ADRIATICA	31 December 2014
Bucharest (Romania)	25-29th Decebal bd., 3rd district, 9th floor, Olympia Tower Building	SC Olympia Dezvoltare SRL	14 February 2017

(*) This property is used by IGD under a usufruct contract with Coop Adriatica.

8.2 Environmental issues

At the Date of the Registration Document, considering also the operations performed by the Issuer and the Group as a whole, there are no environmental issues that could materially influence the use of property, plant and equipment.

CHAPTER IX - OPERATING AND FINANCIAL REVIEW

Information regarding the Group's operating and financial review for the quarters ended 31 March 2013 and 31 March 2012 and the years ended 31 December 2012, 2011 and 2010 can be found in the Interim Management Statement for the first quarter of 2013 and in the 2012 Financial Statements, the 2011 Financial Statements and the 2010 Financial Statements, with comments on:

i) material changes in financial condition;

ii) significant factors materially affecting the Group's income from operations;

iii) other factors that have materially affected the Group's operations; and

iv) reasons for any material changes in the Group's net revenue.

The issuer opts for incorporation by reference of the documents specified above, pursuant to Art. 11 of Directive 2003/71/EC and Art. 28 of Commission Regulation (EC) no. 809/2004.

Said documents have been published and filed with CONSOB and are available to the public online at www.gruppoigd.it, or from the head office of the Issuer and Borsa Italiana.

9.1 Financial condition

The Group's financial condition and significant events for the first quarters of 2013 and 2012 and for the years ended 31 December 2012, 2011 and 2010 are discussed in Chapter X of the Registration Document.

9.2 Operating results

Below are the main factors that influenced the Group's operating results in the first quarter of 2013 and 2012 and in the years ended 31 December 2012, 2011 and 2010.

9.2.1 Information regarding significant factors materially affecting the Issuer's income from operations

From 2010 to 2012, numerous shopping centers were opened, including the “La Torre” Shopping Center on 23 November 2010, the “Conè” Shopping Center on 25 November 2010. In 2011, the Group also purchased two floors of the Bologna building that houses its headquarters and the "City Center" property in Via Rizzoli, Bologna, as well as the hypermarkets at the “Conè” Shopping Center in Conegliano and at the “La Torre” Shopping Center in Palermo.

For further information on these acquisitions, see Chapter V, Paragraph 5.1.5, of the Registration Document.

9.2.2 *Income statement for the quarters ended 31 March 2013 and 31 March 2012 and the years ended 31 December 2012, 2011 and 2010*

The following table shows the income statement highlights for the quarters ended 31 March 2013 and 31 March 2012 and the years ended 31 December 2012, 2011 and 2010.

Consolidated income statement	**31/03/2013**	**31/03/2012**	**31/12/2012**	**31/12/2011**	**31/12/2010**
(*in Euro/000*)					
Revenue:	**29,181**	**29,475**	**117,979**	**115,800**	**109,882**
Other income:	**1,259**	**1,352**	**5,278**	**5,447**	**6,314**
Revenue from property sales	**0**	**0**	**0**	**1,726**	**0**
Total revenue and operating income	**30,440**	**30,827**	**123,257**	**122,973**	**116,196**
Change in work in progress inventory	1,629	1,750	7,976	7,356	3,434
Total revenue and change in inventory	**32,069**	**32,577**	**131,233**	**130,329**	**119,630**
Cost of construction in progress	1,497	1,567	7,313	8,061	3,154
Service costs	4,620	4,492	19,451	18,305	19,396
Cost of labor	2,109	2,028	8,217	7,850	7,529
Other operating costs	2,156	1,777	8,511	5,734	5,355
Total operating costs	**10,382**	**9,864**	**43,492**	**39,950**	**35,434**
(Depreciation, amortization and provisions)	(873)	(881)	(3,864)	(2,893)	(3,482)
(Impairment losses)/reversals on work in progress and goodwill	0	0	(1,211)	28	(3,842)
Fair value changes	(275)	(483)	(29,383)	(14,150)	(8,746)
Total depreciation, amortization, provisions, impairment and fair value changes	**(1,148)**	**(1,364)**	**(34,458)**	**(17,015)**	**(16,070)**
EBIT	**20,539**	**21,349**	**53,283**	**73,364**	**68,126**
Income/(loss) from equity investments	**(413)**	**(173)**	**(746)**	**(887)**	**(1,140)**
Net financial income (charges)	**(11,229)**	**(12,117)**	**(47,570)**	**(43,335)**	**(35,204)**
PRE-TAX PROFIT	**8,897**	**9,059**	**4,967**	**29,142**	**31,782**
Income taxes	700	733	(6,185)	(876)	2,510
NET PROFIT	**8,197**	**8,326**	**11,152**	**30,018**	**29,272**
Non-controlling interests in net profit	40	29	136	39	68
Parent company share of net profit	**8,237**	**8,355**	**11,288**	**30,057**	**29,340**

Please note that effective 31 December 2012, for the sake of greater clarity, the provision made in regard to the "Darsena" shopping center was reclassified as a deduction from revenue. With regard to first quarter 2013, this provision amounted to Euro 496 thousand (100% of revenue). With regard to 2012, this provision amounted to Euro 1,857 thousand

(95% of revenue), an increase with respect to the provisions made in 2011 of Euro 1,741 thousand (90% of revenue). The costs and revenue were also offset by reinvoicing.

Furthermore, in order to provide a consistent comparison between the figures for first quarter 2012 and 2011 and 2010: *(i)* with regard to the financial information at 31 March 2012 reported in this Registration Document, Euro 180 thousand of the "provision for doubtful accounts" was reclassified resulting in a reduction in "revenue" and costs and revenue from reinvoicing, previously recognized under "costs for services" and "other income", were offset by Euro 1,066 thousand; *(ii)* with regard to the financial information at 31 December 2011 reported in this Registration Document, Euro 1,741 thousand of the "provision for doubtful accounts" was reclassified resulting in a reduction in "revenue" and costs and revenue from reinvoicing, previously recognized under "costs for services" and "other income" were offset by Euro 5,539 thousand; *(iii)* with regard to the financial information at 31 December 2010 reported in this Registration Document, costs and revenue from reinvoicing, previously recognized under "costs for services" and "other income" were offset by Euro 6,245 thousand.

Below are comments on the main income statement trends for the quarters ended 31 March 2013 and 2012.

Revenue

The following table presents revenue by operating segment for the quarters ended 31 March 2013 and 2012.

Operating segment *	**31/03/2013**	**%**	**31/03/2012**	**%**
(€/000)				
Real estate management and rent	29,191	96%	29,442	96%
Services	1,250	4%	1,303	4%
Trading	0	0%	0	0%
Total	**30,440**	**100%**	**30,745**	**100%**

* For the purposes of this operating review, some cost and revenue items have been reclassified and/or offset with respect to figures in the financial statements.

Consolidated operating revenue at 31 March 2013 amounted to Euro 30,440 thousand, a drop of 0.99% with respect to the same period in the prior year. The Porta a Mare Project contributed approximately Euro 19 thousand to the core business rental income, due to the rental of a unit in Palazzo Orlando.

Core business rental income at 31 March 2013 fell with respect to the same period in the prior year by 0.92%. This decline is primarily attributable to the drop in like-for-like revenue due to an increase in the vacancies in Italian malls and the drop in revenue posted by the Romanian malls due to the programmed vacancy of three large areas (already pre-let) and the full impact of the renewal downside recorded in second half 2012.

Service revenue was down at 31 March 2013 by 4.05% with respect to 2012 dropping from Euro 1,303 thousand to Euro 1,250 thousand. Most of this revenue comes from the facility management business (Euro 1,205 thousand), which contributes approximately 96% of total revenue from services.

Operating costs for the first quarter of 2013, net of costs for the Porta a Mare project in Livorno, increased with respect to the same period in the prior year due to IMU, calculated based on the rates in effect at December 2012 (only estimated in first quarter 2012 based on provisions that were not definitive) which represent approximately 26% of the total direct costs and the increase in condominium charges.

Ebitda

The table below demonstrates the IGD Group's method of calculating EBITDA:

Total EBITDA	31/03/2013	31/03/2012
(*in €/000*)		
OPERATING PROFIT (EBIT)	**20,539**	**21,349**
Depreciation and amortization	327	323
Provisions/(utilizations) for other risks and charges	31	0
Changes in fair value	275	483
Bank fees and charges	44	38
Total EBITDA	**21,216**	**22,193**

Total EBITDA for the first quarter of 2013 came to Euro 21,216 thousand, a drop of 4.4% with respect to the same period of the previous year.

EBITDA was influenced by the drop in revenue and the increase in costs referred to above.

Operating profit (EBIT)

EBIT for the first quarter of 2013 fell 3.79%. The decline, due to the decrease in EBITDA commented on above, was partially offset by the smaller change in fair value recorded in the quarter.

Income/(loss) from equity investments

The loss from equity investments posted in first quarter 2013 is primarily attributable to the price adjustment relative to the disposal in 2010 of the interest in RGD.

Net financial income (charges)

Net financial charges decreased primarily due to:

- the decrease in Euribor which fell sharply from the 1.07 (monthly average) recorded in March 2012 to 0.21 (monthly average) in March 2013, which was partially offset by a slight increase in the spread on short term loans and refinanced mortgages;
- the lack of the charges relating to the call option on the 20% interest in Porta Medicea which was exercised in April 2012.

Income taxes

Current and deferred tax in the first quarter of 2013 amounted to Euro 700 thousand, for an overall tax rate of 7.87% versus 8.09% in the same period of the prior year.

Below are comments on the main income statement trends for the years ended on 31 December 2012, 2011 and 2010.

Revenue

The following table presents consolidated revenue by operating segment for the years 2012, 2011 and 2010.

Operating segment* (*in Euro/million*)	**31/12/2012**	**%**	**31/12/2011**	**%**	**31/12/2010**	**%**
Property management and leasing rent	118,128	96%	115,906	95%	110,095	95%
Services	5,136	4%	5,284	4%	6,092	5%
Revenue from trading	-	0%	1,726	1%	-	0%
Total	**123,264**	**100%**	**122,916**	**100%**	**116,187**	**100%**

* For the purposes of this operating review, some cost and revenue items have been reclassified and/or offset with respect to figures in the financial statements.

2012 vs 2011

Consolidated operating revenue amounted to Euro 123,264 thousand, an increase of 0.28% with respect to the prior year. With respect to 2011, this figure was impacted by the lack of revenue from trading generated by the Porta a Mare project. Core business revenue rose by

1.91% with respect to 2011 explained by like-for-like revenue and the new acquisitions made in 2011 which contributed for the whole year; these include the last two floors of the office building where the Group's headquarters are located (leased, in part, to third parties), the "City Center" building in via Rizzoli– both in Bologna – and the hypermarkets in Conegliano and Palermo.

Revenue from services fell slightly (-2.79%) with respect to 2011. Most of this item comes from the facility management business (96% of the total or Euro 4,885 thousand), largely unchanged with respect to the prior year.

Revenue from trading reached Euro 1,726 thousand in 2011 following the sale of part of an office building. No sales were recorded in 2012.

Change in inventory and cost of construction in progress

Change in work in progress inventory	**31/12/2012**	**31/12/2011**	***Change***
Construction costs for the year	7.313	8.061	(748)
Interest capitalized	663	523	140
Disposal of inventory due to sale		(1.228)	1.228
Change in work in progress inventory	**7.976**	**7.356**	**620**

Work in progress inventory relating to the land, buildings, and urban infrastructure works of the multipurpose complex in Livorno, which amounted to Euro 7,976 in 2012, relates primarily to the advancement of works on Piazza Mazzini.

In 2012, financial charges were capitalized in the amount of Euro 663 thousand.

Service costs

This item comprises primarily (i) rent and usage fees paid for properties managed by the Company, (ii) shopping center management expenses (which rose due primarily to the increase in charges for which the Group was responsible as a result of increased vacancies and (*iii*) maintenance (which rose in 2012 due to the costs incurred to comply with regulations, as well as to the repairs needed in a few shopping centers due to damage caused by atmospheric events).

Cost of labor

The cost of labor rose with respect to 2011 due to organizational changes and the renewal of the national employment contract in the prior year.

Other operating costs

Other operating costs refer mainly to IMU, the property tax that substituted ICI which resulted in a significant increase in the tax burden with respect to the prior year due to the new method used to determine taxable income and the increased tax rate.

Depreciation, amortization and provisions; impairment losses/reversals on work in progress and goodwill; change in fair value – increases/(decreases)

Depreciation, amortization and provisions	31/12/2012	31/12/2011	*Change*
Amortization	(23)	(27)	4
Depreciation	(1,303)	(1,082)	(221)
Provision for doubtful accounts	(2,164)	(2,022)	(142)
Other provisions	(374)	238	(612)
Total depreciation, amortization and provisions	**(3,864)**	**(2,893)**	**(971)**
(Impairment losses)/reversals on work in progress and goodwill	**(1,211)**	**28**	**(1,239)**
Fair value changes	**(29,383)**	**(14,150)**	**(15,233)**
Total depreciation, amortization, impairment and fair value changes	**(34,458)**	**(17,015)**	**(17,443)**

The accrual to the provision for doubtful accounts in 2012 reached Euro 2,164 thousand, a slight increase with respect to the prior year. Given the problematic economy, the accrual was made by evaluating the individual positions of clients in order to adjust them to estimated realizable value. Please note that the 2011 accrual was reclassified.

Other provisions refer chiefly to the estimated outcome of two IMU (municipal property tax) disputes regarding Le Maioliche (Faenza) and La Torre (Palermo) shopping centers.

This item also covers the adjustment to fair value of the investment property and the impairment losses relating to projects. Net impairment losses for the adjustment of investment property to fair value amounted to Euro 29,383 thousand at 31 December 2012. The item "impairment losses/reversals on work in progress" covers the write-downs charged on direct development initiatives in progress in order to adjust their cost to fair value, in the amount of Euro 1,211 thousand.

Ebitda

The table below demonstrates the IGD Group's method of calculating EBITDA:

Total EBITDA	31/12/2012	31/12/2011
(*in Euro /000*)		
OPERATING PROFIT (EBIT)	**53,283**	**73,364**
Depreciation and amortization	1,326	1,109
Provisions/(utilizations) for other risks and charges	374	(238)
(Impairment losses)/reversals on work in progress and goodwill	1,211	(28)
Fair value changes	29,383	14,150
Bank fees and charges	155	152
Total EBITDA	**85,732**	**88,509**

Total EBITDA amounted to Euro 85,732 thousand, a decline of 3.14%.

EBITDA was significantly impacted by the introduction of IMU (the property tax that substituted ICI, in Italy) which also affected the properties' fair value reported in the income statement. Overall, the complex global economic situation resulted in an increase in direct costs due to higher condominium charges (explained also by the increased vacancies) and in provisions for doubtful accounts.

Operating profit (EBIT)

EBIT amounted to €53,438 thousand, a drop of 27.31% explained, in addition to the decrease in EBITDA described above, by writedowns and the change in fair value which had a total negative impact of Euro 30,594 thousand (versus Euro 14,122 thousand in the same period of the prior year).

This result is almost entirely attributable to the Italian perimeter (in Romania, in fact, the value of the properties was basically unchanged in the appraisals), and the increase in direct costs (above all in taxes, like IMU) and reduced projected sales growth, along with a slight increase in the average exit cap rate. The properties were appraised at 31 December 2012 by independent experts CB Richard Ellis e REAG al 31 dicembre 2012.

Income/(loss) from equity investments

The net loss from equity investments in 2012 is explained (*i*) for Euro 16 thousand by the writedown of the carrying value of the Group's 15% interest in Iniziative Bologna Nord and (*ii*) for Euro 730 thousand to the possible price adjustment relating to the disposal in 2010 of the interest held in RGD.

Net financial income (charges)

Financial charges rose in 2012 even if the net financial position remained basically unchanged. The increase is due to: (*i*) a substantial increase in the spreads on short term borrowings; (*ii*) the new forward IRS contracts effective 1 January 2012; (*iii*) the new financial charges related to the loans granted by Intesa Group in March and October 2012 (for the purchase of the property via Rizzoli, Bologna); (*iv*) the extension of the two mortgages with the Intesa Sanpaolo Group resulting in higher rates and the extension of the mortgage granted by MPS, held jointly with Beni Stabili; (*v*) the new mortgages (relative to the real estate investments in Palermo and Conegliano, as well as the Livorno project) effective as of third quarter 2011.

The increase in financial charges was partially offset by the drop in the 3M Euribor which dropped from 1.457 (monthly average) in December 2011 to 0.189 (monthly average) in December 2012

The average cost of debt rose from the 4.08% recorded at 31 December 2011 to 4.29% at 31 December 2012 while, net of the bond's pro-forma charges, it rose from the 3.71% recorded at 31 December 2011 to 3.91%.

Income taxes

The tax burden, current and deferred, at 31 December 2012 amounted to €6,185 thousand and is primarily attributable to the effect of the fair value adjustments which resulted in the recognition of deferred tax assets and the reversal of deferred tax liabilities which had a positive impact on the total tax rate of 27.66%. Net of the fair value effect the tax rate reaches 6.77%, versus 7.46% in the prior year.

2011 vs 2010

Consolidated operating revenue in 2011 amounted to Euro 124,657 thousand, an increase of 7.29% on the previous year.

Rental income rose by 6.86% from 2010 to 2011.

The growth is attributable to an increase in core business revenue, both on a like-for-like basis and considering the new acquisitions/expansions in late 2010 and the following year.

Revenue from services in 2011 was 13.26% lower than in 2010. This is explained by unusually high pilotage revenue in 2010 due to the opening of new shopping centers. Service revenue came mainly from the facility management business, in the amount of Euro 4,928 thousand. This constitutes 93.27% of total revenue from services in 2011, and increased by 10.59% due primarily to new contracts for the management of the "Conè" Shopping Mall in Conegliano Veneto, "La Torre" in Palermo, "La Perla Verde" in Riccione, and "Piazza Marcantoni" in Civita Castellana.

Revenue from trading came to Euro 1,726 thousand and refers to the Porta a Mare project in

Livorno. With renovation work nearly complete on Palazzo Orlando, the first office units were sold in February 2011.

Change in inventory and cost of construction in progress

Change in work in progress inventory	2011	2010	*Change*
Construction costs for the year	8,061	3,154	4,907
Interest capitalized	523	280	243
Disposal of inventory due to sale	(1,228)	0	(1,228)
Change in work in progress inventory	**7,356**	**3,434**	**3,922**

Work in progress inventory relating to the land, buildings, and urban infrastructure works of the multifunctional complex in Livorno increased by Euro 8,061 thousand due to the advancement of works on Piazza Mazzini and Palazzo Orlando.

In 2011, financial charges were capitalized in the amount of Euro 523 thousand. The change in inventory, due to the sale of the office units in Palazzo Orlando in the first quarter of 2011, comes to Euro 7,356 thousand.

Material and service costs

The principal component of this item is rent and usage fees paid for properties managed by the Company, as well as costs awaiting charge-back and pilotage/construction expenses (which will also be charged back to the operators).

Overall, material and service costs went down due mainly to the pilotage costs incurred in 2010 for the fitting of the Conegliano and Palermo shopping centers.

Cost of labor

The cost of labor increased on the previous year due to new hires and the renewal of the national employment contract.

Other operating costs

Other operating costs refer mainly to local property tax (ICI), and the increase is due to acquisitions of new investment property in 2011. These consist mainly of the hypermarkets at the shopping centers in Palermo and Conegliano, a property complex in downtown Bologna, and two floors of the building that houses IGD's headquarters.

Depreciation, amortization and provisions; impairment losses/reversals on work in progress and goodwill; Changes in fair value - increases / (decreases)

Depreciation, amortization and provisions	2011	2010	*Change*
Amortization	(27)	(93)	66
Depreciation	(1,082)	(807)	(275)
Provision for doubtful accounts	(3,763)	(2,019)	(1,744)
Other provisions	238	(563)	801
Total depreciation, amortization and provisions	**(4,634)**	**(3,482)**	**(1,152)**
(Impairment losses)/reversals on work in progress and goodwill	28	(3,842)	3,870
Fair value changes	(14,150)	(8,746)	(5,404)
Total depreciation, amortization, impairment and fair value changes	**(18,756)**	**(16,070)**	**(2,686)**

The accrual to the provision for doubtful accounts was made in order to adjust its balance to estimated realizable value. The increase with respect to the previous year's accrual is explained chiefly by the writedown of 90% of the rent receivable on the Darsena City shopping center, due to the tenant's insolvency, which has led the Company to file a bankruptcy petition.

"(Impairment losses)/reversals on work in progress and goodwill" and "Fair value changes" reflect the adjustment to fair value of the investment property held in the portfolio.

EBITDA

The table below demonstrates the IGD Group's method of calculating EBITDA:

Total EBITDA	2011	2010
(*in Euro /000*)		
OPERATING PROFIT (EBIT)	**73,364**	**68,126**
Depreciation and amortization	1,109	900
Provisions/(utilizations) for other risks and charges	(238)	563
(Impairment losses)/reversals on work in progress and goodwill	(28)	3,842
Fair value changes	14,150	8,746
Bank fees and charges	152	140
Total EBITDA	**88,509**	**82,317**

EBITDA increased by 7.52% from 2010 to 2011.

Operating profit (EBIT)

EBIT growth from 2010 to 2011 was 7.69%, due mainly to the rise in EBITDA, and despite higher writedowns to fair value.

Income/(loss) from equity investments

The net loss from equity investments in 2011 stems from the impairment of the Group's 15% interest in Iniziative Bologna Nord (Euro 528 thousand), and from transaction costs strictly associated with the possible price adjustment on the sale of RGD (Euro 359 thousand).

Net financial income (charges)

From 2010 to 2011, financial charges grew significantly due to the increase in net debt in support of the Company's development; the rise in the three-month Euribor, from a monthly average of 1.023 in 2010 to 1.437 in 2011; and, towards the end of the year, a widening of the spread on short-term borrowing.

The average cost of debt rose from 3.53% in 2010 to 4.08% in 2011. Most of the increase in net debt is explained by new mortgage loans for the investment properties in Palermo and Conegliano, and by the temporary use of short-term credit facilities while awaiting loans to cover the other investments made during the year.

Income taxes

Current and deferred tax in 2011 amount to a positive Euro 876 thousand, due primarily to the writedown of properties to fair value. This led to a provision for deferred tax assets and a reversal of deferred tax liabilities, with a positive incidence of 26.6% on the overall tax rate. Net of the fair value effect, the tax rate comes to 7.46% of the pre-tax profit.

This is lower than in 2010, mostly because exempt operations accounted for a higher proportion of the parent company's total income (from 93.39% the previous year to 96.11%).

9.3 Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations

During the period to which the financial and earnings information contained in the Registration Document refer, the Group's operations were not influenced by governmental, economic, fiscal, or monetary policies except for the new IMU provisions which led to an increase in direct costs from core businesses (which, at 31 December 2012, represented approximately 26% of the total direct costs) and adversely affected the 2012 income statement on the line "Fair value changes," regarding the fair value measurement of investment property in Italy (specifically, at 31 December 2011, property writedowns amounted to 1.55% of the market value of rent-producing properties in Italy).

Chapter X - CAPITAL RESOURCES

Introduction

The Group's financial data and information on the Issuer's capital resources, funding sources and uses, cash flows, borrowing requirements, and financing structure at 31 December 2011, 2011 and 2010 are presented in the 2012 Financial Statements, the 2011 Financial Statements and the 2010 Financial Statements.

The Issuer opts for incorporation by reference of the documents specified above, pursuant to Art. 11 of Directive 2003/71/EC and Art. 28 of Commission Regulation (EC) no. 809/2004.

Said documents have been published and filed with CONSOB and are available to the public online on the Issuer's corporate website (www.gruppoigd.it), or from the head office of the Issuer and Borsa Italiana.

10.1. The Issuer's capital resources

The table set out below shows net financial borrowing as at 31 March 2013 and 31 December 2012, 2011 and 2010.

net financial borrowing	31/03/13	31/12/12	31/12/11	31/12/10
Cash and cash equivalents	(4,970)	(7,545)	(14,433)	(32,264)
Related party financial receivables and other current financial assets	(712)	(734)	(1,426)	(1,091)
Financial receivables and other current financial assets	(20)	(41)	(278)	(6,001)
LIQUIDITY	**(5,702)**	**(8,320)**	**(16,137)**	**(39,356)**
Related party current financial liabilities	24,363	21,783	50,469	4,127
Current financial liabilities	157,209	160,038	146,841	137,591
Mortgage loans - current portion	53,007	116,836	35,398	48,431
Leasing Finance - current portion	277	275	2,142	1,248
Convertible bond loan - current portion	227,988	224.685	66	66
CURRENT FINANCIAL BORROWING	**462,844**	**523,617**	**234,916**	**191,463**
NET CURRENT FINANCIAL BORROWING	**457,142**	**515,297**	**218,778**	**152,107**
Non-current financial assets	(138)	(25)	(41)	(19)
Non-current financial liabilities due to other lenders	8,499	8,081	25,170	21,497
Financial leasing - non-current portion	5,374	5,444	5,719	7,863
Non-current financial liabilities	600,022	545,834	610,304	590,707
Related party non-current financial liabilities	15,000	15,000	15,000	15,000
Convertible bond loans	0	0	219,466	214,642
NET NON-CURRENT BORROWING	**628,757**	**574,334**	**875,618**	**849,690**
NET BORROWING	**1,085,899**	**1,089,631**	**1,094,397**	**1,001,797**
total net borrowing ESMA 2011/81*	**1,086,037**	**1,089,656**	**1,094,438**	**1,001,816**

* ESMA net financial borrowing does not contain the non-current financial assets.

Starting from the Accounting period closing on 31 December 2012 the figure for net financial borrowing does not include the value of derivatives used in hedging activities. The data relating to the 2011 and 2010 accounting periods have been re-calculated to provide a uniform comparison.

Net financial borrowing trends depend to a large extent on the development effected over the three-year period, maintaining a situation of balance from the point of view of financing sources and the cost of borrowing.

As at 31 March 2013 the main variations with respect to 31 December 2012 are connected to the two-year extension, with effect from 25 March 2013, of the financing contract with the Cassa di Risparmio di Bologna, whose expiry was originally 27 September 2013. It related to the purchase of the Tiburtino" (Guidonia) shopping centre. The amount relating to the above financing has now been re-classified as one of the non-current financial liabilities as at 31 March 2013.

Following the Exchange Offer, on 7 May 2013, IGD issued new fixed-rate *senior* unsecured bond securities "*€144,900,000 4.335 per cent. Notes due 7 May 2017*", with a unitary nominal value of €100,000, for a total nominal value of €122,900,000, maturing on 7 May 2017 and the right of payment of fixed interest of 4.335%, to be paid annually in arrears on 7 May each year. On the same date the Company issued new residual bond securities placed with third party investors satisfying the requirements laid down by the applicable law for qualified investors in Italy and abroad, for a total nominal value of €22,000,000.

The senior bond securities were governed by English law with the following characteristics:

- Duration of 4 years from the date of issue;
- Issue price of 100% of the nominal value;
- Right to payment of fixed interest of 4.335%, determined by increasing the 4-year midswap rate by 375 basis points determined on 29 April 2013, to be paid annually in arrears on 7 May of each year;
- Refund of par in a single payment plus interest to be paid on maturity, providing the company has not exercised the early refund option exercisable by the latter under the terms and conditions laid down by the bond regulations;
- Early refund clause in various cases of Change of Control under the terms and conditions laid down by the Bond Regulations;
- Quotation on the regulated market at the Luxembourg Stock Exchange.

The significant change in the borrowing capital structure as at 31 December 2012 as compared with the previous accounting period relates for the most part to the reclassification of the convertible bond loan "*EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013*"to short term and of two mortgage loans maturing by the end of 2013.

So far as the net financial borrowing of the IGD Group is concerned, it should be noted that the Exchange Offer produced a transfer of financial liabilities in the total amount of €122,900,000 from current financial liabilities to non-current financial liabilities. So far as the placement with institutional investors of the unsecured fixed rate *senior* bonds maturing in May 2017 is concerned, not exchanged pursuant to the exchange offer, we would note that the above operation has had no impact on the Group's net financial borrowing.

On 31 March 2013 the results of the financial management (as indicated in Chapter IX, paragraph 9.2.2 of the Registration Document) had reduced mainly by reason of the following:

- The drop in Euribor which decreased significantly from 1.07 (monthly average) in March 2012 to 0.21 (monthly average) in March 2013, partially compensated for by a slight increase in the spread of short term loans and negotiated mortgages;
- the elimination of the charges relating to the "Call" option on 20% of the shareholding in Porta Medicea in that it was exercised in April 2012.

Net Financial Borrowing decreased from €1,089,631 thousand on 31 December 2012 to €1,085,899 thousand on 31 March 2013 - a decrease with respect to the previous year of €3,732 thousand .

Financial resources for the 2012, 2011 and 2010 accounting periods

On 31 December 2012 the main variations with respect to 31 December 2011 related to the entry into a financing contract with Intesa Sanpaolo of about €30 million with a duration of

5 years, indexed to Euribor 3 months with a *spread* of 310 basis points together with the signing of a financing contract of a total amount of €18 million with Mediocredito Italiano S.p.A. (the Intesa Sanpaolo banking group), indexed to Euribor 6 months increased by a margin amounting to 365 basis points with a duration of 5 years.

The above resources have made it possible to reduce short term exposure.

In particular, with reference to 31 December 2012, the following should be noted

Non-current financial borrowing

Non-current financial liabilities

Banking finance

Medium-long term bank finance

The Company concludes medium to long-term financing contracts with various banks, secured by mortgages burdening the real estate properties (*Cf.* Chapter VIII, paragraph 8.1 of the Registration Documentation).

Over the 2012 accounting period, the following financing contracts were concluded:

- In March 2012 a current account mortgage financing contract was concluded with Intesa Sanpaolo S.p.A. secured by a second mortgage on the real estate constituting the “Le Fonti del Corallo” shopping centre in Livorno and Crema;
- In November 2012 a financing agreement was concluded with Mediocredito Italiano S.p.A. secured by a mortgage over the property owned by the Company located in Bologna at Via Rizzoli.

Over the 2011 accounting period, the following financing contracts were concluded:

- on 30 June 2011 a mortgage loan was contracted from Centrobanca S.p.A. in connection with the purchase of the hypermarket at Conè shopping center in Conegliano;
- on 12 July 2011, a contract was signed with Banca Carige S.p.A. for the transfer to IGD of Ipercoop Sicilia's loan with Banca Carige due to the purchase of the hypermarket at La Torre shopping center in Palermo;
- on 25 July 2011, a mortgage loan was contracted with Banco Popolare di Verona – San Geminiano e San Prospero S.p.A. to fund the development of the multifunctional complex being built in the city of Livorno, in particular the advancement of works on "Piazza Mazzini" (Porta a Mare project);
- on 19 December 2011, a secured credit line was contracted with Cassa di Risparmio di Firenze, deriving from the refinancing of loans taken out to finance the purchase of shopping center premises in Casilino and Livorno.

Over the 2010 accounting period, the following financing contracts were concluded:

- on 21 and 22 December 2010, mortgage loans were contracted with Monte dei Paschi di Siena S.p.A. and Centrobanca S.p.A., respectively, for the purchase of the mall at La Torre shopping center in Palermo and the mall at the shopping center in Conegliano;
- on 15 December 2009, a loan was contracted from Centrobanca S.p.A. for the development of the multifunctional complex being built in the city of Livorno (Porta a Mare project). The loan was disbursed on 1 February 2010;
- on 30 December 2010 a contract was signed with Monte dei Paschi di Siena S.p.A. for the transfer to IGD of 50% of the secured credit line relating to the "Darsena City" property, due to the joint purchase of that property with RGD.

Over the 2009 accounting period, the following financing contracts were concluded:

- A financing agreement was stipulated on 27 March 2009 with the Cassa di Risparmio Bologna relating to the purchase of the Tiburtino Shopping Centre; (Guidonia); The above financing was entered in current liabilities due to third parties on 31 December 2012 in that it is due to mature on 27 September 2013. On 25 March 2013 the agreement was extended for a further two years running from the extension date;
- On 5 October 2009 the company Faenza e Sviluppo - Area Marcucci S.r.l., subsequently merged with IGD, signed a financing agreement with Mediocredito Italiano relating to the Le Maioliche shopping centre (Faenza);
- On 8 October 2009, a financial agreement was concluded with the Cassa di Risparmio del Veneto Mondovicino and to the property retail park of Mondovicino;
- On 23 December 2009 a financing agreement was concluded with Mediocreval relating to the hypermarket of the Katanè Shopping Centre (Catania).

Over the 2008 accounting period the following financing agreements were concluded:

- On 18 December 2008 a financing agreement was signed between Unipol Banca S.p.A. and Coop Adriatica relating to the property Lungo Savio Cesena; On the same date the company IGD purchased the property from Coop Adriatica accepting liability for the above financing contract;
- on 17 December 2008 the company hypermarket Nikefin Asti S.r.l., subsequently fused in IGD, concluded a financing agreement with Banca Carige relating to the I Bricchi Shopping Centre (Isola d'Asti);

Over the 2007 accounting period the following financing agreements were concluded:

- On 10 April 2007 IGD Management S.r.l. previously Immobiliare Larice S.r.l. concluded a financing agreement with Unipol Merchant S.p.A. relating to the Sarca shopping centre (Milan);

Over the 2006 accounting period the following financing agreements were concluded:

- On 6 September 2006 a financing agreement was concluded with Banca BNL relating to the I Malatesta shopping centre (Rimini);
- On 25 September 2006 an agreement was concluded with Interbanca S.p.A for re-financing purposes, mortgaging the following properties: Lugo hypermarket; Il Maestrale hypermarket, Miralfiore hypermarket, Abruzzo Centre, Le Porte di Napoli, Portogrande centre , Portogrande offices , Leonardo hypermarket;
- On 23 November 2006 the company M.V. S.r.l., subsequently fusa in IGD, concluded a financing contract with Banca Regionale Europea relating to the Mondovicino shopping centre (Mondovì).

The following table sets out the characteristic data relating to the financing contracts described above in greater detail. Please note that the average weighted spread was 1.59% on 31 March 2013.

Nature of product	Security provided	Counterparty	Expiry	Current remaining amount (31/03/13)	Non-current remaining amount	Condition	*Financial covenants*	Calculation of indicator I	Calculation of Indicator II	Calculation of Indicator III)	Frequency of calculation of threshold indicators (*covenant*)
Financing agreement	MALATESTA - Rimini	BNL Banca Nazionale del Lavoro	06/10/2016	1,869	14,585	Euribor 03 M + spread	IGD SIIQ S.p.A. financial Balance Sheet: ratio between net financial position (NFP) (including derivative instrument assets and liabilities) and share equity (SE) no greater than 2 from 31/12/2006 up to expiry	1.28	-	-	Annual
Contract for mortgage over land	MONDOVICINO (Arcade)	Banca Regionale Europea	10/01/2023	837	9,779	Average Euribor 06M Sole 24 Ore - 365 + spread	-	-	-	-	-
Contract for mortgage over land	SARCA (Arcade and Hypermarket)	Unipol Merchant	06/04/2027	3,140	79,560	Average Euribor 03M Sole 24 Ore - 365 + spread	Annual certified Consolidated Financial Statements: ratio between NFP (including derivative instrument assets and liabilities) and SE no greater than 2.3	1.52	-	-	Annual

Contract for mortgage over land	LUNGO SAVIO – Cesena	Unipol Merchant	31/12/2023	508	9,845	Average Euribor 06M Sole 24 Ore - 365 + spread	-	-	-	-	-
Contract for registered mortgage	I BRICCHI - Isola D'Asti (Arcade)	Banca Carige	31/03/2024	1,110	24,994	Average Euribor 03M Sole 24 Ore - 360/2*2 + spread	-	-	-	-	-
Contract for mortgage over land	TIBURTINO - Guidonia (Arcade and Hypermarket)	Cassa di Risparmio di Bologna	27/09/2013	4,150	63,187	Euribor 03 M + spread	IGD Group financial Balance Sheet: ratio between NFP (including derivative instrument assets and liabilities) and SE no greater than 1.6 to expiry	1.52	-	-	Annual
Financing agreement	Hypermarket LUGO - Ravenna, Hypermarket MAESTRALE - Senigallia, Hypermarket MIRALFIORE - Pesaro, Centre in ABRUZZO - Pescara (Arcade and Hypermarket), LE PORTE DI NAPOLI - Afragola (Arcade and Hypermarket), Portogrande (Arcade and Hypermarket), Imola Hypermarket Leonardo, Portogrande offices	GE Capital	05/10/2021	11,586	103,282	Euribor 03 M + spread	Consolidated Financial Statements: Ratio between NFP (including derivative instrument assets and liabilities) and SE no greater than 2 from 31/12/2006 to expiry	1.52	-	-	Annual

Financing agreement	LE MAIOLICHE - Faenza	Mediocredito banca SPA	30/06/2029	2,830	43,510	Euribor 03 M + spread	IGD SIIQ S.p.A. Financial Statements: Ratio between net external financial receivables and SE + *Intercompany* financing no greater than 2.70	1.16	-	-	Annual
Financing agreement	Orlando and Piazza Mazzini property	CentroBanca	15/06/2013	11,001	0	Euribor 03 M + spread	-	-	-	-	-
Financing agreement	KATANÈ - Catania (Hypermarket)	Credito Valtellinese	31/03/2024	1,429	14,083	(average Euribor 03M Sole 24 Ore - 360-Floor 0,75) + *spread*	31/12 Consolidated Financial Statements: i) ratio between NFP and SE no greater than 2.30; ii) *Loan to Value* ratio of property no greater than 70%	1.38	40.16%	-	Annual
Mortgage contract	Palermo "La Torre" (Arcade)	Monte dei Paschi di Siena	30/11/2025	1,797	30,307	Average Euribor 03M Sole 24 Ore - 365 + spread	Consolidated Financial Statements: i) ratio between NFP (including derivative instrument assets and liabilities) and *equity* no greater than 1.7 ii) *Loan to Value* ratio on individual mortgaged property no greater than 70%	1.52	51.63%	-	Annual
Financing agreement	Conè (Arcade)	CentroBanca	31/12/2025	2,646	40,669	Euribor 03 M + spread	Consolidated Financial Statements: Ratio between NFP (including derivative instrument assets and liabilities) and SE no greater than 2	1.52	-	-	Annual

Credit opening contract with mortgage security	DARSENA (Arcade and Hypermarket)	Monte dei Paschi di Siena	30/11/2014	0	16,551	Euribor 03 M(In arrears) + spread	IGD SIIQ S.p.A Financial Statements.: Ratio between NFP (including derivative instrument assets and liabilities) and SE no greater than 5	1.28	-	-	Annual
Mortgage contract	MONDOVICINO (*Retail Park*)	Cassa di Risparmio del Veneto	01/05/2014	2,050	25,758	Euribor 06 M + spread	Certified Consolidated Financial Statements: Ratio between NFP (including derivative instrument assets and liabilities) and SE no greater than 1.6	1.52	-	-	Annual
Financing agreement	Conè (Hypermarket)	CentroBanca	30/06/2016	878	13,933	Euribor 06 M + spread	Consolidated Financial Statements: i) ratio between NFP (including derivative instrument assets and liabilities) and SE no greater than 2 ii) *Loan to Value ratio no greater than* 66.40%	1.52	60.61%	-	Annual
Mortgage contract	Palermo (Hypermarket)	Banca Carige	30/06/2027	1,548	22,853	Average Euribor 03M Sole 24 Ore - 360 + spread	-	-	-	-	-
Contract for Mortgage on land	Porta Medicea	Banca Popolare di Verona	25/07/2026	423	9,210	Average Euribor 06M Sole 24 Ore - 365 + spread	Porta Medicea S.r.l. Financial Statements: i) ratio between NET DEBT and *equity* no greater than 1 ii) *equity* no less than €55 million	0.41	58.380	-	Annual

Credit opening contract with mortgage security	Crema e Le Fonti del Corallo (1st mortgage)	Cassa di Risparmio di Firenze	19/12/2016	0	39,919	Average Euribor 03M Sole 24 Ore - 365(In arrears) + spread	IGD financial Balance Sheet: i) ratio between NFP (including derivative instrument assets and liabilities) and SE less than or equal to 1.6 up to expiry; ii) ratio between EBITDA and financial charges greater than 1.5; iii) ratio between NFP and *Market Value* less than or equal to 0.65.	1.52	1.80	59.98%	Annual
Credit opening contract with mortgage security	Crema e Le Fonti del Corallo (2nd mortgage)	Intesa Sanpaolo	16/03/2017	1,600	25,603	Average Euribor 03M Sole 24 Ore - 365 + spread	IGD Group Financial Balance Sheet: i) ratio between NFP (including derivative instrument assets and liabilities) and SE less than or equal to 1.6 up to expiry; ii) ratio between EBITDA and financial charges greater than 1.5; iii) ratio between NFP and *Market Value* less than or equal to 0.65.	1.52	1.80	59.98%	Annual
Financing agreement	Property at Via Rizzoli, Bologna	Mediocredito Banca S.p.A.	30/09/2017	3,605	12,394	Euribor 06 M + spread	Annual Consolidated Financial Statements: i) ratio between NFP and SE no greater than 1.60; ii) *Loan to Value* ratio no greater than 0.65.		59.98%	-	Annual

In the Company's opinion, at the date of this Registration Document, outstanding loans are not significantly concentrated with any particular lender or lenders.

Furthermore, to the Issuer's knowledge, the loan agreements stipulated with Coop Adriatica and Unicoop Tirreno and outstanding at the date of the registration Document, do not envisage *cross default* clauses referring to the financial debt of the IGD Group.

To clarify, with reference to the *covenants* and other contractual commitments contained in the aforementioned outstanding loan agreements, the Exchange Offer, together with the placement of non-guaranteed fixed rate *senior* bonds with institutional investors with due date in May 2017, not exchanged pursuant to the Offer of Exchange, have no effect on such loans. On the other hand, the only impact of the Exchange Offer on the financial debt of the Group translates into a transfer of financial liabilities from short to medium-long term, compensated by a reduction in short term financial liabilities for the amount placed of Euro 22 million.

Non-current financial liabilities v. other creditors

At 31 December 2012, this item referred to potential payments for the adjusted balance of prices concerning a Gallery purchased in 2009 and a company branch purchased during 2011.

Non-current share in financial leasing liabilities

At 31 December 2012, this item referred to the debts due in the following financial year concerning the leasing contract stipulated in April 2009 for the purchase of the IGD operational headquarters in Bologna.

Non-current financial liabilities v. correlated parts

At 31 December 2012, this item regarded the debt contracted to support the loan given to Coop Adriatica for the Shopping Centre "Le Maioliche" in Faenza for €15 million due on 31 December 2019, the rate for which applied at 31 December 2012 was 3.77%.

Current financial debt

Current mortgage share

The item includes the short-term share concerning medium-long term loans. For further information, please refer to the paragraph on loans and the relevant table.

Current financial liabilities

The item includes debts towards banks and other creditors, as indicated below:

Short-term bank loans

Financial liabilities towards third parties

The current financial liabilities towards third parties can be traced (i) to the short-term bank debt following the signing of new "*hot money*" agreements, (ii) to the short-term share of the liability taken on to purchase the company branch mentioned previously and (iii) to the estimate of the price adjustment concerning the conveyance in 2010 of equity in RGD.

The following table shows greater details of the information concerning the current short-term bank loans at 31 March 2013, which show a weighted average spread of 2.97%.

Current passive liabilities	Duration	Use	Economic conditions
Banca Pop. Emilia Romagna	revocable	57	Euribor 01 M + spread
BRE Banca	revocable	1.905	Euribor 03 M + spread
Banca Pop. Emilia Romagna - Hot Money	28/03/2013 - 29/04/2013	10.000	Euribor 01 M + spread
Unicredit - Hot Money	29/01/2013 - 29/04/2013	10.047	Euribor 01 M + spread
Carisbo - Hot Money	14/03/2013 - 14/04/2013	10.014	Euribor 01 M + spread
Cassa Risparmio PD RO	14/03/13 - 14/04/13	10.014	Euribor 01 M + spread
Cassa Risparmio PD RO	11/03/13 - 11/04/13	6.511	Euribor 01 M + spread

Banca Pop. Emilia Romagna - Hot Money	04/03/13 - 04/04/13	4.000	Euribor 01 M + spread
Banca Pop. Emilia Romagna - Hot Money	07/03/13 - 07/04/13	13.000	Euribor 01 M + spread
Banca popolare di Verona hot money	28/03/2013 - 29/04/2013	12.000	Euribor 03 M + spread
Bnl – Bologna	12/03/2014 - 12/04/2013	25.000	Average Euribor 03M + spread
Cassa risp. Firenze hot money	11/03/2013 - 11/04/2013	15.025	Euribor 01 M + spread
CARIFE	06/03/2013 - 05/06/2013	5.010	Euribor 01 M + spread
Bnl – Bologna (Porta a Mare Project)	revocable	5.000	Average Euribor 03M + spread
Cassa Risparmio del Veneto- Hot Money	11/03/13-11/04/13	13.522	Euribor 01 M + spread
BRE Banca	revocable	3.104	Euribor 01 M + spread
Mps c.a. 195923	revocable	10.831	Average Euribor 01M + spread
Total debts towards banks		**155.040**	

Current share of liabilities for financial *leasing*

At 31 December 2012, this item referred to the current share of debts the *leasing* agreement stipulated in April 2009 for the purchase of the IGD operational headquarters in Bologna

Convertible bond loan

On 28 June 2007 IGD issued the bond entitled "*EUR 230,000,000 2.50 percent. Convertible Bonds due 2012*" for EUR 230,000,000, with a coupon rate of 2.5%.

On 22 April 2010, the extraordinary general meeting of IGD voted to modify the terms of the convertible bond loan. The changes concern postponement of the bonds' maturity from 28 June 2012 until 28 December 2013, an increase in the interest rate from 2.5% to 3.5% with coupons payable every six months instead of annually, and a change in the conversion price from Euro 4.93 to Euro 2.75 per share with a consequent increase in capital from Euro 46,653,144 to Euro 83,636,364 to service the conversion. By effect of the increase in capital stock excluding the right of option deliberated by the extraordinary meeting of the company shareholders on 19 April 2012, the conversion price of the aforementioned bond loan was corrected, as provided for by article 6 (vi) of the Loan Regulations, from €2.75 to € 2.7257, to be effective from the date of issue of the shares arising from the increase in capital stock. Consequently, the maximum increase of stock available for the convertible bond loan was adjusted to € 82,469,643.61 (recalculated in compliance with the par value in accounting terms stated in Article 6.1 of the company Charter) to be paid once or twice by issuing a maximum number of 84,381,994 ordinary shares.

Current financial payables with related parties

At 31 December 2012 this referred to the balance of lending account with Coop Adriatica. This current account is held for the exclusive use of the credit lines granted to it, for a total of €50 million and is regulated at a rate equal to the Euribor 3-month rate increased by a *spread* of 375 *basis points*.

Covenants and other contractual obligations

The financial covenants relating to loans outstanding at the various closing dates are as follows.

- The contract with Interbanca S.p.A. signed on 1 August 2006 states that the bank can terminate the contract if, in the consolidated financial statements at 31 December 2006 and until the due date, the debt-to-equity ratio exceeds 2.0. At 31 December 2012 the covenant had not been breached. The contract can also be terminated in other circumstances such as creditor composition or insolvency proceedings, non-payment or breach of obligations contained in the contract, a change in the Company's legal form, or mergers/demergers, and contains cross-default provisions by which default on any financial debt is considered to be a breach of contract if the default is not remedied within a given period of time. Furthermore, IGD must transfer to the lending bank (with guarantees as to the debtor's solvency) the rental income earned from Coop Adriatica and Ipercoop Tirreno on the properties for which the loan was granted.

- The contract with BNL - Banca Nazionale del Lavoro S.p.A. signed on 7 August 2006 states that the bank can terminate the contract if, from 31 December 2006 through maturity, IGD's debt-to-equity ratio exceeds 2.0. At 31 December 2012 the covenant had not been breached. The contract may also be terminated or the acceleration clause invoked under certain conditions such as non-payment or breach of contract, or insolvency or enforcement proceedings that hinder IGD's ability to pay back the loan. The bank is entitled to a lien on the sums paid by Coop Adriatica to IGD under the rental contract for the Malatesta hypermarket.
- The contract with Unipol Banca S.p.A. and Unipol Merchant Banca per le Imprese S.p.A. signed on 26 March 2007 states that the bank can terminate the contract (or increase the spread) if, from 31 December 2007 through maturity, the IGD Group's debt-to-equity ratio exceeds 2.3. At 31 December 2012 the covenant had not been breached. The bank may also terminate the contract under certain conditions, such as the Company's dissolution or breach of contract not remedied within a given period of time, and contains termination and acceleration clauses in the event of circumstances including creditor composition or insolvency proceedings or the impairment of IGD's assets.
- The contract with Cassa di Risparmio di Bologna S.p.A., signed on 27 March 2009 and subsequently extended on 25 March 2013 for a further 2 years to commence from the date of extension, states that the bank can terminate the contract if, at any time until maturity, the IGD Group's debt-to-equity ratio exceeds 1.6. At 31 December 2012 the covenant had not been breached. The bank may also terminate the contract under certain conditions, such as the establishment of capital earmarked for a specific use, and contains termination and acceleration clauses in the event of circumstances such as insolvency or non-payment if not remedied by a given deadline, as well as cross default provisions (in excess of specified amounts).
- The contract with Cassa di Risparmio del Veneto S.p.A. signed on 8 October 2009 states that the bank can terminate the contract if the 2009 or subsequent consolidated financial statements show a debt-to-equity ratio of more than 1.6. At 31 December 2012 the covenant had not been breached. The bank may also terminate the loan for breach of contract or the establishment of capital earmarked for a specific use, and contains cross-default clauses (for debt in excess of given amounts) if the situation is not remedied by a certain deadline.
- The loan contract with Banca Regionale Europea for the Mondovicino mall may be terminated under circumstances including breach of contract; the loan may be called in early in the event of creditor composition or insolvency proceedings, declaration of bankruptcy, or decrease in assets due to IGD's actions or the outcome of actions by third parties.
- The contract with Mediocreval S.p.A. signed on 23 December 2009 states that the bank may terminate the contract if the debt-to-equity ratio exceeds 2.30, according to the consolidated financial statements for 2009 and subsequent years. Art. 13.1.8 also allows the bank to withdraw if, any time between utilization and final maturity, the loan-to-value (LTV) ratio exceeds 70%. At 31 December 2012 these covenants had not been breached. The contract may also be terminated or the acceleration clause invoked under circumstances including insolvency or enforcement proceedings that hinder IGD's ability to pay back the loan, or the sale of assets to creditors. Further grounds for termination are non-payment or breach of contract, if not remedied within a certain

amount of time (including the establishment of capital earmarked for a specific use or the placement of encumbrances on IGD's assets other than those permitted by contract).

- The contract with Mediocredito Italiano S.p.A. signed on 5 October 2009 by Faenza Sviluppo Area Marcucci (merged into IGD) states that the bank can terminate the contract if the financial statements of IGD for any financial year show a ratio of net external debt to equity plus intercompany financing of more than 2.70. At 31 December 2012 the covenant had not been breached. The bank may terminate the contract under circumstances including the impairment of assets and breach of contract, if not remedied within a certain amount of time.

- The contract with Monte dei Paschi di Siena S.p.A. signed on 21 December 2010 states that the bank can call in the loan if the debt/equity ratio exceeds 1.7 and the loan-to-value ratio exceeds 70%. At 31 December 2012 the covenants had not been breached. The contract includes *pari passu* clauses (by which reimbursement of the bank debt may not be deferred until after other lenders have been repaid), and requires early repayment in the event of a change of control, certain equity transactions, or partial disposals of the property backing the loan. There are also cross-default provisions, for debt in excess of a certain amount that might have a negative impact on IGD's earnings or financial situation. Finally, there are termination and acceleration clauses applying to circumstances such as insolvency proceedings, breach of contract, or the removal of assets constituting collateral.

