# *General Shopping Brasil S.A. and subsidiaries*

*Independent Auditors Report of the Interim Financial Information Review*
*First Quarter – 2009*

Deloitte Touche Tohmatsu Auditores Independentes

INDEPENDENT AUDITORS’ REVIEW REPORT

To the Shareholders and Management of
General Shopping Brasil S.A.
São Paulo – SP

1. We have reviewed the financial statements included in the interim financial information, Company and consolidated, of General Shopping Brasil S.A (“Company”) and subsidiaries, for the quarter ended March 31, 2009, consisting of the balance sheet, the statements of operations, changes in shareholders’ equity (Company), cash flows, the accompanying notes and the management report, prepared under the responsibility of the Company’s management.

2. Our review was conducted in accordance with specific standards established by the Brazilian Institute of Independent Auditors (IBRACON) and the Federal Accounting Counsel (CFC), and consisted principally of: (a) making inquiries to the Company and its subsidiaries management, who have responsibility for accounting, financial and operating matters, about the criteria adopted in the preparation of the interim financial information; (b) review of information and subsequent events that have, or might have, relevant effects on the financial position and the operations of the Company and its subsidiaries.

3. Based on our review, we are not aware of any material modifications that should be made to the accounting information included in the interim financial statements referred to in paragraph 1 for them to be in conformity with Brazilian accounting practices and standards established by the Brazilian Securities and Exchange Commission (CVM) applicable to the interim financial statements, including CVM/SNC/SEP Circular Letter 02/2009.

4. As mentioned in note 2, the Brazilian accounting practices were changed in 2008 and the effects of the first-time adoption were recorded by the Company and its subsidiaries during the fourth quarter of 2008 and only disclosed in the financial statements as of December 31, 2008. The statements of operations and cash flows for the quarter ended March 31, 2008, presented together with this quarterly information, have not been adjusted for comparability purposes, as permitted by CVM/SNC/SEP Circular Letter 02/2009.

5. As mentioned in note 8, the Company is taking actions to complete the registration of certain properties acquired with the proper Registry of Deeds Offices. Management understands that no material expenses will be incurred in these processes and that there will be no impediments to such registrations.

São Paulo, May 14, 2009

| | |
|---|---|
| DELOITTE TOUCHE TOHMATSU<br>Auditores Independentes | Ismar de Moura<br>Engagement Partner |

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

BALANCE SHEETS AS OF MARCH 31, 2009 AND DECEMBER 31, 2008
(In thousands of Brazilian reais)

| | 03.31.09 | | 12.31.08 | |
|---|---|---|---|---|
| | Company | Consolidated | Company | Consolidated |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | 36 | 8.031 | 58 | 73.589 |
| Temporary cash investments | 2.888 | 19.149 | 18.284 | 20.409 |
| Certificates of Real Estate Receivables (CRIs) | - | 366 | - | 379 |
| Trade accounts receivable | - | 18.563 | - | 20.300 |
| Recoverable taxes | 76 | 879 | 32 | 627 |
| Deferred income and social contribution taxes | - | 28 | - | 28 |
| Other receivables | 80 | 2.848 | 182 | 119.480 |
| Total current assets | 3.080 | 49.864 | 18.556 | 234.812 |
| NONCURRENT ASSETS | | | | |
| Long term assets: | | | | |
| Certificates of Real Estate Receivables (CRIs) | - | 1.025 | - | 1.054 |
| Recoverable taxes | 752 | 752 | 868 | 868 |
| Deferred income and social contribution taxes | - | 6.165 | - | 6.165 |
| Intercompany receivables | 360.783 | 12.819 | 320.429 | 12.067 |
| Escrow deposits | - | 644 | - | 642 |
| Other receivables | - | 7.129 | - | 7.000 |
| Investments | 141.322 | - | 128.340 | - |
| Property and equipment | 4.614 | 726.962 | 4.121 | 711.362 |
| Intangible assets | - | 30.511 | - | 30.544 |
| Total noncurrent assets | 507.471 | 786.007 | 453.758 | 769.702 |
| TOTAL ASSETS | 510.551 | 835.871 | 472.314 | 1.004.514 |

| | 03.31.09 | | 12.31.08 | |
|---|---|---|---|---|
| | Company | Consolidated | Company | Consolidated |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Trade accounts payable | 723 | 13.570 | 907 | 13.461 |
| Loans and financing | 30.750 | 62.122 | 47.489 | 216.156 |
| Payables for purchase of properties | - | 6.645 | - | 9.094 |
| Payroll and related charges | 1.507 | 1.856 | 1.473 | 1.694 |
| Taxes payable | 2 | 26.986 | 94 | 19.078 |
| Deferred income and social contribution taxes | - | 413 | - | 413 |
| Taxes in installments | - | 199 | - | 325 |
| Real Estate Credit Notes (CCIs) | - | 30.277 | - | 33.104 |
| Intercompany payables | 95.567 | 21.828 | 48.558 | 26.178 |
| Other payables | 802 | 13.286 | 700 | 12.477 |
| Total current liabilities | 129.351 | 177.182 | 99.221 | 331.980 |
| NONCURRENT LIABILITIES | | | | |
| Loans and financing | - | 2.721 | - | 20.741 |
| Deferred revenue from assignments | - | 11.272 | - | 11.397 |
| Taxes in installments | - | 3.645 | - | 3.674 |
| Deferred income and social contribution taxes | - | 20.214 | - | 20.231 |
| Reserve for contingencies | - | 8.378 | - | 8.654 |
| Real Estate Credit Notes (CCIs) | - | 231.259 | - | 234.744 |
| Total noncurrent liabilities | - | 277.489 | - | 299.441 |
| SHAREHOLDERS' EQUITY | | | | |
| Capital | 317.813 | 317.813 | 317.813 | 317.813 |
| Revaluation reserve in subsidiaries | 80.570 | 130.365 | 80.626 | 130.421 |
| Accumulated deficit | (17.183) | (66.978) | (25.346) | (75.141) |
| Total shareholders' equity | 381.200 | 381.200 | 373.093 | 373.093 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 510.551 | 835.871 | 472.314 | 1.004.514 |

The accompanying notes are an integral part of these financial statements.

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

STATEMENTS OF OPERATIONS
FOR THE QUARTERS ENDED MARCH 31, 2009 AND 2008
(In thousands of Brazilian reais)

| | 03.31.09 | | 03.31.08 | |
|---|---|---|---|---|
| | Company | Consolidated | Company | Consolidated |
| GROSS REVENUE | | | | |
| Rentals | - | 19.671 | - | 17.005 |
| Services | - | 5.428 | - | 2.929 |
| | - | 25.099 | - | 19.934 |
| DEDUCTIONS | | | | |
| Taxes, discounts and cancellations | - | (2.398) | - | (1.854) |
| NET REVENUE | - | 22.701 | - | 18.080 |
| COST OF RENTALS AND SERVICES | - | (6.744) | - | (6.810) |
| GROSS PROFIT | - | 15.957 | - | 11.270 |
| OPERATING (EXPENSES) INCOME | | | | |
| General and administrative | (2.451) | (4.948) | (2.880) | (4.248) |
| Other operating income, net | 304 | 1.404 | 1 | 2.178 |
| Equity in subsidiaries | 12.982 | - | 2.949 | - |
| INCOME FROM OPERATIONS BEFORE FINANCIAL EXPENSES | 10.835 | 12.413 | 70 | 9.200 |
| FINANCIAL EXPENSES (INCOME) | (2.728) | 2.612 | (352) | (7.673) |
| INCOME (LOSSES) FROM OPERATIONS BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES | 8.107 | 15.025 | (282) | 1.527 |
| Income and social contribution taxes - current | - | (6.918) | - | (1.802) |
| Income and social contribution taxes - deferred | - | - | - | (7) |
| NET INCOME (LOSS) | 8.107 | 8.107 | (282) | (282) |

The accompanying notes are an integral part of these financial statements.

