

(Convenience translation into English from the original
previously issued in Portuguese)

GENERAL SHOPPING E OUTLETS DO BRASIL
S.A.

Auditor's Review report

Quartely Information

For the quarter ended June 30, 2019

GENERAL SHOPPING E OUTLETS DO BRASIL S.A.

Quarterly Information
For the quarter ended June 30, 2019

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INDEPENDENT AUDITOR'S REPORT ON THE INTERIM FINANCIAL STATEMENTS

To
Shareholders, Advisers and Board of Directors of
General Shopping e Outlets do Brasil S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information of General Shopping e Outlets do Brasil S.A. ("Company") contained within the Quarterly Financial Information - ITR, identified as Company and Consolidated, respectively, for the quarter ended on June 30, 2019, which comprise the balance sheet on June 30, 2019 and the related statements of income and comprehensive income for three and six-month period then ended, and the statement of changes in equity and cash flows for the six-month period then ended, as well as a summary of the significant accounting practices and other notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting and with the International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of these interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Financial Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and International Standard on Review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, we are not aware of any fact that causes us to believe that the individual and consolidated interim financial information included in the Quarterly Financial information - ITR referred to above were not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to Quarterly Financial Information - ITR and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Emphasis

Granted of the assets to the Fund and payment of dividends

As mentioned in Note 1 in the 2nd paragraph to the quarterly information, on April 9, 2019, the dividend payment transaction was completed by the delivery of quotas of the General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII ("FII") to the shareholders, and such transaction was duly approved by the governance bodies and the Ordinary Shareholders' Meeting.

Other issues

Statement of added value

We have also reviewed the individual and consolidated interim statement of added value for the six-month period ended June 30, 2019, prepared under the responsibility of the Company's management, whose disclosure in the interim financial information is required in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Financial Information - ITR and considered as supplemental information by the International Financial Accounting Standards (IFRS), which do not require the disclosure of the Statement of Added Value. This statement was submitted to the same review procedures previously described and based on our review, we are not aware of any fact that would lead us to believe that they have not been fairly stated, in all material respects, in relation to the individual and consolidated interim financial information taken as a whole.

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

São Paulo, August 13, 2019.



BDO RCS Auditores Independentes SS
CRC 2 SP-013846/O-1



Mauro de Almeida Ambrósio
Contador CRC 1SP 199692/O-5

General Shopping e Outlets do Brasil S.A.

Balance sheet

As of June 30, 2019 and December 31, 2018

(Amounts stated in Thousands of Reals, except when indicated otherwise)

ASSETS

		Company		Consolidated	
	Notes	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Current assets					
Cash and cash equivalents	3	53	66	289,349	383,959
Restricted cash	5	-	-	70,046	132,605
Trade accounts receivable	6	-	-	26,015	63,239
Recoverable taxes	7	2,592	2,455	26,623	25,822
Investment properties	11	-	-	-	132,966
Other accounts receivable	8	694	335	48,802	15,225
Total current assets		3,339	2,856	460,835	753,816
Non-current assets					
Trade accounts receivable	6	-	-	2,420	2,617
Related parties	9	36,277	2,228	89,866	51,422
Loans receivables with third parties			-	2,724	6,819
Recoverable taxes	7	-	-	-	2,760
Deposits and guarantees	-	49	49	3,019	6,103
Debentures with related parties	4	-	-	362,565	-
Financial investments	3	-	-	-	1,668
Other accounts receivable	8	273	-	327	54
		36,599	2,277	460,921	71,443
Investments in associates	10	2,379	1,010,511	-	-
Investment properties	11	-	-	692,303	2,128,784
Fixed assets	12	1,810	1,945	3,688	4,155
Intangible assets	13	2,767	3,281	13,484	14,562
		6,956	1,015,737	709,475	2,147,501
Total non-current assets		43,555	1,018,014	1,170,396	2,218,944
Total assets		46,894	1,020,870	1,631,231	2,972,760

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Balance sheet

As of June 30, 2019 and December 31, 2018

(Amounts stated in Thousands of Reais, except when indicated otherwise)

LIABILITIES AND EQUITY

	Notes	Company		Consolidated	
		06/30/2019	12/31/2018	06/30/2019	12/31/2018
Current liabilities					
Suppliers	-	657	538	21,340	8,187
Loans and financing	14	-	-	19,972	31,734
Payroll and social charges	-	1,742	1,413	2,367	2,004
Taxes, charges and contributions	18	22,395	18,880	129,283	162,458
Taxes in installments	17	223	235	17,750	20,818
Real Estate Credit Bills (CCI)	15	-	-	12,392	48,509
Related parties	9	13,899	131,646	24,993	24,032
Revenue from assignments to appropriated	19	-	-	5,156	13,992
Dividends	21	-	828,956	-	828,956
Accounts payable	-	-	-	-	1,311
Other accounts payable	16	27	-	889	2,290
Total current liabilities		38,943	981,668	234,142	1,144,291
Current non-liabilities					
Loans and financing	14	-	-	1,179,194	1,206,788
Revenue from assignments to appropriated	19	-	-	20,103	66,497
Taxes in installments	17	419	519	56,096	63,494
Deferred income taxes	26	-	-	14,518	65,504
Provisions for labor and civil risks	20	-	-	1,458	2,311
Accounts payable	-	-	-	-	7,209
Real Estate Credit Bills (CCI)	15	-	-	118,188	377,983
Total non-current liabilities		419	519	1,389,557	1,789,786
Equity	21				
Share capital - common shares	-	385,064	385,064	385,064	385,064
Capital reserve	-	(1,907)	(1,907)	(1,907)	(1,907)
Profit reserves	-	12,573	12,573	12,573	12,573
Accumulated loss	-	(388,198)	(357,047)	(388,198)	(357,047)
		7,532	38,683	7,532	38,683
Total liabilities and equity		46,894	1,020,870	1,631,231	2,972,760

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of income (loss)

For the three and six months period ended June 30, 2019 and 2018

(Amounts stated in Thousands of Reais, except the amount for share)

	Notes	Company				Consolidated			
		04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2018 to 06/30/2018	01/01/2018 to 06/30/2018	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2018 to 06/30/2018	01/01/2018 to 06/30/2018
Net revenue	22	-	-	-	-	25,225	75,612	46,900	108,502
Cost of rental and services provided	23	-	-	-	-	(8,019)	(15,701)	(6,711)	(13,075)
Gross profit		-	-	-	-	17,206	59,911	40,189	95,427
Operational (Expenses)/Income									
General and administrative expenses	24	(8,098)	(16,881)	(5,538)	(11,280)	(14,312)	(29,154)	(13,584)	(25,850)
Other income (expenses), net	27	-	(101)	-	5	48	(3,485)	(41,420)	(78,375)
Equity in earnings of subsidiaries	8	4,949	(10,190)	(216,581)	(275,432)	-	-	-	-
Operational profit/(loss) before financial income, net		(3,149)	(27,172)	(222,119)	(286,707)	2,942	27,272	(14,815)	(8,798)
Financial income (expense), net	25	(363)	(4,070)	(1,099)	(1,163)	(3,657)	(55,010)	(181,376)	(247,771)
Loss before taxes		(3,512)	(31,242)	(223,218)	(287,870)	(715)	(27,738)	(196,191)	(256,569)
Current income taxes	26	-	-	-	-	(4,614)	(9,416)	(56,016)	(64,364)
Deferred income taxes	26	91	91	-	-	1,908	6,003	28,989	33,063
Loss for the period		(3,421)	(31,151)	(223,218)	(287,870)	(3,421)	(31,151)	(223,218)	(287,870)
Attributable to:									
Controlling interest		(3,421)	(31,151)	(223,218)	(287,870)	(3,421)	(31,151)	(223,218)	(287,870)
Non-controlling interest		-	-	-	-	-	-	-	-
Basic loss per share - R\$	21	(0.05)	(0.46)	(3.31)	(4.26)	(0.05)	(0.46)	(3.31)	(4.26)

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of comprehensive income

For the three and six months period ended June 30, 2019 and 2018

(Amounts stated in Thousands of Reais, except the amount for share)

	Company				Consolidated			
	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2018 to 06/30/2018	01/01/2018 to 06/30/2018	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2018 to 06/30/2018	01/01/2018 to 06/30/2018
Loss for the period	(3,421)	(31,151)	(223,218)	(287,870)	(3,421)	(31,151)	(223,218)	(287,870)
Other comprehensive income (loss) that may be subsequently reclassified to profit or loss:								
Other comprehensive income (loss)	-	-	-	-	-	-	-	-
Comprehensive income (loss) for the period	<u>(3,421)</u>	<u>(31,151)</u>	<u>(223,218)</u>	<u>(287,870)</u>	<u>(3,421)</u>	<u>(31,151)</u>	<u>(223,218)</u>	<u>(287,870)</u>
Total other comprehensive income (loss) attributable								
Controlling interest	(3,421)	(31,151)	(223,218)	(287,870)	(3,421)	(31,151)	(223,218)	(287,870)
Non-controlling interest	-	-	-	-	-	-	-	-
	<u>(3,421)</u>	<u>(31,151)</u>	<u>(223,218)</u>	<u>(287,870)</u>	<u>(3,421)</u>	<u>(31,151)</u>	<u>(223,218)</u>	<u>(287,870)</u>

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of changes in equity - Company and Consolidated

For the six months periods ended June 30, 2019 and 2018

(Amounts stated in Thousands of Reais, except when indicated otherwise)

	Share capital			Capital reserve		Profit reserves		Accumulated losses	Total
	Share capital	Treasury shares	Share issuance expenses	Goodwill on the Issue of shares	Capital transaction	Legal reserve	Profit reserves to realize		
Balances in January 1, 2018	389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	828,956	-	1,224,686
Loss for the period	-	-	-	-	-	-	-	(287,870)	(287,870)
Total comprehensive income (loss), net tax	-	-	-	-	-	-	-	(287,870)	(287,870)
Balances in June 30, 2018	389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	828,956	(287,870)	936,816
Balances in January 1, 2019	389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	-	(357,047)	38,683
Loss for the period	-	-	-	-	-	-	-	(31,151)	(31,151)
Total comprehensive income (loss), net tax	-	-	-	-	-	-	-	(31,151)	(31,151)
Balances in June 30, 2019	389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	-	(388,198)	7,532

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of cash flows - indirect method

For the six months periods ended June 30, 2019 and 2018

(Amounts stated in Thousands of Reais, except when indicated otherwise)