- The contract with Centrobanca S.p.A. signed on 22 December 2010 states that the bank can terminate the contract if the debt-to-equity ratio exceeds 2.0. At 31 December 2012 the covenant had not been breached. Failure to respect this covenant will lead to termination of the contract; IGD is in any case obliged not to distribute profits or reserves, issue bonds, or take on new debt if this will result in a breach of covenant. The contract includes acceleration clauses for circumstances such as insolvency proceedings or liquidation, the winding up or cessation of business, spin-offs, demergers, mergers, enforcements/protests for amounts exceeding a given sum, change of control, non-payment and breach of contract. Finally, it includes cross-default provisions (for debt in excess of a certain amount) and requires IGD to transfer to the lending bank the income it receives from its principal rental or business lease arrangements concerning the Conè mall.

- Based on the contract with Centrobanca S.p.A. signed on 30 June 2011: (i) the bank can call in the loan if the debt/equity ratio exceeds 2.0; (ii) the bank can curtail the loan by an amount at its discretion, if the loan-to-value ratio exceeds 66.40%, such that this ratio is restored. At 31 December 2012 these covenants had not been breached. Failure to respect this covenant will lead to termination of the contract; IGD is in any case obliged not to distribute profits or reserves, issue bonds, or take on new debt if this will result in breach of covenant. The contract includes acceleration clauses for circumstances such as insolvency proceedings or liquidation, the winding up or cessation of business, spin-offs, demergers, mergers, enforcements/protests for amounts exceeding a given sum, change of control, and breach of contract. Finally, it includes cross-default provisions (for debt in excess of a certain amount) and requires IGD to transfer to the lending bank the income it receives from Coop Adriatica for rental of the hypermarket.

- The loan contract with Centrobanca S.p.A. for Palazzo Orlando (originally Euro 30 million, reduced in 2010 to Euro 11 million) contains acceleration clauses concerning Porta Medicea S.r.l., owned 80% by IGD, for circumstances including impairment of assets not remedied by a certain deadline, or Porta Medicea's insolvency or change of control.

- Article 14 of the contract with Banca Popolare di Verona - S. Geminiano e S. Prospero S.p.A. signed on 25 July 2011 requires the borrower to maintain the debt/equity ratio of its subsidiary Porta Medicea S.r.l. below 1.0, equity of at least Euro 55 million, and a loan-to-value ratio of 65% or less. At 31 December 2012 these covenants had not been breached. The contract includes *pari passu* clauses, a ban on encumbering assets other than as permitted by contract, and change of control and cross-default provisions.

- The contract with Cassa di Risparmio di Firenze S.p.A. signed on 19 December 2011 gives the bank the right to terminate the loan unless the borrower maintains the following ratios: (i) EBITDA/financial charges exceeding 1.5; (ii) debt/equity = 1.60 or less; (iii) debt/total value of properties (per certified annual appraisals attached to IGD's consolidated financial statements) = 0.65 or less. At 31 December 2012 these covenants had not been breached. The contract includes acceleration clauses for circumstances such as insolvency proceedings or liquidation, financial hindrances in excess of a certain amount, non-payment and breach of contract, as well as cross default provisions (for default exceeding a given sum).
- The contract with Unipol Banca S.p.A. financing the Lungosavio mall in Cesena includes acceleration clauses for circumstances such as breach of payment obligations, dissolution of the company, mergers, demergers, transfers not authorized by the bank, and breach of financial obligations not remedied within a certain period of time.
- The loan contract with Cassa di Risparmio di Genova for the mall "I Bricchi" contains termination clauses for certain events such as the impairment of assets, mergers and demergers, insolvency proceedings and change of control.
- The contract with Banca Carige for the La Torre hypermarket in Palermo calls for the transfer with recourse of the rental income on the hypermarket received from Ipercoop Sicilia.
- The loan contract, stipulated with Intesa Sanpaolo on 16 March 2012 gives the bank to the right to terminate the loan should the following financial parameters not be upheld: (*i*) EBITDA/Financial charges exceeding 1.5; (*ii*) debt/equity ratio lower than or equal to 1.60; (*iii*) debt/total value attached to the Group's real estate, as per certification of annual appraisals attached to IGD's consolidated financial statement, fixed assets evaluated yearly, lower than or equal to 0.65. At 31 December 2012 the aforementioned parameters had not been breached. Furthermore, the agreement contained acceleration clauses to take effect under certain circumstances, such as insolvency proceedings, liquidation, including financial hindrances in excess of a certain amount indicated in the agreement, non-payment and breach of contract.
- The loan contract, stipulated with Mediocredito Italiano S.p.A. on 5 November 2012 gives the bank to the right to terminate the loan should the following financial parameters not be upheld: (*i*) EBITDA/Financial charges exceeding 1.5; (*ii*) debt/equity ratio lower than or equal to 1.60; (*iii*) debt/total value attached to the Group's real estate, as per certification of annual appraisals attached to IGD's consolidated financial statement, fixed assets evaluated yearly, lower than or equal to 0.65 At 31 December 2012 the aforementioned parameters had not been breached. Furthermore, the agreement contained acceleration clauses to take effect under certain circumstances, such as insolvency proceedings, liquidation, including financial hindrances in excess of a certain amount indicated in the agreement, non-payment and breach of contract.
- The extension of the credit line with mortgage borrowings stipulated with Monte dei Paschi di Siena on 29 November 2012 regarding the shopping centre Darsena in Ferrara gives the bank to the right to terminate the loan should the debt/equity ratio exceed 5. Furthermore, this contract contains *change of control* and *cross default* clauses.

Derivatives

The Company has engaged in derivative contracts for the use of structured products called interest rate swaps. These fall under the management of interest rate risk and aim to reduce such risk on outstanding loans. Under these agreements, the parties agree to pay or collect certain amounts on given dates on the basis of various interest rate spreads. All interest rate derivatives are accounted for using the cash flow hedge method.

(*In Euro/000*)	**31 March 2012**	**31 December 2012**	**31 December 2011**	**31 December 2010**
	notional amount			
IRS	456,596	463,293	491,072	427,031

Below are some financial indicators for the quarter ended 31 March 2013 and the years ended 31 December 2012, 2011 and 2010.

	1Q 2013	**FY 2012**	**FY 2011**	**FY 2010**
GEARING RATIO	**1.36**	**1.38**	**1.38**	**1.28**
LOAN TO VALUE **(%)**	**56.96%**	**57.15%**	**56.86%**	**55.53%**
AVERAGE COST OF DEBT (%)	**4.04%**	**4.29%**	**4.08%**	**3.53%**
HEDGING RATIO (%)	**76.28%**	**76.14%**	**80.80%**	**74.13%**

The gearing ratio increased during the three-year period due to the IGD Group's investment policy, which led to a number of investments financed through loans that raised the Group's net indebtedness. At 31 March 2013 the value had decreased by effect of the decrease in debt and the increase in equity compared with 31 December 2012.

The gearing ratio is the ratio between debt and equity. This value is calculated using the net debt/equity ratio which does not contain the accounting (non-monetary) effects of the reserve "*Cash Flow Hedge*". In the first quarter of 2013 and in the financial year 2012, the gearing ratio settled within the range specified in the plan.

Loan to value is the ratio of debt to the value of freehold properties. In the first quarter of 2013 and during the financial year 2012, the loan to value settled within the range specified in the plan. Data concerning previous financial years were corrected according to the net debt which does not include derivative liabilities.

The decrease in real estate investments in the financial year 2012 and the increase in net debt caused the loan to value compared with the previous financial years.

The average cost of debt increased slightly during the three-year period 2010-2012. This is due primarily to an increase in the spread on short-term borrowing and to some extent on long-term debt as well partly compensated during the financial year 2012 by the fall in the reference parameter (Euribor 3-month rate) which went from 1.457 (monthly average) in December 2011 to 0.189 (monthly average) in Decmeber 2012. During the first quarter of 2013 the average cost of debt was 4.04%.

The hedging ratio is the total amount of mortgage loans hedged with interest rate swaps and bonds divided by the total amount of mortgage loans and bonds. In the first quarter of 2013 and in the financial year 2012, it stayed within the range specified in the 2012-2015 plan.

The hedging ratio rose over the precedeeding financial years, reflecting the Company's decision to increase its interest rate hedges. At 31 December 2012 it had fallen slightly due to the new mortgage loan discussed in section 10.1, which is not hedged against interest rate risk.

10.2 Cash flows of the Issuer

Below is the IGD Group's consolidated statement of cash flows for the quarters ended 31 March 2012 and 2013 and for the financial years ended 31 Decemebr 2012, 2011 and 2010 in abridged form drawn from the corresponding financial statements and showing:

- cash flow from operating activities;
- cash flow from investing activities;
- cash flow from financing activities;
- cash balance at the beginning and end of the year.

Consolidated statement of cash flows - key data	31/03/ 2013	31/03/ 2012	31/12/2012	31/12/ 2011	31/12 2010
(in Euro/000)					
Cash flow from operating activities	10,058	14,267	34,841	61,320	49,094
Cash flow from investing activities	(2,233)	(2,111)	(13,883)	(127,520)	(44,505)
cash flow from financing activities	(10,406)	(9,767)	(27,803)	48,,382	(4,611)
Exchange gains/(losses) on cash and cash equivalents	6	(23)	(43)	(13)	(27)
Net increase (decrease) in cash balance	**(2,575)**	**2,366**	**(6,888)**	**(17,831)**	**(49)**
Cash balance at beginning of year	**7,545**	**14,433**	**14,433**	**32,264**	**35,856**
Cash (disposed of)/acquired through the sale/purchase of consolidated equity investments					**(3,543)**
Cash balance at end of year	**4,970**	**16,799**	**7,545**	**14,433**	**32,264**

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities for the periods ended 31 March 2013 and 31 March 2012 is detailed below:

	13/03 2013	13/03/2012
(in Euro/000)		
CASH FLOW FROM OPERATING ACTIVITIES:		
Result before tax	**8,897**	**9,059**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:		
Non-monetary items	4,080	3,726
Depreciation and amortization	873	881
Change in fair value – increases/decreases	275	483
Equity asset management	413	0
CASH FLOW GENERATED BY OPERATIONAL MANAGEMENT	**14,538**	**14,149**
Taxes on current revenue	(342)	(383)
CASH FLOW GENERATED BY OPERATIONAL MANAGEMENT NET TAXES	**14,196**	**13,766**
Change in inventories	(1,471)	(1,605)
Net change in current assets and liabilities	(3,426)	1,530
Net change in non-current assets and liabilities	759	576
CASH FLOW FROM OPERATING ACTIVITIES	**10,058**	**14,267**

The negative cash flow trend shown above relates primarily to the trend in net working capital.

Cash flow from operating activities for the years ended 31 December 2010, 2011 and 2012 is detailed below:

	31/12/2012	31/12/2011	31/12/2010
(in Euro/000)			
CASH FLOW FROM OPERATING ACTIVITIES:			
Result before tax	**4.967**	**29.142**	**31.782**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:			
Non-monetary items	8,186	6,343	2,935
Depreciation and amortization	3,864	2,893	3,482
Change in fair value – increases/decreases	29,383	14,150	8,746
Equity asset management	746	528	1.100
CASH FLOW GENERATED BY OPERATIONAL MANAGEMENT	**48,357**	**53,027**	**51,887**
Taxes on current revenue	(1.270)	(1.049)	(3.053)
CASH FLOW GENERATED BY OPERATIONAL MANAGEMENT NET TAXES	**47,087**	**51,978**	**48,834**
Change in inventories	(6,880)	(6863)	(6,472)
Net change in current assets and liabilities towards third parties	6,115	22,242	12,843
Net change in current assets and liabilities with related parties	2,164	2,546	1,944
Net change in non-current assets and liabilities towards third parties	1,486	4,324	8,284
Net change in non-current assets and liabilities with related parties	71	833	229
CASH FLOW FROM OPERATING ACTIVITIES	**34,841**	**61,320**	**49,094**

Compared with the preceding financial years, the outline of financial accounts was reclassified in order to show the flows net of deferred tax assets and liabilities.

During the financial year 2012 cash flows generated by operational management were lower compared with the preceding financial year due to the effect of the aforementioned impact of the IMU tax and financial management, whereas the net working capital absorbed cash even though it benefitted from VAT credit and from the reimbursement of VAT credit obtained (for €2,8 million).

The preceding cash flows improved thanks not only to an increase in revenues but to the trend in net working capital due largely to the VAT refunds obtained in 2010 (Euro 16.9 million) and 2011 (Euro 25 million).

CASH FLOW FROM INVESTING ACTIVITIES

The cash flows involved in investments and disposals for the quarters ended 31 March 2013, 2012 and 2011 are detailed below:

	31/03/2013	31/03/2012
(in Euro/000)		
(Investments) in fixed assets	(2,233)	(2,219)
Disposals of fixed assets	0	108
CASH FLOW FROM INVESTING ACTIVITIES	**(2,233)**	**(2,111)**

During the first quarter 2013, investments were in line with the same period in 2012.

Cash flows involved in investments and disposals for the years ended 31 December 2010, 2011 and 2012 are detailed below:

	31/12/2012	31/12/2011	31/12/2010
(in Euro/000)			
(Investments) in fixed assets	(13,805)	(127,905)	(128,331)
Disposals of fixed assets	30	385	11,515
Disposals of equity investments in subsidiaries	0		72,311
(Investments) in subsidiaries	(108)		
CASH FLOW FROM INVESTING ACTIVITIES	**(13,883)**	**(127,520)**	**(44,505)**

The cash flow absorbed by investing activities reflects the Group's main investments, as discussed in detail in Section 5.2.

In 2010, investing activities produced cash flow of approximately Euro 44 million, despite investments in fixed assets amounting to Euro 128,331,000. The most important disinvestments were the transfer of RGD to Beni Stabili, the sale of a 20% interest in Porta Medicea S.r.l. to CMB, and the termination of the preliminary contract for Gorlizia and the consequent refund of the down payment.

CASH FLOW FROM FINANCING ACTIVITIES

Below are the details of cash flow from financing activities for the quarters ended 31 March 2013 and 2012:

	31/03/2013	31/03/2012
(in Euro/000)		
Change in non-current financial assets	(113)	15
Change in financial receivables and other current financial assets	43	(2,726)
Change in current debt	(62,769)	(12,140)
Change in non-current debt	52,433	5,084
CASH FLOW FROM FINANCING ACTIVITIES	**(10,406)**	**(9,767)**

Cash flow from financing activities was negative in the first quarters of 2013 and 2012.

Below are the details of cash flow from financing activities for the years ended 31 December 2010, 2011 and 2012:

	31/12/2012	31/12/2011	31/12/2010
(in Euro/000)			
Change in non-current financial assets	15	(22)	(0)
Change in financial receivables and other current financial assets	237	5,695	(6,001)
Change in related party financial receivables and other current financial assets	692	(335)	(761)
Dividend reinvestment option	12,712	0	0
Distribution of dividends	(23,862)	(22,370)	(14,914)
Change in current debt	317,387	(2,889)	18,310
Change in current debt with related parties	(28,686)	46,342	(21,614)
Change in non-current debt	(306,298)	21,961	20,369
CASH FLOW FROM FINANCING ACTIVITIES	**(27,803)**	**48,382**	**(4,611)**

Financing activities cash flow absorbed liquid assets in the financial years 2012 and 2010 whereas it generated liquid assets during the financial year 2011 following the need for financing of the transactions described above.

10.3. The Issuer’s borrowing requirements and funding structure

The following table shows funding sources and uses, extracted from the IFRS-compliant statements of financial position at 31 March 2013 and at 31 December 2012, 2011 and 2010:

SOURCES/USES OF FUNDS	31 March 2013	31 December 12	31December 11	31 December 10
Investment property	1,754,550	1,754,550	1,779,445	1,666,630
Other property, plant and equipment and intangible assets	103,757	102,017	96,246	97,774
Other non-current assets	31,723	33,412	22,065	17,685
Net working capital	79,814	75,713	68,909	85,239
Other non-current liabilities	(69,292)	(68,520)	(70,644)	(76,792)
TOTAL USES	**1,900,552**	**1,897,172**	**1,896,021**	**1,790,536**
Net equity	765,451	753,566	767,053	773,454
(Assets) Liabilities for derivatives	49,202	53,975	-34,571	15,285
Net debt	1,085,899	1,089,631	1,094,397	1,001,797
TOTAL SOURCES	**1,900,552**	**1,897,172**	**1,896,021**	**1,790,536**

10.4. Restrictions on the use of capital resources

At the Date of the Registration Document, there are no restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the Issuer's operations.

10.5. Anticipated sources of funding

The Company believes that the available capital resources and/or the expected financial transactions will be sufficient in respect of liquidity requirements for foreseeable investments.

CHAPTER XI – RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

The Issuer does not perform research and development activities.

In the course of its business, the Group uses a number of brands of which it is the owner.

The Group's main brands, at the date of this Registration Document, are the IGD brand and, in Romania, the Winmarkt brand.

At the date of this Registration Document, the Group is also the owner of brands relative to the following shopping centres: ESP, Centro Borgo, Centro Lame (jointly owned with Eurocommercial Properties, 50/50), Centro Leonardo (jointly owned with Eurocommercial Properties, 50/50), I Malatesta, Le Maioliche, Centro d'Abruzzo, Centro Porto Grande, Mondovicino Shopping Center, Gran Rondò (jointly owned with Coop Lombardia, 50/50), Centro Sarca (jointly owned with Coop Lombardia, 50/50), I Bricchi, Conè, La Torre, Katanè, Millennium Center, Lungo Savio Centro Commerciale, Tiburtino Shopping Centre, Casilino, Le Porte Di Napoli, Fonti del Corallo, Centro Piave, Centro Nova, Città delle Stelle Shop & Show, WiniLand, Game Land. Furthermore, as regards the trade marks for the shopping centres Casilino, Le Porte Di Napoli, Fonti del Corallo, IGD has signed an agreement with UniCoop Tirreno – owner of these trademarks – for the use of same.

In March 2013 the company registered the new trademark IGD SIIQ SPA – Spazi da vivere a livello comunitario (Living spaces for the community).

CHAPTER XII –INFORMATION ON FORESEEABLE TRENDS

12.1 Recent trends in the Group's markets

The general economic-financial environment, not favourable in the Euro zone and, in particular, Italy and the significant impact that this has had on the real estate sector, have driven the IGD Group to adopt a prudent stance with regard to investments going forward and the Group is moving forward solely with transactions which were already included in the pipeline. No new investments are foreseen in 2013, given the high cost of financing and the objective not to increase the current gearing beyond the threshold of 1.4. No significant changes are forecast for the trends of revenue or typical profitability.

The aforementioned economic and financial context has also had considerable repercussions on the real estate sector, especially as regards the procedures for refinancing. The latter have shown a reduction in the duration of financing, as well as a general deterioration in the relevant economic conditions regarding the Issuer.

The first few months of 2013, through the Date of the Registration Document, show a substantial alignment of the economic results with respect to the results posted in the last quarter of 2012.

The volume of retail investments in Italy in the first three months in particular touched € 100 million, with profitability estimated at between 7% and 8.5%[8].

12.2 Information on trends, uncertainties, requests, commitments or known facts which could reasonably have a significant impact on the Issuer's prospects, at least in the current year

At the Date of the Registration Document, with the exception of the Risk Factors described in Chapter IV of this Registration Document and Paragraph 12.1 above, the Issuer is not aware of any trends, uncertainties, requests, commitments or known facts which could reasonably have a significant impact on the Issuer's prospects, at least for the current year.

More in detail, the total revenue at 31 March 2013 was slightly down with respect to the same period of the prior year due (equal to -0.99%). Similarly, the revenue of the typical financial year are also slightly down by -1%. The direct costs, pertaining to the core business, rose by 7.2% in first quarter 2012 with respect to the same period in the prior year. The effect is due mainly to the increase in costs tied to the IMU tax (property tax) calculated according to the rates in force on December 2012 (only estimated in the first quarter 2012 on the basis of non-defined measures).

The EBITDA for the core business for the first quarter of 2013 is € 21.3 million, down 3.86% compared with the same period of the previous year, whereas the core operational margins are 70.1% with a decrease compared to the same period of the previous year, due to the more than proportional increase in direct costs compared with revenue. Moreover, operational marginality appears to have risen compared with the 69.6% recorded at the end of 2012.

Financial management recorded a 7.3% improvement with respect to the same period in the prior year

The Group's portion of net profit is, therefore, slightly down (-1.4%) equal to € 8.2 million.

The consolidated results at 31 March 2013 and at 31 December 2012, are also largely in line with the plans and targets included in the 2012-2015 Business Plan and are within the range forecast for the key performance indicators and the financial structure. In particular, the core

[8] Source: CBRE data, *Report* concerning the first quarter of 2013.

business operating margins had been forecast to decrease in the first year of the plan, due to the increased tax burden on real estate (substantially remaining at the level recorded in the final balance), whereas gearing had been forecast under the threshold of 1.4 as amount actually charged.

On 18th April 2013, the Board of Directors approved: (i) the issue of new *senior* bonds, not with a fixed rate guarantee, for a maximum amount of € 230,000,000 to expire in May 2017; and (*ii*) the promotion of the Exchange Offer to allow refinancing of the aforementioned bonds, convertible in circulation for a total of € 230,000,000, expiring on 28 December 2013.

As regards the Offer of Exchange, on 7th May 2013, IGD issued new *senior* bonds, not with a fixed rate guarantee for "*€ 144,900,000 4.335 per cent. Notes due 7 May 2017*", with a nominal unitary value of € 100,000, for an overall nominal amount of €122,900,000, expiring on 7 May 2017 and right to payment of a fixed interest of 4.335%, to be paid annually in advance on 7 May each year. On the same date, the Company also issued new residual bonds with third party investors in possession of the requisites provided for by the applicable legislation for qualified investors in Italy and overseas, for a total nominal amount of €22,000,000.

Senior bonds are regulated by English law and have the follow features:

- duration of four years from the date of issue;
- issue price equal to 100% of the nominal value;
- right to payment of a fixed interest of 4,335%, calculated by increasing the *midswap* rate to 375 *basis points* after four years calculated on 29 April 2013, to be paid annually in advance on 7 May each year;
- a single, equal reimbursement and, plus interest, to be paid on the expiry date, in the event of in the event of the company failing to exercise its rights of the option of advance reimbursement which can be asked of same within the terms and according to the conditions provided for by the regulation of bonds;
- clause of advance reimbursement in certain hypotheses of so-called *change of control*, within the terms and according to the conditions provided for by the regulation of bonds;
- quotation on regulated market on the *Luxembourg Stock Exchange*.

CHAPTER XIII – FORECASTS OR PROFIT ESTIMATES

Introduction

On 2 October 2012 the Issuer's Board of Directors approved the industrial plan 2012-2015 (the "**2012-2015 Plan**"), containing the strategic guide lines and the economic, financial and proprietary objectives of the IGD Group.

The 2012-2015 Plan was drafted by the Issuer's Directors using the relevant preliminary consolidated results at 31 December 2012.

The 2012-2015 Plan was prepared according to accounting principles identical to those used to draft the Consolidated Financial Statement 2012 drawn up according to the international accounting principles IAS/IFRS used by the European Union.

The 2012-2015 Plan includes a group of estimates and hypotheses concerning the implementation of future events and actions which will have to be undertaken by the Issuer's Directors. These also include hypothetical assumptions, subject to risk and to the uncertainties of the current macroeconomic scene, concerning not only future events and actions of the Directors which may not take place, but also events and actions over which the Directors and the management cannot entirely or only in part influence, as regards the trend of the main economic and revenue growth or of other factors which influence the evolution (i.e. the "**Hypothetical Assumptions**").

The drafting of the 2012-2015 Plan is based on the following Hypothetical Assumptions within the current macroeconomic scene, which are given in detail in the following paragraphs 13.1 and 13.2:

- the conveyance of real estate within the financial year 2015 for an exchange value of approximately €108 million, equal to their value recorded in the financial statement;
- an increase of *fair value* of the real estate solely as a result of the investments made during the 2012-2015 Plan; and
- the positive conclusion of the activities to refinance the debt due to expire and to cover any further financial needs resulting from the investments envisaged.

It should however be highlighted that, due to the unpredictability of the implementation of any future event, either as regards the event taking place or the size and timing of the event, the differences between the consolidated values and the forecast values could prove significant , even should the events forecast in the hypothetical assumptions occur.

13.1 Guide-lines and objectives of the 2012-2015 Plan

The 2012-2015 Plan, as approved by the Board of Directors on 2 October 2012, is based on the three guidelines described below:

- *Consolidation of the operational results and revenue*

The first line of action to consolidate the operational results hinges on the objective of sustaining revenue flows over time from rents, by means of:

- the capacity for innovation by means of including trade marks to generate traffic, services intended for persons and the exploitation of the excellent resources within the area;
- greater focus on the evolutions in the sector, especially in the food sector and in the *temporary shops*;
- the policy of focusing on the economic and financial balance of *retailers* in difficulty by implementing plans to support them, which are, however, forecast to be on the decrease in the overall amount within the time period of the 2012-2015 Plan.

Moreover, positive effects are forecast on the sales forecasts on a like for like basis resulting from:

- the gradual decrease in the average vacancy ratio
- rent renewals by applying an average annual increase of approximately 1%;
- the growth of the net income of Winmarkt in Romania, particularly thanks to opportunities provided by the requalification of the GLA and the positive effects of the latest contracts, both in terms of step rent and in terms of indexing mechanisms; and
- the continuation of coordinated marketing plans to provide events and communication to the various centres scattered throughout Italy with a common identity to obtain significant synergies.

We have assumed direct costs will be maintained at a substantially stable level in terms of absolute value throughout the 2012-2015 Plan, despite the considerable impact of the IMU tax, which has already been taken into account commencing with the 2012 results.

The incidence of these costs on the total revenue from the core business is forecast to be decreasing so that by the end of the 2012-2015 Plan it will be approximately 21.5%.

Finally, as regards general expenses, despite a slight increase in their absolute value, we have forecast a decrease in their incidence on the core business to settle below 8% by 2015.

- *Exploitation of the existing portfolio and pipelines of development*

Exploitation of the IGD Group portfolio is based on the implementation of previously clearly identified projects (known as the *committed pipeline*) and intends to achieve the following objectives:

- maintain high attractiveness for the Shopping Centres present in the Real Estate Portfolio, including extensions and restyling of same;
- open new shopping centres with high potential within the area or implement innovative projects, such as Porta a Mare (retail in the historic town centre);
- support development to achieve full profitability for the recently opened shopping centres and for those with the highest potential.

All project designs are developed according to the commercial objectives.

The 2012-2015 Plan forecasts overall investments to be made within 2012-2015 for approximately €200 million, of which:

- €120 million for investments into the existing portfolio, mainly to extend and restyle dominant centres in their respective benchmark areas (such as the Centro Esp, the Centro d’Abruzzo, Porto Grande, Centro Sarca, Gran Rondò and Le Porte in Naples), together with other extraordinary maintenance interventions both in Italy and in Romania for the purpose of updating the facades and interiors of the department store Winmarkt to international standards (for € 12 million). This will have a positive effect on the possibility of including new, high profile retailers and attracting potential investors in the near future; and
- €80 million on investments in development projects present in the pipeline, i.e. the new shopping centre in Chioggia and the multipurpose project of Porta Medicea in Livorno.

In particular, the 2012-2015 Plan for subsequent financial years to 2012 forecasts investments of approximately: (*i*) €66 million for the financial year 2013, (*ii*) € 65 million for the financial year 2014 and (*iii*) €47 million for the financial year 2015.

The difference between the investments mentioned in the preceding paragraph 5.2.2 for the financial year 3013 compared with what was forecast in the 2012-2015, is due to the fact that certain investments included in the 2012-2015 Plan at the Date of the Registration Document were not deliberated by the Issuer's competent company bodies, even though they were in the process of being finalised.

The 2012-2015 Plan also forecasts the conveyance of real estate within the financial year 2015 for an estimated exchange value of approximately € 108 million, corresponding to their recorded value in the financial statement, of which approximately €8 million concern divestments in Romania.

IGD will also be able to assess possible opportunities for *asset rotation* and *partnerships* with financial institutional investors.

In addition, the strategy to aggregate third party real estate portfolios in the *retail* sector, especially in the world of cooperatives, remains valid.

Finally, throughout the period of the 2012-2015 Plan, we have hypothesised that the real estate *fair value* will be increased solely due to the effect of the investments made during the period of the 2012-2015 Plan.

- *Financial sustainability*

The Issuer's financial strategy is based on a gradual *deleveraging*. In fact, the 2012-2015Plan forecasts that the forecast conveyance of real estate will ensure the maximum level of the *gearing* ratio within the period of the 2012-2015Plan stabilises around 1,4x and by the end of the 2015 financial year, this ratio will settle below 1.2x,

The 2012-2015 Plan envisages maintaining a balance, long-term debt structure compared with the high level of fixed assets which will be able to face further financial needs arising from the scheduled investments by means of: (i) refinancing the debt due to expire in 2013, with particular re4ference to the convertible loan bond "*EUR 230,00,,000 3.50 per cent. Convertible Bonds due 2013*" due on 28 December 2013; and (ii) the option of reinvesting the dividend (known as the "*dividend reinvestment option*") by increasing the company stock, which will be re-proposed each year of the 2012-2015 Plan when the dividends are distributed, for a value of 50% of the total amount of dividends to be distributed. This strategic choice was also made taking into account the positive results obtained by the first operation of the *dividend reinvestment option* which ended in 2012 and in compliance with the obligations to distribute profits according to its status of SIIQ.

As regards the level of risk cover of the variation in interest rate on the overall debt, the intention is to maintain a substantially stable level of approximately 65% during the period of the 2012-2015 Plan, compatibly with the trend of the benchmark parameters and of the spread.

Finally, in compliance with its SIIQ status and in line with the theme of sustainability dominating all the areas of the 2012-2015 Plan, the Issuer proposes to be able to offer its own shareholders an attractive remuneration.

13.2 Principle general assumptions and macroeconomic scenario behind the 2012-2015 Plan

Below are the principal assumptions concerning the benchmark macroeconomic scenario used by the Directors to prepare the 2012-2015 Plan.

Unless expressed otherwise, all the data of the macroeconomic scenario given in the following paragraph arise from calculations by the management based on an analysis of various studies carried out by primary research institutes.

Hypotheses on the Euro economic zone

The high level of uncertainty, the risks of political decisions and the stress on financial markets have contributed to the deterioration of the general economic outlook in the Euro zone. In fact, a picture shows a very high unemployment rate, fragile consumer trust and the introduction austerity policies in various countries of the Euro zone. Therefore, the outlook on consumption remains weak, as does the potential recovery forecast for 2013.

The benchmark hypotheses for the Italian economy

In Italy the macroeconomic trends show additional fragility arising from specific weak profiles as well as a financial context which has deteriorated further as a result not only of the high volatility of the BTP-Bund spread, but also bank funding costs. These tensions, together with the austerity tax measures introduced in Italy have further penalised the negative economic situation in Italy. However, the recession is forecast to stop in 2013 bearing in mind the recent signs of improvement on the financial markets, whereas growth is forecast from the beginning of 2014. In particular, the hypotheses concerning the trend of the Italian GDP used to draw up the 2012-2015 plan were: -2.3% in 2012, -0.3% in 2013, + 1.1% in 2014 and +1.2% in 2015.

Consumer inflation was estimated at 3.1% in 2012, and a decrease was forecast as a result of the recession of 2.2% in 2013 and of 2% in 2014 and 2015.

In this economic picture, Italian family spending remains prudent, held back by the dynamics of available income, the restrictive tax measures put in place by the government and by the conditions of the employment market, which at the end of December 2012 registered the highest level of unemployment of 11.2%[9]. A gradual improvement is forecast, however, for the economic and employment scene, as well as an increase in available income. In particular, the estimates used for the consumer trend were -3.1% in 2012, -1.1% in 2013, +0,7% in 2014 and +1% in 2015.

The benchmark hypotheses for the Romanian economy

In 2012 the trend of the Romanian GDP. although still positive (+0,3%), slowed down. However, a recovery is forecast for the following years which will depend largely on the dynamics of the other European countries. The estimates used to identify the GDP trend were +2.2% in 2013, +3.7% in 2014, and +4% in 2015.

The rate of inflation in Romania was forecast in order to prepare the 2012-2015 plan as being in line with the inflation rate of the Euro zone, i.e. +2.2% in 2012 and +1,7% for the years from 2013 to 2015.

Interest rates

The level of the Euribor 3-month rate was forecast at 0.28% in 2013, 0.55% in 2014 and 0.95% in 2015.

The average *spread* for short-term loans had been forecast as being 2.75% in 2013 and 2,5% in the years 2014-2015, whereas the spread for new medium-long term loans had been forecast as being 3.5% in the years 2013-2014 and 3.25% in 2015.

The retail real estate sector in Italy and Romania

In Italy, in 2012, the total volume of retail real estate investments was € 1,345[10] million, revealing a 42% contraction compared with 2011. The difficulties of the economy and the uncertainty of Italian politics continued to hold away foreign investors from Italy. The latter turned their attention to the traditionally more solid European markets with more liquid assets, such as the United Kingdom, France and Germany.

However, bearing in mind the characteristics, size, level of liquid assets and transparency of the Italian market, plus the fairly stable pipeline of new openings, the Italian market confirms its attractiveness for future years. The sector of shopping centres in particular remains in line with the global growth trend and remains of interest to investors, retailers and consumers.

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[9] Source: official ISTAT data.

[10] Source: Cushman & Wakefield and CBRE.

In Romania in2012 the development *pipeline*, although decidedly lower compared with previous years accelerated in the second quarter of 2012. This confirmed the interest of international developers and investors. In addition the activity of major retailers was confirmed in the sectors of fashion and food, both of which continued their development plans with openings in Bucharest and the main cities, which is forecast to continue over the next few years.

13.3 Results of the 2012-2015 Plan

On the basis of the group of hypotheses and hypothetical assumptions described in the preceding paragraphs 13.1 and 13.2, the provisional data (the "**Provisional Data"**) included in the 2012-2015 plan, and approved by the Issuer's directors on 2 October 2013, forecast a typical EBITDA core business management/ profits of same ratio (i.e. the sum of rental income and of income from services), with a 71% increase in 2015.

Furthermore, 2012-2015 plan forecasts the achievement of the following results:

- average annual growth consisting of an identical network of rental income in Italy (2012-2015): +2,8%;
- average annual growth consisting of consolidated rental income (2012-2015): +3,6%;
- Funds from Operations (or "FFO")11 in 2015: € 45-50 million.
- maximising gearing12 limit (2012-2015): 1,4x;
- Gearing at end of 2015 equal to 1,2x;
- Loan To Value (or "LTV")13 at end of 2015 approximately 52%;
- Interest cover ratio14 at end of 2015 of over 2x;
- investments (2012-2015): € 200 million; and
- sales in 2012-2015 of € 108 million (€ 100 million in Italy and € 8 million in Romania).

13.4 Results of final balance sheets 2012 compared with the data forecast in the 2012-2015 plan and subsequent events

The consolidated results of the financial year ended 31 December 2012 and the quarter ended 31 March 2013 showed a trend substantially in line with the programmes and economic and financial forecasts in the 2012-2015 plan. They remained within the range forecast for the main indicators of profit and financial structure. In particular, the operative margins of the core business, as foreseen by the 2012-2015 plan, recorded a decrease in 2012, mainly due to the effect of the increased tax burden on properties. A gradual recovery was then forecast for the following years. This trend was confirmed in the quarter ended 31 March 2013, during which the core business operative margins recovered compared with the financial year ended 31 December 2012.

From the point of view of financial sustainability, the net debt also appeared to be substantially in line with the forecasts in the 2012-2015 plan and *gearing* at 31 December 2012 and 31 March 2013, as forecast, was below the threshold of 1.4x. Furthermore, on 7 May 2013, IGD issued shares for a nominal amount of approximately €145 million, of which approximately €123 million underwritten by bearers of convertible shares and € Euro

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[11] The "*Funds from Operations*" or FFO is obtained by correcting the result before tax for non-monetary items (i.e. deferred taxes, amortisations, funds, current and starting depreciations/reinstatement fixed assets, changes in fair play value) due to the impact of extraordinary management and profits regarding real estate conveyance.

[12] G*earing* is defined as the ratio between the net debt and net assets.

[13] "*Loan to Value*" or LTV è is defined as the ratio between the net debt and the total value of real estate.

'"*Interest cover ratio*" is defined as the ratio between EBITDA and bond loans.

22 million by third party investors. These four-year bonds were issued at a price of 100% of the nominal value and envisage an annual ticket of 4.335%. The conditions for these bonds hare improving compared with what had originally been forecast in the 2012 – 2015 plan. In addition, at the Date of the Registration Document further loan activities are under way to refinance the debt due to expire.

Finally, during 2012, investments were made for a total value of € 21 million to face the approximate total of €200 million forecast for investments in the period 2012-2015.

13.5 Report by the Audit Company on the Provisional Data

On 8 May 2013, the audit company issued a report on the procedures carried out on the Group's provisional data, given in this Chapter XIII. A copy of this report is attached to this Registration Document.

CHAPTER XIV – CORPORATE AND SUPERVISORY BODIES, KEY MANAGERS

14.1 Corporate bodies and key managers

14.1.1 Board of Directors

At the Date of the Registration Document, the Issuer's current Board of Directors (the "Board of Directors") is comprised of 15 members, appointed by the shareholders during the Annual General Meeting held in ordinary session on 19 April 2012. The directors will remain in office through the Annual General Meeting called to approve the financial statements for the year ending on 31 December 2014.

General information relative to the members of the Board of Directors is shown in the following table:

Name	Office	Place and Date of Birth
Gilberto Coffari (**)	Chairman	Bertinoro (FC), 12 June 1946
Sergio Costalli (**)	Vice Chairman	Rosignano Marittimo (LI), 8 March 1952
Claudio Albertini (***)	Chief Executive Officer	Bologna (BO), 16 April 1958
Roberto Zamboni (**)	Director	Conselice (RA), 7 July 1950
Aristide Canosani (**)	Director	Ravenna (RA), 24 December 1935
Leonardo Caporioni (**)	Director	Livorno (LI), 18 March 1964
Fernando Pellegrini (**)	Director	Cecina (LI), 2 February 1964
Fabio Carpanelli (*)	Director	Crespellano (BO), 27 December 1938
Elisabetta Gualandri (*)	Director	Modena (MO), 12 June 1955
Tamara Magalotti (*)	Director	Civitella di Romagna (FC), 27 July 1948
Livia Salvini (*)	Director	Rome (RM), 27 June 1957
Andrea Parenti (*)	Director	Rome (RM), 22 October 1957
Riccardo Sabadini (*)	Director	Ravenna (RA), 6 August 1957
Giorgio Boldreghini (*)	Director	Goito (MN), 16 September 1944
Massimo Franzoni (*)	Director	Bentivoglio (BO), 1 June 1956

(*) Independent pursuant to Art. 148, par. three of TUF and the Corporate Governance Code.

(**) Non executive director.

(***) Executive director.

For the purposes of the offices held, the members of the Board of Directors are domiciled at the Company's registered office in Ravenna, Via Agro Pontino n. 13.

As regards the director, Massimo Franzoni, bearing in mind his high level of professionalism and the work he has carried out in the latest financial years, despite he has held this the office for over nine years, in the Issuer's opinion this circumstance does not compromise his independent judgment and, therefore, the company has deemed the individual to be independent also pursuant to the Code of Self-discipline.

Below please find a brief *curriculum vitae* for each director which describes the expertise and experience matured in business management.

Gilberto Coffari – Born in Bertinoro (FC), on 12 June 1946, he received his diploma in bookkeeping from the Ginanni Technical Institute in Ravenna. In 1970 he was hired at the province's tax assistance and labor law office (*Ufficio Assistenza Fiscale e Legislazione del Lavoro della stessa Associazione Provinciale* or *ARCA*)) as head of the labor law, tax assistance, contracts bureau. In 1974 he became the provincial head of the produce cooperative (*Provinciale delle Cooperative Ortofruttivinicole)*. In 1975 he was appointed Chairman of the Ala-Frutta Cooperative and, subsequently, he acted as Chairman of the Provincial Agricultural Coop Association in Ravenna (from 1982), of the Legacoop in Ravenna (between 1989 and 1998), of Coop Adriatica (from 2006 to 2011), of Spring 2 S.r.l. (from 2009 to 2011) and of Lima S.r.l. (from 2010 to 2011) and Vice Chairman of Coop Adriatica (from 1998 to 2006). He was also a member of administrative and control bodies of various companies: Coop Italia (from 2001 to 2011), Centrale Adriatica Company Cooperativa (from 2003 to 2011), Cometha Company Cooperativa (from 2000 to 2008), UGF Merchant (from 2001 to 2009), Finsoe (from 2006 to 2011), Holmo (from 2008 to 2011), of UGF Spa (from 2007 to 2011), of Unipol Assicurazioni (from 2010). He was also elected Director of Federcoop S.c.p.A. (from2007), Director of Banca Sai (from 2012), Vice President of Unipol Banca spa (from 2007), President of Coop Ci Conto (from 2013. Furthermore he was elected Mayor of the Municipality of Cervia, member of the Cervia City Council, of the Ravenna provincial Council and member of the Ravenna Chamber of Commerce. He is shareholder in the companies, Unipol Banca S.p.A., ENI S.p.A., Enel S.p.A. and Recordati S.p.A..

Sergio Costalli –Born in Rosignano Marittimo (LI), on 8 March 1952, in 1978 he received a degree in Political Science from the University of Pisa. He has written several publications. From 1981 to 1989 he was the Coordinator of the Economic Development and Productive Activities Sector and Head of the Agricultural Commodities and Markets Office of the municipality of Cecina. From 1989 till now he has held different roles with Unicoop Tirreno, including, for example, Chief Executive Officer, Vice Chairman and Head of Administration, Finance and Control. He has also acted as Chairman of the Board of Directors of various companies, such as Porta Medicea S.p.A. (from 2008 to 2009), Unipol Assicurazioni S.p.A.(from 2007 to 2010), of Ipercoop Tirreno S.p.A (from 1999 to 2008) and Holmo S.p.A. (from 2007 to2012) and Holmo del Tirreno S.p.A. (from 2011 to 2012). He is currently Vice Chairman of the Board of Directors of Unipol Banca S.p.A. (from 2011), Chairman of Unipol Merchant S.p.A. (from 2010), Vice Chairman of the Board of Directors of Unicoop Tirreno Soc. Coop. r. l., he is a member of the Executive Committee and the corporate management team of Unicoop Tirreno and Chairman of the Cooperative Memory Foundation (Fondazione Memorie Cooperative). He acts as a member of the Board of Directors and the Chairman's Committee of Unipol Gruppo Finanziario S.p.A., and as Director of Finsoe S.p.A. (from 2007) and of Fondiaria-Sai S.p.A. (from 2012).

Claudio Albertini – Born in Bologna on 16 April 1958, he received his diploma in bookkeeping from the L. Tanari Tecnico Institute in Bologna. He is a registered Chartered Public Accountant and Financial Auditor in Bologna. Between 1978 and 1981 he worked at the Confederazione Nazionale dell'Artigianato in Bologna as an accounting and tax consultant for the confederation's member companies. Between 1981 and 1985 he was a manager of Legacoop Bologna where he worked as a tax-administrative consultant for member companies. He was Head of Administration at Unifinass S.p.A., a financial firm, subsidiary of Unipol Assicurazioni S.p.A. (from 1985 to 1989), Head of Administration and Control of Finsoe S.p.A., the holding company of the Unipol Group (from 1989 to 1994) and of Unisalute S.p.A., a Unipol Group company specialized in health insurance (from 1995 to 1995)and Vice Chairman (from 2009 to 2010). He was Chief Executive Officer (from 1996 to 2003) and General Manager (from 1996 to 2009) of Unipol Banca per le Imprese S.p.A.. In the period from 2009 -2010 in Unipol Gruppo Finanziario, Mr. Albertini acted as Head of Equity Investments and in 2010, was Head of Investor Management. He also acted as director, statutory auditor or auditor for a number of companies, such as director of Sorin S.p.A. (from 2009 to 2012), Director of Nomisma S.p.A. (from 2001 to 2012), Director of

UGF Merchant (from 2009 to2013). He currently acts as a Standing Auditor of Cefla Capital Services S.p.A. (from 2001), a Director of FINPA.S. S.p.A. (from 1999); a Director of Holcoa S.p.A (from 2010), a Director of Pegaso Finanziaria S.p.A. (from 2007), a Director of Protos S.p.A. (from 2007); a Director of Sofinco S.p.A. (from 1997), and vice chairman of the company Virtus Pallacanestro Bologna S.p.A. (from 2012).

Roberto Zamboni - Born in Conselice (RA) on 7 July 1950, in 1976 he received his degree in Civil Engineering from the University of Bologna. From 1977 to 1998 he worked at Cooperativa Ravennate Costruttori and, subsequently, at ITER (Impresa Generale di Costruzioni) initially as an onsite technician and then as a department head, to then become, in 1985, Head of Construction Italy. In 1992 he became Head of Construction International. In 1998 – 1999 he was Technical Director of the Consorzio Cooperative di Costruzione in Bologna and head of a company formed with a few multi-utilities in the Emilia Romagna region in order to build a gas distribution facility in Sardinia. From 1999 he is Technical Director, as well as Head of Technical Initiatives and Development in Coop Adriatica where he has been acting as Head of Development and Asset Management since 2006. He is currently Director of Sedicoop S.r.l. (from2011), Director of C.B.E.G. S.c.r.l. (from 2010), Director of Forum S.r.l. (from 2008), Director of Uniagro S.p.A (dal 2007), Director of IBN S.r.l. (from 2008), and Director of INRES Soc. Coop from 1999 and from 2010 he is vicec chairman of same company.

Aristide Canosani - Born in Ravenna on 24 December 1935, Mr. Canosani is a Financial Auditor. He has held important positions in the Public Administration; in 1967 he was a Director of Ravenna's hospital and welfare institution (*Ente Ospedaliero Istituzioni Assistenziali Raggruppate di Ravenna)*. From 1969 to 1980 he was Mayor of Ravenna, and, from 1981 to 1984, he was a member of the National Counsel for Cultural Affairs and Director of the Regional Institution of Cultural Affairs for Emilia Romagna. From 1981 to 1986 he was Chairman of Ravenna's provincial cooperative federation (*Federazione delle Cooperative della Provincia di Ravenna*) and Director of Unipol Assicurazioni and other affiliate companies. He was Chairman of the Board of Directors of Banca del Monte di Bologna e Ravenna, of the Istituto Regionale di Credito Agrario, of Carimonte Banca and Rolo Banca 1473 S.p.A. From 2002 to 2008 he was Chairman of the Board of Directors of UniCredit Banca (the retail bank of the Unicredit Group). From 2008 to 2010 he was Chairman of the new UniCredit Banca, the regional retail bank in northern Italy, born on 1 November 2008 following the corporate reorganization of the UniCredit Group. Furthermore, he has been Director of UniCredit Vita S.p.A. (from 2007 to 2012)and Aviva S.p.A. (from 2008 to 2012) and He is currently on the Board of Directors of Coop Adriatica S.c.ar.l. (from2008), Chairman of CreditRas Vita S.p.A. (from 2008) and of CreditRas Assicurazioni S.p.A. (from 2008), the latter two companies jointly held by Allianz and UniCredit.

Leonardo Caporioni - Born in Livorno (LI) on 18 March 1964, Mr. Caporioni received a degree in Business Economics from the University of Pisa in 1989. In 1991, he completed a masters in management of retail businesses from IFOR in Milan. He is a Chartered Public Accountant and Financial Auditor. Beginning in December 1991 he matured different experiences with various companies (commercial, as well as financial and real estate) of the Coop Toscana Lazio Group (today known as the Unicoop Tirreno Group) where he held different positions including the Group's Head of Administration, Head of Planning and Control. Today he is Head of Administration and Financial Reporting and Special Agent. He was also Chairman and Vice Chairman of the Board of Directors of Tirreno Logistica S.r.l. (2011) and director of Vignale Immobiliare s.p.a. (2009) and Coopfond s.p.a. (2012). He is Vice Chairman of Immobiliare Sviluppo della Cooperazione S.r.l., which belongs to the Unicoop Tirreno Group; he is a member of the Board of Directors of Cooperativa Lavoratori delle Costruzioni (since 2007), of Cooperare S.p.A.; of Axis S.r.l. (since 2011) and Il Paduletto S.r.l. (since 2012).. He is Chairman of the Board of Statutory Auditors of

Compagnia Finanziaria ed Immobiliare Toscana S.p.A. (since 2002), Chairman of the Board of Statutory Auditors of Coop L'Avvenire 1921 (since 2012). He is also auditor for Coopersalute – Integrative health fund for consumer Coop employees and director of Cassa di Assistenza Dirigenti delle Cooperative di Consumo (for directors of the Consumer Cooperatives). In IGD he acts as a member of the Board of Directors and since 2006 he has been a member of the Internal Control Committee from 2006 to 2012.

He was also elected for public office in his municipality of residence (municipal councillor from 1999 to 2006 and member of financial committee).

Fernando Pellegrini **-** Born in Cecina, on 2 February 1964, Mr. Pelligrini received a degree in Business Economics from the University of Pisa in 1992. He has been a manager of Unicoop Tirreno Soc. Coop. since 2006, where he also holds the position of Financial , Assets and Financial statement, as well as Special agent. since 2011.. He has held various positions within the Unicoop Tirreno Group, including, for example, Head of Administration of Vignale Informatica S.r.l. (from 1996 to 1997); Head of Administration of Vignale Immobiliare S.p.A. (from 1997 to 1998); Head of Administration and Control of Ipercoop Tirreno S.p.A. (from 1998 to 2000); Head of Treasury (from 2000 to 2004); Head of Finance (from 2004 to 2011). He has been Chairman of the Board of Directors of the company SO.GE.FIN S.r.l. (from 2007 to2012) and Director of Unicard S.p.A. (from 2002 to 2008). He is Director of the Board of Directors of Campania Distribuzione Moderna S.r.l. (since 2012). In the company Simgest S.p.a. he has been Vice Chairman of the Board of Directors and Chairman of the Executive Committee of Simgest S.p.A. since 2011 and Chairman of the executive committee (since 2011); from 2008 to 2011 he was member of the executive committee.

Fabio Carpanelli **-** Born in Crespellano (BO), on 27 December 1938, Mr. Carpanelli holds a diploma in bookkeeping. He is a financial auditor. He as Head of Administration (from 1964 to 1968) and Chairman (from 1968 to 1974) of Cooperativa Terraioli in Bologna; Director of AMNU - Azienda Municipalizzata di Bologna (from 1967 to 1972); Chairman of ANCPL-Legacoop in Rome (from 1976 to 1981); Chairman of SMAER – a corporate consulting firm in Bologna (from 1982 to 1983). He was a member of the Board of Directors of Finanziaria Fiere S.p.A. in Bologna (from 1982 to 1984) and of Officine Ortopediche Rizzoli S.p.A. (from 1983 to 1988), From 1983 to 1993 he was Chairman of the Bologna cooperative builders' consortium (Consorzio Cooperative Costruzioni) and, from 1991 to 1995, he was a member of the Board of Directors of BANEC (subsequently named UGF Banca S.p.A.). He is currently Chairman of the Supervisory Board of Manutencoop Facility Management S.p.A. (since 2008); he has been Sole administrator of Veicolo 5 S.r.l. (since 2005) and Chairman of the Board of Directors of Autostazione di Bologna S.r.l. (since 2005), Director of Vetimec Soc. Coop. (since 2012) and Director of Porta Medicea S.r.l. (since 2008).

