



São Paulo, November 14 2007 – General Shopping Brasil S/A [Bovespa: GSHP3], one of the largest shopping mall companies in Brazil, announces its third quarter 2007 results (3Q07). The following financial and operating information, except where otherwise stated, are shown on the basis of consolidated figures and in reais, according to Brazilian accounting principles. The comparisons refer to the third quarter 2006 (3Q06), unless otherwise indicated.



## INVESTOR RELATIONS GSB

**Alessandro Poli Veronezi**  
Investor Relations Diretor

**Marcio Snioka**  
Investor Relations Manager

dri@generalshopping.com.br  
55 11 3159-5100

[www.generalshopping.com.br](http://www.generalshopping.com.br)

**FIRB**  
FINANCIAL INVESTOR RELATIONS  
**Daniela Ueda**  
(11) 3897-6857  
daniela.ueda@firb.com

## GROSS REVENUE INCREASES 37.9% AND ADJUSTED EBITDA GROWS 48.1% IN 3Q07

- Gross revenue increases 37.9% in 3Q07 to R\$ 14.2 million. In 9M07 gross revenue adds up to R\$ 38.7 million, up 23.0%
- Adjusted EBITDA grows 48.1% and totals R\$ 8.6 million in 3Q07. Adjusted EBITDA in 9M07 increases 26.8% to R\$ 24.3 million
- EBITDA margin rises to 70.7% in 3Q07 and to 73.2% in 9M07 from 64.6% and 69.3%, respectively
- Same GLA rent totals R\$ 8.4 million in 3Q07, up 11.5% over 3Q06, and increases 8.3% in 9M07 to R\$ 24.4 million
- Shopping Santana Parque opens in October
- GSB acquires property in Barueri, in Greater São Paulo, for future development of shopping center
- GSB acquires 85.5% of Cascavel JL Shopping, in the Paraná State

### Financial and Operating Highlights

(R\$ 000)	3Q07	3Q06*	Chg.
<b>Gross Revenue</b>	<b>14,153</b>	<b>10,260</b>	<b>37.9%</b>
Shopping Malls	11,234	7,834	43.4%
Services	2,919	2,426	20.3%
<b>Net Revenue</b>	<b>12,181</b>	<b>8,998</b>	<b>35.4%</b>
<b>Gross Profit</b>	<b>7,699</b>	<b>4,371</b>	<b>76.1%</b>
Gross Margin	63.2%	48.6%	14.6 p.p.
Operating Results	(20,691)	(4,572)	352.6%
<b>Adjusted EBITDA</b>	<b>8,615</b>	<b>5,816</b>	<b>48.1%</b>
EBITDA Margin (Adjusted)	70.7%	64.6%	6.1 p.p.
<b>Adjusted Net Income</b>	<b>3,730</b>	<b>(4,660)</b>	<b>180.0%</b>
Adjusted FFO	5,325	(2,433)	318.9%

\* Financial statements combined and not audited



## MANAGEMENT COMMENTS

General Shopping Brasil proudly presents its third quarter 2007 earnings. We outstand among the financial highlights a 37.9% increase in gross revenue over the same period in 2006, as well as a 48.1% hike in the adjusted EBITDA in comparison with the third quarter in the previous year.

An operating highlight is the 59.8% increase in GSB's own gross leasable area (GLA) due to the execution of its growth plan in a rational and disciplined manner, complying with the company's expertise.

A comparison between growth rate of the gross leasable area and that of the financial indicators shows that there is still room for growth in the performance of the recently acquired shopping centers, once General Shopping Brasil's management model will be applied, since the financial performance mentioned above embodies an 11.5% increase in same GLA rent over the year-ago period.

As for the organic growth in shopping centers previously owned by General Shopping Brasil, we ascribe the same GLA rent increase to our deep understanding on the correlation between the retail and the shopping center businesses, as well as to the focus on the B and C consumer segments in Brazil, which carry high growth potential for retailers due to income and credit increase. Besides, our same GLA rent has shown efficiency close to that of the retail sector's indexes.