GENERAL SHOPPING BRASIL S.A.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (COMPANY)
FOR THE QUARTERS ENDED MARCH 31, 2009 AND 2008

(In thousands of Brazilian reais)

| | Notes | Capital | Revaluation reserve | Accumulated deficit | Total |
|---|---|---|---|---|---|
| BALANCES AS OF DECEMBER 31, 2007 | | 317.813 | 81.322 | (18.621) | 380.514 |
| Net loss | | - | - | (282) | (282) |
| Realization of revaluation reserve | | - | (337) | 337 | - |
| BALANCES AS OF MARCH 31, 2008 | | 317.813 | 80.985 | (18.566) | 380.232 |
| BALANCES AS OF DECEMBER 31, 2008 | | 317.813 | 80.626 | (25.346) | 373.093 |
| Net income | | - | - | 8.107 | 8.107 |
| Realization of revaluation reserve | | - | (56) | 56 | - |
| BALANCES AS OF MARCH 31, 2009 | | 317.813 | 80.570 | (17.183) | 381.200 |

The accompanying notes are an integral part of these financial statements.

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE QUARTERS ENDED MARCH 31, 2009 AND 2008
(In thousands of Brazilian reais)

| | 03.31.09 | | 03.31.08 | |
|---|---|---|---|---|
| | Company | Consolidated | Company | Consolidated |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Net income (loss) | 8.107 | 8.107 | (282) | (282) |
| Adjustments to reconcile income (losses) from operations: | | | | |
| Depreciations and amortizations | 76 | 2.279 | 21 | 3.695 |
| Reserve for contingencies | - | (466) | - | (163) |
| Deferred income and social contribution taxes | - | - | - | 7 |
| Equity in subsidiaries | (12.982) | - | (2.949) | - |
| Financial charges | 2.122 | 2.721 | 975 | 8.706 |
| (Increase) decrease in operational assets: | | | | |
| Real Estate Credit Notes (CRIs), current and noncurrent | - | 42 | - | (8) |
| Trade accounts receivable | - | 1.731 | - | 676 |
| Recoverable taxes, current and noncurrent | 72 | (136) | (130) | (104) |
| Other receivables, current and noncurrent | 102 | 116.503 | (9) | 237 |
| Escrow deposits | - | (2) | - | (47) |
| Increase (decrease) in operational liabilities: | | | | |
| Trade accounts payable | (184) | (1.295) | 58 | 193 |
| Taxes payable | (92) | 7.908 | - | (666) |
| Payroll and related charges | 34 | 162 | (88) | (4) |
| Deferred revenue from assignments | - | (125) | - | (342) |
| Taxes in installments, current and noncurrent | - | (155) | - | 101 |
| Other payables | 102 | 809 | 18 | 9.580 |
| Net cash (used in) from operating activities | (2.643) | 138.083 | (2.386) | 21.579 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of property and equipment | (569) | (16.284) | (1.795) | (66.875) |
| Intangible assets | - | - | - | (22.344) |
| Net cash used in investing activities | (569) | (16.284) | (1.795) | (89.219) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Borrowings | 4.500 | 4.500 | 26.850 | 87.210 |
| Repayments of loans and financing | (23.361) | (172.015) | - | (5.877) |
| Repayments of real estate credit notes (CCIs) | - | (13.551) | - | 212 |
| Intercompany, net | 6.655 | (5.102) | (33.132) | 45 |
| Repayments of payables for purchase of properties | - | (2.449) | - | (13.591) |
| Net cash (used in) from financing activities | (12.206) | (188.617) | (6.282) | 67.999 |
| (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS (*) | (15.418) | (66.818) | (10.463) | 359 |
| CASH AND CASH EQUIVALENTS (*) | | | | |
| Cash and cash equivalents at the beginning of the quarter | 2.924 | 27.180 | 13.319 | 31.772 |
| Cash and cash equivalents at the end of the quarter | 18.342 | 93.998 | 23.782 | 31.413 |
| (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS (*) | (15.418) | (66.818) | (10.463) | 359 |
| SUPPLEMENTAL INFORMATION | | | | |
| Interests paid | 1.873 | 11.510 | - | 690 |
| Income and social contribution taxes paid | - | 66 | - | 1.875 |

(*) Cash, cash equivalents and temporary cash investments

The accompanying notes are an integral part of these financial statements.

## 1. OPERATIONS

General Shopping Brasil S.A. (the "Company") was established on March 6, 2007 and, on March 31, 2007. After successive corporate operations, the equity interest in the companies engaged in shopping mall activities and the equity interest in the companies that provide services to the shopping malls were grouped into two different companies: (a) Levian Participações e Empreendimentos Ltda.; and (b) Atlas Participações Ltda., respectively.

The Company is engaged in: (a) management of its own and third parties' assets; (b) holding of equity interests in real estate projects; and (c) real estate development and related activities.

As of March 31, 2009, the Company has consolidated working capital deficit of R$127,318, which is substantially represented by working capital loans and financing related to the construction and expansion of shopping centers. Management is studying alternatives to obtain short-term and long-term financing for the settlement of debts classified in current liabilities.

The direct and indirect subsidiaries of the Company that were included in the consolidated financial statements are as follows:

- Atlas Participações Ltda. ("Atlas") - engaged in managing its own assets, and holding equity interests in other companies. Atlas presently holds a 100% interest in I Park Estacionamento Ltda., Energy Comércio e Serviços de Energia Ltda., Wass Comércio e Serviços de Água Ltda., Internacional Guarulhos Shopping Center Ltda., Internacional Guarulhos Auto Shopping Center Ltda. and Vide Serviços e Participações Ltda.

- ABK do Brasil - Empreendimentos e Participações Ltda. ("ABK") - engaged in managing its own assets and holding equity interests in other companies. ABK presently holds an undivided interest of 50% of Internacional Guarulhos Auto Shopping Center.

- Levian Participações e Empreendimentos Ltda. ("Levian") - engaged in managing its own assets, holding equity interests in other companies, and other supplemental or related activities. Levian presently holds an undivided interest of 50% of Internacional Guarulhos Auto Shopping Center and 0.5% of Americanas Prudente and Americanas Osasco.

- Poli Shopping Center Empreendimentos Ltda. ("Poli Empreendimentos") – engaged in operating in the shopping mall segment by leasing owned properties or subletting leased properties. Poli Empreendimentos is presently the owner of Poli Shopping Center.

- Park Shopping Administradora Ltda. ("Park Shopping Administradora") - engaged in managing its own and third parties' assets, real estate development, and holding equity interests in other companies and real estate projects.

- Send Empreendimentos e Participações Ltda. ("Send") - engaged in managing its own assets and holding equity interests in other companies. Send presently holds 96% of a property that will be used to build a shopping mall in the city of Barueri, State of São Paulo, 50% of a property in the city of São Bernardo do Campo, State of São Paulo, 30% of a shopping mall to be built and delivered, ready and finished, in the municipality of Itupeva, State of São Paulo, with a purchase option of more than 20% of this project. Send holds 100% of the shares in Uniplaza Empreendimentos Participações e Administração de Centros de Compras Ltda. ("Uniplaza"), which is engaged in managing its own and third parties' assets and trade centers, real estate development, holding equity interests in other companies and real estate projects. Uniplaza holds 100% of Unimart Shopping.

- Manzanza Holding Participações Ltda. ("Manzanza") – engaged in managing its own and third parties' assets.

- Nova União Administradora e Incorporadora S.A. ("Nova União") - engaged in managing its own and third parties' assets, holding equity interests in real estate and other projects, real estate development, and related or similar activities. Nova União presently holds an undivided interest in the land where Internacional Guarulhos Shopping Center parking is located.

- Sulishopping Empreendimentos Ltda. ("Sulishopping") - operates in the shopping mall segment by leasing owned properties or subletting leased properties.

- I Park Estacionamento Ltda. ("I Park") - manages owned or rented automotive vehicle parking lots. At present I Park operates the parking lots at Internacional Guarulhos Auto Shopping Center, Internacional Guarulhos Shopping Center, Shopping Light, Santana Parque Shopping,Suzano Shopping Center and Cascavel JL Shopping .

- Wass Comércio e Serviços de Águas Ltda. ("Wass") - leases water treatment and distribution equipment and provides related installation, maintenance and consulting services. At present, Wass leases water treatment and distribution equipment to Internacional Guarulhos Shopping Center, Internacional Guarulhos Auto Shopping Center, Cascavel JL Shopping, Shopping Light, Americanas Prudente, Suzano Shopping and Shopping do Vale.