Elisabetta Gualandri – Born in Modena, on 12 June 1955, Ms. Gualandri was awarded a degree in Business Economics in 1979 from the University of Modena. She is registered in the Role of Chartered Accountants. In 1979 she won a scholarship from Istituto Bancario San Paolo di Torino "Luciano Jona". She received her Master's Degree in Financial Economics from the University of Bangor, in Wales (1980 - 1981). From 2007 to 2012 she was a standing Statutory Auditor for the Bank of Italy. She teaches Economics of Financial Intermediaries at the University of Modena and Reggio Emilia and has written several books. At the University of Modena and Reggio Emilia she was also appointed to the Seborn Accademico (2000 – 2003), Head of the Department of Business Economics (2000 – 2005) and elected a member of the University's Board of Directors from 1990 to 1992 and subsequently from 1997 to 2000. She is also member of (i) the European Association of University Teachers in Banking and Finance Wolpertinger; (ii) CEFIN (Centro Studi Banca e Finanza) for whom, beginning 2006, she also acts as a member of the elected counsel; (iii) ADEIMF (Associazione Docenti di Economia degli Intermediari e dei Mercati Finanziari) for which she also served on the Steering Committee from 2006 to 2010; (iv) SUERF

(Société Universitaire Européenne de Recherches Financiéres); and (v) AIDEA (Accademia Italiana di Economia Aziendale). She was also an active member of the scientific committee of CNA Innovazione in Bologna (from 2005 to 2007) and a member in 2003 – 2004 of the Advisory Panel for the report published by Price WaterHouseCooper "Study in the financial and macroeconomic consequences of the draft proposed new capital requirements for banks and investment firms in the EU".

Since 2012 she has been a member of the Board of Directors of Banca Popolare dell'Emilia Romagna Soc. Coop. In IGD she is a member of the Internal Control Committee.

Tamara Magalotti **-** Born in Civitella di Romagna (FC), on 27 July 1948, Ms. Magalotti received her degree in Business Economics in 1973, from the University of Bologna. Between January 1975 through June 2011, she held different positions with Cooperativa Muratori & Cementisti - C.M.C. including Assistant to Commercial Services, Public Tenders and General Affairs; Manager of the Legal and Contractual Affairs Office, Head of Special Initiatives and Head of Contractual Assistance of the International Building Office. She was also an elected member (without powers of attorney) of the Board of Directors of the Cooperativa Muratori & Cementisti - C.M.C. of Ravenna for three three-year mandates from 2002 to 2011. On 1 May 2009, she was honored with the title "*Maestri del Lavoro*".

Livia Salvini **-** Born in Rome, on 27 June 1957, Ms. Salvini holds a degree in law and a PhD in tax law. She is a professor of Tax Law at LUISS - Guido Carli University in Rome and is Avvocato Cassazionista (Court of Cassation Attorney, the highest order of attorneys) in Rome. She is the author of two works on assessment procedures and VAT taxation and numerous studies regarding tax law. From 1990 to 1992 she was a research assistant in Tax Law for the Department of Law at the University of Rome Tor Vergata. From 1 November 1992 to 31 October 2001 she was an associate professor in Tax Law at the Department of Law at the University of Molise and then with the Department of Law at the University of Rome Tre. From 1 November 2001 to 30 October 2005, she was a visiting lecturer in tax law for the Law Department at the University of Molise. She has been part of a number of ministerial and government commissions, including the commission for the reform of the Book I Title II of the Italian Civil code (relating to corporations and unidentified associations) relative to the uniformity and simplification of regulations and the commission for VAT reform. She acted as Chairman of the guarantor of social welfare contributions in the Molise region. She was a professor of accounting for the government and public entities, as well as finance and financial law with the Department of Law at the University of Molise. She was also a lecturer at the "E. Vanoni" Taxation Institute, as well as an instructor of the upper level courses offered to the tax specialists of the financial police, the core courses offered to the tax specialists of the financial police. She was a professor at the graduate school in Public Administration at the University of Roma Tre - Department of Economics "Federico Caffè" (a course in the economics of cooperative businesses), as well as at the Luiss School of Management and at Ipsoa in Milan. She is currently the Chairman of the Board of Statutory Auditors for Coopfond S.p.a. (since 2012).

Andrea Parenti - Born in Rome on 22 October 1957, Mr. Parenti received his degree in Business Economics from the University of Florence in 1982. He is a Chartered Public Accountant and a Financial Auditor. He acts as a technical consultant for the Court of Prato. In 2006 he founded his own corporate tax consultancy, after leaving Ernst & Young where he had been a manager since 1988, as well as a partner of a firm specialized in domestic and international tax law affiliated with Ernst & Young of which he was head of the Florence office for more than five years. During his professional career, begun in 1983, he has matured experience in auditing and corporate restructuring, and has been a member of the Board of Directors in companies active in defense, media, real estate, as well as Chairman and member of the Board of Statutory

Auditors of various commercial, real estate and industrial companies. He has acted as a corporate consultant (as an advisor during acquisitions/sales of companies, mergers/spin-offs of company divisions; administrative/financial organization and corporate restructuring). He is a tax consultant for Salvatore Ferragamo S.p.A. He has been involved in the privatization of public companies and the transformation of municipal consortiums in joint stock companies, as well an advisor in private equity transactions involving primarily public companies. He also acts as a consultant for various companies, including Consiag S.p.A. and ESTRA S.p.A.. He is a partner of the company-based Tax and Accounting Office. He was Chairman of the Board of Statutory Auditors for the following companies: Big Time Givers Soc. Coop. (from 2002 to 2008), Central Box Italia S.r.l. (from 2002 to 2008) and Luxor Immobiliare S.r.l. (from 2007 to 2011). He was Statutory Auditor for Unica Soc. Coop. di abitazione (from 2006 to 2012), for Immo. Star S.p.A. (from 2006 to 2010), for Monte Paschi Fiduciaria S.p.A. (from 2005 to 2011), for Pvg Italy S.r.l. (from 2001 to 2011) and for Rosen S.p.A. (from 1999 to 2008). Currently, he is the Chief Executive Officer of C.G. Home video S.r.l. (since 2009), External Auditor for Consorzio Macrolotto Industriale no. 2 in Prato (since 2004); Statutory Auditor for Binfi S.p.A. (since 2009), Commerciale Ortoinvest S.r.l. (since 2006), Mega S.r.l. (since 2006) and Edilsviluppo S.p.A. (since 2000). He is also Sole Statutory Auditor of Egan Immobiliare S.r.l. (since 2012), as well as Chairman of the Board of Statutory Auditors for the following companies: Fratelli Ciampolini & C. S.p.A. (since 1998), Framafruit S.p.A. (since 2007), Fruttital Firenze S.p.A. (since 2000), Galandi & C. S.p.A. (since 2001), Giottofruit commerciale S.r.l. (since 2008), Immobiliare sudest S.p.A. (since 2006), Pentafin S.p.A. (since 2007), Picchi S.p.A., S.D.I. S.r.l. (since 2006), Minerva S.p.A. (since 2010), Tirreno Immobiliare S.r.l. (since 2002).

Riccardo Sabadini - Born in Ravenna on 6 August 1957, Mr. Sabadini received his Law degree from the University of Ferrara in 1981. He has been a solicitor since 1984, an Attorney-at-law since 1990, admitted to the highest courts (Court of Cassation Attorney) since 1998, Justice of the Peace from 1984 to 1988. He has a law firm in Ravenna specialized in corporate law, corporate criminal liability and administrative law with a special focus on public tenders and zoning. He collaborates with the University of Ferrara and of Forlì. He is part of Ravenna’s Commission for Tax Appeals since 1988. He also acts as a consultant for a number of cooperatives of which municipalities and other public entities are shareholders. He has been involved as a consultant in a number of corporate transactions including transformations, mergers and restructuring. He is the author of several publications on cooperatives and consortiums. He has collaborated on texts relating to corporate law reform for the publishing company IPSOA. On different occasions he has also been part of the liquidation commissions involved in the bankruptcy trials of cooperatives. He was a member of the Board of Directors of Sapir Di Dinazzano Po S.P.A (from 2008 to 2011) and of Copolis S.p.A. (from 1999 to 2010). He is a member of the Board of Directors of S.A.P.I.R. S.p.A. (since 2000).

Giorgio Boldreghini - Born in Goito (MN) on 16 September 1944, Mr. Boldreghini received his degree in Civil Engineering from the University of Bologna in 1969. He is registered in the Role of Engineers for the province of Bologna since 1969. From 1972 to 1977 he was Chief Executive Officer of Tecnoprogetti S.p.A. where he was the Project Manager, and Head of Administration, of a number of projects in both Italy and abroad. From 1977 to 1994 he was Chairman of Tecnoprogetti S.c.a.r.l. He was, from 1994 to 1998, Vice Chairman and General Manager of Politecnica S.c.a.r.l, an engineering company which was merged with Tecnoprogetti S.c.a.r.l. Since 1999, he has held several positions at Tecnopolis cooperative company, including Chairman of the Board of Directors (since 2004) and Technical Director. He is a partner of Tecnopolis Soc. Coop. and Tecnopolis S.p.A.

Massimo Franzoni - Born in Bentivoglio (BO) on 1 June 1956, Mr. Franzoni received his Law degree from the University of Bologna in 1979. He was awarded scholarships and acted as a research assistant for the Department of Law at the University of Bologna. Since October 1990, he has been serving as tenured Professor of Civil Law and teaching Professor of Private Insurance Law at the same University department. He is also the Head of the School of Specialization for legal professions in Bologna. He is a member of the Scientific Committee of the Forensic Foundation in Bologna. He is also a member of the Scientific Committees of a number of legal periodicals, including *Contratto e impresa*, *Responsabilità civile e previdenza*, *Diritto dell'economia e dell'assicurazione* (Contracts and Companies, Civil Liability and Social Security, Economics and Insurance Law) and Damages and Liability. He argues cases before the highest courts (Court of Cassation Attorney) in Bologna and has a law firm in Bologna. In 2011, he was appointed an Honorary Member of the Cuban Association of Civil and Family Law. He is also the Representative of the shareholders holding privileged class shares of Unipol Gruppo Finanziario S.p.A. He has been part of the Commission for control of contractual abuse and consumer protection instituted at the Chamber of Commerce in Bologna for several years. He has acted as both Vice Chairman and Chairman of two municipally-owned companies in Bologna, he was Director of the public utilities company created following the merger of these two municipally-owned companies (Seabo S.p.A., which was subsequently named Hera S.p.A.). He was Director for Carimonte Holding S.p.A. and Unicredit Private Banking S.p.A, through its merger by incorporation and Vice Chairman of the Board of Directors for F&R 2010.

Powers of the Board of Directors

Pursuant to Art. 22.1 of the bylaws, the Company's management is the exclusive province of the Board of Directors, which is invested with the broadest powers of ordinary and extraordinary administration and may take all actions it deems necessary for implementing and achieving the corporate purpose, excluding only those that are reserved to the shareholders' meeting by law or the bylaws.

More in detail, within the scope of its own corporate powers and in compliance with the Self-governance Code, the Board of Directors:

- examines and approves the strategic, industrial and financial plans of the company, the company's corporate governance system, as well as that of the strategically important subsidiaries, periodically monitoring its implementation thereof; defining the corporate governance system of the Company and Group structure;
- defines the nature and the level of compatible risk in relation to strategic Company objectives;
- evaluates the adequacy of the organizational, administrative, and accounting structure of the Company and its strategic subsidiaries, with particular reference to the internal control and risk management system;
- in order to encourage the involvement and cooperation of the Directors, institutes the Board committees and commissions deemed necessary for the proper functioning of the Company, while also defining its active duties and consulting functions;
- establishes the frequency, no less than quarterly, by which the Executive Committee and delegated bodies must report about to the Board of Directors

their activities, their duties and about the more relevant management events for that given period;

- evaluates general business performance, taking account of the information received from the chief executive officer, and periodically comparing actual results with forecasts;
- deliberates on operations of the Company and its subsidiaries when said operations are of strategic, economic, capital, or financial relevance to the Company; for this purpose, it establishes the general criteria to define significant transactions and adopts measures to ensure that strategically important subsidiaries submit any such transactions to the Board of Directors of such Company for examination;
- evaluates, at least once a year, the size, composition and proper functioning of the Board of Directors and its committees, also taking into account the level of professionalism, experience, also managerial experience and direct experience of its Members, as well as the respective seniority of their positions;
- in relation to the considerations set forth in the point above, prior to the appointment if the new Board of Directors, provides guidelines to shareholders on professionals whose presence within the Board has been deemed appropriate;
- provides the information disclosure in the corporate governance report on: (*i*) its composition, specifying the title of each member (Executive, Non-executive, Independent), his or her role within the BoD (i.e. Chairman or Chief Executive Officer), the main professional skills as well as the seniority level from the time of first appointment; (*ii*) the mode of application for the above and, in particular, the number and average time of Board meetings and of Executive Committee's meetings, if any, held during the fiscal year, as well as relevant attendance percentage of each Director; (*iii*) on the course evaluation structure mentioned above; (*iv*) on prompt and thorough information disclosure pre-BoD, also providing specification on the advance notice deemed adequate and, nevertheless, always in compliance with the particular procedures implemented by the Company, for the mailing of the documents and specifying whether such term has been complied with;
- after the appointment of a Director qualifying as independent and, subsequently, on the basis of existing relevant conditions for purposes of his/her independence and at least once a year - based on the information received from the interested party or, at any rate, available to the Company - evaluates the independent status of its Non-executive Members: this independence is evaluated on the basis of the criteria indicated in the Corporate Self-Governance Code and any other facts which could impact each instance; the Board of Directors will advise the market as to the results of its evaluations (upon appointment, in a press release and, subsequently, in the Corporate Governance Report). In these documents, the Board of Directors: (*i*) reports whether evaluation parameters other than those specified in the Corporate Self-Governance Code have been adopted and, if so, for what reason, also in reference to each single Director; and (*ii*) describes any

quantitative and/or qualitative criteria applied to evaluate the significance of relationships subject to evaluation;

- based on information received by the Directors, it provides annual reports and specifies, in the Corporate Governance Report, the titles of Director or Auditor assigned to Directors at other companies listed in the regulated markets (also foreign markets), in investment firms, banks, insurance companies or companies of considerable size;
- expresses his or her guidelines on criteria to be applied for the assessment of the position of company Director or company Auditor, as set forth in the prior point herein, in order to establish whether these positions may be deemed compatible, as far as size and duties, to the effective deployment of the position as Company Director, in consideration of Directors participation to internal Board Committees. For this purpose, by an appropriate procedure, shall identify general criteria on the basis of the commitment arising from each position (Executive Member, Non-executive or Independent Member), in relation to the type and size of the company where the duties are carried out, as well as their being a part of the Company group;
- establishes that the opinion issued by the Nomination and Compensation Committee has been assimilated, the names of Company Top Executives, as well as names of BoD Members, Auditors, Chief Executive Officers and General Managers of subsidiary companies of strategic relevance; having acquired the opinion by the Nomination and Compensation Committee, then setting their respective compensations;
- promotes initiatives for greater shareholders participation and awareness, facilitating the exercise of their respective rights, guaranteeing that the information they receive is prompt and thorough;
- updates the Organization Management and Control Model, provided by Legislative Decree no. 231/2001, monitoring its actual compliance and providing a mapping of criminal risks, collaborating closely with the Supervisory Agency activities;
- upon the opinion by the Board of Statutory Auditors, appoints an Executive in charge for the Drafting of Accounting Documents, pursuant to provisions introduced by Law 262/2005;
- may appoint and Independent Director as *Lead Independent Director*, representing a point of reference and coordination for petitions and contributions of Non-executive Directors and, in particular, of Independent Directors;
- if, in order to address organizational needs, the BoD meeting should authorize, as a general and preventive measure, waivers to the non-competition clause provided by Art. 2390 of the Civil Code, shall evaluate each of the problematic subject-matter and report any critical issues at the next meeting. For this reason, following acceptance of his/her appointment, each Director shall inform the BoD about any of his/her respective activities that may be in competition with the Issuer and, subsequently, about any relevant amendment;

- in order to ensure the correct processing of company, shall update, on request by the Chief Executive Officer or by the Chairman of the Board of Directors, the procedure for internal management and external communication of documents and information pertaining to the Issuer, especially as pertaining to privileged information;
- evaluates whether to adopt a plan for the assignment and transfer of Executive Directors, upon inquiry by the Nomination and Compensation Committee.

Powers granted to the Chief Executive Officer

Art. 23.1 of the bylaws states that the Board of Directors may delegate its powers, within the confines of Art. 2381 of the Italian Civil Code and determining the limits of such authority, to an executive committee comprised of some of its members and/or one or more members given the title of Chief Executive Officer/s.

On 19 April 2012, the Board of Directors confirmed Claudio Albertini as Chief Executive Officer, granting him the following powers, subsequently integrated by resolution of 8 November 2012:

- to develop and propose - as agreed with the Chairman - the policies and programs related to the company's real estate investments in accordance with the development plans approved by the Board of Directors;
- to develop and propose the strategies and financial policies of the Company and the group in relation to the growth, profitability and risk objectives determined by the Board of Directors, with responsibility for their implementation; to ensure that objectives are pursued in accordance with the guidelines set by the Board of Directors;
- to optimize the instruments and procedures of financial management and manage relations with the financial system;
- to develop and propose strategies for organizational development and policies for hiring, managing and training human resources;
- to recommend group accounting standards and operating principles to the Board of Directors and ensure that the financial statements (separate, administrative and consolidated) are properly formulated; to ensure compliance with group directives and with administrative, legal, and tax regulations and laws;
- to coordinate the drafting of the business plans, annual budget and the relative reporting;
- to monitor and coordinate any related activities: general services, any legal problems and fiscal implications;
- to assume responsibility for the prompt and correct implementation of work on property carried out directly by the Company, in compliance with the plans, budgets, and timeframes approved by the Board of Directors;
- to assume responsibility for operational supervision of the progress of turn-key contracts acquired from third parties;

- to assume responsibility for the proper maintenance of real estate assets according to rental contracts between IGD SIIQ S.p.A. and third parties and the budgets approved by the Board of Directors, in compliance with applicable provisions of law;
- to assume responsibility for preparing the annual plan of work and the respective budget forecasts, with regard to both new construction and maintenance, subject to the approval of the Board of Directors;
- to interface, as agreed upon with the Chairman, with the shareholder cooperatives, regarding any integration of the respective investment plans.
- maintain, as agreed with the Chairman, relationships with the cooperative member companies about integration plans of the respective investment plans;
- identify, as agreed with the Chairman, the ideal size of the Board and the names for the positions as Director and Auditor, as well as Chairman, Vice Chairman and/or Chief Executive Officer of subsidiaries and associated companies, so that the actual Chairman may present them to the Nomination and Compensation Committee;
- oversee the management of the nomination process to cover main managerial positions within the group;
- define, as agreed with the Chairman, proposals for compensation of the Top Management of the company and of the entire group, to submit to the Nomination and Compensation Committee, for the deployment of respective duties;
- make sure that the Company organization, administrative and accounting layout is commensurate to the type and size of the business.

By resolution of 8 November 2012, the Company Board of Directors has, furthermore, repealed the powers of the Chief Executive Officer as executive officer in charge for the supervision of internal control system functionality, concurrently appointing the Chairman of the Board of Directors as Director in charge for the Control and Risk Management System.

The company Chief Executive Officer may be qualified as the main person in charge for company management, pursuant to the Self-governance Code. In this connection, please be advised that the Chief Executive Officer has not undertaken the position as Director from another issuer that is not part of the same group whose Chief Executive Officer is a Company Director.

Chairman and Vice Chairman of the Board of Directors

Art. 24 of the bylaws states that the Chairman of the Board of Directors has signing authority for the Company and shall represent it as its Legal Representative before any legal or administrative authority and vis-à-vis third parties; if the Chairman is absent or unavailable, this authority is held by the Vice Chairman (if appointed), or by the most Senior Director in terms of age, if the Vice Chairman is also absent or unavailable, unless resolved otherwise by mandate to the Company’s legal representative, which may also be the Chief Executive Officer.

During the meeting held on 19 April 2012, the Board of Directors appointed Gilberto Coffari as Chairman and assigned him the following functions, subsequently integrated with resolution of 8 November 2012:

- to develop and propose - as agreed with the Chief Executive Officer and as per his proposal - the policies and programs related to the company's real estate investments in accordance with the development plans approved by the Board of Directors;
- to coordinate the Company's programmed investments with the real estate projects undertaken by the shareholder cooperatives;
- to interface with the shareholder cooperatives regarding any integration of the respective investment plans.
- to maintain and develop - together with the Chief Executive Officer - relationships with the consumer sector cooperatives in order to explore possible aggregations of the shopping centers segment included in the real estate portfolio;
- serve as Director in charge for the internal control system and for risk management; coordinate with the Chief Executive Officer, in this capacity, as much as necessary: (i) identify main company risks, in consideration of the characteristics of Company activities and of subsidiary companies; (ii) enforce guidelines established by the Board of Directors, handling the planning, execution and management of the internal control system and of risk management and constantly verifying system adequacy and efficacy; (iii) periodically report for review by the Board of Directors, as often as established by the Board, in relation to risk identification, both in relation to a more all-encompassing activity pertaining to the management of the control system, to its actual functioning and to the specific measures adopted thereof; (iv) take care of adapting the system to the dynamics of operation conditions and of legislative and regulatory context; (v) may ask the person carrying out the Internal Audit to check specific areas of operation and compliance with internal rules and procedures for the execution of company operations, concurrently notifying the Chairmen of the Control and Risk Committee and the Board of Statutory Auditors; (vi) promptly report to the Board about any issues arisen during the implementation of his/her own activity, or that he/she has gained knowledge of, so that the Board of Directors may implement appropriate measures.

During the Board meeting of 8 November 2012, in order to adopt a system deemed as better aligned with the best practice, by separation of unified management control, the Company has therefore identified the Director in charge for System Control and Risk Management in the person of the Chairman of the Board of Directors, whom, by effect of the above-mentioned appointment, shall be deemed as Executive Director. Respective powers originally conferred to the Chief Executive Officer have been, concurrently, repealed.

During the meeting held on 19 April 2012, the Board of Directors appointed Sergio Costalli Vice Chairman, granting him the powers assigned to the Chairman to be exercised if the latter is absent or unavailable.

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None of the members of the Board of Directors has any family ties with other members of the Issuer Board of Directors, with the members of the Board of Statutory Auditors or with the Company's key managers.

The following table shows joint liability companies or partnerships for which the members of the Board of Directors acted as members of the Corporate or supervisory bodies or were shareholders in the last five years, along with their status at the date of this Registration Document.

Name	**Company**	**Office in the company or interest held**	**Status at the date of this Registration Document**
Gilberto Coffari	Unipol Banca S.p.A.	Vice Chairman of the Board of Directors	Currently in office
	Federcoop. S.c.p.A.	Director	Currently in office
	Banca Sai S.p.A.	Director	Currently in office
	Coop. Ciconto	Chairman of the Board of Directors	Currently in office
	Centrale Adriatica Soc. Coop	Director	No longer in office
	Holmo	Director	No longer in office
	Unipol Assicurazioni	Director	No longer in office
	Unipol Merchant	Director	No longer in office
	Cometha Società Cooperativa	Director	No longer in office
	Coop Italia	Monitoring Director	No longer in office
	Coop Adriatica S.c.ar.l.	Chairman of the Board of Directors	No longer in office
	Finsoe S.p.A.	Director	No longer in office
	Unipol Gruppo Finanziario S.p.A.	Director	No longer in office
	Lima S.r.l.	Chairman of the	No longer in office
	Spring 2 S.r.l.	Board of Directors	No longer in office
	Immobiliare Grande Distribuzione SIIQ S.p.A.	Partner	Currently in office
	ENI S.p.A.	Partner	Currently in office
	Enel S.p.A.	Partner	Currently in office
	ENI S.p.A.	Director	Currently in office
	Recordati S.p.A.	Partner	Currently in office
	Unipol Gruppo Finanziario S.p.A.	Partner	Currently in office
Sergio Costalli	Unicoop Tirreno Società Cooperativa	Vice Chairman of the Board of Directors	Currently in office
	Unipol Merchant Banca per le Imprese S.p.A.	Chairman of the Board of Directors	Currently in office
	Unipol Banca S.p.A.	Vice Chairman of theBoard of Directors	Currently in office
	Unipol Gruppo Finanziario S.p.A,	Director	Currently in office
	Finsoe S.p.A.	Director	Currently in office

	Fondiaria-Sai	Director	Currently in office
	Holmo del Tirreno S.p.A.	Chairman of the Board of Directors	No longer in office
	Tirreno Finanziaria S.r.l.	Chairman of the Board of Directors	No longer in office
	SO.GE.FIN. S.r.l.	Chairman of the Board of Directors	No longer in office
	Vignale Immobiliare S.p.A.	Chairman of the Board of Directors	No longer in office
	Vignale Comunicazioni S.r.l.	Chairman of the Board of Directors	No longer in office
	Simgest S.p.A.	Vice Chairman of the Board of Directors	No longer in office
	Porta Medicea S.p.A.	Director	No longer in office
	Ipercoop Tirreno S.p.A.	Director	No longer in office
	Unipol Assicurazioni S.p.A.	Director	No longer in office
	Holmo S.p.A.	Director	No longer in office
Claudio Albertini	Protos S.p.A.	Director	Currently in office
	Virtus Pallacanestro Bologna S.p.A.	Vice Chairman of the Board of Directors	Currently in office
	Finanziaria di Partecipazione e Servizi S.r.l.	Director	Currently in office
	Holcoa S.p.A.	Director	Currently in office
	Pegaso Finanziaria S.p.A.	Director	Currently in office
	Sofinco S.p.A.	Director	Currently in office
	Cefla Capital Services S.p.A.	Standing auditor	Currently in office
	Nomisma - Società di Studi Economici S.p.A.	Director	No longer in office
	Unipol Merchant Banca per le imprese S.p.A.	Director	No longer in office
	Sorin S.p.A.	Director	No longer in office
	Finanziaria Bolognese S.p.A.	Director	No longer in office
	Euromilano S.p.A.	Director	No longer in office
	Cooperare S.p.A.	Director	No longer in office
	Hotel Villagio Città del Mare S.p.A., in liquidation	Director and Chairman of the Board of Directors	No longer in office
	Earchimede S.p.A.	Director and Chairman of the Board of Directors	No longer in office
	UGF Private Equity S.g.r. S.p.A. in liquidation	Chairman of the Board of Statutory Auditors	No longer in office
	Unipol Leasing S.p.A.	Chairman of the Board of Directors	No longer in office

	Unipol Merchant Banca per le Imprese S.p.A.	Vice Chairman of the Board of Directors	No longer in office
	Unipol Merchant Banca per le Imprese S.p.A.	General Manager	No longer in office
Roberto Zamboni	Sedicoop S.r.l.	Director	Currently in office
	C.B.E.G. S.c.ar.l.	Director	Currently in office
	Forum S.r.l.	Director	Currently in office
	I.B.N. S.r.l.	Director	Currently in office
	Inres Soc. Coop.	Vice Chairman of the Board of Directors	Currently in office
	Uniagro S.p.A.	Director	Currently in office
	Faenza Sviluppo - Area Marcucci - S.r.l.	Chairman of the Board of Directors	No longer in office
	Faenza Sviluppo - Area Marcucci - S.r.l.	Director	No longer in office
	Codibiol - Consortium with external activities	Vice Chairman	No longer in office
Aristide Canosani	Coop Adriatica S.c.ar.l.	Director	Currently in office
	CreditRas Vita S.p.A.	Chairman of the Board of Directors	Currently in office
	CreditRas Assicurazioni S.p.A.	Chairman of the Board of Directors	Currently in office
	AVIVA S.p.A.	Director	No longer in office
	C.N.P. Assicurazioni	Director	No longer in office
	Unicredit Banca S.p.A.	Chairman of the Board of Directors	No longer in office
Leonardo Caporioni	Immobiliare Sviluppo della Cooperazione - ISC S.p.A.	Vice Chairman of the Board of Directors	Currently in office
	Cassa di assistenza dirigenti Coop di consumatori	Director	Currently in office
	Coop L'Avvenire 1921 - CL'A s.c.	Chairman of the Board of Statutory Auditors	Currently in office
	Il Paduletto S.r.l.	Director	Currently in office
	Cooperare S.p.A.	Director	Currently in office
	Cooperativa Lavoratori delle Costruzioni Soc. Coop. (Cooperative of Construction Workers)	Director	Currently in office
	Axis S.r.l.	Director	Currently in office
	Compagnia Finanziaria ed Immobiliare Toscana S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Coopersalute (Association for the Management of Employee Health Plan)	Auditor	Currently in office
	Consumers Coop. Top Management Pension Fund	Director	Currently in office

	Tirreno Logistica S.r.l.	Vice Chairman of the Board of Directors	No longer in office
	Vignale Immobiliare S.p.A.	Director	No longer in office
	Coopfond S.p.A.	Director	No longer in office
Fernando Pellegrini	Simgest S.p.A.	Vice Chairman of the Board of Directors and Chairman of the Executive Committee	Currently in office
	Previcooper Pension Fund	Director	Currently in office
	So.Ge.Fin	Chairman of the Board of Directors	No longer in office
	Unicard S.p.A.	Director	No longer in office
	Factorcoop S.p.A.	Director	No longer in office
Fabio Carpanelli	Autostazione Bologna S.r.l.	Chairman of the Board of Directors	Currently in office
	Manutencoop Facility Management S.p.A.	Chairman of the Supervisory Board	Currently in office
	Veicolo 5 S.r.l.	Sole Auditor	Currently in office
	Vetimec Soc. Coop.	Director	Currently in office
	Porta Medicea S.p.A.	Director	Currently in office
Elisabetta Gualandri	Banca Popolare dell’Emilia Romagna	Director	Currently in office
	Banca d’Italia	Standing Auditor	No longer in office
Tamara Magalotti	Cooperativa Muratori & Cementisti Soc. Coop.	Director	No longer in office
	Cassa dei Risparmi di Forlì e della Romagna S.p.A.	Partner	Currently in office
Livia Salvini	Coopfond S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
Andrea Parenti	C.G. Home video S.r.l.	Director	Currently in office
	Aldo Galandi S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Binfi S.p.A.	Standing auditor	Currently in office
	Consorzio Macrolotto ind. n. 2	Statutory auditor	Currently in office
	Commerciale Ortoinvest S.r.l.	Standing auditor	Currently in office
	Edilsviluppo S.p.A.	Standing auditor	Currently in office
	Egan Immobiliare S.r.l.	Sole Auditor	Currently in office
	F.lli Ciampolini & C. S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Meyer Children Hospital Foundation	Statutory Auditor	Currently in office
	Framafruit S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Fruttital Firenze S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Galandi & C. S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office

	Giottofruit Commerciale S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Immobiliare Sud-Est S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Immobiliare Minerva S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Mega S.r.l.	Standing auditor	Currently in office
	Pentafin S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Picchi S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Pi.da S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	S.d.i. S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Tirreno Immobiliare S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Unica s.c. di abitazione	Chairman of the Board of Statutory Auditors	No longer in office
	Egan Immobiliare S.r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Big time Givers S.r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Central box Italia S.r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Imballagi Castelmartini S.c.a.r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Immo. Star S.p.A.	Standing Auditor	No longer in office
	Luxor Immobiliare S.r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Monte Paschi Fiduciaria S.p.A.	Standing auditor	No longer in office
	Pvg Italy S.r.l.	Standing auditor	No longer in office
	Rosen Rosignano Energia S.p.A.	Standing auditor	No longer in office
	Studio tributario societario	Partner	Currently in office
	Proauditconsult S.r.l.	Partner	Currently in office
Riccardo Sabadini	Sapir S.p.A.	Director	Currently in office
	Dinazzano Po S.p.A.	Director	No longer in office
	Unicredit S.p.A.	Partner	Currently in office
	Banco Popolare S.p.A.	Partner	Currently in office
	Immobiliare Grande Distribuzione SIIQ S.p.A.	Partner	Currently in office
Giorgio Boldreghini	Tecnopolis Soc. Coop.	Chairman of the Board of Directors	Currently in office
	Tecnopolis S.p.A.	Partner	Currently in office
	Tecnopolis Soc. Coop.	Partner	Currently in office
Massimo Franzoni	Unipol Gruppo Finanziario S.p.A.	Municipal Shareholder Representative	Currently in office
	F&R 2010 S.r.l.	Vice Chairman of the Board of Directors	Currently in office

	Unicredit Private Banking S.p.A.	Director	No longer in office
	Carimonte Holding S.p.A.	Director	No longer in office
	F&R 2010 S.r.l.	Partner	Currently in office

To the extent of the Company's knowledge, in the past five years, none of the Members of Board of Directors has been found guilty of fraud or any crimes related to bankruptcy nor involved in bankruptcy trials, receiverships or mandatory liquidations nor, lastly, been officially charged and/or fined by the public or regulatory authorities (including by the relative professional associations) or banned by the courts from holding administrative, managerial or supervisory roles with regard to the Issuer or carrying out management or operational duties for any Issuer, with the exception of the following: (*i*) the Director Gilberto Coffari, in his capacity as legal representative of Coop Adriatica, is involved in the following criminal trials relating to work related accidents: (*a*) a trial held by the Court of Ancona for an alleged violation of Articles 40, Paragraph 2, Art. 590 and Art. 583, Paragraph 1 (1) of the Penal Code relating to personal damages, as well as work safety regulations, based on which a penal decree has been issued condemning the guilty party to a fine of Euro 2,400 which has been appealed. At the date of this Registration Document, a hearing date has been set for 30 January 2014; and (*b*) two trials with the Court of Ravenna for alleged violations of Art. 590 of the Penal Code relative to personal damages, in relation to which the decrees were issued condemning the guilty party to a fine of Euro 1,140 per decree, which have been appealed. At the date of this Registration Document, hearing dates have been set respectively for May and July 2013; (*c*) of a trial before the Court of Chieti for the alleged violation of Art. 590 of the Penal Code, pertaining to the crime of personal injury, in relation to which a criminal conviction has been issued and was appealed according to standard procedure. As of the Date of this Registration Document, the hearing has been set for June 2013. On the subject matter of urban crimes in a trial before the Court of Bologna for alleged violations to Articles 81 of the Penal Code, 44 Letter C of Presidential Decree 380/2001 and 169 of Legislative Decree 42/2004, pertaining to crimes of unauthorized building development and failure to comply with historical-arts restrictions, about a building known by the name of 'Ambasciatori' (Ambassadors), in relation to which a respective conviction for a criminal offence was issued and a fine for Euro 19,800, which was appealed according to standard procedure. As of the Date of this Registration Document, a hearing date is being set. Furthermore, in a provision dated 14 October 2009, the Bank of Italy pursuant to Art. 145 of Legislative Decree 385/1993 notified Gilberto Coffari, in quality as member of the Board of Directors of Unipol Banca S.p.A., of administrative fines totaling Euro 24,000. These fines pertain to members of Unipol Banca S.p.A., including members of the Board of Directors and Board of Statutory Auditors, regarding irregularities found tied to a lack of organization and internal controls which caused certain activities not to be reported to the Supervisory Authorities.

14.1.2 Key Managers

The following table contains information about the Issuer's Key Managers at the Date of the Registration Document.

Name	**Title**	**Place and date of birth**	**Year began working for the Group**

Daniele Cabuli	Chief Operating Officer - Head of Sales, Marketing and Network Management (*)	Bologna (BO), 9 June 1958	2008
Roberto Zoia	Head of Development and Asset Management	Mantova (MN), 18 June 1961	2006
Grazia Margherita Piolanti	Head of Administration and Corporate & Legal Affairs - Financial Reporting Officer	Ravenna (RA), 13 April 1953	2005
Antonio Di Berardino	Chief Executive Officer Winmarkt	Pescara (PE), 5 March 1968	2000
Andrea Bonvicini	Finance and Treasury Department	Bologna (BO), 2 August 1963	2009

(*) *Ad interim as of September 2008.*

Below please find a *Curriculum Vitae* outline for each of the Key Managers, which describes the expertise and experience matured in business management.

Daniele Cabuli - In Coop Adriatica since 1986, in 1989 Mr. Cabuli became Head of Marketing Division Projects. He then matured experiences as Regional Manager, Sector Manager and Manager of hypermarkets, until being appointed Head of Marketing and Commercial Development in 2003. In September 2008 he became Head of Sales, Marketing and Network Management in IGD and in December 2009 he was appointed Chief Operating Officer.

Roberto Zoia - In 1986 he was working with Coopsette as Business Manager and managed complex projects involving shopping centers, in particular. In 1999 he joined the GS Carrefour Italia Group as Head of Hypermarket and Shopping Center Development. In 2005 he became Head of Asset Management and Development for Carrefour Italia. He has been Head of Asset Management and Development in IGD since 2006.

Grazia Margherita Piolanti - After working during the first part of the 1980s as Head of Accounting for Cooperativa Ravennate Costruttori, in 1987 Ms. Piolanti joined Coop Romagna Marche, where she became Head of Administration in 1989. In 1995 she became Head of Legal Affairs, Tax and Subsidiaries of the new Coop Adriatica Group. She joined IGD as Head of Administration, Legal and Corporate Affairs. She played a crucial role in the "pioneering" process involved in transforming IGD into a SIIQ. Grazia Margherita Piolanti is registered in the Role for Chartered Accountants and is a Financial Auditor. He is the Sole Director of IGD Property SIINQ.

Antonio Di Berardino - During the 1990s, he acted as a Consultant in European Community affairs for IRES Abruzzo, the d'Annunzio University, EUROBIC Abruzzo and the Abruzzo Region. Mr. Di Berardino began his career in IGD in 2000 as part of the former GESCOM: he has managed a couple of shopping centers, matured experiences in commercialization projects, acted as Adriatic Area Manager and in 2006 he became Head of Group Development. Since 2008 he has been in charge of the Romanian business as part of Winmarkt. He is currently Chief Executive Officer at WinMagazine and Sole Director of Winmarkt Management S.r.l.

Andrea Bonvicini - He is the Head of Finance for the IGD Group since September 2009. He has matured more than twenty years of experience in banking first as part of Cooperbanca and then with Banca di Bologna.

None of the Company's key managers are related to or have family ties with the other key managers listed in the table above, or with the members of the Issuer's Board of Directors or its Board of Statutory Auditors.

The table below shows the corporations or partnerships for which the key managers have acted as members of corporate, administrative or supervisory organs, or shareholders in the last five years with the indication of the status at the date of this Registration Document.

Name	**Company**	**Office in the company or interest held**	**Status at the date of this Registration Document**
Daniele Cabuli	Consorzio Centro Perla Verde	Sole Director	Currently in office
	IGD Management S.r.l.	Chairman of the Board of Directors	Currently in office
	Millennium Gallery S.r.l.	Sole Director	Currently in office
	Porta Medicea S.r.l.	Director	Currently in office
	Win Magazin S.A.	Director	Currently in office
	Librerie Coop S.p.A.	Chairman of the Board of Directors	No longer in office

	R.G.D. Gestioni S.r.l.	Director	No longer in office
	Riqualificazione Grande Distribuzione S.p.A.	Director	No longer in office
	Robintur S.p.A.	Director	No longer in office
Roberto Zoia	IGD Management S.r.l.	Director	Currently in office
	Porta Medicea S.r.l.	Chairman of the Board of Directors	Currently in office
	Consorzio Forte di Brondolo	Liquidator	Currently in office
	Win Magazin S.A.	Chairman of the Board of Directors	Currently in office
	New Mall S.r.l.	Sole Director	No longer in office
	Porta Medicea S.r.l.	Chief Executive Officer	No longer in office
	Faenza Sviluppo S.r.l.	Director	No longer in office
	Riqualificazione Grande Distribuzione S.p.A.	Chief Executive Officer	No longer in office
	New Mall S.p.A.	Sole Director	No longer in office
	R.G.D. Gestioni S.r.l.	Chief Executive Officer	No longer in office
	Immobiliare Grande Distribuzione SIIQ S.p.A.	Partner	Currently held

Grazia Margherita Piolanti	IGD Management S.r.l.	Vice Chairman of the Board of Directors	Currently in office
	Iniziative Bologna Nord S.r.l.	Director	Currently in office
	IGD Property SIINQ	Sole Director	Currently in office
	Porta Medicea S.r.l.	Director	Currently in office
	Faenza Sviluppo S.r.l.	Vice Chairman of the Board of Directors	No longer in office
	Nikefin S.r.l.	Sole Director	No longer in office
	Ex Zuccherificio S.p.A.	Standing Auditor	No longer in office
	Editrice Consumatori Soc. Coop.	Standing Auditor	No longer in office
	Inres Soc. Coop.	Standing Auditor	No longer in office
	R.G.D. S.r.l.	Director	No longer in office
	Pharmacoop S.p.A.	Director	No longer in office
	Farmacie Comunali di Padova S.p.A.	Director	No longer in office
	Pharmacoop Adriatica S.p.A.	Director	No longer in office
	Enel S.p.A.	Partner	Currently held

	Immobiliare Grande Distribuzione SIIQ S.p.A.	Partner	Currently held
Antonio Di Berardino	Win Magazin S.A.	Chief Executive Officer	Currently in office
	Winmarkt Management S.r.l.	Sole Director	Currently in office
Andrea Bonvicini	Banca di Bologna Credito Cooperativo Soc. Coop.	Partner	Currently held
	Cassa di Risparmio di Rimini S.p.A.	Partner	Currently held

To the extent of the Company's knowledge, in the past five years, none of the members of Board of Directors has been found guilty of fraud or any crimes related to bankruptcy nor involved in bankruptcy trials, receiverships or mandatory liquidations nor, lastly, been officially charged and/or fined by the public or regulatory authorities (including by the relative professional associations), or banned by the courts from holding administrative, managerial or supervisory roles with regard to the Issuer or carrying out management or operational duties for any Issuer.

14.1.3 Board of Statutory Auditors

The current Board of Statutory Auditors was appointed by the shareholders during the Annual General Meeting held in ordinary session on 19 April 2012 and will remain in office through the date of the Annual General Meeting called to approved the financial statements at 31 December 2014.

At the Date of the Registration Document, the Board of Statutory Auditors is comprised as follows:

Name	**Office**	**Place and date of birth**
Romano Conti	Chairman	Bologna (BO), 27 August 1948
Pasquina Corsi	Standing Auditor	Piombino (LI), 8 February 1957
Roberto Chiusoli	Standing Auditor	Bologna (BO), 15 September 1964

Isabella Landi	Alternate Auditor	Meldola (FC), 26 May 1964
Monica Manzini	Alternate Auditor	Bologna (BO), 16 September 1964

For the purposes of offices held, the members of the Board of Statutory Auditors are domiciled at the Company's registered office in Ravenna, Via Agro Pontino no. 13.

The Members of the Board of Statutory Auditors meet the requirements of independence provided by TUF (Unified Finance Act) and by the Self-governance Code, as verified by the Board of Statutory Auditors at the meeting of 8 October 2012.

With reference to the Chairman of the Board of Statutory Auditors, in consideration of the high level of professionalism and the scope of the activity carried out during the past fiscal years, Mr. Romano Conti, though serving in his current capacity for a period of over nine years, it is the opinion of the Issuer's Board of Statutory Auditors that this Mr. Conti's independence has not been compromised in any way by his term of office and, therefore, the Company has deemed this individual to be also independent pursuant to the Self-governance Code.

Below please find a *Curriculum Vitae* outline for each Statutory Auditor, which describes the expertise and experience matured in business management.

Romano Conti **-** Born in Bologna on 27 August 1948, Mr. Conti received a degree in Business Economics from the University of Bologna. He is a Chartered Public Accountant and an Associate of Associazione Professionale Studio Gnudi since the firm's inception. He is a Financial Auditor. He acts as a Tax Planning Consultant, with regard to domestic accounting standards and tax disputes. He is also an Associate of ACB Group S.p.A., a consultancy based in Milan. He is a Director of the Role of Chartered Public Accountants and Tax Advisors in Bologna; Sole Director of Fin.Gi S.r.l. (since 1979) and of Finmeco S.r.l. He is also a member of the Board of Directors of the G.M.G. Group SPA (the Ducati Energia Group), Simbuleia S.p.A, D&C S.p.A., DESPINA S.p.A. (the D&C S.p.A. Group), and ACB Group S.p.A. He is the Chairman of the Management Control Committee of Majani 1796 S.p.A. He is Chairman of the Board of Statutory Auditors for the following companies: Comet Holding S.p.A, Ferrario S.p.A., Seconda S.p.A, AMGC S.p.A., Banca Popolare dell'Emilia Romagna Soc. Coop. and Zeroquattro S.r.l.

Roberto Chiusoli **-** Born in Bologna on 15 September 1964, Mr. Chiusoli received a degree in Business Economics from the University of Bologna. He is a Chartered Public Accountant and is registered with the Role of Chartered Public Accountants and Tax Advisors in Bologna since 1992, as well as the Role of Financial Auditors. From 1989 to 1991, he worked as a Tax Consultant for a law and tax advisory firm. From 1991 to 1996, he was a Financial Auditor with Società Uniaudit S.p.A., where he ultimately became Head of Tax Audit. In the same sector, he worked as a Financial Auditor for Reconta Ernst & Young. As of 16 September 1996, he is a Manager of Legacoop Bologna where he is head the tax advisory office. He is the coordinator of tax services for Legacoop Emilia Romagna. He is a member of the Executive Board of several corporations. He is a Standing Auditor for the following companies: Sacmi S.C. HPS S.p.A, De' Toschi S.p.A. and Linear S.p.A. He is also Chairman of the Board of Statutory Auditors of Unipol Banca S.p.A., of Granarolo S.p.A. and of Camst S.c. a r.l. He was Chairman of the Board of Statutory Auditors for Iniziative Bologna Nord S.r.l. He is a member of the Supervisory Committee of Manutencoop Facility Management S.p.A. and of C.C.C. S.C..

***Pasquina Corsi* -** Born in Piombino (LI) on 8 February 1957, Ms. Corsi received a diploma from the Commercial Technical Institute of Piombino in 1976. She then became an Accountant and Tax Assessor in 1995. She is registered with the Role for Chartered Public Accountants and Tax Advisors in the province of Livorno and works in Campiglia Marittima (LI). She is also registered with the Role of Financial Auditors. She has acted as the part of internal audit for the municipalities of Campiglia Marittima and of Castagneto Carducci (for two terms). She was a member of the Board of Statutory Auditors of Vignale Immobiliare S.p.A., of the cooperative Il Borgo di Campiglia, the cooperative consortium Global Service Tirreno, of Piombino Patrimoniale S.r.l., sole proprietorship, and of the cooperative La Caravella. She was member of the Board of Statutory Auditors for the municipality of Piombino. She acted as Chairman of the Board of Statutory Auditors of Ipercoop Tirreno (since 2010). She is a member of the Board of Statutory Auditors for Immobiliare Sviluppo della Cooperazione S.p.A. (since 2006) and of Indal 2000 S.p.A. She acted as Chairman of the Board of Statutory Auditors for Società Consortile ARCO a r.l. She is a partner of the Gargani Commercialisti Associati (Associated CPA Firm). She was the Sole Auditor of the Memorie Cooperative Foundation, created on initiative of Unicoop Tirreno Soc. Cooperativa.

Isabella Landi - Born in Meldola on 26 May 1964, Ms. Landi received a degree in Business Economics in 1989 from the University of Bologna. She is registered with the Role of Chartered Public Accountants of Forlì since 1990, with the Role of Financial Auditors with the Justice Department, the Registry of Court Advisors with the Court of Forlì and is a partner of the audit company Labase Revisoni S.r.l. with registered offices in Forlì. She is an expert in accounting and tax matters, corporate restructuring (mergers, transfers, change of control, ecc.) and in the control and audit of company and cooperative accounts. Her most relevant professional experiences working for the province of Ravenna's cooperative federation (Office of Legal and Tax Assistance, from 1989 to 1993); as a Consultant for Federcoop Ravenna S.c. a .r.l. (Office of Legal and Tax Assistance, from 1994 to 1999); as a Consultant for the tax office of Legacoop Forlì-Cesena (from 2000 to 2006). She is the Sole Auditor of the municipality of Roncofreddo and Chairman of the Board of Statutory Auditors of the municipality of Forlì. Her other experiences include: Member of the Ravenna Prefecture's Supervisory Commission for Cooperatives from 1991 to 1996. She has held and currently holds different positions in different Boards of Statutory Auditors of cooperatives, corporations and local entities such as: Apofruit Italia Soc. Coop. agricola, Due Tigli S.p.A., Giuliano Soc. Coop., Assicoop Romanga S.p.A., Cosmogas S.r.l.. She was member of the Board of Statutory Auditors for the Comune di Meldola (FC) for two terms of office and of the Chamber of Commerce of Forlì - Cesena. She has acted and currently acts as a Liquidator of different cooperatives and companies involved in voluntary liquidations and she is Receiver for the Court of Forlì. She has also performed tax due diligence duties for important domestic companies.

Monica Manzini – Born in Bologna on 16 September, Ms. Manzini received a degree in Business Economics from the University of Bologna. She is a Chartered Public Accountant registered with the Role of Chartered Public Accountants of the Court of Bologna and Financial Auditor. She works as a Chartered Public Accountant and is a Partner of Associazione Professionale Studio Gnudi in Bologna. Her areas of specialization include primarily corporate restructuring through extraordinary transactions (transfers, mergers, spin-offs and transformations), domestic tax, corporate earnings and issues in companies held primarily by public shareholders. She participates as a speaker in post-graduate seminars relating to tax issues and extraordinary transactions (transfers, mergers, spin-offs and transformations). She was Chairman of the Board of Statutory Auditors of Gmg Group S.r.l., Ducati Energia S.p.A., Meliconi S.p.A., Nute Partecipazioni S.p.A., Sansovino S.r.l., as well as Standing Auditor of FIN.SAN. S.p.A., PRB S.p.A., Simpa Immobiliare S.r.l. and Unifin S.p.A.

None of the members of the Company's Board of Statutory Auditors are related to or have family ties with the other statutory auditors or with members of the Issuer's Board of Directors or its Key Managers.

The table below shows the corporations or partnerships for which the Key Managers have acted as members of corporate, administrative or supervisory organs, or shareholders in the last five years with the indication of the status at the date of this Registration Document.