	Company		Consolidated	
	06/30/2019	06/30/2018	06/30/2019	06/30/2018
Cash flow from operating activities				
Loss for the period	(31,151)	(287,870)	(31,151)	(287,870)
Adjustments to reconcile net income (loss) to cash provided on operating activities:				
Depreciation and amortization	695	1,106	1,392	1,833
Allowance for doubtful accounts	-	-	235	3,307
Constitution (reversing) provision for labor and civil risks	-	(70)	(853)	539
Deferred income taxes	-	-	(6,003)	(33,063)
Income taxes	-	-	9,416	31,301
Financial charges on loans e financing, CCI and Perpetual bonds	-	-	71,452	99,630
(Gain) / Loss on disposal of investment property	-	-	-	43,736
Financial charges on the other non-current assets and liabilities	-	-	(8,248)	-
Financial charges on payment of taxes in installment	-	-	3,851	470
Exchange rate variation	-	-	(12,717)	183,808
Equity in earnings of subsidiaries	10,190	275,432	-	-
Decrease (increase) in operating activities				
Trade accounts receivable	-	-	7,047	8,889
Recoverable taxes	(137)	(454)	1,959	(6,981)
Other accounts receivable	(632)	253	(33,850)	2,851
Deposits and guarantees	-	(59)	3,084	(62)
Increase (decrease) in operating activities				
Suppliers	119	(1,553)	13,153	(84)
Taxes, charges and contributions	3,515	1,454	3,856	(5)
Payroll and social charges	329	321	363	237
Revenue from assignments to be appropriated	-	-	(2,807)	(86,412)
Accounts payable	-	-	(8,520)	-
Other accounts payable	27	(1)	(1,401)	-
Net cash provided by (used in) operating activities	(17,045)	(11,441)	10,258	(37,876)
Payment of interest	-	-	(39,372)	(51,642)
Net cash provided by (used in) operating activities	(17,045)	(11,441)	(29,114)	(89,518)
Cash flow from investing activities				
Write-off property investments, fixed assets and intangible assets	-	-	44,314	733
Transfer of investments, investment property, fixed assets and intangible assets to FII GSOB	12,459	-	15,376	-
Disposal of property for investments intended for sale	-	-	132,966	-
Redemption (application) in financial investments and bound financial investments and restricted cash	-	-	64,227	(494,430)
Acquisition of investments and fixed assets and intangible assets	(46)	(41)	(44,531)	(37,588)
Receipt for sales of investment properties and fixed assets	-	-	-	1,054,648
Proceeds from dividends	363,767	-	-	-
Net cash provided by (used in) investing activities	376,180	(41)	212,352	523,363
Cash flow from financing activities				
Amortization of the principal of loans, financing and CCI	-	-	(23,896)	(47,162)
Payment of dividends	(207,240)	-	(207,240)	-
New taxes installments	(112)	(122)	-	68,452
Payment of the principal taxes installment	-	-	(13,324)	(2,407)
Related parties	(151,796)	11,629	(33,388)	1,601
Net cash provided by (used in) financing activities	(359,148)	11,507	(277,848)	20,484
Increase (Decrease) in cash and cash equivalent, net	(13)	25	(94,610)	454,329
Cash and cash equivalents:				
Cash and cash equivalents at the end of the period	53	2,270	289,349	562,976
Cash and cash equivalents beginning of the period	66	2,245	383,959	108,647
Increase (Decrease) in cash and cash equivalent, net	(13)	25	(94,610)	454,329

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of added value

For the six months periods ended June 30, 2019 and 2018

(Amounts stated in Thousands of Reais, except the amount for share)

	Company		Consolidated	
	06/30/2019	06/30/2018	06/30/2019	06/30/2018
Revenue				
Revenue from rent, services and other	-	-	82,869	118,529
Allowance for doubtful accounts	-	-	(235)	(3,307)
	-	-	82,634	115,222
Third parties services and materials				
Third parties services, materials and other	(10,274)	(3,981)	(31,710)	(22,112)
Gross added (consumed) value	(10,274)	(3,981)	50,924	93,110
Depreciation and amortization	(695)	(1,106)	(1,392)	(1,833)
Net added (consumed) value generated	(10,969)	(5,087)	49,532	91,277
Net added value by transfer				
Equity accounting result	(10,190)	(275,432)	-	-
Financial income	40	462	167,748	135,300
Other	(101)	5	(3,485)	(78,375)
Net added value total to distribution	(21,220)	(280,052)	213,795	148,202
Distribution of added (consumed) value				
Labor				
Salaries	4,388	4,023	5,842	5,481
Benefits	915	969	1,675	1,722
FGTS (Brazilian Labor Social Charges)	210	214	292	274
INSS (Brazilian Labor Social Security)	690	987	917	1,315
Taxes, charges and contributions				
Federal	(82)	-	11,111	41,798
Municipal	63	-	2,351	2,411
Capital Remuneration from third parties				
Interests expenses	3,747	1,625	222,758	383,071
Owned capital remuneration				
Loss for the period	(31,151)	(287,870)	(31,151)	(287,870)
	(21,220)	(280,052)	213,795	148,202

The accompanying notes are integral part of these quarterly interim financial statements.

GENERAL SHOPPING E OUTLETS DO BRASIL S.A.

Notes to the quarterly information - ITR

June 30, 2019

(In Thousand of Brazilian Reais - R\$, except when indicated otherwise)

1. Operating activities

General Shopping e Outlets do Brasil S.A. (Company) was set up on March 06, 2007 and, as from March 31, 2007, after successive ownership operations through which the interest held in the capital of the companies with shopping mall activities, as well as interest held in the capital stock of companies that provide services to the shopping malls, was grouped, respectively, into two distinct companies: (a) Levian Participações e Empreendimentos Ltda. and (b) Atlas Participações Ltda. Currently the Company's interest in the capital of the companies with activities in shopping centers are grouped in Levian Participações e Empreendimentos Ltda. and Securis Administradora e Incorporadora Ltda.

Pursuant to the Company's Board of Directors' Meeting, which began on December 21, 2018 and concluded on December 26, 2018, after the suspension of work ("First RCA") and at the Company's Board of Directors' Meeting held on February 22 2019 ("Second RCA" and, together with the First RCA, "Meetings"), the Company approved, by referendum of the Company's General Meeting, the distribution of dividends to shareholders in the total amount of R\$828,955,780.00 (eight hundred and twenty eight million, nine hundred and fifty five thousand and seven hundred and eighty reais), resulting from the realization of profits recorded in the Unrealized Profit Reserve (RLAR) verified according to the Company's balance sheet as of December 31, 2017, being the amount of (i) R\$207,238,945.00 (two hundred and seven million, two hundred and thirty eight thousand, nine hundred and forty five reais) to be paid in cash to the shareholders ("Cash Portion") and (ii) R\$621,716,835.00 (six hundred and twenty one million, seven hundred and sixteen thousand, eight hundred and thirty five reais) to be paid "in natura", upon delivery of quotas of the General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII ("FII") as shown below.

On April 9, 2019, the dividend payment transaction was concluded, being R\$207,238 in cash and R\$621,716 "in natura", upon delivery of quotas of General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII ("FII") to shareholders.

The Company trades its stock at Securities, Commodities and Futures Exchange, under the following abbreviation, GSHP3.

The Company filed with the Securities and Exchange Commission (CVM) the request for registration of a restricted program sponsored by Global Depositary Shares based on Regulation S and Rule 144A (GDSs), as approved at a meeting of the Company's Board of Directors held on July 22, 2016. On July 18, 2016, the CVM approved the request. In this context, The Bank of New York Mellon operates as the depositary institution of the GDS Program and is responsible for issuing the respective certificates. The Company's common shares are traded on the Securities, B3 - Commodities and Futures Exchange and represent the GDS at the ratio of 1 (one) GDS for every 73 (seventy-three) shares. The Itaú Unibanco S.A. operates as the custodian institution of the Company's shares in Brazil. The establishment of the GDS program involved the issuance of 11,000,000 (eleven million) new common shares as a result of the merger of the indirect subsidiary Druz Administradora e Incorporadora Ltda., as disclosed in Note 21. The new shares issued were held by the direct subsidiary GS Investments Limited. Of the amount of the shares that did not serve as the basis for the GDS program, 6,564,301 shares were canceled as per minutes of the meeting of the board of directors held on August 4, 2017. The remaining balance of 1,923,550 shares remains in nominal treasury at Company.

The Company's immediate and final Parent Company are Golf Participações Ltda., L.H.Y.S.P.E. Participações Ltda. and L.H.X.S.P.E. Participações Ltda. established in Brazil.

GENERAL SHOPPING E OUTLETS DO BRASIL S.A.

Notes to the quarterly information - ITR

June 30, 2019

(In Thousand of Brazilian Reals - R\$, except when indicated otherwise)

The Company's head offices are located in São Paulo - SP, at Avenida Angélica, 2,466, 24th floor - suite 241.

The individual and consolidated quarterly interim financial information of General Shopping e Outlets do Brasil S.A. (Company) referring to the quarterly ended on June 30, 2019, have been concluded and approved by the Company's Executive Officers on August 13, 2019.

The individual and consolidated quarterly interim financial information of the Company referring to the quarterly ended on June 30, 2019 comprises the Company and its subsidiaries (collectively referred to as Group and individually referred to as entities of the Group).

General Shopping e Outlets do Brasil S.A. and its subsidiaries (hereinafter referred to as the Company), have as their main corporate activities the: (a) management of its own and third-party assets; (b) participation in securities business; and (c) real estate development and similar or related activities.

The Company's direct and indirect subsidiaries that were included in the consolidated financial information are the following:

- ALTE Telecom Comércio e Serviços Ltda. (ALTE): is engaged in providing web server services, multimedia communication services, and voice over internet protocol (VOIP);
- Andal Administradora e Incorporadora Ltda. (Andal): the business activity of which is to manage its own assets and hold interest in other companies. Currently, Andal holds an ideal fraction of 99.9% in Suzano Shopping Center. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- Ardan Administradora e Incorporadora Ltda. (Ardan): has the corporate purpose of managing its own assets and participating in other companies. Currently, Ardan holds an ideal fraction of 0.5% of the Internacional Guarulhos Auto Shopping Center;
- Ast Administradora e Incorporadora Ltda. (Ast): the business activity of which is to manage its own assets and third-party assets, real estate development, hold interest in other companies and real estate ventures and lease security equipment and video cameras;
- Atlas Participações Ltda. (Atlas): the business activity of which is to manage its own assets and hold interest in other companies. Currently, Atlas holds full ownership 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., Ast Administradora e Incorporadora Ltda., GS Park Estacionamentos Ltda., ALTE Telecom Comércio e Serviços Ltda. and in BR Brasil Retail Administradora e Incorporadora S.A.;
- Bac Administradora e Incorporadora Ltda. (Bac): the business activity of which is real estate development;
- Bail Administradora e Incorporadora Ltda. (Bail): the business activity of which is to manage its own assets and third-party assets and real estate development;
- BOT Administradora e Incorporadora Ltda. (BOT): the business activity of which is real estate development. BOT holds 100% of Manzanha Consultoria e Administração de Shopping Centers Ltda's shares;

GENERAL SHOPPING E OUTLETS DO BRASIL S.A.

