

**São Paulo, November 11, 2016** – General Shopping Brasil S/A [BM&FBovespa: GSHP3], a company with a significant share of the shopping center industry in Brazil, today announces its result for the third quarter - 3Q16. Except where otherwise stated, the following financial and operational information is presented on a consolidated basis and in thousands of Reais.



## 3Q16

### Total Gross Revenue rises 5.6% and reaches R\$ 220.5 million in 3Q16

- General Shopping Brasil S/A reported third quarter 2016 - 3Q16 - Gross Revenue of R\$ 69.1 million, a decrease of 1.3% compared with R\$ 70.0 million for the same quarter in 2015 - 3Q15. In the first nine months of 2016 - 9M16 - Gross Revenue increased year-on-year by 5.6% to reach R\$ 220.5 million.
- Consolidated Net Operating Income (NOI) in 3Q16 amounted to R\$ 51.7 million, corresponding to a margin of 86.7%, a decrease of 5.4% in relation to the R\$ 54.7 million recorded in 3Q15. Consolidated NOI in 9M16 was R\$ 165.7 million, equivalent to a margin of 86.0% or a growth of 0.3% compared with 9M15.
- Gross Profit in 3Q16 was R\$ 51.1 million, representing a margin of 85.7% and a decline of 5.5% compared to the R\$ 54.1 million posted by the Company in 3Q15. In 9M16, Gross Profit amounted to R\$ 163.9 million, equivalent to a margin of 85.0% and growth of 0.6% in relation to 9M15.
- Adjusted EBITDA in 3Q16 was R\$ 40.2 million, a margin of 67.4% and a decrease of 7.7% in relation to the R\$ 43.6 million in 3Q15. In 9M16, Adjusted EBITDA was R\$ 133.5 million, representing an EBITDA margin of 69.2% or a growth of 1.2% over 9M15.

Consolidated Financial Highlights						
R\$ thousand	3Q15	3Q16	Chg.	9M15	9M16	Chg.
<b>Gross Revenue</b>	<b>70,032</b>	<b>69,130</b>	<b>-1.3%</b>	<b>208,849</b>	<b>220,477</b>	<b>5.6%</b>
Rent (Shopping Malls)	48,537	49,675	2.3%	144,727	151,442	4.6%
Services	21,495	19,455	-9.5%	64,122	69,035	7.7%
<b>NOI - Consolidated</b>	<b>54,708</b>	<b>51,731</b>	<b>-5.4%</b>	<b>165,207</b>	<b>165,731</b>	<b>0.3%</b>
<b>Adjusted EBITDA</b>	<b>43,587</b>	<b>40,215</b>	<b>-7.7%</b>	<b>131,989</b>	<b>133,509</b>	<b>1.2%</b>
<b>Adjusted Net Result</b>	<b>(358,650)</b>	<b>42,909</b>	<b>-</b>	<b>(543,685)</b>	<b>199,817</b>	<b>-</b>
<b>Adjusted FFO</b>	<b>(357,157)</b>	<b>44,448</b>	<b>-</b>	<b>(538,871)</b>	<b>204,402</b>	<b>-</b>
NOI Margin	87.2%	86.7%	-0,5 p.p.	87.6%	86.0%	-1,6 p.p.
Adjusted EBITDA Margin	69.5%	67.4%	-2,1 p.p.	70.0%	69.2%	-0,8 p.p.
Adjusted Net Result Margin	-571.9%	72.0%	-	-288.1%	103.6%	-
Adjusted FFO Margin	-569.6%	74.5%	-	-285.6%	106.0%	-
Gross Revenue per m <sup>2</sup>	271.32	282.69	4.2%	812.75	876.33	7.8%
NOI per m <sup>2</sup>	211.95	211.54	-0.2%	642.91	658.73	2.5%
Adjusted EBITDA per m <sup>2</sup>	168.86	164.45	-2.6%	513.64	530.66	3.3%
Adjusted Net Result per m <sup>2</sup>	(1,389.47)	175.47	-	(2,115.78)	794.22	-
Adjusted FFO per m <sup>2</sup>	(1,383.69)	181.76	-	(2,097.05)	812.44	-
Own GLA - Average in the Period (m <sup>2</sup> )	258,120	244,540	-5.3%	256,966	251,590	-2.1%
Own GLA - End of the Period (m <sup>2</sup> )	258,120	244,540	-5.3%	258,120	244,540	-5.3%

### INVESTOR RELATIONS

Marcio Snioka  
IR Officer

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Índice de  
Ações com Tag Along  
Diferenciado **ITAG**

Índice de  
Ações com Governança  
Corporativa Diferenciada **IGC**

**abrasca**  
companhia associada

## MANAGEMENT COMMENTS

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The management of the Company is pleased to report on the operational and financial performance for the third quarter of the 2016 fiscal year (3Q16) as shown in the respective reports and statements.

Initially, we highlight the average reduction in GLA (Gross Leasable Area) of 5.3% compared with 3Q15 following the divestment of Parque Shopping Prudente, Poli Shopping Osasco and the sale of a 10% stake in Internacional Shopping Guarulhos, but offset by the opening of Outlet Premium Rio de Janeiro in November 2015.

The Company was able to report R\$ 69.1 million in Gross Revenue in this period. In 9M16, General Shopping recorded increase of 5.6% to R\$ 220.5 million year-on-year.

Based on Same Areas Performance, Same Area Rentals reported growth of 3.5%, surpassing Same Area Sales of 2.3%, a reflection of the economic downturn and weak performance of the retail sector overall.

Occupancy rates fell in the quarter to 95.0% compared with the 96.4% reported for 3Q15 although better than the 94.1% for the preceding quarter.

In 3Q16, Rental and Services Costs fell by 1.4% to R\$ 8.5 million compared with 3Q15, the result of declining third parties services. NOI reached R\$ 51.7 million, a year-on-year decline of 5.4% and equivalent to a margin of 86.7%, the result of a reduction in GLA in the period.

Conversely, General and Administrative Expenses reported an increase of 20.2% in relation to 3Q15, amounting to R\$ 16.0 million, which R\$ 2.0 million are from non current expenses. Adjusted EBITDA was R\$ 40.2 million, corresponding to an Adjusted EBITDA margin of 67.4%.

The Company's Net Financial Result was affected principally by the Dollar x Real currency variation in the quarter, reverting from a negative R\$ 389.4 million to a positive R\$ 5.7 million.

On August 10, 2016, we concluded an exchange offer for part of the Subordinated Perpetual Bonds.

We would like to take this opportunity to thank our employees, tenants, customers and visitors for their contributions to the Company's performance.