Name	**Company**	**Office in the company or interest held**	**Status at the date of this Registration Document**
Romano Conti	Fin.gi S.r.l.	Sole Director	Currently in office
	Finmeco S.r.l.	Sole Director	Currently in office
	BPER Soc. Coop	Chairman of the Board of Statutory Auditors	Currently in office
	G.M.G. Group S.p.A.	Director	Currently in office
	Simbuleia S.p.A.	Director	Currently in office
	D&C S.p.A.	Director	Currently in office
	Despina S.p.A.	Director	Currently in office
	ACB Group S.p.A.	Director	Currently in office
	Majani 1796 S.p.A.	Chairman of Management Control Committee	Currently in office
	Comet Holding S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Comet S.p.A.	Standing auditor	Currently in office

	Ferrario S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Seconda S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	AMGC S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Zeroquattro S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Unicredit Leasing S.p.A.	Standing Auditor	No longer in office
	Centro Sperimentale del latte S.p.A.	Chairman of the Board of Statutory Auditors	No longer in office
	Cofim S.r.l.	Chairman of the Board of Directors	No longer in office
	Ducati Energia S.p.A.	Chairman of the Board of Statutory Auditors	No longer in office
	Editoriale Corriere di Bologna S.r.l.	Standing Auditor	No longer in office
	Esperia S.r.l.	Standing Auditor	No longer in office
	F.G.F. S.p.A.	Standing Auditor	No longer in office
	Galotti S.p.A.	Standing Auditor	No longer in office
	Interporto S.p.A.	Chairman of the Board of Statutory Auditors	No longer in office
	R.G.D. S.p.A.	Standing Auditor	No longer in office
	Salco S.r.l.	Sole Director	No longer in office
	V.S.G. S.p.A.	Chairman of the Board of Statutory Auditors	No longer in office
	Fin.gi S.r.l.	Partner	Currently held

	Simbuleia S.p.A.	Partner	Currently held
Pasquina Corsi	Immobiliare Sviluppo della Cooperazione	Standing Auditor	Currently in office
	Indal 2000 S.p.A.	Standing Auditor	Currently in office
	Ipercoop Tirreno S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Piombino Patrimoniale S.r.l. uni personale	Standing Auditor	No longer in office
	Società Cooperativa La Caravella	Standing Auditor	No longer in office
	Società Cooperativa Le Cortidi Montepitti	Standing Auditor	No longer in office
	Vignale Immobiliare S.p.A.	Standing Auditor	No longer in office
	Società Consortile CooperativaGlobal Service Tirreno	Standing Auditor	No longer in office
	Società Cooperativa Il Borgo di Campiglia	Standing Auditor	No longer in office
	Società Consortile Arco a r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Studio Gargani Associated CPAs	Partner	Currently in office
Roberto Chiusoli	Unipol Gruppo Finanziario S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office

	Manutencoop Facility Management S.p.A.	Member of the Supervisory Board	Currently in office
	Unipol Banca S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Granarolo S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	HPS S.p.A.	Standing auditor	Currently in office
	CAMST S.c.a.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Sacmi Soc. Coop.	Standing Auditor	Currently in office
	Consorzio Cooperative CostruzioniSocietà Cooperativa	Member of the Supervisory Board	Currently in office
	De' Toschi S.p.A.	Standing Auditor	Currently in office
	Linear S.p.A.	Standing Auditor	Currently in office
	Iniziative Bologna Nord S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Banca di Bologna – Credito Cooperativo S.c. a r.l.	Standing Auditor	No longer in office
Isabella Landi	Apofruit Italia Soc. Coop.Agricola	Chairman of the Board of Statutory Auditors	Currently in office
	Giuliani Soc. Coop.	Chairman of the Board of Statutory Auditors	Currently in office
	Cosmogas S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Due Tigli S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office

	Creditcomm Soc. Coop. a r.l.di garanzia	Standing Auditor	Currently in office
	Romagna Compost S.r.l.	Standing Auditor	Currently in office
	Almaverde Bio Italia S.r.l. Consortile	Standing Auditor	Currently in office
	Assicoop Romagna S.p.A.	Standing Auditor	Currently in office
	Mediterraneo Group S.p.A. Consortile Agricola	Chairman of the Board of Statutory Auditors	Currently in office
	Cooperativa Agricola Braccianti di Campiano Soc. Coop. Agr. p. A.	Chairman of the Board of Statutory Auditors	Currently in office
	Ce.Vi.Co. Società Cooperativa Agricola	Standing Auditor	Currently in office
	Agrifutura S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Winex Società Cooperativa Agricola	Standing Auditor	Currently in office
	Egocentro S.r.l.	Standing Auditor	Currently in office
	Isgas Elmas Società di Progetto S.r.l.	Standing Auditor	Currently in office
	Isgas Carbonia Società di Progetto S.r.l.	Standing Auditor	Currently in office
	Apoindustria Soc. Coop Agricola	Chairman of the Board of Statutory Auditors	Currently in office

	A.P.E. – Associati Piccoli Esercenti – S.r.l.	Standing auditor	Currently in office
	Sophia S.r.l.	Sole Director	Currently in office
	Labase Revisioni S.r.l.	Vice Chairman of the Board of Directors	Currently in office
	Rimini Parking Gest S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Orion Soc. Coop. Agricola	Standing Auditor	Currently in office
	IGD Property SIINQ S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Cooperativa Forlivese di Edificazione	Chairman of the Board of Statutory Auditors	Currently in office
	Cooperativa Finanziaria Romagnola Co.Fi.Ro.	Standing Auditor	No longer in office
	Cooperativa Agricola Cesenate Soc. Coop.	Chairman of the Board of Statutory Auditors	No longer in office
	Laema S.r.l.	Standing Auditor	No longer in office
	Immobiliare Cof. Con. S.r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Co.Ro.Ga.	Standing Auditor	No longer in office
	Ged S.r.l.	Standing Auditor	No longer in office
	CAF Romagna Marche S.r.l.	Standing Auditor	No longer in office
	Commercianti Indipendenti Associati Soc. Coop.	Standing Auditor	No longer in office

	Createmotions S.r.l. in liquidation	Standing Auditor	No longer in office
	ABBA S.r.l.	Sole Director	No longer in office
	Green Lab Soc. Coop.	Chairman of the Board of Statutory Auditors	No longer in office
	Sa.Ge.Co. S.p.A.	Standing Auditor	No longer in office
	S.A.R.A. Società Alimentaristi Ravennati S.r.l.	Standing Auditor	No longer in office
	Speedyfrutta S.r.l.	Standing Auditor	No longer in office
	Mpk Rating S.p.A.	Standing Auditor	No longer in office
	Consorzio Conscoop Soc. Coop.	Standing Auditor	No longer in office
	Società Finanziaria di Partecipazione S.r.l.	Chairman of the Board of Statutory Auditors	No longer in office
	Z.V. s.n.c. di Zanfini Vanni e Zanfini Cristian	Standing Auditor	No longer in office
	Sophia S.r.l.	Partner	Currently held
	Labase Revisioni S.r.l.	Partner	Currently held
	Banca Popolare dell'Emilia Romagna	Partner	Currently held
Monica Manzini	GMG Group S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Ducati Energia S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office

	Fin. San. S.p.A.	Standing Auditor	Currently in office
	Meliconi S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Nute Partecipazioni S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	PRB S.p.A.	Standing Auditor	Currently in office
	Sansovino S.r.l.	Chairman of the Board of Statutory Auditors	Currently in office
	Simpa Immobiliare S.r.l.	Standing Auditor	Currently in office
	Unifin S.p.A.	Chairman of the Board of Statutory Auditors	Currently in office
	Sigma Soc. Coop.	Standing Auditor	Currently in office
	Ben Mach S.r.l.	Standing Auditor	No longer in office
	Ducati Sistemi S.p.A.	Standing Auditor	No longer in office
	F.G.F. S.p.A.	Chairman of the Board of Statutory Auditors	No longer in office
	Fondazione Giacomo Rusconi	Director	No longer in office
	Gruppo La Perla S.p.A.	Chairman of the Board of Statutory Auditors	No longer in office
	Ma.In Macchine Industriali S.p.A.	Standing Auditor	No longer in office
	Nute S.p.A.	Chairman of the Board of Statutory Auditors	No longer in office
	Mak - Macchine per Costruire S.p.A.	Standing Auditor	No longer in office
	Safin S.r.l.	Chairman of the Board of Statutory Auditors	No longer in office

To the extent of the Company's knowledge, none of the members of Board of Statutory Auditors has, in the past five years, been found guilty of fraud or any crimes related to bankruptcy nor involved in bankruptcy trials, receiverships or mandatory liquidations nor, lastly, been officially charged and/or fined by the public or regulatory authorities (including by the relative professional associations), or banned by the courts from holding administrative, managerial or supervisory roles with regard to the Issuer or carrying out management or operational duties for any Issuer, with the exception of the following: with a provision dated 14 October 2009, the Bank of Italy, pursuant to Art. 145 of Legislative Decree 385/1993, sentenced Roberto Chiusoli, in his capacity as Chairman of the Board of Statutory Auditors of Unipol Banca S.p.A., to a fine of Euro 24,000, as part of an action against irregularities concerning shortcomings in the organization and internal controls of certain sectors of Unipol Banca S.p.A. and failure to report to the Supervisory Authorities.

14.2 Conflicts of interest of the members of the Board of Directors, the members of the Board of Statutory Auditors and Key Managers

At the Date of the Registration Document, there are no members of the Board of Directors, the Board of Statutory Auditors or any Key Managers of the Group in possession of private interests which conflict with his/her duties linked to the office or position held with the Issuer. Please note, however, that the corporate tax advisory firm of the Director Andrea Parenti is a Partner and has a contract for administrative-tax advisory services with Unicoop Tirreno worth Euro 19,000.00. The Issuer, in consideration of the above amount, has not deemed the foregoing professional report to be essential for purposes of independent evaluation of the Director Andrea Parenti.

At the Date of the Registration Document, there are no agreement or pacts between the main shareholders, clients, suppliers, namely, other entities, pursuant to which the entities set forth in Chapter XIV, Paragraph 14.1 of the Registration Document have been appointed as members of Executive Boards, Administrative and Supervisory Boards, namely, as Company Top Management.

At the Date of the Registration Document, the parties listed in the table found in Chapter XIV, Paragraph 14.1, of the Registration Document have not agreed upon any restrictions relative to the disposal of the shares of the Issuer held in their portfolios.

CHAPTER XV - REMUNERATION AND BENEFITS

15.1 Remuneration and benefits relative to the Board of Directors, the members of the Board of Statutory Auditors and Key Managers for services rendered

The compensation paid during the year ending on 31 December 2012 - for any reason and in any form - by the Company and its direct and indirect subsidiaries to the members of the Board of Directors is shown below.

Name	Office held	Dates in office	End of term	Fixed compensation	Compensation for committee membership	Bonuses and other incentives	Non-cash benefits
Gilberto Coffari	Chairman	1 January 2012/31 December 2012	Approval of 2014 financial statements	91,500.00	500,00	-	-
Sergio Costalli	Vice Chairman	1 January 2012/31 December 2012	Approval of 2014 financial statements	63,494.54	500,00	-	-
Claudio Albertini	Chief Executive Officer	1 January 2012/31 December 2012	Approval of 2014 financial statements	266,500.00	500,00	Up to a maximum of 30% of fixed compensation	-
Roberto Zamboni	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	500,00	-	-
Leonardo Caporioni	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	2,404.37	-	-
Fernando Pellegrini	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	-	-	-
Aristide Canosani	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	8,000.00	-	-
Fabio Carpanelli	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	18,000.00	20,614.75	-	-

Massimo Franzoni	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	9,202.19	-	-
Andrea Parenti	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	7,154.37	-	-
Riccardo Sabadini	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	5,606.56	-	-
Giorgio Boldreghini	Director	1 January 2012/31 December 2012	Approval of 2014 financial statements	16,500.00	4,154.37	-	-
Elisabetta Gualandri	Director	19 April 2012/31 December 2012	Approval of 2014 financial statements	11,540.98	8,393.44	-	-
Tamara Magalotti	Director	19 April 2012/31 December 2012	Approval of 2014 financial statements	11,540.98	3,000.00	-	-
Livia Salvini	Director	19 April 2012/31 December 2012	Approval of 2014 financial statements	11,540.98	11,191.26	-	-
Francesco Gentili	Director	1 January 2012/19 April 2012	Approval of 2011 financial statements	4,959.02	5,230.59	-	-
Corrado Pirazzini	Director	1 January 2012/19 April 2012	Approval of 2011 financial statements	4,959.02	-	-	-
Sergio Santi	Director	1 January 2012/19 April 2012	Approval of 2011 financial statements	4,959.02	4,333.33	-	-

Please note that the Mr. Francesco Gentili, Mr. Sergio Santi and Mr. Corrado Pirazzini are no longer in office as members of the Company Board of Directors as of the BoD meeting of 19 April 2012, during which the Company Board of Directors was also renewed.

The compensation paid during the year ending on 31 December 2012 - for any reason and in any form - by the Company and its direct and indirect subsidiaries to the members of the Board of Statutory Auditors is shown in the table below.

Name	Office held	Dates in office	End of term	Fixed compensation	Bonuses and other incentives	Non-cash benefits
Romano Conti	Chairman	1 January 2012/ 31 December 2012	Approval of 2014 financial statements	24,750.00	-	-
Roberto Chiusoli	Standing Auditor	1 January 2012/ 31 December 2012	Approval of 2014 financial statements	16,500.00	-	-
Pasquina Corsi	Standing Auditor	19 April 2012/ 31 December 2012	Approval of 2014 financial statements	11,586.07	-	-
Franco Gargani	Standing Auditor	1 January 2012/ 31 December 2012	Approval of 2014 financial statements	4,959.02	-	-

Please note that Mr. Franco Gargani is no longer in office as Standing Auditor as of the meeting of 19 April 2012, during which the Board of Statutory Auditors was also renewed.

The compensation paid during the year ending on 31 December 2012 - for any reason and in any form - by the Company and its direct and indirect subsidiaries to the Chief Operating Officer and the key managers employed at the date of this Registration Document is shown in the table below.

Name	Position	Fixed compensation	Bonuses and other incentives	Non-cash benefits
Daniele Cabuli	Chief Operating Officer	139,938	33,900	18,958
Managers with strategic responsibilities	-	522,690	114,258	70,740

Please note that the Remuneration Policy approved by the Company, does not include the payment of any indemnity benefits in favor of Directors in case early termination of their employment relationship, or in case of failure to renew the employment relationship, except for provisions set forth herein, pertaining to the Chief Executive Officer, to whom a severance indemnity shall be corresponded, namely, failure to renew his/her employment contract, which may be remitted within a maximum of three years of severance, for an amount no higher than the total compensations earned for the position of Chief Executive Officer remitted by the Issuers in the two years prior to the onset of the cause for severance.

For more information regarding the remuneration of the members of the Board of Directors and the Board of Statutory Auditors, the Chief Operating Officer and the managers with strategic responsibilities please refer to the Board of Directors' Remuneration Report approved by the Issuer's Board of Directors on 28 February 2013, pursuant to Articles 123-*ter* of TUF and 84-*quater* of the Regulations for Issuers, referred to in this Registration Document and available to the public at IGD's registered office and at Borsa Italiana (Italian Stock Exchange), as well as on the Company website: www.gruppoigd.it.

15.2 Provisions and accruals made by the Issuer or its subsidiaries for pensions, employee severance indemnities and similar benefits.

The employee severance liabilities provision set aside for the company Top Management, recognized in the consolidated financial statements for the year ended on 31 December 2012, amount to Euro 152, 471.77.

CHAPTER XVI - THE BOARD OF DIRECTORS BEST PRACTICES

16.1 Term of office of the Members of the Board of Directors and of the Board of Statutory Auditors.

The current Board of Directors and the current Board of Statutory Auditors, appointed by shareholders during the Annual General Meeting held in ordinary session on 19 April 2012, will be in office through the Annual General Meeting called to approve the financial statements at 31 December 2014.

Board of Directors

The following table shows the date of the first appointment as a Director of the Issuer's Board of Directors for each Director.

Name	**Office**	**Date of first appointment**
Gilberto Coffari	Chairman	6 November 2000
Sergio Costalli	Vice Chairman	26 March 2003
Claudio Albertini	Chief Executive Officer	28 April 2006
Roberto Zamboni	Director	26 March 2003
Aristide Canosani	Director	26 March 2003
Leonardo Caporioni	Director	28 April 2006
Fernando Pellegrini	Director	26 March 2003
Fabio Carpanelli	Director	16 September 2004
Elisabetta Gualandri	Director	19 April 2012
Tamara Magalotti	Director	19 April 2012
Livia Salvini	Director	19 April 2012
Andrea Parenti	Director	23 April 2009
Riccardo Sabadini	Director	16 September 2004
Giorgio Boldreghini	Director	23 April 2009
Massimo Franzoni	Director	26 March 2003

Board of Statutory Auditors

The following table shows the date of the first appointment as a Director of the Issuer's Board of Statutory Auditors for each Statutory Auditor.

Name	**Office**	**Date of first appointment**

Romano Conti	Chairman	26.03.2003
Pasquina Corsi	Standing Auditor	19.04.2012
Roberto Chiusoli	Standing Auditor	28.04.2006
Isabella Landi	Alternate Auditor	28.04.2006
Monica Manzini	Alternate Auditor	23.04.2009

16.2 Employment contracts stipulated by the Issuer with the Members of the Board of Directors and of the Board of Statutory Auditors, which provide for severance indemnities

At the date of this Registration Document, there are no employee agreements between the Issuer or its subsidiaries and the members of the Board of Directors or of the Board of Statutory Auditors, which provide for severance indemnities.

16.3 Information on Board Committees

The Issuer's Board of Directors, in accordance with Art. 5.P.1. of the Self-governance Code, formed the Compensation and Nominations Committee, the Chairman's Committee, the Control and Risk Committee and the Committee for Related Party Transactions. The members of each committee were appointed when the Board was confirmed on 19 April 2012.

A brief description of the composition, duties and role of these Committees follows.

Control and Risk Committee

The Control and Risk Committee is made up of three Non-executive Independent Directors in the persons of Elisabetta Gualandri (Chairman), Livia Salvini and Massimo Franzoni. The Board of Directors confirmed that the Committee members meet at least one of the parameters relating to the evaluation of accounting and financial experience of at least three years, having carried out: (*i*) managerial duties in the fields of administration, finance or control of a publicly listed company, namely, (*ii*) professional activity or University teaching activity in the field of law, economics or finance, namely, (*iii*) managerial duties at public agencies or at public administrations operating in the credit, financial and insurance sector.

The Chairman of the Board of Directors and the Chief Executive Officer, will be invited to attend the meetings of the Control and Risk Committee; the Chairman of the Board of Statutory Auditors, or another Auditor appointed by him/her, will also attend this meeting, though other Auditors may also attend the meeting.

The Control and Risk Committee will issue an early opinion to the Board of Directors for the execution of the following duties: (*i*) define the guidelines for the Company's internal control and risk management system faced by the Company and its subsidiaries are correctly identified, assessed, managed and monitored while also evaluating the extent to which these risks have been adequately assessed in relation to proper business management concurrent with strategic objectives outlined; *ii*) yearly evaluation of the adequacy of the internal control system, and of risk management in relation to company characteristics and risk profile undertaken, as well as its efficacy; (*iii*) approve, at least on a yearly basis, of the work-plan set forth by the person in charge for Internal Audit (Unilab S.r.l., carrying out such duty as an outsourcer), having consulted the Statutory

Board of Auditors and the Director in charge for Internal Control and Risk Management system; (*iv*) description in the report on company governance of the main internal control system characteristics and of risk management, stating one's own evaluation on the respective system; (*v*) evaluation, e, having consulted the Statutory Board of Auditors, of results provided by the External Auditor on a letter of suggestions, if any, and in the report on main issues arisen during external audit; (*vi*) appointment and withdrawal, as proposed by the Director in charge for the Internal Control and Risk Management system, and also having consulted the Statutory Board of Auditors, the person in charge for the Internal Audit.

The Control and Risk Committee, in addition to assisting the Board of Directors on the matters above, also directly performs the following duties:

- evaluates, along with the Financial Reporting Officer and the auditors, the appropriateness of the accounting standards adopted and their uniformity with a view to the preparation of both the separate and consolidated financial statements;
- expresses opinions on specific aspects concerning the identification of main business risks;
- analyzes periodic reports whose subject if the evaluation of the internal control and risk management system and reports of particular relevance set forth by the Internal Audit;
- monitors the independence, suitability and efficacy of the internal audit process;
- may ask the Internal Audit function to check specific operating areas, providing concurrent notification thereof to the Chairman of the Board of Statutory Auditors;
- reports to the Board of Directors at least every six months, when the annual and semi-annual reports are approved, on the work performed and the adequacy of the internal control and risk management system.

The prerogatives of the Control and Risk Committee are an open list that may be integrated with additional duties.

On suggestion by the Control and Risk Committee, the Board of Directors makes sure that the Control and Risk Committee has adequate preliminary support for the deployment of duties assigned.

Nominations and Compensation Committee

The Nominations and Compensation Committee consists of three Non-executive Independent Directors appointed by the Board of Directors. At least one member of the Nominations and Compensation Committee possesses adequate understanding of and experience in finance as assessed by the Board of Directors upon appointment.

The Chairman of the Board of Directors, the Vice Chairman and the Chief Executive Officer attend the meetings of the Nominations and Compensation Committee.

No Director will participate in meetings of the Nominations and Compensation Committee during which his/her remuneration is being discussed. The Chairman of the Board of Statutory Auditors, or who on his behalf may be invited to attend the meetings of the Committee. On 19 April 2012, the Board of Directors appointed the following independent directors members of the Nominations and Compensation Committee: Andrea Parenti (Chairman), Fabio Carpanelli and Tamara Magalotti. The Board of

Directors confirmed that Andrea Parenti possessed adequate understanding of and experience in finance and wage policies, at the time of his appointment.

The Nominations and Compensation Committee submits proposals regarding: (*i*) the optimal composition of the Board of Directors, Company management and selection of Directors, Statutory Auditors and Management for subsidiaries held to be of strategic importance in order to guarantee an adequate level of separation between Directors and Management, and (*ii*) remuneration in order to ensure that the Company's managers with strategic responsibilities and directors of subsidiaries receive adequate compensation for the position held and that the compensation offered helps to retain and motivate those possessing professional characteristics deemed useful to the successful management of the Company and its Parent Company.

Specifically, the Nominations and Compensation Committee has the following functions:

- to submit proposals to the Board of Directors, on the Directors compensation policy and of Top Management whose duties include strategic responsibilities;
- to periodically evaluate the adequacy, the overall consistency and application of the compensation policy and, in case of Top Managers with strategic responsibilities, rely on information provided by the Chief Executive Officer;
- to submit proposals or opinions to the Board of Directors regarding remuneration of Executive Directors and other Directors holding special offices, as well as the performance targets, in relation to variable compensation component and to ensure that BoD's decisions are complied with and verifying whether performance targets have been reached;
- to submit opinions to the Board regarding the compensation of the Chairmen, Vice Chairmen and General Managers (and/or Chief Executive Officers) of the subsidiaries deemed strategic, based on the proposals submitted by the Chairman and the Parent Company Chief Executive Officer;
- to submit opinions to the Board regarding the overall compensation to be remitted to Board members of the subsidiaries;
- report to the Company shareholders on how the Committee is fulfilling its duties.

The Committee also submits to the Board, potential candidates for the position of Director, in case of co-opting, if Independent Directors should need to be replaced, without prejudice to relevant corporate provisions on the subject of replacement of Members of the Board of Directors.

Furthermore, the Nomination and Remuneration Committee is also called to draft opinions on the Board of Directors on the periodic self-assessment, the ideal size and compositions of the Board, and issue recommendations on the professionals whose presence within the Committee could be desirable to guarantee a more efficient Board as well as the limit number of assignments for Directors and Auditors and any exceptions to the non-competition clause.

The Nomination and Remuneration Committee shall periodically evaluate the overall adequacy and coherence and actual application of the compensation policy, relying on information provided by the Chief Executive Officer as pertaining to Top Managers with strategic duties.

The Chief Executive Officer shall also issue opinions on the choice selection of governing body (single member or corporate Board), on the number and name of members to be provided at the appropriate time for the undertaking of the relevant resolutions for the positions of Director and Auditor, as well as Chairman, Vice

Chairman and General Manager (and/or Chief Executive Officer) of subsidiaries and affiliated companies.

In carrying out its duties, the Nominations and Remuneration Committee collaborates with the relevant corporate structures

Committee for Related Party Transactions

The Company formed the Committee for Related Party Transactions in accordance with Art. 2391-*bis* of the Italian Civil Code and Art. 4, paragraphs 1 and 3, of Consob's Regulations for Related Party Transactions.

The Committee for Related Party Transactions is comprised of three Independent Directors: Riccardo Saladini, also appointed Chairman, Giorgio Boldreghini and Andrea Parenti, appointed by the Board of Directors on 19 April 2012. The Committee's functions are governed by the Procedure for Related Party Transactions approved by the Board of Directors on 11 November 2010 and summarized below.

Specifically, based on specifications set forth in the above Procedure for Operations with Related Parties, the Committee for Related Party Transactions' essential duty is to provide substantiated opinion on the Company interest to execute transactions with related parties, expressing an opinion as to the actual convenience, basic soundness of relevant conditions, upon receipt of prompt information flows, complete and specifically suitable to the actual operations;

For further information on the duties and powers of the Committee for Operations with Related Parties, please refer to the Introduction of Chapter XIX of this Registration Document.

Chairman Committee

The Company deemed it appropriate to create a Chairman's Committee, which is comprised of the Chairman, the Vice Chairman, the Chief Executive Officer, as well as the Director Roberto Zamboni appointed by the Board of Directors on 19 April 2012.
The Chairman's Committee assists in determining the development policies, along with the strategic and operational guidelines, to be submitted to the Board of Directors and oversees the correct implementation of same. The committee is also called upon to express opinions regarding the strategically relevant development and investment transactions to the extent that the latter could have a significant impact on the value or composition of the company's equity or stock price.

16.4 Compliance with rules and regulations pertaining to corporate governance

The Issuer's corporate governance system complies with the legal provisions relating to corporate governance and, in particular, those found in TUF and any rules relating to implementation issued by CONSOB and found in the Corporate Self-governance Code. With reference to a comparison between IGD Corporate Governance and guidelines provided in the Self-governance Code, ever since its admission for listing on 11 February 2005, IGD has adopted the Self-Governance Code, March 2006 version, originally adopted by the Corporate Governance Committee and promoted by the Italian Stock Exchange and has structured its corporate governance system in compliance with Self-governance Code guidelines.

In 2012, the Company has complied with guidelines contained in the Self-governance Code. In particular, except for those principles and application criteria that have been applied as of the first renewal of the Board of Directors after fiscal year 2011, compliance to the new Self-governance Code was completed and the Company Board of Directors issued a resolution on 8 November 2012.

Furthermore, the Issuer has:

- established the Nominations and Compensation Committee, the Chairman's Committee, the Control and Risk Committee and the Committee for Related Party Transactions;
- effective as of January 2007 the Board of Directors adopted a procedure governing mandatory notification and conduct on the subject of transactions carried out by relevant persons and entities closely related to such persons on the Company's shares, or on related financial instruments (internal dealing);
- adopted Regulations for Shareholder Meetings;
- adopted a Code of Ethics for all IGD's employees which contains principles and provisions regarding the general principles of diligence, fairness and honesty, which should guide all work done and conduct in the workplace;
- appointed an Investor Relations Manager, in charge of the relationships with shareholders and investors;
- adopted a Procedure for Related Party Transactions pursuant to the Regulations for Related Party Regulations;
- adopted, in accordance with the recommendations found in Art. 6 of the Self-governance Code, a Compensation Policy for the remuneration of the Chief Executive Officer, the directors holding special offices, the Chief Operating Officer and the managers with strategic responsibilities. Toward this end, the Company made the Board of Directors' Remuneration Report, prepared in accordance with Articles 123-ter of TUF and 84-quater of the Regulations for Issuer, available to the public in accordance with the law and at the meeting of 18 April 2013, the shareholders approved the first section of this report, which describes the Company's Compensation Policy.

In May 2006, the Board of Directors also approved adoption of an organizational model, pursuant to and in accordance with Legislative Decree n. 231 of 8 June 2001 ("**Decree 231/2001**"), which relates to corporate administrative responsibility for crimes committed by Top Management or subordinates (the "**Organizational Model**"). The Organizational Model seeks to ensure that the system complies with Decree 231/2001. The Organizational Model calls for mapping of the activities at risk based on the information gathered regarding IGD's activities and organizational structure. The Supervisory Board, which possesses independent planning and control powers, is responsible for constantly updating the Organizational Model. At the date of the Registration Document, the Supervisory Board consists of directors Fabio Carpanelli (Chairman), Livia Salvini and Aristide Canosani.

On 19 April 2012, the Issuer's shareholders meeting, meeting in extraordinary session, approved the amendment to the bylaws proposed in order to comply with Law n. 120 of 12 July 2011, which seeks to promote equal gender opportunity in the administrative and control bodies of listed companies (please refer to Chapter XXI of the Registration Document).

For more information about the Corporate Governance System and IGD's compensation policy, please refer to the Report on Corporate Governance and Ownership Structure for 2012 and to the Board of Directors' Remuneration Report approved by the Issuer's

Board of Directors on 28 February 2013, pursuant to and in accordance with Articles 123-*ter* of TUF and 84-*quater* of the Regulations for Issuers, referred to in this Registration Document and available to the public at the registered offices of IGD and the Italian Stock Exchange, as well as on the Company's website: www.gruppoigd.it.

CHAPTER XVII - EMPLOYEES

17.1 Number of Employees

The table below shows the change in the IGD Group's employees at 31 December 2012, at 31 December 2011 and at 31 December 2010, itemized by category.

Category	31 December 2012	31 December 2011	31 December 2010
Managers	6	6	6
Middle managers	26	23	22
Junior managers	59	65	54
Clerks	69	72	78
Total Employees	**160**	**166**	**160**

The table below shows the change in the IGD Group's employees in Italy at 31 December 2012, at 31 December 2011 and at 31 December 2010, itemized by category.

Category	31 December 2012	31 December 2011	31 December 2010
Managers	5	5	5
Middle managers	20	16	16
Junior managers	43	47	37
Clerks	46	47	46
Total	**114**	**115**	**104**

The table below shows the change in the IGD Group's employees in Romania at 31 December 2012, at 31 December 2011 and at 31 December 2010, itemized by category.

Category	31 December 2012	31 December 2011	31 December 2010
Managers	1	1	1
Middle managers	6	7	6
Junior managers	16	18	17
Clerks	23	25	32
Total	**46**	**51**	**56**

No significant changes have occurred in the number of the IGD Group's employees as of 31 December 2012.

17.2 Equity Holdings and Stock Option Plans

The following table shows the IGD and other Group companies' equities interests held directly or indirectly by the BoD members, control bodies and the General Manager, at 31 December 2012 and at 31 December 2011.

Name	Office	Affiliated Company	No. of shares held at the end of 2011	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2012
Gilberto Coffari	Chairman of the BoD	IGD SIIQ S.p.A.	11,000	- 12,100	-	23,100
Sergio Costalli	Vice Chairman	-	-	-	-	-
Claudio Albertini	CEO	-	-	-	-	-
Roberto Zamboni	Director	-	-	-	-	-
Leonardo Caporioni	Director	-	-	-	-	-
Fernando Pellegrini	Director	-	-	-	-	-
Aristide Canosani	Director	-	-	-	-	-
Fabio Carpanelli	Director	-	-	-	-	-
Massimo Franzoni	Director	-	-	-	-	-
Andrea Parenti	Director	IGD SIIQ S.p.A.	40,000	-10,000	-	50,000
Riccardo Sabadini	Director	IGD SIIQ S.p.A.	5,000	-	-	5,000
Giorgio Boldreghini	Director	-	-	-	-	-
Tamara Magalotti	Director	-	-	-	-	-
Livia Salvini	Director	-	-	-	-	-
Elisabetta Gualandri	Director	-	-	-	-	-
Romano Conti	Chairman Board of Statutory Auditors	-	-	-	-	-

Pasquina Corsi	Standing Auditor	-	-	-	-	-
Francesco Gentili	Director	-	-	-	-	- (*)
Sergio Santi	Director	IGD SIIQ S.p.A.	29,300	-	-	- (*)
Corrado Pirazzini	Director	IGD SIIQ S.p.A.	5,000	-	-	- (*)
Franco Gargani	Standing Auditor	-	-	-	-	- (**)
Daniele Cabuli	Chief Operating Officer	-	-	-	-	-

(*) Please note that Mr. Francesco Gentili, Mr. Sergio Santi and Mr. Corrado Pirazzini are no longer in office as Company directors as of the meeting of 19 April 2012, during which the Company Board of Director was renewed.

(**)Please note that Mr. Franco Gargani is no longer in office as Standing Auditor as of the meeting of del 19 April 2012, during which the Company Statutory Board of Auditors was renewed.

The following table shows the total interests held by Managers with strategic responsibilities in IGD and its subsidiaries at 31 December 2012 and at 31 December 2011.

Company in which interest is held	No. of shares held at the end of 2011	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2012
IGD SIIQ S.p.A.	51,300	- 26,700	-	78,000

At the Date of the Registration Document, the Company has not adopted any share based incentive plans.

17.3 Description of Employee Share Ownership agreements of Issuer's capital

At the Date of the Registration Document, there are no agreements, which provide for employee share ownership.

CHAPTER XVIII - MAIN SHAREHOLDERS

18.1 Main shareholders

The following table shows the shareholders, which, based on the stock register and other information available to the Issuer, at the Date of the Registration Document held more than 2% of the Issuer's share capital.

Shareholder	Number of shares	% of the share capital
Schroder Investment Management LTD (1)	8,619.250	2.612
European Investors Incorporated (1)	15, 161,866	4.594
Coop Adriatica s.c. a .r.l.	141,162,381	42.773
Unicoop Tirreno Società Cooperativa	50,110,360	15.184
UBS AG	8.371,426 (2)	2.54
IGD (3)	10,976,592	3.326

(1) Equity holding as savings management

(2) Of which, no. 4,079,665 shared with voting rights, equal to 1.24% of share capital.

(3) The Issuer's own shares

18.2 Voting rights other then those held by the majority shareholders

At the Date of the Registration Document, the Company has only issued ordinary shares and no shares with special voting or other rights have been issued.

18.3 Specification of the controlling entity pursuant to Art. 93 of TUF

At the Date of the Registration Document, Coop Adriatica exercises control over the Company pursuant to Art. 93 of TUF, as it holds a large enough shareholding amount to exert a dominating influence on the shareholders meeting of the Company.

18.4 Agreements that could determine a change in the Issuer's control

On 12 June 2012, Coop Adriatica and Unicoop Tirreno agreed to the early termination of the Shareholders' Agreement stipulated in February 2011 and on that same date, the same parties stipulated a new Shareholders Agreement, which establishes voting and blocking right pursuant to Art. 122, paragraphs 1 and 5, letter a) and b) of TUF referencing as the subject IGD Shares, whose objective is to pursue a unified goal for the choice of Company's strategic decisions and their management (the "**Agreement**").

At the time of the Registration Document, the subject referenced in the Agreement involves 191,272,741 ordinary Company shares, or 57.957% of the company's ordinary share capital, shareholders vote (the "**Syndicated Shares**") no. 168,312,894 or 51% of Company ordinary share capital is bound by a voting block (the "**Block Shares**").

The table below shows the parties executing the agreement, the number of shares granted under the pact and the shares granted, as a percentage of the total number of shares comprising the share capital.

Shareholder	Number of syndicated shares	% shares compared to the total conferred	% of IGD's capital	Number of block shares	% shares compared to the total conferred	% of IGD's capital
Coop Adriatica	141,162,381	73.802	42.773	126,671,296	75.26	38.382
Unicoop Tirreno	50,110,360	26.198	15.184	41,641,598	24.74	12.618
Total	**191,272,741**	**100.00**	**57.957**	**168,312,894**	**100.00**	**51.00**

The table above shows the total number of shares added on to the Agreement, as it was last released to the public on 11 December 2012.

Below please find a forecast summary of the terms and duration of the Agreement referenced in the notice sent to CONSOB pursuant to Art. 122 of TUF.

"The Agreement governs specific arrangements between Coop Adriatica and Unicoop Tirreno relating to (i) the appointment of the members of the Company's Board of Directors Board and the Board of Statutory Auditors, (ii) the Parties voting syndicate right at the Extraordinary BoD meeting; (iii) the block shares syndicate, as well as (iv) the right of first refusal.

Appointment of the Members of the Board of Directors

Based on the Agreement, the Board of Directors of IGD shall comprise 15 members for the duration of the Agreement. In the event the Board of Directors is renewed, the Parties agree to submit a list of fifteen candidates and vote, consisting of 7 Directors designated by Coop Adriatica (3 of which are independent pursuant to Borsa Italiana's Corporate Governance Code and at least one of which possesses the requisites pursuant to Art. 148, par. 3 of Legislative Decree no. 58/1998), 5 Directors designated by Unicoop Tirreno (2 of which are independent pursuant to Borsa Italiana's Corporate Governance Code and at least one of which possesses the requisites pursuant to Art. 148, par. 3 of Legislative Decree no. 58/1998) and 3 Directors designated jointly by Coop Adriatica and Unicoop Tirreno (independent pursuant to Borsa Italiana's Corporate Self-governance Code).

The List should be compiled in accordance with the following criteria and in descending order: (i) four Directors designated by Coop Adriatica, from first to fourth place; (ii) three Directors designated by Unicoop Tirreno, from fifth to seventh place; (iii) three Directors designated by Coop Adriatica, from eighth to tenth place (two of which deemed independent as per Borsa Italiana's Corporate Self-Governance Code and one of which who possesses the requisites called for under Art. 148, par. 3 of Legislative Decree no. 58/1998); (iv) two Directors designated by Unicoop Tirreno, from eleventh to twelfth place (two of which deemed independent as per Borsa Italiana's Corporate Self-governance Code and one of which shall possess the requisites called for under Art. 148, par. 3 of Legislative Decree no. 58/1998); (v) three Directors designated jointly by Coop Adriatica and Unicoop Tirreno, from thirteenth to fifteenth place (independent pursuant to Borsa Italiana's Corporate Governance Code). In the event the Parties fail to designate the three candidates called to fill the thirteenth, fourteenth and fifteenth place, without prejudice to the above, two of said Directors will be designated by Coop Adriatica and one by Unicoop Tirreno. Based on the Agreement and in accordance with Art. 16.7 of the bylaws, if one of more minority lists are presented, at least one Director must be appointed from a minority list. Thus, if the candidates ranked with the highest quotients come from a single list, the candidate from the minority lists who has earned the highest ratio will be elected in place of the candidate at the bottom of the ranking.

If it becomes necessary to co-opt new Directors to replace those initially designated by the Parties, the substitute director or directors will be appointed by the Party who originally designated the Directors replaced or being replaced.

Based on the Agreement the Chairman of the Board of Directors and the Chief Executive Officer - who, in addition to powers of legal representation, will also be granted all powers of ordinary administration - will be appointed from among the directors designated by Coop Adriatica and the Vice Chairman from among those designated by Unicoop Tirreno.

<u>Appointment of the Members of the Board of Statutory Auditors</u>

Based on the Agreement, the Board of Statutory Auditors is to be comprised of three standing and two Alternate Auditors to be elected, in accordance with Legislative Decree no. 581/1998, on the basis of preference lists. Two Standing Auditor and an Alternate Auditor will be appointed from the majority listed submitted jointly by Coop Adriatica and Unicoop Tirreno; the third Standing Auditor, who will also act as Chairman of the Board of Statutory Auditors, and the second alternate auditor will be appointed from the minority list obtaining the second highest number of votes. More in detail, a Standing Auditor and an Alternate Auditor will be appointed by Coop Adriatica; a Standing Auditor will be appointed by Unicoop Tirreno.

<u>Voting Syndicate</u>

The Parties agree to vote in favor of the resolutions made during Extraordinary Shareholders' Meetings. Toward this end, the Parties will consult with one another prior to the meetings and ensure that the voting rights pertaining to the syndicated shares are exercised in full. Based on the Agreement, in the event the number of shares held by the Parties should increase following the purchase or transfer of stock made in accordance with this Agreement, the additional shares will automatically be considered part of the voting syndicate.

<u>Block Shares Syndicate</u>

For the duration of the Agreement, neither party may transfer, sell and/or dispose of, for any reason, the block shares without having first honored the other party's right of first refusal as per this Agreement. Under no circumstances may the Block Shares be sold, entirely or in part, on the market. For the duration of the Agreement, neither Party may enter into agreements with third parties, which could trigger an obligatory takeover bid without having first received express, written consent from the other Party. Without prejudice to the penalty established in this Agreement, in the event agreements entered into trigger an obligatory takeover bid, the Party in violation of this Agreement must indemnify, release and hold harmless the other Party from any responsibility, liability, charge, expense or fee connected and resulting from said breach.

*Based on the agreement, in the event extraordinary transactions should cause the percentage of IGD's share capital represented by the Block Shares to fall below 51%, the number of shares which are not part of the block shares syndicate ("**Free Shares**"), held at that time by each Party will be reduced proportionately until the number of Block Shares reaches a total of 51%. Based on the Agreement, in the event the Free Shares held by the Parties are not sufficient, proportionately, to reach 51% of the share capital, the Parties are not obligated to acquire the missing shares on the market or from third parties. Without prejudice to the above, each Party will, for the duration of the Agreement, endeavour to maintain the level of the Block Shares at 51% of IGD's share capital. The Free Shares may be sold freely to third parties or the market, provided the other Party is notified thereof in a timely manner.*

<u>*Right of First Refusal*</u>

In the event, either of the Parties begins negotiations to dispose of part or all the Block Shares held, said Party (the "Offeror") must advise the other Party that such negotiations are underway in a timely manner via a notice sent certified registered mail in which the terms and conditions of the transaction subject to negotiation are summarized. If the Offeror decides to dispose of the Block Shares, the latter must notify the other Party via certified registered mail offering the right of first refusal to the other Party ("Pre-emptive Offer") and indicate the number of Block Shares being disposed of, the potential third party purchasers and other conditions, including the price, under which the Block Shares will be disposed of.

Upon receipt of the Pre-emptive Offer, the other Party has 90 days to advise the Offeror as to whether or not the Pre-emptive Offer has been accepted. If the Party intends to accept the Pre-emptive Offer, the latter must advise the Offeror of same via certified registered mail within the 90 day period; in the event the Party accepts the Pre-emptive Offer, the Block shares will be considered as having been definitively and unconditionally sold to said Party. The Party exercising the right of first refusal must pay the price indicated for the Block Shares in the Pre-emptive Offer.

The other Party must also send notice if the latter does not intend to accept the Pre-emptive Offer within the above mentioned period of 90 days. The Offeror may dispose of the Block Shares as per the terms and conditions of the Pre-emptive Offer within thirty days of having received the other Party's refusal of the Pre-emptive Offer or within 30 days of the expiration of the above mentioned 90 day period.

Pursuant to and in accordance with Article 2359, paragraphs 1 and 2 of the Italian Civil Code ("Subsidiary Companies"), the above is not applicable in the event the Offeror intends to transfer the Block Shares to its wholly owned direct and indirect subsidiaries, so long as (i) the Offeror agrees with the Subsidiary and the other Party to repurchase the Block Shares transferred in the event of a change in the control of the Subsidiary; (ii) the Subsidiary agrees with the Offeror and the other Party to sell the Block Shares to the Offeror; (iii) the Subsidiary of the Offeror accepts the provisions of this Agreement in full (without prejudice to the joint responsibility of the Offeror)."

<u>*Duration of the Agreement*</u>

The Agreement will expire on 30 June 2012.

<u>*Penalty Clauses*</u>

Based on the Agreement, in the event that either of the Parties should fail to comply with the obligations under the voting syndicate, said Party must pay a penalty equal to 50% of the shares held. If either Party fails to comply with the obligations under the block shares syndicate and the right of first refusal, said Party must pay a penalty equal to the amount offered or received from third parties in violation of the above, without prejudice to the right to obtain greater damages."

To the extent of the Company knowledge, negotiations between Coop Adriatica and Unicoop Tirreno are currently underway in order to renew the Agreement.

With the exception of the above-mentioned Agreement, at the Date of the Registration Document, there are no agreements or shareholder pacts between shareholders pursuant to Art. 122 of TUF, which could cause the control of the Issuer to change.

CHAPTER XIX – RELATED PARTY TRANSACTIONS

Introduction

On 11 November 2010 the Issuer's Board of Directors, subject to the favourable opinion of the Committee for Related Party Transactions, approved the new "Procedure for Related Party Transactions" drafted in accordance with the Related Party Regulations.

The purpose of the "Procedure for Related Party Transactions" is to define the rules governing the approval and execution of related party transactions entered into by the Company, directly or through its subsidiaries, in order to ensure the transparency, as well as the substantive and procedural fairness of the transaction.

IGD's Procedure for Related Party Transactions took effect on 1 January 2011 and is available to the public at the Issuer's registered office and on the website www.gruppoigd.it.

The term "Related Party" is defined explicitly in the Regulations, as per IAS 24, with marginal adjustments in order to ensure that the perimeter of related parties and related transactions is correctly determined. In order to maintain consistency in the financial statements, the Company decided to apply the Procedure to the subsidiaries of the company which exercises a significant influence over IGD, pursuant to Art. 4, par. 2, of the Regulations.

Related party transactions are transactions in which there is a transfer of resources, services or obligations between one or more related parties, regardless of whether a price is charged.

The Regulations distinguish between:

1) Material related party transactions (including cumulatively): one in which at least one of the following CONSOB materiality ratios has a value of 5% or more:
(i) transaction materiality ratio: this is the ratio between the amount of the transaction and the higher of the amount of equity IGD SIIQ's capitalization;
(ii) assets materiality ratio: the ratio between the total assets of the entity involved in the transactions and IGD SIIQ's total assets;
(iii) liabilities materiality ratio: the ratio between acquired entity's total liabilities and IGD SIIQ's total assets.

2) Less material related party transactions, which includes all the other transactions and not considered immaterial transactions (as defined below).

In particular, the procedure provides that:

- Operations of lesser importance may be approved by the body with competence to decide on the same following receipt of a non-binding opinion with reasons from the Panel for Operations with Related Parties, dealing with the Company's interests in the completion of the Operation together with the financial convenience and substantive propriety of the related conditions. To that end the Panel must receive, including during a meeting called specifically for the purpose, complete and adequate information relating to the characteristics of the Operation the Company intends to carry out. If the Panel for Operations with Related Parties considers it appropriate, it may obtain consultancy from one or more independent experts chosen by it, for the purposes of the provision of its non-binding opinion;
- In the case of Operations of greater importance, save where the Operations concerned come within the competence of the General Meeting or which must be authorised by the latter, they will be resolved on by the Company's Board of Directors following the receipt of an opinion with reasons from the Panel for Operations with Related Parties, dealing with the Company's interests in concluding

the Operation concerned together with the financial convenience and substantive propriety of the related conditions. To such end, the Panel, possibly through one or more of its members granted the related delegated powers, will be involved in the stages of negotiations and investigation through the receipt of a complete and timely information flow sent by the competent area management including in the case of meetings specially called for the purpose. If the Panel for Operations with Related Parties considers the same to be necessary or appropriate, it may obtain consultancy from one or more experts chosen by it for the purposes of the issue of its binding opinion. If the Panel for Operations with Related Parties issues an opinion contrary to the conclusion of the Operation, pursuant to the provisions of the Articles of Association, the Board of Directors will nonetheless be able to implement the Operation following approval from the General Meeting. In such circumstances, if the Board of Directors wishes to submit the conclusion of the Operation of greater importance to the General Meeting in spite of the opinion of the Panel for Operations with Related Parties contrary to the same or , in any case without taking account of the objections identified by the latter, the Operation may not be concluded if the majority of the non-related voting shareholders cast their votes against the Operation on condition however, that the non-related shareholders present at the General Meeting represent at least 10% of the share capital with voting rights (so-called "*whitewash*").

In the case of Operations with related parties falling under the competence of the General Meeting or which must be authorised by the latter pursuant to Article 2364, paragraph 1, (5), of the Italian Civil Code, the procedural safeguards described in the previous points will apply, mutatis mutandis, for the negotiations and investigation stages together with the stage for the approval of the resolution to be submitted to the General Meeting.

Furthermore, in compliance with the provisions in force, the procedure will also set out the criteria for the identification of Operations to which the above procedure is not to be applied, such as:

- immaterial transactions (below the amount indicated in the Company's Procedure).
- resolutions relating to remuneration of directors holding particular offices (Chairman, Chief Executive Officer, committee members) and under certain conditions (i.e. if the company's compensation policy calls for the involvement of the Compensation Committee).
- compensation packages based on financial instruments approved by the shareholders pursuant to Art. 114-bis of TUF.
- routine transactions concluded in accordance with market equivalent or standard conditions (i.e. service contracts).
- Transactions with or between subsidiaries and associated companies (if they are not involved significant interests of other related parties, and subject to periodic accounting information).
- Urgent transactions, which do not fall within the competence of the Assembly or should not be authorized by it, provided that the requirements are observed pursuant to art. 13 of the Regulations Related Parties

With regard to transparency and the information to be provided to the market concerning operations effected by the Issuer with related parties, we would note that the procedure fully reflects all relevant provisions contained in the Related Parties Regulations.

For the purposes of financial reporting, please note that, in accordance with Commission Regulation (EU) 632/2010 of 19 July 2010, the new text of IAS 24 has been in effect since 1 January 2011. With respect to the standard in effect up until 31 December 2010, the new IAS 24 stresses the need for consistency when identifying related parties and also considers includes entities controlled by related entities as related parties and more clearly defines the circumstances under which persons and managers with strategic responsibilities are to considered related parties. Secondly, the amendment introduces an exemption based on which transactions undertaken with a Government, with its directly controlled or jointly controlled entities or subject to significant influence by a Government, are not subject to the general disclosure requirements. The adoption of the amendment did not have any impact on the Group's financial position or results at 31 December 2012.

19.1 Operations with Related Parties

The information relating to inter-company Operations involving associated companies or other related parties can be found in both the individual and Consolidated Financial Statements for 2012 (Notes to the Financial Statements, note 40 Information on Related Parties from page 210), in the individual and Consolidated Financial Statements of 2011 (Notes to the Financial Statements, note 40 Information on Related Parties from page 181) and the Individual and Consolidated Financial Statements of 2012.

The Issuer opts for incorporation by reference of the documents specified above, pursuant to Art. 11 of Directive 2003/71/EC and Art. 28 of Commission Regulation (EC) n. 809/2004. These documents were published and filed with CONSOB and made available to the public on the Issuer's website (www.gruppoigd.it), as well as at the Issuer's registered office and Borsa Italiana.

A brief description on the related party transactions entered into by IGD during the years closed on 31 December 2012, 2011 and 2010 follows.

During these years no "atypical or unusual" transactions were entered into. Operations effected with related parties, including inter-group Operations, will come within ordinary activities for group companies and will be aligned with normal market conditions.

On 18 April 2013, the Issuer's Board of Directors approved the promotion of an exchange offer. So long as made on equal conditions to a number of qualified investors, an offer of exchange may be qualified as an "operation with related parties", particularly with Coop Adriatica and Unicoop Tirreno which, so far as the Company is aware, have subscribed to a part of the "*€230,000,000 3.50 per cent. Convertible Bonds due 2013*" convertible bond loans for a total value of about €182 million. As a consequence, the above-mentioned resolution of the Board of Directors was passed following the issue of the favourable opinion of the Company's Panel for Operations with Related Parties on 17 April 2013 pursuant to Article 8 of the Consob Regulations no. 17221 of 12 March 2010 as subsequently amended.

So far as the Company is aware, Coop Adriatica and Unicoop Tirreno accepted the offer of exchange for a total nominal value of €120 million.

The Informative Document relating to the offer of exchange, drawn up pursuant to Article 5 of the Related Parties Regulations and Article 11 of the IGD Procedure for Operations with Related Parties, is available for inspection by the public on the Issuer's internet site at www.gruppoigd.it.

IGD maintains, *inter* alia, financial and economic relations with the controlling company Coop Adriatica, with other companies of the Coop Adriatica Group (Robintur S.p.A., a company controlled by Coop Adriatica with a shareholding of 69.73% of the share capital, Librerie Coop S.p.A., a company in which Coop Adriatica owns 37.50% of the share capital, and Viaggia con noi S.r.l. a company controlled by Robintur S.p.A. with a shareholding of 60% of the share capital), with a number of companies in the Unicoop Tirreno Group (Vignale Comunicazioni, Unicoop Tirreno and Ipercoop Tirreno) and with IperCoop Sicilia. The most important part of the relations with related parties are those with Coop Adriatica and Unicoop Tirreno.

Transactions with Coop Adriatica and its subsidiaries

At the date of the Registration Document, IGD is controlled, within the meaning of Art. 93 of TUF, by Coop Adriatica which owns 42.773% of IGD's share capital and exercises management and coordination activities for it within the meaning of Art. 2497 of the Italian Civil Code.

