In compliance with legal, bylaws and securities market requirements, General Shopping Brasil S/A submits to you its annual report and financial statements for the year ended December 31, 2011.

MANAGEMENT COMMENTS

The financial and operating indicators confirm the pace of sustained growth, as well as the rising efficiency of the Company.

In 2011, rental gross revenue rose 16.1%, in line with service gross revenue, compared to 2010, driven by increased same areas sales of 11.7% over the same period and by the launching of new projects.

NOI (Net Operating Income) grew 20.6% in 2011 over 2010, with a margin of 88.3% in 2011 against 86.6% in 2010. Such expansion was due to the lower cost increase (by 12.1%) as compared with the increase in revenue mentioned above. Part of this cost control was due to lower occupancy costs and lower vacancy, ranging from 4% in 2010 to 3.6% in 2011.

EBITDA rose by 20.6% in 2011 against 2010, reaching R$ 98.6 million with a 71.8% margin.

Despite the financial result in 4Q11 (negative R$ 26.6 million) being better than in 4Q10 (negative R$ 32.7 million), such result in 2011 (negative R$ 108.3 million) is worse than that registered in 2010 (negative R$ 73.1 million) mainly due to the exchange variations that occurred in 3Q11 as mentioned in previous release.

However, such effect on the Company's cash flow is mitigated since at least the next eight outstanding interest coupons related to the Perpetual Bonds are protected from exchange rate variations with Financial Instruments (see specific topic in the report ahead).

The schedule of upcoming developments in the second quarter of 2012 includes the opening of the Brasília Outlet Premium mall (slightly delayed due to rainy weather conditions) as well as the expansion of the Unimart Campinas and the Prudente Parque Shopping malls.

Strategically, despite the fact that the Company is developing (and still finds in the market) good projects for "Enclosed Malls", we consider reliance on a single model, where all the competition operates, to be a long-term risk. Therefore, we continue working on developing other formats, including "Lifestyle Centers" and Outlets Centers, as the only Company among its peers to successfully adopt these models. As such, we continue to improve our capital structure in order to pursue our business strategy.

We would like to once again thank the employees, storeowners, customers and visitors of our shopping malls for their contribution.

Alessandro Poli Veronezi, Investor Relations Officer

COMPANY OVERVIEW

General Shopping Brasil is one of the largest Brazilian companies focused on owning and managing various kinds of shopping centers. We have 210,868 m² of gross leasable area in 14 shopping centers, with an average ownership interest of 80.2%. We also provide complementary services for the tenants and the malls.

We believe our success is based on market understanding and on the success of the retail operations in our shopping centers.

Our goal is to maximize the profitability of our shopping centers through their lease revenue increase and the suppliance of services due to the improved retail performance. Based on marketing and location surveys, our strategy is:

-Real estate investment in ownership interests in shopping centers, either by developing greenfields, acquiring from third parties or increasing ownership interests in our current portfolio;
-Managing these shopping centers in an optimal way through our competences;
-Providing services that are complementary to shopping center operation;
-Developing new types of shopping centers in the Brazilian market, as well as mixed-use projects that create positive synergy with shopping center performance.

DESCRIPTION OF BUSINESS AND INVESTMENTS

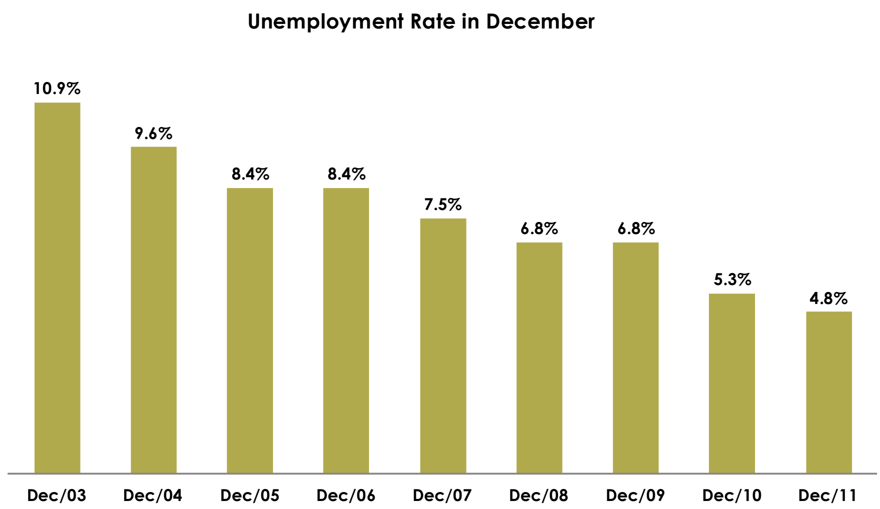
In a way that has been, to this point, different from our competitors, we work in the shopping center market in a manner that is oriented toward the retail market. Our main focus is retail tenants who serve the class B and C consumption classes.

Our activities are (i) planning and managing shopping centers; (ii) leasing commercial space (stores) with a share in their sales; (iii) leasing advertising and promotional space (merchandising); (iv) managing shopping center parking lots; (v) planning and leasing electrical supply equipment; and (vi) water supply management at the developments. (See description of revenue in economic and financial performance).

SCENARIOS AND PERSPECTIVES

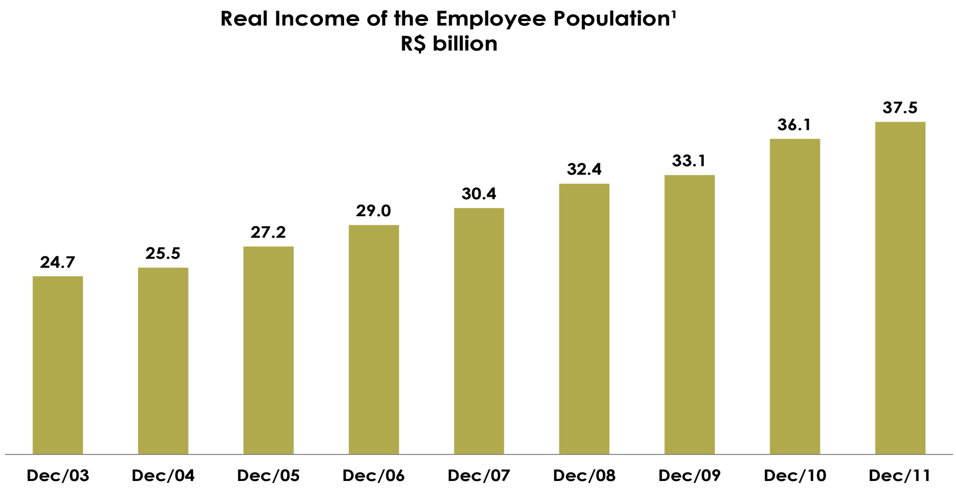
As previously stated, we use macro and microeconomic analyses in our models to evaluate retail behavior scenarios, which are used to estimate the sales of our store owners (tenants) and define their expectations regarding expansion and capacity to pay rent for optimal points of sale.

Analyzing the macroeconomic fundamentals, consumption is based on income and credit. Despite the year 2011 still have presented strong growth in retail in Brazil, we noticed a deceleration process that must continue in early 2012, leading to more modest growth rates.



Source: PME-IBGE

Table prepared by General Shopping Brasil



Source: PME-IBGE; Table prepared by General Shopping Brasil

[(1)]Based on the employed population and average income of the employed population

ECONOMIC AND FINANCIAL PERFORMANCE

GeneralShopping BRASIL

São Paulo, February 24, 2012 – General Shopping Brasil S/A [Bovespa: GSHP3], a company with significant participation in the shopping mall industry, announces today its results for 4Q11 and 2011. The following financial and operating information, except where indicated otherwise, is presented on a consolidated basis and in thousands of reais, according to accounting rules adopted in Brazil.

4Q11

GSHP3 NOVO MERCADO BM&FBOVESPA

Índice de Ações com Tag Along Diferenciado ITAG

Índice de Ações com Governança Corporativa Diferenciada IGC

abrasca companhia associada

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Investor Relations Officer

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GROSS REVENUE GROWS 19.6% AND ADJUSTED EBITDA 26.6% WITH MARGIN OF 72.8% IN THE 4Q11

- Opening of Parque Shopping Barueri on November 30, 2011.
- General Shopping Brasil's gross revenue in the fourth quarter of 2011 (4Q11) totaled R$ 43.3 million, up 19.6% over the R$ 36.2 million reached in the fourth quarter of 2010 (4Q10). Gross revenue grew 16.1% in 2011 in comparison with 2010, reaching R$ 147.1 million.
- Consolidated NOI registered R$ 35.9 million in 4Q11, with margin at 88.9% and a growth of 23.8% in relation to the R$ 29.0 million registered in 4Q10. In 2011, consolidated NOI was R$ 121.3 million, with margin of 88.3% and a growth of 20.6% in comparison with 2010.
- Gross Profit registered R$ 31.6 million in 4Q11, with margin at 78.1% and a growth of 20.1% as compared with the R$ 26.3 million of 4Q10. In 2011, gross profit totaled R$ 109.3 million, with margin of 79.6% and a growth of 19.9% in comparison with 2010.
- Adjusted Ebitda hit R$ 29.5 million in 4Q11, with margin at 72.8% and a growth of 26.6% in relation to the R$ 23.3 million in 4Q10. In 2011, adjusted EBITDA totaled R$ 98.6 million, with margin of 71.8% and a growth of 20.6% in comparison with 2010.
- The depreciation of the real in relation to the US dollar, of around 12.6% in 2011, negatively affected the financial result by R$ 40.1 million. This impact was mainly due to the variation on the principal of our perpetual debt, which is not a cash effect.

Consolidated Financial Highlights

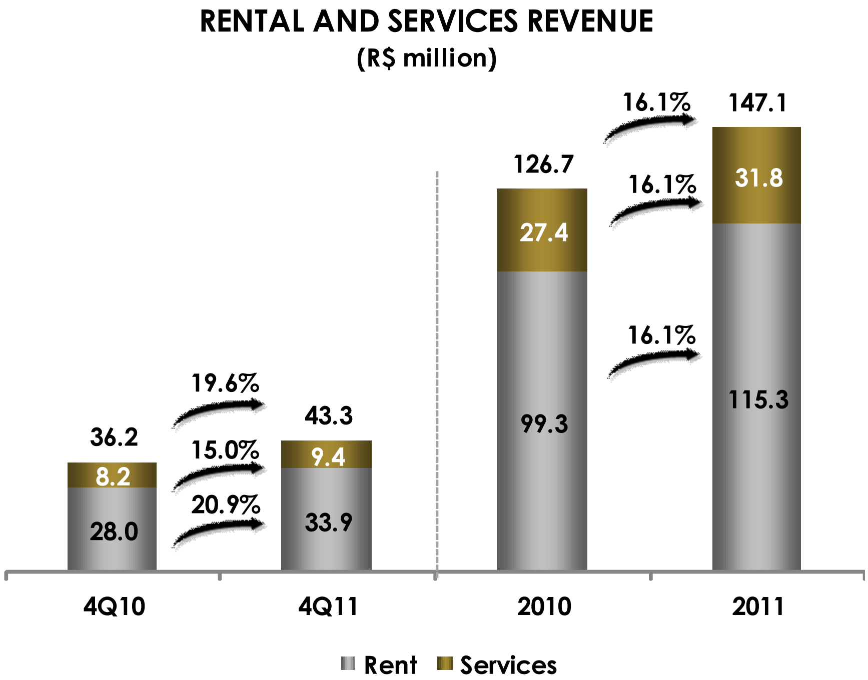
R$ thousand	4Q10	4Q11	Chg.	2010	2011	Chg.
Gross Revenue	**36,177**	**43,265**	**19.6%**	**126,726**	**147,158**	**16.1%**
Rent (Shopping Malls)	28,017	33,879	20.9%	99,303	115,331	16.1%
Services	8,160	9,386	15.0%	27,423	31,827	16.1%
NOI - Consolidated	**29,032**	**35,941**	**23.8%**	**100,615**	**121,313**	**20.6%**
Adjusted EBITDA	**23,266**	**29,451**	**26.6%**	**81,761**	**98,641**	**20.6%**
Adjusted Net Result	**-14,421**	**-5,349**	**-**	**-11,308**	**-37,310**	**-**
Adjusted FFO	**-11,612**	**-870**	**-**	**-1,486**	**-24,853**	**-**
NOI Margin	*87.9%*	*88.9%*	1.0 p.p.	*86.6%*	*88.3%*	1,7 p.p.
Adjusted EBITDA Margin	*70.4%*	*72.8%*	2.4 p.p.	*70.4%*	*71.8%*	1,4 p.p.
Adjusted Net Result Margin	*-43.7%*	*-13.2%*	-	*-9.7%*	*-27.2%*	-
Adjusted FFO Margin	*-35.2%*	*-2.2%*	-	*-1.3%*	*-18.1%*	-
Gross Revenue per m²	190.31	217.53	14.3%	671.84	760.63	13.2%
NOI per m²	152.72	180.70	18.3%	533.42	627.05	17.6%
Adjusted EBITDA per m²	122.39	148.07	21.0%	433.46	509.86	17.6%
Adjusted Net Result per m²	-75.86	-26.89	-	-59.95	-192.85	-
Adjusted FFO per m²	-61.08	-4.37	-	-7.88	-128.46	-
Own GLA - Average in the Period (m^2)	190,100	198,893	4.6%	188,624	193,468	2.6%
Own GLA - End of the Period (m^2)	190,100	210,868	10.9%	190,100	210,868	10.9%

GROSS REVENUE

The company's total gross revenue registered R$ 43.3 million this quarter, up 19.6% over that registered in 4Q10. In 2011, this revenue totaled R$ 147.1 million, up 16.1% in comparison with the same year-ago period.

Rental gross revenue, which accounted for 78.3% of total gross revenue in 4Q11, amounted to R$ 33.9 million, an increase of 20.9% over 4Q10. The main factors that contributed to this growth were: the equity increase in Light shopping mall, from 50.1% to 70% and the real growth and annual adjustments of rentals. In 2011, such revenue totaled R$ 115.3 million, an increase of 16.1% as compared to 2010.

Services gross revenue in 4Q11 totaled R$ 9.4 million, up 15.0% over that posted in 4Q10 and R$ 31.8 million in 2011, representing an increase of 16.1% in comparison with 2010.



RENTAL REVENUE

The Company's rental revenues, which amounted to R$ 33.9 million in 4Q11, are comprised of minimum rent, revenue exceeding percentage on sales, key money, advertising and revenue normatization.

Rental Revenue Breakdown

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Minimum Rent	23.8	27.9	17.0%	78.1	88.8	13.8%
Percentage on Sales	4.0	4.6	14.8%	11.1	13.0	17.8%
Key Money	0.9	1.9	99.2%	4.0	5.0	24.0%
Advertising	2.4	2.9	22.4%	6.1	8.5	38.3%
Straight-lining Revenue	(3.1)	(3.4)	7.5%	-	-	-
Total	**28.0**	**33.9**	**20.9%**	**99.3**	**115.3**	**16.1%**

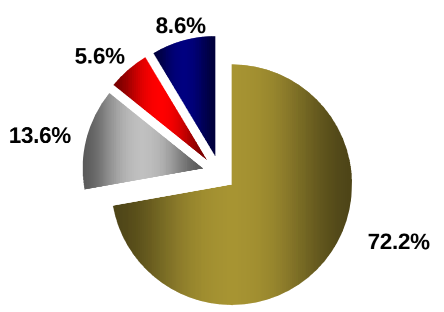
The minimum rent revenues in 4Q11 increased by R$ 4.1 million, or 17.0% over 4Q10. In the comparison between 2011 and 2010, the growth was R$ 10.7 million or 13.8%.

Revenue exceeding percentage on sales increased 14.8% in the comparable periods due to the good performance of retail. In the comparison between 2011 and 2010, the increase was 17.8%.

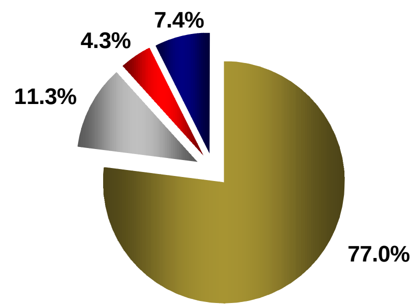
Temporary rentals (advertising) totaled R$ 2.9 million in 4Q11, representing an increase of R$ 0.5 million or 22.4% in comparison with 4Q10 and R$ 8.5 million in 2011, representing an increase of 38.3% as compared with 2010.

Minimum rent revenue in 4Q11, including straight-lining revenue, accounted for 72.2% of total rental revenue, while in 4Q10, this revenue accounted for 73.9%. In 2011, this revenue represented 77.0% as compared with 78.7% in 2010.

RENTAL REVENUE BREAKDOWN - 4Q11



RENTAL REVENUE BREAKDOWN - 2011



Minimum Rent
Key Money
Percentage on Sales
Advertising

SERVICES REVENUE

Services revenue amounted to R$ 9.4 million in 4Q11, representing a growth of 15.0% in comparison with that of the same year-ago period. In 2011, such revenue totaled R$ 31.8 million, an increase of 16.1% as compared to 2010.

Services Revenue Breakdown

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Parking	6.5	7.7	17.5%	21.2	25.0	17.9%
Energy	1.1	1.1	-	3.9	4.2	8.0%
Water	0.4	0.3	-2.3%	1.4	1.4	2.5%
Management	0.2	0.3	47.6%	0.9	1.2	29.2%
Total	**8.2**	**9.4**	**15.0%**	**27.4**	**31.8**	**16.1%**

Parking services revenue totaled R$ 7.7 million in 4Q11, increasing R$ 1.2 million, equivalent to a 17.5% growth in relation to 4Q10. This result was due to the implementation of paid parking services at the Barueri Shopping mall (Nov/11) and to an increase in revenue from other operations. The revenue was R$ 25.0 million in 2011, up 17.9% as compared with 2010.

Revenues from electrical energy supply management summed R$ 1.1 million in 4Q11, practically the same as that registered in the same period of the previous year. In 2011, such revenue totaled R$ 4.2 million, up 8.0% in comparison with 2010.

Water supply management revenue in 4Q11 amounted to R$ 0.3 million and in 4Q10 it was R$ 0.4 million. In 2011, this revenue was R$ 1.4 million practically the same as in 2010.

REVENUE DEDUCTIONS (TAXES, DISCOUNTS AND CANCELLATIONS)

Taxes, discounts and cancellations applicable to gross revenue totaled R$ 2.8 million in 4Q11, 6.5% of gross revenue in comparison with 4Q10, which represented 8.7%. In 2011, this item registered R$ 9.8 million, 6.7% of gross revenue while in 2010 this percentage was 8.3%.

Sales taxes (PIS/COFINS/ISS) totaled R$ 2.5 million in 4Q11, representing a decline of R$ 0.1 million in comparison with 4Q10. Despite the higher gross revenue in 4Q11, the value of sales taxes decreased due to a change in the tax regime of some of the Group’s companies. In 2011, the amount was R$ 7.8 million, a decrease of R$ 0.3 million compared to 2010.

This quarter, discounts and cancellations were R$ 0.3 million, representing a decrease of R$ 0.4 million as compared with 4Q10. In 2011, the company registered a slight decrease of R$ 0.4 million in relation to 2010.

RENTAL AND SERVICES NET REVENUE

Net Revenue amounted to R$ 40.4 million in 4Q11, up 22.4% over that of the same period last year. In 2011, net revenue totaled R$ 137.3 million, up 18.2% over 2010.