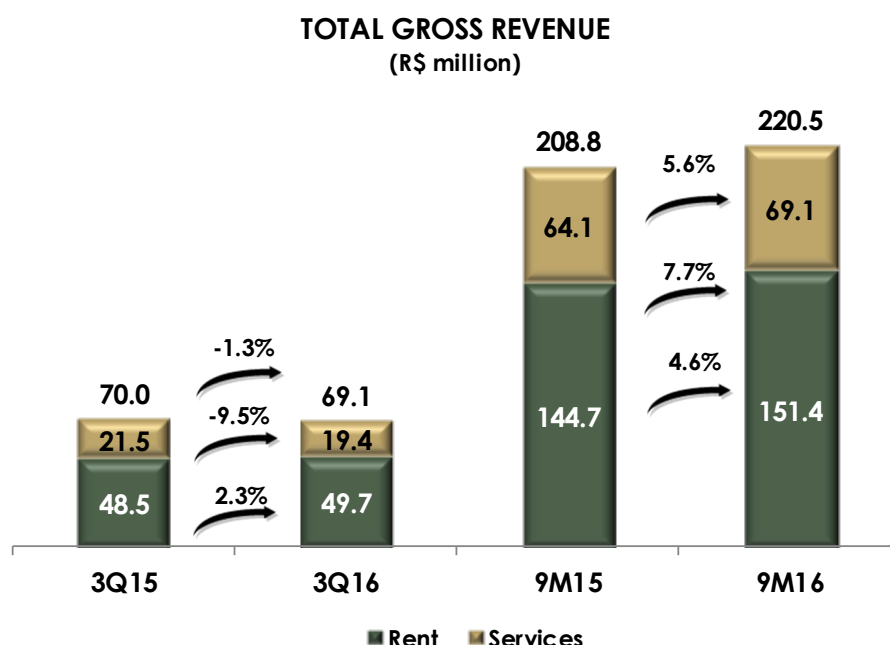
**Marcio Snioka,**  
**Investor Relations Officer**

## GROSS REVENUE

The Company's total gross revenue during the quarter amounted to R\$ 69.1 million, reflecting a year-on-year decrease of 1.3%. In 9M16, gross revenue amounted to R\$ 220.5 million, an increase of 5.6% in relation to 9M15.

Gross revenue from rents in 3Q16 was R\$ 49.7 million, representing 71.9% of total gross revenue and an increase of 2.3% relative to 3Q15. The following combination of critical factors contributed to this increase: the opening of Outlet Premium Rio de Janeiro as well as an effective increase in rents in addition to the annual restatement of rental agreements, these factors partially offset by the sale of Parque Shopping Prudente and Poli Shopping Osasco as well as the Company's stake in the Internacional Shopping Guarulhos. In 9M16, gross revenue was R\$ 151.4 million, an increase of 4.6% compared with 9M15.

Gross revenue from services in 3Q16 totaled R\$ 19.4 million, representing a decrease of 9.5% in relation to the 3Q15, and R\$ 69.1 million in 9M16, a 7.7% improvement on 9M15.



## RENTAL REVENUE

The Company's 3Q16 rental revenue amounted to R\$ 49.7 million, comprising minimum rent, percentage on sales, key money and advertising and straight-line revenue.

### Rental Revenue Breakdown

R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
Minimum Rent	35.0	36.7	4.7%	102.5	110.6	7.8%
Percentage on Sales	5.2	4.7	-10.1%	15.4	14.2	-7.5%
Key Money	2.9	3.5	20.8%	9.4	10.9	15.7%
Advertising	3.7	3.4	-7.3%	11.9	10.3	-13.0%
Straight-lining Revenue	1.7	1.4	-18.8%	5.5	5.4	-1.6%
<b>Total</b>	<b>48.5</b>	<b>49.7</b>	<b>2.3%</b>	<b>144.7</b>	<b>151.4</b>	<b>4.6%</b>

General Shopping's rental revenue increased by R\$ 1.7 million in 3Q16 or 4.7% in relation to 3Q15, due

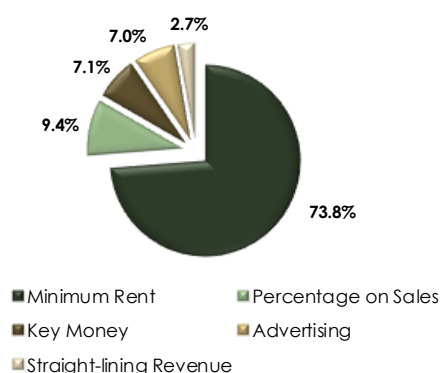
to the foregoing factors. Comparing 9M16 with 9M15, growth was R\$ 8.1 million, or 7.8%.

The percentage on sales revenue decreased 10.1% when comparing the two quarters under analysis, a reflection of the factors already discussed. Year-on-year results for the nine month period were down by 7.5%.

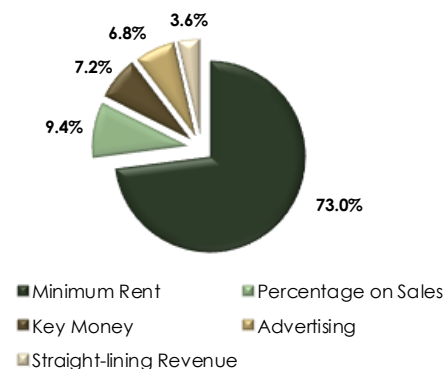
Temporary rentals (Advertising) in 3Q16 totaled R\$ 3.4 million, a decrease of R\$ 0.3 million or 7.3% compared with 3Q15. Again, this same item was R\$ 10.3 million in 9M16, a decrease of 13.0% compared with 9M15.

Minimal rental revenue in 3Q16 accounted for 73.8% of total rental revenue compared with 72.2% in 3Q15. In 9M16, this same item corresponded to 73.0% compared with 70.9% in 9M15.

**Rental Revenue Breakdown - 3Q16**



**Rental Revenue Breakdown - 9M16**



## SERVICES REVENUE

In 3Q16, services revenue amounted to R\$ 19.4 million, corresponding to a decrease of 9.5% compared to the same period in 2015. In 9M16, these services revenues were R\$ 69.1 million, a growth of 7.7% compared with 9M15.

### Services Revenue Breakdown

R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
Parking	13.9	12.6	-9.2%	41.8	44.3	5.9%
Energy	2.9	2.0	-31.3%	8.3	9.6	15.5%
Water	1.8	1.7	-6.2%	5.2	5.8	11.3%
Management	2.9	3.1	9.2%	8.8	9.4	6.7%
<b>Total</b>	<b>21.5</b>	<b>19.4</b>	<b>-9.5%</b>	<b>64.1</b>	<b>69.1</b>	<b>7.7%</b>

Parking lot revenue in 3Q16 was R\$ 12.6 million, a decline of R\$ 1.3 million or 9.2% in relation to 3Q15. This result reflected sales of stakes in commercial developments during the period as well as a variation in vehicle flow in some of our operations, partially offset by the rollout of Outlet Premium Rio de Janeiro. In 9M16, parking revenues were R\$ 44.3 million, a growth of 5.9% compared with 9M15.

Revenue from the management of energy supply was R\$ 2.0 million in 3Q16, a reduction of R\$ 0.9 million or 31.3%. This result was a reflection of an improvement in spot purchase prices which squeezed margins as well as the sale of stakes in existing commercial developments described above. In 9M16, this item posted R\$ 9.6 million, an increase of 15.5% compared with 9M15.

Revenue from the management of water supplies accounted for R\$ 1.7 million in 3Q16, a decrease of R\$ 0.1 million or 6.2%. In 9M16, this same revenue was R\$ 5.8 million, a year-on-year increase of 11.3% compared with 9M15.

#### REVENUE DEDUCTIONS (TAXES, DISCOUNTS AND CANCELLATIONS)

Taxes, discounts and cancellations against gross revenue totaled R\$ 9.5 million in 3Q16, corresponding to 13.7% of gross revenue, while these deductions in 3Q15 represented 10.5%. In 9M16, this item amounted to R\$ 27.7 million, 12.5% of gross revenue, while in 9M15, the percentage was 9.7%.