According to the provisions of the above shareholders' agreement, as the controlling shareholder Coop Adriatica is entitled to appoint the majority of the members of the IGD Board of Directors and can influence, among other things, the Issuer's investment policy and management in general. It is noted that at the date of the Registration Document, independent directors form the majority on the Company's Board of Directors. Non-controlling shareholders nevertheless have limited possibilities of influencing the above policies and decisions. (See Chapter VII, Paragraph 7.1 of the Registration Document).

Transactions with the controlling company Coop Adriatica refer to:

- Receivables and income for the leasing of properties used as hypermarkets. As at 31 December 2012 the amounts of payments from the leasing contracts, including leasing for shop premises, amounted to about €22.75 million;
- Payables and costs for the rental/use of malls owned by Coop Adriatica; on 31 December the cost relating to the above relationships was about €1.87 million;
- payables and costs for Coop Adriatica's supply of electronic data processing services;
- Capitalized costs for services in connection with expansion or new construction;
- Security deposits received on leases;
- Financial collection and payment transactions in the context of treasury services, concluded in April 2011. The Conditions in force at that point entailed interest payable at Euribor at three months increased by a spread of 150
- Relations in the form of opening current account credit facilities. On 31 December 2012 the balance was €21,783 thousand with an applicable rate of 3.963% (Euribor 3 months increased by a spread of 375 basis points). The above current account has been maintained for the sole purpose of using the credit facilities granted, amounting to a total of €50 million;"
- The loan provided for the Le Maioliche Shopping Centre in Faenza amounting to €15 million, with the rate applied on 31 December 2012 of 3.77%.

More specifically, new business with Coop Adriatica during the year 2010 and the year 2012:

- purchase of the hypermarket at “Conè” Shopping Center and retail park in Conegliano and subsequent rental agreement signed in June. The purchase price of Euro 23.5 million, plus taxes and transaction costs, was paid in full by IGD at the closing. The hypermarket has been valued by a third party CBRE expert, using the discounted cash flow method, based on the actualisation of future net income deriving from the leasing out of the property. Having acquired ownership of the hypermarket, IGD rented the building, with a gross leasable area of 9,500 square meters, back to Coop Adriatica under an 18-year lease. The purchase was subject to the "Procedure for Related Party Transactions" made available to the public on the website www.gruppoigd.it;
- contract regarding the design and creation of a retail park in Chioggia, valid from 1 January 2011 to 31 December 2012, with a total value of Euro 120 thousand;
- Relationships for the opening of current account credit and the loan provided for the Le Maioliche Shopping Centre in Faenza amounting to €15 million.

The operations effected with Robintur S.p.A. and Viaggia con noi S.r.l. (so far as the latter is concerned, starting from 20 October 2012) relate to the leasing of property units within shopping Centres and the supply of services. As at 31 December 2012 the total of payments received by the Issuer in relation to the leasing contracts with Robintur S.p.A. and Viaggia con noi S.r.l. were about €253 thousand and €3 thousand respectively.

Transactions with Librerie Coop S.p.A. concern receivables and income for the business lease of properties inside shopping centres, and the rental of the third floor of the building that houses IGD's headquarters. As at 31 December 2012, the total monies received by the Issuer with reference to such leasing contracts amounted to about €638 thousand.

Relations with Ipercoop Sicilia

The operations effected with Ipercoop Sicilia, Coop Adriatica owning a shareholding of about 25% in the company, had as their subject matter commercial and economic relations regarding the leasing out of real estate for use as hypermarkets and, with reference to 2011, the purchase of the hypermarket in the La Torre Shopping Centre in Palermo. The payment for the purchase was €36 million, in addition to taxes and accessory costs with the transfer of a mortgage of a value of €25 million with the remaining price paid by IGD contemporaneously with the signing of the final contract. The hypermarket has been valued by a third party expert from REAG using the discounted cash-flow method based on the actualisation of future net income deriving from the leasing of the property. As at 31 December 2012 payments from the leasing amounted to about €4.58 million.

Relations with Unicoop Tirreno and companies belonging to the latter

The operations effected with Unicoop Tirreno and Ipercoop Tirreno refer to the following:

- security deposits received on leases;
- positive economic and commercial relations involving the leasing out of the properties with planning use as hypermarkets. As at 31 December 2012 the payments received by the Issuer with reference to such leasing contracts amounted to about €7.5 million.

The operations effected with Vignale Comunicazione, a subsidiary of Unicoop Tirreno, refer to positive economic and commercial relations involving the leasing of areas within shopping centres. In Particular, over 2012 two contracts for the leasing of such spaces were concluded with Vignale Comunicazione relating to the Mondovì and Asti Galleries with effect from 1 January 2012 and expiring on 31 December 2014. Three contracts were concluded in 2011 for the leasing of such areas between IGD and Vignale Comunicazione relating to the shopping arcades of Conegliano and Asti starting on 1 March 2011 and expiring on 31 December 2011 and of Palermo starting on 1 January 2011 and expiring on 31 December 2012. As at 31 December 2012 the payments received by the Issuer under the above contracts for the leasing of shopping premises amounted to €0.47 million.

The following table sets out the expiry date for each of the leasing contracts with related parties as at the date of the Registration Document.

Property	Date of next expiry
Hypermarkets/Supermarkets owned by the Company	
CENTRO ESP	30/06/2019
CENTRO BORGO	30/06/2017
CENTRO LAME	30/06/2018
CENTRO LEONARDO	30/06/2017
LUGO	30/06/2021
AQUILEIA	22/07/2014
I MALATESTA	22/12/2023
LE MAIOLICHE	03/06/2027
CONE’	29/06/2029

CENTRO D'ABRUZZO	30/06/2018
PORTOGRANDE	30/06/2017
CASILINO	30/06/2021
LE PORTE DI NAPOLI	25/03/2021
FONTI DEL CORALLO	28/03/2022
KATANE'	28/10/2027
TIBURTINO	01/04/2027
MIRALFIORE	30/06/2021
IL MAESTRALE	30/06/2015
LA TORRE	11/07/2029
Hypermarkets/supermarkets owned by third parties	
CENTRO PIAVE	30/04/2022

The framework agreement with Coop Adriatica and Unicoop Tirreno

On 27 October 2004, IGD, Coop Adriatica and Unicoop Tirreno entered into a framework agreement (the "Framework Agreement"), designed to regulate future sale and lease transactions between these parties under market terms and conditions.

In particular, under the Framework Agreement (whose initial term was set at 5 years, automatically renewable for a further 5 years), Coop Adriatica and Unicoop Tirreno agreed to offer IGD an exclusive option to buy property due to be built or already built, and that, in the event of sales involving shopping malls, they would transfer to IGD all the licenses and permits required to conduct business in the same.

Upon conclusion of final sale contracts, the Framework Agreement requires IGD to grant a lease to Coop Adriatica and/or Unicoop Tirreno, for a period of time which can vary from a minimum of 12 to a maximum of 18 years, for the portion of the property used as a hypermarket or supermarket, under an agreement whose rent allows the company to earn an average income defined, at the date of entering into the Framework Agreement, as 7% of the purchase price, that the Parties will review annually, or at the time of specific transactions, on the basis of market conditions. In particular, the rent is in line with the average yield of the IGD Portfolio and of real estate portfolios of companies operating in the mass distribution sector.

If it is IGD that starts independent investment projects on land that it owns, the Company has agreed to inform the shareholder cooperatives of such projects and to lease them the properties that they might require. If the property is built by IGD at the request of the shareholder cooperatives, the latter will be required to rent the property upon completion of the work.

Please note that, with regard to the hypermarkets/supermarkets leased to Coop Adriatica and Unicoop Tirreno, the weighted "Gross Initial Yield" as at 31 December 2012 was 6.64%. The above value also included autonomous investment initiatives.

Although the Framework Agreement applies market conditions to purchase, sale and lease transactions between IGD, Coop Adriatica and Unicoop Tirreno, if the agreement were to cease to be valid or if it were not renewed at its expiry, sale and lease contracts governed by the Agreement that might be concluded with third parties might not be concluded under the same conditions and in the same manner, with possible adverse effects on the business, assets, liabilities, results of operations and/or financial condition of the Issuer and the Group.

Finally, even though the Issuer intends to assess the possible renewal of the Framework Agreement, due to expire on 27 October 2014, in the Issuer's view any failure to renew the said contract at the above expiry date will not have a significant impact on the economic, equity and financial situation of the Company.

Transactions with Group companies

Transactions with Consorzio Forte di Brondolo in liquidation concern payables and costs for construction work on the land in Chioggia.

Transactions with Consorzio Proprietari Leonardo, Consorzio Lamè, Consorzio Conè, Consorzio La Torre, Consorzio Crema, Consorzio Sarca, Consorzio Katanè, and Consorzio Bricchi concern receivables and income for facility management services at shopping centres; the costs incurred with Consorzio Bricchi, Consorzio Conè, Consorzio Proprietari Leonardo, Consorzio Lame, Consorzio Crema, Consorzio La Torre and Consorzio Katanè refer to service charges for vacant units.

With regard to 2012, 2011 and 2010, transactions with Iniziative Immobiliari Bologna Nord, held 15%, concern a loan granted to the company at market rates.

Transactions with Group companies consist of loans granted under standard market conditions and technical/administrative service contracts.

Save with regard to what has been stated above with reference to the Exchange Offer, no new important relations with related parties have been established between 31 December 2012 and the date of the Registration Document.

The tables below show the impact on the consolidated financial position of the transactions undertaken at 31 March 2013, as well as at 31 December 2012, 2011 and 2010 with related parties in light of the new definition for related party in IAS 24, as amended effective 1 January 2011.

Quarter closed on 31 March 2013

Related party disclosures	Receivables and other current assets	Financial receivables	Current payables and other liabilities	Non-current payables and other liabilities	Financial payables	Other non-current assets	Fixed assets - increases
Coop Adriatica scarl	24	0	3.402	9.322	39.364	3.240	2
Robintur spa	0						
Librerie.Coop spa	82						
Unicoop Tirreno scarl	61		39	2.379			0
Vignale Comunicazione srl	131			25			
Ipercoop Tirreno spa	0			1.134			
Ipercoop Sicilia	0						0
Viaggia con noi	0						
Cons.Forte di Brondolo	2		31				0
Cons. Proprietari Leonardo	1		5				2
Consorzio Bricchi	4		24				
Consorzio Lame	2		29				0
Consorzio Katanè	179		120				
Consorzio Conegliano	2		14				
Consorzio Palermo	223		93				
Consorzio Crema	61		34				0
Consorzio Sarca	8		0				
Iniziative Bologna Nord	0	712					
Total	**780**	**712**	**3.793**	**12.860**	**39.364**	**3.240**	**5**
Total Financial Statements	**100.307**	**732**	**17.960**	**20.333**	**1.091.739**	**31.998**	

Total period increase/decrease							2.233
% of total	**0,78%**	**97,30%**	**21,12%**	**63,25%**	**3,61%**	**10,13%**	**0,20%**

Related party disclosures	Revenue - other income	Financial income	Costs	Financial charges
Coop Adriatica scarl	5.784		520	348
Robintur spa	59		0	
Librerie.Coop spa	178		0	
Unicoop Tirreno scarl	1.365		25	12
Vignale Comunicazione srl	118			
Ipercoop Tirreno spa	537			6
Ipercoop Sicilia	1.207			
Viaggia con noi	4			
Cons. Proprietari Leonardo	57		0	
Consorzio Bricchi	28		147	
Consorzio Lame	44		0	
Consorzio Katanè	49		36	
Consorzio Conegliano	41		52	
Consorzio Palermo	48		38	
Consorzio Crema	25		11	
Consorzio Sarca	58			
Total	**9.601**	**0**	**828**	**366**
Total Financial Statements	**30.440**	**84**	**10.382**	**11.313**
% of total	**31,54%**	**0,00%**	**7,97%**	**3,24%**

Accounting period closing on 31 December 2012

Related party disclosures	Receivables and other current assets	Financial receivables	Current payables and other liabilities	Non-current payables and other liabilities	Financial payables	Other non-current assets	Fixed assets - increases	Fixed assets - decreases
Coop Adriatica scarl	52	22	4,144	9.322	36,783	3,689	136	0
Robintur spa	1	0	0	0	0	0	0	0
Librerie.Coop spa	14	0	0	0	0	0	0	0
Unicoop Tirreno scarl	51	0	14	2,367	0	0	0	10
Vignale Comunicazione srl	55	0	0	25	0	0	0	0
Ipercoop Tirreno spa	0	0	0	1,128	0	0	0	0
Ipercoop Sicilia	24	0	0	0	0	0	0	0
Viaggia con noi	4	0	0	0	0	0	0	0
Cons.Forte di Brondolo	2	0	31	0	0	0	198	0
Cons. Proprietari Leonardo	1	0	9	0	0	0	11	0
Consorzio Bricchi	1	0	0	0	0	0	0	0
Consorzio Lame	1	0	38	0	0	0	97	0
Consorzio Katanè	119	0	82	0	0	0	0	0
Consorzio Conegliano	1	0	0	0	0	0	0	0
Consorzio Palermo	164	0	40	0	0	0	0	0
Consorzio Crema	31	0	15	0	0	0	41	0
Consorzio Sarca	10	0	0	0	0	0	0	0
Iniziative Bologna Nord	0	712	0	0	0	0	0	0

Total	**531**	**734**	**4,373**	**12,842**	**36,783**	**3,689**	**483**	**10**
Amount reported	**96,155**	**775**	**19,606**	**20,240**	**1,097,976**	**33,587**		
Total increase/decrease for the year							**13,805**	**30**
% of total	**0.55%**	**94.71%**	**22.31%**	**63.45%**	**3.35%**	**10.98%**	**3.50%**	**33.33%**

Related party disclosures	Revenue - other income	Financial income	Costs	Financial charges
Coop Adriatica scarl	22,848	0	2,229	2,165
Robintur spa	253	0	19	0
Librerie.Coop spa	638	0	0	0
Unicoop Tirreno scarl	5,384	0	102	0
Vignale Comunicazione srl	468	0	0	0
Ipercoop Tirreno spa	2,134	0	0	72
Ipercoop Sicilia	4,580	0	0	0
Viaggia con noi	3	0	0	0
Cons.Forte di Brondolo	0	0	0	0
Cons. Proprietari Leonardo	222	0	12	0
Consorzio Bricchi	109	0	636	0
Consorzio Lame	174	0	3	0
Consorzio Katanè	195	0	174	0
Consorzio Conegliano	159	0	163	0
Consorzio Palermo	190	0	129	0
Consorzio Crema	99	0	2	0
Consorzio Sarca	225	0	0	0
Iniziative Bologna Nord	0	9	0	0
Total	**37,680**	**9**	**3,470**	**2,237**
Amount reported	**123,257**	**554**	**43,492**	**48,124**
% of total	**30.57%**	**1.71%**	**7.98%**	**4.65%**

Accounting period closing on 31 December 2011

Related party disclosures	Receivables and other current assets	Financial receivables	Current payables and other liabilities	Non-current payables and other liabilities	Financial payables	Other non-current assets	Fixed assets - increases	Fixed assets - decreases
Coop Adriatica scarl	40	0	1,855	9,322	65,469	1,869	23,843	0
Robintur spa	1	0	0	0	0	0	0	0
Librerie.Coop spa	16	0	1	0	0	0	0	0
Unicoop Tirreno scarl	95	0	14	2,319	0	0	0	0
Vignale Comunicazione srl	116	0	0	25	0	0	0	0
Ipercoop Tirreno spa	13	0	0	1,105	0	0	0	0
Ipercoop Sicilia	23	0	4	0	0	0	36,000	0
Cons.Forte di Brondolo	2	0	317	0	0	0	650	0
Cons. Proprietari Leonardo	2	0	10	0	0	0	9	0
Consorzio Bricchi	29	0	201	0	0	0	0	0
Consorzio Lame	1	0	58	0	0	0	127	0
Consorzio Katanè	58	0	27	0	0	0	0	0
Consorzio Conegliano	3	0	60	0	0	0	0	0
Consorzio Palermo	165	0	114	0	0	0	0	0
Consorzio Crema	1	0	0	0	0	0	0	0

Consorzio Sarca	418	0	0	0	0	0	0	0
Iniziative Bologna Nord	0	1,426	0	0	0	0	0	0
Total	**983**	**1,426**	**2,661**	**12,771**	**65,469**	**1,869**	**60,629**	**0**
Amount reported	**96,636**	**1,704**	**19,858**	**20,096**	**1,145,348**	**22,308**		
Total increase/decrease for the year							**127,905**	**385**
% of total	**1.02%**	**83.67%**	**13.40%**	**63.55%**	**5.72%**	**8.38%**	**47.40%**	**0.00%**

Related party disclosures	Revenue - other income	Financial income	Costs	Financial charges
Coop Adriatica scarl	21,645	9	2,197	1,104
Robintur spa	252	0	68	0
Librerie.Coop spa	618	0	1	0
Unicoop Tirreno scarl	5,139	0	102	0
Vignale Comunicazione srl	545	0	0	0
Ipercoop Tirreno spa	2,087	0	0	43
Ipercoop Sicilia	3,341	0	0	0
Cons.Forte di Brondolo	2	0	0	0
Cons. Proprietari Leonardo	217	0	2	0
Consorzio Bricchi	107	0	704	0
Consorzio Lame	169	0	0	0
Consorzio Katanè	191	0	134	0
Consorzio Conegliano	158	0	198	0
Consorzio Palermo	186	0	105	0
Consorzio Crema	73	0	0	0
Consorzio Sarca	641	0	0	0
Iniziative Bologna Nord	0	18	0	0
Total	**35,371**	**27**	**3,511**	**1,147**
Amount reported	**130,253**	**809**	**45,489**	**44,144**
% of total	**27.16%**	**3.36%**	**7.72%**	**2.60%**

Accounting period closing on 31 December 2010

Related party disclosures	Receivables and other current assets	Financial receivables	Current payables and other liabilities	Non-current payables and other liabilities	Financial payables	Other non-current assets	Fixed assets - increases	Fixed assets - decreases
Coop Adriatica scarl	108	448	4,759	8,532	19,127	3,709	57,176	-144
Robintur spa	12	0	0	0	0	0	0	
Librerie.Coop spa	9	0	0	0	0	0	0	
Unicoop Tirreno scarl	77	0	14	2,290	0	0	0	
Vignale Comunicazione S.r.l.	308	0	0	25	0	0	0	
Ipercoop Tirreno spa	13	0	0	1,091	0	0	0	
IPK SICILIA	6	0	0	0	0	0	241	
Cons.Forte di Brondolo	0	0	0	0	0	0	60	
Consorzio Proprietari	2	0	23	0	0	0	18	

Leonardo								
Consorzio Bricchi	68	0	0	0	0	0	0	
Consorzio Lame	0	0	27	0	0	0	0	
Consorzio Conè	39	0	112	0	0	0	0	
Consorzio La Torre	36	0	3	0	0	0	0	
Albos	37	0	0	0	0	0	0	
Iniziative Bologna Nord	0	642	0	0	0	0	0	
TOTAL	**714**	**1,091**	**4,938**	**11,938**	**19,127**	**3,709**	**57,494**	**-144**
TOTAL REPORTED	**121,087**	**7,092**	**27,582**	**25,625**	**1,060,837**	**22,084**	**1,764,404**	**1,764,404**
% OF TOTAL	**0.59%**	**15.38%**	**17.90%**	**46.59%**	**1.80%**	**16.80%**	**3.26%**	**-0.01%**

Related party disclosures	Revenue - other income	Financial income	Costs	Financial charges
Coop Adriatica scarl	20,661	19	2,926	902
Robintur spa	230	0	6	0
Librerie.Coop spa	544	0	0	0
Unicoop Tirreno scarl	4,986	0	101	0
Vignale Comunicazione srl	473	0	0	0
Ipercoop Tirreno spa	2,052	0	0	29
IPK SICILIA	2,243	0	0	0
RGD	38	0	0	0
Consorzio Proprietari Leonardo	212	0	38	0
Consorzio Bricchi	109	0	758	0
Consorzio Lame	165	0	0	0
Consorzio Katanè	185	0	131	0
Consorzio Conè	34	0	112	0
Consorzio La Torre	30	0	18	0
Albos	37	0	0	0
Iniziative Bologna Nord	0	12	0	0
TOTAL	**31,998**	**31**	**4,090**	**930**
TOTAL REPORTED	**122,441**	**2,675**	**38,525**	**37,879**
% OF TOTAL	**26.13%**	**1.16%**	**10.62%**	**2.46%**

CHAPTER XX - FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS, LIABILITIES, FINANCIAL POSITION, PROFITS AND LOSSES

20.1 Financial information for the years ended 31 December 2012, 2011 and 2010 and for the quarter ended 31 March 2013

This section incorporates by reference the following documents, available to the public at IGD's registered office and online at www.gruppoigd.it:

Interim management statement at and for the period ended 31 March 2013 (not subject to full auditing) and relevant annexes:

- Consolidated income statement: page 22.
- Consolidated statement of financial position: page 24.
- Consolidated statement of changes in equity: page 25.
- Consolidated statement of cash flows: page 26.

Separate financial statements of IGD at 31 December 2012 (fully audited) and their annexes:

- Income statement: page 232.
- Statement of financial position: page 234.
- Statement of changes in equity: page 235.
- Statement of cash flows: page 236.
- Notes to the financial statements: pages 237 and following.
- External auditors' report: page 291.

Group Consolidated financial statements at 31 December 2012 (fully audited) and their annexes:

- Consolidated income statement: page 166.
- Consolidated statement of financial position: page 168.
- Consolidated statement of changes in equity: page 169.
- Consolidated statement of cash flows: page 170.
- Notes to the financial statements: page 171 and following.
- External auditors' report: page 228.

Group Consolidated financial statements at 31 December 2011 (fully audited) and their annexes:

- Consolidated income statement: page 136.
- Consolidated statement of financial position: page 138.
- Consolidated statement of changes in equity: page 139.
- Consolidated statement of cash flows: page 140.
- Notes to the financial statements: pages 141 and following.
- External auditors' report: pages 200 - 201.

Group Consolidated financial statements at 31 December 2010 (fully audited) and their annexes:

- Consolidated income statement: page 108.

- Consolidated statement of financial position: page 110.
- Consolidated statement of changes in equity: page 111.
- Consolidated statement of cash flows: page 112.
- Notes to the financial statements: pages 113 and following.
- External auditors' report: page 171 - 172.

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Quarter ended 31 March 2013

The following table presents the consolidated income statement for the first quarter of 2013 e 2012.

Consolidated income statement	**1Q 2013**	**1Q 2012**	**Change**
(in Euro/000)	**(A)**	**(B)**	**(A-B)**
Revenue	29,181	29,475	(294)
Other income	1,259	1,352	(93)
Total revenue and operating income	**30,440**	**30,827**	**(387)**
Change in work in progress inventory	1,629	1,750	(121)
Total revenue and change in inventory	**32,069**	**32,577**	**(508)**
Cost of construction in progress	1,497	1,567	(70)
Material and service costs	4,620	4,492	128
Cost of labor	2,109	2,028	81
Other operating costs	2,156	1,777	379
Total operating costs	**10,382**	**9,864**	**518**
(Depreciation, amortization and provisions)	(873)	(881)	8
Fair value changes	(275)	(483)	208
Total depreciation, amortization, provisions, impairment and fair value changes	**(1,148)**	**(1,364)**	**216**
OPERATING PROFIT (EBIT)	**20,539**	**21,349**	**(810)**
Income/(loss) from equity investments	**(413)**	**(173)**	**(240)**
Income/(loss) from equity investments	(413)	(173)	(240)
Financial income	84	96	(12)
Financial charges	11,313	12,213	(900)
Net financial income (charges)	**(11,229)**	**(12,117)**	**888**
PRE-TAX PROFIT	**8,897**	**9,059**	**(162)**
Income taxes	700	733	(33)
NET PROFIT	**8,197**	**8,326**	**(129)**
Non-controlling interests in net profit	40	29	11
Parent company share of net profit	**8,237**	**8,355**	**(118)**

Below is the consolidated statement of financial position at 31 March 2013 and 31 December 2012:

Consolidated statement of financial position	31/03/2013	31/12/2012	Change
(in Euro/000)	**(A)**	**(B)**	**(A-B)**
NON-CURRENT ASSETS:			
Intangible assets			
- Intangible assets with finite useful lives	98	98	0
- Goodwill	11,427	11,427	0
	11,525	**11,525**	**0**
Property, plant, and equipment			
- Investment property	1,754,550	1,754,550	0
- Buildings	9,288	9,349	(61)
- Plant and machinery	1,182	1,271	(89)
- Equipment and other assets	2,086	2,179	(93)
- Leasehold improvements	1,277	1,317	(40)
- Assets under construction	78,399	76,376	2,023
	1,846,782	**1,845,042**	**1,740**
Other non-current assets			
- Deferred tax assets	28,028	29,280	(1,252)
- Sundry receivables and other	3,392	3,828	(436)
- Non-current financial assets	138	25	113
	31,998	**33,587**	**(1,589)**
TOTAL NON-CURRENT ASSETS (A)	**1,890,305**	**1,890,154**	**151**
CURRENT ASSETS:			
Work in progress inventory and advances	79,510	78,039	1,471
Trade and other receivables	16,317	14,972	1,345
Other current assets	4,480	3,144	1,336
Financial receivables and other current financial assets	732	775	(43)
Cash and cash equivalents	4,970	7,545	(2,575)
TOTAL CURRENT ASSETS (B)	**106,009**	**104,475**	**1,534**
TOTAL ASSETS (A + B)	**1,996,314**	**1,994,629**	**1,685**
NET EQUITY:			
Share Capital	311,569	311,569	0
Share Premium Reserve	147,730	147,730	0
Other Reserves	244,626	240,938	3,688
Group profits	49,890	41,653	8,237
Total Group net equity	**753,815**	**741,890**	**11,925**
Non-controlling interests	11,636	11,676	(40)
TOTAL NET EQUITY (C)	**765,451**	**753,566**	**11,885**
NON-CURRENT LIABILITIES:			
Liabilities for derivatives	49,339	54,125	(4,786)
Non-current financial liabilities	628,895	574,359	54,536
Provision for employee severance indemnities	1,247	1,191	56
Deferred tax liabilities	45,841	45,422	419
General provisions	1,871	1,667	204
Sundry payables and other non-current liabilities	20,333	20,240	93
TOTAL NON-CURRENT LIABILITIES (D)	**747,526**	**697,004**	**50,522**

CURRENT LIABILITIES:			
Current financial liabilities	462,844	523,617	(60,773)
Trade and other payables	10,500	12,646	(2,146)
Current tax liabilities	2,533	836	1,697
Other current liabilities	7,460	6,960	500
TOTAL CURRENT LIABILITIES (E)	**483,337**	**544,059**	**(60,722)**
TOTAL LIABILITIES (F = D + E)	**1,230,863**	**1,241,063**	**(10,200)**
TOTAL NET EQUITY AND LIABILITIES (C + F)	**1,996,314**	**1,994,629**	**1,685**

Below is the consolidated statement of changes in equity for the quarter ended 31 March 2013:

	Share capital	Share premium reserve	Other reserves	Group profits	Group net equity	Non-controlling interests	Total net equity
Balance at 1 January 2013	**311,569**	**147,730**	**240,938**	**41,653**	**741,890**	**11,676**	**753,566**
Profit for the period				8,237	8,237	(40)	**8,197**
Valuation of cash flow hedge derivatives			3,663		3,663		**3,663**
Other comprehensive income (losses)			25		25		**25**
Total comprehensive income (losses)			**3,688**	**8,237**	**11,925**	**(40)**	**11,885**
Balance at 31 March 2012	**311,569**	**147,730**	**244,626**	**49,890**	**753,815**	**11,636**	**765,451**

The following table presents the consolidated statement of cash flows for the years ending on 31 March 2013 and 2012.

CONSOLIDATED STATEMENT OF CASH FLOWS	**31/03/2013**	**31/03/2012**
(in Euro/000)		
CASH FLOW FROM OPERATING ACTIVITIES:		
Result before Tax	**8,897**	**9,059**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:		
Non-monetary items	4,080	3,726
Depreciation, amortization and provisions	873	881
Change in fair value - increases / (decreases)	275	483
Management of shareholdings	413	0
CASH FLOW FROM OPERATIONS	**14,538**	**14,149**
Current income tax	(342)	(383)
CASH FLOW FROM OPERATIONS AFTER TAX	**14,196**	**13,766**
Change in inventories	(1,471)	(1,605)
Net change in current assets and liabilities	(3,426)	1,530
Net change in non-current assets and liabilities	759	576
CASH FLOW FROM OPERATING ACTIVITIES	**10,058**	**14,267**
(Investments) in fixed assets	(2,233)	(2,219)
Disposals of fixed assets	0	108
CASH FLOW FROM INVESTING ACTIVITIES (b)	**(2,233)**	**(2,111)**
Change in non-current financial assets	(113)	15

Change in financial receivables and other current financial assets	43	(2,726)
Change in current debt	(62,769)	(12,140)
Change in non-current debt	52,433	5,084
CASH FLOW FROM FINANCING ACTIVITIES (c)	**(10,406)**	**(9,767)**
Exchange gains/(losses) on cash and cash equivalents	6	(23)
NET INCREASE (DECREASE) IN CASH BALANCE	**(2,575)**	**2,366**
CASH BALANCE AT BEGINNING OF YEAR	**7,545**	**14,433**
CASH BALANCE AT END OF PERIOD	**4,970**	**16,799**

Year ended 31 December 2012

The following table presents the consolidated income statement for the years ending 31 December 2012 and 2011.

Consolidated income statement (*in Euro/000*)		**31/12/2012 (A)**	**31/12/2011 (B)**	**Change (A-B)**
Revenue:		**117,979**	**115,800**	**2,179**
- from third parties		81,778	82,336	(558)
- from related parties		36,201	33,464	2,737
Other income:		**5,278**	**5,447**	**(169)**
- from third parties		3,799	4,095	(296)
- from related parties		1,479	1,352	127
Revenue from property sales		**0**	**1,726**	**(1,726)**
Total revenue and operating income		**123,257**	**122,973**	**284**
Change in work in progress inventory		7,976	7,356	620
Total revenue and change in inventory		**131,233**	**130,329**	**904**
Cost of construction in progress		7,313	8,061	(748)
Material and service costs:		19,451	18,305	1,146
- third parties		15,981	14,794	1,187
- related parties		3,470	3,511	(41)
Cost of labor		8,217	7,850	367
Other operating costs		8,511	5,734	2,777
Total operating costs		**43,492**	**39,950**	**3,542**
(Depreciation, amortization and provisions)		(3,864)	(2,893)	(971)
(Impairment losses)/reversals on work in progress and goodwill		(1,211)	28	(1,239)
Fair value change - increases/(decreases)		(29,383)	(14,150)	(15,233)
Total depreciation, amortization, provisions, impairment and fair value changes		**(34,458)**	**(17,015)**	**(17,443)**
OPERATING PROFIT (EBIT)		**53,283**	**73,364**	**(20,081)**
Income/(loss) from equity investments		**(746)**	**(887)**	**141**
Income/(loss) from equity investments		(746)	(887)	141
Financial income:		**554**	**809**	**(255)**
- third parties		545	782	(237)
- related parties		9	27	(18)
Financial charges:		**48,124**	**44,144**	**3,980**
- third parties		45,887	42,997	2,890
- related parties		2,237	1,147	1,090
Net financial income (charges)		**(47,570)**	**(43,335)**	**(4,235)**

PRE-TAX PROFIT		**4,967**	**29,142**	**(24,175)**
Income taxes		(6,185)	(876)	(5,309)
NET PROFIT		**11,152**	**30,018**	**(18,866)**
Non-controlling interests in net profit		136	39	97
Parent company share of net profit		**11,288**	**30,057**	**(18,769)**
- basic earnings per share		0,036	0,101	
- diluted earnings per share		0,062	0,112	

Below is the consolidated statement of financial position at 31 December 2012 and 2011:

Consolidated statement of financial position		**31/12/2012**	**31/12/2011**	**Change**
(*in Euro/000*)		**(A)**	**(B)**	**(A-B)**
NON-CURRENT ASSETS:				
Intangible assets				
- Intangible assets with finite useful lives		98	78	20
- Goodwill		11,427	11,427	0
		11,525	11,505	20
Property, plant, and equipment				
- Investment property		1,754,550	1,779,445	(24,895)
- Buildings		9,349	9,592	(243)
- Plant and machinery		1,271	1,388	(117)
- Equipment and other assets		2,179	2,467	(288)
- Leasehold improvements		1,317	1,460	(143)
- Assets under construction		76,376	69,834	6,542
		1,845,042	1,864,186	(19,144)
Other non-current assets				
- Deferred tax assets		29,280	19,888	9,392
- Sundry receivables and other		3,828	1,965	1,863
- Equity investments		304	212	92
- Non-current financial assets		25	41	(16)
- Derivatives		150	202	(52)
		33,587	22,308	11,279
TOTAL NON-CURRENT ASSETS (A)		**1,890,154**	**1,897,999**	**(7,845)**
CURRENT ASSETS:				
Work in progress inventory and advances		78,039	71,152	6,887
Inventory		-	7	(7)
Trade and other receivables		14,441	13,101	1,340
Related party trade and other receivables		531	983	(452)
Other current assets		3,144	11,393	(8,249)
Related party financial receivables and other current financial assets		734	1,426	(692)
Financial receivables and other current financial assets		41	278	(237)
Cash and cash equivalents		7,545	14,433	(6,888)
TOTAL CURRENT ASSETS (B)		**104,475**	**112,773**	**(8,298)**
TOTAL ASSETS (A + B)		**1,994,629**	**2,010,772**	**(16,143)**
NET EQUITY:				
Share Capital		311,569	298,273	13,296
Share Premium Reserve		147,730	147,730	0
Other Reserves		240,938	252,347	(11,409)
Group profits		41,653	56,891	(15,238)
Total Group net equity		**741,890**	**755,241**	**(13,351)**
Non-controlling interests		11,676	11,812	(136)
TOTAL NET EQUITY (C)		**753,566**	**767,053**	**(13,487)**
NON-CURRENT LIABILITIES:				
Liabilities for derivatives		54,125	34,773	19,352
Non-current financial liabilities		559,359	860,659	(301,300)

Related party non-current financial liabilities		15,000	15,000	0
Provision for employee severance indemnities		1,191	796	395
Deferred tax liabilities		45,422	48,366	(2,944)
General provisions		1,667	1,386	281
Sundry payables and other non-current liabilities		7,398	7,325	73
Related party sundry payables and other non-current liabilities		12,842	12,771	71
TOTAL NON-CURRENT LIABILITIES (D)		**697,004**	**981,076**	**(284,072)**
CURRENT LIABILITIES:				
Current financial liabilities		501,834	184,447	317,387
Related party current financial liabilities		21,783	50,469	(28,686)
Trade and other payables		8,287	11,215	(2,928)
Related party trade and other payables		4,359	2,643	1,716
Current tax liabilities		836	7,869	(7,033)
Other current liabilities		6,946	5,982	964
Related party other current liabilities		14	18	(4)
TOTAL CURRENT LIABILITIES (E)		**544,059**	**262,643**	**281,416**
TOTAL LIABILITIES (F = D + E)		**1,241,063**	**1,243,719**	**(2,656)**
TOTAL NET EQUITY AND LIABILITIES (C + F)		**1,994,629**	**2,010,772**	**(16,143)**

Below is the consolidated statement of changes in equity for the year ended 31 December 2012:

	Share capital	Share premium reserve	Other reserves	Group profits	Group net equity	Non-controlling interests	Total net equity
Balance at 1 January 2012	**298,273**	**147,730**	**252,347**	**56,891**	**755,241**	**11,812**	**767,053**
Profit for the period	0	0		11,288	11,288	(136)	11,152
Valuation of cash flow hedge derivatives			(13,215)	0	(13,215)	0	(13,215)
Other comprehensive income (losses)	0	0	(858)	0	(858)	0	(858)
Total comprehensive income (losses)	**0**	**0**	**(14,073)**	**11,288**	**(2,785)**	**(136)**	**(2,921)**
Allocation of 2011 profit							
dividends paid	0	0	0	(23,862)	(23,862)	0	(23,862)
capital increase	13,296	0	0	0	13,296	0	13,296
to undistributed earnings reserve	0	0	0	0	0	0	0
to legal reserve	0	0	1,437	(1,437)	0	0	0
to other reserves	0	0	1,227	(1,227)	0	0	0
Balance at 31 December 2012	**311,569**	**147,730**	**240,938**	**41,653**	**741,890**	**11,676**	**753,566**

The following table presents the consolidated statement of cash flows for the years ended 31 December 2012 and 2011.

Consolidated statement of cash flows	**31/12/2012**	**31/12/2011**
(in Euro/000)		
CASH FLOW FROM OPERATING ACTIVITIES:		
Result before Tax	4,967	29,142
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:		
Non-monetary items	8,186	6,343
Depreciation, amortization and provisions	3,864	2,893
(Impairment losses)/reversals on work in progress and goodwill	1,211	(29)
(devaluation of work in progress inventory)	0	0
Change in fair value - increases / (decreases)	29,383	14,150
Management of equity investments	746	528
CASH FLOW FROM OPERATIONS	**48,357**	**53,027**
Current income tax	(1,270)	(1,049)
CASH FLOW FROM OPERATIONS AFTER TAX	**47,087**	**51,978**
Change in inventories	(6,880)	(6,863)
Net change in third party current assets and liabilities	(6,115)	22,242
Net change in related party current assets and liabilities	2,164	(2,546)
Net change in third party non-current assets and liabilities	(1,486)	(4,324)
Net change in related party non-current assets and liabilities	71	833
CASH FLOW FROM OPERATING ACTIVITIES	**34,841**	**61,320**
(Investments) in fixed assets	(13,805)	(127,905)
Disposals of fixed assets	30	385
Disposals of equity investments	0	0
(Investments) in equity investments	(108)	-
CASH FLOW FROM INVESTING ACTIVITIES (b)	**(13,883)**	**(127,520)**
Change in non-current financial assets	15	(22)
Change in third party financial receivables and other current financial assets	237	5,695
Change in related party financial receivables and other current financial assets	692	(335)
Dividend reinvestment option	12,712	0
Dividend payments	(23,862)	(22,370)
Change in third party current debt	317,387	(2,889)
Change in related party current debt	(28,686)	46,342
Change in third party non-current debt	(306,298)	21,961
Change in related party non-current debt	0	0
CASH FLOW FROM FINANCING ACTIVITIES (c)	**(27,803)**	**48,382**
Exchange gains/(losses) on cash and cash equivalents	(43)	(13)
NET INCREASE (DECREASE) IN CASH BALANCE	**(6,888)**	**(17,831)**
CASH BALANCE AT BEGINNING OF YEAR	**14,433**	**32,264**
CASH DISPOSED OF THROUGH THE SALE OF EQUITY INVESTMENTS	**0**	**0**
CASH BALANCE AT END OF YEAR	**7,545**	**14,433**

Year ended 31 December 2011

The following table presents the consolidated income statement for the years ending 31 December 2011 and 2010.

Consolidated income statement		31/12/2011	31/12/2010	Change
(*in Euro/000*)		(A)	(B)	(A-B)
Revenue:		**117,541**	**109,882**	**7,659**
- from third parties		84,077	78,956	5,121
- from related parties		33,464	30,926	2,538
Other income:		**10,986**	**12,559**	**(1,573)**
- from third parties		9,079	11,487	(2,408)
- from related parties		1,907	1,072	835
Revenue from sale of property		**1,726**	**0**	**1,726**
Total revenue and operating income		**130,253**	**122,441**	**7,812**
Change in work in progress inventory		7,356	3,434	3,922
Income (loss) from work in progress		**137,609**	**125,875**	**11,734**
Cost of work in progress		8,061	3,154	4,907
Material and service costs:		23,844	25,641	(1,797)
- third parties		20,333	21,551	(1,218)
- related parties		3,511	4,090	(579)
Cost of labor		7,850	7,529	321
Other operating costs		5,734	5,355	379
Total operating costs		**45,489**	**41,679**	**3,810**
(Depreciation, amortization and provisions)		(4,634)	(3,482)	(1,152)
(Impairment losses)/reversals on work in progress and goodwill		28	(3,842)	3,870
Fair value change - increases/(decreases)		(14,150)	(8,746)	(5,404)
Total depreciation, amortization, provisions, impairment and fair value changes		**(18,756)**	**(16,070)**	**(2,686)**
OPERATING PROFIT (EBIT)		**73,364**	**68,126**	**5,238**
Income/(loss) from equity investments		**(887)**	**(1,140)**	**253**
Income/(loss) from equity investments		(887)	(1,140)	253
Financial income		**809**	**2,675**	**(1,866)**
- third parties		782	2,644	(1,862)
- related parties		27	31	(4)

Financial charges		**44,144**	**37,879**	**6,265**
- third parties		42,997	36,949	6,048
- related parties		1,147	930	217
Net financial income (charges)		**(43,335)**	**(35,204)**	**(8,131)**
PRE-TAX PROFIT		**29,142**	**31,782**	**(2,640)**
Income taxes		(876)	2,510	(3,386)
NET PROFIT		**30,018**	**29,272**	**746**
Non-controlling interests in net profit		39	68	(29)
Parent company share of net profit		**30,057**	**29,340**	**717**
- basic earnings per share		0,101	0,098	
- diluted earnings per share		0,112	0,113	

Below is the consolidated statement of financial position for the years ending 31 December 2011 and 2010:

Consolidated financial position		31/12/2011	31/12/2010	Change
(*in Euro/000*)		(A)	(B)	(A-B)
NON-CURRENT ASSETS:				
Intangible assets				
- Intangible assets with finite useful lives		78	69	9
- Goodwill		11,427	11,427	0
		11,505	**11,496**	**9**
Property, plant, and equipment				
- Investment property		1,779,445	1,666,630	112,815
- Buildings		9,592	7,668	1,924
- Plant and machinery		1,388	1,130	258
- Equipment and other assets		2,467	1,549	918
- Leasehold improvements		1,460	1,640	(180)
- Assets under construction		69,834	74,291	(4,457)
		1,864,186	**1,752,908**	**111,278**
Other non-current assets				
- Deferred tax assets		19,888	13,104	6,784
- Sundry receivables and other		2,177	4,581	(2,404)
- Non-current financial assets		243	4,399	(4,156)
		22,308	**22,084**	**224**
TOTAL NON-CURRENT ASSETS (A)		**1,897,999**	**1,786,488**	**111,511**
CURRENT ASSETS:				
Work in progress inventory and advances		71,152	64,289	6,863
Inventory		7	7	0
Trade and other receivables		13,101	12,265	836
Related party trade and other receivables		983	714	269
Other current assets		11,393	43,812	(32,419)
Related party financial receivables and other current financial assets		1,426	1,091	335
Financial receivables and other current financial assets		278	6,001	(5,723)
Cash and cash equivalents		14,433	32,264	(17,831)
TOTAL CURRENT ASSETS (B)		**112,773**	**160,443**	**(47,670)**
TOTAL ASSETS (A + B)		**2,010,772**	**1,946,931**	**63,841**
NET EQUITY:				
IGD SIIQ S.p.A. share		755,241	761,603	(6,362)
non-controlling interests		11,812	11,851	(39)
TOTAL NET EQUITY (C)		**767,053**	**773,454**	**(6,401)**
NON-CURRENT LIABILITIES:				
Non-current financial liabilities		895,432	854,374	41,058
Related party non-current financial liabilities		15,000	15,000	0
Provision for employee severance indemnities		796	612	184
Deferred tax liabilities		48,366	48,910	(544)
General provisions		1,386	1,645	(259)
Sundry payables and other non-current liabilities		7,325	13,687	(6,362)
Related party sundry payables and other non-current liabilities		12,771	11,938	833
TOTAL NON-CURRENT LIABILITIES (D)		**981,076**	**946,166**	**34,910**
CURRENT LIABILITIES:				
Current financial liabilities		184,447	187,336	(2,889)
Related party current financial liabilities		50,469	4,127	46,342
Trade and other payables		11,215	15,733	(4,518)
Related party trade and other payables		2,643	4,924	(2,281)
Current tax liabilities		7,869	8,266	(397)
Other current liabilities		5,982	6,911	(929)
Related party other current liabilities		18	14	4
TOTAL CURRENT LIABILITIES (E)		**262,643**	**227,311**	**35,332**
TOTAL LIABILITIES (F = D + E)		**1,243,719**	**1,173,477**	**70,242**
TOTAL NET EQUITY AND LIABILITIES (C + F)		**2,010,772**	**1,946,931**	**63,841**

Below is the consolidated statement of changes in equity for the year ended 31 December 2011:

	Share capital	**Share premium reserve**	**Legal reserve**	**Euro conversion reserve**	**Goodwill reserve**	**Cash flow hedge reserve**	**Reserve for treasury shares**	**Bond issue reserve**	**Fair value reserve**	**Translation reserve**	**Undistributed earnings reserve**	**Profit (losses) carried forward**	**Group net equity**	**Minority interests**	**Total net equity**
Balance at 1 January 2011	**298,273**	**147,730**	**7,618**	**23**	**13,736**	**(3,137)**	**(11,276)**	**29,699**	**233,757**	**(3,945)**	**14,006**	**35,120**	**761,603**	**11,851**	**773,454**
Profit for the year	0	0	0	0	0	0	0	0	0	0	0	30,057	**30,057**	(39)	**30,018**
Other comprehensive income (losses)	0	0	0	0	0	(12,427)	0	94	0	0	(1,716)	0	**(14,049)**	0	**(14,049)**
Total comprehensive income (losses)	**0**	**0**	**0**	**0**	**0**	**(12,427)**	**0**	**94**	**0**	**0**	**(1,716)**	**30,057**	**16,008**	**(39)**	**15,969**
Allocation of 2010 profit															
- dividends	0	0	0	0	0	0	0	0	0	0	0	(22,370)	**(22,370)**	0	**(22,370)**
- to undistributed earnings reserve	0	0	0	0	0	0	0	0	0	0	(3,504)	3,504	**0**	0	**0**
- to legal reserve	0	0	1,385	0	0	0	0	0	0	0	0	(1,385)	**0**	0	**0**
- to other reserves	0	0	0	0	0	0	0	0	5,143	0	0	(5,143)	**0**	0	**0**
Balance at 31 December 2011	**298,273**	**147,730**	**9,003**	**23**	**13,736**	**(15,564)**	**(11,276)**	**29,793**	**238,900**	**(3,945)**	**8,786**	**39,782**	**755,241**	**11,812**	**767,053**

The following table presents the consolidated statement of cash flows for the years ended 31 December 2011 and 2010.

Statement of cash flows	***31/12/2011***	***31/12/2010***
(in Euro/000)		
CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit for the year	**30,018**	**29,272**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:		
(Capital gains) capital losses and other non-monetary items	4,602	3,878
Depreciation, amortization and provisions	4,634	3,482
(Impairment losses)/reversals on work in progress and goodwill	(28)	3,842
Net change in (deferred tax assets)/provision for deferred tax liabilities	(1,928)	(543)
Change in fair value of investment property	14,150	8,746
Change in inventories	(6,863)	(6,472)
Net change in current assets and liabilities	22,242	12,843
Net change in current assets and liabilities with related parties	(2,546)	1,944
Net change in non-current assets and liabilities	(2,960)	(8,127)
Net change in non-current assets and liabilities with related parties	833	229
CASH FLOW FROM OPERATING ACTIVITIES (a)	**62,154**	**49,094**
(Investments) in fixed assets	(127,905)	(128,331)
Disposals of fixed assets	385	11,515
Disposals of equity investments in subsidiaries		72,311
CASH FLOW FROM INVESTING ACTIVITIES (b)	**(127,520)**	**(44,505)**
Change in non-current financial assets	(22)	(0)
Change in financial receivables and other current financial assets	5,695	(6,001)
Change in related party financial receivables and other current financial assets	(335)	(761)
Exchange gains (losses)	(13)	(27)
Distribution of dividends	(22,370)	(14,914)
Change in current debt	(2,889)	18,310
Change in current debt with related parties	46,342	(21,614)
Change in non-current debt	21,127	20,369
CASH FLOW FROM FINANCING ACTIVITIES (c)	**47,535**	**(4,638)**
NET INCREASE (DECREASE) IN CASH BALANCE	**(17,831)**	**(49)**
CASH BALANCE AT BEGINNING OF YEAR	**32,264**	**35,856**
CASH (DISPOSED OF)/ACQUIRED THROUGH THE SALE/PURCHASE OF EQUITY INVESTMENTS		**(3,543)**
CASH BALANCE AT END OF YEAR	**14,433**	**32,264**

Year ended 31 December 2010

The following table presents the consolidated income statement for the year ending 31 December 2010.

Consolidated income statement		31/12/2010
(in Euro/000)		
Revenue:		**109,882**
- from third parties		78,956
- from related parties		30,926
Other income:		**12,559**
- from third parties		11,487
- from related parties		1,072
Total revenue and operating income		**122,441**
Change in work in progress inventory		3,434
Cost of work in progress		(3,154)
Income (loss) from work in progress		**280**
Material and service costs:		**25,641**
- third parties		21,551
- related parties		4,090
Cost of labor		7,529
Other operating costs		5,355
Total operating costs		**38,525**
(Depreciation and amortization)		(3,482)
Impairment losses on work in progress		(3,842)
Fair value change - increases/(decreases)		(8,746)
Total depreciation, amortization, impairment losses and fair value changes		**(16,070)**
OPERATING PROFIT (EBIT)		**68,126**
Income from equity investments		**(1,140)**
Income from equity investments		(1,140)
Financial income		**2,675**
- third parties		2,644
- related parties		31
Financial charges		**37,879**
- third parties		36,949
- related parties		930
Net financial income (charges)		**(35,204)**
PRE-TAX PROFIT		**31,782**
Income taxes		2,510
NET PROFIT		**29,272**
Attributable to non-controlling interests		68
Attributable to Parent company		**29,340**
- basic earnings per share		0.098
- diluted earnings per share		0.113

Below is the consolidated statement of financial position for the year ending 31 December 2010:

Consolidated financial position		31/12/2010
(*in Euro/000*)		
NON-CURRENT ASSETS:		
Intangible assets		
- Intangible assets with finite useful lives		69
- Goodwill		11,427
		11,496
Property, plant, and equipment		
- Investment property		1,666,630
- Buildings		7,668
- Plant and machinery		1,130
- Equipment and other assets		1,549
- Leasehold improvements		1,640
- Assets under construction		74,291
		1,752,908
Other non-current assets		
- Deferred tax assets		13,104
- Sundry receivables and other non-current assets		4,581
- Non-current financial assets		4,399
		22,084
TOTAL NON-CURRENT ASSETS (A)		**1,786,488**
CURRENT ASSETS:		
Work in progress inventory and advances		64,289
Inventory		7
Trade and other receivables		12,265
Related party trade and other receivables		714
Other current assets		43,812
Related party financial receivables and other current financial assets		1,091
Financial receivables and other current financial assets		6,001
Cash and cash equivalents		32,264
TOTAL CURRENT ASSETS (B)		**160,443**
TOTAL ASSETS (A + B)		**1,946,931**
NET EQUITY:		
IGD SIIQ S.p.A. share		761,603
non-controlling interests		11,851
TOTAL NET EQUITY (C)		**773,454**
NON-CURRENT LIABILITIES:		
Non-current financial liabilities		854,374
Related party non-current financial liabilities		15,000
Provision for employee severance indemnities		612
Deferred tax liabilities		48,910
General provisions		1,645
Sundry payables and other non-current liabilities		13,687
Related party sundry payables and other non-current liabilities		11,938
TOTAL NON-CURRENT LIABILITIES (D)		**946,166**
CURRENT LIABILITIES:		
Current financial liabilities		187,336
Related party current financial liabilities		4,127
Trade and other payables		15,733
Related party trade and other payables		4,924
Current tax liabilities		8,266
Other current liabilities		6,911
Related party other current liabilities		14
TOTAL CURRENT LIABILITIES (E)		**227,311**
TOTAL LIABILITIES (F = D + E)		**1,173,477**
TOTAL NET EQUITY AND LIABILITIES (C + F)		**1,946,931**

Below is the consolidated statement of changes in equity for the year ended 31 December 2010:

	Share capital	Share premium reserve	Legal reserve	Euro conversion reserve	Goodwill reserve	Cash flow hedge reserve	Reserve for treasury shares	Bond issue reserve	Fair value reserve	Translation reserve	Undistributed earnings reserve	Profit (losses) carried forward	Group net equity	Non-controlling interests	Total net equity
Balance at 1 January 2010	**298,273**	**147,730**	**6,782**	**23**	**13,736**	**(3,704)**	**(11,276)**	**27,804**	**226,682**	**(860)**	**17,725**	**24,619**	**747,533**	**0**	**747,533**
Profit for the year												29,340	29,340	(68)	**29,272**
Other comprehensive income (losses)						567		1,895		(3,085)	266		(357)		**(357)**
Total comprehensive income (losses)						**567**		**1,895**		**(3,085)**	**266**	**29,340**	**28,983**	**(68)**	**28,915**
Change in scope of consolidation														11,919	**11,919**
Allocation of 2009 profits															
- dividends												(14,914)	**(14,914)**		**(14,914)**
- to undistributed earnings reserve											(3,985)	3,985			**0**
- to legal reserve			836									(836)			**0**
- to other reserves									7,075			(7,075)			**0**
Balance at 31 December 2010	**298,273**	**147,730**	**7,618**	**23**	**13,736**	**(3,137)**	**(11,276)**	**29,699**	**233,757**	**(3,945)**	**14,006**	**35,120**	**761,603**	**11,851**	**773,454**

The following table presents the consolidated statement of cash flows for the year ended 31 December 2010.