A deep understanding of retail structure also enables an efficient cost management, innovation in services to shopping centers and innovation in shopping center operations, always keeping our focus on consumer segments.

Finally, General Shopping Brasil strengthens its aim of growing through the development of greenfields, supported by its track record; growing through acquisitions, as one sector consolidator; and growing through expansion of operations as increasing in area, in ownership interest and implementing of mixed-use projects with synergies with the shopping centers. Therefore, the company intends to always benefit from its competitive advantages in market expertise, management and negotiation capabilities, recently proven in acquisitions, greenfield developments and successful openings.

Alessandro Poli Veronezi, Investor Relations Director

Shopping Mall	GSB Interest (%)	Total GLA (m2)	Own GLA (m2)	Total Gross Constructed Area
Poli Shopping	50.0%	4,527	2,264	6,600
Internacional Shopping Guarulhos	100.0%	72,958	72,958	117,465
Auto Shopping	100.0%	11,477	11,477	18,000
Santana Parque Shopping <sup>(a)</sup>	50.0%	26,538	13,269	64,600
Shopping Light <sup>(b)</sup>	50.1%	14,140	7,092	36,519
Suzano Shopping <sup>(c)</sup>	100.0%	13,120	13,120	20,633
Cascavel JL Shopping <sup>(d)</sup>	85.5%	8,877	7,590	28,221
<b>Total</b>	<b>84.3%</b>	<b>151,637</b>	<b>127,770</b>	<b>292,038</b>

(a) Launched in October 2007

(b) Acquired in June 2007

(c) Acquired in August 2007

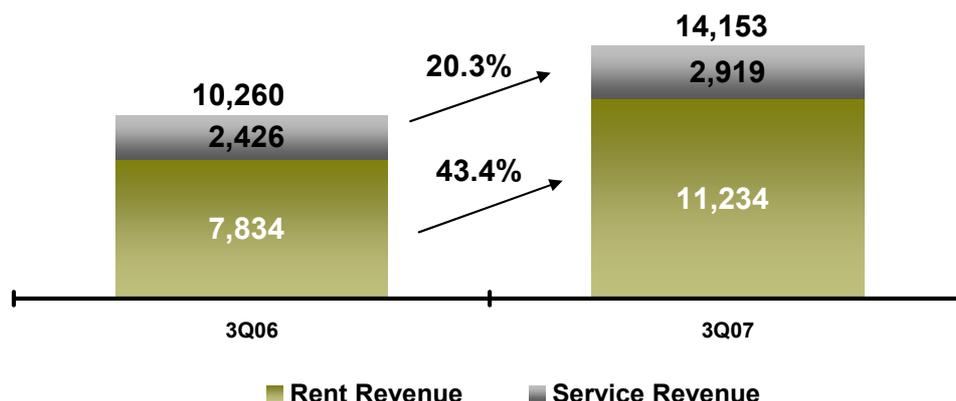
(d) Acquired in November 2007



## REVENUE

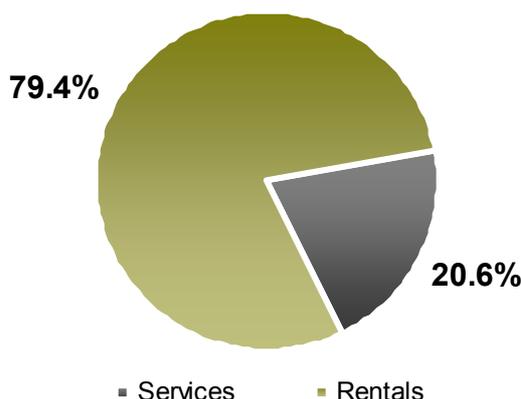
General Shopping Brasil's consolidated gross revenue totaled R\$ 14.1 million in 3Q07, up 37.9% over the same period in 2006.

### Gross Revenues Evolution



Revenue from rent accounted for 79.4% of total gross revenue and revenues from services represented 20.6%.

