



PRESS RELEASE

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The textile activities of La Rinascente acquired by a consortium composed by Investitori Associati, Pirelli RE, Deutsche Bank Real Estate Global Opportunities and the Borletti Family

- ✓ Rinascente Grandi Magazzini and UPIM stores sold for €888 mln
- ✓ Conclusion of the partnership between Auchan and IFIL started in 1997

Today the Stock Purchase Agreement for the sale of the textile activities of La Rinascente has been signed, following the positive conclusion of the auction process started in September 2004 with the assistance of Lazard & Co.

The contract provides for the sale of 99.09% of the share capital of La Rinascente SpA owned by Eurofind Textile SA – a Luxemburg company jointly controlled by Auchan and IFIL – to Tamerice Srl, the special purpose vehicle established by Investitori Associati, Pirelli RE, Deutsche Bank Real Estate Global Opportunities and the Borletti Family, for a purchase price equal to €888 mln.

La Rinascente SpA operates department stores under "laRinascente" and "Upim" brands with a gross consolidated turnover in 2004 equal to €925 mln, an EBITDA equal to €68 mln and a consolidated net income equal to approx. €9 mln.

The completion of the sale, which is subject to the approval of the relevant anti-trust authorities, is expected to take place by June 2005.

The purchase price will be entirely paid in cash at the closing of the transaction. The buyer has provided a bank guarantee.

The net proceeds of Group IFIL will exceed €500 mln, as agreed between Auchan and IFIL with respect to the sale of the textile activities and the consequent unwinding of the joint venture established in 1997.