RENTAL AND SERVICES COSTS

Rental and services costs in 4Q11 increased 31.5% and reached R$ 8.8 million. In 2011 these costs totaled R$ 28.0 million, up 12.1% over those registered in the previous year.

Rental and Services Costs

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Personnel	0.3	0.3	18.4%	1.0	1.2	17.6%
Depreciation	2.7	4.3	59.6%	9.5	12.0	26.8%
Occupancy	2.1	2.3	8.7%	8.9	8.1	-8.4%
Third parties	1.6	1.9	15.8%	5.6	6.7	18.7%
Total	**6.7**	**8.8**	**31.5%**	**25.0**	**28.0**	**12.1%**

Personnel Costs

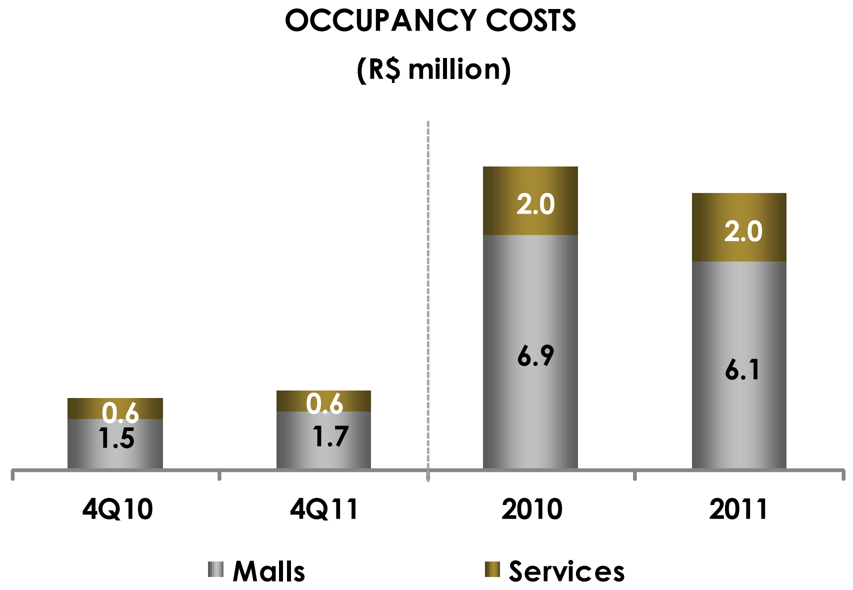
Personnel costs were R$ 0.3 million this quarter, the same as in 4Q10. In 2011, such costs reached R$ 1.2 million, 17.6% higher than in 2010.

Depreciation Cost

Depreciation costs reached R$ 4.3 million in 4Q11, up 59.6% over those registered in 4Q10. This item in 2011 accounted for R$ 12.0 million, up 26.8% over that in 2010.

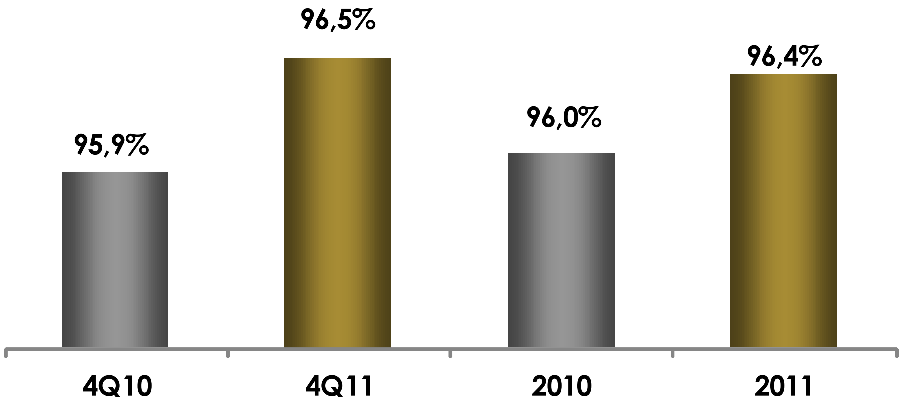
Occupancy Cost

Occupancy costs totaled R$ 2.3 million this quarter, up R$ 0.2 million or 8.7% over 4Q10. In 2011, this amount was R$ 8.1 million, down R$ 0.8 million or 8.4% as compared with 2010.



The occupancy costs of the shopping malls were R$ 1.7 million in 4Q11, up R$ 0.2 million in relation to 4Q10. This reduction arose from the opening of the Barueri Shopping mall, partially offset by the rise in the occupancy rate of the other shopping malls. In 2011, the occupancy cost was R$ 6.1 million, down R$ 0.8 million as compared with 2010.

OCCUPANCY RATE PERFORMANCE (*)



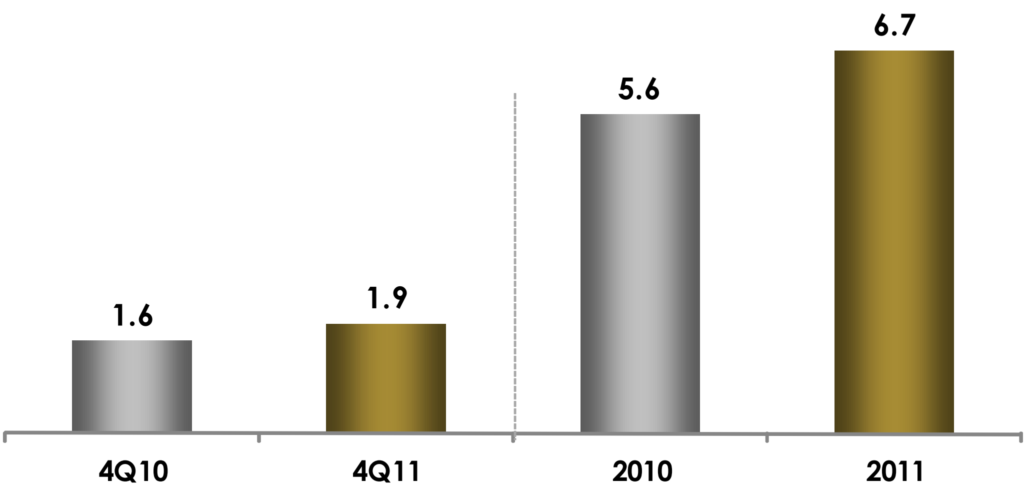
(*) except for Auto-Shopping

The occupancy cost of services amounted to R$ 0.6 million in 4Q11, the same as in 4Q10. In 2011, these costs registered R$ 2.0 million, practically the same as in 2010.

Third-Party Services Costs

Third-party parking-related services costs in 4Q11 hit R$ 1.9 million, an increase of R$ 0.3 million as compared with 4Q10. This increase was due to costs for the implementation of new parking services at the Barueri Shopping mall, in addition to increase in other operations. In 2011, such revenue totaled R$ 6.7 million, R$ 1.1 million more than in 2010.

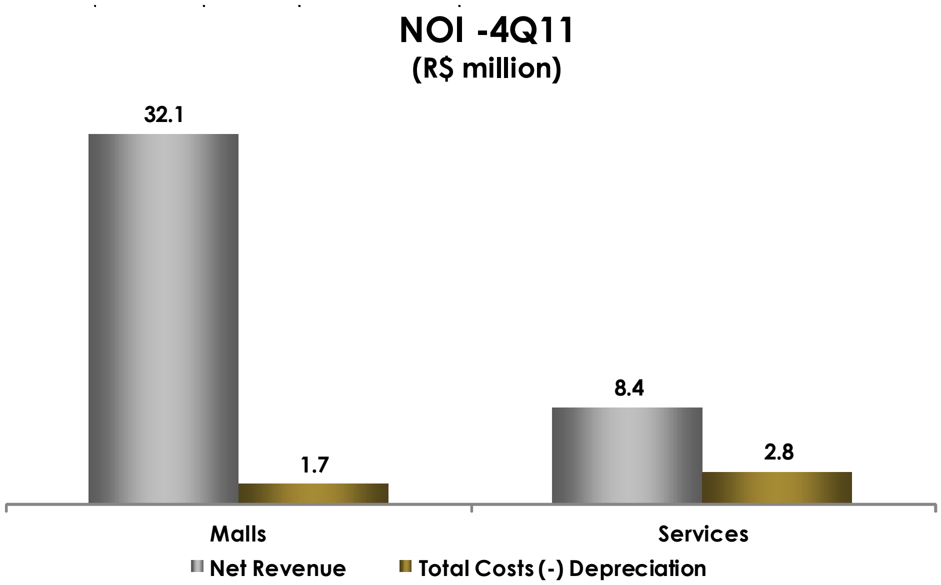
THIRD-PARTIES SERVICES COSTS
(R$ million)



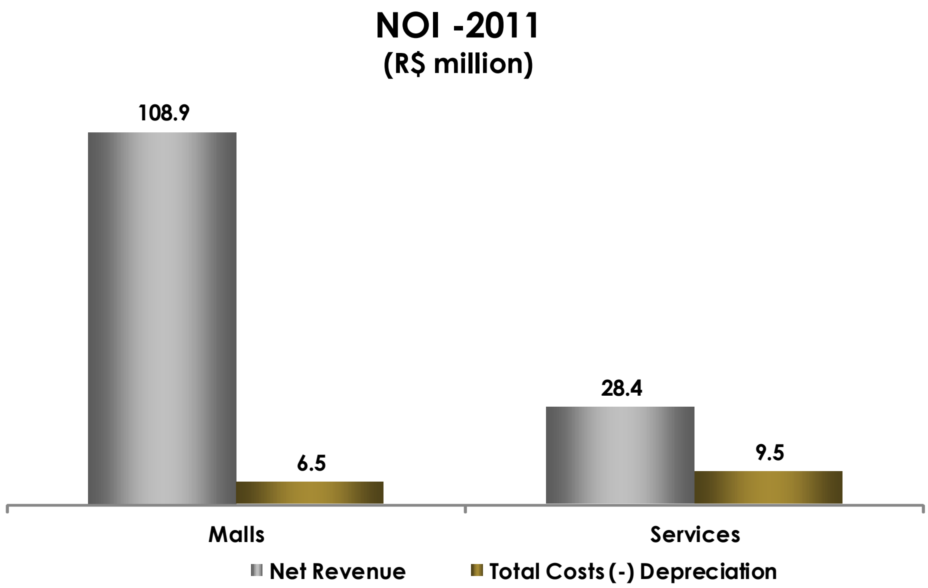
GROSS PROFIT

Gross Profit registered R$ 31.6 million in 4Q11, with margin at 78.1% and a growth of 20.1% as compared with the R$ 26.3 million of 4Q10. In 2011, gross profit totaled R$ 109.3 million, with margin of 79.6% and a growth of 19.9% in comparison with 2010.

In 4Q11, the Company's consolidated NOI totaled R$ 35.9 million. NOI for shopping mall operations amounted to R$ 30.4 million, while services reached R$ 5.6 million.



In 2011, NOI was R$ 121.3 million and the NOI for shopping mall operations represented R$ 102.4 million and that for services amounted to R$ 18.9 million.



OPERATING EXPENSES AND OTHER OPERATING REVENUE

In 4Q11, operating expenses and other operating revenues posted a net increase of R$ 0.8 million, resulting from an increase of R$ 3.5 million in General and Administrative Expenses and from the increase of R$ 2.7 million in Other Operating Revenues. In 2011, operating expenses and other operating revenues totaled R$ 23.8 million and in 2010 they totaled R$ 19.2 million.

Operating Expenses and Other Operating Revenues

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Operational Expenses	5.8	9.3	59.9%	22.7	33.1	45.8%
Other Operating Revenues	-	(2.7)	-	(3.5)	(9.3)	169.4%
Total	**5.8**	**6.6**	**13.1%**	**19.2**	**23.8**	**23.6%**

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses in 4Q11 totaled R$ 9.3 million, representing an increase of 59.9%, as compared with 4Q10. In 2011, this value was R$ 33.1 million, 45.8% more than that registered in 2010.

General and Administrative Expenses

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Publicity and Advertising	-	2.6	-	0.3	4.0	-
Provision for Doubtful Accounts	-	1.0	-	0.3	1.0	230.5%
Personnel	3.6	4.3	18.9%	10.5	13.1	24.4%
Third Parties	1.7	0.1	28.3%	7.1	7.7	18.0%
Commercialization Expenses	0.3	1.3	292.4%	1.3	3.9	198.7%
Non-recurring Expenses	-	-	-	-	0.7	-
Other Expenses	0.2	-	-	3.2	2.7	-25.1%
Total	**5.8**	**9.3**	**59.9%**	**22.7**	**33.1**	**45.8%**

The main items in this quarter that contributed to the increase in general and administrative expenses were the increase in sales costs, referring to greenfields, and the increase in staff expenses, due to annual salary adjustments, provision for bonuses and staff structure.

OTHER OPERATING REVENUES

Other operating revenues are comprised mainly of recovery of costs and expenses incurred by the Company which should have been borne by tenants and other recoveries in general. In 4Q11, other operating revenues amounted to R$ 2.7 million and in 4Q10 there was not other operating revenues. In 2011, this value was R$ 9.3 million, 169.4% greater than in 2010.

Other Operating Revenues

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Recovery of Condominium Expenses	-	(0.7)	-	(0.5)	(1.9)	3.4%
Reversal of Contingencies	-	(1.0)	-	(1.9)	(3.0)	59.5%
Gain on Property Sale	-	-	-	(0.6)	-	-
Recovery (other)	-	(1.0)	-	(0.5)	(4.4)	-
Total	**-**	**(2.7)**	**-**	**(3.5)**	**(9.3)**	**169.4%**

NET FINANCIAL RESULT

Net financial result in 4Q11 was a negative R$ 26.6 million and in 4Q10, the net financial result was a negative R$ 32.7 million. This decrease was the result of a reduction in interest and the exchange variation, partially offset by the negative exchange variation in this quarter. In 2011, the company posted a negative R$ 108.3 million, compared to a negative R$ 73.1 million in 2010.

Interest expenses relating to loans contracted for greenfield projects are being capitalized and will be amortized after the startup of the operations of the shopping malls.

Net Financial Result

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Revenues	**1.1**	**1.4**	**23.7%**	**6.2**	**11.9**	**89.9%**
Interest and Monetary Variation	0.9	1.4	48.5%	5.7	11.9	107.2%
Foreign Exchange Variation	0.2	-	-	0.5	-	-
Expenses	**(33.8)**	**(28.0)**	**-17.5%**	**(79.3)**	**(120.2)**	**51.4%**
Interest and Monetary Variation	(29.1)	(14.9)	-49.2%	(74.6)	(45.0)	-39.7%
Foreign Exchange Variation	-	(1.8)	-	-	(40.1)	-
Perpetual Bonds Interest	(4.7)	(11.3)	139.9%	(4.7)	(35.1)	-
Total	**(32.7)**	**(26.6)**	**-18.9%**	**(73.1)**	**(108.3)**	**48.1%**

FINANCIAL INSTRUMENTS

The Risk Management Policy seeks to protect the company against changes that could affect liquidity through the use of derivative financial instruments or investments in dollars. The Risk Management structure is formed by an Executive Committee, which meets regularly to discuss strategies and monitor compliance with the Policy, and a Risk Committee of the Board, which monitors the actions of the Executive Committee and makes decisions related to changes in Policy.

Speculative transactions are prohibited by the Policy and any instrument used should aim at mitigating risks and must be known by the Executive Risk Committee. All operations are controlled through the daily monitoring of mark to market and of risk limits.

Since the bond issue, the company's strategy is to maintain at least eight interest payment flows for the payment of interest hedged against currency risk. This hedging can be achieved with operations in Brazil or abroad, which may include derivative instruments and that comply with the criteria of cost and profitability.

In 2011, the company reported earnings of R$ 717 thousand recognized in the financial result. No derivative is classified as a hedge in the definition of CPC 38, and therefore, is not booked according to Hedge Accounting practices. Due to the characteristics of futures contracts on the São Paulo Stock Exchange, the daily adjustments that occurred during the quarter, representing R$ 1,135 thousand, have already impacted the Company's cash flow.

On December 31, 2011, the company's exposure map was the follow:

Financial Instruments

US$ thousand	2012	2013	Total
Exposure	**25,000**	**25,000**	**50,000**
Total with non-derivative instruments	-	-	-
Total with derivative instruments	25,000	25,000	50,000
Coverage	**100%**	**100%**	**100%**

Deriviative Instrument - exposure	2012	2013	Total
Initial price - R$/US$	1.8589	1.8725	1.8657
Notional value in US$ thousands	25,000	25,000	50,000
Fair value in R$ thousands	(209)	(209)	(418)

INCOME TAX AND SOCIAL CONTRIBUTION (CURRENT AND DEFERRED)

Income tax and social contribution totaled R$ 3.8 million in 4Q11 while this amount was R$ 2.1 million in 4Q10. Income tax and social contribution totaled R$ 15.2 million in 2011, up R$ 5.1 million as compared with 2010.

ADJUSTED NET RESULT

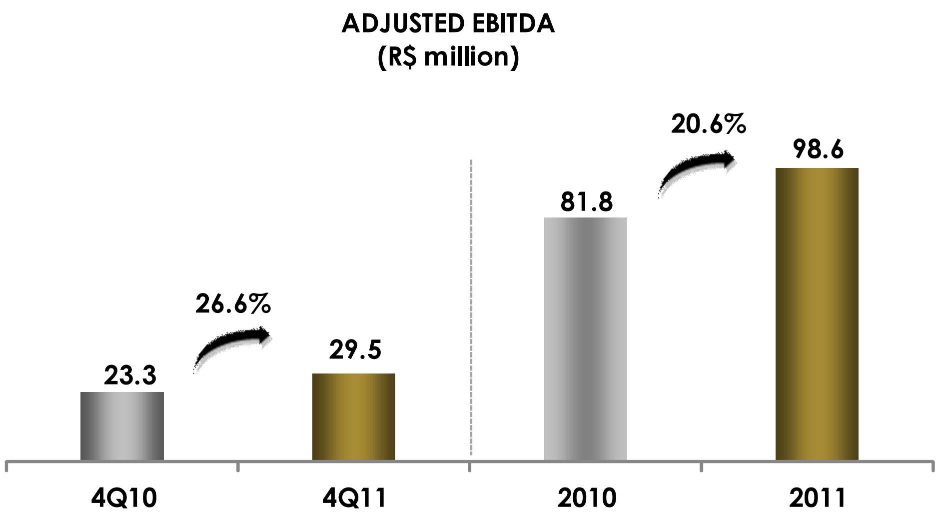
In 4Q11, the company reported an adjusted net result of a negative R$ 5.3 million compared with an adjusted net result of a negative R$ 14.4 million in 4Q10. In 2011, the adjusted net result was a negative R$ 38.0 million compared to an adjusted net result of a negative R$ 11.4 million in 2010.

ADJUSTED EBITDA

Adjusted EBITDA reached R$ 29.5 million in 4Q11, with margin at 72.8% and a 26.6% increase as compared with the previous year, when it amounted to R$ 23.3 million. In 2011, adjusted EBITDA was R$ 98.6 million, with margin at 71.8% and a growth of 20.6% in comparison with 2010.