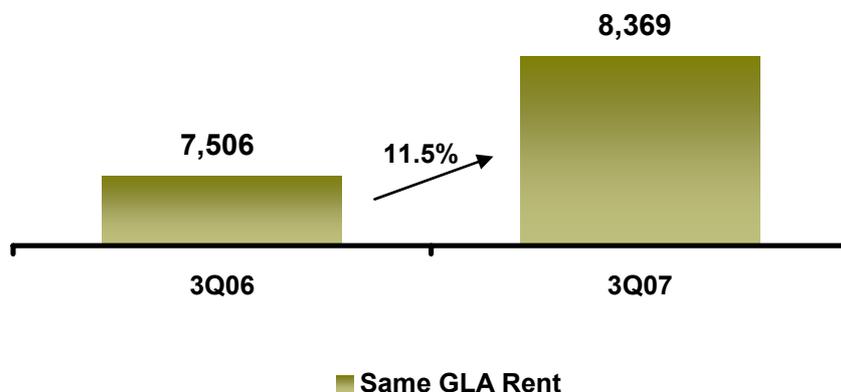
### Revenues - 3Q07



Revenues from rent totaled R\$ 11.2 million, up 43.4% in comparison with 3Q06, due to the 11.5% increase in same GLA rent, to revenue consolidation in 3Q07 of Auto Shopping Internacional's, opened in 4Q06, of Shopping Light, acquired in June 2007, and of Suzano Shopping, acquired in August 2007.

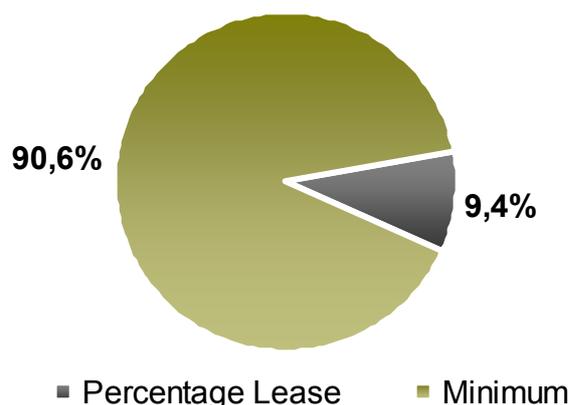


### Same GLA Rent 3Q07 x 3Q06



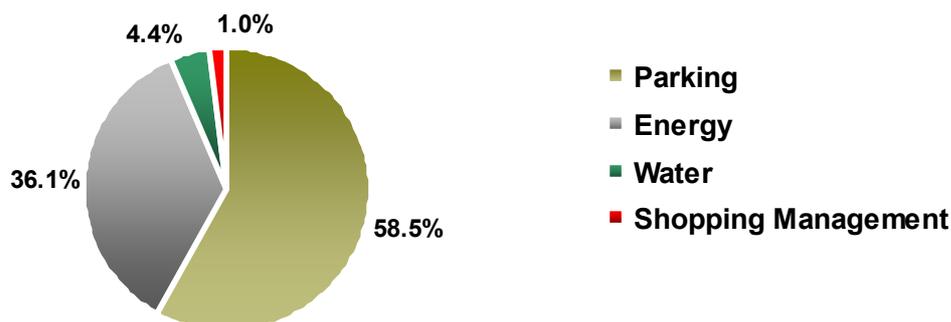
Revenues from percentage lease accounted for 9.4% of total revenue from rent.

### Minimum Rent X Percentage Lease



Revenue from services increased 20.3% to R\$ 2.9 million in 3Q07 from R\$ 2.4 million in 3Q06. The increase in revenue from management of parking lots and energy supplies also contributed to growth during the period.

### Service Revenues





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

Taxes, discounts and cancellations to gross revenue totaled R\$ 2.0 million and represented 13.9% of gross revenue in 3Q07, as compared with R\$ 1.3 million in the same period in 2006.

## **NET REVENUE OF RENT AND SERVICES**

Net revenue increased 35.4% to R\$ 12.2 million in 3Q07, from R\$ 9.0 million in 3Q06.