- Energy Comércio e Serviços de Energia Ltda. ("Energy") - engaged in purchasing, selling and leasing electricity generation, transmission and distribution equipment and providing installation, maintenance and consulting services. At present, Energy leases electricity generation, transmission and distribution equipment to Internacional Guarulhos Shopping Center and Internacional Guarulhos Auto Shopping Center.

- Internacional Guarulhos Shopping Center Ltda. ("ISG Administradora") - engaged in managing its own or third parties' assets, providing trade center management services, building management services, other supplemental or related services, and holding equity interests in other companies. At present, ISG Administradora is the manager of Internacional Guarulhos Shopping Center, Suzano Shopping Center, Shopping Americanas Osasco, Shopping Americanas Presidente Prudente, Cascavel JL Shopping, Shopping do Vale, Top Center and Unimart Shopping.

- Internacional Guarulhos Auto Shopping Center Ltda. (“ASG Administradora”) - engaged in managing its own or third parties’ assets, providing trade center management services, building management services, other supplemental or related services, and holding equity interests in other companies. At present, ASG Administradora is the manager of Internacional Guarulhos Auto Shopping Center.

- Lux Shopping Administradora e Incorporadora Ltda. (“Lux”) - engaged in managing its own and third parties’ assets and real estate development. Lux is the owner of the building where Shopping Light is located.

- Lumen Shopping Administradora e Incorporadora Ltda. (“Lumen”) - engaged in managing its own and third parties’ assets, holding equity interests in real estate and other projects, real estate development, and related or similar activities. On June 26, 2007, Lumen entered into a Property Purchase and Sale Settlement Agreement and an Assignment of the Right to Use the Commercial Property where Shopping Light is located. Lumen’s share in the assignment of the right to use the property is 50.1%.

- Securis Administradora e Incorporadora Ltda. (“Securis”) - engaged in managing its own and third parties’ assets and real estate development.

- Delta Shopping Empreendimentos Imobiliários Ltda. (“Delta”) - engaged in managing its own and third parties’ assets, real estate development, holding equity interests in other companies and real estate projects.

- Intesp Shopping Administradora e Incorporadora Ltda. (“Intesp”) - engaged in managing its own and third parties’ assets and real estate development. Intesp owns 99.5% of Shopping Americanas Osasco.

- PP Shopping Administradora e Incorporadora Ltda. (“PP”) - engaged in managing its own and third parties’ assets and real estate development. PP owns 99.5% of Shopping Americanas Presidente Prudente.

- Paulis Shopping Administradora e Incorporadora Ltda. (“Paulis”) - engaged in managing its own and third parties’ assets and real estate development. Paulis owns 100% of Top Center Shopping São Paulo.

- Fonte Administradora e Incorporadora Ltda. (“Fonte”) - engaged in managing its own and third parties’ assets and real estate development. Fonte owns 90% of a land in Rio de Janeiro where Shopping Sulacap will be built.

- Brassul Shopping Administradora e Incorporadora Ltda. (“Brassul”) - engaged in managing its own and third parties’ assets and real estate development. Brassul holds 99.99% of the shares in Sale Empreendimentos e Participações Ltda.

- Sale Empreendimentos e Participações Ltda. (“Sale”) - engaged in the purchase, sale, lease, urban development, mortgage, development, building, and management of properties owned by the Company and third parties or jointly owned. Sale owns 84.39% of Shopping do Vale.

- Cly Administradora e Incorporadora Ltda. (“Cly”) – engaged in the purchase, sale, lease, urban development, mortgage, development, building, and management of properties owned by the Company and third parties or jointly owned. Cly owns 100% of Internacional Shopping de Guarulhos since June 25, 2008.

- General Shopping Finance – Company located in the Cayman Island engaged in managing its own and third parties’ assets and real estate development.

- Zuz Administradora e Incorporadora Ltda. (“Zuz”) – engaged in managing its own and third parties’ assets and real estate development. Zuz owns 100% of Suzano Shopping Center, 50% of Santana Parque Shopping and 85.5% of Cascavel JL Shopping since December 8, 2008.

- Bac Administradora e Incorporadora Ltda. (“Bac”) – engaged in real estate development activities.

- The subsidiaries Premium Outlet Administradora e Incorporadora Ltda. (“Premium Outlet”), Ast Administradora e Incorporadora Ltda. (“Ast”), Jud Administradora e Incorporadora Ltda. (“Jud”), Vul Administradora e Incorporadora Ltda. (“Vul”), BR Outlet Administradora e Incorporadora Ltda. (“BR Outlet”), Bud Administradora e Incorporadora Ltda. (“Bud”) and Vide Serviços e Participações Ltda. (“Vide”) are engaged in managing their own and third parties’ assets and real estate development and are in preoperating stage as of March 31, 2009.

## PRESENTATION OF FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING PRACTICES

The financial statements have been prepared in conformity with Brazilian accounting practices, established by corporate law, pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (CPC) and standards issued by the Brazilian Securities and Exchange Commission (CVM), and are expressed in Brazilian reais, unless otherwise stated.

Pursuant to CVM Resolution 565, of December 17, 2008, which approved accounting pronouncement CPC 13, First-time Adoption of Law 11638/07 and Provisional Act 449/08, the Company established January 1, 2008 as the transition date for adopting the new accounting practices. The transition date is determined as the starting point for the adoption of changes in Brazilian accounting practices and represents the date when the Company prepared its opening balance sheet adjusted to the new 2008 accounting provisions.

The Company reflected the adjustments arising from the changes in accounting practices in retained earnings as of January 1, 2008, as permitted by Technical Pronouncement CPC 13 - First-time Adoption of Law 11638/07 and Provisional Act 449/08.

The interim financial information for the three-month period ended March 31, 2008, presented for better comparability, are not being restated to include these adjustments, as set forth by CVM/SNC/SEP Circular Letter 02/2009.

The significant accounting practices adopted in the preparation of the financial statements are as follows:

a) Temporary cash investments

Stated at cost, plus income earned through the balance sheet date.

b) Trade accounts receivable

Stated at original amounts, plus income, monetary variations earned and effects from the application of the straight line method, when applicable. An allowance for doubtful accounts is recorded in an amount considered sufficient by Management to cover probable losses on the realization of receivables, under the following criterion: allowance for accounts past-due for more than 180 days, whose individual analysis of debtors indicates impossibility of recovering the receivable.

c) Investments

Investments in subsidiaries and jointly-owned subsidiaries have been accounted for under the equity method, based on financial statements as of the same dates as of the Company's.

d) Property and equipment

Stated at acquisition or construction cost, partially revalued, less depreciation calculated under the straight-line method at the rates mentioned in note 8, based upon the estimated economic useful lives of the assets. Financial charges on loans and financing incurred during the construction period are capitalized, when applicable. The revaluation reserve is realized according to the depreciation of buildings and installations or when the assets are sold, as a credit to the caption “Accumulated deficit”.

The direct and indirect subsidiaries ABK, Levian, Park Shopping Administradora, Send, Sulishoppingm and Poli Empreendimentos, then the single owners of the shopping malls, changed on March 31, 2007 the accounting practice for recording of land, buildings and installations related to the shopping malls’ operations from acquisition cost to market value, based on technical reports prepared by a specialized firm, as described in note 8.

e) Intangible assets

Stated at the cost of acquisition of the right of use of Shopping Light, less amortization calculated under the straight-line method for the period mentioned in note 9.