Adjusted EBITDA Reconciliation

R$ million	4Q10	4Q11	Chg.	2010	2011	Chg.
Net income	**(14.4)**	**(5.3)**	**-62.9%**	**(11.4)**	**(38.0)**	**234.7%**
(+) Income Tax and Social Contribution	2.1	3.8	76.1%	10.1	15.2	50.4%
(+) Net Financial Income	32.7	26.6	-18.9%	73.1	108.3	48.1%
(+) Depreciation and Amortization	2.9	4.4	59.5%	10.0	12.4	26.8%
(+) Non-Recurring Expenses	-	-	-	-	0.7	-
Adjusted EBITDA	**23.3**	**29.5**	**26.6%**	**81.8**	**98.6**	**20.6%**
Adjusted EBITDA Margin	***70.4%***	***72.8%***	***2.4 p.p.***	***70.4%***	***71.8%***	***1,4 p.p.***



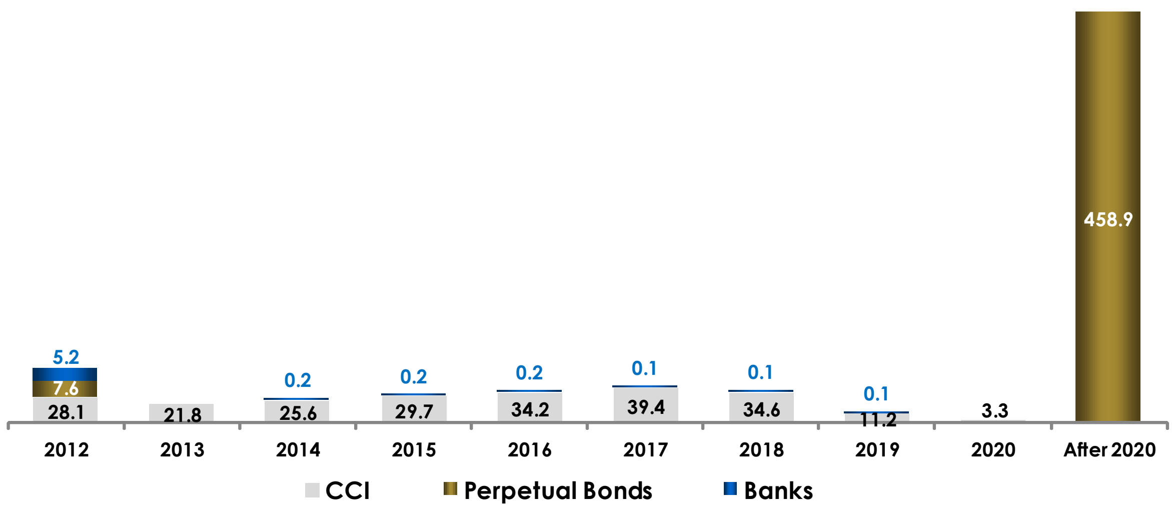
CAPITAL STRUCTURE

The Company's gross debt on December 31, 2011 amounted to R$ 690.5 million. On September 30, 2011, it was at R$ 683.9 million.

Taking into consideration cash availability (cash and cash equivalents and other financial investments) of R$ 212.3 million on December 31, 2011, total net debt was R$ 478.2 million. In 3Q11, net debt was R$ 403.0 million.

R$ million														
Financial Institution	Maturity	Index	Interest (p.a.)	12/31/2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	After 2020
Banks	-	-	12.68%	6.1	5.2	-	0.2	0.2	0.2	0.1	0.1	0.1	-	-
CCI - ITAÚ BBA	Jun/18	TR Rate	11.00%	157.2	14.4	17.0	20.0	23.2	26.8	30.9	24.9	-	-	-
CCI - RB CAPITAL	Apr/20	IPCA Rate	9.90%	60.7	3.7	4.8	5.6	6.5	7.4	8.5	9.7	11.2	3.3	-
Perpetual Bonds	-	USD	10.00%	466.5	7.6	-	-	-	-	-	-	-	-	458.9
Total Debt				690.5	30.9	21.8	25.8	29.9	34.4	39.5	34.7	11.3	3.3	458.9

AMORTIZATION SCHEDULE
(R$ million)



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

CAPITAL MARKET – GOVERNANCE – DIVIDEND POLICY

Our entry into the capital market in July 2007 allowed us to access better capital sources. This in turn allowed us to conduct an efficient growth strategy.

In addition to access to the capital market, listing on the *Novo Mercado* benefited us with better management practices through the application of corporate governance and equal rights for shareholders.

Our approved dividend policy is to distribute the minimum dividend, required by law, as we consider reinvesting in our activities to provide attractive profitability.

HUMAN RESOURCES

We have 359 employees in our offices and shopping centers. Additionally, our shopping centers use outsourced labor for operations such as maintenance, cleaning and security. We monitor the outsourced companies' compliance with employment and social security law.

ENVIRONMENTAL SUSTAINABILITY

Although shopping center activities generally have low environmental impact, wherever possible we seek to use new concepts in our projects, such as:

- Using electricity from sources certified by the Alternative Source Electrical Power Incentive Program (*Programa de Incentivo às Fontes Alternativas de Energia Elétrica*), or PROINFA.
- Water recycling for use in restrooms and evaporation in cooling towers.
- Recycling waste and oil.
- Landscaping with reforestation.
- Architectural design that takes advantage of natural light.

INDEPENDENT AUDITING

In compliance with Brazilian Securities Commission (CVM) Instruction 381/03, we report that Deloitte Touche Tohmatsu Auditores Independentes provided us no services other than auditing our financial statements in the year ended December 31, 2011.

ARBITRATION

We are obligated to use arbitration at the Market Arbitration Chamber under the arbitration agreement in article 54 of our bylaws.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

General Shopping Brasil S.A. and Subsidiaries

Financial Statements
For the Year Ended
December 31, 2011 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes

(Convenience Translation into English from the Original Previously Issued in Portuguese)

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

BALANCE SHEETS AS OF DECEMBER 31, 2011 AND DECEMBER 31, 2010
(In thousands of Brazilian reais - R$)

		Parent		Consolidated	
ASSETS	Note	12/31/2011	12/31/2010	12/31/2011	12/31/2010
CURRENT ASSETS					
Cash and cash equivalents	3	1.346	1.473	121.680	334.045
Certificates of Real Estate Receivables (CRI)		-	-	-	457
Trade accounts receivable	5	-	-	34.260	24.643
Recoverable taxes	6	635	464	4.089	2.113
Other receivables	8	1.564	782	5.740	14.648
Total current assets		3.545	2.719	165.769	375.906
NONCURRENT ASSETS					
Trade accounts receivable	5	-	-	1.346	1.699
Certificates of Real Estate Receivables (CRI)		-	-	-	798
Deferred income tax and social contribution	24	-	-	12.554	12.588
Related parties	7	26.004	18.452	22.124	19.368
Deposits and pledges		-	-	2.756	978
Restricted short-term investments	4	-	-	90.627	10.610
Other receivables	8	-	-	1.068	-
Investments	9	486.831	507.651	-	-
Investment properties	10	-	-	915.030	699.919
Property, plant and equipment	11	15.857	6.348	28.732	18.066
Intangible assets	12	6.441	429	41.822	30.901
Total noncurrent assets		535.133	532.880	1.116.059	794.927
TOTAL ASSETS		538.678	535.599	1.281.828	1.170.833

		Parent		Consolidated	
LIABILITIES AND SHAREHOLDERS' EQUITY	Note	12/31/2011	12/31/2010	12/31/2011	12/31/2010
CURRENT LIABILITIES					
Trade accounts payable		2.132	225	17.773	3.858
Loans and financing	13	-	10.450	12.782	25.856
Accounts payable - acquisition of real estate	15	-	-	7.550	969
Salaries, related taxes and premiums		1.839	1.540	2.257	1.921
Taxes, fees and contributions		315	196	19.219	15.243
Taxes in installments	17	173	294	5.534	6.155
Real Estate Credit Notes (CCI)	14	-	-	18.111	99.500
Related parties	7	199.569	150.484	13.949	14.848
Other payables	16	1.013	897	14.210	4.029
Total current liabilities		205.041	164.086	111.385	172.379
NONCURRENT LIABILITIES					
Borrowings and financing	13	-	-	459.816	321.915
Unearned income from assignments		-	-	19.179	14.014
Taxes paid in installments	17	524	399	16.641	21.764
Deferred income tax and social contribution	24	-	-	41.850	41.898
Accounts payable - acquisition of real estate	15	-	-	-	116
Reserve for civil, tax, labor and social security risks	18	-	-	613	6.210
Real Estate Credit Notes (CCI)	14	-	-	199.826	221.423
Other payables	16	-	-	99.405	-
Total noncurrent liabilities		524	399	837.330	627.340
SHAREHOLDERS' EQUITY					
Capital	19	317.813	317.813	317.813	317.813
Subsidiaries' revaluation reserve		58.517	58.740	108.312	108.535
Accumulated losses		(43.217)	(5.439)	(93.012)	(55.234)
Total shareholders' equity		333.113	371.114	333.113	371.114
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		538.678	535.599	1.281.828	1.170.833

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

(Convenience Translation into English from the Original Previously Issued in Portuguese)

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands of Brazilian reais - R$, except earnings per share)

	Note	Parent (BR GAAP)		Consolidated (BR GAAP & IFRSs)	
		12/31/2011	12/31/2010	12/31/2011	12/31/2010
NET REVENUES	20	-	-	137.341	116.159
COSTS OF RENTALS AND SERVICES PROVIDED	21	-	-	(28.065)	(25.032)
GROSS PROFIT		-	-	109.276	91.127
OPERATING INCOME (EXPENSES)					
General and administrative expenses	22	(17.181)	(12.313)	(33.079)	(22.685)
Other operating income, net	25	329	19	9.294	3.450
Equity in subsidiaries	9	(20.901)	4.500	-	-
INCOME (LOSS) FROM OPERATIONS BEFORE FINANCIAL INCOME (EXPENSES)		(37.753)	(7.794)	85.491	71.892
FINANCIAL INCOME (EXPENSES)	23	(248)	(3.561)	(108.252)	(73.111)
OPERATING INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		(38.001)	(11.355)	(22.761)	(1.219)
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	24	-	-	(15.254)	(10.219)
Deferred	24	-	-	14	83
Total		-	-	(15.240)	(10.136)
NET LOSS FOR THE YEAR		(38.001)	(11.355)	(38.001)	(11.355)
ATTRIBUTABLE TO COMPANY'S OWNERS				(38.001)	(11.355)
Basic loss per share - R$		(0,75)	(0,22)	(0,75)	(0,22)

The Company does not have comprehensive income (loss) items in the current and prior year.

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

(Convenience Translation into English from the Original Previously Issued in Portuguese)

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (PARENT)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands of Brazilian reais - R$)

	Capital	Subsidiaries' revaluation reserve	Earnings retention reserve	Accumulated losses	Total
BALANCES AS OF DECEMBER 31, 2009	317.813	58.906	5.750	-	382.469
Net loss for the year	-	-	-	(11.355)	(11.355)
Realization of revaluation reserve	-	(166)	-	166	-
Offset of accumulated losses against the earnings retention reserve	-	-	(5.750)	5.750	-
BALANCE AS OF DECEMBER 31, 2010	317.813	58.740	-	(5.439)	371.114
Net loss for the year	-	-	-	(38.001)	(38.001)
Realization of revaluation reserve	-	(223)	-	223	-
BALANCE AS OF DECEMBER 31, 2011	317.813	58.517	-	(43.217)	333.113

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

(Convenience Translation into English from the Original Previously Issued in Portuguese)

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands of Brazilian reais - R$)

	Parent (BR GAAP)		Consolidated (BR GAAP & IFRSs)	
	12/31/11	12/31/10	12/31/11	12/31/10
CASH FLOW FROM OPERATING ACTIVITIES				
Net loss for the year	(38.001)	(11.355)	(38.001)	(11.355)
Adjustments to reconcile net income for the year to net cash (used in) provided by operations:				
Depreciation and amortization	404	683	12.457	9.822
Fixed assets disposed of	-	-	-	22.948
Write-off of fixed assets	-	-	-	-
Allowance for doubtful accounts	-	-	975	300
Unbilled revenue from rentals	-	-	-	-
Reversal of reserve for civil, tax, labor and social security	-	-	(5.695)	(1.866)
Monetary restatement of provisions for civil, tax, labor and social security	-	-	98	783
Deferred income and social contribution taxes	-	-	(14)	(83)
Fines and penalties	-	-	-	-
Exchange change on loans and financing	-	-	-	-
Reversal of inflation adjustment and interest on taxes in installments	-	-	-	-
Financial charges on borrowings, financing, CCI and perpetual bonds	31	3.574	79.534	75.220
Financial charges on taxes in installments	62	-	2.965	-
Reversal of taxes in installments	-	-	(2.736)	-
Unrealized loss on derivatives			418	
Exchange variation on other assets and liabilities	-	-	36.891	3.689
Equity in subsidiaries	20.901	(4.500)	-	-
(Increase) decrease in operating assets:				
Trade accounts receivable	-	-	(10.239)	(709)
Recoverable taxes	(171)	(20)	(1.976)	(702)
Other receivables	(782)	(695)	7.840	(12.889)
Deposits and pledges	-	-	(1.778)	(214)
Increase (decrease) in operating liabilities:				
Trade accounts payable	1.907	(172)	13.915	(696)
Taxes, fees and contributions	119	579	3.976	1.988
Salaries, related taxes and premiums	299	403	336	365
Unearned income from assignments	-	-	5.165	937
Other payables	116	(403)	109.168	(1.037)
Cash provided by (used in) provided by operating activities	(15.115)	(11.906)	213.299	86.501
Interest paid	(31)	(3.638)	(72.340)	(36.220)
Net cash provided by (used in) operating activities	(15.146)	(15.544)	140.959	50.281
CASH FLOW FROM INVESTING ACTIVITIES				
Receivables from properties for sale	-	-	-	25.394
Restricted short-term investments	-	-	(80.017)	188
Certificates of Real Estate Receivables (CRI)	-	-	1.255	48
Capital increase in subsidiaries	(81)	-	-	-
Purchase of investment properties and fixed and intangible assets	(15.925)	(3.006)	(224.427)	(43.464)
Net cash used in investing activities	(16.006)	(3.006)	(303.189)	(17.834)
CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings, financing and CCI raised	-	15.000	78.960	395.368
Repayment of principal of borrowings, financing and CCI	(10.450)	(35.044)	(131.129)	(82.474)
Accounts payable - acquisition of real estate	-	-	(9.390)	(5.112)
Taxes paid in installments	(58)	-	(5.752)	(3.700)
Related parties	41.533	38.098	(5.069)	(6.968)
Net cash provided by (used in) financing activities	31.025	18.054	(72.380)	297.114
Effect of exchange rate changes on cash and cash equivalents	-	-	22.245	(7.659)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(127)	(496)	(212.365)	321.902
CASH AND CASH EQUIVALENTS				
At end of year	1.346	1.473	121.680	334.045
At beginning of year	1.473	1.969	334.045	12.143
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(127)	(496)	(212.365)	321.902

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

(Convenience Translation into English from the Original Previously Issued in Portuguese)

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

STATEMENTS OF VALUE ADDED
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(In thousands of Brazilian reais - R$)

	Parent		Consolidated	
	12/31/11	12/31/10	12/31/11	12/31/10
REVENUES				
Revenue from services	-	-	145.184	124.334
Allowance for doubtful accounts	-	-	(975)	(300)
	-	-	144.209	124.034
SERVICES AND MATERIALS FROM THIRD PARTIES				
Outside services, materials and other	(6.692)	(4.463)	(32.516)	(27.861)
GROSS VALUE ADDED (CONSUMED)	(6.692)	(4.463)	111.693	96.173
DEPRECIATION AND AMORTIZATION	(404)	(683)	(12.457)	(9.822)
VALUE ADDED (CONSUMED) CREATED BY THE COMPANY	(7.096)	(5.146)	99.236	86.351
VALUE ADDED RECEIVED IN TRANSFER				
Equity in subsidiaries	(20.901)	4.500	-	-
Financial income	192	1.178	11.856	6.243
Other	329	19	9.294	5.445
WEALTH FOR DISTRIBUTION	(27.476)	551	120.386	98.039
WEALTH DISTRIBUTED				
Employees:				
Direct compensation	7.131	4.251	10.649	7.287
Benefits	982	1.323	1.442	1.768
FGTS	460	315	514	396
INSS	1.474	1.253	1.666	2.077
Taxes fees and contributions:				
Federal	-	-	21.685	17.094
Municipal	38	25	2.323	1.418
Debt capital:				
Financial expenses	440	4.739	120.108	79.354
Net loss for the year	(38.001)	(11.355)	(38.001)	(11.355)
	(27.476)	551	120.386	98.039

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

Deloitte.

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S

To the Shareholders, Directors and Management of
General Shopping Brasil S.A.
São Paulo - SP

We have audited the accompanying individual and consolidated financial statements of General Shopping Brasil S.A. ("Company") and its subsidiaries, identified as Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2011, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the individual financial statements in accordance with accounting practices adopted in Brazil and the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board - IASB, and in accordance with accounting practices adopted in Brazil, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing selected procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Individual Financial Statements

In our opinion, the individual financial statements present fairly, in all material respects, the financial position of General Shopping Brasil S.A. as at December 31, 2011 and its financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil.

Opinion on the Consolidated Financial Statements

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of General Shopping Brasil S.A. as at December 31, 2011, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board - IASB and accounting practices adopted in Brazil.

Emphasis of Matter

a) We draw attention to Note 2 to the financial statements, which states that the individual financial statements have been prepared in accordance with accounting practices adopted in Brazil. In the case of General Shopping Brasil S.A., these accounting practices differ from the IFRSs, applicable to separate financial statements, only with respect to the measurement of investments in subsidiaries by the equity method of accounting, which, for purposes of IFRS, would be measured at cost or fair value.

b) The Company has taken measures to complete the registration of certain title deeds for certain properties acquired in the appropriate real estate registry offices, as stated in Note 10. Management understands that no material expenses will be incurred upon completion of this process and that there will be no impediments to such registration.

Other Matters

Statements of Value Added

We have also audited the individual and consolidated statements of value added ("DVA") for the year ended December 31, 2011, prepared under the responsibility of the Company's management, the presentation of which is required by the Brazilian Corporate Law for publicly-traded companies, and considered as supplemental information for IFRS, which does not require the presentation of a DVA. These financial statements were subject to the same auditing procedures described above and, in our opinion, are fairly presented, in all material respects, in relation to the financial statements taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, February 24, 2012

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Ismar de Moura
Engagement Partner

(Convenience Translation into English from the Original Previously Issued in Portuguese)

GENERAL SHOPPING BRASIL S.A. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(Amounts in thousands of Brazilian reais - R$, unless otherwise stated)

1. GENERAL INFORMATION

General Shopping Brasil S.A. ("Company") was established on March 6, 2007 and, on March 31, 2007, after successive corporate transactions, 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 trades its shares on BM&FBovespa (São Paulo Stock Exchange), under the ticker symbol "GSHP3".

The Company's immediate and ultimate Parent Company is Golf Participações Ltda., a company headquartered in Brazil.

The Company is headquartered in São Paulo, at Avenida Angélica, 2.466, conjunto 221.

The Company is engaged in the following activities: (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.