Statement of cash flows	*31/12/2010*
(in Euro/000)	
CASH FLOW FROM OPERATING ACTIVITIES:	
Net profit for the year	**29,272**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities:	
(Capital gains) capital losses and other non-monetary items	3,878
Depreciation and amortization	3,482
Impairment losses on work in progress	3,842
Net change in (deferred tax assets)/provision for deferred tax liabilities	(543)
Change in fair value of investment property	8,746
Change in inventories	(6,472)
Net change in current assets and liabilities	12,843
Net change in current assets and liabilities with related parties	1,944
Net change in non-current assets and liabilities	(8,127)
Net change in non-current assets and liabilities with related parties	229
CASH FLOW FROM OPERATING ACTIVITIES (a)	**49,094**
(Investments) in fixed assets	(128,331)
Disposals of fixed assets	11,515
Disposals of equity investments in subsidiaries	72,311
(Investments) in subsidiaries	
CASH FLOW FROM INVESTING ACTIVITIES (b)	**(44,505)**
Change in non-current financial assets	0
Change in financial receivables and other current financial assets	(6,001)
Change in related party financial receivables and other current financial assets	(761)
Exchange gains (losses)	(27)
Change in borrowings	0
Distribution of dividends	(14,914)
Change in current debt	18,310
Change in current debt with related parties	(21,614)
Change in non-current debt	20,369
Change in non-current debt with related parties	0
CASH FLOW FROM FINANCING ACTIVITIES (c)	**(4,638)**
NET INCREASE (DECREASE) IN CASH BALANCE	**(49)**
CASH BALANCE AT BEGINNING OF YEAR	**35,856**
CASH (DISPOSED OF)/ACQUIRED THROUGH THE SALE/PURCHASE OF CONSOLIDATED EQUITY INVESTMENTS	**(3,543)**
CASH BALANCE AT END OF YEAR	**32,264**

20.2 Auditing of historical annual financial information

The consolidated financial statements of the IGD Group at and for the years ended 2012, 2011 and 2010, prepared in accordance with the International Accounting Standards, have been fully audited per the external auditing company's reports dated 25 March 2013, 23 March 2012 and 24 March 2011, respectively.

Those reports were issued without any qualifications or disclaimers.

20.3. Date of latest financial information

The most recent financial information in the Registration Document that has been fully audited comes from the consolidated financial statements at and for the year ended 31 December 2012.

20.4 Dividend policy

In April 2008, the Company opted for status as a REIT *(Società di investimento immobiliare quotata* or *SIIQ)* with effect as of 1 January 2008. One of the rules for REITs is that at least 85% of the net income from exempt operations must be distributed to the shareholders each year.

Accordingly, when approving the financial statements for the years 2012, 2011 and 2010, IGD's Annual General Meeting voted to pay dividends of respectively Euro 0.070, Euro 0.080 and Euro 0.075 for each ordinary IGD share, which corresponds to a percentage never less than 85% of the distributable income from exempt operations. With specific reference to the year 2012, on 18 April 2013 IGD's Annual General Meeting voted to pay dividends for a total value of Euro 22,333,408. This amount is made up as follows: (i) approximately Euro 10,000,013, from 100% of the distributable income from exempt operations made available following the appropriations required by law, (ii) Euro 9,360,968 from profits deriving from exempt operations, made available for distribution following the negative changes in Fair Value of the investment property that, against a reduction in the profits for the year, resulted in a reduction by an equal amount of the Fair Value Reserve already set down in the net equity, in accordance with art. 6, paragraph 3 of Legislative Decree No. 38 dated 28 February 2005, (iii) Euro 2,972,427 in amounts from the profit reserves brought forward from exempt operations.

With reference to the dividend for 2012, since the coming into force of art. 83-terdecies of TUF, as modified by Legislative Decree No. 91 of 18 June 2012, the authorisation to pay out profits is determined with reference to the results of accounts ending on the accounting date identified by the Issuer (i.e. the record date); this date must be identified as the second market day following one of the ex-div dates foreseen by the Borsa Italiana calendar.

The dividend will go ex-div on 20 May 2013 and be payable as from 23 May 2013.

20.5 Legal and arbitration proceedings

During the ordinary course of business, the Group is a party to various governmental and legal proceedings, for which the *petitum* is not always determined or determinable.

As at 31 December 2012, the amounts set aside during the year for proceedings in course totalled approximately Euro 374 thousand and the relevant Funds totalled in all approximately Euro 951 thousand. These funds cover the liabilities considered probable for:

- fiscal controls currently pending with the inland revenue offices;
- IMU/ICI question;
- charges deriving from delay of the opening date for the Guidonia Shopping Center;
- other existing proceedings such as, for example, proceedings relating to contractual liability deriving from contracts stipulated with individual operators and oppositions to injunctions).

Fiscal proceedings

Following the fiscal control carried out by the Regional Office of the Inland Revenue, completed on 11 September 2008, the Company has been issued with a formal notice of assessment, without significant findings, which, among other things, proposes reassessment by approximately Euro 645,000 of the value of the closing inventory, with tax of approximately Euro 213.1 thousand in IRES and approximately Euro 27.4 thousand in IRAP, of which two thirds have already been paid, together with fines of Euro 240.5 thousand. It must be specified that regardless of the result of the above proceedings a request for reimbursement of the tax will be filed, as the proceedings merely have the effect of passing the title from one year to the next.

Subsequently, the Company was sent a notice of assessment in which the incorrect interpretation of the contract type was noted (sale of futures rather than tender contract) and consequently classification of the inventory itself which, for tax purposes, determines the proper calculation method to be used to calculate tax. The Company appealed to the Ravenna Provincial Tax Commission against this notice of assessment and, in January 2011, a sentence was filed with the secretariat of said committee dismissing the plea and ruling that each party bear its own legal costs.

In September 2011 the Issuer presented an appeal and plea for a public hearing to the Regional Tax Commission against the above sentence, requesting that the notice of assessment be declared illegitimate and/or cancelled. As of this writing the proceedings are still open.

IMU/ICI proceedings

Following notices of assessment from the Land Agency mainly relating to the assignment of new classifications and cadastral earnings to two shopping centres, the Company has filed appeals with the competent Tax Commissions, which are still pending.
Bearing in mind that, in the event of failure, the Issuer might be subject to charges for the years to which the municipal housing tax (previously ICI, now IMU) refers of approximately Euro 460,000 in increased tax (fines and interest are not notified in the assessment documents), the Company has allocated funds totalling approximately 70% of said amount.

Magazzini Darsena proceedings

Following the agreement to terminate the joint venture with Beni Stabili, with consequent transfer by IGD Management S.r.l. of 50% of the shareholding in RGD and purchase in joint ownership of the Darsena City Shopping Centre, IGD, as part of the proceedings strategy agreed with Beni Stabili, has taken the following action to recover the rent for the property leased to Magazzini Darsena S.p.A.: *(i)* in March 2011 two appeals *ex* art. 447-*bis* c.c.p. were filed before the Court of Ferrara requesting that Magazzini Darsena S.p.A. and Darsena FM S.r.l. be condemned to pay, respectively, the rental and sub-rental for the Darsena City Neighbor Centre, until the date of transfer to IGD of the joint share in said property. The first case concluded in our favor in June 2012, when the Court of Ferrara condemned Magazzini Darsena to pay Beni Stabili the rental instalments matured and not paid from the second quarter of 2010 until 4 April 2012, amounting to Euro 5,229,122.72 plus VAT and interest, tax and charges; the second case against Darsena F.M. S.r.l. has been deferred in order to determine the amount of the sub-rental instalments not paid by Darsena F.M. S.r.l. *(ii)* IGD together with Beni Stabili, in view of the persisting state of insolvency of the sellers Magazzini Darsena S.r.l. and Darsena FM S.r.l., filed a plea before the Court of Ferrara, bankruptcy section, each one for its own receivables due, to obtain a declaration of bankruptcy for Magazzini Darsena S.p.A and Darsena F.M.S.r.l. These pleas were declared inapplicable in view of the fact that the above companies had filed a deed of company arrangement. Subsequently, in the decision dated 15 May 2012, the Court of Ferrara declared the arrangement proceedings open for both the companies, Darsena FM S.r.l. and Magazzini Darsena S.p.A., ordering the meeting of creditors. At the hearing on 26 June the delegated judge did not open the meeting of creditors and ordered a technical postponement until 18 September 2012, in accordance with Legislative Decree 74/2012 (Law for the earthquake in Emilia) which foresees an automatic postponement until 22 January 2013, subsequently deferred until 9 July 2013.

The total amount of the credit devaluation fund relating to the rental and sub-rental payments is Euro 4.1 million against receivables of Euro 4.4 million as at 31 March 2013.

During 2012, IGD was summoned to court by Magazzini Darsena S.p.A. and Darsena FM S.r.l., regarding Darsena City Shopping Centre management mandate. IGD consequently filed an appearance before the court, together with the relevant preliminary briefs. As of this writing, these proceedings are still open.

Based also on the assessments made by IGD's legal consultants regarding the lack of sufficient de facto and de jure grounds for the claims brought by the other party, IGD has not entered liabilities for these proceedings in the financial statements.

For further information on the proceedings with the companies Magazzini Darsena S.p.A. and Darsena FM S.r.l. please see the Consolidated Financial Statements for the Group as at 31 December 2012, Note 45, incorporated by reference in this writing and available to the public at the IGD company headquarters, and on the web site www.gruppoigd.it.

20.6 Significant changes in the Issuer's financial or commercial position

On 18 April 2013, the Board of Directors approved: (*i*) the issue of new unguaranteed, fixed rate senior bonds, to a maximum amount of Euro 230,000,000 with expiry in May 2017; and (*ii*) promotion of the Swap in order to allow re-funding of the above convertible bonds in circulation, for a total amount of Euro 230,000,000, due on 28 December 2013.

As part of the Swap, on 7 May 2013 IGD issued new unguaranteed, fixed rate senior bonds "*€ 144,900,000 4.335 per cent. Notes due 7 May 2017*", with a rated unit value of Euro 100,000, for an overall rated value of Euro 122,900,000, due on 7 May 2017 and entitled to payment of fixed interest of 4.335%, to be paid annually in arrears on 7 May of each year. On the same date the Company also issued new residual bonds to third party investors having the requirements foreseen by the applicable regulations for qualified investors in Italy and abroad, with an overall rated value of Euro 22,000,000.

Senior bonds are regulated by English law and have the following characteristics:

- duration of four years from date of issue;
- issue price 100% of the nominal value;
- right to payment of fixed interest of 4.335%, determined by increasing the 4-year midswap rate on 29 April 2012 by 375 basis points, to be paid annually in arrears on 7 May of each year;
- par value reimbursement in a single instalment, along with the interest due on expiry, should the Company fail to exercise the right of reimbursement in advance to be exercised by the latter at the terms and conditions foreseen by the regulations for bonds;
- clause for reimbursement in advance in the event of certain states of so-called change of control, according to the terms and conditions foreseen by the regulations for bonds;
- listing on the *Luxembourg Stock Exchange*.

Without prejudice to the above, the Issuer is not aware of any further significant changes in its financial or commercial position that have occurred since 31 December 2012.

CHAPTER XXI - ADDITIONAL INFORMATION

21.1 Share capital

21.1.1 Share capital subscribed and paid- in

As of the Date of the Registration Document, the Issuer's subscribed and paid in share capital amounts to Euro 322,545,915.08, comprised of 330,025,283 ordinary shares with no stated par value. The authorized share capital as of this writing amounts to Euro 422,882,284.69.

21.1.2 Number and main characteristics of shares not representing capital

As of the date of this Registration Document, the Company has issued no shares that do not represent capital.

21.1.3 Treasury shares

As of the date of this Registration Document, the Company holds 10,976,592 ordinary shares with no stated par value, corresponding to 3.326% of the share capital. On 18 April 2013, subject to revocation of the previous authorization to purchase and dispose of treasury shares granted by the ordinary general meeting of 19 April 2012, the shareholders newly authorized the Board of Directors to purchase and dispose of treasury shares pursuant to Art. 2357 (2) of the Italian Civil Code.

The authorization to purchase treasury shares, on one or more occasions, also via negotiation of options or financial instruments including derivatives on IGD shares, up to the maximum number allowed by law, is valid for eighteen months from the date of the shareholders' resolution. Shares must be purchased in the manners foreseen by art. 114-bis, paragraph 1, letters b) and c) of the Regulations for Issuers, at prices compliant with the contents of art. 5, paragraph 1, of (EC) Regulation No. 2273/2003 issued by the European Commission on 22 December 2003.

The authorization to dispose of them is indefinite and may be exercised by (i) cash operations, on the stock exchange and/or outside the stock exchange, at a price not lower than 90% of the reference price recorded by the IGD share on the MTA during the trading day preceding each individual operation, (ii) swaps, exchanges, conferral or any other assignment operation, as part of industrial plans or special funding operations carried out; in this case the economic terms for the disposal operation will be determined according to the nature and characteristics of the operation, also taking into account the state of IGD shares on the market.

21.1.4 Amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions and procedures for conversion, exchange or subscription

On 25 June 2007 and 22 April 2010, the extraordinary general meeting voted to issue a convertible bond loan entitled "*EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013*". The deadline for conversion is 28 December 2013.

Specifically, on 25 June 2007, the extraordinary general meeting voted to issue bonds convertible into newly issued ordinary shares of the Company with a combined value of Euro 230,000,000.00 represented by 2,300 bonds with a value of EUR 100,000.00 each, excluding pre-emption rights pursuant to Civil Code Article 2441 (5, 6). The shareholders thus resolved to increase the share capital on a best efforts basis to service conversion of the bonds, up to a maximum of Euro 46,653,144.00, in one or more installments through the issue of up to 46,653,144 ordinary shares. The newly issued shares bear the same rights as the shares outstanding at the issue date and are allocated exclusively and irrevocably to the conversion of the bonds. The above capital increase is irrevocable until the deadline for the conversion of the bonds and is limited to the value of the shares resulting from the conversion.

On 22 April 2010, the extraordinary general meeting voted to modify the terms of the convertible bond loan by extending the expiration date from June 2012 to 28 December 2013, increasing the coupon from 2.50% to 3.50%, paying the coupon twice-yearly instead of yearly, and changing the conversion price from Euro 4.93 to Euro 2.75. Consequently, the shareholders approved a best efforts private placement to service the conversion of the bonds up to a maximum of Euro 83,636,364.00, in one or more installments through the issue of up to 83,636,364 ordinary shares.

As a result of the capital increase without right of option voted by the Annual General Meeting on 19 April 2012, the swap price of said convertible bond loan was rectified, as foreseen by Art. 6(vi) of the loan Regulation, from Euro 2.75 a Euro 2.7257, with effect from the date of issue of the shares resulting from the capital increase. Consequently, the maximum amount of the capital increase to service the convertible bond loan was updated to Euro 82,469,643.61 (redetermined to respect the par value in accounting terms that emerges from the values expressed in Art. 6.1 of the Bylaws) to be freed up in one or more instalments through issue of a maximum of No. 84,381,994 ordinary shares.

Furthermore, on 18 April 2013, the Board of Directors approved: (*i*) the issue of new unguaranteed, fixed rate senior bonds, to a maximum amount of Euro 230,000,000 with expiry in May 2017; and (*ii*) promotion of the Swap in order to allow re-funding of the above convertible bond loan.

As a result of the Swap, on 7 May 2013, No. 1,229 "*EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013*" assigned to the Swap had been cancelled, for a total of Euro 122,900,000. Consequently, as of the date of this document there are No. 1,071 "*EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013*" in circulation, for a total of Euro 107,100,000. The maximum amount of capital increase that can be subscribed as a result of possible conversion of the bonds in circulation on the date of this document, and based on the current conversion rate, is Euro 38,402,168.83.

Senior bonds are regulated by English law and have the following characteristics:

- duration of four years from date of issue;
- issue price 100% of the nominal value;
- right to payment of fixed interest of 4.335%, determined by increasing the 4-year midswap rate on 29 April 2012 by 375 basis points, to be paid annually in arrears on 7 May of each year;
- par value reimbursement in a single instalment, along with the interest due on expiry, should the Company fail to exercise the right of reimbursement in advance to be exercised by the latter at the terms and conditions foreseen by the regulations for bonds;
- clause for reimbursement in advance in the event of certain states of so-called change of control, according to the terms and conditions foreseen by the regulations for bonds;
- listing on the *Luxembourg Stock Exchange*.

21.1.5. Acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital

On 18 April 2013 the extraordinary general meeting voted to approve a divisible capital increase for cash to be completed by 30 September 2013 for a maximum total of Euro 17,866,726 including any premium and in any case for an amount not exceeding 10% of the Company's pre-existing share capital, through the issue of ordinary shares with no stated par value and with normal dividend rights, excluding pre-emption rights, pursuant to Art. 2441, fourth paragraph, second sentence of the Italian Civil Code, available for subscription to all parties entitled to receive the dividend for 2012.

At the same extraordinary meeting of 19 April 2012 the shareholders, subject to revocation of the previous authorization granted to the Board of Directors on 23 April 2007, voted to authorize the Board of Directors pursuant to Art. 2443 of the Italian Civil Code, with a deadline of 19 April 2017, to increase share capital for cash in one or more tranches for an amount not exceeding 10% of the pre-existing share capital, reserved for those parties to be named by the Board of Directors - including qualified, industrial and/or financial investors in Italy or abroad or shareholders of the Company - excluding pre-emption rights pursuant to the pursuant to Art. 2441, fourth paragraph, second sentence of the Italian Civil Code, provided that the issue price corresponds to the market price of the shares and this is confirmed in a report issued by the external auditors.

21.1.6 Information about any capital of any member of the Group which is under option

At the Date of the Registration Document, the Issuer is not aware of any transactions of relevance to the Group regarding capital under option or agreed conditionally or unconditionally to be put under option.

21.1.7 History of share capital over the last three years

On 19 April 2012, the Company's extraordinary general meeting voted to eliminate the stated par value of ordinary IGD shares.

During 2012, following performance of the capital increase without right of option under art. 2411, paragraph four, second period, Italian Civil Code, voted by the Annual General Meeting on 19 April 2012, reserved for those entitled to receive dividends for the year 2011, the partnership capital has increased from Euro 309,249,261.00, divided into No. 309,249,261 ordinary shares without indication of nominal value to Euro 322,545,915.08, divided into No. 330,025,283 ordinary shares without indication of nominal value.

21.2 Incorporation and corporate bylaws

21.2.1 Company purpose

The Company’s purpose is defined in Art. 4 of the bylaws as follows:

“4.1 The Company's sole purpose is any activity or operation in the real estate sector, on its own or third parties' behalf, including but not limited to the purchase, sale, swap, construction, renovation and restoration, management and administration of properties for any use or purpose including through the assumption and/or assignment of contracts or concessions; the development of initiatives in the real estate sector; the submission of bids in national or international calls for tenders; and the establishment, purchase, sale, swap, and cancellation of real estate rights; this excludes real estate agency and brokerage activities and the trading or operation of businesses or commercial concerns.

4.2 Within the scope of its business purpose, the Company may conduct surveys and research as well as commercial, industrial, financial, movable property, and real estate transactions; it may assume equity investments and interests in other companies and businesses with activities similar or related to its own, excluding transactions with the public; it may enter into mortgage agreements and engage in borrowing of any form or duration, issue collateral or personal guarantees, backed by movable and real property, including sureties, pledges and mortgages securing its own obligations or those of companies and enterprises in which it has interests or equity investments; and it may engage in all other activities or transactions that are related to, associated with, or useful for the fulfilment of its business purpose. Excluded from the above are all public solicitations of investment governed by Legislative Decree 385 of September 1, 1993, and investment services as defined by Legislative Decree 58 of February 24, 1998.

4.3 The above activities will be governed by the following rules relating to investments and to limits on risk concentration and financial leverage:
(i) the Company shall not, either directly or through its subsidiaries, invest more than 30 percent of its assets in a given property with a single identity for zoning and functional purposes, except in the case of development plans covered by a single planning scheme, where portions of the property covered by individual, functionally independent building permits, or equipped with urban works that are sufficient to guarantee connection to public services, cease to have a single identity;
(ii) income from a single tenant or from tenants belonging to a single group may not exceed 60 percent of total rental income;
(iii) the maximum permitted financial leverage, at company or group level, is 85 percent of equity. The above limits may be exceeded in exceptional circumstances or in circumstances beyond the Company's control.
Unless otherwise in the interests of the shareholders and/or the Company, the limits in paragraphs (i) and (ii) may not be exceeded for more than 24 months, or the limit in paragraph (iii) for more than 18 months."

21.2.2 Summary of the provisions found in the bylaws relating to the members of the Issuer's Board of Directors and Board of Statutory Auditors

The primary provisions found in the bylaws relative to the members of the Issuer's Board of Directors and Board of Statutory Auditors are provided below. For further information please refer to the bylaws (available on the Issuer's website www.gruppoigd.it) and the applicable law.

Board of Directors

Based on Article 16 of the bylaws the Company is administered by a Board of Directors composed of seven to nineteen members. They are elected by the shareholders' meeting, which first determines their number, for up to three financial years and their term expires on the date of the shareholders' meeting called to approve the financial statements for their final year in office. They are eligible for re-election pursuant to Article 2383 of the Italian Civil Code.

The Board of Directors' functions are described in Art. of the bylaws based on which the Company's management is the exclusive province of the Board of Directors, which is invested with the broadest powers of ordinary and extraordinary administration and may take all actions it deems necessary for implementing and achieving the corporate purpose, excluding only those that are reserved to the shareholders' meeting by law or these by-laws. The Board of Directors may resolve with respect to (i) the merger or demerger of subsidiaries when this is allowed by law; (ii) the amendments to the corporate bylaws made in order to comply with the law. The Board of Directors may submit resolutions in this regard to the Shareholders' Meeting for approval. In accordance with the Procedure for Related Party Transactions adopted by the Company:

- shareholders, in accordance with Art. 2364, par. 1, n. 5, of the Italian Civil Code may authorize the Board of Directors to undertake material transactions with related parties, which are not reserved for the Shareholders' Meeting, despite the negative opinion of the Committee for Related Party Transactions as long as, without prejudice to the majorities established at law, the majority of the non-related shareholders with voting rights do not vote against the transaction and as long as said non-related shareholders represent at least 10% of the share capital with voting rights;

- in the event the Board of Directors intends to submit a material related party transaction which is reserved for the shareholders to the Shareholders' Meeting for approval despite of or without taking account of observations made by the

Committee for Related Party Transactions, the transaction may be entered into only in the event the resolution is approved by a majority and in accordance with the conditions referred to in letter a) above;

- the Board of Directors or delegated bodies may, in accordance with the exemptions listed in the Procedure, authorize the Company, directly or through its subsidiaries, to enter into urgent related party transactions which are not reserved for the Shareholders' Meetings and which do not need to be approved by the latter.

Pursuant to Article 20 of the bylaws, for Board meetings to be valid, they must be attended by the majority of directors in office. Resolutions are passed by a majority of those attending; the vote of the person chairing the meeting prevails in the event of a tie. Resolutions concerning the sale of properties or portions of buildings used for the retail sale of food and other products (hypermarkets or supermarkets) must be passed by at least two thirds of the members of the Board of Directors.

Appointment of the members of the Board of Directors

Pursuant to Article 16 of the bylaws, Directors are appointed on the basis of preference lists in order to ensure that the Board of Directors' configuration complies with current law relating to equal gender opportunity.

The lists may be presented by individual shareholders or groups of shareholders who together hold voting shares representing the requisite amount of share capital under the CONSOB regulations and must be submitted to the company's registered office at least 25 days before the day in which the meeting is to be held in first call. The certification as to the ownership of the requisite number of shares must be submitted to the Company's registered office by the deadline for the publication of the list.

Every list must include at least two clearly indicated candidates who qualify as independent in accordance with the law. The lists with a number equal to or in excess of three candidates must include candidates of different genders in order to guarantee that the Board of Directors' configuration complies with the current law promoting equal gender opportunity.

Any lists that fail to observe the above conditions will be null and void.

No shareholder, parent company, subsidiary, or sister company as defined by Article 93 of TUF, including members of a shareholders' agreement belonging to a voting trust relevant under the terms of Article 122 of TUF, may submit or participate in the submission of more than one list or vote for a list other than the one they submitted or participated in submitting, including by proxy or through a trust. Participation and votes expressed in violation of the above will not be attributed to any list. When the shareholders submit their lists, they must also file the candidates' irrevocable acceptance of office (should they be elected); the curriculum vitae of each candidate; and statements confirming that there are no reasons for ineligibility and/or disqualification and that each candidate meets the requirements for the specific office set by law and the bylaws.

No one can be a candidate on more than one list. Acceptance of candidacy on more than one list is grounds for disqualification.

Each shareholder may vote for one list only. The votes obtained by each list are divided by one, two, three, four, five—and so forth—according to the number of directors to be elected. These quotients are assigned to the candidates on the list, in the order in which they appear, and are then sorted into a single decreasing ranking.

The candidates obtaining the highest quotients are those elected. In case of a tie for the last directorship to be filled, the winning candidate is the one from the list with the highest number of votes; if the number of votes is equal, the eldest candidate shall prevail. If just one list is submitted or if no list is submitted, the shareholders will disregard the above procedure and vote according to the majorities established by law. If more than one list is submitted, at least one director must be drawn from a minority list; therefore, if in accordance with the above criteria all of the winning candidates come from a single list, the last candidate in the ranking will be replaced by the candidate from the minority lists who has obtained the highest quotient.

If, after voting and the operations described above, the current regulations on equal gender opportunity are not complied with, the candidates of the most represented gender who - taking into account the order in which they are listed - would be elected last on the list that obtained the majority of votes are replaced by the first unelected candidates from the same list and section who are of the least represented gender, in the number necessary to ensure compliance with the requirement, without prejudice to the need to comply with the minimum number of directors with the characteristics of independence required by law. In the absence of a sufficient number of candidates from the least represented gender in the majority list to allow substitution, the Annual General Meeting will nominate the missing Board Members by majority vote according to law, to ensure that the requirement is met.

Pursuant to Art. 16.8 of the bylaws, one third of its members leave office, excluding from this count any co-opted directors not yet confirmed by the shareholders, the entire Board of Directors shall step down and the chairman shall call a shareholders' meeting to elect a new Board of Directors.

Without prejudice to the above, if one or more directors leaves office during the course of a financial year, the procedure indicated below shall be followed pursuant to Article 2386 of the Italian Civil Code:

i) the Board of Directors appoints cooptees from the same list as the Directors who have ceased to hold office, starting with the first unsuccessful candidate, taking care to ensure that the Board of Directors includes the minimum number of independent members as required by laws and regulations, as well as the laws regulating equal gender opportunity;

ii) if there are no candidates left on this list who have not already been elected, the Board of Directors replaces the directors who have ceased to hold office without observing the procedure specified in point (i), taking care to ensure that the Board of Directors includes the minimum number of independent members as required by laws and regulations as well as the laws regulating equal gender opportunity.

The Board of Statutory Auditors

The shareholders' meeting appoints the Board of Statutory Auditors, comprised of three Standing Auditors, and determines the compensation. The shareholders' meeting also appoints three Alternate Auditors. The statutory auditors must hold the qualifications required by law, the bylaws, and all other applicable regulations and possess the professional experience and integrity called for in Ministerial Decree n. 162 of .30 March 2000. For the purposes of Art. 1, par. 2 b) and c) of this decree, all the legal, economic, financial and technical-scientific activities connected to the real estate business and the activities related to the economic sectors related to the real estate sector, are considered pertinent to the activities carried out by the Company. The economic sectors deemed pertinent to the real estate sector are those in which the parent companies, or those which may be subject to control or affiliated with companies active in the real estate sector, are active.

With regard to ineligibility and the number of offices the Statutory Auditors may hold in other companies, the law and regulations in force are applied.

Appointment of the Board of Statutory Auditors

The standing auditors and alternates are elected on the basis of preference lists, which are submitted in accordance with the procedures laid down for the appointment of the Board of Directors.

The lists with three or more candidates must include candidates of different genders, as indicated in the notice of call for the Annual General Meeting in order to ensure equal gender opportunity in the composition of the Board of Statutory Auditors in accordance with the law. For each list, by the respective deadlines mentioned above, a statement must be filed in which the individual candidates declare, under their own responsibility, that they would not hold more than the maximum number of positions allowed by law, along with thorough documentation on each candidate's personal and professional background.

From the list obtaining the highest number of votes, two standing auditors and two alternate auditors will be taken in the order in which they appear on the list. The third standing auditor and the third alternate auditor will be drawn from the list with the second highest number of votes, in the order in which they appear.

If the results of the vote mean that the composition of the Board of Auditors does not comply with current regulations on equal gender opportunity, the candidates of the most represented gender who - taking into account the order in which they are listed in their respective section - would be elected last on the list that obtained the majority of votes are replaced by the first unelected candidates from the same list and section who are of the least represented gender, in the number necessary to ensure compliance with the requirement. In the absence of a sufficient number of candidates from the least represented gender in the relevant section of the majority list to allow substitution, the Annual General Meeting will nominate the missing standing auditors or alternate auditors by majority vote according to law, to ensure that the requirement is met.

In the event of a tie between lists, a new ballot is held between these lists on which all shareholders present in general meeting shall vote. The candidates on the list winning a simple majority of votes shall be elected, in any event in such a way as to ensure that the composition of the Board of Auditors complies with current regulations on equal gender opportunity.

The chairman of the Board of Statutory Auditors is the first candidate on the list receiving the second highest number of votes.

If just one list has been submitted, the shareholders' meeting casts its vote on that list. If the list obtains the relative majority, the first three candidates appearing on it are elected as standing auditors, while the fourth, fifth and sixth names are appointed as alternates, in any event in such a way as to ensure that the composition of the Board of Auditors complies with current regulations on equal gender opportunity; the candidate at the top of the list becomes the Chairman of the Board of Statutory Auditors.

If no lists are submitted, the Board of Statutory Auditors and its chairman are elected by the shareholders' meeting according to the majorities established by law, in any event in such a way as to ensure that the composition of the Board of Auditors complies with current regulations on equal gender opportunity.

If the Board of Statutory Auditors has been elected via the preference list system, any outgoing auditor is replaced by the first alternate drawn from the same list. If the incoming auditor, selected according to the paragraph above, does not allow the formation of a Board of Auditors in compliance with current regulations on equal gender opportunity, the second alternate auditor from the same list will take over. Should it later be necessary to replace the other auditor taken from majority list, the other alternate auditor from that list will take over in any case.

If both the standing auditor elected from the minority list and the first alternate elected from that list cease to hold office, the auditor is replaced by the other alternate from that same list or, if that person is unavailable, by the first candidate on the minority list receiving the second highest number of votes. If the Chairman of the Board of Statutory Auditors needs to be replaced, the chairmanship is assumed by the other standing auditor from the list to which the outgoing Chairman belonged.

If a replacement cannot be made in the manner described above, a shareholders' meeting shall be called to complete the Board of Statutory Auditors by relative majority vote.

The appointment of the standing and alternate auditors, and any substitutions, must be done in a way which ensures that the composition of the Board of Statutory Auditors complies with the law seeking to promote equal gender opportunity.

Under article 31 paragraph 2 of the Bylaws the number of alternate auditors, amounting to three[16], will be applied during the first three renewals of the Board of Auditors following the date on which the provisions of said art. 1 of the Law dated 12 July 2011 come into force and become effective. On nomination of the new Board of Auditors following expiry of the term in office of the Board of Auditors nominated at the time of the third renewal following the date on which the provisions of said art. 1 of Law No. 120 dated 12 July 2011 come into force and become effective, the number of alternate auditors to be elected will be two.

21.2.3 Rights and privileges associated with shares

The share capital is comprised of indivisible ordinary shares which grant the right to vote at ordinary and extraordinary Shareholders' Meetings in accordance with the law and the bylaws.

The shares may be transferred or subject to encumbrance as provided for by law.

21.2.4 Bylaw provisions and regulations relating to changing shareholders' rights

The bylaws do not provide for any conditions other than those provided at law relating to changing the rights of shareholders

Pursuant to Article 3 of the bylaws "The right of withdrawal does not apply to shareholders who have not voted in favour of the extension of the Company's duration".

21.2.5 Legal and bylaw provisions relating to the Issuer's Shareholder Meetings

The main bylaw provisions governing the Issuer's extraordinary and ordinary shareholders' meeting are summarized below. For more information please refer to the Company's bylaws and the applicable law.

Pursuant to Art. 10 of the bylaws, the validly convened shareholders' meeting represents all shareholders, and the resolutions taken at the meeting, in accordance with the law and the bylaws, are binding for all shareholders even if absent or dissenting from the vote.

Shareholders' meetings are ordinary or extraordinary as provided for by law and are held at the registered office, or at another location in Italy if so decided by the Board of Directors.

The protocol for shareholders' meetings is formalized in a set of Regulations. The Regulations and any changes thereto are approved by the ordinary shareholders' meeting.

Based on Art. 11 of the bylaws, the ordinary shareholders' meeting is called at least once a year, to approve the financial statements, within 120 days of the close of the business year or within 180 days if the conditions set by Article 2364 of the Italian Civil Code are met.

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[16] It is noted that the change to the company Bylaws raising the number of Company alternate auditors to three was introduced in order to facilitate compliance with the provisions of Law No. 120 dated 12 July 2011 regarding gender balance in the composition of listed company administration and control bodies.

Shareholders’ meetings are called by publishing a notice on the company’s website in accordance with the law. The same notice may set another date for a possible second calling of the meeting, as well as other sessions, should a quorum not be reached at the previous meetings.

Even if not regularly called, shareholders' meetings are valid provided that the entire share capital is represented and the meeting is attended by a majority of directors and statutory auditors. In this case, the directors and statutory auditors who are absent must be informed promptly of the resolutions taken.

Pursuant to Articles 12 and 13 of the bylaws, shareholders’ meetings may be attended by all shareholders with voting rights. In order to attend and vote at the shareholders’ meetings, shareholders must provide the Company with the certification issued by a licensed intermediary indicating the shareholdings recorded as of the seventh trading day prior to the date set for the Shareholders’ Meeting in first call. All those shareholders holding voting rights may be represented via written proxy submitted including via e-mail in accordance with the law. The proxy may also be submitted via the specific form and section found on the Company’s website or, alternatively, via certified e-mail to the e-mail address specified in the notice of call for each meeting.

The Company may designate, for each Shareholders’ Meeting and as per the notice of call, a party to whom all the shareholders with voting rights may grant a proxy with voting instructions for all or part of the items included on the agenda in accordance with the law.

Pursuant to Art. 14 of the bylaws, Shareholders' meetings are chaired by the Chairman of the Board of Directors or, if that person is absent or unavailable, by the Vice Chairman (if appointed) or, if the latter is absent or unavailable, by the most senior director in terms of age. In default of the above, the shareholders' meeting elects its own chairman by majority vote.

The validity of shareholders' meetings and their resolutions is determined as provided for by law.

21.2.6 Bylaw provisions which could delay, postpone or impede any change in the control of the Issuer

The bylaws do not contain provisions which could delay, postpone or impede any change in the control of the Company.

21.2.7 Mandatory public disclosure of relevant shareholders

The bylaws do not contain any specific provisions with regard to the public disclosure of the Issuer’s shareholders. Any shareholdings which exceed a certain level are subject to the mandatory public disclosure of shareholdings in accordance with the law.

21.2.8 Changes in share capital

The bylaws do not provide for any conditions regarding changes in the share capital which are more restrictive than those provided for by law.

CHAPTER XXII – SIGNIFICANT CONTRACTS

22.1 Significant contracts

At the Date of the Registration Document, the Issuer or Group companies have not entered into important contracts other than those normally entered into as part of the normal course of business. For more information in this regard please refer to Chapters V, VI, X and XX of this Registration Document.

CHAPTER XXIII – INFORMATION FROM THIRD PARTIES, EXPERT OPINIONS AND DECLARATIONS OF INERESTS

23.1 Expert reports

The Registration Document does not contain any expert opinions or reports.

23.2 Information from third parties

Where indicated the information contained in this Registration Document comes from third parties.

The Company confirms that this information was accurately reproduced and that, to the extent of the Issuer's knowledge based on the information published by the third parties in question, no facts have been omitted which would have caused the information reproduced to be false or misleading.

CHAPTER XXIV – DOCUMENTS AVAILABLE TO THE PUBLIC

For the period in which the Registration Document is deemed valid, copies of the following documents may be consulted at the Issuer's registered office in Ravenna, Via Agro Pontino n. 13, during office hours and weekdays, as well as on the website www.gruppoigd.it:

1. Bylaws;
2. Registration Document;
3. the Group's Interim Management Statement for the first quarter ended on 31 March 2013;

1. the Issuer's separate and consolidated financial statements, as well as the relative report on operations, for the year closed on 31 December 2012, prepared in accordance with the IFRS adopted by the European Union, along with the external auditors' report;
2. the Issuer's separate and consolidated financial statements, as well as the relative report on operations, for the year closed on 31 December 2011, prepared in accordance with the IFRS adopted by the European Union, along with the external auditors' report;
3. the Issuer's separate and consolidated financial statements, as well as the relative report on operations, for the year closed on 31 December 2010 prepared in accordance with the IFRS adopted by the European Union, along with the external auditors' report;
4. the 2012 Report on Corporate Governance and Ownership Structure;
5. the Board of Directors' Remuneration Report, approved by the Issuer's Board of Directors on 28 February 2013;
6. excerpt from the shareholders' agreement which establishes a voting block of the Issuer's shares stipulated by Coop Adriatica S.c.a r.l. and Unicoop Tirreno Società Cooperativa on 12 June 2012 and subsequently updated, as disclosed to the CONSOB in accordance with Art. 122 of TUF on 11 December 2012;
7. Report by the external auditors, issued on 27 March 2013, in accordance with Art. 2441, paragraph 4, second section, of the Italian Civil Code.

CHAPTER XXV – INFORMATION ON EQUITY INVESTMENTS

For information about equity investments please refer to Chapter VII, Paragraph 7.2, of the Registration Document, as well as the IGD Group's consolidated financial statements at 31 December 2012, referred to in this Registration Document and available to the public at the Issuer's registered office and on the website www.gruppoigd.it

Annexes

Report by the external auditors on the financial statements for the year ending 31 December 2012

ERNST & YOUNG

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www.ey.com

Independent auditors' report
pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders
of Immobiliare Grande Distribuzione
Società di Investimento Immobiliare Quotata S.p.A.

1. We have audited the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. as of 31 December 2012 and for the year then ended, comprising the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related notes to the financial statements. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.'s Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by Directors. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated 23 March 2012.

3. In our opinion, the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. at 31 December 2012 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. for the year then ended.

4. As required by the law, the Company included in the notes to the financial statements certain selected financial data derived from the financial statements of the company that exercises control and coordination activities. Our opinion on the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A., does not cover such selected data.

Reconta Ernst & Young S.p.A.
Sede Legale: 00198 Roma - Via Po, 32
Capitale Sociale € 1.402.500,00 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CC.I.A.A. di Roma
Codice fiscale e numero di iscrizione 00434000584
P.I. 00891231003
Iscritta all'Albo Revisori Contabili al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998
Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

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5. The Directors of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. are responsible for the preparation of the Director's Report and the Report on Corporate Governance and the Ownership Structure in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Report on Operations and of the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) in the Report on Corporate Governance and the Company's Ownership Structure, as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Report on Operations and the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) in the Report on Corporate Governance and the Company's Ownership Structure, are consistent with the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. at 31 December 2012.

Bologna, Italy
25 March 2013

Reconta Ernst & Young S.p.A.

Signed by: Gianluca Focaccia, Partner

This report has been translated into the English language solely for the convenience of international readers.

Report by the external auditors on the consolidated financial statements for the year ending 31 December 2012

ERNST & YOUNG

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pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders
of Immobiliare Grande Distribuzione
Società di Investimento Immobiliare Quotata S.p.A.

1. We have audited the consolidated financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. and its subsidiaries, (the "IGD SIIQ S.p.A. Group") as of 31 December 2012 and for the year then ended, comprising the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related notes to the financial statements. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.'s Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the consolidated financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by Directors. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated 23 March 2012.

3. In our opinion, the consolidated financial statements of the IGD SIIQ S.p.A. Group at 31 December 2012 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of the IGD SIIQ S.p.A. Group for the year then ended.

4. As required by the law, the Company included in the notes to the financial statements certain selected financial data derived from the financial statements of the company that exercises control and coordination activities. Our opinion on the consolidated financial statements of the IGD SIIQ S.p.A. Group, does not cover such selected data.

Reconta Ernst & Young S.p.A.
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Iscritta all'Albo Speciale delle società di revisione Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

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5. The Directors of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. are responsible for the preparation of the Director's Report and the Report on Corporate Governance and the Ownership Structure in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Report on Operations and of the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) in the Report on Corporate Governance and the Company's Ownership Structure, as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Report on Operations and the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) in the Report on Corporate Governance and the Company's Ownership Structure, are consistent with the consolidated financial statements of IGD SIIQ S.p.A. Group at 31 December 2012.

Bologna, Italy
25 March 2013

Reconta Ernst & Young S.p.A.

Signed by: Gianluca Focaccia, Partner

This report has been translated into the English language solely for the convenience of international readers.

Report by the external auditors on the financial statements for the year ending 31 December 2011

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pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders
of Immobiliare Grande Distribuzione
Società di Investimento Immobiliare Quotata S.p.A.

1. We have audited the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. as of 31 December 2011 and for the year then ended, comprising the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related notes to the financial statements. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.'s Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by Directors. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated 24 March 2011.

3. In our opinion, the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. at 31 December 2011 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. for the year then ended.

4. As required by the law, the Company included in the notes to the financial statements certain selected financial data derived from the financial statements of the company that exercises control and coordination activities. Our opinion on the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A., does not cover such selected data.

5. The Directors of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. are responsible for the preparation of the Directors' Report in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Directors' Report and the specific section Report on Corporate Governance and Ownership Structure regarding the information included therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l),

m) and paragraph 2, letter b), as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Directors' Report and the information reported therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) included in the specific section of the report, are consistent with the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. at 31 December 2011.

Bologna, Italy
23 March 2012

Reconta Ernst & Young S.p.A.

Signed by: Gianluca Focaccia, Partner

This report has been translated into the English language solely for the convenience of international readers.

Report by the external auditors on the financial statements for the year ending 31 December 2011

ERNST & YOUNG

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pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders
of Immobiliare Grande Distribuzione
Società di Investimento Immobiliare Quotata S.p.A.

1. We have audited the consolidated financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. and its subsidiaries, (the "IGD SIIQ S.p.A. Group") as of 31 December 2011 and for the year then ended, comprising the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related notes to the financial statements. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.'s Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the consolidated financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by Directors. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated 24 March 2011.

3. In our opinion, the consolidated financial statements of the IGD SIIQ S.p.A. Group at 31 December 2011 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of the IGD SIIQ S.p.A. Group for the year then ended.

4. The Company included in the notes to the financial statements certain selected financial data derived from the financial statements of the company that exercises control and coordination activities. Our opinion on the consolidated financial statements of the IGD SIIQ S.p.A. Group, does not cover such selected data.

5. The Directors of IGD SIIQ S.p.A. Group are responsible for the preparation of the Directors' Report in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Directors' Report and the specific section Report on Corporate Governance and Ownership Structure regarding the information included therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b), as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian

Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Directors' Report and the information reported therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) included in the specific section of the report, are consistent with the consolidated financial statements of IGD SIIQ S.p.A. Group at 31 December 2011.

Bologna, Italy
23 March 2012

Reconta Ernst & Young S.p.A.

Signed by: Gianluca Focaccia, Partner

This report has been translated into the English language solely for the convenience of international readers.

Report by the external auditors on the financial statements for the year ending 31 December 2010

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Independent auditors' report
pursuant to art. 14 and 16 of Legislative Decree n. 39 dated January 27, 2010
(Translation from the original Italian text)

To the Shareholders
of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.

1. We have audited the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. as of and for the year ended December 31, 2010, comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. Our audit was performed in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness and correct application of the accounting principles and the reasonableness of the estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated 31 marzo 2010.

3. In our opinion, the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. at December 31, 2010 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. for the year then ended.

4. As required by the law, the Company included in the explanatory notes of the financial statements certain selected financial data derived from the financial statements of the company that exercises control and coordination activities. Our opinion on the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. as of December 31, 2010, does not cover such selected data.

5. The management of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. is responsible for the preparation of the Management Report in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Management Report and the specific section on Corporate Governance and the Company's Ownership Structure regarding the information included therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1,

letters c), d), f), l), m) and paragraph 2, letter b), as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Report on Operations and the information reported therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) included in the specific section of the report, are consistent with the financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. as of December 31, 2010.

Bologna, Italy
March 24, 2011

Reconta Ernst & Young S.p.A.
Signed by: Andrea Nobili, Partner

Report by the external auditors on the consolidated financial statements for the year ending 31 December 2010

ERNST & YOUNG

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Independent auditors' report
pursuant to art. 14 and 16 of Legislative Decree n. 39 dated January 27, 2010
(Translation from the original Italian text)

To the Shareholders
of **Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.**

1. We have audited the consolidated financial statements of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. and its subsidiaries, (the "IGD SIIQ S.p.A. Group") as of and for the year ended December 31, 2010, comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. Our audit was performed in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the consolidated financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness and correct application of the accounting principles and the reasonableness of the estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated March 31, 2010.

3. In our opinion, the consolidated financial statements of the IGD SIIQ S.p.A. Group at December 31, 2010 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of the IGD SIIQ S.p.A. Group for the year then ended.

4. As required by the law, the Company included in the explanatory notes of the consolidated financial statements certain selected financial data derived from the financial statements of the company that exercises control and coordination activities. Our opinion on the consolidated financial statements of IGD SIIQ S.p.A. Group as of December 31, 2010, does not cover such selected data.

5. The management of Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. is responsible for the preparation of the Management Report in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Management Report and the specific section on Corporate Governance and the Company's Ownership Structure regarding the information included therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1,

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letters c), d), f), l), m) and paragraph 2, letter b), as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Report on Operations and the information reported therein in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) included in the specific section of the report, are consistent with the consolidated financial statements of the IGD SIIQ S.p.A.Group as of December 31, 2010.

Bologna, Italy
March 24, 2011

Reconta Ernst & Young S.p.A.
Signed by: Andrea Nobili, Partner

Report by the external auditors on the figures forecast as per Chapter XII

ERNST & YOUNG

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RELAZIONE DELLA SOCIETA' DI REVISIONE SUI DATI PREVISIONALI
ai sensi dell'articolo 13.2 dell'Allegato I al Regolamento della Commissione Europea
n° 809 del 29 aprile 2004

Al Consiglio di Amministrazione di
Immobiliare Grande Distribuzione
Società di Investimento Immobiliare Quotata S.p.A.

1. Abbiamo esaminato le previsioni dei risultati degli esercizi 2012-2015 di Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. (la "**Società**") e delle società del gruppo ad essa facenti capo (il "**Gruppo**"), che prevedono un "EBITDA *margin* della gestione caratteristica" maggiore del 71% nel 2015 (i "**Dati Previsionali**"), nonché le ipotesi e gli elementi posti a base della formulazione dei Dati Previsionali, derivanti dal piano industriale 2012-2015 approvato dal Consiglio di Amministrazione in data 2 ottobre 2012 (il "**Piano 2012-2015**") e contenuti nel Capitolo 13 "Previsioni e stima degli utili" dell'allegato documento di registrazione della Società nell'ambito dell'offerta di azioni ordinarie di Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. (il "**Documento di Registrazione**"). La responsabilità della redazione dei Dati Previsionali, delle ipotesi e degli elementi posti alla base della loro formulazione, riportati nel Documento di Registrazione, nonché la responsabilità della redazione del Piano 2012-2015, compete agli Amministratori della Società.

2. La presente relazione si riferisce unicamente ai Dati Previsionali inclusi nel Capitolo 13 del Documento di Registrazione, e non si estende al Piano 2012-2015 ed alle altre informazioni previsionali contenute nel Documento di Registrazione, che sono state esaminate al solo fine di acquisire gli elementi e le informazioni a supporto della formulazione dei Dati Previsionali.

   I Dati Previsionali si basano su un insieme di ipotesi di realizzazione di eventi futuri e di azioni che dovranno essere intraprese da parte degli Amministratori, che includono, tra le altre, assunzioni ipotetiche relative ad eventi futuri ed azioni degli Amministratori che non necessariamente si verificheranno ed eventi e azioni sui quali gli Amministratori e il management non possono influire o possono, solo in parte, influire, circa l'andamento delle principali grandezze patrimoniali ed economiche o di altri fattori che ne influenzano l'evoluzione riepilogate nella "Premessa" del Capitolo 13 del Documento di Registrazione (le "**Assunzioni Ipotetiche**"). Tali Assunzioni Ipotetiche , che sono soggette ai rischi e alle incertezze che caratterizzano l'attuale scenario macroeconomico, presuppongono: *i)* la cessione di immobili entro l'esercizio 2015 per un controvalore stimato di circa Euro 108 milioni, corrispondente al loro valore di iscrizione in bilancio; *ii)* l'incremento del *fair value* degli immobili unicamente per effetto degli investimenti effettuati nell'arco temporale del Piano 2012-2015; e *iii)* la positiva conclusione delle attività di rifinanziamento del debito in scadenza e di copertura dell'ulteriore fabbisogno finanziario derivante dagli investimenti previsti.

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3. Il nostro esame è stato svolto secondo le procedure previste per tali tipi di incarico dall'*International Standard on Assurance Engagements* ("**ISAE**") 3400 "*The Examination of Prospective Financial Information*" emesso dall'*International Auditing and Assurance Standards Board* ("**IAASB**").