Sales taxes (PIS/COFINS/ISS) totaled R\$ 5.9 million in 3Q16, R\$ 0.6 million higher than 3Q15. This variation is due to the increased billing of rents, offset by the change in tax regime for some group companies. In 9M16, sales taxes amounted to R\$ 19.0 million, an increase of R\$ 3.1 million compared with 9M15.

During the quarter, discounts and cancellations were R\$ 3.6 million, an increase of R\$ 1.6 million when compared with 3Q15. In 9M16, we recorded R\$ 8.6 million, an increase of R\$ 4.3 million when compared with 9M15.

#### RENTAL AND SERVICES NET REVENUE

Net Revenue was R\$ 59.6 million in 3Q16, a decrease of 4.9% when compared with the same period in 2015. In 9M16, the Company recorded net revenue of R\$ 192.8 million, 2.2% greater than 9M15.

#### RENTAL AND SERVICES COST

In 3Q16, rental and services costs registered a decrease of 1.4% to R\$ 8.5 million. For the first nine months of the year, these costs amounted to R\$ 28.9 million, 12.6% higher when compared with 9M15.

Rental and Services Costs						
R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
Personnel	0.9	1.2	40.6%	2.7	3.1	17.1%
Depreciation	0.6	0.6	-3.4%	2.2	1.8	-17.0%
Occupancy	3.4	4.0	18.7%	9.5	12.4	29.6%
Third parties	3.7	2.7	-29.0%	11.3	9.4	-16.2%
Other Costs	-	-	-	-	2.2	-
<b>Total</b>	<b>8.6</b>	<b>8.5</b>	<b>-1.4%</b>	<b>25.7</b>	<b>28.9</b>	<b>12.6%</b>

#### Personnel Costs

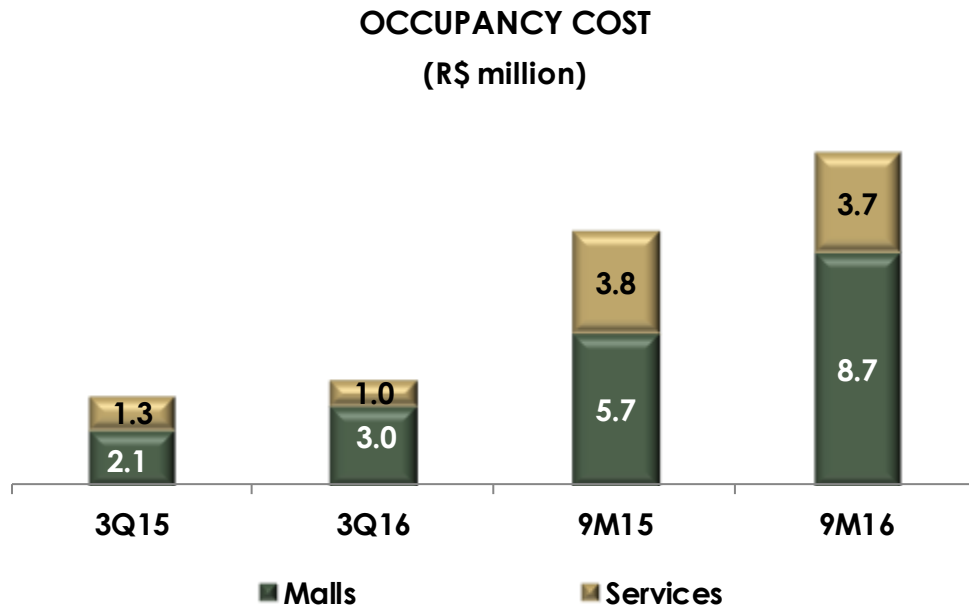
Personnel costs were R\$ 1.2 million during the quarter, a growth of 40.6% compared with 3Q15. In 9M16, personnel costs were R\$ 3.1 million, 17.1% greater than 9M15.

#### Depreciation Costs

In 3Q16, depreciation costs were R\$ 0.6 million, the same level as 3Q15. In 9M16, this same item accounted for R\$ 1.8 million, a decrease of R\$ 0.4 million when compared with 9M15.

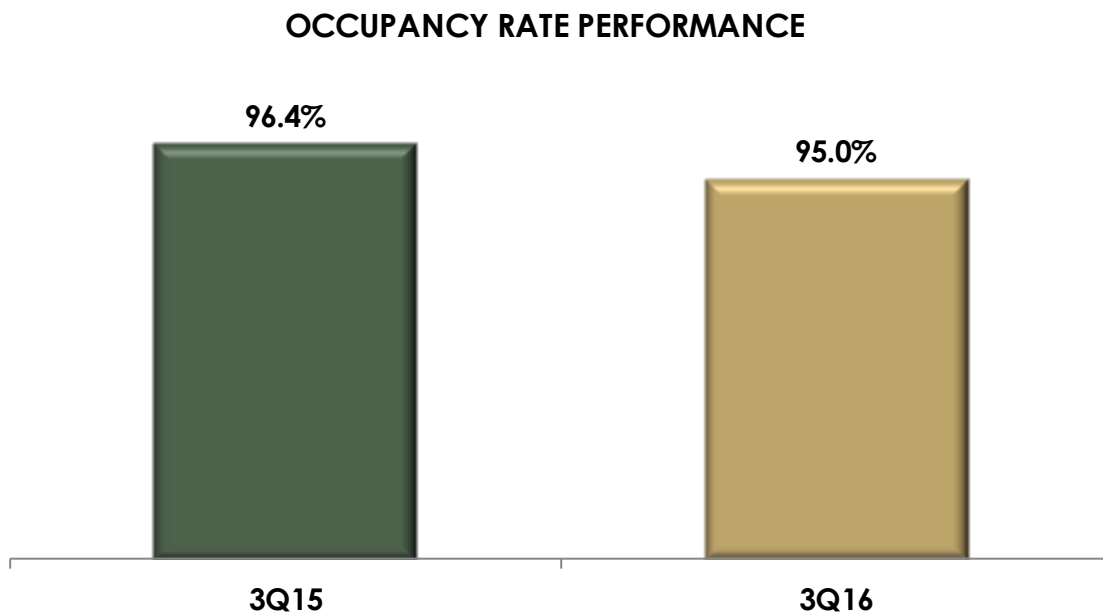
## Occupancy Costs

During the quarter, occupancy costs were R\$ 4.0 million, R\$ 0.6 million higher than 3Q15. In 9M16, this amount was R\$ 12.4 million, an increase of R\$ 2.9 million or 29.6% when compared with 9M15.