## **COST OF RENTS AND SERVICES**

Costs from rents and services totaled R\$ 4.5 million in 3Q07, down 3.1% from R\$ 4.6 million in 3Q06.

### **Rent and Services Costs**

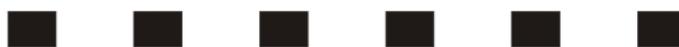
<b>(R\$ 000)</b>	<b>3Q07</b>	<b>3Q06*</b>	<b>Chg.</b>
<b>Costs</b>			
Personnel	1,034	772	34.0%
Depreciation	1,592	2,227	-28.5%
Occupancy	1,121	334	235.5%
Third Parties	735	1,293	-43.2%
<b>Total Rent and Services Cost</b>	<b>4,482</b>	<b>4,626</b>	<b>-3.1%</b>

\* Non-audited and combined financial statements

The increase in payroll was due to GSB's activity expansion following consolidation of the recently acquired shopping centers as of 3Q07. The increase in occupation costs was due to the vacancy of Shopping Light at the time of its acquisition. Decline in depreciation is due to the increase in the useful life of the assets that were revalued on March 31, 2007.

## **GROSS INCOME**

The revenue increase coupled with the cost reduction led to a 76.1% growth in gross income to R\$ 7.7 million in 3Q07 compared with the same period in 2006.



## **OPERATING EXPENSES**

Operating expenses added up to R\$ 24.9 million in 3Q07, up 3,084.0% from 3Q06, due to IPO-related expenses, namely fees paid to financial institutions, lawyers and auditing companies, among others.

## **FINANCIAL RESULT**

Net financial result was a negative R\$ 3.5 million in 3Q07 as compared with a negative R\$ 8.2 million in 3Q06, due to the reduction in interest expenses because of the decrease in the company's indebtedness and to the profitability from the IPO proceeds.

### **Net Financial Result**

<b>(R\$ 000)</b>	<b>3Q07</b>	<b>3Q06*</b>	<b>Chg.</b>
<b>Revenues</b>	<b>4,727</b>	<b>1,941</b>	<b>143.5%</b>
Interest	3,709	586	532.7%
Monetary Variation	219	1,355	-83.8%
Foreign Exchange Variation	799	-	
<b>Expenses</b>	<b>(8,218)</b>	<b>(10,102)</b>	<b>-18.7%</b>
Interest	(4,618)	(9,931)	-53.5%
Monetary Variation	(3,201)	-	-
Foreign Exchange Variation	(399)	(171)	133.3%
<b>Financial Result</b>	<b>(3,491)</b>	<b>(8,161)</b>	<b>-57.2%</b>

\* Non-audited and combined financial statements

## **INCOME TAX AND SOCIAL CONTRIBUTION**

Income tax and social contribution in 3Q07 was R\$ 0.2 million as compared with a negative R\$ 0.1 million in 3Q06, due to adjustments in provisions for IRPJ and deferred CSLL.

## **ADJUSTED NET INCOME**

General Shopping Brasil's net income excluding IPO-related expenses totaled R\$ 3.7 million in 3Q07, as compared with a net loss of R\$ 4.7 million in the same year-ago period.