Notes to the quarterly information - ITR

June 30, 2019

(In Thousand of Brazilian Reals - R\$, except when indicated otherwise)

- Brassul Shopping Administradora e Incorporadora Ltda. (Brassul): the business activity of which is to manage its own assets and third-party assets and real estate development. Brassul holds 100% interest in the quotas of Sale Empreendimentos e Participações Ltda.;
- BR Brasil Retail Administradora e Incorporadora S.A. (BR Retail): the business activity of which is the development and management of projects involving planning, interest and development of retail and wholesale trade activities, as well as acquisition, creation and management of companies operating in retail trade, master franchises, franchiser companies and/or with potential to become franchiser companies, all operating in Brazil;
- Delta Shopping Empreendimentos Imobiliários Ltda. (Delta): the business activity of which is to manage its own assets and third-party assets, real estate development and hold ownership interest in other companies and real estate ventures. Delta holds 0.1% interest in Suzano Shopping Center;
- Energy Comércio e Serviços de Energia Ltda. (Energy): is engaged in purchasing, selling and leasing equipment for the generation, transfer and distribution of energy and in providing installation, maintenance and consulting services. Currently, Energy provides services referring to the lease of equipment for the generation, transfer and distribution of energy to Internacional Guarulhos Auto Shopping Center, Suzano Shopping Center, Shopping Bonsucesso, Outlet Premium São Paulo, Parque Shopping Barueri, Outlet Premium Brasília, Outlet Premium Salvador, Shopping do Vale, Parque Shopping Maia, Outlet Premium Rio de Janeiro, Parque Shopping Sulacap and Unimart Shopping;
- ERS Administradora e Incorporadora Ltda. (ERS): its corporate purpose is the management of its own and third-party assets and real estate development. The company ERS is owner of 50% of the Shopping Outlet Premium Rio de Janeiro. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- FAT Empreendimentos e Participações S.A. (FAT): has the purpose of incorporating real estate, the sale of real estate built or acquired for resale and administration of own and third parties' assets, as well as participation as a shareholder and shareholder in other companies and participation in real estate projects;
- FIPARK Estacionamentos Ltda. (FIPARK): has as its object the administration of parking lots of motor vehicles in general, own and third parties. Currently FIPARK is responsible for the administration of the parking lots of the Parque Shopping Maia, Shopping Bonsucesso and Suzano Shopping Center;
- FLK Administradora e Incorporadora Ltda. (FLK): the business activity of which is to manage its own assets and third-party assets and real estate development. FLK owns 52% of the Outlet Premium Salvador in Bahia. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- Fonte Administradora e Incorporadora Ltda. (Fonte): the business activity of which is to manage its own assets and third-party assets, and real estate development. Fonte owns 51% of the Shopping Sulacap in Rio de Janeiro. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- GAX Administradora e Incorporadora Ltda. (GAX): the business activity of which is to manage its own assets and third-party assets, real estate development, and hold interest in other companies and real estate ventures. GAX holds 50% interest in Outlet Premium São Paulo. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;

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- General Shopping Brasil Administradora e Serviços Ltda. (GSB Administradora): the business activity of which is to manage its own assets and third-party assets, provide management services to commercial centers and buildings, provide other complementary, supplementary services or services associated with its activities, in addition to hold interest in other companies, whatever type they may be. Currently, GSB Administradora is the manager of Suzano Shopping Center, Poli Shopping, Cascavel JL Shopping, Shopping do Vale, Outlet Premium São Paulo, Outlet Premium Brasília, Unimart Shopping, Parque Shopping Barueri, Shopping Bonsucesso, Outlet Premium Salvador, Parque Shopping Sulacap, Parque Shopping Maia and Outlet Premium Rio de Janeiro and Outlet Premium Fortaleza;
- General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB (new social denomination of FII Top Center): whose object is the acquisition of a real estate project, provided that it is approved by the Shareholders' General Meeting, aiming at obtaining revenues through the valuation of real estate, leasing or leasing and sales of real estate assets, as permitted by the Fund regulation, by law and by the provisions of the Brazilian Securities and Exchange Commission (CVM). The FII GSOB holds 99.99% of Vanti Administradora e Incorporadora Ltda. (Vanti) and as of April 9, 2019, the shares were transferred to shareholders as payment of the in natura dividends;
- General Shopping Finance Limited (General Shopping Finance): is a company headquartered in the Cayman Islands that is engaged in performing activities and transactions relating to the Company or its subsidiaries. General Shopping Finance holds 49.9% of the quotas of Levian Participações e Empreendimentos Ltda.;
- GS Finance II Limited (GS Finance II): is a company organized in the Cayman Islands that is engaged in performing activities and transactions relating to the Company or its subsidiaries;
- GS Investments Limited (GS Investments): is a company headquartered in the Cayman Islands that is engaged in performing activities and transactions relating to the Company or its subsidiaries. GS Investments holds 97.3% of the quotas of Securis Administradora e Incorporadora Ltda.;
- GS Park Estacionamentos Ltda. (GS Park): is engaged in managing parking lots for motor vehicles of all kinds, of their own or owned by third parties. Currently, GS Park is in charge of managing the parking lots of Outlet Premium Salvador, Parque Shopping Sulacap, Internacional Guarulhos Auto Shopping and Outlet Premium Rio de Janeiro;
- I Park Estacionamentos Ltda. (I Park): is engaged in exploiting the specific motor vehicle parking business, for both its own vehicles and vehicles owned by third parties, by managing such parking lots. Currently, I Park is in charge of managing the parking lots of Cascavel JL Shopping, Outlet Premium São Paulo, Outlet Premium Brasília, Unimart, Shopping do Vale and Parque Shopping Barueri;
- Indui Administradora e Incorporadora Ltda. (Indui): the business purpose of which is to manage its own assets and third-party assets, and real estate development. Indui holds 50% interest in Outlet Premium Brasília. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- Internacional Guarulhos Auto Shopping Center Ltda. (ASG Administradora): the business activity of which is to manage its own assets and third-party assets, provide management services to commercial centers and buildings, provide other complementary, supplementary services or services associated with its activities, in addition to hold interest in other companies, whatever type they may be. Currently, ASG Administradora is the administrator of Internacional Guarulhos Auto Shopping Center;

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- **Levian Participações e Empreendimentos Ltda. (Levian):** the business activity of which is to manage its own assets, hold interest in other companies and other complementary and associated activities. Currently, Levian holds an ideal fraction of 99.5% of Internacional Guarulhos Auto Shopping Center and 0.5% of Shopping Unimart. Levian also holds interest in Send Empreendimentos e Participações Ltda. (100%), Delta Shopping Empreendimentos Imobiliários Ltda. (100%), Vul Administradora e Incorporadora Ltda. (100%), Zuz Administradora e Incorporadora Ltda. (100%), Bud Administradora e Incorporadora Ltda. (100%), Bac Administradora e Incorporadora Ltda. (100%), Mai Administradora e Incorporadora Ltda. (100%), Premium Outlet Administradora e Incorporadora Ltda. (100%), BR Outlet Administradora e Incorporadora Ltda. (100%), Jauá Administradora e Incorporadora Ltda. (100%), Securis Administradora e Incorporadora Ltda. (2.7%), Atlas Participações Ltda. (100%), FIPARK Estacionamentos Ltda (100%), EDO Empreendimentos e Participações S.A (100%) and Poli Shopping Administradora de Bens Ltda. (50%);
- **MAI Administradora e Incorporadora Ltda. (MAI):** the business activity of which is to manage its own assets and third-party assets and real estate development;
- **Manzanza Consultoria e Administração de Shopping Centers Ltda. (Manzanza):** is engaged in providing consulting and management services for shopping malls and managing its own assets. Manzanza is the owner of the land in Atibaia;
- **Palo Administradora e Incorporadora Ltda. (Palo):** Its objective is the administration of its own assets and third parties and of commercial centers, own and third parties and real estate development. Palo owns 50% of Outlet Premium Fortaleza. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- **Pentar Administradora e Incorporadora Ltda. (Pentar):** the business activity of which is to manage its own assets and third-party assets and its own and third-party shopping centers, real estate development and participation in other companies and real estate projects. Pentar holds 99.5% of Unimart Shopping. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- **POL Administradora e Incorporadora Ltda. (POL):** is engaged in developing real estate development ventures;
- **Poli Shopping Center Empreendimentos Ltda. (Poli Empreendimentos):** is engaged in exploiting the shopping mall industry by leasing its own properties or subleasing third party leased properties. Currently, "Poli Empreendimentos" holds 50% interest in Poli Shopping Center. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- **Sale Empreendimentos e Participações Ltda. (Sale):** is engaged in purchasing, selling, leasing, urbanizing, mortgaging, developing, building and managing its own real estate or third-party real estate or jointly owned real estate. Sale holds 84.4% interest in Shopping do Vale;
- **SB Bonsucesso Administradora e Incorporadora S.A. (SB Bonsucesso):** the business activity of which is to manage its own assets and third-party assets and real estate development. SB Bonsucesso holds 63.4% interest in Shopping Bonsucesso. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- **Securis Administradora e Incorporadora Ltda. (Securis):** the business activity of which is to manage its own assets, third-party assets, real estate development and participation in other companies. Securis holds 100% of quotas of the following companies: Ardan Administradora e Incorporadora Ltda., Bail Administradora e Incorporadora Ltda., Bavi Administradora e Incorporadora Ltda., BOT Administradora e Incorporadora Ltda., Brassul Shopping Administradora e Incorporadora Ltda., FAT Empreendimentos e Participações S.A., Bavi Administradora e Incorporadora Ltda., Tequs Administradora e Incorporadora Ltda., Rumb Administradora e Incorporadora Ltda., Tela Administradora e Incorporadora Ltda. Securis also holds 0.1% interest in Shopping Bonsucesso and a fraction of less than 0.1% of Vanti Administradora e Incorporadora Ltda.;