The Company's direct and indirect subsidiaries 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 Estacionamentos Ltda., Energy Comércio e Serviços de Energia Ltda., Wass Comércio e Serviços de Água Ltda., General Shopping Brasil Administradora e Serviços Ltda., Internacional Guarulhos Auto Shopping Center Ltda., Vide Serviços e Participações Ltda. and Ast Administradora e Incorporadora 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.

- Ast Administradora e Incorporadora Ltda. ("Ast") - engaged in managing its own and third parties' assets, real estate development, holding equity interests in other companies and real estate projects, and leasing security equipment and video cameras.

- Bac Administradora e Incorporadora Ltda. ("Bac") - engaged in developing real estate projects.

- BOT Administradora e Incorporadora Ltda. (“BOT”) – engaged in the development of real estate projects. BOT holds 50% of the shares in Outlet Premium São Paulo. On April 25, 2011, BR Outlet Administradora e Incorporadora Ltda. had its corporate name changed to BOT Administradora e Incorporadora Ltda.

- 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.

- Cly Administradora e Incorporadora Ltda. (“Cly”) - engaged in managing its own and third parties’ assets, real estate development, and holding equity interests in other companies and real estate projects. Cly holds a 90% interest in Internacional Shopping Guarulhos.

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

- 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 Shopping Guarulhos, Internacional Guarulhos Auto Shopping Center, Shopping Light, Santana Parque Shopping, Suzano Shopping, Shopping do Vale and Outlet Premium.

- Fonte Administradora e Incorporadora Ltda. (“Fonte”) - engaged in managing its own and third parties’ assets and real estate development. Fonte owns 51% of a land in Rio de Janeiro where Shopping Sulacap will be built.

- Real Estate Investment Fund (“FII Top Center”) - engaged in: (a) acquiring the real estate comprising the shopping mall known as Top Center; and (b) investing in another real estate project, after approved by the Annual Unitholders’ Meeting, in order to earn revenues from the appreciation, rental/lease and sale of the real estate comprising its real estate assets, as prescribed in the fund’s bylaws, the applicable legislation and CVM standards.

- General Shopping Brasil Administradora e Serviços Ltda. (“GSB 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, GSB Administradora is the manager of Internacional Guarulhos Shopping Center, Suzano Shopping Center, Poli Shopping Osasco, Prudente Parque Shopping, Cascavel JL Shopping, Shopping do Vale, Top Center, Outlet Premium and Unimart Shopping.

- General Shopping Finance Limited. (“General Shopping Finance”) - company based in Cayman Islands and engaged in developing activities and operations related to the Company or its subsidiaries.

- GS Finance II Limited (“GS Finance II”) - company based in Cayman Islands and engaged in developing activities and operations related to the Company or its subsidiaries.

- I Park Estacionamentos Ltda. (“I Park”) - engaged in managing 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, Cascavel JL Shopping, Outlet Premium, Unimart, Shopping do Vale and Poli Shopping Osasco.

- 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 Internacional Guarulhos Auto Shopping Center.

- 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 Poli Shopping Osasco.

- Jud Administradora e Incorporadora Ltda. (“Jud”) - engaged in managing its own and third parties’ assets, real estate development, holding equity interests in other companies and real estate projects. Jud owns 100% of the units in FII Top 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% in Internacional Guarulhos Auto Shopping Center; 0.5% in Prudente Parque Shopping and Poli Shopping Osasco and 0.5% in the shopping mall that will be built in the city of Atibaia.

  Presently, Levian holds equity interests in ABK do Brasil, Poli Shopping Center Empreendimentos Ltda., Lumen Shopping Administradora e Incorporadora Ltda., Lux Shopping Administradora e Incorporadora Ltda., Securis Administradora e Incorporadora Ltda., Delta Shopping Empreendimentos Imobiliários Ltda., Park Shopping Administradora e Incorporadora Ltda., Nova União Administradora e Incorporadora S.A., Sulishopping Empreendimentos Ltda., Send Empreendimentos e Participações Ltda., Manzanza Consultoria e Administração de Shopping Centers Ltda., Uniplaza Empreendimento Participação e Administração de Centro de Compras Ltda., Brassul Shopping Administradora e Incorporadora Ltda., Intesp Shopping Administradora e Incorporadora Ltda., PP Administradora e Incorporadora Ltda., Paulis Shopping Administradora e Incorporadora Ltda., Fonte Administradora e Incorporadora Ltda., Zuz Administradora e Incorporadora Ltda., Premium Outlet Administradora e Incorporadora Ltda., Jud Administradora e Incorporadora Ltda., Vul Administradora e Incorporadora Ltda., BOT Administradora e Incorporadora Ltda., Cly Administradora e Incorporadora Ltda., Bud Administradora e Incorporadora Ltda., Bac Administradora e Incorporadora Ltda., Sale Empreendimentos e Participações Ltda, ERS Administradora e Incorporadora Ltda; MAI Administradora e Incorporadora Ltda, FLK Administradora e Incorporadora Ltda, Premium Outlet Administradora e Incorporadora Ltda and BR Outlet Administradora e Incorporadora Ltda.

- 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 interest in the indefeasible right to use the property is 46.957%.

- Lux Shopping Administradora e Incorporadora Ltda. ("Lux") - engaged in the management of own or third-parties' assets and real estate development. Lux owns the Shopping Light building and holds a 23.043% interest in the indefeasible right to use the property.

- Manzanza Consultoria e Administração de Shopping Centers Ltda. ("Manzanza") - engaged in providing shopping center consulting and management services and managing own assets. Manzanza owns the land where a shopping mall will be built in Atibaia.

- 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 Cly holds a 10% interest in Internacional Shopping Guarulhos.

- 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. A Park Shopping Administradora holds 100% of the shares in Sulishopping.

- Paulis Shopping Administradora e Incorporadora Ltda. ("Paulis") - engaged in managing its own and third parties' assets and real estate development.

- POL Administradora e Incorporadora Ltda. ("POL") - engaged in the development of real estate projects. POL owns the land where Shopping Outlet Premium will be built in Alexânia.

- 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.

- PP Administradora e Incorporadora Ltda. ("PP") - engaged in managing its own and third parties' assets and real estate development. PP owns 99.5% of Prudente Parque Shopping.

- 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.

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

- Send Empreendimentos e Participações Ltda. ("Send") - engaged in managing its own assets and holding equity interests in other companies. Send presently holds 48% of Parque Barueri Shopping. Send holds 100% of the shares in Uniplaza.

- Sulishopping Empreendimentos Ltda. (“Sulishopping”) - engaged in operating in the shopping mall segment by leasing owned properties or subletting leased properties.

- Uniplaza Empreendimentos Participações e Administração de Centros de Compras Ltda. (“Uniplaza”) - engaged in managing its own and third parties’ assets, own and third parties’ trade centers, real estate development, and holding equity interests in other companies and real estate projects. Uniplaza owns 100% of Unimart Shopping.

- Vide Serviços e Participações Ltda. (“Vide”) - engaged in providing institutional marketing services, managing its own and third parties’ assets, real estate development, and holding equity interests in other companies and real estate projects.

- Vul Administradora e Incorporadora Ltda. (“Vul”) is engaged in the management of own and third parties’ assets, real estate development, and holding equity interests in other companies and real estate projects. Vul owns the land where a new mall will be built in Guarulhos.

- Wass Comércio e Serviços de Águas Ltda. (“Wass”) - engaged in leasing water treatment and distribution equipment and providing 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, Prudente Parque Shopping, Suzano Shopping, Santana Parque Shopping, Outlet Premium and Shopping do Vale.

- Zuz Administradora e Incorporadora Ltda. (“Zuz”) - engaged in managing its own and third parties’ assets, real estate development, and holding equity interests in other companies and real estate projects. Zuz owns 100 % of Suzano Shopping Center, 50% of Santana Parque Shopping and 85.5% of Cascavel JL Shopping.

- Subsidiaries Bud Administradora e Incorporadora Ltda. (“Bud”), BR Outlet Administradora e Incorporadora Ltda (“BR Outlet”), Premium Outlet Administradora e Incorporadora Ltda. (“Premium Outlet”), ERS Administradora e Incorporadora Ltda. (“ERS”), MAI Administradora e Incorporadora Ltda (“MAI”), and FLK Administradora e Incorporadora Ltda (“FLK”) are engaged in the management of own and third-parties’ assets and real estate development. The companies have no operations as at December 31, 2011.

2. PRESENTATION OF FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance

The Company’s financial statements comprise:

- The consolidated financial statements of the Company and subsidiaries prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and in accordance with accounting practices adopted in Brazil, identified as Consolidated (IFRS and BR GAAP).

- The individual financial statements of the parent company prepared in accordance accounting practices adopted in Brazil, identified as Parent Company - BR GAAP.

The accounting practices adopted in Brazil comprise the policies set out in the Brazilian Corporate Law and the Pronouncements, Instructions, and Interpretations issued by the Accounting Pronouncements Committee ("CPC") and approved by the Brazilian Securities and Exchange Commission ("CVM").

The individual financial statements present the valuation of investments in subsidiaries and associates under the equity method, pursuant to prevailing Brazilian legislation. Accordingly, these individual financial statements are not considered as in accordance with IFRSs, which require the measurement of such investments in separate financial statements of the parent company, at their fair value or at cost.

Since there is no difference between the consolidated shareholders' equity and the consolidated net income attributable to the Parent's owners recorded in the consolidated financial statements prepared in accordance with IFRSs and the accounting practices adopted in Brazil, and the Parent's shareholders' equity and net income recorded in the individual financial statements prepared in accordance with accounting practices adopted in Brazil, the Company opted for presenting the individual and consolidated financial statements as a single set, in the side-by-side format.

2.2. Basis of presentation

The financial statements has been prepared based on the historical cost, except otherwise stated. The historical cost is generally based on the fair value of the consideration paid in exchange for an asset.

The significant accounting policies used in preparing the financial statements are described below. These policies are consistent with those adopted in the prior reporting period.

Significant accounting policies adopted by the Company and subsidiaries may be summarized as follows:

2.3. Basis of consolidation

The consolidated financial statements has been prepared and are presented in conformity with accounting practices adopted in Brazil and standards issued by CVM - the main accounting practices applied are described above - and include the financial statements of the Company and its subsidiaries listed below. Intercompany balances and transactions and the Company's investments in subsidiaries have been eliminated in consolidation. The individual and consolidated shareholders' equity and net income do not differ as no unrealized profits have been recorded.

As of December 31, 2011 and 2010, the consolidated companies are as follows:

	Type of consolidation	12/31/2011 Ownership interest - %	12/31/2010 Ownership interest - %
Direct subsidiaries:			
Levian	Full	100	100
Atlas	Full	100	100
General Shopping Finance	Full	100	100
GS Finance II	Full	100	-
Indirect subsidiaries:			
ABK	Full	99.28	99.28
Poli Empreendimentos	Proportionate	50	50
Park Shopping Administradora	Full	100	100
Send	Full	100	100
Manzanza	Full	100	100
Nova União	Full	100	100
Sulishopping	Full	100	100
I Park	Full	100	100
Wass	Full	100	100
Energy	Full	100	100
GSB Administradora	Full	100	100
ASG Administradora	Full	100	100
Lux	Full	100	100
Lumen	Full	100	100
Securis	Full	100	100
Delta	Full	100	100
Brassul	Full	100	100
Intesp	Full	100	100
PP	Full	100	100
Paulis	Full	100	100
Fonte	Full	100	100
Zuz	Full	100	100
Pol	Full	100	100
Jud (no operations)	Full	100	100
Vul	Full	100	100
Bot	Full	100	100
Cly	Full	100	100
Bud (no operations)	Full	100	100
Bac	Full	100	100
Sale	Full	100	100
Ast	Full	100	100
Vide	Full	100	100
Uniplaza	Full	100	100
FII Top Center	Full	100	100
Mai (no operations)	Full	100	-
Ers (no operations)	Full	100	-
Flk (no operations)	Full	100	-
Premium Outlet (no operations)	Full	100	-
Br Outlet (no operations)	Full	100	-

2.4. Investments in subsidiaries

Investments in subsidiaries are accounted for under the equity method.

Investments in companies in which management has significant influence or interest of 20% or more in the voting capital, or which are part of the same group or are under common control, are accounted for under the equity method (see Note 9).

2.5. Investments in joint ventures

A joint venture is the contractual arrangement whereby the Company and other parties agree sharing control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

Investments in joint ventures are recognized under the proportionate consolidation method, since the date joint control is acquired. According with this method, assets, liabilities and revenues, costs and expenses are integrated to the financial statements, line by line, proportionately to the control attributable to the Company.

The assets, liabilities, revenue and expenses of jointly controlled entities have been included proportionately to the parent company’s interests in their capital, taking into consideration that shared control was obtained under shareholders’ agreements entered into by the Company with its partners in these companies, and none of the parties has the power to unilaterally define their financial and operating policies.

2.6. Segment reporting

Reporting by operating segment is consistent with the internal report provided to the chief decision maker (President).

2.7. Functional and reporting currency

The financial statements of each subsidiary included in the consolidation are prepared using the functional currency (i.e., currency of the primary economic environment in which it operates) of each subsidiary. When defining define the functional currency of each subsidiary, management considered which currency significantly has a significant influence on the sale price of the services rendered and in which currency most par of the cost of services is paid or incurred. The consolidated financial statements is presented in Brazilian reais, which is the functional and reporting currency of the Parent Company.

Foreign subsidiaries General Shopping Finance and GS Finance II have no management body or administrative, financial and operating independence, therefore, its assets and liabilities as well as its profits (losses) are translated using the following method: (i) asset and liability balances are translated at the exchange rate prevailing at the closing date of the consolidated financial statements; and (ii) income statement accounts (revenue and expenses) are translated at the average monthly exchange rate, provided that no significant exchange fluctuations have occurred. Exchange variation effects are recorded in the income statement.

2.8. Foreign currency

In preparing the Company's individual and consolidated financial statements, transactions in foreign currency are recognized at the exchange rates prevailing on transaction dates. At the end of each reporting period, monetary items denominated in foreign currency are translated at the rates prevailing on the balance sheet date. Exchange differences on monetary items are recognized in profit or loss in the period they incur.

2.9. Cash and cash equivalents

Stated at cost plus income earned and include cash, banks and highly liquid short-term investments with maturities equal to or below ninety (90) days, which have an insignificant risk of change in value.

2.10. Restricted cash investments

The Company has cash investments in Bank Certificate of Deposits (CDB) and repurchase debentures earning yield based on the Certificate of Interbank Deposits (CDI). The investments are linked to commitments assumed in CCI (Real Estate Credit Notes) transactions, loans and sales of assets, and the cash investment balances are stated at cost plus earnings earned until the balance sheet dates, as described in Note 4.

2.11. Financial instruments

Recognition and measurement:

Financial assets and financial liabilities are initially measured at fair value. The transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities (except for financial assets and financial liabilities recognized at fair value through profit or loss) should be added to or deducted from the fair value of financial assets and financial liabilities, when applicable, after initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Classification:

The Company's and its subsidiaries' financial instruments have been classified into the following categories:

a) Measured at fair value through profit or loss

Financial assets and financial liabilities held for trading, i.e., acquired or originated primarily for the purpose of sale or repurchase in the short term. Changes in fair value are accounted for in profit or loss, and balances are stated at fair value.

b) Loans and receivables

Non-derivative financial instruments with fixed or determinable payments or receivables that are not quoted in an active market. They are classified as current assets, except for those with maturities greater than 12 months after the end of the reporting period, which are classified as noncurrent assets. The Company's loans and receivables correspond to loans to related parties, trade accounts receivable, cash and cash equivalents, restricted cash investments, certificates of real estate receivables and other accounts receivable.

2.12. Derivatives

The Company has derivative instruments as a strategy to manage its exposure to currency risks. For details on derivatives, see Note 26.

Derivatives are initially recognized at fair value on the trade date and are subsequently remeasured at fair value at the end of the period. Any gains or losses are immediately recognized in profit or loss.

When a derivative is traded on a stock exchange, its fair value should be measured using techniques based on active market quotations, where the price used to measure the fair value corresponds to the closing price for each month. The fair value of derivatives not traded on a stock exchange, that is, traded via an over-the-counter market, should be calculated based on methods that measure the present value of the discounted future cash flow, which are also based on market information on the last day of the month.

2.13. Impairment of financial assets

Financial assets, except those designated at fair value through profit or loss, are valued using impairment indicators at the end of the year. Impairment losses are recognized when there is objective evidence of impairment of the financial asset as a result of one or more events occurred after the initial recognition of the asset, with an impact on the estimated future cash flows.

The criteria used by the Company and its subsidiaries to determine whether there is objective evidence that a financial asset is impaired includes:

- Significant financial difficulty of the issuer or debtor.
- Breach of contract, such as default or delinquency in interest or principal payments.
- Likelihood that the borrower will go into bankruptcy or financial reorganization.
- Disappearance of the active market of that financial asset because of financial difficulties.

The carrying amount of the financial asset is directly written down by the impairment loss for all financial assets, except for trade accounts receivable, in which case the carrying amount is decreased by an allowance. Subsequent recoveries of amounts previously written-off are credited to the allowance. Changes in the carrying amount of the allowance are recognized in profit or loss.

2.14. Due from related parties

Initially stated at billed amounts based on contractual rental amounts and services provided, adjusted by the effects arising from the recognition of rent revenues on a straight-line basis, calculated according to contractual terms, including, when applicable, income earned and inflation adjustment.

The allowance for doubtful accounts is recognized in an amount considered sufficient by management to cover probable losses on the realization of trade accounts receivable, based on the following criterion: individual analysis of the debtors, regardless of the maturity period, as described in note 5.

2.15. Adjustment to present value

The Company evaluated the short- and long-term monetary assets and liabilities subject to adjustment to present value.

When impact is considered material in relation to the financial statements taken as a whole, adjustment to present value is calculated on the balances, taking into consideration contractual cash flows and the explicit or implicit interest rate of corresponding assets and liabilities. Accordingly, the interest embedded in revenues, expenses and costs related to these assets and liabilities is discounted and recognized on the accrual basis.

If the adjustment to present value is recognized, this interest is subsequently transferred to financial income or expenses in the income statement by using the effective interest rate method in relation to the contractual cash flows.

2.16. Investment property

Investment properties are represented by land and buildings in shopping malls held for earning rent revenue and/or for capital appreciation, as disclosed in Note 10.

Investment properties are stated at acquisition or construction cost, less respective accumulated depreciation, calculated under the straight-line method at rates that consider the estimated useful life of the assets.

Costs incurred related to investment properties in use, such as maintenance and repairs, insurance and property taxes, are recognized as cost in the income statement for the year they refer to.

An investment property is written off on sale or when it is no longer in use and no future benefits will arise from the sale. Any gain or loss on the write-off of a property (calculated as the difference between the net revenue from sale and its book value) is recognized in profit or loss for the period in which the property is written off, except for operations on the investments is made under co-enterprise, which the amount paid by the investor to the Company are maintained as advance until the effective transfer of the risks and benefits of ownership of the property.

Financial charges on loans and financing incurred over the construction period, when applicable, are capitalized. The revaluation reserve is realized in accordance with the record of the respective depreciation of buildings or at the time assets are sold, and is credited to the "Retained earnings" account.

2.17. Property, plant and equipment

Carried at acquisition cost. Depreciation is calculated under the straight-line method, at the rates mentioned in note 11, based on estimated useful lives of the assets.

Residual values and useful lives of the assets are reviewed and adjusted annually, when appropriate.