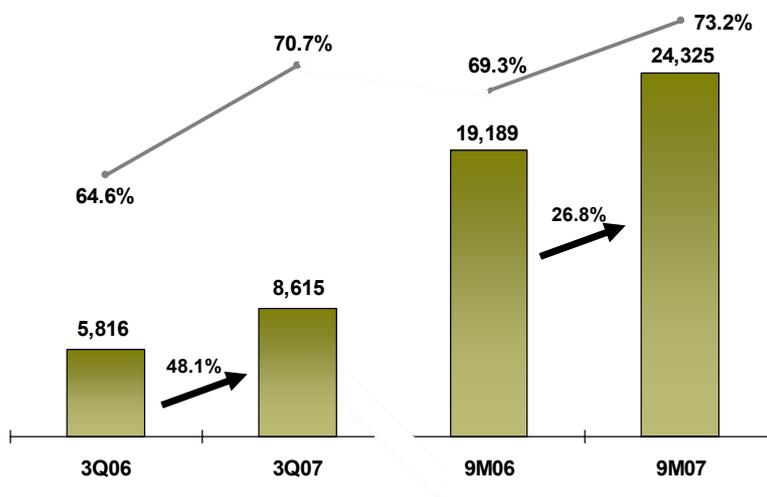
## **ADJUSTED EBITDA**

Adjusted EBITDA increased 48.1% to R\$ 8.6 million in 3Q07. Adjusted EBITDA margin stood at 70.7%, up 6.1 percentage points over the 64.6% adjusted EBITDA margin in 3Q06.



Adjusted EBITDA in the period ended September 30, 2007 totaled R\$ 24.3 million, up 26.8% over the year-ago period. Adjusted EBITDA margin was 73.2%, up 3.9 percentage points over 69.3% in 9M06.

## ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN



### EBITDA Reconciliation

(R\$ 000)	3Q07	3Q06*	9M07**	9M06*
<b>Net Income (Loss)</b>	<b>(20,490)</b>	<b>(4,660)</b>	<b>(15,077)</b>	<b>415</b>
Income taxes and social contribution	(201)	88	(1,651)	277
Net financial income (expense)	3,491	8,161	11,205	11,894
Depreciation and amortization	1,595	2,227	5,156	6,603
Non-operating income	-	-	-	-
IPO Expenses	24,220	-	24,691	-
<b>Adjusted EBITDA</b>	<b>8,615</b>	<b>5,816</b>	<b>24,325</b>	<b>19,189</b>
<b>Adjusted EBITDA Margin</b>	<b>70.7%</b>	<b>64.6%</b>	<b>73.2%</b>	<b>69.3%</b>

(\*) Non-audited and Combined Financial Statements

(\*\*) Pro-forma adjusted EBITDA taking into consideration GSB start of activities on January 1, 2007.

### CAPITAL STRUCTURE

Gross debt stood at R\$ 166.5 million on September 30, 2007, as compared with R\$ 180.1 million on June 30, 2007. The R\$ 13.6 million reduction in the company's gross debt was due to short-term debt payment using IPO proceeds.



Description	Currency	Index	Average Annual Interest Rate	June 30,	September 30,
				2007	2007
BNDES	R\$	TJLP	6% per year	113,273	113,661
Banco Itaú S.A.	US\$ / R\$	Dollar / Fixed Rates	6.5% per year	8,202	3,433
Banco Pine S.A.	US\$	Dollar	8% per year	1,626	775
Banco Bradesco S.A.	R\$	CDI	3% per year	4,689	-
Banco Industrial e Comercial S.A.	R\$	CDI	10% per year	31,934	29,067
Banco Real S.A.	R\$	Fixed Rates	21.7% per year	1,216	1,080
Banco Pontual S.A.	R\$	Fixed Rates	12.7% per year	2,952	3,134
Banco Tricury	R\$	CDI	10% per year	967	-
Others	R\$	-	-	-	17
<b>Total Loans and Financing</b>				<b>164,859</b>	<b>151,167</b>
Real Estate Credit Certificates (CCI)	R\$	IGP-M	11% per year	15,242	15,340
<b>Total</b>				<b>180,101</b>	<b>166,507</b>

Total debt on September 30, 2007 was represented by 72.5% in long-term debt and 2.53% was dollar-denominated, as compared with 67.7% and 4.0%, respectively, on June 30, 2007.

The table below shows the amortization schedule as of September 30, 2007:

Year	Total (R\$ 000)	
	Loans	CCIs
2007	35,873	650
2008	17,235	1,137
2009	77,464	1,262
2010	20,595	1,401
After 2010	-	10,890
<b>Total Debt</b>	<b>151,167</b>	<b>15,340</b>

## SUBSEQUENT EVENTS

General Shopping Brasil opened on October 25, 2007 the Santana Parque Shopping, strategically located in the northern part of the city of São Paulo. GSB has a 50% ownership interest in Santana, which has total gross leasable area of 26,538 square meters.