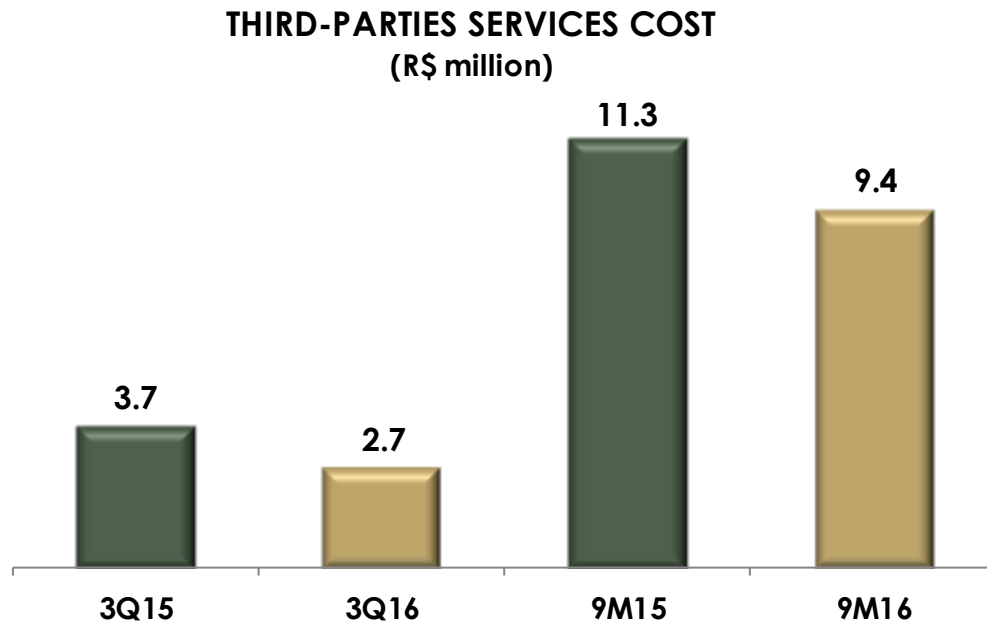
Shopping center occupancy costs were R\$ 3.0 million in 3Q16, an increase of R\$ 0.9 million in relation to 3Q15. In 9M16, occupancy costs were R\$ 8.7 million, a rise of R\$ 3.0 million when compared with 9M15.

Occupancy costs of services totaled R\$ 1.0 million in 3Q16, a decline of R\$ 0.3 million on the figure for 3Q15. In 9M16, the Company reported R\$ 3.7 million, a decrease of R\$ 0.1 million over the same item for 9M15.



### Third Party Services Costs

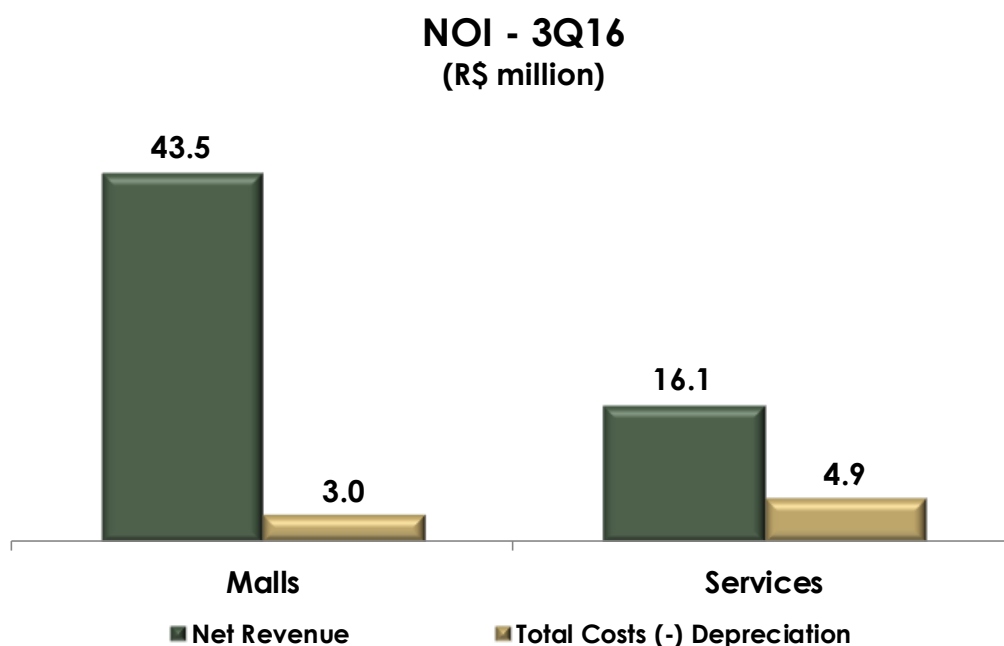
Third party services costs in 3Q16, principally those relating to parking lot overheads, were R\$ 2.7 million, a decrease of R\$ 1.0 million when compared with 3Q15. In 9M16, we reported these costs at R\$ 9.4 million, a R\$ 1.9 million decrease in relation to 9M15.



### GROSS PROFIT

Gross profit in 3Q16 was R\$ 51.1 million, a decrease of 5.5% compared with R\$ 54.1 million in 3Q15. In 9M16, we reported R\$ 163.9 million, equivalent to a margin of 85.0% and an increase of 0.6% compared with 9M15.

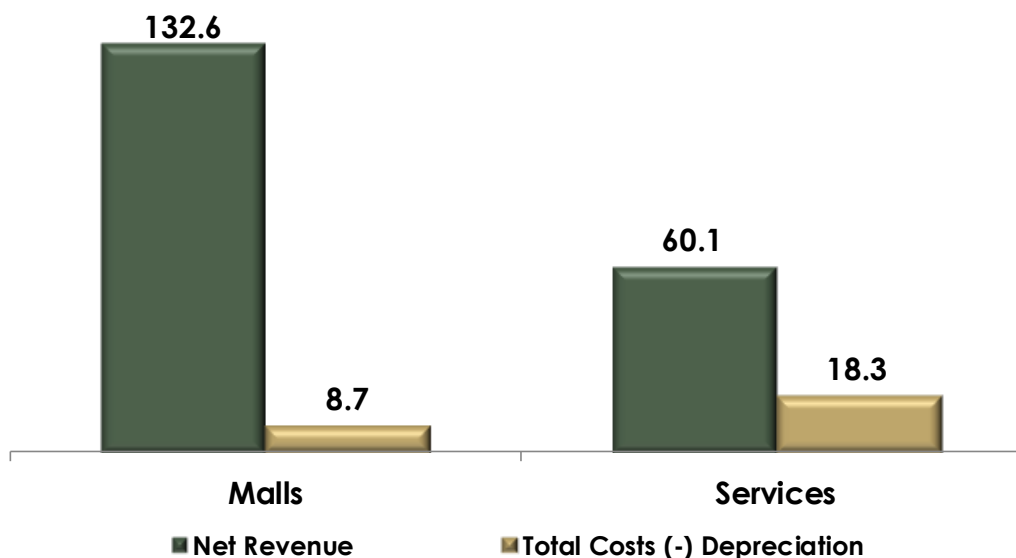
In 3Q16, the Company's consolidated NOI, was R\$ 51.7 million. NOI generated from shopping center operations was R\$ 40.5 million and from Services, R\$ 11.2 million.





For this same item in 9M16, we reported R\$ 165.7 million, of which NOI from shopping center operations was R\$ 123.9 million and from Services, R\$ 41.8 million.

### NOI - 9M16 (R\$ million)



## GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses in 3Q16 totaled R\$ 16.0 million, representing an increase of 20.2%, compared with 3Q15. In 9M16, this same item posted R\$ 42.1 million, 1.7% higher than 9M15.

