

PRESS RELEASE

FITCH CONFIRMS IGD'S BBB- INVESTMENT GRADE RATING

76% OF THE RENTS FOR THE FIRST 8 MONTHS HAVE BEEN COLLECTED

85% OF THE NEGOTIATIONS WITH TENANTS IN ITALY HAVE BEEN COMPLETED

Bologna, 1 October 2020. **IGD** – Immobiliare Grande Distribuzione SIIQ S.p.A. – announces that Fitch Ratings Ltd. confirmed the BBB- investment grade rating with negative outlook removing it from Rating Watch Negative: "The rating assigned reflects the rent collection rates which were higher than what Fitch estimated at the beginning of April, together with the commercial strategy adopted that favors rents deferrals instead of rent discounts and waivers, providing improved visibility on IGD's rental income."

The positive signals continue: **in Italy more than 85% of the negotiations with tenants**, relative to the management of the lockdown period, **have been completed**, while in **Romania all the negotiations have already been completed**.

Overall, no changes to existing leases will be made, but deferred payments and temporary reductions will be granted which will be recognized entirely in the current year (without any carry over in subsequent years); roughly 57% of the leases expiring in 2020 were renewed with limited downside (-1.7%).

In terms of collection, **approx. 76% of the rental income for the first 8 months of 2020 has been collected**; more in detail, collection for the first quarter is at around 96% and the second quarter is at around 56%. The portion of the second quarter turnover that has yet to be collected is explained by the deferred payments granted in May and June: net the deferred payments, the rent collected comes in at around 65%. Approximately 75% of the payments have been collected for July and August, when monthly invoicing/payment were in place.

The Company believes that the positive outcome of the negotiations for the management of the lockdown will result in an acceleration of the payments temporarily suspended by a few tenants.

The **continuation of the positive trend in footfalls** in Italian malls provides another particularly encouraging figure which, even in the hardest hit hours of operation, **closed September at -13.3%** vs 2019; in the **last week of the month** (21-27 September) **approximately 95% of the pre-lockdown footfalls was recovered**. The good trend in footfalls and sales (disclosed on 17 September 2020) point to a gradual return to normalcy in shopping center life.

The Company expects to provide a further update on the FFO guidance for 2020 when it announces the results for the first 9 months of the year on 7 November 2020.



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

Immobiliare Grande Distribuzione SIIQ S.p.A. is one of the main players in Italy's retail real estate market: it develops and manages shopping centers throughout the country and has a significant presence in Romanian retail distribution. Listed on the Star Segment of the Italian Stock Exchange, IGD was the first SIIQ (Società di Investimento Immobiliare Quotata or real estate investment trust) in Italy. IGD has a real estate portfolio valued at circa €2,322.62 million at 30 June 2020, comprised of, in Italy, 25 hypermarkets and supermarkets, 27 shopping malls and retail parks, 1 plot of land for development, 1 property held for trading and 5 other real estate properties. Following the acquisition of the company Winmark Magazine SA in 2008 14 shopping centers and an office building, found in 13 different Romanian cities, were added to the portfolio. An extensive domestic presence, a solid financial structure, the ability to plan, monitor and manage all phases of a center's life cycle, leadership in the retail real estate sector: these qualities summarize IGD's strong points.

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