Santana Parque Shopping is a neighborhood shopping center with 176 stores and 1,500 parking spaces.

On November 9, 2007 General Shopping Brasil acquired 96% of a property in Barueri, in the State of São Paulo, with total area of 42,774.40 square meters for R\$ 24.3 million. The property will be used for the development of a shopping center with estimated gross leasable area of 25,000 square meters.

On November 13, GSB acquired 85.5% of Cascavel JL Shopping, in the State of Paraná, for R\$ 25.2 million. Cascavel JL Shopping's gross leasable area totals 8,877 square meters and there is a project to expand its GLA by 3,454 square meters.



## **CONFERENCE CALLS ABOUT THE 3Q07 EARNINGS RESULTS**

**November 19, 2007**

### **CONFERENCE CALL IN ENGLISH**

At 10:00 a.m. (EST)

Dial-in Phone Numbers:

Parties from Brazil	11 4688-6301
Toll-free from the U.S.	1-888-700-0802
Parties from other countries	1-786-924-8430

### **CONFERENCE CALL IN PORTUGUESE**

At 8:00 a.m. (EST)

Dial-in Phone Number:

55 11 4688-6301



## **GLOSSARY**

---

---

<b>ABRASCE</b>	Brazilian Shopping Malls Association.
<b>Alshop</b>	Association of Shopping Mall-Based Retailers.
<b>Anchor Stores</b>	Large and well-known stores that carry special marketing and structural features and that represent an attraction force for consumers for they ensure a permanent flow and uniform traffic of consumers in all areas of the shopping mall.
<b>FFO</b>	Funds from operations
<b>GLA</b>	Gross leasable area is the sum total of all the areas available for leasing in the shopping malls, except for kiosks and third-party areas.
<b>Malls</b>	Common areas at the shopping malls for the leasing of stands and kiosks.
<b>Merchandising</b>	Rental of marketing space for the promotion of products and services.
<b>Primary Area</b>	A shopping mall area that includes customers within a five-minute drive (trips involving all transportation means, with no traffic) from the region in which the venue is located, and it is considered to be exclusive in cases when there are no other competitors in the same area.
<b>Same GLA Rent</b>	Rent revenue from stores that were already operating in 3Q06.
<b>Same Store Sales</b>	Sales of stores that were already operating in 3Q06.
<b>Satellite Stores</b>	Small and specialized stores intended for general commerce.
<b>Store Mix</b>	Distribution of types and sizes of stores along the shopping mall.

## Balance Sheet

(R\$ 000)

ASSETS	6/30/2007	9/30/2007
<b>Current Assets</b>		
Cash and Cash Equivalents	303	4,461
Marketable Securities	-	189,427
Certificates of Real Estate Receivables	172	203
Accounts Receivable	8,010	11,088
Recoverable Taxes	1,054	1,731
Deferred Taxes and Social Contribution	387	161
Advance for Future Investments	4,951	16,518
Other Receivables	7,524	8,307
<b>Total Current Assets</b>	<b>22,401</b>	<b>231,896</b>
<b>Non-current Assets</b>		
<b>Long-term Assets</b>		
Accounts Receivable	1,590	1,424
Certificates of Real Estate Receivables	1,213	1,189
Deferred Taxes and Social Contribution	8,103	8,986
Related Parties	7,193	13,525
Deposits and Bonds	28	372
<b>Long-term Receivables</b>	<b>18,127</b>	<b>25,496</b>
<b>Permanent</b>		
Intangible	5,703	5,556
Property, plant and equipment	356,254	400,550
<b>Permanent</b>	<b>361,957</b>	<b>406,106</b>
<b>Total Assets</b>	<b>402,485</b>	<b>663,498</b>
LIABILITIES	6/30/2007	9/30/2007
<b>Current Liabilities</b>		
Suppliers	6,153	10,045
Loans and financing	56,594	43,477
Accounts Payable - Purchase of Land	3,452	2,763
Payroll and Related Charges	4,168	1,639
Taxes and Contributions	13,612	13,749
Tax Payments	563	504
Real Estate Credit Certificates	1,902	2,256
Deferred Taxes and Social Contribution	1,289	415
Related Parties	6,668	2,012
Other Payables	9,892	7,648
<b>Total Current Liabilities</b>	<b>104,293</b>	<b>84,508</b>
<b>Non-current</b>		
Loans and financing	108,691	107,690
Accounts Payable - Purchase of Land	7,367	6,678
Key Money	5,344	15,423
Tax Payments	4,269	4,134
Deferred Taxes and Social Contribution	21,686	23,095
Related Parties	12,893	17,864
Provision for Contingencies	10,828	11,013
Real Estate Credit Certificates	13,339	13,084
<b>Total Long-term Liabilities</b>	<b>184,417</b>	<b>198,981</b>
<b>Shareholder's Equity</b>	<b>113,775</b>	<b>380,009</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>402,485</b>	<b>663,498</b>