General and Administrative Expenses						
R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
Publicity and Advertising	(0.4)	(0.3)	-17.2%	(1.4)	(2.0)	46.6%
Provision for Doubtful Accounts	(1.2)	(2.3)	100.0%	(2.3)	(4.5)	96.6%
Personnel	(4.5)	(4.2)	-6.5%	(14.4)	(11.5)	-19.8%
Third Parties	(3.4)	(3.3)	-7.6%	(10.1)	(8.4)	-17.7%
Commercialization Expenses	(0.4)	(1.4)	213.6%	(2.7)	(4.0)	48.4%
Non-recurring Expenses	(0.3)	(2.0)	537.5%	(1.6)	(3.5)	122.3%
Other Expenses	(3.1)	(2.5)	-15.9%	(8.9)	(8.2)	-8.7%
<b>Total</b>	<b>(13.3)</b>	<b>(16.0)</b>	<b>20.2%</b>	<b>(41.4)</b>	<b>(42.1)</b>	<b>1.7%</b>

In the quarter under review, the Company recorded a rise of R\$ 2.7 million in administrative expenses, reflecting an increase in (i) provisions for doubtful debts (ii) commercialization and (iii) non-recurring expenses, partially offset by the decrease in (iv) personnel expenses, (v) publicity and advertising (vi) third party services and (vii) other expenses.

## OTHER OPERATING REVENUE AND EXPENSES

Operating revenue and expenses reflect principally the recovery of costs and expenses paid by the Company for account of shopping center tenants as well as other recoveries in general. In 3Q16,



other operating revenues and expenses were R\$ 1.2 million as against R\$ 1.0 million in 3Q15. In 9M16, the amount was a negative R\$ 16.3 million and in 9M15, a negative R\$ 45.0 million.

#### Other Operating Revenues

R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
Recovery of Condominium Expenses	0.8	0.1	-88.1%	2.1	0.3	-85.2%
Gain/Loss on Investment Properties Sale	-	(0.3)	-	(49.0)	(19.9)	-59.4%
Recovery (other)	0.2	1.4	808.9%	1.9	3.3	75.5%
<b>Total</b>	<b>1.0</b>	<b>1.2</b>	<b>19.8%</b>	<b>(45.0)</b>	<b>(16.3)</b>	<b>-63.8%</b>

#### NET FINANCIAL RESULT

In 3Q16, the net financial result was positive at R\$ 5.7 million while in 3Q15, the same item was a negative R\$ 389.4 million. We would point out that the currency translation effect on the principal of our perpetual debt has a non-cash impact. In 9M16, the net financial result reported a positive R\$ 89.1 million compared with a negative R\$ 646.5 million in 9M15.

Interest charges for the financing of greenfield projects are capitalized during the course of construction work and are then amortized once the commercial developments become operational.

#### Net Financial Result

R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
<b>Revenues</b>	<b>101.0</b>	<b>89.4</b>	<b>-11.5%</b>	<b>313.4</b>	<b>435.3</b>	<b>38.9%</b>
Interest on financial investments	4.0	3.3	-15.8%	24.0	6.5	-72.8%
Exchange Variation - Asset	12.9	4.2	-67.5%	139.9	340.0	143.0%
Monetary Variation - Asset	1.7	-	-	4.7	-	-
Derivative Operational Gain	81.5	-	-	142.2	3.6	-97.5%
Other	0.9	81.9	-	2.6	85.2	-
<b>Expenses</b>	<b>(490.4)</b>	<b>(83.7)</b>	<b>-82.9%</b>	<b>(959.9)</b>	<b>(346.2)</b>	<b>-63.9%</b>
Interest on loans, financing and CCI's	(30.1)	(28.5)	-5.1%	(88.3)	(88.8)	0.6%
Perpetual Bonds Debt	(42.9)	(27.2)	-36.6%	(84.5)	(84.5)	-
Derivative Operational Loss	(16.1)	(1.2)	-92.5%	(51.4)	(21.6)	-58.0%
Exchange Variation - Liability	(390.3)	(13.5)	-96.5%	(712.3)	(116.4)	-83.7%
Monetary Variation - Liability	(2.3)	-	-	(6.4)	-	-
Fine on Overdue Taxes	(0.1)	(4.0)	-	(0.6)	(10.6)	-
Other	(8.6)	(9.3)	7.7%	(16.4)	(24.3)	48.7%
<b>Total</b>	<b>(389.4)</b>	<b>5.7</b>	<b>-</b>	<b>(646.5)</b>	<b>89.1</b>	<b>-</b>

#### FINANCIAL INSTRUMENTS

The Risk Management Policy involves the use of financial derivatives or financial investments in US dollars to protect the Company against variations that can affect liquidity. The Board of Directors is responsible for monitoring and deciding on eventual policy changes.

Speculative transactions are not permitted under the Policy and any instrument used must be for risk mitigation only. All operations are controlled through daily marking-to-market monitoring and risk limits, information for which is supplied by a third party consultancy independent of the Company's Financial Department.

No derivative is classified as a hedge instrument under the Brazilian Accounting Standards Committee's CPC 38 definition and therefore is not booked according to Hedge Accounting practices.

## EXCHANGE RISK

General Shopping holds at least one year's interest payments hedged against currency risk. To this end, hedging may be conducted through operations both in Brazil or overseas and include derivative instruments. The Company adheres strictly to set criteria for costs and profitability.

The Company manages and monitors its derivatives position daily, adjusting it in accordance with the best hedging strategy at below market costs.

General Shopping uses non-deliverable forward contracts (NDF) from first class financial institutions to protect interest payments on its currency-denominated liabilities.

The Company's currency exposure position as at September 30, 2016 for the next 12 months is shown in the following chart:

Exchange Hedge Scenario			
US\$ thousands	2016	2017	12 months
Exposure	4,104	12,396	16,500
Total hedge with derivative instruments	4,150	12,350	16,500
<b>Coverage</b>	<b>100%</b>		

Types of Hedge Instruments			
Derivative Instrument - Exchange NDF	2016	2017	12 months
Initial price - R\$/US\$*	3.3387	3.3387	3.3387
Notional value in US\$ thousands	4,150	12,350	16,500
Fair value in R\$ thousands	(264)	(785)	(1,049)

(\*)For the currency NDF, the price reflects the operation's entry price

## INTEREST RATE RISK

The Company has executed interest rate swaps in order to transform debt indexed to the CDI (Interbank Deposit Rate) and TJLP (Long Term Interest Rate) to the IPCA (Amplified Consumer Price Index). These swap agreements carry maturity dates and percentages of amortization, which exactly match the corresponding loan agreements.

Swap Start Data	Notional Remaining In R\$ thousand	Swap Maturity Date	Long Position	Short Position	Fair Value at 09/30/2016
jun/12	2,094	jun/17	CDI + 3.202%	IPCA + 7.590%	(724)
oct/12	2,780	oct/17	CDI + 5.500%	IPCA + 7.970%	(882)
oct/12	3,706	oct/17	TJLP + 6.500%	IPCA + 6.900%	(1,235)
<b>TOTAL</b>	<b>8,580</b>				<b>(2,841)</b>

## INCOME TAX AND SOCIAL CONTRIBUTION (CURRENT AND DEFERRED)

The Company reported income tax and social contribution in 3Q16 of R\$ 1.4 million compared with R\$ 11.3 million in 3Q15. In 9M16, the income tax and social contribution take amounted to R\$ 20.0 million, a reduction of R\$ 5.3 million compared with 9M15.