Pursuant to CVM/SNC/SEP Circular Letter 01/2009, beginning January 1, 2009, goodwill paid, based on expected future earnings, will no longer be amortized systematically; instead it will be tested for impairment, as required by Technical Pronouncement CPC 01.

f) Other current and noncurrent assets

Stated at cost or realizable value, plus income and monetary and exchange variations earned through the balance sheet date, when applicable.

g) Income and social contribution taxes

Income tax is calculated at the rate of 15%, plus a 10% surtax on annual taxable income exceeding R$240. Social contribution tax is calculated at the rate of 9% on adjusted net income. Deferred income and social contribution taxes were calculated based on temporary differences between the carrying amount and the tax basis of income and expenses, tax loss carryforwards and revaluation reserve of buildings and installations. Deferred income and social contribution tax assets were limited to 30% of deferred income and social contribution tax liabilities. As permitted by tax legislation, certain consolidated subsidiaries opted for taxation based on deemed income. Income and social contribution taxes are calculated on 32% of gross revenues and 100% of financial income, at the rates of 15% plus a 10% surtax for income tax and 9% for social contribution tax. For this reason, such consolidated subsidiaries did not record deferred income and social contribution taxes on tax loss carryforwards and temporary differences and are not subject to noncumulative taxation of the taxes on revenue (PIS and Cofins).

h) Other current and noncurrent liabilities

Stated at known or estimated amounts, plus charges and monetary and exchange variations incurred through the balance sheet date, when applicable.

i) Use of estimates

The preparation of financial statements in conformity with Brazilian accounting practices requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The main estimates for the financial statements refer to the useful life of property and equipment, realization of deferred income and social contribution taxes, allowance for doubtful accounts and reserve for contingencies.

j) Reserve for contingencies

Recorded for lawsuits assessed by legal counsel and Management of the Company and its subsidiaries as probable losses, considering the nature of the lawsuits and Management's experience in similar cases. Reserves were recorded for matters classified as legal obligations, regardless of the expected final outcome of the lawsuits.

k) Recognition of revenues, costs and expenses

Revenues, costs and expenses are recorded on the accrual basis. Revenue from rentals is recognized over the term of the rental agreements and revenue from services is recognized when services are provided, regardless of invoicing. Expenses and costs are recognized when incurred. Revenue from assignments of rights to storeowners is deferred and recognized over the term of the first rental agreement. In accordance with CPC 06, rental income was straight-lined.

l) Consolidation

The consolidated financial statements have been prepared and are presented in conformity with Brazilian accounting practices and standards established by the CVM. Significant accounting practices applied are described above. These financial statements include the accounts of the Company and its subsidiaries. Intercompany balances and transactions and the Company's investments in subsidiaries have been eliminated in consolidation. The consolidated subsidiaries are as follows:

| | Type of consolidation | Ownership interest - % |
|---|---|---|
| Direct subsidiaries: | | |
| Levian | Full | 100 |
| Atlas | Full | 100 |
| General Shopping Finance Limited | Full | 100 |

| | Type of consolidation | Ownership interest - % |
|---|---|---|
| Indirect subsidiaries: | | |
| ABK | Full | 99.28 |
| Poli Empreendimentos | Proportionate | 50 |
| Park Shopping Administradora | Full | 100 |
| Send | Full | 100 |
| Manzanza | Proportionate | 30 |
| Nova União | Full | 100 |
| Sulishopping | Full | 100 |
| I Park | Full | 100 |
| Wass | Full | 100 |
| Energy | Full | 100 |
| ISG Administradora | Full | 100 |
| ASG Administradora | Full | 100 |
| Lux | Full | 100 |
| Lumen | Full | 100 |
| Securis | Full | 100 |
| Delta | Full | 100 |
| Brassul | Full | 100 |
| Intesp | Full | 100 |
| PP | Full | 100 |
| Paulis | Full | 100 |
| Fonte | Full | 100 |
| Zuz | Full | 100 |
| Premium Outlet | Full | 100 |
| Jud | Full | 100 |
| Vul | Full | 100 |
| BR Outlet | Full | 100 |
| Cly | Full | 100 |
| Bud | Full | 100 |
| Bac | Full | 100 |
| Sale | Full | 100 |
| Ast | Full | 100 |
| Vide | Full | 100 |

## 3. TEMPORARY CASH INVESTMENTS

| | Company | | Consolidated | |
|---|---|---|---|---|
| | 03.31.09 | 12.31.08 | 03.31.09 | 12.31.08 |
| Banco Industrial e Comercial S.A. (a) | 2,721 | 2,642 | 2,721 | 2,642 |
| Banco Itaú - Invest Fix (b) | 167 | 186 | 1,644 | 2,311 |
| Banco Itaú BBA (c) | - | - | 14,784 | - |
| Banco Tricury S.A. (d) | - | 15,456 | - | 15,456 |
| Total | 2,888 | 18,284 | 19,149 | 20,409 |

(a) Short-term investment in bank certificates of deposit (CDB), with average monthly yield of 0.92%.

(b) Short term investment with average yield of 20% above the interbank deposit rate (CDI).

(c) Short-term investment in bank certificates of deposit (CDB), with average monthly yield of 101.5% of the interbank deposit rate (CDI). As of December 31, 2008, the investment was restricted to the settlement of the loan with the National Bank for Economic and Social Development (BNDES). The loan was paid on January 15, 2009.

(d) Short-term investment in bank certificates of deposit (CDB), with average monthly yield of 100% of the interbank deposit rate (CDI).

## 4. TRADE ACCOUNTS RECEIVABLE

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| Rentals and assignments of receivables | 27,947 | 29,678 |
| Allowance for doubtful accounts | (9,385) | (9,378) |
| Total | 18,562 | 20,300 |

The aging list of trade accounts receivable is as follows:

| | |
|---|---|
| Current | 11,915 |
| Past-due: | |
| Up to 30 days | 1,113 |
| From 31 to 60 days | 734 |
| From 61 to 90 days | 924 |
| From 91 to 180 days | 1,021 |
| Over 181 days | 12,240 |
| Total | 27,947 |

The Changes in the allowance for doubtful accounts for the year are as follows:

| | |
|---|---|
| Balance as of December 31, 2008 | (9,378) |
| Allowance recorded in the quarter | (7) |
| Balance as of March 31, 2009 | (9,385) |

## 5. RECOVERABLE TAXES

| | Company | | Consolidated | |
|---|---|---|---|---|
| | 03.31.09 | 12.31.08 | 03.31.09 | 12.31.08 |
| IRRF (withholding income tax) on investments | 752 | 868 | 858 | 894 |
| IRRF (withholding income tax) on services | 14 | 14 | 207 | 193 |
| ISS (service tax) - estimate | - | - | 58 | 21 |
| PIS and COFINS (taxes on revenue) | | - | 72 | 16 |
| Prepaid income tax | | - | 244 | 193 |
| Prepaid social contribution tax | 62 | 16 | 190 | 113 |
| Other | - | 2 | 2 | 65 |
| Total | 828 | 900 | 1,631 | 1,495 |
| Current | 76 | 32 | 879 | 627 |
| Noncurrent | 752 | 868 | 752 | 868 |

## 6. OTHER RECEIVABLES

| | Company | | Consolidated | |
|---|---|---|---|---|
| | 03.31.09 | 12.31.08 | 03.31.09 | 12.31.08 |
| Prepaid insurance expenses | - | - | 268 | 137 |
| Advances to suppliers | - | 127 | 1,108 | 433 |
| Itaú BBA S/A (*) | - | - | - | 118,175 |
| União dos Bancos Brasileiros S/A (**) | - | - | 7,129 | 7,000 |
| Other | 80 | 55 | 1,472 | 735 |
| Total | 80 | 182 | 9,977 | 126,480 |
| Current | 80 | 182 | 2,848 | 119,480 |
| Noncurrent | - | - | 7,129 | 7,000 |

(*) Short term investment with average monthly yield of 101.5% of the interbank deposit rate (CDI). Such investment is restricted to the settlement of a loan with National Bank for Economic and Social Development (BNDES).

(**) Escrow deposit referred to the real state credit notes (CCI) issued on December 8, 2008. The credit notes issuance amounted R$73,934 (See note 11).