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- Send Empreendimentos e Participações Ltda. (Send): the business activity of which is to manage its own assets and participate in other societies. Send owns 100% of the shares of Uniplaza Empreendimento Participação e Administração de Centro de Compras Ltda. and 85.5% of Cascavel JL Shopping;
- Tela Administradora e Incorporadora Ltda. (Tela): the business activity of which the real estate development activities, the sale of properties built or acquired for sale, the management of own and third parties' assets, participation in other companies and real estate projects. Tela owns 85% of the Outlet Premium Grande São Paulo currently under construction;
- Uniplaza Empreendimentos Participações e Administração de Centros de Compras Ltda. (Uniplaza): its corporate purpose is the administration of its own assets and third parties and its own and third-party centers, real estate development and participation in other companies and real estate projects;
- Vanti Administradora e Incorporadora Ltda. (Vanti): Its objective is the management of its own assets and of third parties and of its own commercial centers and of third parties, the real estate development and participation in other companies. Vanti owns 100% of the quotas of the companies: Andal Administradora e Incorporadora Ltda., ERS Administradora e Incorporadora Ltda., FLK Administradora e Incorporadora Ltda., GAX Administradora e Incorporadora Ltda., SB Bonsucesso Administradora e Incorporadora S.A., XAR Administradora e Incorporadora Ltda., Indui Administradora e Incorporadora Ltda., Palo Administradora e Incorporadora Ltda., Pentar Administradora e Incorporadora Ltda., Poli Shopping Center Empreendimentos Ltda. and Fonte Administradora e Incorporadora Ltda. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- Vide Serviços e Participações Ltda. (Vide): is engaged in providing services referring to institutional disclosures, managing its own properties and third-party properties, real estate development and holding interest in other companies and real estate development ventures;
- Vul Administradora e Incorporadora Ltda. (Vul): the business activity of which is to manage its own assets and third-party assets, real estate development and hold ownership interest in other companies and real estate ventures. Vul is the owner of 50.1% of Parque Shopping Maia;
- Wass Comércio e Serviços de Águas Ltda. (Wass): is engaged in leasing water exploration, treatment and distribution equipment, as well as providing installation, maintenance and consultancy services, inherent. Currently, Wass is in charge of leasing water exploration, treatment and distribution equipment to Internacional Guarulhos Auto Shopping Center, Cascavel JL Shopping, Suzano Shopping, Outlet Premium São Paulo, Outlet Premium Brasília, Shopping do Vale, Parque Shopping Barueri, Poli Shopping, Shopping Bonsucesso, Outlet Premium Salvador, Parque Shopping Maia and Outlet Premium Rio de Janeiro;
- XAR Administradora e Incorporadora Ltda. (XAR): the business activity of which is to manage its own assets and third-party assets, real estate development, hold interest in other companies and in real estate ventures. Currently, XAR holds 48% interest in Parque Shopping Barueri. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;

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- Zuz Administradora e Incorporadora Ltda. (Zuz): the business activity of which is to manage its own assets and third-party assets, real estate development and hold interest in other companies and real estate ventures.

The following subsidiaries: Bud Administradora e Incorporadora Ltda. (Bud), BR Outlet Administradora e Incorporadora Ltda. (BR Outlet), Premium Outlet Administradora e Incorporadora Ltda. (Premium Outlet), Jauá Administradora e Incorporadora Ltda. (Jauá), Bavi Administradora e Incorporadora Ltda. (Bavi), Tequs Administradora e Incorporadora Ltda. (Tequs), Rumb Administradora e Incorporadora Ltda. (Rumb), Poli Shopping Administração e Serviços Ltda. (Poli Adm) and EDO Empreendimentos e Participações S.A. (EDO), have as their purpose managing its own properties and third-party properties and real estate development. The companies have no records of operations as of June 30, 2019.

The Company holds direct participation, as of June 30, 2019 and December 31, 2018, in the following undertakings:

	06/30/2019			12/31/2018		
	Share	Total GLA (m ²)	Own GLA (m ²)	Share	Total GLA (m ²)	Own GLA (m ²)
Shopping Center						
Poli Shopping Guarulhos (*)	-	-	-	50.0%	3,386	1,693
Internacional Shopping	-	-	-	9.8%	77,080	7,554
Auto Shopping	100.0%	11,477	11,477	100.0%	11,477	11,477
Suzano Shopping (*)	0.1%	22,813	23	100.0%	22,813	22,813
Cascavel JL Shopping	85.5%	8,877	7,590	85.5%	8,877	7,590
Shopping do Vale	84.4%	16,882	14,247	84.4%	16,882	14,247
Unimart Shopping Campinas (*)	0.5%	15,878	79	100.0%	15,878	15,878
Outlet Premium São Paulo (*)	-	-	-	50.0%	24,337	12,169
Parque Shopping Barueri (*)	-	-	-	48.0%	36,300	17,424
Outlet Premium Brasília (*)	-	-	-	50.0%	16,162	8,081
Shopping Bonsucesso (*)	0.1%	25,273	25	63.5%	25,273	16,048
Outlet Premium Salvador (*)	-	-	-	52.0%	14,964	7,781
Parque Shopping Sulacap (*)	-	-	-	51.0%	29,022	14,801
Parque Shopping Maia (**)	50.1%	31,711	15,887	63.5%	31,711	20,136
Outlet Premium Rio de Janeiro (*)	-	-	-	50.0%	20,906	10,453
OFF Outlet Fashion Fortaleza (*)	-	-	-	50.0%	15,223	7,612
		132,911	49,328		370,291	195,757

(*) The Holdings held by the company were granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB, as informed above.

(**) According to the Material Fact published on April 26, 2019, the ideal fraction of 13.4% of the property was donated as part of the payment for the usufruct extinction operation, highlighted in note 19.

2. Presentation of quarterly information and main accounting policies

2.1. Basis of preparation of the individual and consolidated quarterly information

2.1.1. Compliance statement

The Company's individual and consolidated interim financial information has been prepared and is being presented in accordance with International Financial Reporting Standards (IAS 1) and in accordance with CVM Resolution 676/11, which approved the CPC 21 (R1) - Interim Statement, issued by the Accounting Pronouncements Committee (CPC), and all relevant information specific to the Company's individual and consolidated interim financial information, and only those, which are consistent with those used by management in its management.

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As there is no difference between the consolidated shareholders' equity and the consolidated results attributable to the shareholders of the parent company, included in the consolidated interim financial information and shareholders' equity and the results of the parent company, included in the individual interim financial information, the Company elected to present such accounting information and consolidated in a single set, side by side.

Company's management represents and confirms all relevant information contained in individual and consolidated interim financial information are shown and correspond to the information used by the Company's Management in its management.

Operational continuity

Based on our best of our knowledge, there are no material facts or contingencies that have not been reported and that may (i) prevent the ordinary business continuity of the Company and its subsidiaries, and / or (ii) significantly affect the financial and equity position. influence its assessment as a continuing venture. Accordingly, the individual and consolidated interim financial information was prepared taking this assumption into account.

2.1.2. Functional currency and presentation of the individual and consolidated quarterly information

The individual quarterly information of each subsidiary included in the consolidation are prepared by using their functional currency (the currency of the main financial economic environment in which each subsidiary operates). Upon defining the functional currency of each subsidiary, Management considered which currency has a significant influence in the selling price of the services provided and the currency in which most of the cost of their services provided is paid or incurred. The consolidated quarterly information is presented in Reais (R\$), which is the Company's functional and presentation currency.

The subsidiaries located abroad (General Shopping Finance, GS Finance II and GS Investments) neither have their own management team nor administrative, financial, and operational independence. Therefore, the Real (R\$) was chosen as the functional currency, which is the functional currency of the Parent Company.

2.1.3. Foreign currency

Upon preparing the Company's individual and consolidated quarterly information, the transactions in foreign currency are recorded in accordance with the foreign exchange rates in effect on the date of each transaction. At the year end, the monetary items in foreign currency are converted at the rates in effect. Translation adjustments on monetary items are recognized in the income for the year in which they occur.

2.2. Consolidation basis

The consolidated quarterly information includes the information of the Company and its subsidiaries, closed on the same date, and are consistent with the accounting practices described in Note 2.1.

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Control is obtained when the Company has the power to control the financial and operating policies of an entity to earn benefits from its activities. In the applicable cases, the existence and the effect of potential voting rights, which are currently exercisable or convertible, are taken into consideration when assessing whether the Company controls, or does not control, another entity. The subsidiaries are fully consolidated as from the date on which the control is transferred to the Company and they cease to be consolidated, where applicable, as from the date on which the control ceases.

The subsidiaries were fully consolidated including the assets accounts, liabilities accounts, revenues accounts and expenses accounts according to the nature of each account, complemented with the elimination of (a) investment and equity balances; (b) checking account balances and other balances that integrate the assets and/or liabilities held between the consolidated companies; and (c) revenues and expenses, as well as unrealized profits, where applicable, arising from business transactions between the consolidated companies. On June 30, 2019, the Company does not have any non-controlling interest to be presented.

The profit or loss of the subsidiaries (including real estate investment funds) acquired or disposed of during the year are included in the income statement as from the date of the effective acquisition or up to the date of the disposal, as applicable.

The consolidated quarterly information is presented in Brazilian Reais, the Company's functional currency. The Company reviewed the accounting practices adopted by the subsidiaries abroad and did not identify any differences as compared to the practices adopted in Brazil, to be adjusted in the shareholders' equity and in the income for the period of such investments before determining the profit or loss and the adjusted equity result.

The consolidated quarterly information includes the transactions of the Company and of the following subsidiaries, the percentage interest of which, held as of the balance sheet date, is summarized as follows:

	% - 06/30/2019 - Interest in capital	% - 12/31/2018 - Interest in capital
Direct Subsidiaries		
Levian	100%	100%
General Shopping Finance	100%	100%
Vanti (*)	-	100%
GS Finance II	100%	100%
GS Investments	100%	100%
Indirect Subsidiaries		
Alte	100%	100%
Andal (*)	-	100%
Ardan	100%	100%
ASG Administradora	100%	100%
Ast	100%	100%
Atlas	100%	100%
Bac	100%	100%
Bail	100%	100%
Bavi (no operation)	100%	100%
Bot	100%	100%
Br Outlet (no operation)	100%	100%
BR Retail	100%	100%
Brassul	100%	100%
Bud (no operation)	100%	100%
Delta	100%	100%
EDO (no operation)	100%	100%
Energy	100%	100%

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	% - 06/30/2019 - Interest in capital	% - 12/31/2018 - Interest in capital
ERS (*)	-	100%
FAT	100%	100%
FIPARK	100%	100%
FLK (*)	-	100%
Fonte (*)	-	100%
GAX (*)	-	100%
GSB Administradora	100%	100%
GS Park	100%	100%
Indui (*)	-	100%
Ipark	100%	100%
Jauá (no operation)	100%	100%
MAI	100%	100%
Manzanza	100%	100%
Palo (*)	-	100%
Pentar (*)	-	100%
POL	100%	100%
Poli Shopping (*)	-	100%
Poli Shopping Administração e serviços	50%	-
Premium Outlet (no operation)	100%	100%
Rumb (no operation)	100%	100%
Sale	100%	100%
SB Bonsucesso (*)	-	100%
Securis	100%	100%
Send	100%	100%
Tela	100%	100%
Tequs (no operation)	100%	100%
Uniplaza	100%	100%
Vide	100%	100%
Vul	100%	100%
Wass	100%	100%
XAR (*)	-	100%
Zuz	100%	100%

(*) From April 2019 contribution to the General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB.

2.3. Investments in subsidiaries

The Company's investments in its subsidiaries are evaluated based on the equity method, according to CPC 18 (R2) (IAS 28) - Investments in Associates and Joint Ventures, for the purposes of the Parent company's financial information. Based on the equity method, the investment in subsidiaries is accounted for in the balance sheet of the parent company at cost, plus the changes after the acquisition of interest in the subsidiary.

The ownership interest in the subsidiaries is presented in the Company's income statement as equity accounting, representing the net income or loss assignable to the Parent Company's shareholders.

The quarterly information of the subsidiaries is prepared in the same reporting period as that of the Company. Where necessary, adjustments are made so that the accounting policies are in accordance with those adopted by the Company.