## NET ADJUSTED RESULT

In 3Q16, the Company recorded a positive net adjusted result of R\$ 42.9 million compared with the negative net adjusted result of R\$ 358.7 million in 3Q15. In 9M16, the net adjusted result was a positive R\$ 199.8 million compared to the negative net adjusted result of R\$ 543.7 million in 9M15.

### Adjusted Net Result Reconciliation

R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
<b>Net Result</b>	<b>(359.0)</b>	<b>40.6</b>	-	<b>(595.1)</b>	<b>174.5</b>	-
(+) Non-Recurring	0.3	2.3	-	50.5	23.4	-53.7%
(+) IRPJ/CSLL (Non-Recurring)	-	-	-	0.9	1.9	114.1%
<b>Adjusted Net Result</b>	<b>(358.7)</b>	<b>42.9</b>	-	<b>(543.7)</b>	<b>199.8</b>	-
<b>Adjusted Net Result Margin</b>	<b>-571.9%</b>	<b>72.0%</b>	-	<b>-288.1%</b>	<b>103.6%</b>	-

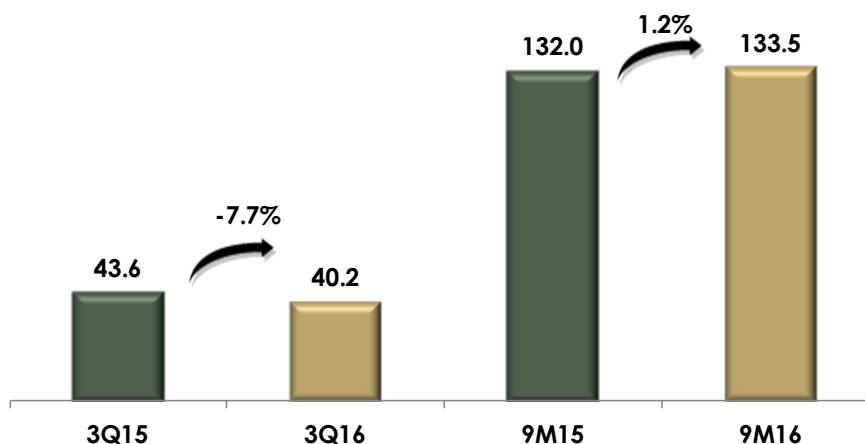
## ADJUSTED EBITDA

Adjusted EBITDA in 3Q16 was R\$ 40.2 million, equivalent to a margin of 67.4% and a decrease of 7.7% on the Adjusted EBITDA of R\$ 43.6 million in the same quarter for 2015. In 9M16, this item posted an amount of R\$ 133.5 million, a margin of 69.2% and a year-on-year increase of 1.2%.

### Adjusted EBITDA Reconciliation

R\$ million	3Q15	3Q16	Chg.	9M15	9M16	Chg.
<b>Net Result</b>	<b>(359.0)</b>	<b>40.6</b>	-	<b>(595.1)</b>	<b>174.5</b>	-
(+) Income Tax and Social Contribution	11.4	1.4	-87.2%	25.3	20.0	-20.7%
(+) Net Financial Result	389.4	(5.7)	-	646.5	(89.1)	-
(+) Depreciation and Amortization	1.5	1.6	3.1%	4.8	4.7	-4.8%
<b>EBITDA</b>	<b>43.3</b>	<b>37.9</b>	<b>-12.5%</b>	<b>81.5</b>	<b>110.1</b>	<b>35.2%</b>
(+) Non-Recurring	0.3	2.3	-	50.5	23.4	-53.7%
<b>Adjusted EBITDA</b>	<b>43.6</b>	<b>40.2</b>	<b>-7.7%</b>	<b>132.0</b>	<b>133.5</b>	<b>1.2%</b>
<b>Adjusted EBITDA Margin</b>	<b>69.5%</b>	<b>67.4%</b>	<b>-2.1 p.p.</b>	<b>70.0%</b>	<b>69.2%</b>	<b>-0.8 p.p.</b>

ADJUSTED EBITDA  
(R\$ million)

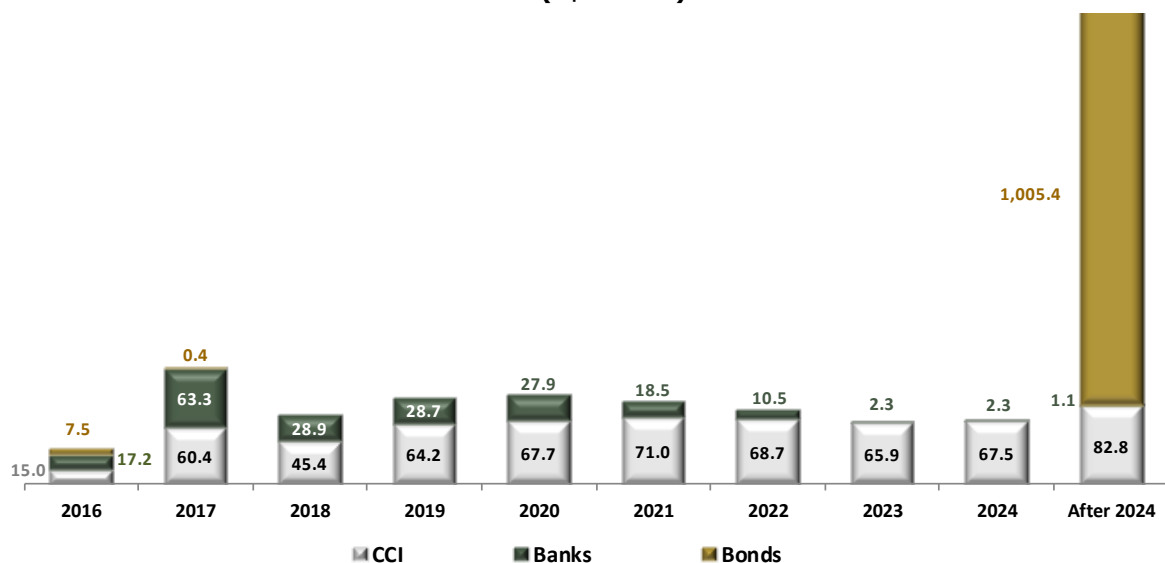


## CAPITAL STRUCTURE

The Company's gross debt as at September 30, 2016 amounted to R\$ 1,822.6 million. On June 30, 2016, gross debt stood at R\$ 1,908.6 million.

In the light of General Shopping's cash position (cash and cash equivalents and other financial investments) as at September 30, 2016 of R\$ 85.4 million, total net debt amounted to R\$ 1,737.2 million. In 2Q16, net debt amounted to R\$ 1,782.5 million.