## 7. INVESTMENTS

| | Ownership interest - % | Number of shares held | Capital | Net income (loss) | Shareholders' equity | Equity | Investment balance 03.31.09 | Investment balance 12.31.08 |
|---|---|---|---|---|---|---|---|---|
| Direct subsidiaries: | | | | | | | | |
| Levian | 100 | 135,591,570 | 135,367 | 11,856 | 131,164 | 11,856 | 131,164 | 119,308 |
| Atlas | 100 | 3,268,672 | 3,816 | 1,126 | 10,077 | 1,126 | 10,077 | 8,951 |
| General Shopping Finance | 100 | 50,000 | 81 | - | 81 | - | 81 | 81 |
| Total | | | | 12,982 | 141,322 | 12,982 | 141,322 | 128,340 |
| Indirect subsidiaries: | | | | | | | | |
| Levian: | | | | | | | | |
| ABK | 99.28 | 55,180,893 | 54,952 | (5,962) | (56,374) | | | |
| Poli Empreendimentos | 50 | 425,000 | 1,193 | (137) | (8,249) | | | |
| Park Shopping Administradora | 100 | 50,000 | 50 | (50) | 33,441 | | | |
| Send | 100 | 46,342,045 | 46,342 | (112) | 5,605 | | | |
| Manzanza | 30 | 300 | 1 | - | (1) | | | |
| Nova União | 100 | 4,322,000 | 4,332 | (369) | (2,538) | | | |
| Uniplaza | 100 | 21,215,243 | 21,215 | (499) | (24,454) | | | |
| Sulishopping | 100 | 10,000 | 10 | 90 | (9,409) | | | |
| Lux | 100 | 10,000 | 10 | (228) | 391 | | | |
| Lúmen | 100 | 10,000 | 86 | 25 | (88) | | | |
| Securis | 100 | 10,000 | 10 | - | (9) | | | |
| Delta | 100 | 10,000 | 10 | 220 | 47,338 | | | |
| Intesp | 100 | 10,000 | 10 | (84) | 1,163 | | | |
| PP | 100 | 10,000 | 10 | 39 | (828) | | | |
| Paulis | 100 | 10,000 | 10 | 809 | 6,372 | | | |
| Fonte | 100 | 10,000 | 10 | 27 | 251 | | | |
| Premium Outlet | 100 | 10,000 | 10 | - | 9 | | | |
| BR Outlet | 100 | 10,000 | 10 | 5 | 5 | | | |
| Vul | 100 | 10,000 | 10 | - | 9 | | | |
| Zuz | 100 | 10,000 | 10 | 62 | (98,958) | | | |
| Jud | 100 | 10,000 | 10 | - | (9) | | | |
| Cly | 100 | 10,000 | 10 | (495) | (27,175) | | | |
| Bud | 100 | 10,000 | 10 | - | (9) | | | |
| Bac | 100 | 10,000 | 10 | 142 | 167 | | | |
| Ast | 100 | 10,000 | 10 | - | (9) | | | |
| Sale | 100 | 9,000,000 | 9,000 | (371) | (12,130) | | | |
| Brassul | 100 | 10,000 | 10 | (432) | (1,623) | | | |
| Atlas: | | | | | | | | |
| I Park | 100 | 10,000 | 10 | (318) | (844) | | | |
| Wass | 100 | 10,000 | 10 | (247) | (2,138) | | | |
| Energy | 100 | 10,000 | 10 | (797) | (9,746) | | | |
| Vide | 100 | 10,000 | 10 | (1) | (13) | | | |
| ISG Administradora | 100 | 1,906,070 | 1,906 | (400) | 2,473 | | | |
| ASG Administradora | 100 | 20 | 20 | 22 | (118) | | | |

## 8. PROPERTY AND EQUIPMENT

| | | Consolidated | | | |
|---|---|---|---|---|---|
| | | 03.31.09 | | | 12.31.08 |
| | Annual depreciation rate - % | Revalued cost | Accumulated depreciation | Net book value | Net book value |
| Land | - | 258,453 | - | 258,453 | 258,453 |
| Buildings | 2 | 395,355 | (15,319) | 380,036 | 376,010 |
| Installations | 10 | 8,799 | (2,060) | 6,739 | 11,383 |
| Furniture and fixtures | 10 | 959 | (574) | 385 | 412 |
| Machinery and equipment | 10 | 1,532 | (1,164) | 368 | 292 |
| Vehicles | 20 | 18 | (15) | 3 | 3 |
| Computers and peripherals | 20 | 1,540 | (304) | 1,236 | 1,321 |
| Leasehold improvements | 10 | 6,339 | (1,704) | 4,635 | 4,844 |
| Construction in progress | - | 75,107 | - | 75,107 | 58,644 |
| Total | | 748,102 | (21,140) | 726,962 | 711,362 |

As of March 31, 2007, the Company, based on an appraisal report prepared by independent appraisers DLR Engenheiros Associados Ltda., recorded the revaluation of land, buildings and installations. As a result, there was an equity increase of R$81,822 (represented by the revaluation amount of R$105,118, less the balance of deferred income and social contribution taxes of R$23,296), with a contra entry to the caption “Revaluation reserve”, in shareholders’ equity.

Deferred income and social contribution taxes of R$23,296 on the revaluation of buildings and installations were recorded as a reduction of the account “Revaluation reserve”, in shareholders’ equity, as a contra entry to current and noncurrent liabilities. The Company will include the realization of the revaluation reserve in the calculation basis of mandatory dividends.

As of March 31, 2009, there is a residual balance of revaluation recorded in prior years in subsidiaries, for the caption “Land and buildings”, in the amount of R$49,795. The annual depreciation related to this revaluation is R$2,308 and no deferred income and social contribution taxes were recorded.

The ownership of the properties where Poli Shopping is located was not fully transferred to the Company through its registration with the Registry of Deeds Office. The formalization of the properties’ transfer process to the subsidiary Poli Empreendimentos is still in progress, and the total amount of these properties recorded in the balance sheet as of March 31, 2009 is R$18,673 (R$10,527 for land, R$571 for installations and R$7,575 for buildings).

The subsidiary Lumen, through an agreement dated June 26, 2007, purchased the building where Shopping Light is located for the amount of R$20,110. The registration of the acquired property with the proper Registry of Deeds Offices depends on actions from the seller with the Federal Revenue Secretary (SRF) and the National Social Security Institute (INSS).

## 9. INTANGIBLE ASSETS

| | Consolidated | | | |
|---|---|---|---|---|
| | 03.31.09 | | | 12.31.08 |
| | Cost | Accumulated amortization | Net book value | Net book value |
| Right to use - Shopping Light (a) | 5,589 | (232) | 5,357 | 5,390 |
| Goodwill - Acquisition of Sale (b) | 5,541 | (556) | 4,985 | 4,985 |
| Goodwill - Acquisition of Unimart (c) | 22,410 | (2,241) | 20,169 | 20,169 |
| Total | 33,540 | (3,029) | 30,511 | 30,544 |

(a) On June 6, 2007, the Company paid R$5,523 for a 50.1% share of the right to use Shopping Light. This right is effective for 42 years, since the acquisition date, and is amortized over this period on a straight-line basis.

(b) On December 13, 2007, through the subsidiary Brassul, the Company purchased 100% of the shares in Sale, which owns 84.39% of the total ABL (Gross Leasable Area) of Shopping do Vale. This transaction generated goodwill of R$5,541 and is based on expected future earnings. Pursuant to CVM/SNC/SEP Circular Letter 01/2009, beginning January 1, 2009, goodwill will no longer be amortized systematically based on expected future earnings, instead it will be tested for impairment, as required by Technical Pronouncement CPC 01.

(c) On December 28, 2007, through the subsidiary Send, the Company purchased 100% of the shares in Uniplaza, which owns 100% of the total ABL (Gross Leasable Area) of Shopping Unimart. This transaction generated goodwill of R$22,410 and is based on expected future earnings. Pursuant to CVM/SNC/SEP Circular Letter 01/2009, beginning January 1, 2009, goodwill will no longer be amortized systematically based on expected future earnings; instead it will be tested for impairment, as required by Technical Pronouncement CPC 01.

## 10. LOANS AND FINANCING

| | Currency | Final Maturity | Consolidated 03.31.09 | Consolidated 12.31.08 |
|---|---|---|---|---|
| National Bank for Economic and Social Development (BNDES) (a) | R$ | 2009 | - | 116,796 |
| Banco Itaú S.A. | R$/US$ | 2009/2010 | 117 | 111 |
| Banco Industrial e Comercial S.A. (b) | R$ | 2009 | 53,173 | 91,445 |
| Banco ABN Amro Real S.A. (b) | R$ | 2009/2010 | 298 | 407 |
| Banco Pontual S.A. (c) | R$ | 2010/2011 | 3,749 | 3,638 |
| Banco BBM Investimentos (d) | R$ | 2009 | 2,979 | 7,479 |
| Banco Tricury S/A (e) | R$ | 2009/2010 | 4,508 | 17,000 |
| Other | R$ | 2009 | 19 | 21 |
| Total | | | 64,843 | 236,897 |
| Current | | | 62,122 | 216,156 |
| Noncurrent | | | 2,721 | 20,741 |

(a) In the first quarter of 2009, subsidiaries ABK and Levian repaid tranche B in the amount of R$86,724, and tranche A in the amount of R$15,183 to the National Bank for Economic and Social Development (BNDES). In fulfilling these obligations (tranche A and tranche B) as set forth in clause 5 of Addendum 2 to the Public Deed of the Credit Facility Agreement 98.2.248.1.1, the Company was released from paying tranche C in the amount of R$15,173, which generated a financial discount that was classified as financial income.