After applying the equity method of accounting, the Company determines whether it is necessary to recognize impairment on the Company's investment in its subsidiaries. The Company determines at each interim closing date whether there is objective evidence that the investment in a subsidiary suffered impairment. If so, the Company calculates the amount of the impairment as the difference between the recoverable amount of the subsidiary and its book value, and then it recognizes the amount in the income statement.

2.4. Presentation of segment information

The segment information is presented in a manner that is consistent with the internal report provided to the chief operating decision maker. The chief operating decision maker, in charge of allocating resources and assessing the performance of the operating segments, is represented by the CEO.

2.5. Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits, other immediately liquid short-term investments at a known amount of cash and subject to an insignificant risk of having its value changed, which are recorded at cost plus yield earned up to the balance sheet dates, which do not exceed their market or realization value.

2.6. Financial instruments

Recognition and Measurement

Financial assets and liabilities are initially measured at fair value. The costs of the transactions that are directly attributable to the acquisition or issuance of financial assets and liabilities (except for financial assets and liabilities recognized at fair value in the Company's income statement) are increased by, or deducted from, the fair value of financial assets or liabilities, where applicable, after initial recognition. The transactions costs that are directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the income statement.

The Company's financial instruments are represented by cash and cash equivalents, accounts receivable, financial investments, accounts payable, perpetual bonds, loans and financing and derivative financial instruments.

Classification

The financial instruments of the Company and its subsidiaries were classified under the following categories:

a) Measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss are financial assets held for negotiation, when acquired for that purpose, mainly in the short term. Derivative financial instruments are also classified in this category. The assets of that category are classified in current assets. The balances referring to gains or losses arising from unsettled transactions are classified in current assets or liabilities and the changes in the fair value are respectively recorded in "Financial income" or "Financial expenses".

b) Financial assets and liabilities at amortized cost

Non-derivative financial instruments with fixed or determinable payments or receipts that are not quoted in active markets. They are classified as current assets, except for those with a maturity of more than 12 months after the date of preparation of the interim accounting information, which are classified as non-current assets. The Company's financial assets correspond to loans to related parties, trade accounts receivable, cash and cash equivalents, financial investments and other accounts receivable.

c) Financial liabilities at amortized cost

Represented by bank loans and financing, and amounts balances of checking accounts with related parties, except for the checking account, the others are stated at original value, plus interest, inflation adjustments and translation adjustments incurred up to the dates of the financial statements. Financial liabilities are initially measured at fair value, net of transaction costs. Later, they are measured at amortized cost using the effective interest rate method, and the financial expenses are recognized based on the effective yield.

2.7. Derivative financial instruments

The Company has derivative financial instruments to manage its exposure to foreign exchange rate and interest rate risks. Explanatory Note 28 contains further and more detailed information on derivative financial instruments.

Derivatives are initially recognized at fair value on the date they are entered into and are later re-measured at fair value at the closing of each year. Eventual gains or losses are immediately recognized in P&L.

When a derivative financial instrument is listed in a stock exchange, its fair value must be measured by means of valuations techniques based on stock market quotations, where the price used to calculate the fair value is the one at the closure of each month. For those cases of derivatives not listed, that is, over the counter, the fair value must be calculated by means of valuation methods at present value by discounted future cash flow method, and based on market information as of the last day of the month.

2.8. Impairment on Financial Instruments

Financial assets, except for those at fair value through profit or loss, are evaluated according to impairment indicators at the end of each period or year. Losses due to impairment are recognized when there is objective evidence of the impairment of the financial assets as a result of one or more events that have occurred after their initial recognition, with an impact on the estimated future cash flows of such assets.

The criteria that the Company and its subsidiaries use to determine whether there is objective evidence of impairment of financial assets include:

- significant financial difficulties of the issuer or debtor;
- agreement breach, such as default or the late payment of interest or the principal amount;
- likelihood of the debtor declaring bankruptcy or financial reorganization;
- the extinguishment of an active market for that financial asset by virtue of financial problems.

The book value of the financial assets is directly reduced due to impairment, except for accounts receivable where the book value is reduced due to the use of a provision. The subsequent recovery of amounts previously written off is credited to the provision. Changes in the book value of the provision are recognized in P&L.

2.9. Trade accounts receivable and related parties

Trade accounts receivable and related parties are initially recorded at the amounts invoiced on the basis of the lease agreements and of the services provided, adjusted by the effects arising from the recognition of revenue from rents on a straight-line basis calculated in accordance with the terms provided for in the agreements, including, where applicable, yield and inflation adjustment gains.

The allowance for doubtful accounts is created at an amount considered sufficient by Management to cover probable losses in the realization of accounts receivable, considering the following criterion: the individual analysis of debtors, regardless of the maturity dates, as described in Note 6.

The expenses with the creation of an allowance for doubtful accounts were recorded in "General and administrative expenses" in the income statement.

2.10. Investments properties

Investment properties are represented by land and buildings in shopping malls held for earn yield from rent and/or capital valuation, as disclosed in Explanatory Note 11.

Investment properties are initially recorded at acquisition or construction cost. After the initial recognition, the investment properties are presented at fair value, except for properties under construction ("greenfields") and land for future expansion. Gains or losses from fair value variations of investment properties are included in the year's statement of income in the period and fiscal year in which they are generated.

Properties held for investment construction ("greenfields") are recognized by the construction cost up to the moment in which operations start or when the Company is able to measure the fair value of assets reliably.

The costs incurred relating to investment properties under use, such as maintenance, repairs, insurance and property taxes are recognized as costs in the income statement of the year to which they refer.

Investment properties are written off after disposal or when they are permanently withdrawn from use and there are not future economic benefits resulting from disposal. Any gains or losses resulting from the write off of the property (calculated as the difference between net revenues from disposal and the book value of the asset) is recognized in the income for the periods in which the property is written off. For transactions in which the investment is realized under a co-venture regime, in which the amounts paid by the partner to the Company are held in liabilities as advance payments until the effective transfer of the risks and rewards of ownership of the asset (completion of construction), when the difference between the net amounts from disposal and book value amounts are recognized in Profit and Loss (P&L).

Financial charges with regard to loans and financing incurred during the construction period, where applicable, are capitalized.

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2.11. Fixed assets

These are stated at acquisition cost. Depreciation is calculated on a straight-line basis at the rates described in Explanatory Note 12, which consider the estimated economic life-cycles of the assets.

Residual values and the life-cycles of the assets are annually reviewed and adjusted, if applicable.

An item of the fixed item is written off after disposal or when there is no any future economic benefit resulting from the continuous use of the asset. Any gains or losses on the sale or write off of an item of the fixed assets are determined by the difference between the amounts received on the sale and the book value of the asset and are recognized in P&L.

2.12. Intangible assets

Intangible assets with definite useful lives, acquired separately, are recorded at cost, minus amortization and accumulated impairment losses. Amortization is recognized according to the straight-line method based on the estimated useful lives of the assets. The estimated useful life and the amortization method are reviewed at the end of each fiscal year and the effect of any changes in the estimates is accounted for, prospectively.

2.13. Impairment of tangible and intangible assets

Items of the fixed assets, investment properties, intangible assets and other noncurrent assets are annually evaluated to identify evidence of impairment or whenever significant events or changes in the circumstances indicate that the book value might be impaired. When there is loss deriving from the situations in which the book value of the asset exceeds its recoverable amount, in this case defined by the value in use of the asset, using the discounted cash flow method, such loss is recognized in the income for the fiscal year. As of June 30, 2019 and December 31, 2018, there have been no evidences suggesting the assets would not be recoverable.

Investment properties are evaluated at fair value, changes in appraisal report values are recorded in the fiscal year's income statement.

2.14. Other assets (current and non-current)

An asset is recognized in the balance sheet when it is a resource controlled by the Company deriving from past events and from which it is expected that future economic benefits will inure to the Company. Other current and noncurrent assets are stated at cost or realization value, including, where applicable, the yield and inflation and translation adjustments earned up to the dates the period are closed.

2.15. Other liabilities (current and non-current)

A liability is recognized in the balance sheet when the Company has a legal or constructive obligation resulting from an event in the past and it is probable that an economic resource will be required to settle it. Other current and noncurrent liabilities are stated at known or calculable amounts, plus the corresponding charges and inflation and /or translation adjustments incurred up to the balance sheet date, where applicable.

2.16. Provisions

Provisions are recognized to present liabilities (either legal or presumed) resulting from past events in which it is possible to reliably estimate the amounts and the settlement of which is probable. The amount recognized as a provision is the best estimate of the considerations required to settle a liability at the end of each period or year, considering the risks and uncertainties pertaining to the liability.

2.17. Provision for labor, tax, civil and social security risks

A provision for civil, tax, labor and social security risks is created for lawsuits, the future disbursement probabilities of which are considered probable by the legal advisors and Management of the Company and its subsidiaries, considering the nature of the lawsuits and the experience of Management with similar lawsuits, as described in Explanatory Note 20.

2.18. Borrowing costs - interest capitalization

The financial charges of loans obtained that are directly linked to the acquisition, construction or production of investment properties in progress are capitalized and thus are part of the cost of the asset. The capitalization of such charges starts after the beginning of the preparation of an asset's construction or development activities and is interrupted soon after the beginning of its use or the end of its production or construction.

The borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which necessarily take a substantial period of time to be ready for use or sale, are added to the cost of such assets up to the date in which they are ready for the intended use or sale.

Gains on investments deriving from the temporary investment of resources obtained with specific loans not yet spent with the qualifying asset are deducted from the costs with loans that are entitled to be capitalized. All of the other costs with loans are recognized in the income for the period/year in which they are incurred.

2.19. Current and deferred tax income

The provision for income tax and social contribution is accounted for the actual and assumed profit regime and was established at the rate of 15%, plus the additional 10% rate on annual taxable income exceeding R\$ 240. Social contribution was calculated at the rate of 9% on the adjusted book profit.

As allowed by the tax legislation, certain subsidiaries included in the consolidated financial information chose to be taxed according to the presumed profit tax regime. The basis of calculation of income tax and social contribution is calculated at the rate of 32% on the gross revenues from services provided, 8% on the fair value adjustment and on sale of investment properties, 100% of financial revenues, on which the regular rate of 15% applies, plus the additional 10% for income tax and 9% for social contribution. For that reason, such consolidated companies did not record deferred income tax and social contribution assets on tax losses, negative bases and temporary differences and are not inserted in the context of non-cumulativeness in determining the Tax on Gross Revenues for the Social Integration Program (PIS) and the Tax on Gross Revenues for Social Security Financing (COFINS).

Deferred income tax and social contribution are recognized on the temporary differences arising from the differences between the tax bases of assets and liabilities and their book values in the financial information. Deferred income tax and social contribution are determined by using enacted, or substantially enacted, tax rates (and tax laws) at the balance sheet date, and must be applied when the respective deferred tax asset is realized or when the deferred tax liability is settled. The rates of these taxes, currently defined for the determination of such deferred credits, are 25% for income tax and 9% for social contribution.