### AMORTIZATION SCHEDULE (R\$ million)



R\$ million															
Financial Institution	Maturity	Index	Interest	09/30/2016	2016	2017	2018	2019	2020	2021	2022	2023	2024	After 2024	
BANCO HSBC S.A.	Jun-17	CDI	3.2%	2.1	0.7	1.4	-	-	-	-	-	-	-	-	-
BNDES - PINE FINAME	Sep-19	-	8.7%	0.5	-	0.2	0.2	0.1	-	-	-	-	-	-	-
BNDES - HSBC FINEM	Oct-17	SELIC	5.5%	4.5	1.1	3.4	-	-	-	-	-	-	-	-	-
BNDES - HSBC FINEM	Oct-17	TJLP	6.5%	6.9	0.9	6.0	-	-	-	-	-	-	-	-	-
BNDES - HSBC FINEM	Aug-21	SELIC	6.8%	19.3	1.1	3.9	3.9	3.9	3.9	2.6	-	-	-	-	-
BNDES - HSBC FINEM	Aug-21	TJLP	6.8%	36.8	2.1	7.5	7.5	7.4	7.4	4.9	-	-	-	-	-
BNDES - ITAÚ CCB	Nov-20	TJLP	6.3%	20.0	1.2	4.8	4.8	4.8	4.4	-	-	-	-	-	-
BNDES - ITAÚ CCB	Nov-20	SELIC	4.6%	5.8	0.4	1.3	1.4	1.4	1.3	-	-	-	-	-	-
BNDES - ITAÚ CCB	Nov-20	-	3.5%	0.7	-	0.2	0.2	0.2	0.1	-	-	-	-	-	-
BBM - CCB	Jan-17	SELIC	8.1%	2.3	1.8	0.5	-	-	-	-	-	-	-	-	-
DEBÊNTURES - SB BONSUCESSO	Oct-22	CDI	2.8%	23.9	1.1	3.9	3.9	3.9	3.9	3.9	3.3	-	-	-	-
DEBÊNTURES - SB BONSUCESSO	Oct-22	IPCA	7.5%	35.0	6.2	4.8	4.8	4.8	4.7	4.8	4.9	-	-	-	-
DEBÊNTURES - CRISTAL	Oct-17	CDI	2.5%	23.1	-	23.1	-	-	-	-	-	-	-	-	-
BNB	Jun-25	-	3.5%	19.8	0.6	2.3	2.2	2.2	2.2	2.3	2.3	2.3	2.3	1.1	-
CCI - ITAÚ BBA	Jun-18	TR	11.0%	65.0	8.3	36.8	19.9	-	-	-	-	-	-	-	-
CCI - SANTANDER	Jun-22	TR	11.0%	45.0	1.5	6.1	6.8	7.6	8.5	9.4	5.1	-	-	-	-
CCI - HABITASEC	Nov-24	IPCA	7.0%	67.2	1.8	6.4	6.9	7.4	7.9	8.5	9.0	9.7	9.6	-	-
CCI - HABITASEC	Jun-25	IPCA	7.0%	37.2	0.9	3.3	3.5	3.7	4.0	4.3	4.6	4.8	5.3	2.8	-
CCI - HABITASEC	Dec-24	IPCA	7.0%	52.6	1.4	5.1	5.3	5.7	6.2	6.5	7.0	7.5	7.9	-	-
CCI - ITAÚ	Sep-26	TR	9.9%	271.4	0.3	-	-	35.6	35.6	35.6	35.5	35.6	35.5	57.7	-
CCI - ITAÚ BBA	Jan-27	TR	10.0%	70.2	0.8	2.7	3.0	4.2	5.5	6.7	7.5	8.3	9.2	22.3	-
BONDS 2016	Aug-26	USD	10%/12%	29.4	-	0.4	-	-	-	-	-	-	-	29.0	-
BONDS 2010/2011	-	USD	10.0%	540.4	7.5	-	-	-	-	-	-	-	-	532.9	-
BONDS 2012	-	USD	12.0%	443.5	-	-	-	-	-	-	-	-	-	443.5	-
<b>Total Debt</b>				<b>1,822.6</b>	<b>39.7</b>	<b>124.1</b>	<b>74.3</b>	<b>92.9</b>	<b>95.6</b>	<b>89.5</b>	<b>79.2</b>	<b>68.2</b>	<b>69.8</b>	<b>1,089.3</b>	

The rating agencies, which monitor the Company (Fitch and Moody's), adopt the criterion of considering 50% of the Bonds 2012 as capital.

**CONSOLIDATED INCOME STATEMENT**

R\$ thousand	3Q15	3Q16	Chg.	9M15	9M16	Chg.
<b>Gross Operating Revenue</b>	<b>70,032</b>	<b>69,130</b>	<b>-1.3%</b>	<b>208,849</b>	<b>220,477</b>	<b>5.6%</b>
Revenue from Rents	48,537	49,675	2.3%	144,727	151,442	4.6%
Revenue from Services	21,495	19,455	-9.5%	64,122	69,035	7.7%
<b>Revenue Deductions</b>	<b>(7,325)</b>	<b>(9,497)</b>	<b>29.7%</b>	<b>(20,164)</b>	<b>(27,668)</b>	<b>37.2%</b>
Pis / Cofins	(4,335)	(5,185)	19.6%	(12,996)	(16,202)	24.7%
ISS	(981)	(755)	-23.0%	(2,879)	(2,818)	-2.1%
Discounts	(2,009)	(3,557)	77.1%	(4,289)	(8,648)	101.6%
<b>Net Operating Revenue</b>	<b>62,707</b>	<b>59,633</b>	<b>-4.9%</b>	<b>188,685</b>	<b>192,809</b>	<b>2.2%</b>
<b>Rents and Services Costs</b>	<b>(8,616)</b>	<b>(8,498)</b>	<b>-1.4%</b>	<b>(25,673)</b>	<b>(28,900)</b>	<b>12.6%</b>
Personnel	(881)	(1,239)	40.6%	(2,641)	(3,092)	17.1%
Depreciation	(617)	(596)	-3.4%	(2,195)	(1,822)	-17.0%
Occupancy	(3,379)	(4,010)	18.7%	(9,541)	(12,363)	29.6%
Third Parties	(3,739)	(2,653)	-29.0%	(11,296)	(9,467)	-16.2%
Other Costs	-	-	-	-	(2,156)	-
<b>Gross Profit</b>	<b>54,091</b>	<b>51,135</b>	<b>-5.5%</b>	<b>163,012</b>	<b>163,909</b>	<b>0.6%</b>
<b>Operating Expenses</b>	<b>(12,312)</b>	<b>(14,798)</b>	<b>20.2%</b>	<b>(86,387)</b>	<b>(58,404)</b>	<b>-32.4%</b>
General and Administrative	(13,334)	(16,023)	20.2%	(41,424)	(42,113)	1.7%
Other Operating Revenues and Expenses	1,022	1,225	19.9%	(44,963)	(16,291)	-63.8%
<b>Income Before Financial Result</b>	<b>41,779</b>	<b>36,337</b>	<b>-13.0%</b>	<b>76,625</b>	<b>105,505</b>	<b>37.7%</b>
Financial Results	(389,407)	5,680	-	(646,462)	89,065	-
<b>Result Before Income Tax and Social Contribution</b>	<b>(347,628)</b>	<b>42,017</b>	<b>-</b>	<b>(569,837)</b>	<b>194,570</b>	<b>-</b>
Income Tax and Social Contribution	(11,337)	(1,447)	-87.2%	(25,268)	(20,035)	-20.7%
<b>Net Result in the period</b>	<b>(358,965)</b>	<b>40,570</b>	<b>-</b>	<b>(595,105)</b>	<b>174,535</b>	<b>-</b>