An item of property, plant and equipment is written off on sale or when no future economic benefits are expected from its use. Any gain or loss on the sale or write-off of an item of property, plant and equipment corresponds to the difference between the amounts received from the sale and the asset book value, and is recognized in profit or loss.

2.18. Intangible assets - consolidated

Intangible assets with finite useful lives acquired separately are stated at cost, less accumulated amortization and impairment losses thereon. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each fiscal year, with the effect of any changes in estimate being accounted for on a prospective basis.

2.19. Goodwill

Goodwill arising from a business combination is stated at cost on the date of the business combination less accumulated impairment losses, if any.

For impairment test purposes, goodwill is allocated to each one of the Company’s cash generating units to benefit from the business combination synergies.

The cash-generating units to which goodwill is allocated are tested for impairment annually or more often when there is an indication that any unit may be impaired. If the recoverable amount of a cash-generating unit is lower that its book value, the impairment loss is firstly allocated to write down the book value of any goodwill allocated to the unit and, subsequently, to the other assets of the cash-generating unit, prorated to the book value of each of its assets. Any goodwill impairment loss is directly recognized in profit or loss for the year. Impairment losses are not reversed in subsequent periods.

When the underlying cash-generating unit is sold, the amount attributable to goodwill is included in the profit or loss of the transaction.

Up to December 31, 2008, goodwill based on expected future earnings, determined through an economic evaluation projection that uses the discounted cash flow method, was amortized over the period to the extent and in the proportion of projected results. Beginning January 1, 2009, goodwill has not been amortized any longer, but has been tested for impairment annually.

In December 31, 2011, there were no indications that intangible assets would not be recovered.

2.20. Impairment of tangible and intangible assets, excluding goodwill

Fixed and intangible assets, and other noncurrent assets are tested for impairment annually or whenever significant events or changes in circumstances indicate that the carrying amount may not be recoverable. In the event of a loss resulting from situations where the carrying amount of an asset exceeds its recoverable value, which is defined as the value in use of the asset based on the discounted cash flow method, an impairment loss is recognized in the income statement. As of December 31, 2011, there were no evidences that fixed and intangible assets would not be recoverable.

2.21. Other assets (current and noncurrent)

Other assets are stated at cost or realizable value including, when applicable, income, inflation adjustment and exchange variation earned through the balance sheet dates.

2.22. Other liabilities (current and noncurrent)

Other current and noncurrent liabilities are stated at known or estimated amounts plus, when applicable, charges, inflation adjustment and/or exchange variation incurred through the balance sheet date.

2.23. Loans and financing

Loans and financing are initially recognized at fair value, less transaction costs incurred and, subsequently, are stated at amortized cost. Any difference between the amounts raised (net of transaction costs) and the settlement amount is recognized in the income statement during the period the loans remain outstanding, using the effective interest rate method.

2.24. Provisions

Provisions are recognized based on current obligations (legal or constructive) resulting from past events, when the amount of the obligation can be reliably estimated and its settlement is probable. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of each annual reporting period, taking into account the risks and uncertainties surrounding the obligation.

2.25. Reserve for civil, tax, labor and social security risks

Recognized for lawsuits assessed as probable losses by the Company’s and its subsidiaries' legal counsel and management, considering the nature of lawsuits and management’s experience in similar cases, as disclosed in Note 18.

2.26. Borrowing costs - interest capitalization

Financial charges on loans directly related with the acquisition, construction or production of property, plant and equipment (investment properties under development) are capitalized as part of the asset cost. Capitalization of these charges begins right after the start of preparation for construction or development of the asset and is interrupted as soon as the asset starts to be used or when its production or construction ends.

Borrowing costs directly attributable to acquisition, construction or production of a qualifying asset, which necessarily take a substantial amount of time to be ready for the intended use or sale, are added to the cost of such assets until the date they are ready for the intended use or sale.

Income earned on temporary investments of specific borrowings not yet spent on a qualifying asset is deducted from borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss for the period they are incurred.

2.27. Current and deferred income tax and social contribution

The provision for income tax was recognized at the rate of 15%, plus 10% surtax on annual taxable income exceeding R$240. Social contribution was calculated at the rate of 9% on adjusted book income. Deferred income tax and social contribution were calculated based on temporary differences in the recognition of revenue and expenses for tax and accounting purposes, on tax loss carryforwards and on the revaluation reserve of buildings and facilities. As permitted by tax legislation, certain consolidated companies opted for taxation based on deemed income. The tax bases of income tax and social contribution are calculated at the rate of 32% on gross revenues from services and 100% on financial income, on which the regular 15% tax rate is applied, plus 10% surtax for income tax and 9% for social contribution. As a result, these consolidated companies did not record deferred income tax and social contribution on tax loss carryforwards and temporary differences and are not within the scope of the noncumulative regime for taxes on revenue (PIS and Cofins).

2.28. Revenue recognition

Revenue from rentals is recognized on a straight-line basis over the term of rental agreements, taking into account the contractual adjustment and the collection of the 13^{th} monthly rental. Revenue from services is recognized when services are provided. Revenue from assignment of rights to shopkeepers is allocated to income over the term of the first rental agreement.

Our revenue derives mainly from the following activities:

a) Rentals

Refers to the rental of store space to shopkeepers and other commercial space, such as sales stands. Includes rental of commercial space for advertising and promotion. The rentals of stores to shopkeepers of shopping malls account for the highest percentage of the Company's revenue.

b) Parking

Refers to the revenue from operation of parking lots.

c) Services

Refers to the revenue obtained from managing the supply of electric power and water to shopping malls.

2.29. Basic earnings (loss) per share

Basic earnings (loss) per share are calculated through profit and loss for the period and the weighted average of shares outstanding in the year.

2.30. Statements of value added

This statement aims to disclose the wealth created by the Company and its distribution during a certain reporting period, and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its individual financial statements, and as supplementary information to the consolidated financial statements, since this statement is not required by IFRSs.

The statement of value added was prepared based on information obtained in the same accounting records used to prepare the financial statements.

2.31. Use of estimates

The preparation of financial statements pursuant to accounting practices adopted in Brazil, in accordance with International Financial Reporting Standards - IFRS, requires management to rely on estimates to record certain transactions that affect the Company's and its subsidiaries' assets and liabilities, revenue and expenses, and to disclose information on its financial statements.

The estimates must be determined based on the best knowledge of ongoing transactions and events existing at the time of approval of the financial statements and in accordance with the experience of past and/or current events.

The results of these transactions and events, when actually realized in subsequent periods, may differ from the estimates. The main estimates concerning the financial statements refer to the useful life of property, plant and equipment items and investment properties; to the projections made for the realization of deferred income tax and social contribution; to the projections for the impairment test analysis of goodwill based on expected future earnings and of other intangible assets; and to the allowance for doubtful accounts and reserve for civil, labor and tax risks.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effects of the reviews of accounting estimates are recognized in the period estimates are reviewed.

2.32. New and revised standards and interpretations

New and revised IFRSs adopted with no relevant impact in the individual and consolidated financial statements.

The new and revised IFRSs below were adopted in the individual and consolidated financial statements. The adoption of these new and revised IFRS had no relevant effect, individually or combined, in the reported and/or disclosed figures in the current and prior period; however they may impact the accounting of future transactions or agreements.

- Amendments to IAS 1 - Presentation of Financial Statements - address that an entity can elect to disclose an analysis of other comprehensive income by item in the statement of changes in equity or in the notes to the financial statements.

- IAS 24 - Related-Party Disclosures (already adopted by CPC): IAS 24 (revised in 2009) changed two aspects: (a) IAS 24 (revised in 2009) introduces the partial exemption from disclosure requirements for government entities; and (b) IAS 24 (revised in 2009) changed the definition of related party.

- Amendments to IAS 32 - Classification of Rights: address the classification of certain rights denominated in foreign currency as equity instruments or financial liabilities.

- Amendments to IFRIC 14 - Prepayments of Minimum Funding Requirements: the amendments establish, among other aspects, when refunds of or deductions from future contributions are available pursuant to IAS 19.58.

- IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments: provides guidance on how to account for an extinguished financial liability by issuing equity instruments.

- Amendments to IFRS 3 - Business Combination: explain that the option to measure noncontrolling interests on the date of acquisition will be available only for noncontrolling interests representing those granting their holders the right to proportional interest in the entity's net assets in case of liquidation. The other types of noncontrolling interests are measured at fair value on the date of acquisition, unless other standards require the use of another measurement basis. In addition, IFRS 3 was amended to provide more information on the accounting for the share-based compensation proportionately to the shares held by the acquiree's employees.

2.33. New and revised standards and interpretations issued and not yet adopted

- Amendments to IFRS 7 - Disclosures - Transfers of Financial Assets (1) - enhance disclosure requirements for transactions involving financial assets. These amendments are intended to provide greater transparency for exposures to risks when a financial asset is transferred but the transferor retains some level of exposure in the asset. The amendments also require disclosure when the transfer of financial assets is not proportionately distributed over the period.

- IFRS 9 - Financial Instruments (2) - the most significant impact of IFRS 9 related to the classification and measurement of financial liabilities refers to the accounting of changes in fair value of a financial liability (designated at fair value through profit or loss) attributable to changes in such liability's credit risk. Therefore, the amount of the change in fair value of a financial liability attributable to changes in such liability's credit risk is recognized in "Other comprehensive income", unless the recognition of the effects of changes in the liability credit risk in "Other comprehensive income" results in or increases the accounting mismatch in profit or loss.

- IFRS 10 - Consolidated Financial Statements (2) - supersedes parts of IAS 27 - Consolidated and Separate Financial Statements that address the consolidated financial statements. SIC-12 Consolidation - Special Purpose Entities was superseded by IFRS 10. Under IFRS 10, there is one single basis of consolidation, i.e., control. Additionally, IFRS 10 provides a new definition of control.

- IFRS 11 - Joint Arrangements - supersedes IAS 31 - Interests in Joint Ventures and addresses how a joint arrangement where two or more parties holding joint control should be classified.

- IFRS 12 - Disclosure of Interests in Other Entities (2) - is a disclosure standard applicable to entities holding interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements under IFRS 12 are more comprehensive than those in the current standards.

- IFRS 13 - Fair Value Measurement (2) - sets out a single framework for measuring fair value and disclosing fair value measurements. The standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements.

- Amendments to IAS 1 - Presentation of Other Comprehensive Income (3) - allow the presentation of income and other comprehensive income in a single statement or in two separate and consecutive statements. However, the amendments to IAS 1 require additional disclosures in the other comprehensive income section so that other comprehensive income items are grouped in two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Income tax on other comprehensive income items will be similarly recognized.

- IAS 19 (revised in 2011) - Employee Benefits (2) - changes the recognition of defined benefit plans and termination benefits.

- IAS 27 (revised in 2011) - Separate Financial Statements (2) - reflect changed in the recognition of noncontrolling interest and address the accounting of changes in interest in subsidiaries subsequent to the acquisition of control, the accounting of loss in control of subsidiaries and the allocation of gain or loss to a subsidiary's controlling and noncontrolling interest.

- IAS 28 (revised in 2011) - Investments in Associates and Joint Ventures (2) - chances to IAS 28 aimed to clarify that: (i) an investment in an associate should be treated as a single asset for impairment test purposes in accordance with IAS 36 - Impairment of Assets; (ii) any impairment loss to be recognized should not be allocated to specific assets (specifically goodwill); and (iii) reversions of impairment are registered as an adjustment to the book value of the associate as long as its recoverable amount increases.

(1) Effective for annual periods beginning on or after July 1, 2011.

(2) Effective for annual periods beginning on or after January 1, 2013.

(3) Effective for annual periods beginning on or after July 1, 2012.

Management assessed the new rules and, except for the implementation of IFRS 10 and IFRS 11, does not expect significant impacts on the reported amounts. With the adoption of IFRS 10 and IFRS 11, it is possible that the Company may not proportionally consolidate of its subsidiary Poli Empreendimentos. However, Management have not completed its detailed analysis of the impact of the implementation of those rules and therefore, did not quantify the possible effects in the financial statements.

3. CASH AND CASH EQUIVALENTS

	Parent		Consolidated	
	12/31/2011	12/31/2010	12/31/2011	12/31/2010
Cash and banks:				
Cash	9	9	268	228
Banks (b)	7	7	11,682	329,100
	16	16	11,950	329,328
Cash equivalents:				
Short-term investments CDB (a)	1,330	1,457	72,243	4,717
Interest bearing account (c)	-	-	37,487	-
	1,330	1,457	109,730	4,717
Total cash and cash equivalents	1,346	1,473	121,680	334,045

(a) Investment in CDB, with average monthly yield varying from 100% and 105% of the CDI.

(b) As of December 31, 2011, out of the balance of R$11,682 (consolidated), R$ 340 is deposited in a checking account abroad and indexed to US dollar. As of December 31, 2010, out of the balance of R$329,100 (consolidated), R$322,407 was deposited in a checking account abroad and indexed to US dollar.

(c) Interest bearing account (yielding average annual rates ranging from 1% to 1.1%) and Financial National Treasury Bills (yielding floating rates).

Short-term investments may be redeemed within 90 days and are comprised of highly-liquid securities convertible into cash having an insignificant risk of change in value.

4. RESTRICTED SHORT-TERM INVESTMENTS

	Consolidated	
	12/31/2011	12/31/2010
CDBs (Bank Certificate of Deposits) (a)	2,779	2,346
CDBs (Bank Certificate of Deposits) (c)	87,848	-
Debentures (b)	-	8,264
Total noncurrent	90,627	10,610

(a) Amount withheld by RB Capital on May 12, 2010 as collateral for the CCIs recorded in FII Top Center, as described in Note 14.(d). Amount invested in CDB-DI, with average monthly rate of 98% of the CDI.

(b) Amount deposited on December 8, 2008 as collateral for the CCIs recorded in subsidiary Bac, as described in Note 14. (c). The amount is invested in debentures from Banco Itaú (former Unibanco), with average yield of 105.4% of the CDI. This amount was redeemed in February 2011, when the CCI transaction was settled.

(c) Amount deposited in a short-term investment relating to the advance received on the sale of 44% of the improvements that will be made to Shopping Sulacap to RB Capital General Shopping Fundo de Investimento Imobiliário (FII), as described in Note 16. The amount is invested in CDB-DI at an average monthly rate of 100.6% of the CDI (interbank deposit certificate).

5. TRADE ACCOUNTS RECEIVABLE

	12/31/2011	12/31/2010
Rental and assignment of receivables	47,027	36,317
Unbilled revenue from rentals	-	471
Allowance for doubtful accounts	(11,421)	(10,446)
	35,606	26,342
Current assets	34,260	24,643
Noncurrent assets	1,346	1,699

Trade accounts receivable are stated at their original amounts, plus income, inflation adjustments and exchange rate changes earned and effects from the straight-line method applied to revenue, when applicable.

The Company's maximum exposure to credit risk is the book value of the abovementioned accounts receivable. To mitigate this risk, the Company analyses the types of collection (rentals, services and others) based on the average history of losses, Management's periodic monitoring of customers' financial status, credit limits, an analysis of receivables past due for more than 180 days and permanently monitoring of customers´ outstanding balance, among others. The remainder of the portfolio that is not accrued refers to receivables from customers whose analysis of their financial position did not show that they would not be realizable.

In analyzing its prospects' credit worthiness, the Company takes into account the following assumptions: the collateral value should cover the cost of occupancy for a minimum of 12 months (rent, plus common charges and promotion fund multiplied by 12); the collaterals accepted (property, bank guarantee, insurance etc.); the good standing of the individuals and legal entities involved in the rental (partners, guarantors, debtors); and the use of SERASA information as reference for consultation on the customer's credit history.

Changes in the allowance for doubtful accounts for the years ended December 31, 2011 and 2010 are as follows:

	Consolidated	
	12/31/2011	12/31/2010
Balance at beginning of year	(10,446)	(10,155)
Allowance for doubtful accounts for the year	(991)	(300)
Receivables recovered in the year	16	-
Receivables permanently written off	-	9
Balance at end of year	(11,421)	(10,446)

Trade accounts receivable is broken down as follows:

	Consolidated	
	12/31/2011	12/31/2010
Current:	30,487	20,586
Past due:	-	
Up to 30 days	834	1,021
31 to 60 days	548	729
61 to 90 days	345	569
91 to 180 days	1,426	1,416
Over 180 days	13,387	12,467
	16,540	16,202
	47,027	36,788

As of December 31, 2011, trade accounts receivable totaling R$5,119 (R$5,756 as of December 31, 2010) were past due but no allowance for doubtful accounts was recorded, since there were no significant changes to the credit quality and amounts are still considered recoverable and expected to be realized.

6. RECOVERABLE TAXES

	Parent		Consolidated	
	12/31/2011	12/31/2010	12/31/2011	12/31/2010
Withheld income tax on short-term investments	340	338	1,758	706
IRRF on services	203	39	646	451
Taxes on services	-	-	95	70
Recoverable taxes on revenues (PIS and COFINS)	77	72	233	213
Prepayment of income tax	-	-	781	376
Prepayment of social contribution	-	-	291	259
Other recoverable taxes	15	15	285	38
	635	464	4,089	2,113

7. RELATED-PARTY TRANSACTIONS

a) Related-party balances and transactions:

In the course of the Company's business, the controlling shareholders, subsidiaries and jointly-owned subsidiaries, and condominiums carry out intercompany commercial and financial transactions, including: (i) advisory and operating assistance services related to water and electric power supply and electrical wiring; (ii) management of shopping malls; (iii) management of parking lot located in shopping malls; (iv) commercial lease agreements; and (v) agreements and resolutions made, taking into consideration the condominium bylaws.

Parent's balances as of December 31, 2011 and 2010 are as follows:

	12/31/2011	12/31/2010
Assets:		
Ast	106	-
Delta	5	1
Fonte	224	1
General Shopping Finance (a)	2,963	673
Internacional Guarulhos Shopping Center (b)	17,236	15.931
Intesp	40	-
Jud	161	-
Lumen	229	-
Lux	1,741	-
Mai	201	-
Manzanza	187	-
Nova União	134	-
Park Shopping Administradora	10	1
Paulis	67	-
Pol	658	-
PP	910	-
Sale	450	1
Send	-	1
Sulishopping	105	-
Others	577	1.843
	26,004	18.452
Liabilities:		
ABK (d)	32,598	33,852
Atlas (d)	14,361	20,928
BAC (c)	55,365	55,365
BOT (d)	238	-
Cly (d)	1,004	-
Energy (d)	1,843	1,843
I Park (d)	-	403
Levian (d)	87,651	37,679
Send	5,099	-
Wass (d)	-	333

Zuz (d)	1,410	-
Others (d)	-	81
	199,569	150.484

(a) Refers to costs to issue Perpetual Bonds paid by the Company.

(b) Refers to transfer of funds to the subsidiary to settle borrowings obtained from Banco BIC in 2009, without maturity and bearing no financial charges.

(c) Refers to the funds raised to settle the CCI transaction with Itaú on January 30, 2009, without maturity and bearing no financial charges.

(d) Other loans do not incur financial charges and have no determinate maturity.