2.20. Revenue recognition

Revenue from rents is recognized according to the straight-line method based on the duration of the agreements, taking into consideration the contractual readjustment and the collection of the 13th rent, and the revenue from services provided is recognized when the services are effectively provided.

Our revenues mainly come from the following activities:

a) Rent

"Rent" refers to the lease of space to tenants and other commercial spaces such as sales stands and includes the lease of commercial spaces for publicity and promotion purposes. The lease of stores to tenants in shopping malls corresponds to the largest percentage of the Company's revenues.

b) Parking lots

"Parking lots" refers to the revenue from exploiting parking lots.

c) Services

"Services" refers to revenue from managing energy and water supplies in the shopping malls.

d) Revenue from assignments to appropriated

Revenues from the transfer of rights of use to tenants, equipment rental and usufruct of ideal fractions of the parking of Shopping Bonsucesso, Parque Shopping Maia and Shopping Suzano are appropriated to P&L according with the respective term of the first lease agreement, or rights of use agreement, or the usufruct agreement.

2.21. Investment property in negotiation for sale

When the Company is committed to a sale plan for the disposal of an investment property, these assets are classified for current assets, following the premises of CPC 28 - Investment Properties. Investment property must be written off (removed from the balance sheet) in the disposal or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal.

2.22. Basic and diluted Profit/Loss per share

In compliance with Technical Standard CPC 41 (IAS 33), basic profit or loss per share is calculated by taking into account the income for the year and the weighted average of outstanding shares in the respective year. In the Company's case, the diluted profit or loss per share is equal to the basic profit or loss per share, once the Company does not have any potential dilutive common or preferred shares.

2.23. Statement of added value

The purpose of the statement of value added is to evidence the wealth created by the Company and how it is distributed during certain period of time and is presented by the Company, as required by the Brazilian corporate legislation as part of its individual financial information and as supplementary information to the consolidated financial information, for it is not a statement provided for nor compulsory according to the IFRS.

The Statement of Value Added was prepared based on information obtained from the accounting records that serve as the preparation basis of the quarterly information.

2.24. Use of estimates and critical judgment

The preparation of the quarterly information according to the accounting practices adopted in Brazil and in conformity with the IFRS require Management to use estimates to record certain transactions that affect the assets, liabilities, revenues and expenses of the Company and of its subsidiaries, as well as the disclosure of information about the data in their quarterly information.

The estimates must be determined based on the best existing knowledge, as of the date of approval of the quarterly information, concerning ongoing events and transactions and according to the experience of past and / or current events.

The final results of such transactions and information, when they are effectively performed in subsequent periods, may differ from such estimates.

The main assumptions relative to sources of uncertainty in future estimates and other significant sources of uncertainties in estimates as of balance sheet date, involving a significant risk of causing a significant adjustment to the book value of assets and liabilities in the next financial period are discussed below:

a) Fair value of investment properties

The Company hired an external and independent appraisal firm that has renowned appropriate professional qualification in the region and in the type of property that is being appraised, to evaluate the Company's investment properties every year.

The fair values are based on the market values of investment properties and the estimated value at which a property could be exchanged on the date of the appraisal between the knowledgeable and interested parties in a transaction at arm's length. This calculation is based on a detailed inspection, including historic analysis, current situations, future perspectives, and location of investment properties appraised outside markets in general.

b) Deferred taxes income and social contribution

The Company and its subsidiaries, when applicable, recognize deferred assets and liabilities based on the differences between the book value presented in the quarterly information and the tax base of the assets and liabilities using the rate in effect.

Deferred tax assets are recognized for all of the tax losses not used in the extent to which the Company has taxable temporary differences (deferred IRPJ and CSLL tax liabilities). Such losses refer to the Company that presents a history of losses that do not prescribe. Accumulated tax loss carry-forwards are restricted to the limit of 30% of the taxable income generated in a certain fiscal year.

Deferred income tax and social contribution on equity evaluations of investment properties are calculated according to the assumed profit system.

c) Fair value of financial instruments

When the fair value of financial assets and liabilities presented in the balance sheet cannot be obtained on active markets, it is determined by using valuation techniques, including the discounted cash flow method. The data for such methods are based on those practiced on the market, where possible; however, when that is not viable, a certain level of judgment is required to establish the fair value. Such judgment includes considerations about the data used, such as liquidity risk, credit risk and volatility. Changes in the assumptions about such factors could affect the fair value presented in the financial information.

2.25. New standards, amendments and interpretations

The IASB has issued / revised certain IFRS standards, which have been adopted for annual periods beginning on or after January 1, 2019, and the Company has assessed and is evaluating the impacts on its interim financial information of the adoption of these standards:

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- Issue of IFRIC interpretation 23 - Uncertainties in the treatment of income taxes. Establishes aspects of recognition and measurement of IAS 12 when there are uncertainties about the treatment of income tax related to assets or liabilities and current or deferred taxes, based on taxable income, tax loss carryforwards, unused tax losses, unused tax credits, used and tax rates. This interpretation is effective for exercises beginning on or after 1/01/2019. The Company has assessed the adoption of the standard and there are no material effects on the interim financial information;
- Amendment to IAS 19 - Changes to the plan in the event of write-off or settlement. Clarifies aspects of measurement and recognition in the result of effects of reductions and settlements in employee benefit plans. This standard change is effective for annual periods beginning on or after January 1, 2020. The Company does not expect impacts on possible future reductions and liquidation events in employee benefit plans.
- Amendment of IFRS 3 - Definition of business. Clarifies aspects for the definition of business, in order to clarify when a transaction should have accounting treatment of business combination or acquisition of assets. This change in the standard is effective for years beginning on or after 1/01/2020. The Company does not expect significant impacts on possible future events of business combinations or acquisition of assets;
- Amendment of IAS 1 and IAS 8 - Definition of materiality. Clarifies aspects of materiality for the framework of the accounting standard where this concept is applicable. These policy changes are effective for fiscal years beginning on or after 1/01/2020. The Company does not expect significant impacts on its Financial Statements.

3. Cash and cash equivalents and financial investments

	Company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Cash and banks				
In Brazilian Reais				
Cash	13	60	49	95
Banks	40	1	1,215	1,453
In US Dollar				
Banks (a)	-	-	8	26
	53	61	1,272	1,574
Financial investments				
In Brazilian Reais				
CDB (b)	-	-	30,250	32,676
Committed (b)	-	-	1,617	2,644
Interest-bearing account	-	5	453	2,604
Exclusive Investment Fund (c)				
Cash	-	-	10	10
Investment Fund	-	-	76	118
LFT	-	-	226,371	171,188
Financial Treasury	-	-	12,714	9,961
Committed	-	-	16,586	163,184
Total financial investments	-	5	288,077	382,385
Total cash and cash equivalents	53	66	289,349	383,959
Non-current financial investments	-	-	-	1,668
Total non-current financial investments	-	-	-	1,668

- (a) On June 30, 2019, the balance of cash and banks is of R\$ 1,272 (consolidated), whereas the amount of R\$ 8 is deposited in a checking account abroad is indexed to the US Dollar. As of December 31, 2018, from the total balance of R\$ 1,574 (consolidated), the amount of R\$ 26 was deposited in a checking account abroad is indexed to the US Dollar;
- (b) Resources invested in Bank Deposit Certificates (CDB) and Committed in banks Santander, Banif, and Itaú with average yield of 99.2% of CDI;
- (c) On June 30, 2019, the Exclusive Investment Fund portfolio is substantially composed of securities issued by Brazilian financial institutions and highly liquid federal government bonds, recorded at their realization values, which yield, on average 100% do CDI. Such fund does not have any significant obligations with third parties and such obligations are limited to asset management fees and other services inherent in fund transactions;

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Financial investments classified as cash and cash equivalents are investments that may be redeemed within 90 days, composed of highly liquid securities, convertible into cash and that have an insignificant risk of changes in value.

4. Debentures with related parties

	Consolidated	
	06/30/2019	12/31/2018
Debentures (a)	362,565	-
Total	362,565	-

- (a) On February 18, 2019, the non-convertible simple unsecured debentures of a single type were issued for private distribution, maturing on February 18, 2029, at the rate of 4.18% a.a. + IPCA, with payment of interest and annual amortization as of 2023, except in the case of early maturity, optional early redemption or early redemption in the event of an IPCA absence event of the Issuer Vanti Administradora e Incorporadora S.A., currently in favor of the subsidiary Levian Participações e Empreendimentos Ltda.

5. Restricted cash

	Consolidated	
	03/31/2019	12/31/2018
Fixed income fund(a)	70,046	132,605
Total	70,046	132,605

- (a) Amount deposited in Fixed Income Fund at Banco Itaú S.A. with daily liquidity, referring to the additional guarantee of real estate loan and credit transactions (CCI), as described in Notes 14 and 15."

6. Trade accounts receivable

	Consolidated	
	06/30/2019	12/31/2018
Rental receivable and other	48,718	100,168
Allowance for doubtful accounts	(20,283)	(34,312)
Total	28,435	65,856
Current	26,015	63,239
Non-current	2,420	2,617

The accounts receivable from clients are stated at the nominal values of the securities that represent the credits, including, where applicable, yields, inflation adjustments earned and effects arising from linearizing the revenue, calculated on a pro rata day basis up to the balance sheet date. Such nominal amounts correspond, approximately, to their respective present values because they are realizable within the short term.

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The Company's maximum exposure to credit risk is the book value of the abovementioned accounts receivable. To mitigate such risk, the Company follows the practice of analyzing the types of collection (rents, services and other items), considering the average history of losses, Management periodically monitoring its clients' equity and financial position, establishing credit limits, analyzing credits that have been past due for more than 180 days and permanently monitoring their debit balance, among other practices. The client portfolio that has not been accrued refers to clients whose individual analysis of their financial position did not show that they would not be realizable.

In order to evaluate the quality of the credit of potential clients, the Company considers the following assumptions: the amount of the guarantee offered must cover at least 12 months of occupancy costs (rent, plus common charges and promotion funds, multiplied by 12); the guarantees accepted (properties, letter of guarantee, insurance, etc.); the good standing of the individuals and legal entities involved in the rental (partners, guarantors, debtors) and the use of SERASA as reference for consultations.

The provision movements transaction for doubtful account for the periods ended on June, 30 2019 and December 31, 2018 is the following:

	Consolidated	
	06/30/2019	12/31/2018
Balance at the beginning of the period	(34,312)	(29,277)
Credits provisioned and written off in the period	(235)	(5,035)
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB	14,264	-
Balance at the end of the period	(20,283)	(34,312)

The composition of the accounts receivable billed, per maturity period, is the following:

	Consolidated	
	06/30/2019	12/31/2018
Current receivables	17,344	47,989
Overdue		
Up to 30 days	979	2,388
From 31 to 60 days	184	1,774
From 61 to 90 days	851	1,584
From 91 to 180 days	4,785	4,889
Above 180 days	24,575	41,544
	31,374	52,179
Total	48,718	100,168

As of June 30, 2019, the amount of R\$ 4,292 in accounts receivable from clients (R\$ 7,232 as of December 31, 2018) is overdue for more than 180 days, but no provision has been made for it. The Company understands that the other past due amounts have been duly negotiated with the clients and there have not been any significant changes in the quality of their credit, and the amounts are considered recoverable.