**CONSOLIDATED BALANCE SHEET**

ASSETS R\$ thousand	09/30/2016	12/31/2015
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	83,910	111,240
Accounts Receivable	64,777	69,924
Recoverable Taxes	13,376	20,664
Investment Properties destined to sale	-	59,300
Accounts receivable from sold properties	6,333	-
Other Receivables	16,041	20,673
<b>Total Current Assets</b>	<b>184,437</b>	<b>281,801</b>
<b>NON-CURRENT ASSETS</b>		
Financial Application	1,443	1,133
Accounts Receivable	5,487	3,063
Recoverable Taxes	4,467	4,703
Related Parties	57,392	63,027
Deposits and Guarantees	1,877	2,613
Other Accounts Receivable	1,785	3,542
Investment Property	2,890,134	2,820,962
Property, Plant and Equipment	30,535	31,083
Intangible	20,942	23,656
<b>Total Non-Current Assets</b>	<b>3,014,062</b>	<b>2,953,782</b>
<b>Total Assets</b>	<b>3,198,499</b>	<b>3,235,583</b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>CURRENT LIABILITIES</b>		
Suppliers	17,219	21,945
Loans and Financing	50,675	118,786
Payroll and Related Charges	3,287	2,581
Taxes and Contributions	99,697	59,071
Taxes to be paid in Installments	14,801	13,734
Real Estate Credit Notes - CCI	58,635	57,785
Related Parties	24,114	30,387
Cession revenues to be recognized	17,989	10,388
Other Payables	11,877	9,825
<b>TOTAL CURRENT LIABILITIES</b>	<b>298,294</b>	<b>324,502</b>
<b>NON-CURRENT LIABILITIES</b>		
Loans and financing	1,163,333	1,400,890
Cession revenues to be recognized	97,932	24,146
Taxes to be paid in Installments	42,123	55,134
Deferred Taxes and Social Contribution	81,168	83,410
Provision for Labor and Civil Risks	1,320	1,373
Real Estate Credit Notes - CCI	549,948	565,828
<b>Total Non-Current Liabilities</b>	<b>1,935,824</b>	<b>2,130,781</b>
<b>Shareholders Equity</b>	<b>964,381</b>	<b>780,300</b>
<b>Total Liabilities and Shareholders Equity</b>	<b>3,198,499</b>	<b>3,235,583</b>

Note: The operating and financial indicators have not been audited by our external auditors.

CONSOLIDATED CASH FLOW		
R\$ thousand	09/30/2016	09/30/2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / (loss) in the period</b>	<b>174,535</b>	<b>(595,105)</b>
<b>Adjustments for reconciling net profit in the period with net cash generated (used) by operating activities:</b>		
Depreciation and Amortization	4,632	4,814
Provision for doubtful accounts	4,496	2,281
Provision / (Recognition) for labor and civil risks	(53)	(478)
Gain on Perpetual Bonds Buyback	(98,464)	-
Income taxes and Social Contribution deferred	(2,242)	(3,774)
Income taxes and Social Contribution	22,248	29,042
Financial charges on loans, financing, CCI and perpetual bonds	204,205	202,669
Loss/(Gain) not realized with derivatives instruments	3,890	(35,859)
(Gain) or loss on disposal of investments properties	-	(771)
Financial charges on taxes paid in installments	(2,808)	4,172
Exchange Variation	(224,419)	542,662
Fair Value Adjustments	12,300	-
<b>(Increase) Decrease in Operating Assets:</b>		
Accounts Receivable	(1,773)	(1,110)
Recoverable Taxes	7,524	(711)
Accounts Receivable from sold properties	(6,333)	-
Other receivables	6,389	1,771
Deposits and Guarantees	736	(298)
<b>Increase (Decrease) in Operating Liabilities:</b>		
Suppliers	(4,726)	5,467
Taxes, Charges and Contributions	18,378	3,211
Salaries and Social Charges	706	398
Cession Revenue to be recognized	81,387	(3,349)
Other Payables	(1,838)	(150,858)
<b>Cash (Applied in) / Generated from Operating Activities</b>	<b>198,770</b>	<b>4,174</b>
Payment of Interest	(105,379)	(161,266)
Income taxes and Social Contribution paid	-	(36,647)
<b>Net Cash (Applied in) / Generated from Operating Activities</b>	<b>93,391</b>	<b>(193,739)</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Asset write off	119	205,334
Financial Application and Restricted Cash	(310)	55,761
Acquisition of property and intangible assets	(84,161)	(202,298)
Proceeds from sale of investments properties	60,500	141,145
<b>Net Cash Generated from Investment Activities</b>	<b>(23,852)</b>	<b>199,942</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issuance of Loans, Financing and CCI	1,910	110,435
Costs on issuance of Loans, Financing and CCI and Perpetual Bonds	(600)	(5,752)
Increase of Capital Stock	9,546	-
Amortization of principal of loans, financing and CCI	(99,745)	(100,316)
New taxes installments	1,395	-
Payment of principal on installment of taxes	(8,737)	(7,523)
Related Parties	(638)	(5,775)
<b>Net Cash (Applied in) / Generated from Financing Activities</b>	<b>(96,869)</b>	<b>(8,931)</b>
<b>NET (REDUCTION)/INCREASE OF CASH AND CASH EQUIVALENTS</b>	<b>(27,330)</b>	<b>(2,728)</b>
<b>Cash and Cash Equivalents</b>		
Beginning period	111,240	178,048
Closing period	83,910	175,320

**Note:** The operating and financial indicators have not been audited by our external auditors.



## GLOSSARY

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<b>Adjusted EBITDA</b>	Gross profit less operating expenses, plus depreciation and amortization together with non-recurring expenses.
<b>Adjusted EBITDA per m<sup>2</sup></b>	Adjusted EBITDA divided by average own GLA in the period.
<b>Adjusted FFO</b>	Funds From Operations: Adjusted Net Profit + Depreciation + Amortization.
<b>Adjusted net results</b>	Net Results plus non-recurring expenses.
<b>Adjusted net results per m<sup>2</sup></b>	Adjusted Net Results divided by average own GLA in the period.
<b>Advertising</b>	Rental of marketing space for the promotion of products and services.
<b>Anchor Stores</b>	Large and well known stores that carry special marketing and structural features, representing an attraction to consumers, ensuring a permanent flow and uniform consumer traffic in all areas of shopping centers.
<b>CPC 06</b>	Statement issued by the Brazilian Committee on Accounting Pronouncements which refers to straight-lining revenue.
<b>CPC 38</b>	Statement issued by the Brazilian Committee on Accounting Pronouncements which refers to recognition and measurement of financial instruments.
<b>FFO per m<sup>2</sup></b>	FFO divided by average own GLA in the period.
<b>Malls</b>	Common areas of shopping centers (corridors) for the leasing of stands, kiosks and similar.
<b>Minimum Rent</b>	Base rent as defined under the rental contract.
<b>NOI</b>	Net Operating Income: Net Revenue less cost of rents and services, plus depreciation and amortization.
<b>NOI per m<sup>2</sup></b>	NOI divided by average own GLA in the period.
<b>Occupancy Rate</b>	Rented GLA at the shopping center.
<b>Own GLA</b>	Gross leasable area weighted by the Company's interest in the shopping centers.
<b>Percentage of Sales Rent</b>	Difference between minimum rent and the rent from sales percentage.
<b>Satellite Stores</b>	Small and specialized stores intended for general commerce.
<b>Total GLA</b>	Gross leasable area is the sum total of all the areas available for leasing in the shopping centers except for kiosks and third party areas.
<b>Vacancy Rate</b>	Unrented GLA at the shopping center.