Consolidated balances as of December 31, 2011 and 2010 are as follows:

	Consolidated	
	12/31/2011	12/31/2010
Noncurrent assets:		
Golf Participações Ltda. (a)	13,720	12,368
CSA - Companhia Securitizadora de Ativos (b)	-	626
PNA Empreendimentos Imobiliários Ltda. (d)	146	146
Menescal	113	113
Condomínio Civil Suzano Shopping Center (d)	1,032	342
Condomínio Civil Voluntários - SPS (d)	249	303
Condomínio Unimart (d)	261	292
Condomínio Outlet Premium (d)	516	258
Condomínio do Vale (d)	1,438	1,110
Condomínio Cascavel (d)	692	588
Condomínio Prudente (d)	32	200
Condomínio ASG (d)	16	237
Condomínio Osasco (d)	58	29
Condomínio Barueri (d)	902	-
Condomínio Shopping Light (d)	71	96
Condomínio Top Center (d)	778	237
Condomínio Internacional Shopping (d)	-	583
Individuals (d)	1,416	1,064
Others (d)	684	776
	22,124	19,368

	Consolidated	
	12/31/2011	12/31/2010
Current liabilities:		
SAS Venture LLC (c)	11,419	11,243
Condomínio Suzano (d)	108	392
Condomínio Shopping Light (d)	-	1,141
Condomínio ASG (d)	-	518
Condomínio Santana Park Shopping (d)	943	-
Condomínio Prudente (d)	10	-
Others (d)	1,469	1,554
	13,949	14,848

(a) The loan granted to the shareholder is subject to financial charges of 1% p.m., without maturity.

(b) Amount paid in advance to CSA as collateral for the transaction with CCI Nova União - Banco Itaú, as mentioned in Note 14 (a). This transaction was settled in January 2011.

(c) Upon corporate restructuring, the capital of subsidiary Park Shopping Administradora was reduced and is being returned to the then shareholder SAS Ventures LLC, in 15 equal and semi-annual installments as of September 14, 2007. The debt amount is subject to exchange rate changes based on the US dollar fluctuation and financial charges of 10.5% p.a.

(d) Other loans do not incur financial charges and have no determinate maturity.

b) Management compensation

In the years ended December 31, 2011 and 2010, consolidated management compensation was allocated to income, recorded in “General and administrative expenses”, and did not exceed the limit approved by shareholders.

In the years ended December 31, 2011 and 2010, management was granted short-term benefits (wages, salaries and social security contributions, profit sharing, healthcare services) amounting to R$4,801 and R$ 4,423, respectively, as described below:

	12/31/2011	12/31/2010
Payroll and related taxes	4,278	3,744
Variable remuneration and related taxes	415	583
Benefits	108	96
Total	4,801	4,423

No amount was paid as: (i) post-employment benefits (pension, other retirement benefits, post-employment life insurance and post-employment health care plan); (ii) long-term benefits (leave of absence for length of service or other leaves, retirement or other benefits for length of service or benefit for long-term disability); and (iii) share-based compensation.

The Annual Shareholders' Meeting held on April 25, 2011 approved the global compensation of R$7,300 for 2011.

8. OTHER RECEIVABLES

	Parent		Consolidated	
	12/31/2011	12/31/2010	12/31/2011	12/31/2010
Unearned insurance expenses	408	556	506	886
Advances to suppliers	248	-	1,611	805
Receivables - sale of property	-	-	-	11,479
Advance of labor benefits	51	-	59	-
Unincurred expenses	836	-	836	-
Other advances	21	-	84	-
Advances for provision of services	-	-	1,068	-
Insurance on real estate projects	-	-	518	-
Other receivables	-	226	2,126	1,478
Total	1,564	782	6,808	14,648
Current	1,564	782	5,740	14,648
Noncurrent	-	-	1,068	-

9. INVESTMENTS

	Equity - %	Number of shares Held	Number of shares Capital	Income (loss) for the year	Shareholders' equity (deficit)	Equity in subsidiaries	Investments 12/31/2011	Investments 12/31/2010
Direct subsidiaries:								
Levian	100	482,834,200	823,784	43,718	529,799	43,718	529,799	486,081
Atlas	100	3,268,672	3,816	10,738	37,130	10,738	37,130	26,391
General Shopping Finance	100	50,000	81	(86,192)	(91,013)	(86,192)	(91,013)	(4,821)
GS Finance II	100	50,000	81	10,835	10,915	10,835	10,915	-
Total				(20,901)	486,831	(20,901)	486,831	507,651
Indirect subsidiaries:								
Levian:								
ABK	99	131,163,028	130,535	1,702	125,830			
Poli Empreendimentos	50	425,000	1,193	746	8,590			
Park Shopping Administradora	100	35,226,231	35,226	13,878	22,075			
Send	100	288,999,513	289,000	4,351	245,139			
Manzanza	100	16,975,480	16,975	(36)	16,938			
Nova União	100	21,215,243	4,332	3,611	6,869			
Uniplaza	100	10,000	21,215	4,137	35,284			
Sulishopping	100	5,897,194	5,897	(1)	15,535			
Lux	100	22,938,043	22,938	1,864	26,300			
Lúmen	100	1,902,593	1,903	929	3,650			
Securis	100	10,000	10	(1)	7			
Delta	100	72,870,112	72,870	166	26,148			
Intesp	100	11,130,316	11,130	420	13,226			
PP	100	18,670,574	18,671	1,074	21,076			
Paulis	100	10,000	10	1,418	(728)			
Fonte	100	24,199,060	24,199	(198)	23,586			
POL	100	7,723,297	7,723	(401)	7,319			
BOT	100	51,331,650	5,332	4,721	60,081			
Vul	100	21,872,001	21,872	(29)	21,840			
Zuz	100	58,139,780	58,140	12,492	170,200			
Jud	100	3,096,122	3,096	(2,299)	(2,405)			
Cly	100	10,000	10	13,669	56,337			
Bud	100	10,000	10	(1)	7			
Bac	100	10,000	10	(102)	(14,626)			
Sale	100	14,702,069	14,702	1,885	22,564			
Brassul	100	25,630,617	25,631	1,865	31,945			
FII Top Center	100	600,000	3,072	(2,312)	(2,259)			
ERS	100	10,000	10	(4)	6			
MAI	100	10,000	10	(1)	9			
FLK	100	10,000	10	(1)	9			
Premium Outlet	100	10,000	10	(1)	9			
BR Outlet	100	10,000	10	(1)	9			
Atlas:								
Ast	100	270,081	270	90	479			
I Park	100	3,466,160	3,466	4,146	12,930			
Wass	100	10,000	10	1,019	5,019			
Energy	100	10,000	10	3,469	18,943			
Vide	100	10,000	10	(2)	17			
GSB Administradora	100	1,906,070	1,906	2,115	3,735			
ASG Administradora	100	20	20	(84)	103			

Changes in investments for the nine-month period ended December 31, 2011 are as follows:

	Parent
Balances as of December 31, 2009	155,355
Capital increase	347,796
Equity in subsidiaries	4,500
Balances as of December 31, 2010	507,651
Equity in subsidiaries	(20,901)
Capital increase	81
Balances as of December 31, 2011	486,831

10. INVESTMENT PROPERTIES

		Consolidated					
		12/31/2011			12/31/2010		
	Average depreciation rate (%)	Cost	Accumulated depreciation	Net value	Cost	Accumulated depreciation	Net value
Land		253,014	-	253,014	201,836	-	201,836
Buildings	2	612,369	(38,036)	574,333	489,925	(28,948)	460,977
Work in process		87,683	-	87,683	37,106	-	37,106
		953,066	(38,036)	915,030	728,867	(28,948)	699,919

Changes in investment properties for the years ended December 31, 2011 and 2010:

	Consolidated					
	12/31/2010	Additions	Capitalized financial charges	Transfers/ reclassifications	Depreciation	12/31/2011
Land	201,836	51,178	-	-	-	253,014
Buildings	460,977	4,151	-	119,527	(10,322)	574,333
Work in process	37,106	161,780	8,873	(120,076)	-	87.683
	699,919	217,109	8,873	(549)	(10,322)	915,030

	Consolidated						
	12/31/2009	Additions	Capitalized financial charges	Write-offs Net	Transfers/ reclassifications	Depreciation	12/31/2010
Land	234,551	5,829	-	(22,067)	(16,477)	-	201,836
Buildings	428,018	23,351	637	(790)	17,647	(7,886)	460,977
Work in process	29,293	9,074	-	(91)	(1,170)	-	37,106
	691,862	38,254	637	(22,948)	-	(7,886)	699,919

On March 31, 2007, the Company, based on a report prepared by independent experts from DLR Engenheiros Associados Ltda., recorded revaluation of land, buildings and facilities against the “Revaluation reserve”, in shareholders’ equity.

On June 26, 2007, under a Property Purchase and Sale Settlement Agreement and an Assignment of the Right to Use, the Company acquired 50.1% of the property where Shopping Light is located, for R$20,110. To signature of the deed is still contingent upon the seller’s actions to obtain specific certificates issued by the Brazilian Revenue Service (SRF) and by the National Institute of Social Security (INSS).

As of December 31, 2011 and 2010, investment properties balances were as follows:

	12/31/2011	12/31/2010
Investment property at cost	Residual value	Residual value
Brazil:		
ABK do Brasil - Empreendimentos e Participações Ltda.	25,990	26,307
BOT Administradora e Incorporadora Ltda.	41,572	42,189
Brassul Shopping Administradora e Incorporadora Ltda.	4,170	-
Cly Administradora e Incorporadora Ltda.	193,139	195,640
Delta Shopping Empreendimentos Imobiliários Ltda.	6,639	6,139
Fundo de Investimento Imobiliário (“FII”)	49,516	50,307
Fonte Administradora e Incorporadora Ltda.	37,884	19,362
Intesp Shopping Administradora e Incorporadora Ltda.	11,670	12,005
Levian Participações e Empreendimentos Ltda. (“Levian”)	29,032	32,325
Mai Administradora e Incorporadora Ltda ('MAI')	1,286	-
Manzanza consultoria e Adm de Shopping Center Ltda ('Manzanza')	17,169	-
Poli Shopping Center Empreendimentos Ltda ('Poli')	9,275	-
PP Administradora e Incorporadora Ltda (“PP”)	22,752	16,041
POL Administradora e Incorporadora Ltda ('Pol')	11,747	
Sale Empreendimentos e Participações Ltda. (“Sale”)	21,098	13,945
Send Empreendimentos e Participações Ltda. (“Send”)	167,528	63,729
Uniplaza Empreendimentos Participações e Administração de Centro de Compras Ltda. (“Uniplaza”)	37,996	18,712
Vul Administradora e Incorporadora Ltda (“Vul”)	31,041	-
Zuz Administradora e Incorporadora Ltda. (“Zuz”)	163,160	165,070
Others	32,366	38,148
	915,030	699,919

Measurement at fair value

The fair value of each investment property constructed and under construction was determined by an appraisal conducted by the independent firm CB Richard Ellis.

The methodology adopted to appraise these investment properties at fair value is that prescribed by The United Kingdom’s Royal Institution of Chartered Surveyors (R.I.C.S) and the United States Appraisal Institute, which are internationally adopted and recognized for appraisals and similar analyses.

All calculations are based on an analysis of the physical features of the properties under analysis and information available in the market, which are properly treated for being used in determining the real estate project value.

To support the appraisals, cash flows for a 10-year horizon was prepared, not considering any inflation that may be recorded in the period. The average discount rate applied to cash flows was 10.75% while the average capitalization rate adopted in the 10th year of the cash flow was 8.61%.

Below is the measurement at fair value as of December 31, 2011 and 2010 and the respective Company's interest in investment properties:

	12/31/11		12/31/10	
	100%	Company	100%	Company
Investment property in operation	1,881,300	1,497,843	1,418.850	1,180,632

11. PROPERTY, PLANT AND EQUIPMENT

		Parent					
		12/31/2011			12/31/2010		
	Depreciation rate (%)	Cost	Accumulated depreciation	Net value	Cost	Accumulated depreciation	Net Value
Buildings	2	14,683	(429)	14,254	1,772	(460)	1,312
Facilities	10	179	(54)	125	1,404	(240)	1,164
Furniture and fixtures	10	395	(88)	307	504	(60)	444
Machinery and equipment	10	55	(8)	47	-	-	-
Computers and peripherals	20	1,154	(251)	903	722	(413)	309
Leasehold improvements	10	17	(6)	11	28	-	28
Work in progress	-	210	-	210	3,091	-	3,091
Total		16,693	(836)	15,857	7,521	(1,173)	6,348

		Consolidated					
		12/31/2011			12/31/2010		
	Depreciation rate (%)	Cost	Accumulated Depreciation	Net value	Cost	Accumulated depreciation	Net Value
Buildings	2	14,683	(429)	14,254	4,469	(1,375)	3,094
Facilities	10	9,623	(3,282)	6,341	8,938	(2,745)	6,193
Furniture and fixtures	10	1,530	(791)	739	1,197	(592)	605
Machinery and equipment	10	2,697	(1,434)	1,263	1,963	(1,461)	502
Vehicles	20	78	(24)	54	18	(17)	1
Computers and peripherals	20	1,743	(536)	1,207	883	(463)	420
Leasehold improvements	10	8,394	(3,755)	4,639	6,511	(2,822)	3,689
Work in process		235	-	235	3,562	-	3,562
Total		38,983	(10,251)	28,732	27,541	(9,475)	18,066

Changes in property, plant and equipment for the years ended December 31, 2011 and 2010 are as follows:

	Parent				
	12/31/2010	Additions	Transfers/ reclassifications	Depreciation	12/31/2011
Buildings	1,312	88	12,963	(109)	14,254
Facilities	1,164	28	(1,053)	(14)	125
Furniture and fixtures	444	167	(274)	(30)	307
Machinery and equipment	-	12	38	(3)	47
Computers and peripherals	309	784	(91)	(99)	903
Leasehold improvements	28	-	(11)	(6)	11
Construction in progress	3,091	8,691	(11,572)	-	210
	6,348	9,770	-	(261)	15,857

	Parent				
	12/31/2009	Additions	Transfers/ reclassifications	Depreciation	12/31/2010
Buildings	1,499	-	78	(265)	1,312
Facilities	1,310	70	-	(216)	1,164
Furniture and fixtures	511	-	(44)	(23)	444
Computers and peripherals	433	55	-	(179)	309
Leasehold improvements	28	-	-	-	28
Construction in progress	673	2,452	(34)	-	3,091
	4,454	2,577	-	(683)	6,348

	Consolidated				
	12/31/2010	Additions	Transfers/ reclassifications	Depreciation	12/31/2011
Buildings	3,094	87	11,389	(316)	14,254
Facilities	6,193	545	(126)	(271)	6,341
Furniture and fixtures	605	202	(2)	(66)	739
Machinery and equipment	502	883	(58)	(64)	1,263
Vehicles	1	56	-	(3)	54
Computers and peripherals	420	972	-	(185)	1,207
Leasehold improvements	3,689	1,370	454	(874)	4,639
Construction in progress	3,562	9,660	(12,987)	-	235
	18,066	13,775	(1,330)	(1,779)	28,732

	Consolidated				
	12/31/2009	Additions	Transfers/ reclassifications	Depreciation	12/31/2010
Buildings	2,414	1,167	29	(516)	3,094
Facilities	5,805	639	-	(251)	6,193
Furniture and fixtures	594	59	-	(48)	605
Machinery and equipment	330	213	-	(41)	502
Vehicles	2	-	-	(1)	1
Computers and peripherals	546	73	-	(199)	420
Leasehold improvements	4,217	101	-	(629)	3,689
Construction in progress	733	2,829	-	-	3,562
	14,641	5,081	29	(1,685)	18,066

12. INTANGIBLE ASSETS

		Consolidated					
		12/31/2011			12/31/2010		
	Amortization rate (%)	Cost	Accumulated amortization	Net value	Cost	Accumulated amortization	Net value
Indefinite useful life:							
Goodwill - Acquisition of Sale (a)	-	5,541	(556)	4,985	5,541	(556)	4,985
Goodwill - Acquisition of Shopping Unimart (b)	-	22,410	(2,241)	20,169	22,410	(2,241)	20,169
Trademark and patent	-	1,879	-	1,879	-	-	-
Definite useful life:							
Software	20	7,858	(487)	7,371	940	(319)	621
Right to use Shopping Light (c)	2.38	8,069	(651)	7,418	5,589	(463)	5,126
Total		45,757	(3,935)	41,822	34,480	(3,579)	30,901

(a) As of December 13, 2007, the Company, by means of subsidiary Brassul, acquired 100% of the shares in Sale, which holds 84.39% of Shopping do Vale's total gross leasable area (GLA). This transaction generated goodwill of R$5,541 based on expected future earnings. Beginning January 1, 2009, the goodwill amortization based on future earnings was fully discontinued and the annual impairment test became required.

(b) On December 28, 2007, the Company, by means of subsidiary Send, acquired 100% of shares in Uniplaza, which holds 100% of Shopping Unimart's total gross leasable area (GLA). This transaction generated goodwill of R$22,410 based on expected future earnings. Beginning January 1, 2009, the goodwill amortization based on future earnings was fully discontinued and the annual impairment test became required.

(c) On June 6, 2007, the Company assumed the obligation to pay R$5,589 for the right to use 50.1% of Shopping Light. Such right is effective for 42 years amortizable on a straight-line basis. On March 16, 2011, Lumen assigned to Lux 3.15% of its interest in the right to use Shopping Light and, on the same date, Lux committed to pay R$2,480 for the right to use 19.89% of Shopping Light.

Changes in intangible assets for the years ended December 31, 2011 and 2010 are as follows:

			Consolidated				
	Useful life period	Amortization method	12/31/2010	Additions	Tranfers	Amortization	12/31/2011
Indefinite useful life							
Goodwill - Acquisition of Sale			4,985	-		-	4,985
Goodwill - Acquisition of Shopping Unimart			20,169	-		-	20,169
Trademark and patent			-	-	1,879		1,879
Definite useful life						-	
Software	5 year	Straight-line	621	6,918	-	(168)	7,371
Right to use Shopping Light	42 years	Straight-line	5,126	2,480	-	(188)	7,418
			30,901	9,398	1,879	(356)	41,822

	Useful life period	Amortization method	Consolidated 12/31/2009	Additions	Amortization	12/31/2010
Indefinite useful life						
Goodwill - Acquisition of Sale			4,985	-	-	4,985
Goodwill - Acquisition of Shopping Unimart			20,169	-	-	20,169
Definite useful life						
Software	5 year	Straight-line	611	129	(119)	621
Right to use Shopping Light	42 years	Straight-line	5,258	-	(132)	5,126
			31,023	129	(251)	30,901

13. LOANS AND FINANCING

	Currency	Contractual rates (%) p.a.	Maturity date	Parent 12/31/2011	12/31/2010
Loans and financing					
Banco Paraná (c)	R$	6.8 + CDI	2011	-	10,450
Total current				-	10,450

	Currency	Contractual rates (%) p.a.	Maturity date	Consolidated 12/31/2011	12/31/2010
Loans and financing					
Banco ABC Brasil S.A. (a)	R$	14.94	2011	-	6,044
Banco Pontual S.A. (b)	R$	12.00	2009/2010	5,206	4,620
Banco Paraná (c)	R$	6.8 + CDI	2012	-	10,450
Perpetual notes (d)	US$	10.00		466,434	326,636
BNDES (National Economic and Social Development Bank) (e)	R$	TJLP+7%	2016	937	-
Other	R$	-	2010	21	21
				472,598	347,771
Total current				12,782	25,856
Total noncurrent				459,816	321,915

(a) Working capital loans raised on June 18, 2009, through the Special Credit Program of BNDES (PEC-BNDES). The amount raised is R$11,506, with fixed average annual interest rate of 14.94%. Receivables from Poli Shopping Osasco, Unimart and Prudente Parque Shipping were pledged as collateral for these transactions. This transaction was settled on January 14, 2011.