(b) Working capital loans, with average interest rate of 12.68% per year plus CDI. Loans are guaranteed by shareholders' collateral signatures.

(c) With the out-of-court liquidation of Banco Pontual, the balance is still adjusted for financial charges of 1% per month. However, the settlement of this balance for the amount recorded in the financial statements will depend on the legal limits of financial charges set by the courts.  No collaterals have been pledged.

(d) Working capital loan obtained in May 30, 2008, with average interest rate of 10.03% per year plus CDI. The loan will be amortized in four installments as follow: (i) August 28, 2008, (ii) November 26, 2008, (iii) February 25, 2009 and (iv) May 25, 2009. Loan is collateralized by promissory notes in the amount of R$12,700.

(e) Working capital loan of R$4,500, obtained in March 27, 2009 and with average interest rate of 15.39% per year plus CDI. The loan will be amortized in 24 installments of R$188. Loan is guaranteed by shareholders' collateral signatures.

The loans do not include covenat agreements

As of March 31, 2009, the long term portion is as follow:

| Year | |
|---|---|
| 2010 (nine months) | 2,250 |
| 2011 | 471 |
| Total | 2,721 |

## 11. REAL ESTATE CREDIT NOTES

| Subsidiary: | 03.31.09 | 12.31.08 |
|---|---|---|
| Nova União (a) | 15,303 | 15,776 |
| ABK (b) | 89,952 | 91,158 |
| Levian (b) | 89,952 | 91,158 |
| Bac (c) | 66,329 | 69,756 |
| Total | 261,536 | 267,848 |
| Current | 30,277 | 33,104 |
| Noncurrent | 231,259 | 234,744 |

(a) In April 2006, the subsidiary Nova União raised funds through issuance of Real Estate Credit Notes (CCIs) for securitization of receivables from rentals of the land where the parking lot of Internacional Guarulhos Shopping Center is located, which is presently leased to the subsidiary I Park. The total amount of CCIs issued is R$15,586, of which R$1,415 was retained in the form of Certificates of Real Estate Receivables (CRIs), classified in current and noncurrent assets. The amount raised will be paid in 120 monthly installments of R$208 (until May 2016), plus interest of 11% per year and annual adjustment based on the General Market Price Index (IGP-M). The CCIs are collateralized by: (a) mortgage on the property at book value of R$4,322; (b) pledge by I Park of total revenue from parking lot; (c) assignments of receivables from the agreement; and (d) pledge of the shares in Nova União. As of March 31, 2009, R$4,028 is recorded in current liabilities and R$11,275 in noncurrent liabilities, related to this operation.

(b) In June 2008, the subsidiaries ABK and Levian raised funds through issuance of Real Estate Credit Notes (CCIs) for securitization of receivables from rentals of the Internacional Guarulhos Shopping Center. The total amount of CCIs issued is R$180,000. The repayment will occur in 120 monthly installments (until June 2018) with interest of 11% per year plus TR (Referral Rate). The CCIs are collateralized by: (a) mortgage on the property at book value of R$208,000; (b) assignments of receivables from the agreement; and (c) shares of the subsidiary Cly. Costs from the operation, in the amount of R$376, are classified in the loan balances and are being amortized in the straight-line basis for 120 months.

(c) In December 2008, the subsidiaries Bac raised funds through issuance of Real Estate Credit Notes (CCIs) for securitization of receivables from rentals, according to the ABL owned by the Company, as follows: 100% of Suzano Shopping, 50% of Santana Parque Shopping and 85,5% of Cascavel JL Shopping. The total amount of CCIs issued was R$73,934. The repayment will occur in 120 monthly installments (until June 2019) with interest of 12% per year plus the General Market Price Index (IGP-M). The CCIs are collateralized by: (a) mortgage on the property at book value of R$73,934; (b) assignments of receivables from the agreement; and (c) shares of the subsidiary Zuz. Costs from the operation, in the amount of R$5,774 are classified net of the loan balances and are being amortized according to the contract period, 120 months.

As of March 31, 2009, the long term portion is as follow:

| Year | |
|---|---|
| 2010 (nine months) | 31,456 |
| 2011 | 41,391 |
| 2012 | 41,569 |
| 2013 | 41,767 |
| After 2013 | 75,076 |
| Total | 231,259 |

## 12. PAYABLES FOR PURCHASE OF PROPERTIES

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| Olivetti do Brasil S.A. (a) | - | 345 |
| Senpar (b) | 2,610 | 4,609 |
| Uniplaza (c) | 4,000 | 4,000 |
| Associação Claretiana (d) | 35 | 140 |
| Total | 6,645 | 9,094 |

(a) The debit refers to the purchase of the land where Internacional Guarulhos Shopping Center was built. On December 10, 2004, the subsidiaries Levian and ABK entered into a novation agreement with Olivetti do Brasil in respect of the debt in the total amount of R$19,500, which was scheduled to mature as follows: (i) R$600 at sight; (ii) R$1,500 on March 31, 2005; (iii) R$1,500 on July 30, 2005; (iv) R$200 on January 30, 2006; (v) R$200 on December 30, 2004; (vi) R$200 on January 30, 2005; (vii) R$200 on February 28, 2005; (viii) R$200 on April 30, 2005; (ix) R$200 on June 30, 2005; and (x) R$14,500 in 42 monthly, equal and consecutive installments, starting on August 30, 2005. The balance payable is subject to the IGP-M. The total debt is collateralized by promissory notes.

(b) On December 7, 2007, a plot of land in the city of Itupeva where a shopping mall will be built was acquired for R$18,915, to be paid as follows: (i) R$1,891 at sight; and (ii) the remaining amount of R$17,024 payable according to the percentage of completion of the project. In January 2008, said plot of land was transferred. According to the percentage of completion estimated by the Company, works are scheduled to be completed in June 2009.

(c) On January 11, 2008, 100% of the shares in Uniplaza - Empreendimentos, Participações e Administração de Centros de Compra Ltda. were acquired, to be paid as follows: (i) R$39,000 at sight; and (ii) R$4,000 can be paid on January 11, 2010.

(d) On July 15, 2008, the company purchased a plot of land in the city of Guarulhos in order to expand Poli Shopping Center. The purchase price was R$700, to be paid as follows: (i) R$70 at sight (ii) the remaining amount of R$630 will be paid in nine monthly installments to each one of the sellers, Asilo São Vicente de Paulo, Associação Claretiana de Educação e Assistência Londrina and FAC – Fraterno Auxílio Cristão Nossa Senhora da Conceição.

## 13. TAXES IN INSTALLMENTS

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| PIS and Cofins (a) | 2,546 | 2,569 |
| INSS (c) | 1,015 | 1,105 |
| ISS (d) | 32 | 56 |
| Income and social contribution taxes | 251 | 269 |
| Total | 3,844 | 3,999 |
| | | |
| Current | 199 | 325 |
| Noncurrent | 3,645 | 3,674 |

(a) Properties of the Company and shareholders were pledged as collateral. The debit balance is subject to TJLP

(b) INSS on salaries and directors’ fees not paid by the subsidiary Poli Empreendimentos from 2003 to 2005. The debt is being amortized over ten years, with financial charges calculated based on the Central Bank overnight rate (Selic).

(c) Refers to the tax not paid in 2005 by the subsidiary I Park. The debt is being amortized over 50 months, with financial charges calculated based on the Selic.