The substantial reduction in the balance of accounts receivable was from April 2019 due to the Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB.

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7. Recoverable taxes

	Company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Withholding Income Tax (IRRF) on investment	-	-	1,331	6,704
IRRF Recoverable	71	71	858	1,269
Services Taxes (ISS)	-	-	130	128
PIS and COFINS recoverable	-	-	140	425
Income Tax - anticipation	1,905	1,783	19,654	15,714
Social contribution - anticipation	616	601	4,380	4,071
Other taxes recoverable	-	-	130	271
Total	2,592	2,455	26,623	28,582
Current	2,592	2,455	26,623	25,822
Non-current	-	-	-	2,760

8. Other accounts receivable

	Company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Extinction of usufruct (a)	-	-	43,250	-
Insurance expenses to record	98	199	267	317
Suppliers advances	4	9	301	3,695
Advance of labor benefits	46	115	59	174
Expenses to record	546	-	801	-
Accounts receivable from other enterprises	272	-	2,952	9,188
Commissions to be apportioned	-	-	678	1,326
Other accounts receivable	1	12	821	579
Total	967	335	49,129	15,279
Current asset	694	335	48,802	15,225
Non-current asset	273	-	327	54

(a) Amounts receivable arising mainly from the extinction of usufruct in the projects granted to the FII GSOB as mentioned Note 19.

9. Related parties transactions

a) Balances and transactions with related parties

During the course of the Company's business, the shareholders, the subsidiaries and the civil condominiums (jointly-owned properties) enter into financial and commercial transactions among themselves, which include: (i) the provision of consulting services and operating assistance relating to the supply of water and energy and to the electrical installations; (ii) management of shopping malls; (iii) management of shopping mall parking lots; (iv) commercial lease agreements; and (v) agreements and decisions made with respect to condominium rules.

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Generally speaking, all of the terms and conditions of the agreements entered into by and between the Company and related parties are in accordance with the terms and conditions that are usually adopted in loan agreements on commutative and market bases, as if the loan occurred with a non-related party, except for the balance of current account agreements on which financial charges are not levied.

Management individually negotiates agreements with related parties, analyzing their terms and conditions in the light of the terms and conditions usually adopted in the market, the particularities of each transaction, including timeframes, amounts, compliance with quality standards, thus having the agreement with the related party reflect the option that best meets the interests of the Company with respect to timeframes, amounts and quality conditions, when compared with other similar providers.

The balances as of June 30, 2019 and December 31, 2018, in the Parent Company, are presented in following:

	Company	
	06/30/2019	12/31/2018
Assets		
Levian	19,726	-
Vanti	12,459	-
General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB	1,766	-
Fonte	109	109
GSB Adm	351	351
Manzanza	103	103
Sale	102	102
Uniplaza	111	110
Vul	468	468
SB Bonsucesso	152	152
Xar	132	132
Other	797	701
Total	36,277	2,228

	Company	
	06/30/2019	12/31/2018
Liabilities		
I Park (a)	6,569	6,569
Andal (a)	7,330	7,329
Levian (a)	-	117,748
Total	13,899	131,646

(a) They refer to costs to liabilities on which no financial charges are levied and which have no maturity dates.

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The balances as of June 30, 2019 and December 31, 2018, in the consolidated, are the following:

	Consolidated	
	06/30/2019	12/31/2018
Assets		
BR Partners Bahia Empreendimentos Imob.	-	149
Condomínio Outlet Premium RJ (c)	-	1,815
Condomínio Outlet Premium Brasília (c)	2,466	2,466
Condomínio do Vale (c)	1,820	1,720
Condomínio Bonsucesso (c)	346	2,259
Condomínio Parque Shop Sulacap (c)	-	3,190
Condomínio Outlet Premium SP (c)	346	-
Condomínio Volunt. Civil Parque Shop Maia (c)	5,931	4,999
Condomínio ASG (c)	129	-
Fundo de Investimento Imobiliário Sulacap - FII	-	653
Golf Participações Ltda. (a)	33,596	31,624
Nova Poli Shopping Center	102	100
Individuals (c)	163	1,780
PNA Empreendimentos Imobiliários Ltda.	-	146
Grupo VANTI (c)	44,411	-
Other (c)	556	521
Total - Non-current	89,866	51,422

	Consolidated	
	06/30/2019	12/31/2018
Liabilities		
SAS Venture LLC (b)	22,493	23,822
Condomínio Unimart Campinas	936	-
Other (c)	1,564	210
Total	24,993	24,032

(a) Transactions between related parties to the controlling shareholder is subject to financial charges of 1% per month. There is no timeframe to receive it;

(b) Upon ownership reorganization, the capital stock of the subsidiary "Park Shopping Administradora" was reduced and has been being returned to the then shareholder SAS Ventures LL, semi-annual installments actualized by exchange rate, since September 14, 2007;

(c) On the transactions between related parties do not financial charges are levied and there are no maturity dates set forth;

b) Remuneration of key management

On the quarterly ended June 30, 2019 and 2018, the Company paid its managers short-term benefits (salaries, wages, contributions to social security, profit sharing and medical insurance) in the amount of R\$ 2,693 and R\$ 2,822, respectively, as evidenced below:

	Consolidated	
	06/30/2019	06/30/2018
Director's fee	1,901	1,908
Variable remuneration and charges	397	382
Benefits	395	532
Total	2,693	2,822

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No amount was paid by way of: (i) post-employment benefits (pensions, other retirement benefits, post-employment life insurance and post-employment medical assistance); (ii) long-term benefits (leaves due to years of service or other leaves, jubilees or other benefits for years of service and benefits for long-term disability); and (iii) share-based compensation.

In the Ordinary and Extraordinary General Shareholders' Meeting held on April 30, 2019, the global remuneration of R\$ 13,330 for fiscal year 2019 (R\$ 12,450 for fiscal year 2018) was approved.

10. Investments in subsidiaries

	% - Interests	Stocks /share quantity held	Share Capital	Profit (Loss) of the period	Equity	Equity in earnings of subsidiaries	Investments	
							06/30/2019	12/31/2018
Direct subsidiaries - Investments								
Levian	50.1	347,798,356	693,707	28,517	650,595	14,287	325,948	675,428
Vanti	-	-	-	-	-	-	-	628,954
FII - GSOB	-	-	-	-	-	5,221	-	-
			693,707	28,517	650,595	19,508	325,948	1,304,382

Provision for losses on Investments

In subsidiaries

General Shopping								
Finance	100	50,000	81	(2,714)	(128,314)	(2,714)	(128,314)	(125,600)
GS Investments	100	50,000	-	(27,029)	(194,453)	(27,029)	(194,453)	(167,424)
GS Finance II	100	50,000	81	45	(802)	45	(802)	(847)
			162	(29,698)	(323,569)	(29,698)	(323,569)	(293,871)
Net balance			693,869	(1,181)	327,026	(10,190)	2,379	1,010,511

	% - Interests	Stocks /share quantity held	Share capital	Profit (Loss) of the period	Equity
Indirect subsidiaries - Levian					
Atlas	100%	3,816,399	3,816	17,976	131,366
Bac	100%	10,000	29,302	(1)	14,691
BR Outlet	100%	10,000	10	(1)	(33)
Bud	100%	10,000	10	(1)	(5)
Delta	100%	72,870,112	72,870	(49)	70,415
EDO	100%	10,000	1	(2)	(2)
FIPARK	100%	10,000	563	529	5,825
Jauá	100%	10,000	10	(1)	24
MAI	100%	1,409,558	1,410	(6)	1,570
Poli Adm.	50%	50,000	0	(1)	(4)
Premium Outlet	100%	10,000	10	(4)	(3)
Securis	2,7%	194,579,548	263,138	724	190,486
Send	100%	262,581,624	289,000	4,451	358,454
Uniplaza	100%	42,948,318	42,948	405	35,551
Vul	100%	350,689,894	424,382	(2,107)	235,633
Zuz	100%	58,139,780	58,140	98	94,367

GENERAL SHOPPING E OUTLETS DO BRASIL S.A.

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June 30, 2019

(In Thousand of Brazilian Reals - R\$, except when indicated otherwise)

	% - Interests	Stocks /share quantity held	Share Capital	Profit (Loss) of the period	Equity
Indirect subsidiaries - Atlas					
Alte	100%	50,000	1,582	(9)	(253)
ASG Administradora	100%	20,000	1,945	62	2,120
Ast	100%	1,497,196	1,497	634	7,380
BR Brasil Retail	100%	100	3,864	(37)	186
Energy	100%	10,000	10	10,152	68,039
GS Park	100%	10,000	2,774	421	4,700
GSB Administradora	100%	1,906,070	4,212	4,083	51,750
Ipark	100%	3,466,160	3,466	156	32,734
Vide	100%	10,000	10	(2)	(200)
Wass	100%	10,000	10	2,521	28,280

	% - Intetests	Stocks /share quantity held	Share Capital	Profit (Loss) of the period	Equity
Indirect subsidiaries - GS Investment					
Ardan	100%	10,000	10	11	108
Bail	100%	10,000	10	(45)	540
Bavi	100%	10,000	10	(2)	(28)
Bot	100%	51,331,650	51,332	65	65,265
Brassul	100%	25,630,617	25,631	293	60,945
FAT	100%	10,000	24,985	(46)	14,373
Manzanza	100%	21,078,331	52,813	(85)	49,858
POL	100%	58,921,553	58,922	15	51,841
Rumb	100%	10,000	10	(1)	4
Sale	100%	14,702,069	14,702	422	61,557
Securis	97,3%	301,728,958	263,138	(1,055)	190,486
Tela	100%	10,000	0	(13)	(284)
Tequs	100%	10,000	10	(1)	4

The changes for the quarterly ended on June 30, 2019 are the following:

Balances on December 31, 2017	1,315,819
Equity in earnings of subsidiaries	(305,308)
Balances on December 31, 2018	1,010,511
Capital increase at General Shopping e Outlets do Brasil Fundo de Investimento - FI	1,765
Equity in earnings of subsidiaries	(10,190)
Transfer of ownership interest in General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB, to shareholders as payment of "in natura" dividends	(621,716)
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB	(14,224)
Receipt of dividends from Levian	(363,767)
Balances on June 30, 2018	2,379

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(In Thousand of Brazilian Reals - R\$, except when indicated otherwise)

11. Investment properties

	Consolidated		Total
	In operation	"Greenfields" projects under construction (i)	
Balances on December 31, 2017	2,141,268	127,581	2,268,849
Acquisition / Additions	99,390	-	99,390
Disposal (iii)	(113,706)	-	(113,706)
Transfer to fixed assets	(2,299)	-	(2,299)
Transfer to "Investment property in negotiation for sale" (iv)	(132,966)	-	(132,966)
Fair value adjustments (ii)	9,516	-	9,516
Balances on December 31, 2018	2,001,203	127,581	2,128,784
Acquisition / Additions	44,322	-	44,322
Disposal (vi)	(44,024)	-	(44,024)
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB (v)	(1,436,779)	-	(1,436,779)
Balances on June 30, 2018	564,722	127,581	692,303

- (i) Land for future construction and construction in progress;
- (ii) Amounts recognized in income for the year;
- (iii) Disposal of 10.2% interest of the Internacional Shopping de Guarulhos;
- (iv) Transfer to "Property for investments in negotiation for sale", referring to the 9.8% interest in Internacional Shopping Guarulhos, an operation concluded on February 12, 2019;
- (v) Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB, as mentioned note 1.
- (vi) Sale of 13.4% of Parque Shopping Maia.