## Income Statement

(R\$ 000)	3Q07*	3Q06*	Chg.	9M07**	9M06	Chg.
<b>Gross Operating Revenue</b>	<b>14,153</b>	<b>10,260</b>	<b>37.9%</b>	<b>38,720</b>	<b>31,491</b>	<b>23.0%</b>
Revenue from Rents	11,234	7,834	43.4%	30,343	24,443	24.1%
Revenue from Services	2,919	2,426	20.3%	8,377	7,048	18.9%
<b>Deductions</b>	<b>(1,972)</b>	<b>(1,262)</b>	<b>56.3%</b>	<b>(5,478)</b>	<b>(3,817)</b>	<b>43.5%</b>
Taxes, Discounts and Cancellations	(1,972)	(1,262)	56.3%	(5,478)	(3,817)	43.5%
<b>Net Operating Revenue</b>	<b>12,181</b>	<b>8,998</b>	<b>35.4%</b>	<b>33,241</b>	<b>27,674</b>	<b>20.1%</b>
Rents and Services Costs	(4,482)	(4,627)	-3.1%	(12,189)	(12,652)	-3.7%
<b>Gross Profit</b>	<b>7,699</b>	<b>4,371</b>	<b>76.1%</b>	<b>21,053</b>	<b>15,022</b>	<b>40.1%</b>
<b>Operating Revenue (Expenses)</b>	<b>(24,899)</b>	<b>(782)</b>	<b>3084.0%</b>	<b>(26,575)</b>	<b>(2,436)</b>	<b>990.9%</b>
General and Administrative	(25,288)	(2,143)	1080.0%	(28,535)	(4,850)	488.3%
Other Revenues (Expenses)	389	1,361	-71.4%	1,960	2,414	-18.8%
<b>Operating Income Before Financial Expenses (EBIT)</b>	<b>(17,200)</b>	<b>3,589</b>	<b>-579.2%</b>	<b>(5,522)</b>	<b>12,586</b>	<b>-143.9%</b>
Financial Results	(3,491)	(8,161)	-57.2%	(11,205)	(11,894)	-5.8%
<b>Income Before Income Tax and Social Contribution</b>	<b>(20,691)</b>	<b>(4,572)</b>	<b>352.6%</b>	<b>(16,727)</b>	<b>692</b>	<b>-2517.3%</b>
Income Tax and Social Contribution - Current	(457)	(88)	419.6%	(8,201)	(277)	2860.7%
Income Tax and Social Contribution - Deferred	658	-	-	9,852	-	-
<b>Net Profit</b>	<b>(20,490)</b>	<b>(4,660)</b>	<b>339.7%</b>	<b>(15,077)</b>	<b>415</b>	<b>-3733.0%</b>

(\*) Non-audited and Combined Financial Statements

(\*\*) Pro-forma adjusted EBITDA taking into consideration GSB start of activities on January 1, 2007.