## 14. RESERVE FOR CONTINGENCIES

For all matters being challenged a reserve is recorded in an amount considered sufficient to cover probable losses, based on the outside legal counsel's opinion. The accrued amounts include tax, civil and labor matters. There are no escrow deposits related to these contingencies. Contingencies are as follows:

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| Labor (a) | 300 | 300 |
| Civil (b) | 314 | 314 |
| Tax: (c) | | |
| PIS | 1,863 | 1,913 |
| Cofins | 5,901 | 6,127 |
| Total | 8,378 | 8,654 |

(a) Refers to lawsuits filed related to claims of joint liability, overtime, and recognition of employment relationship.

(b) Refers to indemnity for property damage and pain and suffering, lawsuits for renewal of rental agreements, collection lawsuits, and contract rescission lawsuits.

(c) Refers to the provision for PIS and Cofins levied on contracts for the lease of space in shopping malls to storeowners by subsidiaries ABK and Levian and not paid in the last years. Management, based on the outside legal counsel's opinion, understands that these taxes should not be levied on those transactions before the corporate restructuring mentioned in note 1 since such revenue was received through condominium. There is no lawsuit filed related to this reserve.

Management understands that the cash provided by its operations will be sufficient to pay these contingencies even if they are due in the short term. In addition, the Company may use available tax installment payment plans or credit lines from financial institutions (unaudited information).

As of March 31, 2009, the Company has other ongoing lawsuits in the amount of approximately R$6,300, for which the likelihood of loss was assessed as possible by outside legal counsel and for which no reserve for contingencies was recorded in the financial statements. Additionally, the subsidiaries are not liable for contingencies arising from past actions, not yet disclosed, related to the spun-off investments, which were assumed by the related company Harpaga.

Lawsuits are periodically reassessed and reserves are complemented, when necessary.

Changes in the reserve for contingencies for the quarter are as follows:

| | 12.31.08 | Reversals | Charges | 03.31.09 |
|---|---|---|---|---|
| Labor | 300 | - | - | 300 |
| Civil | 314 | - | - | 314 |
| Tax: | | | | |
| PIS | 1,913 | (112) | 46 | 1,847 |
| Cofins | 6,127 | (355) | 145 | 5,917 |
| Total | 8,654 | (467) | 191 | 8,378 |

## 15. SHAREHOLDERS' EQUITY

Company

As of March 31, 2009, the Company's capital is R$317,813,400.00, represented by 50,480,600 common shares without par value.

The Company is authorized to increase capital up to the limit of 65,000,000 registered shares, regardless of amendment to bylaws, by resolution of the Board of Directors, which will also be in charge of setting the issuance terms and conditions, including the price, period and payment method. The Company may issue common shares, debentures convertible into common shares, and warrants within the limit of authorized capital. Additionally, at the discretion of the Board of Directors, the preemptive right can be excluded or have the term for its exercise reduced upon the issuance of common shares, debentures convertible into common shares, and warrants, the placement of which would be made through: (a) sale in stock exchange or public subscription; or (b) share exchange in a takeover bid, as provided by law and within the limit of authorized capital. Finally, the Company may, by resolution of the Board of Directors and according to a plan approved by the General Shareholders' Meeting, grant stock options or warrants, without preemptive rights to shareholders, to its officers, employees, or individuals who provide services to the Company or its direct or indirect subsidiaries.

Shareholders are entitled to a mandatory minimum dividend of 25% of the annual net income adjusted as per corporate law.

## 16. COST OF RENTALS AND SERVICES

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 03.31.08 |
| Personnel | (413) | (974) |
| Depreciation and amortization | (2,203) | (3,695) |
| Cost of occupancy (vacant stores) | (2,363) | (1,478) |
| Outside services | (1,765) | (663) |
| Total | (6,744) | (6,810) |

17. GENERAL AND ADMINISTRATIVE EXPENSES

| | Company | | Consolidated | |
|---|---|---|---|---|
| | 03.31.09 | 03.31.08 | 03.31.09 | 03.31.08 |
| IPTU | (3) | - | (43) | (37) |
| Selling | - | - | (66) | (40) |
| Allowance for doubtful accounts | - | - | - | (38) |
| Publicity and advertising | (8) | (293) | (40) | (309) |
| Upkeep of installations | (6) | - | (19) | - |
| Materials | (17) | (15) | (68) | (66) |
| Electricity | (8) | (4) | (21) | (9) |
| Personnel | (1,067) | (1,562) | (1,583) | (1,874) |
| Depreciation | (76) | (9) | (76) | (21) |
| Outside services | (986) | (178) | (1,624) | (178) |
| Travells | (20) | - | (20) | - |
| Phone expenses | (97) | - | (151) | - |
| Other | (163) | (819) | (1,237) | (1,676) |
| Total | (2,451) | (2,880) | (4,948) | (4,248) |

18. FINANCIAL INCOME (EXPENSES)

| | Company | | Consolidated | |
|---|---|---|---|---|
| | 03.31.09 | 03.31.08 | 03.31.09 | 03.31.08 |
| Financial income: | | | | |
| Interest on temporary cash investments | 230 | 589 | 1,077 | 597 |
| Monetary variation | 32 | 36 | 2,110 | 262 |
| Financial discounts | - | - | 15,173 | - |
| Exchange variation | - | - | 660 | 176 |
| | 262 | 625 | 19,020 | 1,035 |
| Financial expenses: | | | | |
| Interest on loans and financing | (2,598) | (813) | (13,718) | (8,253) |
| Monetary variation | (385) | - | (1,215) | (122) |
| Exchange variation | - | - | (568) | - |
| Other | (7) | (164) | (907) | (333) |
| | (2,990) | (977) | (16,408) | (8,708) |
| Total | (2,728) | (352) | 2,612 | (7,673) |

## 19. INCOME AND SOCIAL CONTRIBUTION TAXES

Income and social contribution taxes recorded in the statement of operations are as follows:

| | Company | | Consolidated | |
|---|---|---|---|---|
| | 03.31.09 | 03.31.08 | 03.31.09 | 03.31.08 |
| Income (loss) before income and social contribution taxes | 8,107 | (282) | 15,025 | 1,527 |
| Statutory rate | 34% | 34% | 34% | 34% |
| Expected income and social contribution taxes | (2,756) | (96) | (5,109) | (519) |
| Effect of income and social contribution taxes on: | | | | |
| Permanent differences, net | 4,281 | 1,003 | 5,455 | (15) |
| Unrecorded deferred income and social contribution taxes on tax loss carryforwards and temporary differences | (1,525) | (1,099) | (1,590) | (105) |
| Effects of income and social contribution taxes of companies taxed based on deemed income (*) | - | - | (6,373) | (1,172) |
| Other | - | - | 699 | (2) |
| Income and social contribution taxes recorded in the statement of operations | - | - | (6,918) | (1,809) |
| Current | - | - | (6,918) | (1,802) |
| Deferred | - | - | - | (7) |

(*)The subsidiaries Polishopping, Securis, Lúmen, Lux, Brassul, Intesp, PP, Paulis, Fonte, Premiun Outlet, Jud, Vul, BR Outlet, Cly, Bud, Bac, Sale, Ast, Uniplaza, Atlas, Wass, Energy, ASG Administradora and Vide opted for taxation based on deemed income

Deferred income and social contribution taxes are as follows:

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| Reserve for contingencies | 8,378 | 8,654 |
| Allowance for doubtful accounts | 9,385 | 9,378 |
| Revaluation of buildings and installations | (68,220) | (68,164) |
| Tax loss carryforwards | 151,596 | 151,596 |
| Tax basis | 101,139 | 101,464 |
| Combined tax rate - income and social contribution taxes | 34% | 34% |
| | 34,387 | 34,498 |
| Unrecorded deferred income and social contribution tax credits | (48,821) | (48,949) |
| Deferred income and social contribution taxes | (14,434) | (14,451) |
| Current assets | 28 | 28 |
| Noncurrent assets | 6,165 | 6,165 |
| Current liabilities | (413) | (413) |
| Noncurrent liabilities | (20,214) | (20,231) |

## 20. RELATED-PARTY TRANSACTIONS

In the course of the Company’s business, the controlling shareholders, subsidiaries, jointly-owned subsidiaries, and condominiums carry out intercompany commercial and financial transactions. These transactions include: (a) providing consulting and operational assistance services related to water supply, electrical installations, and power supply; (b) management of shopping malls; (c) management of shopping mall parking lots; (d) commercial lease contracts; and (e) agreements entered into and decisions made according to the condominium bylaws.