4. Sulla base dell'esame degli elementi probativi a supporto delle ipotesi e degli elementi utilizzati nella formulazione dei Dati Previsionali, inclusi nel Capitolo 13 del Documento di Registrazione, ed avuto riguardo a quanto evidenziato al precedente paragrafo 2., non siamo venuti a conoscenza di fatti tali da farci ritenere, alla data odierna, che le suddette ipotesi ed elementi non forniscano una base ragionevole per la predisposizione dei Dati Previsionali, assumendo il verificarsi delle Assunzioni Ipotetiche relative ad eventi futuri ed azioni degli Amministratori, descritte nel precedente paragrafo 2.. Inoltre, a nostro giudizio, i Dati Previsionali sono stati predisposti utilizzando coerentemente le ipotesi e gli elementi sopraccitati e sono stati elaborati sulla base di principi contabili omogenei rispetto a quelli applicati dalla Società nella redazione del bilancio consolidato per l'esercizio chiuso al 31 dicembre 2012, predisposto in conformità agli International Financial Reporting Standards ("**IFRS**") adottati dall'Unione Europea.

5. Va tuttavia tenuto presente che a causa dell'aleatorietà connessa alla realizzazione di qualsiasi evento futuro, sia per quanto concerne il concretizzarsi dell'accadimento sia per quanto riguarda la misura e la tempistica della sua manifestazione, gli scostamenti fra valori consuntivi e valori preventivati dei Dati Previsionali, potrebbero essere significativi, anche qualora gli eventi previsti nell'ambito delle Assunzioni Ipotetiche, descritte nel precedente paragrafo 2., si manifestassero.

6. La presente relazione è stata predisposta ai soli fini di quanto previsto dall'articolo 13.2 dell'Allegato I al Regolamento della Commissione Europea n° 809 del 29 aprile 2004, con riferimento al Documento di Registrazione, e non potrà essere utilizzata, in tutto o in parte, per altri scopi.

7. Non assumiamo la responsabilità di aggiornare la presente per eventi o circostanze che dovessero manifestarsi dopo la data odierna.

Bologna, 8 maggio 2013

Reconta Ernst & Young S.p.A.

Gianluca Focaccia
(Socio)

SECURITIES NOTE

RELATING TO THE PUBLIC OFFER FOR SUBSCRIPTION RESERVED FOR PERSONS ENTITLED TO RECEIVE DIVIDENDS FOR 2012 FROM THE ORDINARY SHARES OF

Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A.
Registered office Via Agro Pontino 13, Ravenna (RA)
Operational headquarters: Via Trattati Comunitari Europei1957-2007 13, Bologna
Authorized share capital € 422,882,284.69 Subscribed and paid-up share capital € 322,545,915.08 consisting of 330,025,283 ordinary shares
VAT number and Ravenna Companies Register number: 00397420399
Ravenna Economic Administrative Index: 88573
Company subject to management and coordination by Coop Adriatica s.c.a.r.l.

Summary Note filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.

Securities Note filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.

Registration Document filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.

The Securities Note should be read in conjunction with the Registration Document and the Summary Note.

Publication of the Securities Note does not constitute an opinion by CONSOB as to the worthiness of the proposed investment or the value of the related information.

The Summary Note, the Securities Note and the Registration Document are available at the Issuer's registered office in Ravenna, via Agro Pontino 13, as well as on the websites of both the Issuer (www.gruppoigd.it) and Borsa Italiana S.p.A..

The Offer Price and the final number of Shares to be issued and any other information that can be determined on the basis of this information were determined following the approval of the Registration Document, the Securities Note and the Summary Note, and even if filed as part of one single set of documents remain separate from the text of those approved documents and for that reason are reproduced in italics. This information, determined and filed pursuant to article 95-bis, paragraph 1 of the TUF, has not been submitted to CONSOB for approval.

Important Note

In consideration of the financial situation of the Company and Group, this paragraph contains certain information which is considered important in order to allow investors to understand the background and risk factors underlying the operation.

Investors are asked to read the information in this paragraph, together with the contents of Chapter IV of the Registration Document and Chapter II of the Securities Note.

Risks connected to the Group's financial situation

In accordance with Regulation 809/2004/EC and the definition of working capital – as “the means by which the Issuer obtains the cash resources necessary to meet the obligations falling due” – contained in the ESMA/2011/81 Recommendations, the Issuer considers that on the Date of the Securities Note, the Group does not have sufficient working capital to meet its requirements for the 12 months following the Date of the Securities Note.

The Group's working capital on 31 March 2013, taken to mean the difference between current assets and current liabilities, presents a deficit of approximately Euro 377.33 million of which a part refers to the “*EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013*” falling due on 28 December 2013 (*Cf*. Chapter X, Paragraph 10.1 of the Registration Document) in the amount of Euro 230 million.

Upon the settlement of the Exchange Offer which took place on 7 May 2013 the Company issued new unsecured fixed rate senior bonds entitled “*€ 144,900,000 4.335 per cent Notes due 7 May 2017*” for a total amount of Euro 144,900,000 (*cf*. Chapter X, Paragraph 10.1 of the Registration Document). As a result, therefore, at the Date of the Securities Note, due to the Exchange Offer and the issue of the new senior bonds for a total of Euro 144.9 million the above-mentioned working capital deficit was reduced by the same amount to approximately Euro 232.43 million.

Apart from the matters reported above referring to the Exchange Offer and the issue of the senior bonds, no substantial changes have taken place in the Group’s working capital between 31 March 2013 and the Date of the Securities Note.

Further, the Company has estimated a total net financial requirement of approximately Euro 31.26 million (in addition to that arising from the deficit) for the 12 months following the Date of the Securities Note.

In the light of the preceding, the Company estimates that at the Date of the Securities Note the sum of the working capital deficit and the above-mentioned financial requirement for the 12 months following the Date of the Securities Note amounts in total to approximately Euro 263.69 million.

In order to cover this amount, the Issuer intends in the first place to use the net proceeds from the Capital Increase, that in the event of a subscription in full would amount to approximately Euro 17.44 million, which would take the total of the working capital deficit and financial requirement for the following 12 months to approximately Euro 246.25 million.

Secondly, the Issuer intends to make recourse to the use of short-term revocable credit facilities, that have already been agreed by the Company in the amount of approximately Euro 278.5 million, of which Euro 99.24 million is available and would take the total of the working capital deficit and financial requirement for the following 12 months to approximately Euro 147.01 million.

In addition, since the Group has available properties free from any encumbrances for an amount equal to approximately Euro 551 million, the Issuer intends to cover the remaining working capital deficit through the issue of secured bonds for an amount of Euro 175 million and/or medium and long term mortgage operations.

This operation will bring about a change in the financial structure, leading to a transfer of debt from the short term to the medium-long term. The increase in medium-long term debt will cause an increase in the cost of the debt, due to the effect of a tightening of terms and conditions compared to those applying to short term debt and the effect of the wider spreads currently applied compared to similar operations in the past, with the resulting adverse consequences on the Group's economic and financial situation.

At the Date of the Securities Note the Issuer's Board of Directors had not yet adopted any resolutions on these operations.

Finally, if it needs to reduce the current financial requirement the Company could also take steps by a) rescheduling the timing of the investments planned in the 12 months after the Date of the Securities Note but not yet contracted, with a reduction of approximately Euro 37.66 million in the financial requirement (*cf.* Chapter V, Paragraphs 5.2.2 and 5.2.3 of the Registration Document, b) applying to the parent Coop Adriatica for additional credit facilities or c) carrying out extraordinary operations, such as bringing forward property sales compared to the timing included in the business plan (*cf.* Chapter XIII of the Registration Document). The Issuer's ability to continue as a going concern over the next 12 months is therefore linked to maintaining the present credit facilities and to the actual possibility of successfully completing the above-mentioned additional initiatives as well as the Capital Increase. Without prejudice to the above matters, if the Capital Increase is not fully subscribed and if the Company were to be unable to successfully complete, in a short time period, the currently planned additional initiatives to cover the Group's working capital deficit and financial requirement for the 12 months following the Date of the Securities Note, the Company estimates that current financial resources, taking into consideration the credit facilities at present agreed and taking into account the timing of the short term financial commitments, could be sufficient to guarantee ordinary operations for at least 12 months. If these short term credit facilities were to be revoked, the Company might not have sufficient cash flows available for the immediate needs of its activities which might therefore be affected by this, with the resulting adverse effects on the Group's results from operations, assets and liabilities and financial situation.

For further information on the IGD Group's financial resources see Chapter X, Paragraph 10.1 of the Registration Document and the Interim Report for the quarter ended 31 March 2013 and the consolidated financial statements for the year ended 31 December 2012 which are available on the Issuer's website www.gruppoigd.it.

CONTENTS

DEFINITIONS

The following is a list of the definitions and terms used in this Securities Note. These definitions and terms, unless specified otherwise, have the meanings indicated below.

Auditing Firm	Reconta Ernst & Young S.p.A..
Borsa Italiana	Borsa Italiana S.p.A., registered office in Milan, Piazza degli Affari 6.
Bylaws	The bylaws of IGD in force on the Date of the Securities Note.
Capital Increase	The increase in the Issuer's share capital, for payment, in divisible form, to be carried out by 30 September 2013, with a total value of Euro 17,866,726 including any premium, up to the limit of 10% of the company's existing share capital, through the issue of ordinary shares with no indication of nominal value and regular dividend entitlement, with the exclusion of the pre-emption rights pursuant to article 2441, paragraph 4(2) of the Italian Civil Code, to be offered in subscription to those entitled to receive dividends for fiscal 2012, approved by the extraordinary meeting of shareholders on 18 April 2013.
CONSOB	The National Commission for Corporations and the Stock Exchange *(Commissione Nazionale per la Società e per la Borsa),* registered office in Rome, Via G.B. Martini 3.
Consolidation Law or Consolidated Finance Law (Testo Unico - TUF)	Legislative Decree no. 58 of 24 February 1998 as amended.
Date of the Securities Note	Date of publication of the Securities Note.
Exchange Offer	The exchange offer approved by the Issuer's Board of Directors on 18 April 2013 addressed to holders of the outstanding convertible bonds entitled "*€ 230,000,000 3.50 per cent Convertible Bonds due 2013*" issued by IGD and having as consideration newly issued unsecured fixed rate senior bonds entitled "*€ 144,900,000 4.335 per cent Notes due 7 May 2017*". The exchange offer is addressed exclusively to holders of "*€ 230,000,000 3.50 per cent Convertible Bonds due 2013*" inside Italy and outside Italy (excluding the United States of America pursuant to *Regulation S* of the *1933 United States Securities Act* as amended) who on the basis of applicable legislation are qualified investors.
IFRS (International Financial Reporting Standards)	All the International Financial Reporting Standards and International Accounting Standards (IAS) and all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC).
IGD Group or Group	Collectively, the Issuer and the companies directly or indirectly controlled thereby within the meaning of article 2359 of the

	Italian Civil Code and article 93 of the Consolidated Finance Law.
IGD, the Company or the Issuer	Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A., registered office in Ravenna, Via Agro Pontino 13.
Instructions	Instructions accompanying the Market Rules
IRES	IRES (Corporate income tax)
IRPEF	IRPEF (Personal income tax)
Market Rules	The rules of the markets organized and managed by Borsa Italiana, authorized by the shareholders meeting of Borsa Italiana on 16 July 2010 and approved by CONSOB with its Decision no. 17467 of 7 September 2010, as amended.
Monte Titoli	Monte Titoli S.p.A., registered office in Milan, Piazza degli Affari 6.
MTA	The electronic stock exchange organized and managed by Borsa Italiana S.p.A.
Offer	The offer, excluding pre-emption rights under article 2441 paragraph 4(2) of the Italian Civil Code, reserved to persons entitled to receive dividends for fiscal year 2012, of a maximum of *23,633,236* Shares, deriving from the Capital Increase with the allocation ratio of *2* Shares for every *27* ordinary shares held in the Issuer, with rights to the dividend for 2012.
Offer Period	The period of time between 20 May 2013 and 31 May 2013, subject to extension.
Offer Price	The price of Euro *0.75* at which each Share will be offered for subscription to the persons entitled to receive a dividend for fiscal year 2012.
Registration Document	The registration document relating to the Issuer filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795. The Registration Document is available at the Issuer's registered office in Ravenna, via Agro Pontino 13, as well as on the websites of both the Issuer www.gruppoigd.it and Borsa Italiana S.p.A..
Regulation (EC) 809/2004	Regulation (EC) of the Commission dated 29 April 2004, enacting Directive 2003/71/EC of the European Parliament and Council as regards the information contained in prospectuses as well as the format, incorporation by reference of information and publication of such prospectuses and dissemination of advertisements, as subsequently amended.
REIT - Real Estate Investment Trust (Società di Investimento Immobiliare Quotata – SIIQ)	A Listed Real Estate Investment Trust governed by article 1, subparagraphs 119-141 of the 2007 Finance Act (Law no. 296 of 27 December 2006), as amended by the 2008 Finance Act (Law no. 244 of 24 December 2007), and by the Regulations containing provisions on REITs (Decree no. 174 of 7 September

	2007, of the Ministry for the Economy and Finance).
Securities Note	This Securities Note.
Shares	The Issuer's ordinary shares with no indication of nominal value, deriving from the Capital Increase, and forming the subject of the Offer, with regular dividend entitlement. The Shares do not attribute the right to receive dividends for fiscal year 2012.
Summary Note	The summary note regarding the securities filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.
VAT	Value added tax.

CHAPTER I –PERSONS RESPONSIBLE

1.1 Persons responsible for the Securities Note

The Issuer accepts responsibility for the accuracy and truthfulness of the information and data contained in this Securities Note.

1.2 Declaration of responsibility

IGD, the entity responsible for drafting this Securities Note, declares that, as far as it is aware and having applied all reasonable diligence in this regard, the information contained herein, to the best of its knowledge, is accordant with the facts and does not include any omissions which would alter its meaning.

The Securities Note is compliant to the model filed with CONSOB on 17 May 2013, following notice of approval dated 16 May 2013, reference no. 13042795.

* * *

2. CHAPTER II - RISK FACTORS RELATING TO THE FINANCIAL INSTRUMENTS INVOLVED IN THE OFFER

2.1 Risks relating to the marketability and volatility of the Shares

The Shares have the typical risks of an investment in listed shares of the same type. The holders of the shares can liquidate their investments on the Electronic Stock Exchange (MTA) organized and managed by Borsa Italiana.

However, such securities may have liquidity problems, regardless of the Issuer or the amounts of the Shares, as the requests for sale may not meet with an adequate or timely response. Finally, the share price can fluctuate considerably, in relation to a series of factors some of which are beyond the Issuer's control. In certain circumstances therefore, the market price may not reflect the Group's true operating results.

(See Chapter VI of the Securities Note).

2.2 Criteria for determination of the Offer Price

The offer price of Euro *0.75* per Share was determined by the Board of Directors of IGD on 16 May 2013, on the basis of criteria approved by the Extraordinary Meeting of Shareholders on 18 April 2013.

In particular, the Extraordinary Meeting of 18 April 2013 resolved that the Offer Price should be equivalent to the arithmetical average of the Official Prices of the IGD share recorded during the 8 stock exchange days prior to the date of the Board meeting held to establish that price, rectified as follows: (i) by deducting the amount of the dividend for 2012, and (ii) by applying a discount of up to 10%. The Extraordinary Meeting also decided that the Offer Price could not be less than Euro 0.61 (equivalent to the arithmetical average of the official price of the IGD share recorded during the 6 months prior to 28 February 2013, the date on which the proposed Capital Increase was approved – rectified as follows: (i) by deducting the amount of the proposed dividend for 2012, and (ii) by applying a discount of up to 15%).

Given the time lag between the meeting of shareholders' authorization of the Capital Increase, and the execution of that authorization, the decision to refer the definition of the Offer Price to the Board of Directors prior to launch of the Offer was considered to comply with the rule of law which imposes that, for capital increases under article 2441(4)(2) of the Italian Civil Code, the issue price "*should correspond to the shares' market value*".

In particular, in the absence of any transactions with similar characteristics in Italy, and on the basis of the analysis of other transactions carried out by listed issuers in Europe which allow shareholders to reinvest all or part of their dividends in newly-issued shares, the Issuer considered that, for the purposes of identifying an issue price "*corresponding to the shares' market value*", it is not possible to disregard the most recent stock exchange price of the IGD share, as it represents the value given to the Company by investors at that time and is the result of a large number of sale and purchase trades. In this regard, taking into account the characteristics of the IGD share, the Company considered it appropriate to use as a reference the average of the official prices recorded over a period of 5-10 days of stock exchange trading, in order to avoid the impact of individual prices which could be affected by the limited liquidity of the trades. During that period of time, the objective benchmark used to determine the issue price was identified as the arithmetical average of the Official Prices of the IGD share recorded during the eight stock exchange days prior to the date of the Board meeting called to determine the above price.

For a description of the criteria used to determine the Offer Price and the issue of the Auditing Firm's report on the above criteria, please refer to Chapter V, Paragraph 5.3.1 of the Securities Note.

2.3 Dilutive impact

If the Capital Increase is fully subscribed, the shareholders entitled to the 2012 dividend who do not subscribe to their portion would see a maximum dilution of their shareholding, in terms of percentage of the share capital, of *6.68*%.

(See Chapter IX of the Securities Note).

2.4 Risks relating to the absence of undertakings to subscribe to the Capital Increase

The shares arising from the Capital Increase are offered directly by the Company and, taking into account the characteristics of the operation, no provision has been made for the intervention of any placement and/or guarantee consortium.

In this respect, on the conclusion of the offer reserved to persons entitled to receive dividends for fiscal 2012, of a maximum of 29,827,267 ordinary shares deriving from the capital increase excluding pre-emption rights, pursuant to article 2441, paragraph 4(2) of the Italian Civil Code, approved by the Issuer's Extraordinary Shareholders' Meeting of 19 April 2012, a total of 20,776,022 newly-issued ordinary IGD shares were subscribed, being 69.654% of the total shares offered, amounting to a countervalue of Euro 13,296,654.08.

In the absence of any subscription undertakings or the intervention of a guarantee consortium, if the Capital Increase is not fully subscribed the Company may not be able to obtain all the resources it expected to generate.

2.5 Exclusion of markets in which the Offer is not permitted

The shares in the Offer will be offered for subscription only to the persons entitled to receive the dividend for 2012.

The Offer is only made in Italy on the basis of the Securities Note. The Securities Note does not constitute an offer of financial instruments in the United States of America, Canada, Japan, Australia or in any other foreign country in which the Offer is not allowed without specific authorization in accordance with the provisions of applicable law and regulations, or as an exemption to those laws and regulations (collectively, the "**Other Countries**").

In particular, the Offer is not addressed directly or indirectly, nor may it be accepted directly or indirectly in or from the United States of America, Canada, Japan, Australia, nor in or from the Other Countries, through the services of any regulated market in the United States of America, Canada, Japan, Australia or the Other Countries, neither via postal services, or any other means of communication, national or international trade which relate to the United States of America, Canada, Japan and Australia or the Other Countries, (including, by way of example and without limitation, the postal network, fax, telex, e-mail, telephone, Internet and/or any other means or digital support). Likewise, no subscriptions will be accepted by means of such services, means or instruments. Neither the Securities Note nor any other document relating to the Offer shall be sent nor may be sent or otherwise forwarded, made available, distributed or dispatched in or from the United States of America, Canada, Japan and Australia, nor in or from the Other Countries; this limitation also applies to individuals entitled to receive the IGD dividend for fiscal 2012, whose address is in the United States of America, Canada, Japan or Australia, or in the Other Countries, or to persons who the Issuer or its representatives know to be fiduciaries, delegates or depositories who hold IGD shares on behalf of such persons.

Those receiving such documents (including, among others, the custodians, delegates and fiduciaries) must not distribute, send or otherwise dispatch any of them in or from the United States of America, Canada, Japan, Australia, nor in or from the Other Countries, neither via postal services, or any other means of communication, national or international trade regarding the United States of America, Canada, Japan and Australia or the Other Countries, (including but not limited to the postal network, fax, telex, e-mail, telephone, Internet and/or any other means or digital support).

The distribution, dispatch or forwarding of such documents in or from the United States of America, Canada, Japan, Australia, and in or from the Other Countries, or through the services of any regulated market in the United States of America, Canada, Japan and Australia or the Other Countries, neither via postal services, or any other means of communication, national or international trade regarding the United States of America, Canada, Japan and Australia or the Other Countries, (including but not limited to the postal network, fax, telex, e-mail, telephone, Internet and/or any other means or digital support) will not allow the acceptance of subscriptions to the offer on the basis of such documents.

The shares and the related subscription rights have not been, nor will be registered within the meaning of the United States Securities Act of 1933 as amended, nor within the meaning of the laws in force in Canada, Japan and Australia, or in the Other Countries, and may not, therefore, be offered ordered or delivered, directly or indirectly, in the United States of America, Canada, Japan, Australia or the Other Countries.

(See Chapter V of the Securities Note).

CHAPTER III - ESSENTIAL INFORMATION

3.1 Working capital statement

In accordance with Regulation 809/2004/EC and in light of the definition of working capital – as "the means by which the Issuer obtains the cash resources necessary to meet the obligations falling due" – contained in the ESMA/2011/81 Recommendations, the Issuer considers that, at the Date of the Securities Note, the Group does not have sufficient working capital to meet its requirements for the 12 months following the Date of the Securities Note.

The Group's working capital at 31 March 2013, being the difference between current assets and current liabilities, was a deficit of approximately Euro 377.33 million, of which part relates to the "*€ 230,000,000 3.50 per cent Convertible Bonds due 2013*" loan which falls due on 28 December 2013 (*cf.* Chapter X, Paragraph 10.1 of the Registration Document) in the amount of Euro 230 million.

Upon the settlement of the Exchange Offer which took place on 7 May 2013 the Company issued new unsecured fixed rate senior bonds entitled "*€ 144,900,000 4.335 per cent Notes due 7 May 2017*" (*cf.* Chapter X, Paragraph 10.1 of the Registration Document). As a result, therefore, at the Date of the Securities Note, due to the Exchange Offer and the issue of the new senior bonds for a total of Euro 144.9 million the above-mentioned deficit was reduced by the same amount to approximately Euro 232.43 million.

Apart from the matters reported above referring to the Exchange Offer and the issue of the senior bonds, no substantial changes have taken place in the Group's working capital between 31 December 2012 and the Date of the Securities Note.

Further, the Company has estimated a total net financial requirement of approximately Euro 31.26 million (in addition to that arising from the deficit) for the 12 months following the Date of the Securities Note.

In the light of the preceding, the Company estimates that at the Date of the Securities Note the sum of the working capital deficit and the above-mentioned financial requirement for the 12 months following the Date of the Securities Note amounts in total to approximately Euro 263.69 million.

In order to cover this amount, the Issuer intends in the first place to use the net proceeds from the Capital Increase, that in the event of a subscription in full would amount to approximately Euro 17.44 million, which would take the total of the working capital deficit and financial requirement for the following 12 months to approximately Euro 246.25 million.

Secondly, the Issuer intends to make recourse to the use of short-term revocable credit facilities, that have already been agreed by the Company in the amount of approximately Euro 278.5 million, of which Euro 99.24 million is available and would take the total of the working capital deficit and financial requirements for the following 12 months to approximately Euro 147.01 million.

In addition, since the Group has available properties free from any encumbrances for an amount equal to approximately Euro 551 million, the Issuer intends to cover the remaining working capital deficit through the issue of secured bonds for an amount of Euro 175 million and/or medium and long term mortgage operations.

This operation will bring about a change in the financial structure, leading to a transfer of debt from the short term to the medium-long term. The increase in medium-long term debt will cause an increase in the cost of the debt, due to the effect of a tightening of terms and conditions compared to those applying to short term debt and the effect of the wider spreads currently applied compared to similar operations in the past, with the resulting adverse consequences on the Group's economic and financial situation.

At the Date of the Securities Note the Issuer's Board of Directors had not yet adopted any resolutions on these operations.

Finally, if it needs to reduce the current financial requirement the Company could also take steps by a) rescheduling the timing of the investments planned in the 12 months after the Date of the Securities Note but not yet contracted, with a reduction of approximately Euro 37.66 million in the financial requirement (*cf.* Chapter V, Paragraphs 5.2.2 and 5.2.3 of the Registration Document), b) applying to the parent Coop Adriatica for additional credit facilities or c) carrying out extraordinary operations, such as bringing forward property sales compared to the timing included in the business plan (*cf.* Chapter XIII of the Registration Document). The Issuer's ability to continue as a going concern over the next 12 months is therefore linked to maintaining the present credit facilities and to the actual possibility of successfully completing the above-mentioned additional initiatives as well as the Capital Increase. Without prejudice to the above matters, if the Capital Increase is not fully subscribed and if the Company were to be unable to successfully complete, in a short time period, the currently planned additional initiatives to cover the Group's working capital deficit and financial requirement for the 12 months following the Date of the Securities Note, the Company estimates that current financial resources, taking into consideration the credit facilities at present agreed and taking into account the timing of the short term financial commitments, could be sufficient to guarantee ordinary operations for at least 12 months. If these short term credit facilities were to be revoked, the Company might not have sufficient cash flows available for the immediate needs of its activities which might therefore be affected by this, with the resulting adverse effects on the Group's results from operations, assets and liabilities and financial situation.

For further information about the financial resources of the IGD Group, reference should be made to Chapter X, Paragraph 10.1 of the Registration Document, the Interim Report for the quarter ended 31 March 2013 and the consolidated financial statements for the year ended 31 December 2012, available on the Issuer's website, www.gruppoigd.it.

3.2 Own funds and borrowings

The table below contains details of the Issuer's own funds and borrowings on 31 March 2013.

Financial indebtedness	
	31/3/2013
Current financial liabilities - related parties - unsecured	24,363
Current financial liabilities - unsecured	157,209
Current portion of mortgage loans - secured by collateral	53,007
Current portion of finance lease liabilities - unsecured	277
Current portion of convertible bond - unsecured	227,988
CURRENT FINANCIAL INDEBTEDNESS	**462,844**
Non-current financial liabilities with other lenders - unsecured	8,499
Non-current portion of finance lease liabilities - unsecured	5,374
Non-current financial liabilities - secured by collateral	600,022
Non-current financial liabilities - related parties - unsecured	15,000
Convertible bond - unsecured	0
NON-CURRENT FINANCIAL INDEBTEDNESS	**628,895**
TOTAL FINANCIAL INDEBTEDNESS	**1,091,739**
NET FINANCIAL INDEBTEDNESS - ESMA /2011/81*	**1,086,037**

*Total financial indebtedness, compared to ESMA net financial indebtedness, does not include liquidity (cash and cash equivalents, current financial receivables).

Own funds	
	31/3/2013
Share capital	311,569
Legal reserve	10,440
Share premium reserve	147,730
Other reserves	245,822
Retained earnings	49,890
Net equity	**765,451**

Apart from the matters discussed in the previous paragraph relating to the Exchange Offer and the issue of the senior bond, at the Date of the Securities Note there were no substantial differences from the values shown in the above table.

For more information about the Issuer's own funds and borrowings reference should be made to Chapters IX and X of the Registration Document.

3.3 Interests of individuals and legal entities participating in the Global Offer

IGD is not aware of any significant interests of individuals or legal entities in relation to the Offer.

3.4 Reason for the Offer and use of the proceeds

In line with the practice adopted by many foreign issuers, including European real estate investment companies, IGD has approved the Capital Increase, allowing the individuals entitled to the 2012 dividend to use up to 80% of the sums received by way of dividends in order to subscribe to the shares arising from the Capital Increase.

The aim of the Capital Increase is to reinforce the Company's asset structure.

The net cash proceeds from the Capital Increase, estimated in Euro 17,436,726 in the case of full subscription, will be used to cover the general operating requirements of the IGD Group. In particular, it is expected that the proceeds from the Capital Increase can be used to partially cover the deficit in the Group's working capital at the Date of the Securities Note (*cf.* Chapter III, Paragraph 3.1 of the Securities Note and Chapter X of the Registration Document).

CHAPTER IV - INFORMATION ON THE FINANCIAL INSTRUMENTS TO BE OFFERED/ADMITTED FOR TRADING

4.1 Description of the Shares

The shares involved in the offer represent approximately *6.68*% of IGD's share capital as it will appears if the Capital Increase is fully subscribed.

The shares will have standard dividend rights and can therefore be fungible with the ordinary IGD shares traded on the STAR segment of the MTA on the issue date. Therefore, the shares will have coupon number 12 and the ISIN code allocated to them will be IT0003745889.

The following code has been allocated to the non-negotiable and non-transferable right to subscribe to the shares: ISIN IT0004907330.

4.2 Legislation under which the Shares have been issued

The Shares have been issued under the laws of Italy.

4.3 Characteristics of the Shares

The Shares will be registered, indivisible, freely transferable and with no indication of the nominal value. They will be subject to the dematerialization regime in accordance with the Consolidated Finance Law and the related implementing rules, and will be entered into the clearing system managed by Monte Titoli S.p.A.

4.4 Denomination of the Shares

The shares will be denominated in Euros.

4.5 Description of the rights tied to the Shares

The shares will have the same characteristics and will confer the same rights as of ordinary IGD shares outstanding on the date of issue.

The IGD shares listed on the Date of the Securities Note are registered and grant identical rights to their holders. Each share gives the entitlement to one vote at the ordinary and extraordinary assemblies of IGD, as well as other pecuniary and administrative rights according to the applicable rules of the law and bylaws.

The shares will have standard dividend rights and do not attribute the right to receive dividends for the year 2012.

For more information, see Chapter XXI of the Registration Document.

4.6 Decisions, authorizations and approvals under which the Shares have been or shall be issued

The Shares derive from the Capital Increase authorized by the Extraordinary Meeting on 18 April 2013.

In particular the Extraordinary Meeting resolved, among other things, to:

- approve a divisible paid capital increase to be carried out by 30 September 2013, with a total value of Euro 17,866,726, including any share premium, up to the limit of 10% of the Company's existing share capital, through the issue of ordinary shares with no indication of nominal value and standard dividend entitlement, with the exclusion of the option rights under article 2441(4)(2) of the Civil Code, to be offered for subscription to those entitled to receive dividends for the year 2012 at a price, including share premium, equivalent to the arithmetical average of the Official Prices of the IGD shares recorded during the 8 stock exchange days prior to the date of the meeting of the Board of Directors called to determine the above price, adjusted as follows: (i) by deducting the amount of the 2012 dividend, and (ii) by applying a discount of up to 10%. The Extraordinary Meeting also decided that the subscription price could not be less than Euro 0.61, equivalent to the arithmetical average of the Official Prices of the IGD shares recorded during the three months prior to 28 February 2013, adjusted by deducting the amount of the proposed dividend for 2012, and by applying a discount of 15%, and therefore the maximum number of shares to be issued cannot exceed 29,289,715;

- authorize the Board of Directors to define, in accordance with the criteria and limits determined by the Extraordinary Meeting, at a meeting to be called during the period immediately prior to the launch of the offer period for subscription to the shares: (i) the issue price for the new shares, and (ii) as a consequence of (i), the maximum number of newly-issued shares, the related allocation ratio, and the terms and conditions for allocation to the entitled persons;
- grant the Board of Directors, and on its behalf the Chairman, Vice chairman and Chief Executive, full powers to implement the above decisions, including individually, to ensure the success of the operation. Those powers include but are not limited to the power to adjust the amounts indicated in article 6.5 of the Company's bylaws, in relation to the increase in share capital used for the conversion of the convertible bond "*EUR 230,000,000 3.50 per cent. Convertible Bonds due 2013*" authorized by the company on 25 June 2007 and modified on 22 April 2010, following any adjustment to the conversion price which may be necessary following the Capital Increase, and the power to carry out any other formality or discharge any other obligation which may be necessary or appropriate in relation to such adjustment, and the power to file a copy of the updated company bylaws with the competent companies register.

On 16 May 2013, the Board of Directors determined, on the basis of the criteria established by the Extraordinary Meeting of 18 April 2013: (i) the issue price of Euro *0.75* per share, and consequently (ii) the allocation ratio of *2* Shares for every *27* ordinary IGD share held with dividend entitlement for 2012, and (iii) the maximum number of shares in offered of *23,633,236* shares with a maximum total counter value of Euro *17,724,927* to be wholly allocated as share capital.

4.7 Date of issue and availability of the Shares

The Shares subscribed by the end of the Offer Period will be credited to the accounts of the member intermediaries of the Monte Titoli clearing system at the end of the accounting day on the last day of the Offer Period, and will therefore be available from the next settlement day.

4.8 Limitations on the free circulation of the Shares

There are no limitations on the free transfer of the Shares imposed by clauses in the bylaws or issue conditions.

Please note that the right to subscribe to the shares is not negotiable or transferable.

4.9 Information about the existence of any provision related to any obligation to launch a public tender offer and/or residual tender offer on the Shares

Once the Shares have been subscribed, they will be subject to the regulations provided by the Consolidated Finance Law, and relevant implementation laws, concerning securities listed and negotiated on regulated Italian markets, with specific reference to the regulations governing public tender offers and public offerings for the sale of the shares.

4.10 Public tender offers on the Issuer's Shares during the previous financial year and the current financial year

The Issuer's ordinary shares are not the subject of public tender offers launched by third parties during the previous financial year and current financial year.

4.11 Tax regime

The information provided in this section seeks to describe – as succinctly as possible – the tax regime specific to the purchase, holding and transfer of shares in joint-stock companies which are resident in Italy (such as those of the Company), pursuant to Italian fiscal legislation.

What follows is not intended to constitute an exhaustive analysis of all the fiscal consequences of the purchase, holding and transfer of shares and does not define the tax regime specific to shares held within the Company by a permanent business establishment or fixed base through which a non-resident individual carries out his/her business activities in Italy.

Furthermore, let it be clear that, with a view to further, more in-depth information, the specific tax regime for the purchase, holding and transfer of shares, as illustrated below, is based on the legal framework in force on the Date of Securities Note.

Additionally, in light of the above, investors should undertake to discuss with their consultants the tax regime which governs the purchase, holding and transfer of shares and to verify the nature, origin and fiscal classification of the sums which might be distributed by the Company (i.e. dividends or reserves).

A) Definitions

Pursuant to this Paragraph 4.11 of the Security Note, the terms used here have the following meaning.

- **'Shares':** the Issuer’s shares that are the subject of this offer;
- **'Transfer of Qualifying Holdings':** transfer of shares, other than preference shares, rights or securities by means of which shares can be purchased, which exceed, within a period of twelve months, the limits for the qualification as qualifying holdings. The twelve-month term runs from the moment when the rights and securities possessed represent a percentage of voting rights or holdings greater than the predefined limits. The percentage of voting rights or holding in the company's stock which could be related to the holdings shall be taken into account for rights or securities by means of which shares can be purchased;
- **'Qualified Holdings':** equity investments in companies listed on regulated markets comprising the possession of holdings (other than preference shares), rights or securities by means of which the aforementioned holdings can be purchased, which together represent a percentage of voting rights exercisable in the ordinary meeting greater than 2% or a holding in the company's share capital or assets greater than 5%;
- ''**Unqualified Holdings':** the equity investments in companies listed on regulated markets which differ from Qualified Holdings;
- **'REIT Regime':** provided that some prerequisites have been fulfilled, Listed Real Estate Investment Trusts can opt for the application of the special REIT Regime, introduced in article 1, paragraphs 119 to 141, of Law no. 296 dated 27 December 2006. The relevant regulatory framework was completed by the Implementation Regulations of the Ministry of Economy and Finance no. 174/2007 and subject of the Income Tax Office’s interpretation, in Circular no. 8/E of 31 January 2008. The main characteristic of the Special Regime is the possibility of adopting, providing that certain conditions established by the regulations are respected, a specific taxation system in which income is subject to tax only when it is distributed to the shareholders; this is actually an inversion of the tax principle whereby income is subject to tax from the moment it is produced by the company which produces it and not at that which distributes it;
- **'Tax-exempt Business':** the business of leasing property, which must cover, first of all: the business of leasing property, to which one has ownership rights, usufruct or another property right, as well as based on financial lease contracts; the leasing business deriving

from the development of one's own real estate portfolio; the possession of holdings, constituting financial fixed assets in accordance with international accounting standards, in other Listed or Unlisted REIT;

- **'Taxable Business':** all possible businesses which differs from those covered by the tax-exempt business.

4.11.1 Tax regime for dividends related to income produced

With reference to the tax regime for dividends paid out by the company, it must be stated beforehand that dividends gained through holdings in a REIT are subject to a differentiated tax regime depending on whether they are gained from the distribution of profits from tax-exempt business or from the distribution of profits from taxable business.

For the tax treatment of profits from tax-exempt business please refer to paragraph 4.11.3.

Dividends paid out from the profits of taxable business will, on the other hand, be subject to the tax treatment ordinarily applicable to dividends paid out by joint-stock companies which are resident in Italy for tax purposes. In particular, pursuant to the combined requirements of articles 27 and 27-ter of Presidential Decree no. 600 of 29 September 1973 (“Presidential Decree no. 600/1973”) the following different tax procedures are to be implemented for dividends paid out by joint-stock companies which are resident in Italy for tax purposes:

(i) Individuals resident in Italy for tax purposes not conducting business

Dividends paid out to persons resident in Italy for tax purposes on shares, held outside of their business activities and constituting 'Unqualified Holdings', entered into the central depository system administered by Monte Titoli (such as the Issuer’s shares that are the subject of this offer), are subject to a substitute tax at a rate of 20%, with an offset requirement, in accordance with article 27-ter of Presidential Decree no. 600/1973; there is no obligation for the shareholder to indicate the dividends received in his/her tax return.

This substitute tax is applied by resident individuals with whom securities have been deposited, who adhere to the central depository system administered by Monte Titoli, as well as through a tax representative appointed in Italy (in particular a bank or Stock Brokerage Firm resident in Italy, a permanent business establishment in Italy for banks or non-resident investment companies, or a central securities depository company authorized in accordance with article 80 of the Consolidated Finance Law, by non-resident (depositary) persons who adhere to the Monte Titoli system or foreign central depository systems which adhere to the Monte Titoli system.

Following the entry into force of Legislative Decree no. 213 of 24 June 1998 on the de-certification of securities, this taxation procedure represents the ordinary regime applicable to shares traded on an Italian regulated market, such as the Issuer’s shares that are the subject of this offer.

Dividends paid out on shares to individuals resident in Italy for tax purposes, held outside of their business activities and constituting Qualified Holdings, are not subject to any withholding tax or substitute tax provided that the holders, at the time of receipt, declare that the income collected concerns holdings pertaining to Qualified Holdings.

Such dividends partially contribute to the formation of the total taxable income of the shareholder. The Decree of the Minister of the Economy and Finances of 2 April 2008 (“DM 2 April 2008”) redefined the percentage of contribution to the formation of the income as 49.72%.

This percentage applies to dividends declared from profits produced by the company starting from the tax year following the tax year ended 31 December 2007. The application of the previous percentage of contribution to the formation of the income, i.e. 40%, for income produced up to the tax year ended 31 December 2007 remains. Furthermore, starting from the distributions approved following those relating to the income of the tax year ended 31 December 2007, for the purposes of taxation of the recipient, the dividends distributed shall first be considered as formed from profits produced by the company up until that date.

(ii) Individuals resident in Italy for tax purposes conducting business

Dividends paid out to persons resident in Italy for tax purposes on shares related to their business are not subject to any withholding tax or substitute tax, pursuant to article 27, paragraph 5 of Presidential Decree no. 600/1973, provided that the holders, at the time of receipt, declare that the income received concerns holdings pertaining to the business. Such dividends partially contribute to the formation of the total taxable income of the shareholder. The Ministerial Decree of 2 April 2008 redefined the percentage of contribution to the formation of the income as 49.72%. This percentage applies to dividends from profits produced by the company starting from the tax year following the tax year ended 31 December 2007. The application of the previous percentage of contribution to the formation of the income, i.e. 40%, for income produced up to the tax year ended 31 December 2007.

Furthermore, starting from the distribution resolutions following those relating to the income of the tax year ended 31 December 2007, for the purposes of taxation of the recipient, the dividends distributed shall first be considered as formed from profits produced by the company up until that date.

(iii) General partnerships, limited partnerships and those inclusive of the financial stipulations as listed in article 5 of Presidential Decree no. 917 of 22 December 1986 (hereinafter 'Consolidated Income Tax Law'), companies and corporations listed in article 73.1 a) and b) of the Consolidated Income Tax Law, resident in Italy for tax purposes

Dividends obtained from general partnerships, limited partnerships and those included in the financial stipulations (excluding sole traders) as listed in article 5 of the Consolidated Income Tax Law, companies and corporations listed in article 73.1 a) and b) of the Consolidated Income Tax Law, i.e. joint-stock companies and partnerships limited by shares, limited liability companies, public and private corporations, whose sole or primary objective is exercising a business (so-called commercial corporations), resident in Italy for tax purposes, are not subject to any withholding tax in Italy and contribute to the formation of the total taxable income of the recipient with the following stipulations:

– pay-outs in favor of IRPEF parties (general partnerships, limited partnerships) partially contribute to the formation of the total taxable income of the recipient; the Ministerial Decree of 2 April 2008 – issued for the implementation of article 1, paragraph 38 of the 2008 Finance Law – redefined the percentage of contribution to the formation of the income as 49.72%.

This percentage applies to dividends formed from profits produced by the company starting from the tax year following the tax year ended 31 December 2007. The application of the previous percentage of contribution to the formation of the income, i.e. 40%, for income produced up to the tax year ended 31 December 2007. Furthermore, starting from the distribution resolutions following those relating to the income of the tax year ended 31 December 2007, for the purposes of taxation of the recipient, the dividends distributed shall first be considered as formed from profits produced by the company up until that date.

– pay-outs in favor of IRES entities (joint-stock companies, limited-liability companies, partnerships limited by shares and commercial corporations) contribute, pursuant to article 89 of the Consolidated Income Tax Law, to the formation of the total taxable income of the recipient limited to 5% of their amount, or the entire amount if it concerns holdings held for trading by persons who apply the IAS/IFRS international accounting principles.

(iv) Corporations as listed in article 73(1 c) of the Consolidated Income Tax Law, resident in Italy for tax purposes

Dividends received from corporations as listed in article 73.1 c) of the Consolidated Income Tax Law, i.e. public and private corporations resident in Italy for tax purposes, other than companies not having as their sole or main objective the exercising of a business, contribute to the formation of the total taxable income limited to 5% of their amount.

(v) Tax-exempt individuals

For shares, such as the shares issued by the Issuer entered into the central depository system administered by Monte Titoli, dividends received by resident individuals exempt from corporation income tax (IRES) are subject to a substitute tax at a rate of 20% applied to the individual (adherent to the central depository system administered by Monte Titoli) with whom the shares are deposited.

(vi) Italian pension funds and UCITS

Income received from (a) Italian pension funds as stipulated in Legislative Decree no. 252 of 5 December 2005 ("Decree 252") and (b) from Italian investment undertakings for collective investment in transferable securities governed by the guidelines stipulated in article 8, paragraphs 1 to 4 of Legislative Decree 461/1997 ("UCITS"), are not subject to withholding tax or substitute tax for funds or UCITS.

Such income received from Italian pension funds, pension funds resident for tax purposes in one of the EU Member States or in another State which has signed the Agreement on the European Economic Area and is included in the list drawn up with the appropriate Decree from the Ministry of Economy and Finance in accordance with article 168-bis of the Consolidated Income Tax Law, contribute to the formation of the net operating surplus accrued in each tax year, subject to the substitute tax at a rate of 11% for the recipient.

Income obtained from UCI, in accordance with article 73, paragraph 5-d of the Consolidated Income Tax Law, i.e. UCI established in Italy (different from real estate funds and forms of supplementary pension plans) and 'Luxembourg historical funds' in accordance with article 11-bis of Legislative Decree no. 512/1983, contribute to the formation of the fund's results; article 26-d of Presidential Decree no. 600/1973 provides for the application of a withholding of 20% on capital gains derived from holdings in such mutual investment funds.

In general, the deduction must be applied, on fund management companies, on income deriving from the fund's operations (capital income) and/or on that deriving from the realization (receipt of income, transfer of shares, changes of name and switches) of shares (sundry income). The 20% withholding is applied as a tax in cases where the income is received by sole traders and individual outside of their commercial activity and as an advance payment in other cases (obtained within the context of a commercial activity).

(vii) Real estate mutual funds

Income distributed to real estate mutual funds is not subject to taxation of the fund.

Article 6 of Legislative Decree no. 351/2001 regulates the tax regime for real estate mutual funds for the purpose of income taxes, stipulating that such funds are not subject to income tax or the regional tax on commercial activity.

Furthermore, real estate funds are not liable for withholding on profits paid out by non-resident companies and bodies, in accordance with article 87.1 d) of the Consolidated Income Tax Law (now article 73.1 of the 'New Consolidated Income Tax Law'), nor for the application of a substitute tax on income deriving from shares in a central custodian system in accordance with article 27-ter of Presidential Decree no. 600/1973.

With reference to the tax regime set for individuals participating in such funds, paragraph 9 of article 8 of Legislative Decree no. 70/2011 established a different tax regime, specific for non-institutional investors participating in a fund provided that they hold shareholdings in the fund with a percentage greater or less than 5%:

- in the case of a holding greater than 5%, the revenues received by the fund is included for transparency and contributes to the determination of the tax base in accordance with the regulations on transferring qualified holdings in a company held by persons, further details about which can be found in article 5 of the Consolidated Income Tax Law;
- in the case of a holding inferior to 5%, the investment management company imposes a withholding of 20% on capital income distributed in accordance with article 7 of Legislative Decree no. 351/2001.

Secondly, with reference to capital income, as stated in paragraph 1g) of article 47 of Presidential Decree no. 917/86, deriving from holdings in real estate funds, article 7 of the Decree regulates the "tax regime for participants", stipulating that a 20% withholding must be applied on income distributed from the fund consistent with the holding, i.e. on redemption or liquidation of shares.

The aforementioned withholding of 20% is applied as a tax for individual (provided that the shares do not represent part of the company assets in accordance with article 65 of the Consolidated Income Tax Law, for non-commercial corporations and sole traders and as an advance payment in other cases (income obtained within the context of a commercial activity).

(viii) Individuals not resident in Italy for tax purposes who hold shares through a permanent business establishment in the country

The distribution of income received by individuals not resident in Italy who have holdings through a permanent business establishment in Italy is not subject to any withholding in Italy, nor a substitute tax and contributes to forming the total income of the permanent business establishment for 5% of the total.

If the distributions are traced to a holding not held by individuals fiscally non-resident in Italy through a permanent business establishment in Italy by the non-resident recipient, please refer to the following paragraph.

(ix) Individuals not resident in Italy for tax purposes who do not hold shares through a permanent business establishment in the country's territory

Dividends, from shares or similar securities entered into the central depository system administered by Monte Titoli (such as the Issuer's shares that are the subject of this offer), obtained by parties not resident in Italy for tax purposes, without a permanent business establishment in the country to which the holding is traceable, are subject, in principle, to a substitute tax of 20%.

This substitute tax is applied by resident individuals with whom securities have been deposited, who adhere to the central depository system administered by Monte Titoli, as well as through a tax representative appointed in Italy (in particular a bank or Stock Brokerage Firm resident in Italy, a permanent business establishment in Italy for banks or non-resident investment companies, or a central securities depository company authorized in accordance with article 80 of the Consolidated Finance Law), by non-resident persons who adhere to the Monte Titoli system or foreign central custodian systems which adhere to the Monte Titoli system.

Shareholders not resident in Italy for tax purposes, other than holders of preference shares, have the right, upon submitting a request in accordance with the legal terms and conditions, to a reimbursement equal to a quarter of the substitute tax imposed in Italy pursuant to article 27-b, of the tax which they can prove they have definitively paid abroad on the aforementioned income, subject to presenting the relevant certification from foreign the tax office to the competent Italian tax authorities.

As an alternative to the aforementioned reimbursement, individuals resident in States with which agreements are in force to avoid double taxation may see the application of a substitute tax instead of income tax at the (reduced) rate stipulated in the convention which is applicable from time to time. To this end, individuals with whom the shares are deposited and who adhere to the central depository system administered by Monte Titoli, must acquire:

– a declaration from the non-resident individual who is the effective beneficiary of the income (*"beneficial owner"*), which contains the subject's identifying details, the fulfillment of all the conditions which govern the application of the convention regime and any elements necessary for determining the applicable rate in accordance with the agreement;

– a declaration from the competent tax authorities of the State where the beneficial owner is resident, which contains the residence in that State in accordance with the agreement.

This declaration shall be deemed effective until 31 March of the year following its presentation.

The Italian financial authorities have, moreover, agreed, together with the financial authorities of some foreign States, a suitable set of forms to ensure greater efficiency and easy reimbursement or total or partial exemption from the withholding tax applicable in Italy. If the documentation is not presented to the custodian party prior to the paying out of the dividends, the substitute tax is applied at a rate of 20%. In this case, the beneficial owner of the dividends can, in any case, ask the financial authorities for a reimbursement of the difference between the deduction applied and that applicable according to the terms of the agreement upon submission of the appropriate reimbursement request, accompanied by the above documentation; this must be presented in accordance with the legal terms and conditions (*cfr.* article 38 of Presidential Decree no. 602/1973).

In cases where the recipients are (i) resident for tax purposes in one of the EU Member States or in another State which has signed the European Economic Area Agreement and is included in the list drawn up with the appropriate Decree of the Ministry of Economy and Finance in accordance with article 168-bis of the Consolidated Income Tax Law and (ii) subject to a corporate income tax, the dividends are subject to a substitute tax at a rate of 1.375% of the relevant amount. Until the issuance of the aforementioned Decree of the Ministry of Economy and Finance, the States which have signed the European Economic Area Agreement and for which the application of the tax at the aforementioned rate of 1.375% shall apply, shall be those included in the list in the Decree of the Ministry of Finance of 4 September 1996 and subsequent modifications. In accordance with article 1/68 of the 2008 Finance Law, the 1.375% substitute tax shall be applied only to dividends deriving from income formed from the financial year following that ended 31 December 2007.

Pursuant to article 27-bis of Presidential Decree 600/1973, approved and implemented by Directive no. 90/435/EEC of 23 July 1990 (the so-called "parent-subsidiary directive"), in the event that the dividends are received by a company (a) which has one of the forms stipulated in the appendix to the aforementioned Directive no. 435/90/EEC, (b) which is resident for tax purposes in an EU Member State, (c) which is subject, in the State where it is resident, without any possibility of benefiting from optional or exoneration tax systems which are not territorially or temporally limited, to one of the taxes indicated in the appendix of the aforementioned Directive and (d) which holds a direct holding in the Issuer not less than 10 per cent of the share capital, for an uninterrupted period of at least one year, such a company has the right to request a full reimbursement of the substitute tax applied to dividends it has received from the Italian tax authorities. To this end, the non-resident company must produce certification, issued by the competent tax authorities in the foreign State, which states that the non-resident company has satisfied the established requirements as well as documentation indicating its fulfillment of the conditions indicated above. Furthermore, according to the clarifications provided by the Italian tax authorities, once the aforementioned conditions have been verified and as an alternative to presenting a reimbursement request after the distribution of the dividend, provided that the minimum annual period for possessing a holding in the Issuer has already ended at the time when the aforementioned dividend is distributed, the non-resident company can request the non-application of the substitute tax directly from the intermediary with which the Shares have been deposited, by presenting the same documentation indicated above to the intermediary in question before the distribution of the dividend. As regards non-resident companies which are directly or indirectly controlled by individuals not resident in EU States, the aforementioned reimbursement regime or the non-application of the substitute tax may be invoked only if the companies prove that they have not been constituted with the sole or principal purpose of benefiting from the regime in question.