(b) Due to the Banco Pontual extrajudicial liquidation, the balance continues to be adjusted based on the monthly financial charges of 1%. However, its liquidation by the amount recorded in the financial statements will depend on the legal limits of the financial charges established by the courts. No collaterals were provided.

(c) Working capital loans raised on March 23, 2010, in the amount of R$15,000, with average annual interest rate of 6.80% plus CDI. This loan will be settled in 24 installments of R$669. The transactions were secured by a promissory note of R$19,500. This transaction was settled on January 24, 2011.

(d) On November 9, 2010, subsidiary General Shopping Finance Limited raised, through the issuance of Perpetual Bonds, the amount of U$200,000 (R$339,400) on the raising date. The securities are denominated in US dollars and subject to quarterly payments at the annual interest rate of 10%. General Shopping Finance Limited may repurchase the securities after November 9, 2015. In accordance with the issuance prospectus of perpetual bonds, the funds raised will be allocated to the early settlement of the CCIs and investments in greenfields and expansions. Guarantees were pledged as collateral for all subsidiaries, except for GSB Administradora, ASG Administradora and FII Top Center. The issuance cost of the perpetual bonds totaled R$11,483. The effective cost of the transaction was 10.28%.

On April 19, 2011, subsidiary General Shopping Finance Limited raised, through the issuance of Perpetual Bonds ("debt securities"), the amount of U$50,000 (equivalent to R$78,960) on the raising date. The securities are denominated in US dollars and subject to quarterly payments at the annual interest rate of 10%. General Shopping Finance Limited may repurchase the securities after November 9, 2015. In accordance with the issuance prospectus of perpetual bonds, the funds raised will be allocated to the early settlement of the CCIs and investments in greenfields and expansions. Guarantees were pledged as collateral for all subsidiaries, except for GSB Administradora, ASG Administradora and FII Top Center. The issuance cost of the perpetual bonds totaled R$ 758. The effective cost of the transaction was 10.28%.

The transaction has no financial covenants. The covenants refer to: (i) limitation of liens on assets (except for permitted liens, including BNDES loans, refinancing of outstanding transactions and certain securitizations, among others), according to which the proportion of unencumbered assets/non-collateralized debt and encumbered assets/collateralized debt should be maintained in similar conditions; (ii) limitation of sale and lease-back transactions of current assets whose maturity is over 3 years in the same conditions as item (i) above; (iii) limitation of intercompany transactions, merger, consolidation or transfer of assets. There are no limits on the payment of dividends.

(e) Financing raised in the last quarter of 2011 to finance equipment to be used in the construction of Parque Shopping Barueri through a FINAME credit facility from BNDES in the amount of R$937 and interest of 8.7% per year.The agreement expires within 96 months, with a 24-month grace period and repayment in 72 monthly installments.

These agreements do not provide for the maintenance of financial ratios (indebtedness, interest coverage, among others).

As of December 31, 2011 and December 31, 2010, the aging list of receivables by maturity is as follows:

	Consolidated 12/31/2011
Year	
2013	39
2014	156
2015	156
2016	156
2017 and thereafter	459,309
	459,816

Changes in loans and financing for the years ended December 31, 2011 and 2010 are as follows:

	Parent	Consolidated
Balances as of December 31, 2009	30,558	68,765
Borrowings	15,000	348,240
Transaction costs	-	(11,483)
Repayment of principal	(35,044)	(65,330)
Payment of interest	(3,638)	(5,216)
Financial charges recognized in investment properties	-	666
Financial charges	3,574	12,129
Balances as of December 31, 2010	10,450	347,771
Borrowings	-	78,960
Repayment of principal	(10,450)	(28,717)
Payment of interest	(31)	(39,778)
Financial charges recognized in investment properties	-	8,873
Exchange rate changes	-	57,722
Financial charges recognized in net income	31	47,767
Balance as of December 31, 2011	-	472,598

14. REAL ESTATE CREDIT NOTES

	Currency	Maturity date	Consolidated 12/31/2011	Consolidated 12/31/2010
Subsidiaries:				
Nova União - Banco Itaú (a)	R$	2016	-	13,813
ABK - Banco Itaú (b)	R$	2018	78,605	83,617
Levian (b)	R$	2018	78,605	83,617
Bac - Unibanco (c)	R$	2018	-	79,600
Fundo de Investimento Imobiliário - Top Center (d)	R$	2020	60,727	60,276
			217,937	320,923
Current			18,111	99,500
Noncurrent			199,826	221,423

(a) In April 2006, subsidiary Nova União raised funds through the issuance of Real Estate Credit Notes (CCI) for securitization of lease receivables from the land where the parking lot of Internacional Guarulhos Shopping Center is located, currently leased to subsidiary I Park. CCI issued amounted to R$15,586, of which R$1,415 was retained as Real Estate Receivable Certificates (CRI), recorded under current and noncurrent assets. The amount raised will be paid in 120 monthly installments of R$208 (through May 2016), plus interest of 11% per year and annual inflation adjustment based on the General Market Price Index (IGP-M). CCI's are collateralized by the following: (i) conditional sale of the real estate, with a carrying amount of R$4,322; (ii) pledge, granted by I Park, of the total parking revenues; (iii) conditional assignment of receivables arising from the agreement; and (iv) pledge of the shares issued by Nova União. This transaction was settled in advance on January 31, 2011, in the amount of R$13,768.

(b) In June 2008, subsidiaries ABK and Levian raised funds through the issuance of Real Estate Credit Notes (CCI) for securitization of lease receivables from the land where Internacional Guarulhos Shopping Center is located. CCIs issued totaled R$180,000. The amount raised will be paid in 119 monthly payments (through June 2018), plus interest of 11% per year and inflation adjustment based on the Reference Rate (TR). CCI’s are collateralized by the following: (i) conditional sale of the real estate, with a carrying amount of R$201,829; (ii) conditional assignment of receivables arising from the agreement; and (iii) conditional sale of the shares issued by subsidiary Cly. The CCIs funding costs of R$376 were deducted from the principal and are being repaid in 120 installments on a straight-line basis.

(c) In December 2008, subsidiary Bac raised funds through the issuance of Real Estate Credit Notes (CCI) for securitization of lease receivables from the properties where 100% of Suzano Shopping, 50% of Santana Parque Shopping and 85.5% of Cascavel JL Shopping are located. CCIs issued totaled R$73,934. The amount raised will be paid in 120 monthly payments (through January 2019), plus interest of 12% per year and adjusted for inflation based on the General Market Price Index (IGP-M). CCI’s are collateralized by the following: (i) conditional sale of the real estate, with a carrying amount of R$168,867; (ii) conditional assignment of receivables arising from the agreement; and (iii) conditional sale of the shares issued by subsidiary Zuz. The CCIs funding costs are being deducted from the principal and being repaid in 120 installments on a straight-line basis. This transaction was settled in advance on February 24, 2011, in the amount of R$79,600.

(d) In April 2010, Fundo de Investimento Imobiliário Top Center, through its subsidiary Jud, raised funds with the issuance of Real Estate Credit Notes (CCI) for securitization of lease receivables related to the property where Top Center’s 100% fraction is located. CCI’s issued totaled R$60,000. The amount raised will be paid in 120 monthly payments (through April 2020), plus interest of 9.90% per year and adjusted for inflation based on the Extended Consumer Price Index (IPCA). CCI’s are collateralized by the following: (i) conditional sale of the real estate, with a carrying amount of R$50,900; (ii) conditional assignment of receivables arising from the agreement; and (iii) conditional sale of shares held by the subsidiary Fundo de Investimento Imobiliário Top Center. The CCIs funding costs are being deducted from the principal and being repaid in 120 installments on a straight-line basis.

As of December 31, 2011 the aging list of receivables by maturity is as follows:

	Consolidated
	12/31/2011
2013	21,939
2014	25,633
2015	29,769
2016	34,371
2017 onwards	88,114
	199,826

Changes in CCIs for the years ended December 31, 2011 and 2010 are as follows:

	Consolidated
Balances as of December 31, 2009	253,049
Borrowings	60,000
Transaction costs	(1,389)
Payments - principal	(17,144)
Payments - interest	(29,969)
Financial charges	56,076
Balances as of December 31, 2010	320,923
Payments – principal	(102,412)
Payments – interest	(32,341)
Financial charges	31,767
Balances as of December 31, 2011	217,937

15. ACCOUNTS PAYABLE - ACQUISITION OF REAL ESTATE

	Consolidated	
	12/31/2011	12/31/2010
Right to use - Shopping Light (a)	-	1,085
Land - Guarulhos (b)	7,550	-
	7,550	1,085
Current	7,550	969
Noncurrent	-	116

(a) On June 6, 2007, the Company assumed the obligation to pay R$5,589 for the right to use 50.1% of Shopping Light. The balance payable was paid in December 2011.

(b) On January 11, 2011, the Company acquired a plot of land in Guarulhos, Sate of São Paulo, where a shopping mall will be built for the amount of R$24,160, payable as follows: (i) R$8,305 at sight; and (ii) R$15,855 in 21 equal, monthly and consecutive installments, adjusted based on INCC-DI/FGV, in the amount of R$755. The first installment was paid in February 2011.

16. OTHER PAYABLES

	Parent		Consolidated	
	12/31/2011	12/31/2010	12/31/2011	12/31/2010
Advance on the sale of land and improvements in Parque Shopping Sulacap development (a)	-	-	99,405	-
Compensation payable to Fundo de Investimento Sulacap (b)	-	-	1,408	-
Transfer of key money VBI (c)	-	-	5,376	-
EMURB (d)	-	-	1,240	-
Unrealized loss on derivatives transactions	-	-	418	-
Other	1.013	897	5,768	4,029
Total	1.013	897	113,615	4,029
Current	1.013	897	14,210	4,029
Noncurrent	-	-	99,405	-

(a) On August 24, 2011, the Company sold to Fundo RB Capital General Shopping Fundo de Investimento Imobiliário – FII, the undivided interest corresponding to 44% of a plot of land and developments, improvements and accesses that will be embedded into the Parque Shopping Sulkacap building . Under this agreement, subsidiary Fonte Administradora e Incorporadora Ltda. undertakes to deliver the development fully completed within 24 months (2 years). The transaction cost was R$ 5,970 and will be recognized as expense until the date of transfer of the property to Fundo RB Capital General Shopping Fundo de Investimento Imobiliário – FII. Part of the cash received in advance, in the amount of R$ 87,848 is recorded as restricted short-term investment.

(b) Refers to compensation payable to Fundo RB Capital General Shopping Fundo de Investimento Imobiliário – FII due to the advance received on the sale of 44% of the improvements that will be made to Parque Shopping Sulacap, as mentioned in Note a) above.

(c) Transfer of key money to partner VBI (VBI Real Estate) relating to Shopping Barueri.

(d) Refers to the assumption of debt with EMURB from the acquisition of interest in Shopping Light by subsidiary Lux.

17. TAXES IN INSTALLMENTS

	Parent		Consolidated	
	12/31/2011	12/31/2010	12/31/2011	12/31/2010
PIS and COFINS	173	-	7,778	10,107
IPTU	-	-	-	-
INSS	524	693	573	1,512
ISS	-	-	50	-
Income tax and social contribution	-	-	13,774	16,300
	697	693	22,175	27,919
Current	173	294	5,534	6,155
Noncurrent	524	399	16,641	21,764

In 2009, the Company joined the tax debt installment program in accordance with Law 11941/09 (“REFIS”) and the simplified tax debt installment program, amounting to R$5,793.

As of December 31, 2011, management estimates that the balance of said REFIS and simplified installments will be settled within 180 and 60 months, respectively, considering the number of fixed installments, which are adjusted based on the Special Settlement and Custody System (SELIC).

During the year ended December 31, 2010, the Company and its subsidiaries filed a request to pay in installments outstanding income tax and social contribution debts, which amount to R$21,428. The amounts under the tax debt refinancing program are expected to be paid in a period from 3 to 60 months.

The Company is required to pay both current and installment taxes and contributions on time to be eligible to continue under the above-mentioned tax debt refinancing program. As at December 31, 2011, the Company is compliant with this requirement.

The changes in the debts estimated by the Company, relating to the taxes paid in installments, including the amount of principal plus interest and fine for the years ended December 31, 2011 and 2010, are as follows:

Consolidated

Balances as of December 31, 2009	8,481
Additions	21,428
Payments - principal	(3,700)
Payments - interest	(1,355)
Financial charges	3,045
Balances as of December 31, 2010	27,919
Payments - principal	(5,752)
Payments - interest	(221)
Financial charges	2,965
Reversal (a)	(2,736)
Balances as of December 31, 2011	22,175

a) With the consolidation of the debt installment by the Federal Revenue Service, as prescribed by Law 11941/09, the installment amount was reduced by R$2,736 due to the utilization of tax losses to offset debts, interest and fines relating to the installment above.

18. RESERVE FOR CIVIL, TAX, LABOR AND SOCIAL SECURITY RISKS

A reserve is recognized for all matters under litigation, in an amount considered sufficient to cover probable losses, based on an assessment made the outside legal counsel. The accrued amounts include those related to tax, civil and labor contingencies. There are no escrow deposits linked to these reserves. The reserves are as follows:

	Consolidated	
	12/31/2011	12/31/2010
Labor (a)	273	201
Civil (b)	340	314
Tax: (c)		
PIS	-	1,354
Cofins	-	4,341
	613	6,210

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

(b) Refer to property damages and pain and suffering, renewal of lease agreements, collection actions and contract rescissions actions.

(c) Refer to the provision to cover taxes on revenue (PIS and COFINS) on store lease agreements entered into storeowners at the shopping centers, recognized by subsidiaries ABK and Levian, which taxes were not paid in the years prior to the Company’s establishment since management, based on the opinion of its outside legal counsel, believes that these taxes did not levy on such transactions because revenues were received by means of a civil condominium. No lawsuit was filed related to this reserve.

As of December 31, 2011, the Company is party to other lawsuits in progress of, approximately, R$ 4,496, the unfavorable outcome of which were classified as possible by the external legal counsel and for which no reserve was recorded in the financial statements.

Periodically, the lawsuits are revaluated and reverses are supplemented, as necessary.

Changes in the reserve for risks for the years ended December 31, 2011 and 2010 are as follows:

	Consolidated			
	12/31/2010	Reversals	Adjustment	12/31/2011
Labor	201	-	72	273
Civil	314	-	26	340
Tax:				
PIS	1,354	(1,354)	-	-
Cofins	4,341	(4,341)	-	-
	6,210	(5,695)	98	613

	Consolidated			
	12/31/2009	Reversals	Adjustment	12/31/2010
Labor	201	-	-	201
Civil	314	-	-	314
Tax:				
PIS	1,612	(444)	186	1,354
Cofins	5,166	(1,422)	597	4,341
	7,293	(1,866)	783	6,210

19. SHAREHOLDERS' EQUITY

Capital

As of December 31, 2011, the Company's capital is R$317,813, represented by 50,480,600 common shares without par value.

The Company is authorized to increase its capital up to the limit of 65,000,000 registered shares, regardless of amendment to the bylaws, as approved by the Board of Directors, which is also responsible for establishing the issue conditions, including price, term and payment method. The Company may issue common shares, debentures convertible into common shares, and share warrants within this limit. Additionally, at the Board of Directors' discretion, the preemptive right may be excluded or the exercise price may be reduced as regards to the issuance of common shares, debentures convertible into common shares and share warrants, which are placed upon: (a) sale in stock exchange or public subscription; or (b) stock exchange in connection with the public acquisition of shareholding control, under applicable law, according to the authorized capital limit. Finally, the Company may, as approved by the Board of Directors, in accordance with the plan approved by the Annual Shareholders' Meeting, grant stock option or subscription warrants, without preemptive right to shareholders, on behalf of management, employees or individuals providing services to the Company or companies controlled by the Company, whether directly or indirectly.

Revaluation reserve

In 2007, the Company's accounting for revaluation of assets was approved. The taxes levied on the aforementioned reserve are recorded under “Noncurrent liabilities”.

The revaluation reserve is being realized through depreciation, against retained earnings, net of taxes.

Diluted loss per share

The Company has no debt convertible into shares or stock options granted; therefore, no diluted loss per share was calculated.

The basic earnings per share are as follows:

	12/31/2011	12/31/2010
(In thousands, except earnings per share):		
Basic numerator-		
Net loss for the year	(38,001)	(11,355)
Denominator:		
Stock weighted average – basic	50,481	50,481
Basic loss per share in (R$)	(0.753)	(0.225)

20. NET REVENUE FROM RENTALS, SERVICES AND OTHER

	12/31/2011	12/31/2010
Gross revenue:		
Rentals	115,331	99,303
Revenue from services	31,827	27,423
	147,158	126,726
Deductions		
Taxes on rentals and services	(7,843)	(8,175)
Discounts and rebates	(1,974)	(2,392)
Net revenue from rentals, services and other	137,341	116,159

21. COST OF RENTALS AND SERVICES PROVIDED

	Consolidated	
	12/31/2011	12/31/2010
Personnel	(1,181)	(1,004)
Depreciation	(12,036)	(9,489)
Occupation	(8,141)	(8,890)
Outside services	(6,707)	(5,649)
Total	(28,065)	(25,032)

22. GENERAL AND ADMINISTRATIVE EXPENSES - BY NATURE

	Parent		Consolidated	
	12/31/2011	12/31/2010	12/31/2011	12/31/2010
IPTU	(38)	(25)	(925)	(200)
Selling	-	-	(3,859)	(1,292)
Allowance for doubtful accounts	-	-	(975)	(300)
Publicity and advertising	(1,258)	(53)	(1,565)	(85)
Conservation of facilities	(23)	-	(304)	-
Materials	(41)	(78)	(129)	(111)
Electricity	(50)	(29)	(389)	(336)
Personnel	(10,047)	(7,143)	(13,088)	(10,525)
Outside services	(3,170)	(3,147)	(8,070)	(7,058)
Depreciation and amortization expense	(421)	(333)	(421)	(333)
Rents	(470)	(153)	(692)	(361)
Fees and emoluments	(17)	(19)	(581)	(193)
Telephone	(242)	(183)	(280)	(287)
Travels and lodging	(177)	(149)	(183)	(153)
Insurance	(99)	(67)	(429)	(427)
Courier services	(147)	(92)	(149)	(93)
Legal expenses	(57)	(92)	(575)	(667)
Other	(924)	(750)	(465)	(264)
Total	(17,181)	(12,313)	(33,079)	(22,685)

23. FINANCIAL INCOME (EXPENSES)

	Parent	Consolidated

	12/31/2011	12/31/2010	12/31/2011	12/31/2010
Financial income				
Interest from short-term investments	151	1,160	9,535	2,273
Gain on derivatives transactions	-	-	717	-
Exchange rate change	-	18	101,428	3,970
Monetary change	41	-	1,604	-
	192	1,178	113,284	6,243
Financial expenses				
Interest on loans, financing, and CCIs	(31)	(3,996)	(79,534)	(71,713)
Interest payable	(409)	(743)	(3,683)	(6,003)
Exchange rate change	-	-	(138,319)	-
Fines on overdue taxes	-	-	-	(1,638)
	(440)	(4,739)	(221,536)	(79,354)
Total	(248)	(3,561)	(108,252)	(73,311)

24. INCOME TAX AND SOCIAL CONTRIBUTION

Income tax and social contribution charged to income for the nine-month period are as follows:

	Parent		Consolidated	
	12/31/11	12/31/10	12/31/11	12/31/10
Income before Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL)	(38,001)	(11,355)	(22,761)	(1,219)
Statutory rate	34%	34%	34%	34%
Estimated income tax and social contribution credit (expense)	12,920	3,861	7,739	414
IRPJ and CSLL effects on:				
Equity in subsidiaries	(7,106)	1,530	-	-
Other permanent differences, net	-	4,558	(14,809)	13,172
Deferred IRPJ and CSLL on tax losses and temporary differences not recognized	(5,814)	(9,949)	1,055	(13,523)
IRPJ and CSLL effects on companies taxed by deemed income (*)	-	-	(9,225)	(10,199)
Income tax and social contribution charged to income	-	-	(15,240)	(10,136)
Current	-	-	(15,254)	(10,219)
Deferred	-	-	14	83

(*) Subsidiaries Polishopping, Securis, Lumen, Lux, Brassul, Intesp, PP, Jud, BR Outlet, Cly, Bud, Sale, Ast, Uniplaza, Wass, Energy, Manzanza, Nova União, Zuz,Vide, Mai, Ers, Flk, BR Outlet and Premium Outlet elected the deemed income regime.