The Company's balances are as follows:

| Assets | Company | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| Send | 147,293 | 128,710 |
| Delta | 47,586 | 47,498 |
| Park Shopping Administradora | 34,291 | 34,291 |
| Paulis | 37,328 | 18,713 |
| PP | 17,086 | 17,086 |
| Lux | 16,535 | 16,535 |
| Brassul | 15,879 | 15,863 |
| Intesp | 12,217 | 12,217 |
| Internacional Guarulhos Shopping Center | 12,669 | 12,080 |
| Fonte | 8,962 | 8,962 |
| Sale | 3,140 | 3,156 |
| Cly | 4,806 | 2,850 |
| Internacional Guarulhos Auto Shopping Center | 1,040 | 1,040 |
| Lumen | 583 | 583 |
| Zuz | 538 | 137 |
| Nova União | 116 | 116 |
| Sulishopping | 105 | 105 |
| Securis | 1 | - |
| Other | 608 | 487 |
| Total | 360,783 | 320,429 |

| Liabilities | Company | |
|---|---|---|
| | 03.31.09 | 03.31.09 |
| ABK | 33,852 | 33,284 |
| Levian | 773 | 10,284 |
| Energy | 1,847 | 1,847 |
| Atlas | 2,986 | 1,405 |
| Menescal | - | 1,000 |
| Ipark | 405 | 405 |
| Bac | 55,371 | - |
| Wass | 333 | 333 |
| Total | 95,567 | 48,558 |

The consolidated balances are as follows:

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| Noncurrent assets: | | |
| Golf Participações Ltda. (a) | 10,040 | 9,734 |
| CSA - Sociedade Securitizadora de Ativos (b) | 557 | 427 |
| PNA Empreendimentos Imobiliários Ltda. | 146 | 142 |
| Condomínio Civil Suzano Shopping Center | 166 | 184 |
| Condomínio Civil Voluntários - SPS | - | - |
| Condomínio Civil do Shopping Internacional de Guarulhos | 464 | 392 |
| Individuals | 511 | 368 |
| Other | 935 | 820 |
| Total | 12,819 | 12,067 |

| | Consolidated | |
|---|---|---|
| | 03.31.09 | 12.31.08 |
| Current liabilities: | | |
| SAS Venture LLC (c) | 18,393 | 18,146 |
| Individuals (shareholders/former shareholders) (d) | 1,816 | 1,816 |
| Condomínio Civil do Internacional Guarulhos Shopping Center | - | 1,415 |
| Golf Participações Ltda. (d) | 392 | 392 |
| Menescal Participações Ltda. (e) | 368 | 3,564 |
| ABK International Ltd. (d) | 24 | 24 |
| Other (d) | 835 | 821 |
| Total | 21,828 | 26,178 |

(a) The loan to shareholder is subject to financial charges of 1% per month. There is no defined maturity.

(b) Advances to CSA as guarantee for the CCIs transaction, as mentioned in note 11.

(c) With the corporate restructuring, the capital of Park Shopping Administradora was reduced and will be returned to the then shareholder SAS Ventures LLC in 15 equal semiannual installments, beginning on September 14, 2007. The total debt is subject to exchange variation based on the U.S. dollar and interest of 10.5% per year.

(d) Other loans are not subject to financial charges or a defined maturity.

(e) Working capital loans obtained from Menescal Participações Ltda. in October 28, 2008 in the amount of R$2,196 plus R$1,000 obtained in December 5, 2008. The loans were paid in the first quarter of 2009.

## 21. FINANCIAL INSTRUMENTS

The Company's main source of revenue is rentals received from shopping mall storeowners.

According to their nature, financial instruments may involve known or unknown risks and the Company's and its subsidiaries' judgment is important for the risk assessment. Thus, there may exist risks with or without guarantees depending on circumstantial or legal aspects. The main market risk factors that may affect the Company's and subsidiaries' business include the following:

a) Credit risk

The Company and its subsidiaries have a large number of customers and constantly monitor accounts receivable through internal controls, thus limiting the default risk. The allowance for doubtful accounts is recorded as mentioned in note 2.b).

b) Price fluctuation risk

The Company's and its subsidiaries' revenues consist basically of rentals received from shopping malls' storeowners. In general, rentals are adjusted based on the annual variation of the IGP-DI, as provided for in the rental agreements. The rental levels may vary according to adverse economic conditions and, consequently, the revenue level may be affected. Management monitors these risks, in order to minimize the impacts on its business.

c) Interest rate risk

- Working capital loans - the Company's subsidiaries also have a series of loans and financing for working capital purposes, including Banco Itaú, Banco Pontual, Banco Industrial e Comercial, etc, as mentioned in note 10, subject to average interest rates of 14.45% per year. No interest rate swap transaction was contracted.

- Payables for purchase of properties – the subsidiaries have debts with third parties related to properties acquired for the construction and implementation of Internacional Guarulhos Shopping Center and do Santana Parque Shopping, as decribed in note 12, which are subject to the General Market Price Index (IGP-M) plus interests from 6% up to 12% per year. No interest rate swap transaction was contracted.

Sensitivity analysis - Loans

The Company is exposed to risks related to changes in interest rates of long-term debts.

The analysis was prepared considering the exposure to the CDI variation. CDI is the main index of the Company's loans:

| | | Scenarios | | |
|---|---|---|---|---|
| Type | Risk | Probable (i) | Possible (ii) | Remote (iii) |
| Interests to be incurred - CDI | Increase of CDI | 4,231 | 3,906 | 3,576 |

(i) Interests calculated with an increase of 2% in the CDI rate, compared to the possible scenario.

(ii) Interests calculated based on the CDI rate as of March 31, 2009.

(iii) Interests calculated with a decrease of 2% in the CDI rate, compared to the possible scenario.

Sensitivity analysis - CCI's

The Company is exposed to risks related to changes in interest rates of long-term debts.

The analysis was prepared considering the exposure to the IGP-M (general market price index) and TR (Referral rate).

| | | Scenarios | | |
|---|---|---|---|---|
| Type | Risk | Probable (i) | Possible (ii) | Remote (iii) |
| Interests to be incurred – IGP-M | Increase of IGP-M | 104,187 | 90,223 | 76,657 |
| Interests to be incurred - TR | Increase of TR | 147,544 | 140,637 | 133,789 |

(i) Interests calculated based on the projection of IGP-M for the next five years and the TR variation in 2008, according to information provided by BACEN (Central Bank of Brazil)

(ii) Interests calculated with an increase of 2% (based on the probable scenario) in the IGP-M and TR, respectively, compared to the possible scenario.

(iii) Interests calculated with a decrease of 2% (based on the probable scenario) in the IGP-M and TR, respectively, compared to the possible scenario.

d) Foreign exchange risk

Through a subsidiary, the Company has financing and intercompany payables in foreign currency in the amount of R$18,393. The risk associated with these liabilities arises from the possibility that exchange rate changes may increase the balance of these liabilities. There are no assets denominated in foreign currency. The Company's subsidiary does not have derivative contracts to hedge this risk.

The carrying amounts of financial instruments, compared with the amounts that could be obtained in an active market, or in the absence thereof, with the net present value adjusted based on the prevailing market interest rate, approximate their fair values.

## 22. INSURANCE (INFORMATION NOT REVISED)

The Company and its subsidiaries have insurance coverage in an amount considered sufficient by Management to cover potential risks on its assets and/or civil liabilities.

As of March 31, 2009, insurance is as follows:

| Type | Insured amount |
|---|---|
| Civil liability | 1,368 |
| Comprehensive fire | 430,468 |
| Loss of profits | 87,498 |
| Windstorm/smoke | 36,505 |
| Shopping mall operations | 64,485 |
| Pain and suffering | 9,536 |
| Property damage | 125,215 |
| Employer | 6,568 |

## 23. MANAGEMENT COMPENSATION

In the period ended March 31, 2009, management compensation in the amount of R$876 was paid, recorded under the caption "General and Administrative expenses".

In the Ordinary Stockholders' General Meeting, occurred in April 20, 2009, was approved a management compensation of R$5,500 for the year ended December 31, 2009.

## 24. PROFIT SHARING

In the period ended March 31, 2009 the Company did not accrued or paid profit sharing.