Nevertheless, it should be remembered that such an exemption regime, governed by article 27-bis of Presidential Decree 600/1973, shall not apply to income deriving from tax-exempt listed or unlisted REITs in accordance with article 134-bis of Law no. 296/2006, which states that, regarding the application of a deduction to dividends distributed by a REIT, the relevant regulations in article 27-ter of Presidential Decree 600/1973 shall apply, with the exception of paragraph 6, which specifically governs the application of an exemption on income deriving from shares entered into the central depository system at Monte Titoli S.p.A. as stated in article 27-bis of Presidential Decree 600/1973.

(x) Distribution of reserves in accordance with article 47/5 of the Consolidated Income Tax Law

The information provided in this Paragraph summarizes the tax regime applicable to distributions by the Issuer – not in cases involving the reduction of surplus capital, withdrawal, exclusion, redemption or liquidation – of Capital reserves in accordance with article 47/5 of the Consolidated Income Tax Law, i.e., among other things, reserves or other funds composed of issued premiums, with adjustment interest paid by the subscribers, payments made by shareholders to sinking funds or capital accounts and balances adjusted in line with inflation which are exempt from tax (hereinafter also referred to as "Capital Reserves").

- *Individuals not exercising commercial activities, resident in Italy for tax purposes*

Independent of the shareholders' resolution, the sums received by individuals resident in Italy for tax purposes not exercising commercial activities as distribution of capital reserves represent income for the recipients within the limits and measures to which they represent operating profits and revenue reserves of the distributing company (except for the shares authorized as tax suspension). The sums classed as income shall be subject to the regime mentioned above, whether or not these sums represent holdings which are unqualified and/or not related to the business.

The sums received from the distribution of Capital Reserves, net, based on that indicated above, of the sum which may be classed as income, reduce by an equal amount of the holding cost recognized for tax purposes. It follows that, in the event of subsequent transfer, the taxable capital gain is calculated from the difference between the sale price and the holding cost recognized for tax purposes, reduced by an amount equal to the sums received as distribution of capital reserves (net of the sum which may be recognized as income). According to the interpretation of the financial authorities themselves, the portion of any sums gained as distribution of Capital reserves which exceeds the tax cost of the holding represent income. As regards holdings where the individual has opted for a so-called 'asset management' regime in accordance with article 7 of Legislative Decree 461/1997, in the absence of any clarification from the Financial Authorities and according to a systematic interpretation of the regulations, sums distributed as parts of Capital Reserves should contribute to forming the company's accrued annual profit relative to the tax period in which the distribution took place. The value of the holdings at the end of this tax period (or at the end of the 'asset management' regime if this is earlier) must also be included in the calculation of the company's accrued profit during the tax period and be subject to a substitute tax. In order to determine the substitute tax applicable to the individual businesses, it shall be necessary to distinguish the profits accrued prior to 31 December 2011 from those accrued after that date. Indeed, in accordance with paragraph 12, article 2 of Legislative Decree no. 138 of 13 August 2011 (converted to Law no. 148 of 14 September 2011), the substitute tax shall apply at a rate of 20% on accrued profits from 1 January 2012, while, for results accrued until 31 December 2011, the substitute tax shall apply at a rate of 12.5%.

(b) *General partnerships, limited partnerships and those inclusive of the financial stipulations as listed in article 5 of the Consolidated Income Tax Law, companies and corporations listed in article 73/1 a) and b) of the Consolidated Income Tax Law, and individual exercising commercial activities, resident in Italy for tax purposes*

For individual exercising commercial activities, general partnerships, limited partnerships and those inclusive (excluding sole traders) of the financial stipulations as listed in article 5 of the Consolidated Income Tax Law, companies and corporations listed in article 73, first paragraph, letters a) and b) of the Consolidated Income Tax Law, resident in Italy for tax purposes, sums received as distribution of Capital reserves represent income within the limits and measures in which they represent operating profits and revenue reserves (except for the shares authorized as tax suspension) of the company which conducts the disbursement. The sums classed as income shall be subject to the same tax regime mentioned above. The sums received from the distribution of Capital Reserves are net of the sum which may be classed as income, reduced by an equal amount of the holding cost recognized for tax purposes. The portion of any sums received as distribution of Capital reserves which exceeds the tax cost of the holding represent capital gains and, as such, are subject to the regime defined in Paragraph C below.

(c) *Italian pension funds and UCITS (investment funds, SICAVs)*

Based on a systematic interpretation of the regulations, sums distributed by UCITS (investment funds, SICAVs) and Italian pension funds pursuant to Decree 252 as distribution of Capital Reserves shall contribute to forming the company's accrued annual profits relative to the tax period in which the distribution took place. As stated earlier in paragraph 4.11.1 point vi), the recipient is taxed on the company's profits when it is realized.

(d) *Individuals not resident in Italy for tax purposes without a permanent business establishment in the territory of the State*

The nature of the tax for the sums received as distribution of Capital Reserves for individuals not resident in Italy for tax purposes (whether individual or corporations) without a permanent business establishment in the territory of the State to which the holding is traceable, is the same as that established for individual resident in Italy for tax purposes. Just as with the regulations for individual and corporations resident in Italy for tax purposes, the sums received from the distribution of Capital Reserves, net of the sum which may be classed as income are reduced by an equal amount of the holding cost recognized for tax purposes.

(e) *Individuals not resident in Italy for tax purposes with a permanent business establishment in the territory of the State*

As regards non-resident individuals, who possess holdings through a permanent business establishment in Italy, such sums contribute to the formation of the income of the permanent business establishment in accordance with the regime applicable to the companies and bodies referred to in article 73/1 a) and b) of the Consolidated Income Tax Law that are resident in Italy for tax purposes.

If the Capital Reserve distributions derive from a holding of the non-resident recipient not connected with a permanent business establishment in Italy, please refer to the information in the previous paragraph subsection (d).

4.11.2. Taxation of capital gains from the transfer of shares

(i) Individuals resident for tax purposes in Italy not operating businesses

Capital gains, other than those earned from entrepreneurial activity, realized by individuals resident in Italy for tax purposes through the transfer of company shares, as well as securities or entitlements through which the aforementioned shares may be acquired, are subject to different taxation rules depending on whether it is a transfer of Qualifying Shares or Non-qualifying Shares.

Transfer of Qualifying Shares

Capital gains from the transfer of Qualifying Shares earned outside of entrepreneurial activity by individuals resident for tax purposes in Italy partially contribute to the formation of the recipient’s taxable income. Ministerial Decree of 2 April 2008 - with the implementation of article 1, paragraph 38 of Finance Law 2008 – re-determined the percentage for contributing to the formation of income to the extent of 49.72%.This percentage applies to capital gains realized as from 1 January 2009. Without prejudice to the application of the former percentage (40%) for contributing to the formation of income, for capital gains concerning realizable acts performed prior to 1 January 2009, whose amounts were received in full or in part as of this date.

Taxation of such capital gains takes place by means of an annual income declaration.

Transfers of Non-qualifying Shares

Capital gains, not earned from entrepreneurial activity, realized by individuals resident in Italy for tax purposes through the transfer of Non-qualifying Shares, as well as securities or entitlements through which the aforementioned shares may be acquired, are subject to a 20% substitute tax. The taxpayer can elect one of the following methods of taxation:

(a) Taxation based on the declaration of income. In the declaration the capital gains and losses realized during the year are indicated. In this case the 20% substitute tax is determined on the capital gains net of any relevant incurred capital loss and is payable within the terms set out for payment of income tax owed in full on the basis of the declaration. Capital losses in excess of capital gains, as long as they are shown on the income declaration, may be carried forward in full against any capital gains realized in any of the four succeeding tax years. The declaration is obligatory should the individual not elect one of the two regimes from items (b) and (c) below.

(b) Administered Savings Tax Regime (optional). This tax regime may be employed on condition that (i) Shares are deposited with banks or resident brokerage firms or other resident entities identified by relevant ministerial decrees and (ii) the shareholder has elected (by signed statement sent to the intermediary) the administered savings tax regime. If the individual elects this regime the 20% substitute tax is determined and paid on each individual transfer by the intermediary with whom the shares are deposited or administered, on each capital gain made. Capital losses can be offset by calculating the total capital loss, up to the limit, of the capital gains realized in the subsequent transactions carried out in the same tax year or the four succeeding tax years. If the safekeeping or administration affiliation fails, any capital losses can be carried forward and deducted in any of the four succeeding tax years, from capital gains realized in another administered savings tax affiliation in the name of the same individuals named on the original deposit or affiliation, or they may be deducted when declaring income.

(c) Asset management tax regime (optional). The choice of this tax regime assumes the appointment of an authorized intermediary with responsibility of asset management. Under this tax regime, a substitute tax is applied by the intermediary at the end of each tax year on the increase in value of the managed assets accrued during the tax period, even if not yet received, net of income subject to withholding tax, exempt income or income not subject to tax, or income that contributes to the formation of the overall income of the taxpayer. To determine the applicable substitute tax on the income from private assets it is necessary to distinguish between income accrued prior to 31 December 2011 from income accrued after this date. In fact, in accordance with paragraph 12 of article 2 Legislative Decree No. 138 of 13 August 2011 (converted into Law No. 148 of 14 September 2011), 20% substitute tax is applied to income accruing from 1st January 2012 while, for income accrued up to 31 December 2011, 12.5% substitute tax is applied. Under the asset management tax regime, capital gains realized by the transfer of Non-qualifying Shares contribute to the increase of the managed asset accrued in the tax year. Any losses of the managed assets in a tax year can be deducted from the managed income in any of the four succeeding tax years, for the entire amount covered by each of them. In the event that the management affiliation is ended, the losses in respect of assets accrued (resulting from special certification issued by the management entity) can be carried forward in the succeeding four tax years against capital gains realized with another affiliation under the administered savings tax regime, or used (for the amount covered by it) in another affiliation where the asset management tax regime has been elected, provided that the affiliation or deposit in question is in the name of the same individuals named in the original deposit or affiliation, or the losses may be deducted by the same individuals when declaring income, according to the same rules applicable to excess capital losses stipulated in the previous item (a).

(ii) Individuals operating businesses (limited and unlimited partnerships) identified in article 5 of the Consolidated Finance Law

Capital gains made by individuals operating businesses (limited or unlimited partnerships identified in article 5 of the Consolidated Finance Law) from the transfer of shares are treated as taxable business income and are subject to taxation for the full amount in Italy according to standard taxation rules.

According to clarifications by the financial administration, losses by individuals operating businesses (limited and unlimited partnerships identified by article 5 of the Consolidated Finance Law), from the transfer of shares are fully deductible from the taxable income of the transferring individual.

However, if the conditions indicated in items (a), (b), (c), and (d) of the following paragraph are satisfied, the capital gains are in part treated as taxable business income.

Ministerial Decree of 2 April 2008 – with the implementation of article 1/38 of Finance Law 2008 - re-determined the percentage treated as taxable income as 49.72%. This percentage applies to capital gains as of 1st January 2009.

Capital losses in relation to shares with the requisites stipulated in items (a), (b), (c) and (d) of the following paragraph are partially deductible in the same way to that provided for the taxation of capital gains.

In order to determine the relevant capital gains and losses for tax purposes, the fiscal cost of the transferred shares is assumed to be net of the depreciation deducted in the preceding tax years.

(iii) Companies and organizations referred to in article 73(1), items a) and b) of the Consolidated Finance Law

Capital gains made by companies and organizations specified in article 73(1), items a) and b), of the Consolidated Finance Law, i.e. joint-stock companies and limited partnerships, limited liability companies as well as public and private organizations whose sole or main objective is to carry out business, from the transfer of Shares are treated as taxable business income in their entire amount.

However, pursuant to article 87 of the Consolidated Finance Law, capital gains in relation to shares in companies and organizations indicated in article 73 of the Consolidated Finance Law are not treated as taxable income because they are 95% exempt, if these shares meet the following conditions:

- uninterrupted possession from the first day of the twelfth month preceding the future transfer in consideration that the stocks or shares acquired most recently are transferred first;
- classified as financial fixed assets in the first financial statement during the period of possession;
- tax residence of the subsidiary company in a State or territory stipulated by the Ministry of Economy and Finance decree issued pursuant to article 168-bis of the Consolidated Finance Law, or, alternatively, the future demonstration, following the completion of a tax clearance application according to the terms specified in paragraph 5, item b) of article 167 of the Consolidated Finance Law, that the shares have not resulted in locating income in States or territories other than those identified in this decree in accordance with article 168-*bis* of the Consolidated Finance Law, from the start of the possession period;
- the subsidiary company performs business activities according to the definition in article 55 of the Consolidated Finance Law; however this condition is not applicable for shares with companies whose securities are traded on the regulated markets.

The conditions specified in items (c) and (d) of paragraph 1 of article 87 of the Consolidated Finance Law must be uninterrupted, at the time of realizing the capital gains, at least from the start of the third tax year prior to the said realization. Transfers of stocks or shares classified as financial fixed assets and those classified as current securities are considered separately with reference to each category.

In the presence of these conditions the capital losses realized from the transfer of shares are not deductible from business income.

In order to determine the relevant capital gains and losses for tax purposes, the fiscal cost of the shares transferred is assumed to be net of the depreciation deducted in the preceding tax years.

As of 1 January 2006, capital losses and negative differences between proceeds and costs relating to shares that do not fulfill the exemption requirements are not registered up to the limit of the non-taxable amount of the dividends, or their deposits, received during the thirty-six months preceding their realization. This provision (i) applies to shares acquired during the 36 months preceding their conversion into cash/realization, which continue to satisfy the conditions specified in items (c) and (d), but (ii) does not apply to individuals that complete the financial statement based on the international accounting principles set out in Regulation (EC) 1606/2002 by the European Parliament and Council of 19 July 2002.

With regard to capital losses that may be deducted from business income, it must also be noted that, pursuant to article 5-*quinquies*, paragraph 3, Legislative Decree No. 203 of 30 September 2005 converted with amendments into Law No. 248 of 2 December 2005, if the amount of these capital gains, resulting from share transactions traded on regulated markets, is greater than 50,000.00 Euros, even after several transactions, the taxpayer must notify the Revenue Office and provide details and information regarding the transaction. Other than the procedural terms and conditions, the information which should be included in the said notification is contained in the Revenue Office provisions of 29 March 2007 (published in Official Journal No. 86 of 13 April 2007).

In the event of unfinished, incomplete or inaccurate statements the capital losses shall not be deductible for tax purposes.

For any type of company, and in this case, capital gains made by the aforementioned parties from the transfer of shares contribute to the formation of the net production value, subject to Italian regional tax on productive activities (IRAP).

(iv) Entities referred to in article 73(1), item c) of the Consolidated Finance Law, resident in Italy for tax purposes

Capital gains made outside of entrepreneurial activities, by resident non-commercial entities are subject to the same taxation rules provided for capital gains made by individuals on shares held outside of the business taxation rules.

(v) Italian pension funds and UCITS

Capital gains from Italian pension funds in accordance with Decree 252 from the transfer of shares shall contribute to the determination of the net profit accrued subject to taxation incurred by the recipient with a substitute tax of 11%.

Capital gains made from U.C.I.T.S. through the transfer of shares shall contribute to the determination of the management fund profit subject to taxation of the subject participating in the fund.

In reference to the income received by the parties participating in the U.C.I.T.S., the charges must be applied, by the management fund company, on the proceeds resulting from management of the fund (capital income) and/or on those resulting from the realization (collection of proceeds, transfer of shares, change of title and switch) of the shares (various income). A 20% withholding tax is applied in cases where it is received by simple partnerships and individuals outside of business operations and as down-payment in other cases (collection in the context of carrying out business activities).

(vi) Property mutual investment funds

Pursuant to Legislative Decree 351/2001, and the following the amendments brought by article 41-bis to Legislative Decree 269/2003, the proceeds, inclusive of capital gains resulting from the transfer of shares, from property mutual investment funds established pursuant to article 37 of the Consolidated Finance Law and article 14-bis of Law 86/1994, are not subject to income tax incurred on the fund but shall contribute to the formation of revenue from the fund subject to taxation of the parties participating in the funds.

(vii) Individuals resident for tax purposes outside of Italy, with a permanent establishment within the Country

With regard to non-resident individuals that hold a share through a permanent establishment in Italy, such sums contribute to the formation of income of the permanent establishment according to the taxation rules provided for capital gains made by companies and entities referred to in article 73(1), items a) and b) of the Consolidated Finance Law, resident for tax purposes in Italy. If the share of the non-resident individual is not connected to a permanent establishment, refer to the paragraph below.

(viii) Individuals resident for tax purposes outside of Italy, without a permanent establishment within the Country

Non-qualifying Shares

Capital gains made by individuals resident for tax purposes outside of Italy, without a permanent establishment in Italy (through which the shares are held), resulting from the transfer of Non-Qualifying Shares in Italian companies traded on the regulated markets (i.e. the Issuer), are not subject to taxation in Italy, even where held. With regard to shareholders resident for tax purposes outside of Italy where the administered savings tax regime applies or that have elected the asset management tax regime specified in articles 6 and 7 of Legislative Decree 461/1997, the advantage of the exemption is subject to presentation of self-certification attesting to non-residence in Italy for tax purposes.

Qualifying Shares

Capital gains by individuals resident for tax purposes outside of Italy, without a permanent establishment in Italy (through which the shares are held), resulting from the transfer of Qualifying Shares are treated as taxable income by the recipient according to the same rules provided for individuals not operating businesses. These capital gains are only subject to taxation when declaring annual income, since the said cannot be subject to either the administered savings tax regime or the asset management regime, without prejudice, and where applicable, to the application of the provisions provided by international treaties against double taxation.

4.11.3. REIT Regime

Taxation of dividends

Dividends from REITs are subject to differentiated taxation rules according to whether they come from the distribution of profits on exempt operations or the distribution of profits on taxable operations.

In reference to profits resulting from taxable operations, these are subject to standard taxation rules for dividends distributed by companies. With regard to article 27-ter of Presidential Decree No. 600/1973, this provides for the application of a substitute tax on "any corresponding form of profit", depending on the type of recipient, in place of the withholding tax referred to in paragraphs 1, 3 and 3-ter of article 27-ter of Presidential Decree No. 600/1973. For the complete description of tax rules applicable to profits from taxable operations, refer to paragraph 4.11.1.

With reference to profits from exempt operations, paragraph 134 - in the amended text from article 1/374 c) of the 2008 Finance Law – that establishes that "*Residents whose equity securities held in REITs have been deposited directly or indirectly, adhering to the centralized deposit system managed by Monte Titoli Spa pursuant to CONSOB regulations issued with the implementation of the provisions in Legislative Decree No. 58 of 24 February 1998 and Legislative Decree No. 213 of 24 June 1998, as well as non-residents that adhere to overseas centralized deposit systems adhering to the Monte Titoli system*" are obliged to forward a 20% withholding tax on any profits whatsoever resulting from exempt operations carried out by various parties from other REITs. This withholding tax is applied by depository intermediaries.

Furthermore, item d) of paragraph 374 introduced in article 1 of Law No. 296 of 2006 paragraph 134-bis on the basis of which "In order to determine the application of withholding tax regulated by paragraph 134 concerning profits distributed by REITs, the provisions stipulated in article 27-ter of Presidential Decree no. 600 of 29 September 1973, as amended, apply in so far as they are compatible, with the exception of paragraph 6".

In substance, pursuant to that provided for in article 27-ter, the depository intermediaries, not only have the duty to calculate, deduct and pay the withholding tax, but they are also obliged to make the prescribed statements specified in the annual declaration by the withholding agent in relation to parties where the withholding tax applies as a down-payment.

Non-residents obliged to apply the substitute tax must elect as their tax representative in Italy, a bank or stock-broking firm resident in the Country, a permanent establishment in Italy or non-resident investment companies, or a centralized financial management company authorized in accordance with article 80 of the Consolidated Finance Law.

In addition, it is stipulated that the tax representative must carry out their work under the same terms and with the same responsibilities provided for individuals resident in Italy. In particular:

- they must pay the withholding tax to the Revenue Office;
- they must the make the statements in accordance with article 7 of Law No. 1745 of 29 December 1962;
- they must provide, within no more than fifteen days of the request by the Financial Administration, all information or documents attesting to the fulfillment of obligations regarding the withholding tax referred to above.

Furthermore, the provisions from paragraph 3 of the aforementioned article 27-ter that provide for particular methods which brokers must adopt for the management of the substitute tax, envisaged by paragraph 1 of the same article, in the context of a single account referred to in paragraph 1, article 3 of Legislative Decree No. 239 of 1 April 1996 are applicable.

With regard to that explicitly provided for by the aforementioned paragraph 134-bis, it is not possible for the broker to apply the provisions identified in article 27-ter, paragraph 6 of Presidential Decree no. 600/1973 concerning the exemption provided for by article 27-bis of the same Presidential Decree for profits corresponding with Italian “subsidiaries” of the “parent” company that come under Directive 435/90/EEC of the Council of 23 July 1990 (so-called “Parent-Subsidiary directive”).

To this end, it seems appropriate to state that the corresponding dividends from REITs, or non-REITs, to companies resident in Member State of the European Union or the European Economic Area relating to profits from exempt operations may not benefit from the withholding tax exemption provided for by article 27-bis, Presidential Decree No. 600/1973 for dividends distributed to non-resident individuals as a result of the implementation of the “Parent-Subsidiary” directive.

This provision allows one to benefit from the withholding tax exemption regime only in relation to the withholding tax deducted on dividends pursuant to article 27 of the same decree, or rather for the standard applicable rate of withholding tax on dividends corresponding to non-resident individuals.

It is not possible to invoke the application of the cited directive because article 2 of the same directive only considers “subsidiaries” subject to income tax “without any other options and without any exemptions from it" to be eligible. From this it is assumed that it is not applicable in this case, whereas, as illustrated earlier, REITs benefit from IRES (Corporate Income Tax) tax exemptions for income resulting from the exempt operation.

It is understood that dividends resulting from taxable operations may, instead, benefit from the “Parent-Subsidiary” tax regime if they fulfill all of the conditions provided for by the Directive No. 435/90/EEC.

The withholding tax referred to in paragraph 134, both for REIT profits, and non-REIT profits, is applied to the advance payment if the proceeds concern shares held from business activities (therefore with regard to individual entrepreneurs, if the shares relate to commercial enterprises, limited and unlimited partnerships and companies recognized by them, companies and commercial entities, permanent business establishments within Italy and non-resident entities). Pursuant to paragraph 134 the entire amount of the dividends received is treated as taxable income.

Withholding tax is applied in all other cases. Owing to the literal content of the law, which provides for the application of withholding tax on any profits whatsoever, it must be considered that this also applies to dividends corresponding to qualifying shares pursuant to item c) of article 67, paragraph 1 of the Consolidated Tax Law, which ordinarily contribute to the formation of income tax at a rate of 49.72% in reference to profits subsequent to 31 December 2007 and 40% for profits prior.

Therefore, dividends subject to withholding tax should not be treated as taxable income, IRES (Corporate income tax) or IRPEF (income tax) on the declaration of income.

The application of withholding tax is, instead, expressly excluded pursuant to paragraph 134, for dividends corresponding to:

- forms of supplementary pension schemes referred to in Legislative Decree No. 252 of 5 December 2005;
- undertakings for collective investments in Italy governed by the Consolidated Finance Law (investment funds, mutual funds (SICAVs) and contribution funds);
- private asset management referred to in article 7 of Legislative Decree No. 461 of 21 November 1997.

Accordingly, for the purposes of applying the withholding tax under discussion, the aforementioned parties are treated as the so-called "lordisti". Consequently, for undertakings for collective investments and private banking, as well as pension funds, income resulting from participation in REIT and non-REIT are calculated in the management revenue subject to taxation by the recipient according to the terms previously described in paragraph 4.11.1. The aforementioned withholding tax, as of 1 January 2012, is applied at a rate of 20% (see Revenue Office, Circular No. 11/E/2012 of 28 March 2012) concerning the share of the net profit related to property rental agreements for residential use stipulated pursuant to article 2/3 of Law no. 431 of 9 December 1998.

Taxation of capital gains

The shares held in REITs and non-REITs do not under any circumstances benefit from exemptions or partial exemptions, as provided for by articles 58, 87 and 68 paragraph 3 of the Consolidated Tax Law. Therefore, capital gains concerning shares in REITs and non-REITs contribute to the formation of the taxable IRES or IRPEF for their entire amount, in view of the fact that the profit produced by these companies benefits from tax exemption for the (prevalent) part concerning exempt operations.

For reasons of consistency, notwithstanding the provision in paragraph 135 referring to capital gains from realizing shares in REITs, it is considered that the lack recognition of the benefit of PEX must also entail the lack of recognition of any capital losses.

It fact, it is necessary to consider that the shares in REITs, while not benefiting from tax exemptions, may qualify as assets other than those indicated in article 87 of the Consolidated Tax Law and, as such, come under article 101/1 of the Consolidated Tax Law for the purposes of recognising capital losses to be realized.

No restrictions exist on the free availability of shares.

Shares held under company taxation rules

In particular, paragraph 1 of article 14 envisages, for individuals that hold shares under company taxation rules in REITs or non-REITs classified as financial non-current assets, that “for the purposes of applying the rules on business income, the fiscal cost of the shares, is considered increased from the part of the profits corresponding to the taxable operations of the subsidiary and decreased for the part of the profits effectively distributed”.

It is considered that the fiscal cost of the share must be increased as well as the retained profits shown on the annual financial statement prior to that for entry into the special tax regime, formed with profits subject to standard taxation.

Accordingly, under the special taxation rules, the fiscal cost of the shares should be reduced not simply because of the distribution of profits from taxable operations, but also due to the distribution of the aforementioned retained profits.

Lastly, in the event of leaving the special tax regime, it will be necessary to decrease the fiscal cost of the reserve value of the shares formed by profits from taxable operations and previous profits (prior to the special tax regime) subject to standard taxation.

Furthermore, paragraph 2 of article 14 regulates the effects on the fiscal cost of the shares consequent to being subjected to substitute or standard taxation pursuant to paragraphs 126 and 130, for capital gains resulting from fair value realization of immovable property rights at the time of entering the special tax regime. This provision establishes that “*the fiscal cost of the said shares is considered proportionally increased from the total capital gains net of capital losses subject to substitute entry tax on the subsidiary or included in the business income therefor*”.

Even in this case, any transfer of shares held in REITs, while not benefiting from the PEX regime, may lead to double taxation and consequently penalize the fiscal status of the member.

As identified in Circular No. 8 of 31 January 2008 by the Revenue Office, to which reference is made for major clarifications, the fiscal cost of the share must be increased as well as the retained profits shown on the annual financial statement prior to that for entry into the special tax regime, formed with profits subject to standard taxation. Accordingly, under the special taxation rules, the fiscal cost of the shares should be reduced not just because of the distribution of profits from taxable operations but also due to the distribution of the aforementioned retained profits.

Shares held outside of the company taxation rules
With regard to the taxation rules applicable to individuals operating outside of entrepreneurial activities and that make capital gains from the transfer of shares in REITs and non-REITs it is necessary to distinguish whether it concerns qualifying shares or non-qualifying shares, respectively pursuant to article 67, paragraph 1, item c) and c-bis), of the Consolidated Finance Law.
Capital gains from the transfer of qualifying shares are treated as taxable income for their entire amount.
Capital gains from the transfer of non-qualifying shares, instead, are subject to the standard 20% substitute tax on their entire amount, in accordance with article 5/2 of Legislative Decree No. 461 of 21 November 1997.
As identified in the Revenue Office Circular No. 8 of 31 January 2008, to which reference is made for major clarifications, in order to avoid the phenomenon of double taxation on capital gains from the capitalization of profits concerning taxable operations, paragraph 3 of article 14, Decree No. 174/2007 allows the attribution of profits from taxable operations, with an increase in the fiscal cost of the shares in REITs non-REITs, regardless of the capital gains, net of the capital losses, subject to tax at the time of entering the special tax regime.

4.11.4. Transfer tax

Pursuant to article 37 of Law Decree No. 248 of 31 December 2007 converted into Law No. 31 of 28 February 2008, tax on stock-exchange agreements provided for in Royal Decree No. 3278 of 30 December 1923 was annulled.

4.11.5. Financial transaction tax

Law no. 228/2012 (article 1, paragraphs 491 to 499) introduced the financial transaction tax (the “Tobin Tax”), governed by the Ministerial Decree of 21 February 2013 (subsequently amended by the Ministerial Decree of 18 March 2013), which has as its base the transfer of certain financial assets, including shares.
This tax is applicable on the transfer of the ownership, as per paragraph 491 of Law no. 228/2012, of shares (listed or not listed on regulated markets) and other participating financial instruments issued by Italian residents. More specifically the tax is applicable on the purchase of shares issued in Italy by companies with a capital exceeding five hundred million Euros (for listed companies reference should be made to the average capitalization in the November of the year prior to that in which the transfer of title takes place in accordance with article 1, paragraph 491, final sentence of Law no. 228/2012), regardless of the country from which the purchase or sale order arrives. With reference to fiscal year 2013, issuers having a capitalization of less than five hundred million Euros in November 2012 were listed in the attachment to the Ministerial Decree of 21 February 2013: IGD is included in the list in the attachment to the Ministerial Decree of 21 February 2013 (namely issuers with a capitalization of less than five hundred million Euros in November 2012), and as a consequence, pursuant to article 1, paragraph 491 of the Ministerial Decree of 21 February 2013, with reference to 2013, transfers of title to shares issued by the Company on regulated markets or multilateral trading systems are excluded from the tax. With reference to the years after 2013, by 10 December of each year, pursuant to article 17 of the Ministerial Decree of 21 February 2013, CONSOB must draw up and send to the Ministry for the Economy and Finance a list of the companies which comply with the capitalization limit pursuant to article 1, paragraph 491, final sentence of Law no. 228/2012 (i.e those having an average

capitalization in November of less than five hundred million Euros) and whose shares are traded on a regulated market or on an Italian multilateral trading system.
The value of a transaction as per paragraph 491 of Law no. 228/2012 is determined on the basis of the net daily settled balance of transactions relating to the same financial instrument and concluded on the same operating day by the same party in favor of whom the transfer occurs.
The tax rate for the transfer of title as per article 1, paragraph 491 of Law no. 228/2012 is 0.2% of the transaction and is reduced by half for transfers that occur as the result of transactions concluded on regulated markets or multilateral trading systems; this reduction is also applicable in the case of shares, participating financial instruments and representative securities purchased through a financial intermediary who acts between the parties to a transaction by purchasing said instruments on a regulated market or multilateral trading system, provided that the price, total quantity and settlement date are the same for the purchase and the sale.
The party responsible for paying the tax is the party that intervenes in executing the transaction, or the party which directly receives the execution order. In the case, however, that parties intervening in executing the transaction are located in countries or territories with which agreements are not in place for the exchange of information or assistance in recovering tax debts, these shall to all effects be considered purchasers or end parties to the order of execution; in this respect, article 19, paragraph 4 of the Ministerial Decree of 21 February 2013 delegated to the Revenue Office the responsibility of identifying those countries or territories with which agreements are not in place for the exchange of information (*cf.* the Provision of the Director of the Revenue Office no. 26948/2013 of 1 March 2013 and no. 40010/2013 of 29 March 2013).

4.11.6. Inheritance and gift taxes

Legislative Decree No. 262 of 3 October 2006, converted, with amendments, into Law No. 286 of 24 November 2006, introduced inheritance and gift tax on transfers of assets and entitlements in the event of death, given as gifts, freely or designated. For anything not provided for in paragraphs 47 to 49 and from 51 to 54 of article 2, Law No. 286 of 2006 the provisions specified in Legislative Decree No. 346 of 31 October 1990, insofar as they are compatible, apply in the text in force on 24 October 2001.

Inheritance and gift tax is applied to residents for all assets and entitlements transferred wherever they are. Inheritance and gift tax is applied to non-resident individuals exclusively on assets and entitlements within Italy. In any case shares in companies which have their registered office or administrative offices or principal place of business in Italy are considered to be resident in Italy.

a) Inheritance tax

In accordance with article 2, paragraph 48 of Law No. 286 of 24 November transfers of assets and entitlements as a result of death are subject to inheritance tax at the following rates which should be applied to the overall net value of the assets:

(i) for assets and entitlements in favor of spouses and direct descendants or direct ancestors, the rate is 4%, with an allowance of 1,000,000 Euros for each beneficiary;

(ii) for assets and entitlements in favor of relatives to the fourth degree and direct relatives-in-law, as well as relatives-in-law to the third degree, the rate is 6% (with an allowance of 100,000 Euros for brothers and sisters only);

(iii) for assets and entitlements given to other parties the rate is 8% (with no allowances). If the beneficiary is recognized as severely disabled in accordance with Law No. 104 of 5 February 1992 inheritance tax applies exclusively to the net asset value or the inheritance exceeding 1,500,000 Euros.

b) Tax on gifts

In accordance with article 2, paragraph 49 of Law No. 286 of 24 November 2006 for gifts and free transfer rights of assets and entitlements and the establishment of designated assets, tax on gifts is determined by applying the following rates on the overall value of the assets and entitlements net of fees sustained by the beneficiary, or, if the gift was made jointly in favor of several parties or if a said act comprised several individual rights in favor of various parties, on the value of the share attributable to the assets or entitlements:

(i) in the event of gifts or free transfers in favor of spouses or direct descendants or direct ancestors, the tax on gifts is applied at a rate of 4% with an allowance of 1,000,000 Euros for each beneficiary;

(ii) in the event of gifts or free transfers in favor of other relatives to the fourth degree and direct relatives-in-law, as well as relatives-in-law to the third degree, inheritance tax is applied at a rate of 6% (with an allowance of 100,000 Euros for brothers and sisters only);

(iii) in the event of gifts or free transfers in favor of other individuals, inheritance tax is applied at a rate of 8% (with no allowances),

If the beneficiary is recognized as severely disabled in accordance with Law No. 104 of 5 February 1992 gift tax applies exclusively to the net asset value in excess of 1,500,000 Euros.

4.11.7. Stamp duty on the securities dossier

In accordance with article 13 of the tariff attached to Presidential Decree No. 642/1972, amended by article 19 of Legislative Decree 201/2011, concerning statements received by resident investors with regard to their securities dossier provides for the application of a proportional amount of stamp duty, under the responsibility of the financial intermediaries, of 0.15% from 1 January 2013, with a minimum amount of € 34.20. The tax basis on which the proportional tax is applied is the market value or in the absence thereof, the nominal value or redemption value of the financial instruments forming the dossier subject of communication by their bank. For more information on the applicability and quantification of this tax it is recommended to contact the custodian bank as the party responsible for charging this stamp duty.

4.11.8. Transfer tax regime

Shares can be transferred freely and are subject to the transfer tax regime provided for standard shares issued by companies under Italian law.

4.11.9. Restrictions on the free availability of shares

No restrictions exist on the free availability of shares.

CHAPTER V – TERMS AND CONDITIONS OF THE OFFER

5.1. Terms and conditions, statistics relating to the Offer, planned timetable and manner of subscription to the Offer

5.1.1. Terms and conditions of the Offer

The Offer is not subject to any terms and conditions.

5.1.2. Total amount of the Offer

The Offer is for a maximum of *23,633,236* Shares in relation to the Capital Increase resolved by the Extraordinary Meeting on 18 April 2013, for a total maximum amount of Euro *17,724,927*.

The Shares will be offered to beneficiaries entitled to the dividend for the 2012 financial year, up to 80% of the total dividend payable to them, in the ratio of *2* Shares for every *27* IGD ordinary shares held in respect of which they are entitled to the dividend for the 2012 financial year.

The table below details the dates relevant to the Offer.

DATES	
Number of Shares offered for subscription	*23,633,236*
Allocation ratio	*2* Shares for every *27* IGD ordinary shares held in respect of which they are entitled to the 2012 dividend
Offer Price per Share	Euro *0.75*
Maximum amount of Capital Increase	Euro *17,724,927*
Total number of shares making up the share capital following the Capital Increase, in the case of full subscription	*353,658,519*
Share Capital following the Capital Increase in the case of full subscription	Euro *340,270,842.08*
Offer Shares as a percentage of share capital in the case of full subscription to the Capital Increase	*6.68*%

5.1.3. *Term of validity of the offer and manner of subscription.*

The Capital Increase will proceed as follows:

- on 20 May 2013 the detachment of coupon no. 10 relating to the dividend for financial year 2012 will take place together with the detachment of coupon no. 11 relating to the right to subscribe to the Shares. Coupon no. 11 will not be negotiable or transferable;
- the Offer Period will be from 20 May 2013 to 31 May 2013 (inclusive), unless extended. Each subscriber must submit the appropriate subscription request through their authorized intermediary participating in the clearing system, who must provide the relevant instructions to Monte Titoli by 3:30 pm on the last day of the Offer Period. Consequently, each subscriber must therefore submit the appropriate subscription request in the manner, and according to the terms and conditions communicated by their intermediary to ensure timely submission prior to the expiry date detailed above.
- the dividend to those entitled to a dividend for the financial year 2012 will be paid on 23 May 2013.

It should be noted that the timetable of the transaction is indicative and could change in the light of events and circumstances outside the control of the Issuer, including the volatility of the financial markets which could prejudice the success of the Offer. Any potential changes in the Offer Period will be communicated to the public with the appropriate notice to be published in the same manner of distribution that applied to the Securities Note. It, however, remains understood that the initial Offer date will be within one month of the date of the CONSOB communication approving the Securities Note.

The Company reserves the right to extend the Offer Period by giving timely notice to CONSOB and to the public through a notice to be published in at least one national daily newspaper before the last day of the Offer Period.

Subscription rights are not negotiable or transferable.

The table below details the timetable relating to the transaction and the Offer.

INDICATIVE TIMETABLE OF THE TRANSACTION AND THE OFFER	
2012 ex-dividend date and expiry date for the right to subscribe to the Shares	20 May 2013
Initial date of the Offer Period	20 May 2013
Dividend payment date for 2012 financial year	23 May 2013
Conclusion of the Offer Period and Share subscription deadline	31 May 2013
Notification of the result of the Offer	Within 5 days of the conclusion of the Offer Period

Persons entitled to the dividend for the 2012 financial year who decide to defer payment by providing instructions through authorized intermediaries to the clearance system operated by Monte Titoli S.p.A. will be entitled to accept the Offer in the manner specified in this paragraph.

Holders of the right to subscribe for Shares who have not accepted the Offer before the last day of the Offer Period will lose their right to subscribe to Shares arising from the Capital Increase.

The acceptance of the Offer will be by subscription, including electronic forms especially made available by authorized intermediaries participating in the clearing system operated by Monte Titoli, which will contain at least the Offer name and the following information presented in an easily legible font:

- the notice that the subscriber can receive a free copy of the Securities Note, the Summary Note and the Registration Document, and;

- the reference to Risk Factors Chapter contained in the Securities Note, in the Summary Note and in the Registration Document.

A copy of the subscription form will also be available at the headquarters of the Issuer for intermediaries who request it.

The Company is not liable for any potential delays caused by the execution of the instructions given by applicants to their authorized intermediaries for acceptance of the Offer. The verification of the accuracy and of the applications received by authorized intermediaries will be the responsibility of those intermediaries themselves.

5.1.4. Information regarding the suspension or revocation of the Offer

The Issuer reserves the right to withdraw the Offer in that event that extraordinary circumstances be identified prior to the last day of the Acceptance Period, as provided for in international practice which may include, among others, serious negative changes in the political, financial, economic, regulatory, monetary, or market environments at a national or international level, or negative events regarding the financial position, assets, or income of the Company and/or the Group, or any significant events relating to the Company and/or the Group which are likely to prejudice the success of the Offer or make it inadvisable to execute it or to continue with its execution. Such a decision will be communicated timely to the public and to CONSOB by notice in at least one national newspaper and on the Company's website www.gruppoigd.it

Should it be decided not to execute the Offer according to the terms and conditions prescribed in this Securities Note, the public and CONSOB will be informed of this by the end of the trading day preceding the initial date set for the start of the Offer Period, by a notice published in at least one national newspaper, and simultaneously transmitted to CONSOB.

5.1.5. Subscription reduction and manner of reimbursement

No option is foreseen to allow for the partial or entire reduction of the applicants' subscription to the Offer.

5.1.6. Subscription amount

The Shares are offered to the persons entitled to the dividend for the 2012 financial year, up to 80% of the total dividend amount due, in the allocation ratio of *2* Shares for every *27* IGD ordinary shares held in respect of which they are entitled to the dividend for the 2012 financial year.

The subscription amount is equal to 80% of the total gross dividend for the 2012 financial year due to beneficiaries entitled to it. This has also been determined to take account of the system of dividend taxation in force in Italy, with respect to which reference should be made to Chapter IV, Paragraph 4.11 of the Securities Note.

5.1.7. Withdrawal of subscription

Subscription to the Offer is irrevocable, except in cases of law, and cannot be subject to conditions.

5.1.8. Payment and delivery of the Shares

The Shares must be paid in full upon their subscription, to the authorized intermediary to whom the application for subscription was lodged; the Issuer foresees no charges or additional charges payable by the applicant.

Shares subscribed to by the conclusion of the Offer Period will be credited to the accounts of the authorized intermediaries participating in the clearing system operated by Monte Titoli S.p.A. at the end of the accounting day of the last day of the Offer Period and therefore be available as from the next settlement day.

5.1.9. Results of the Offer

The results of the Offer will be communicated within 5 days of the conclusion of the Offer Period, by means of a specific press release by the Company.

5.1.10. Exercise of pre-emption rights, negotiability of subscription rights and the treatment of unexercised subscription rights

Pursuant to Article 2441, paragraph (iv) b of the Italian Civil Code, the Shares that are the subject of the Offer relating to the Capital Increase that do not carry pre-emption rights are limited to 10% of the previously existing share capital.

The Shares are offered for subscription exclusively to beneficiaries entitled to the dividend for the 2012 financial year, which is not negotiable or transferable.

5.2. Distribution and allotment

5.2.1. Categories of potential investors and markets.

The Shares in the Offer will be offered for subscription only to the persons entitled to receive the dividend for the 2012 financial year.

The Offer is only made in Italy on the basis of the Securities Note. The Securities Note does not constitute an offer of financial instruments in the United States of America, Canada, Japan and Australia or in any other foreign country in which the Offer is not allowed without specific authorisation in accordance with the provisions of applicable law and regulations or as an exemption to those laws and regulations (collectively, "**Other Countries**").

In particular, the Offer is not addressed, directly or indirectly, and will not be accepted, directly or indirectly, in or from the United States of America, Canada, Japan, Australia or in or from Other Countries, through the services of any regulated market in the United States of America, Canada, Japan and Australia, or the Other Countries, neither by postal service or any other means of communication or domestic or international trade which relate to the United States of America, Canada, Japan and Australia and Other Countries (including, by way of example and without limitation, the postal network,, fax, telex, electronic mail, telephone and internet and / or any other means or digital support). Likewise, no subscription will be accepted by means of such services, means or instruments. Neither the Securities Note nor any other document relating to the Offer shall be sent nor may be sent or otherwise forwarded, made available, distributed or dispatched in or from the United States of America , Canada, Japan, and Australia nor in or from the Other Countries. This limitation also applies to individuals entitled to receive the IGD dividend for the 2012 financial year whose address in the United States of America, Canada, Japan or Australia, or in the Other Countries, or to persons who the Issuer or its representatives know to be fiduciaries, delegates or depositaries who hold IGD shares on behalf of such persons.

Those receiving such documents (including, among others, the custodians, delegates and fiduciaries) must not distribute, send or otherwise dispatch any of them in or from the United States of America, Canada, Japan, Australia, nor in or from the Other Countries, neither via postal services, or any other means of communication, national or international trade regarding the United States of America, Canada, Japan and Australia or the Other Countries, (including but not limited to the postal network, fax, telex, e-mail, telephone, Internet and/or any other means or digital support).

The distribution, dispatch or forwarding of such documents in or from the United States of America, Canada, Japan, Australia, and in or from the Other Countries, or through the services of any regulated market in the United States of America, Canada, Japan and Australia or the Other Countries, neither via postal services, or any other means of communication, national or international trade regarding the United States of America, Canada, Japan and Australia or the Other Countries, (including but not limited to the postal network, fax, telex, e-mail, telephone, Internet and/or any other means or digital support) will not allow the acceptance of subscriptions to the Offer on the basis of such documents.

The Shares and the related subscription rights have not been and will be registered under the United States Securities Act 1933, as amended, or pursuant to the regulations in force in Canada, Japan and Australia or in the Other Countries and therefore they may not be offered or however, delivered directly or indirectly in the United States of America, Canada, Japan, Australia or the Other Countries.

5.2.2. Major shareholders or members of the administrative, management or supervisory bodies of the Issuer who intend to subscribe to the Offer and persons who intend to subscribe to more than 5% of the Offer

To the best knowledge of the Issuer, no shareholder, nor any member of the Board of Directors or of the Board of Statutory Auditors, or of senior management, has undertaken any commitment to subscribe to the Shares.

5.2.3. Information to be submitted prior to the allotment:

Given the nature of the Offer as a public offer for subscription, no communications to subscribers prior the allocation of Shares are required.

5.2.4. Procedure for the notification of allotment to subscribers

The authorized intermediaries participating in the clearing system operated by Monte Titoli will notify the successful allotment of Shares to respective clients.

5.2.5. Over Allotment and «greenshoe»

Not applicable.

5.3. Price setting

5.3.1. Offer price and charges payable by subscribers

The Offer Price of Euro *0.75* per Share, was determined by the Board of Directors at their meeting on 16 May 2013, according to the criteria set by the Extraordinary Meeting of 18 April 2013. The Issuer foresees no charge or additional charge payable by the subscriber.

Specifically, the Offer Price is equal to the mathematical average of the stock market price of the IGD share during the 8 trading days preceding the date of the meeting of the Board of Directors of 16 May 2013, adjusted by (i) subtracting the amount of the dividend due for the 2012 financial year and (ii) applying a discount of *7.16*%.

For the determination of the above criteria for the setting of the Offer Price, in the absence of transactions with similar characteristics executed in Italy, the Company has conducted an analysis of transactions executed by listed companies in Europe that provide for the allocation to the shareholders of the option to reinvest all or part of their dividend payable in newly issued shares. Specifically:

(i) the analysis of share issue transactions recently executed by certain French and Spanish issuers, relating to distribution of dividends indicates that the price was determined using the average of prices recorded over a specified period of time ranging from 5 to 20 trading days. Based on the analyses performed, the Company considers that, to determine an issue price corresponding to the market value of the shares pursuant to Art. 2441, paragraph (iv) b, of the Italian Civil Code, the latest market price of the IGD share cannot be considered as representative of the value attributed by investors to the Company at that time and which is the result of numerous trade sales and purchases on that day. Taking account of market conditions and the characteristics of IGD shares in terms of liquidity, daily trading volumes, and of volatility created by the share during the last six months of trading and the need to determine an issue price to be the most representative of the market price at the time of the offer, the Company has referred to an average of stock market prices recorded in a period that can range from 5 to 10 trading days, to avoid the impact of individual daily prices recorded that may be affected by the limited liquidity of the exchanges. Specifically, the mathematical average of the stock market price of the IGD share during the 8 trading days preceding the date of the Board of Directors meeting called to set the price above has been identified as the objective parameter for determining the issue price;

(ii) further, from an analysis of comparable transactions executed in France, it results that the discount applied to the average of the prices recorded was averaging at approximately 10% - such a discount has been included, among others, to reduce the risk of a fall in the share price between the date of the price was set and the date on which the shareholder may exercise the right to request for newly issued shares in lieu of a cash dividend. In this case, for the determination of the discount, account has been taken of the volatility of the share price, the time period between the setting of the price and the adherence to the Capital Increase, the absence of a tax incentive to reinvest, as well as the current market conditions and the market practice for placement transactions.

In light of the foregoing, the Company has identified as a criterion for setting the Offer Price of the Shares as the mathematical average of the stock market price of the IGD share recorded during the 8 trading days preceding the date of the Board of Directors meeting called to set the price above, adjusted by (i) subtracting the amount of the dividend due for the 2012 financial year and (ii) by applying a discount of up to a maximum of 10%.

In this regard, on 27 March 2013, the Auditing Firm issued a report pursuant to Art. 2441, paragraph (iv) b of the Italian Civil Code. This report is available to the public on IGD's website (www.gruppoigd.it).

5.3.2. Notification of the Offer price.

Not applicable.

5.3.3. Reason for the exclusion of option rights

The Capital Increase is reserved exclusively to beneficiaries entitled to the dividend for the 2012 financial year, with the exclusion of option rights to the extent of 10% of existing share capital, pursuant to article 2441, paragraph (iv) b of the Italian Civil Code.

5.3.4. Difference between the Offer Price and the price of securities paid during the previous year or payable by members of the Board of Directors, by members of the Board of Statutory Auditors and by key executives or affiliated persons

To the best knowledge of the Issuer, with the exception of purchases made and communicated to the market in accordance with applicable law, the members of the administrative, managerial, supervisory bodies, or persons closely related to them, have not purchased any shares of the Issuer at a price substantially different from the Offer Price.

5.4. Placement and subscription

5.4.1. Name and address of Coordinators of the Offer.

The Shares will be offered directly (to beneficiaries) by the Company without the participation of any form of placement and/or guarantee consortium.

5.4.2. Organizations responsible for financial mediation.

Applications for subscription to the Shares must be made through authorized intermediaries participating in the clearing system operated by Monte Titoli.

5.4.3. Underwriting commitments and guarantees.

There is no warranty agreement relating to the Shares. Please note that at the date of the Securities Note, there are no underwriting commitments relating to the Shares.

5.4.4. Date for the signing of placement agreements

Not applicable.

CHAPTER VI - ADMISSION TO TRADING AND TRADING CONDITIONS

6.1 Application for admission to trade

The Shares will be admitted automatically to the official listing on the MTA, STAR segment, pursuant to Art. 2.4.1, paragraph (vi), of the Stock Exchange Regulations, as is the case with IGD shares listed on the Date of the Securities Note.

The Capital Increase provides for the emission up to a maximum of *23,633,236* Shares, which represent a maximum percentage inferior to 10% of the number of shares in the Company of the same class already admitted to trading.

6.2 Other regulated markets

At the Date of the Securities Note, the ordinary shares of the Company and exclusively traded on the MTA, STAR segment.

6.3 Other transactions

No other transactions for subscription or private placement of ordinary shares or savings shares of the Issuer are foreseen in the proximity of the Offer.

6.4 Intermediaries in secondary market operations

Not applicable.

6.5 Stabilization

Neither the Issuer nor any party designated by the latter expects to carry out any stabilization activity.

CHAPTER VII – HOLDERS OF FINANCIAL INSTRUMENTS HELD FOR SALE

Not applicable.

CHAPTER VIII – EXPENSES ASSOCIATED WITH THE OFFER

Should the Capital Increase be fully subscribed, the net cash proceeds raised from the Capital Increase are estimated at approximately Euro 17,436,726.

Total expenses are estimated at approximately Euro 430 thousand.

CHAPTER IX - DILUTION

9.1 Immediate dilution resulting from the Offer

Should the Capital Increase be fully subscribed, shareholders entitled to the dividend for the 2012 financial year who do not subscribe to their respective Shares would be subject to a maximum dilution of their shareholding of *6.68*% of total share capital.

CHAPTER X – ADDITIONAL INFORMATION

10.1 Participants in the operation

Consultants associated with the Offer are not detailed in the Securities Note.

The Issuer has engaged Mediobanca – Banca di Credito Finanziario S.p.A., a prime bank with significant experience in share placement operations, as its financial advisor for the purpose of providing specfic support for the operation and carrying out analyses for the identification of the most suitable criteria for determining an issue price that corresponds to the market value of the shares. The Issuer has engaged Chiomenti Studio Legale as its legal advisor.

10.2 Other information subject to review

The Securities Note does not contain information additional to that contained in the Registration Document, which has been subject to audit or limited review.

10.3 Expert opinions or reports

No expert opinions or reports are included in the Securities Note.

10.4 Third party information

No third party information is included in the Securities Note.