Due to the recognition of revaluation reserve in 2007, tax credits were recorded limited to 30% of deferred income tax and social contribution liabilities related to revaluation.

Deferred income tax and social contribution are as follows:

	Consolidated	
	12/31/2011	12/31/2010
Tax base:		
Reserve for civil, tax, labor and social security risks	613	6,210
Allowance for doubtful accounts	11,421	10,446
Unbilled rental revenues	-	471
Revaluation of investment property	(130,554)	(130,800)
Tax loss carryforwards	228,028	187,258
	109,508	73,585
Combined income tax and social contribution rate	34%	34%
	37,233	25,019
Unrecorded deferred income tax and social contribution	(66,529)	(54,329)
Deferred income tax and social contribution	(29,296)	(29,310)
Noncurrent assets	14,254	12,588
Noncurrent liabilities	41,850	41,898

25. OTHER OPERATING INCOME, NET

	Parent		Consolidated	
	12/31/2011	12/31/2010	12/31/2011	12/31/2010
Reversal of the provision for riks (**)	-	-	5,695	1,866
Reversal of taxes in installment (*)	-	-	2,736	-
Others	329	19	863	1,584
	329	19	9,294	3,450

(*) See note 17

(**) See note 18

26. FINANCIAL INSTRUMENTS

26.1. Financial instruments by category

The Company's financial instruments were classified under the following categories:

	Consolidated							
	12/31/2011				12/31/2010			
	Fair value through profit or loss	Loans and receivables	Other liabilities	Total	Fair value through profit or loss	Loans and receivables	Other liabilities	Total
Assets:								
Cash and cash equivalents	37,487	83,193	-	121,680	-	334,045	-	334,045
Certificates of Real Estate Receivables (CRI)	-		-	-	-	1,255	-	1,255
Restricted cash	-	90,627	-	90,627	-	10,610	-	10,610
Trade accounts receivable and other	-	43,965	-	43,965	-	40,990	-	40,990
Total	37,487	218,785	-	256,272	-	386,900	-	386,900
Liabilities-								
Loans and financing	-	-	472,598	472,598	16,494	-	331,277	347,771
Real estate credit notes (CCI)	-	-	217,937	217,937	93,413	-	227,510	320,923
Derivatives	418	-	-	418	-	-	-	-
Trade accounts payable	-	-	17,773	17,773	-	-	3,858	3,858
Other payables	-	-	102,777	102,777	-	-	4,029	4,029
Total	418	-	811,085	811,503	109,907	-	566,674	676,581

26.2. Risk factors

The Company's and its subsidiaries' main source of revenue is rentals received from shopping malls' storeowners.

The Company and its subsidiaries have a risk management policy under which financial instruments are contracted to manage market risks. The main market risks the Company is exposed to include fluctuations in exchange and inflation rates inherent in its operations. The risk management policy is monitored by the Board of Directors to ensure that financial instruments remain within the policy scope. Risk management is a continuous process which is periodically reported to the Board of Directors and performed in line with the best corporate governance practices. Risk management is primarily intended to protect the Company’s cash flows by helping ensure that operations are within the preset limits of exposure, coverage, terms and instruments, ultimately minimizing operating costs. According to their nature, financial instruments may involve known or unknown risks; an assessment of the potential risks, in the Company’s and its subsidiaries’ best judgment, is important. Thus, risks may exist that require guarantees or not, depending on circumstantial or legal aspects. The policy allows the Company to use derivatives only for hedging purposes. Contracting derivatives that imply the net sale of options and financial transactions structured with embedded derivatives is prohibited.

The main market risk factors that may affect the business of the Company and its subsidiaries are as follows:

a) Credit risk

The Group has a large number of customers. The Company and its subsidiaries constantly monitor accounts receivable through internal controls, thus limiting the default risk.

The Company’s Risk Management Policy allows transactions with financial instruments only with prime counterparties, i.e., those with low credit risk in accordance with international rating agencies. The policy allows derivative transactions to be directly conducted on BM&FBovespa, whose counterparty risk is accepted by the Company. Both financial institutions and brokerage firms should be previously approved by the Risk Management Committee.

b) Liquidity risk

The cash flow is estimated for the Company's operational units by finance professionals who continuously monitor the liquidity to ensure that the Company has sufficient cash to meet its operating requirements. This forecast takes into consideration the Company’s debt financing plans, compliance with internal balance sheet ratio goals, and external regulatory or legal requirements, if applicable.

Cash surpluses recorded by operating units above the threshold required for working capital management is transferred to the treasury area, which invests the cash surplus in CDBs, by selecting instruments with adequate maturity dates or sufficient liquidity to provide the necessary margin, as determined by the aforementioned forecasts. As of December 31, 2011, the Company recorded cash and cash equivalents of R$121,680 (R$334,045 as of December 31, 2010).

c) Price variation risk

The Company's and its subsidiaries' revenues consist basically of rentals received from shopping malls' storeowners. The rental agreements, in general, are adjusted based on the annual IGP-DI variation, as set forth in such 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 impacts on its business.

d) Capital risk

The Company and its subsidiaries manage their capital to ensure regular business continuity and, at the same time, maximize return to all stakeholders or parties involved in their operations, by optimizing the debt and equity balance.

The Company's and its subsidiaries' capital structure comprise net debt (borrowings and financing and real estate credit notes (CCI), as detailed in Notes 13 and 14, less cash and cash equivalents) and consolidated shareholders' equity (including capital and reserves, as presented in Note 19).

Management reviews the Company's capital structure on a regular basis. As part of this review, Management considers the cost of capital and risks associated to each class of capital. As at December 31, 2011, debt ratio was 171% (see below).

Debt ratio

As at December 31, 2011 and 2010, the debt ratio is as follows:

	Consolidated	
	12/31/11	12/31/10
Debt (i)	690,535	668,694
Cash and cash equivalents	121,680	334,045
Net debt	568,855	334,649
Shareholders' equity (ii)	333,113	371,114
Net debt-to-equity ratio	171%	90%

(i) The debt is defined as borrowings and financing and short- and long-term real estate credit notes (CCI).

(ii) Shareholders' equity includes the Company's capital and reserves, managed as capital.

e) Liquidity risk management

The Company and its subsidiaries manage the liquidity risk by maintaining proper reserves, bank and other credit facilities to raise new borrowings that they consider appropriate, based on the continuous monitoring of budgeted and actual cash flows, and the combination of the maturity profiles of financial assets and financial liabilities.

Liquidity risk and interest table

The table below detail the remaining contractual maturity of the Company's financial liabilities and the contractual payment periods. These tables were prepared in accordance with non-discounted cash flows of financial liabilities based on the closest date when the Company and its subsidiaries should settle the corresponding obligations. The tables include interest and principal cash flows. As interest flows are based on floating rates, the undiscounted amount was based on the interest curves at yearend. Contractual maturity is based on the most recent date when the Company and its subsidiaries should settle the related obligations.

	Weighed average effective interest rate	Less than 1 month	From one to three months	From to three months to one year	Between one and five years	More than five years	Total
Loans and financing (*)	10.30%	-	11,724	35,172	141,351	469,223	657,470
Real estate credit notes (CCI)	11.28%	3,665	3,787	10,659	150,838	207,429	376,378

(*) In order to invest in perpetual bonds, interest to be incurred through the call option date was taken into consideration and the principal amount, since these bonds do not mature, was classified as debt falling due above 5 (five) years.

f) Interest rate risk

Working capital loans and real estate credit notes - the Company's subsidiaries also raised several working capital loans, as mentioned in Notes 13 and 14, which bear average interest rates of up to 14.45% p.a. No financial instrument was contracted to hedge against interest rate fluctuations in these transactions.

Payables for acquisition of property - The Company's subsidiaries have balances payable to unrelated companies relating to the purchase of properties for the acquisition of Shopping Light, which bear financial charges based on general price indices variation. No financial instrument was contracted to hedge against interest rate fluctuations in these transactions.

g) Foreign exchange risk

The Company, through its subsidiary, has financing and balances payable to related parties contracted in foreign currency, in the amount of R$ 477,853 as of December 31, 2011 (R$ 337,879 as of December 31, 2010).

The Company measures its exposures based on its own estimate and budget model and, in September 2011, through its subsidiary, contracted dollar futures with BM&FBovespa to hedge its exposure to currency risks. The primary risk the Company intends to reduce is the currency risk related to its foreign-currency liabilities.

As at December 31, 2011, the Company uses derivatives and non-derivative financial instruments denominated in foreign currency to hedge the currency risks corresponding to nine quarters of interest payable relating to the issue of Perpetual Bonds.

The Company did not contract derivatives or non-derivatives transactions to hedge the principal.

Below is the hedge contracted for the currency risk:

Exposure-Year	Exposure – Perpetual bonds-interest (US$ thousand)	Hedge with derivatives	Cover	Opening price: Rate R$/US$	Fair value (R$ thousand)	Gains for the year
2012	25,000	25,000	100%	1.8589	(209)	528
2013	25,000	25,000	100%	1.8725	(209)	189
	50,000	50,000			(418)	717

The Company manages and monitors the position of its derivatives on a daily basis. The foreign-currency short-term investments match the foreign-currency liabilities and are, therefore, used as natural hedges.

The Company contracts short-term US dollar futures with BM&FBovespa and subsequently rolls over the derivative instruments. The transaction shown above, maturing on February 1, 2012, was renewed by the Company's management.

The Company believes that using derivatives as hedging instruments is more cost-effective than using other strategies.

The Company's derivatives meet the inputs hierarchy described in CPC 40, and are classified at level 1, i.e., derivatives are obtained at prices traded in an active market (without adjustments). As at December 31, 2011, the fair value of the derivatives is R$418, and is recognized in "other accounts payable". In the year ended December 31, 2011, a gain of R$717 was recorded. During the year, no US dollar futures position was closed.

To conduct BM&FBovespa transactions, the Company made, through private securities from prime financial institutions, an initial margin deposit which, as at December 31, 2011, totaled R$14,212.

Financial assets, except those designated at fair value through profit or loss, are valued using impairment indicators at the end of year. Impairment losses are recognized if there is objective evidence of impairment as a result of one or more events occurred after the initial recognition of the financial asset, with an impact on the estimated future cash flows.

The criteria used by the Company and its subsidiaries to determine whether there is objective evidence that a financial asset is impaired includes:

- Significant financial difficulty of the issuer or debtor.
- Breach of contract, such as default or delinquency in interest or principal payments.
- Likelihood that the borrower will file for bankruptcy or financial reorganization.
- The disappearance of an active market for that financial asset because of financial problems.

The carrying amount of the financial asset is directly written down by the impairment loss for all financial assets, except for trade accounts receivable, in which case the carrying amount is written down by an allowance. Subsequent recoveries of amounts previously written off are credited to the allowance account. Changes in the carrying amount of the allowance are recognized in profit or loss.

h) Sensitivity analysis:

Considering the financial instrument previously described, the Company has developed a sensitivity analysis, according to CVM Instruction 475/08, which requires the presentation of two additional scenarios based on 25% and 50% fluctuations in the risk variable taken into consideration. These scenarios may generate impact on the Company's income and/or future cash flows, as described below:

- Base scenario: maintenance of interest at the same levels as at December 31, 2011.
- Adverse scenario: a 25% fluctuation of the main risk factor of the financial instrument compared to the level as at December 31, 2011.
- Remote scenario: a 50% fluctuation of the main risk factor of the financial instrument compared to the level as at December 31, 2011.

i) Loans, financing and CCIs:

Assumptions

As described above, the Company understands that it is mainly exposed to the TR and IPCA variation risk and exchange rate change in relation to the US dollar, which are the basis to adjust a significant portion of loans, financing, CCI and perpetual notes contracted. Accordingly, the table below shows the rates used to prepare the sensitivity analysis.

Assumptions	Base scenario	Adverse scenario	Remote scenario
Decrease in IPCA	0.43%	0.54%	0.65%
Decrease in TR	0.10%	0.13%	0.15%
Depreciation of the Brazilian real against the US dollar	5.00%	6.25%	7.50%

		Scenarios - interest to be incurred		
Operation	Risk	Base (i)	Adverse (ii)	Remote (iii)
Interest on borrowings indexed to IPCA	Increase in IPCA	63,729	79,205	88,877
Interest on loans subject to TR variation	Increase in TR	87,010	92,414	95,309
Interest and exchange rate change	Increase in US dollar	384,151	427,271	474,562

The table above shows the effects of interest and index variation up to the agreement termination and, with respect to perpetual bonds, up to the date of purchase by the Company (5th year).

For the sensitivity of derivatives, the Company adopted as base scenario the same levels as those for December 31, 2011. The Company analyzed sensitivity only for the impact of the variables on derivative instruments, rather than analyzing the overall impact on its operations. A possible US dollar depreciation against the Brazilian real may be offset against the opposite effects on its foreign-currency liabilities:

Assumptions	Base scenario	Adverse scenario	Remote scenario
Appreciation of the Brazilian real against the US dollar	1.8800	1.4100	0.9400

Operation	Risk	Scenarios - interest to be incurred		
		Base (i)	Adverse (ii)	Remote (iii)
Exchange rate change	Decrease in US dollar	(418)	(23,918)	(47,419)

ii) Cash and cash equivalents

Assumptions

As described above, the Company understands it is mainly exposed to the risk of CDI fluctuation and exchange rate change. Accordingly, the table below shows the indices and rates used to prepare the sensitivity analysis:

Assumptions	Base scenario	Adverse scenario	Remote scenario
CDI fluctuation	9.49%	7.12%	4.75%
Depreciation of the Brazilian real against the US dollar	(5.0%)	(6.25%)	(7.5%)

Operation		Consolidated		
Risk factor	Risk	Base scenario (*)	Adverse scenario	Remote scenario
Subject to CDI fluctuation	Decrease in CDI rate	7,918	5,938	3,959
Subject to US dollar fluctuation	Decrease in US dollar	(1,891)	(2,364)	(2,837)

27. INSURANCE

The Company and its subsidiaries have insurance to cover potential risks on its assets and/or civil liabilities.

As of December 31, 2011, insurance is as follows:

Type	Insurance coverage
Civil liability	39,070
Common fire	1,170,750
Loss on profits	136,733
Windstorm/smoke	54,643
Shopping malls' operations	18,000
Pain and suffering	3,600
Material damages	1,920
Employer	960

28. SEGMENT REPORTING

Segment reporting is used by the Company's top management to make decisions about resources to be allocated to a segment and assess its performance.

The accounting policies for these reportable segments are similar to those of the Company, as described in note 2. The segment reporting considers the items attributable directly to the segment, as well as those that could be reasonably allocated. Assets and liabilities by segment are not presented as they are not considered by senior management in the strategic decision-making process.

Therefore, the Company's reporting segments are as follows:

a) Rentals

Refers to the rental of space to storeowners and other commercial space, such as sales stands; rental of commercial space for advertising and promotion; operation of parking lots; and the property space (technical structure) lease fee.

b) Services

Refers to revenue from electric power and water supply management at the shopping malls.

The Company's total revenues is realized in Brazil.

Income statements by segment:

	Consolidated					
	12/31/2011			Exclusion		12/31/2011
	Rental	Service	Corporate	Debit	Credit	Consolidated
Service revenues	116,541	31,494	-	(10,694)	-	137,341
Rental and services provided	(19,549)	(16,249)	-	-	7,734	(28,065)
Gross profit	96,992	15,245	-	(10,694)	7,734	109,276
Operating revenues (expenses)	(8,267)	(739)	(16,829)	(910)	2,960	(23,785)
Operating revenues (expenses) before financial income (loss)	88,725	14,506	(16,829)	(11,604)	10,694	85,491
Financial loss	(32,477)	(563)	(75,212)	(19,217)	19,217	(108,252)
Operating income (loss) before income tax and social contribution	56,248	13,943	(92,041)	(30,821)	29,911	(22,761)
Income tax and social contribution	(12,034)	(3,206)	-	-	-	(15,240)
Net income (loss) for the year	44,214	10,737	(92,041)	(30,821)	29,911	(38,001)

	Consolidated					
	12/31/2010			Exclusion		12/31/2010
	Rental	Services	Corporate	Debit	Credit	Consolidated
Service revenue	97,504	27,465	-	(8,810)	-	116,159
Rentals and services provided	(16,547)	(14,429)	-	-	5,944	(25,032)
Gross profit	80,957	13,036	-	(8,810)	5,944	91,127
Operating revenues (expenses)	(2,126)	(2,879)	(17,096)	-	2,866	(19,235)
Operating revenues (expenses) before financial income (loss)	78,831	10,157	(17,096)	(8,810)	8,810	71,892
Financial loss	-	-	(73,111)	-	-	(73,111)
Operating income (loss) before income tax and social contribution	78,831	10,157	(90,207)	(8,810)	8,810	(1,219)
Income tax and social contribution	(8,175)	(1,961)	-	-	-	(10,136)
Net income (loss) for the year	70,656	8,196	(90,207)	(8,810)	8,810	(11,355)

29. ADDITIONAL DISCLOSURES OF CASH FLOWS

The Company conducted the following noncash transaction:

	Consolidated	
	12/31/11	12/31/10
Capitalized interest in properties for investment in construction	8,873	1,069
Purchase of land	15,855	-

30. APPROVAL OF THE FINANCIAL STATEMENTS

On February 24, 2012, the Board of Directors of General Shopping Brasil S.A. authorized the conclusion of the financial statements for the year ended December 31, 2011.

FISCAL COMMITTEE OPINION

"The Fiscal Committee, in the use of its legal authority, in a meeting held on this date, examined the Annual Report from Management and the Financial Statements from General Shopping Brasil S.A for the year ended December 31, 2011. On the basis of the examinations conducted, and considering the opinion of the independent auditors Deloitte Touche Tahmatsu Auditores Independentes, the Committee members gave a favorable opinion regarding the above-mentioned documents, also reporting that the same are in proper condition to be voted on and approved by the shareholders at the next annual general meeting."

São Paulo, February 24, 2012

Paulo Alves Flores
Fiscal Committee Member

Antonio Carlos Pereira Fernandes Lopes
Fiscal Committee Member