Investment properties given to guarantee loans are described in Explanatory Notes 14 and 15.

Fair value assessment

The fair value of each investment property in operation was determined by the appraisal performed by a specialist independent firm (CB Richard Ellis).

The methodology adopted to appraise such investment properties at fair value is the one prescribed by The Royal Institution of Chartered Surveyors (R.I.C.S.), in Great Britain, and by the Appraisal Institute in the United States, which are internationally used and well known for appraisal cases and other analyses.

All of the calculations are based on the physical qualification analysis of the property studied and on the several pieces of information obtained in the market, which are properly treated to be used in determining the value of the undertaking.

For the appraisals, ten-year cash flows were prepared, not considering the inflation that might exist in that period. The weighted average discount rate applied to the cash flow was 9.75% and the average capitalization rate (perpetuity) adopted in the 10th year was 8.02%.

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12. Fixed assets

	% - Depreciation rate	Company					
		06/30/2019			12/31/2018		
		Cost	Accumulated depreciation	Net amount	Cost	Accumulated depreciation	Net amount
Buildings	2 to 4	587	(238)	349	587	(226)	361
Furniture and fixtures	8 to 15	523	(308)	215	523	(289)	234
Machinery and equipment	8 to 15	1,414	(694)	720	1,410	(684)	726
Computer equipment	15 to 25	1,460	(1,354)	106	1,448	(1,323)	125
Improvements on third parties properties	8 to 15	701	(588)	113	701	(509)	192
Suppliers advances	-	307	-	307	307	-	307
Total		4,992	(3,182)	1,810	4,976	(3,031)	1,945

	% - Depreciation rate	Consolidated					
		06/30/2019			12/31/2018		
		Cost	Accumulated depreciation	Net amount	Cost	Accumulated depreciation	Net amount
Buildings	2 to 4	1,596	(1,246)	350	1,596	(1,234)	362
Furniture and fixtures	8 to 15	2,738	(2,492)	246	5,344	(5,315)	29
Machinery and equipment	8 to 15	2,186	(1,229)	957	2,423	(1,035)	1,388
Vehicles	15 to 25	122	(34)	88	243	(133)	110
Computer equipment	8 to 15	2,206	(1,994)	212	3,229	(2,974)	255
Improvements on third parties properties	8 to 15	6,609	(6,341)	268	6,609	(6,236)	373
Suppliers advances		1,572	(5)	1,567	1,643	(5)	1,638
Total		17,029	(13,341)	3,688	21,087	(16,932)	4,155

Changes to Fixed assets, as show subsequently, for the quarterly ended on June 30, 2019:

	Company				
	12/31/2018	Additions	Disposals	Depreciation	06/30/2019
Buildings	361	-	-	(12)	349
Furniture and fixtures	234	-	-	(19)	215
Machinery and equipment	726	4	-	(10)	720
Computers equipment	125	12	-	(31)	106
Improvements on third parties properties	192	-	-	(79)	113
Suppliers advances	307	-	-	-	307
Total	1,945	16	-	(151)	1,810

	Consolidated					
	12/31/2018	Additions	Disposals	Depreciation	Transfer VANTI	06/30/2019
Buildings	362	-	-	(12)	-	350
Furniture and fixtures	29	88	(76)	(36)	241	246
Machinery and equipment	1,388	4	-	(181)	(254)	957
Vehicles	110	-	(8)	(14)	-	88
Computers equipment	255	23	(2)	(64)	-	212
Improvements on third parties properties	373	-	-	(105)	-	268
Suppliers advances	1,638	-	(71)	-	-	1,567
Total	4,155	115	(157)	(412)	(13)	3,688

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3. Intangible assets

	% - Amortization rate	Company					
		06/30/2019			12/31/2018		
		Cost	Accumulated amortization	Net amount	Cost	Accumulated amortization	Net amount
Undefined Useful Life							
Trademarks and patents	-	411	-	411	406	-	406
Defined Useful Life							
Software	20	19,045	(16,689)	2,356	19,020	(16,145)	2,875
Total		19,456	(16,689)	2,767	19,426	(16,145)	3,281

	% - Amortization rate	Consolidated		
		06/30/2019		
		Cost	Accumulated amortization	Net amount
Undefined Useful Life				
Trademarks and patents	-	4,163	-	4,163
Defined Useful Life				
Software	20	21,459	(18,625)	2,834
Use right of Shopping Suzano (a)	1.67	4,505	(555)	3,950
Agreements Renewal Right (b)	10	7,970	(5,433)	2,537
Total		38,097	(24,613)	13,484

	% - Amortization rate	Consolidated		
		12/31/2018		
		Cost	Accumulated amortization	Net amount
Undefined Useful Life				
Trademarks and patents	-	4,134	-	4,134
Defined Useful Life				
Software	20	21,675	(18,133)	3,542
Use right of Shopping Suzano (a)	1.67	4,505	(555)	3,950
Agreements Renewal Right (b)	10	7,970	(5,034)	2,936
Total		38,284	(23,722)	14,562

- (a) On July 30, 2012, the Company pledged to pay to the Municipal Government of Suzano the amount of R\$ 4,505 for property right use with charges of an area totaling 11,925.71 m² in the City of Suzano/SP to set up shopping malls. Such right has a 60-year term and is amortized over that period on a straight-line basis;
- (b) By means of an appraisal report, we identified as an intangible asset with definite useful life, arising from the acquisition of 100% of the shares of SB Bonsucesso Administradora de Shopping S.A., the right to renew contracts (contract management), which refers to the automatic renewal of lease contracts of the tenants of Shopping Bonsucesso. The method used was the discounted cash flow method with a 10-year useful life span.

The changes in Intangible Assets for the quarterly ended on June 30, 2019 is the following:

	Company						
	Useful life term	Amortization Method	12/31/2018	Additions	Amortization	Disposals	06/30/2019
Undefined Useful Life							
Trademarks and patents	-	-	406	5	-	-	411
Defined Useful Life							
Software	5 year	Linear	2,875	25	(544)	-	2,356
Total			3,281	30	(544)	-	2,767

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14. Loans and financing

	Consolidated							
	Useful life term	Amortization Method	12/31/2018	Additions	Amortization	Transfer to Vanti	Disposals	06/30/2019
Undefined Useful Life								
Trademarks and patents	-		4,134	32	-	-	(3)	4,163
Defined Useful Life								
Software	5 years	Linear	3,542	62	(581)	(59)	(130)	2,834
Right to use Shopping Suzano	60 years	Linear	3,950	-	-	-	-	3,950
Agreements renewal right	10 years	Linear	2,936	-	(399)	-	-	2,537
Total			14,562	94	(980)	(59)	(133)	13,484

		% - Average annual interest rate	Maturity	Consolidated	
	Currency			06/30/2019	12/31/2018
Loans and financing					
Perpetual bonds (a)	US\$	10%	-	450,057	455,310
Perpetual bonds (b)	US\$	13%	-	686,413	663,638
Debt bonus (b)	US\$	10%/12%	2026	35,506	35,919
Banco Nacional de Desenvolvimento Econômico Social (BNDES) PINE FINAME (c)	R\$	9%	2019	44	130
Banco Nacional de Desenvolvimento Econômico e Social (BNDES) Bradesco FINEM (f)	R\$	6.8% + TJLP	2021	16,541	20,317
Banco Nacional de Desenvolvimento Econômico e Social (BNDES) Bradesco FINEM (g)	R\$	6.8% + Selic	2021	10,605	12,666
Debentures - SB Bonsucesso (d) - CDI	R\$	2.7% + CDI	2022	-	14,891
Debentures - SB Bonsucesso (d) - IPCA	R\$	7.5% + IPCA	2022	-	20,950
Banco Nordeste do Brasil (e)	R\$	3.53%	2025	-	14,701
Total				1,199,166	1,238,522
Current liabilities				19,972	31,734
Non-current liabilities				1,179,194	1,206,788

- (a) On November 9, 2010, the subsidiary General Shopping Finance obtained, by issuing perpetual bonds, the amount of US\$ 200,000 corresponding to R\$ 339,400, as of the date it was obtained. The perpetual bonds are denominated in US dollars, with quarterly payments of interest at the rate of 10% per year. General Shopping Finance has the option to repurchase the perpetual bonds as from November 9, 2015. According to the perpetual bond issue prospect, the funds obtained are intended for the advance settlement of the CCI and for investing in "Greenfields" and expansions. All of the subsidiaries, except for GSB Administradora, ASG Administradora and FII Top Center, have given sureties to guarantee the transaction. The cost of issue of the perpetual bonds was R\$ 11,483 and the effective cost of the transaction totaled 10.28%.

On April 19, 2011, the subsidiary General Shopping Finance obtained, by issuing perpetual bonds, the amount of US\$ 50,000 corresponding to R\$ 78,960, as of the date it was obtained.

The perpetual bonds are denominated in US dollars, with quarterly payments of interest at the rate of 10% per year. General Shopping Finance has the option to repurchase the perpetual bonds as from November 9, 2015. All of the subsidiaries, except for GSB Administradora, ASG Administradora and FII Top Center, have given sureties to guarantee the transaction. The cost of issue of the perpetual bonds was R\$ 758 and the effective cost of the transaction totaled 10.28%. On October 27, 2015, part of the "Perpetual Bonds" were repurchased for US\$ 85,839 corresponding to R\$ 335,750 on the date of repurchase.

On August 8, 2018, part of the perpetual bonds, in the amount of US\$ 48,297, corresponding to R\$ 181,206 was redeemed on the repurchase date.

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- (b) On March 20, 2012, the subsidiary GS Investments Limited obtained, by issuing perpetual bonds, the amount of US\$ 150,000 corresponding to R\$ 271,530, as of the date it was obtained. The perpetual bonds are denominated in US dollars, with interest of 12% per year paid every six months up to the 5th year counting from the date of issue, after the 5th year through the 10th year counting from the date of issue, 5 Year US Treasury Constant Maturity plus 11.052% per year, paid every six months, and from the 10th year onwards, USD LIBOR rate for three months plus 10.808% and 1% paid every quarterly. The Company will be able to opt to defer interest, indefinitely on the deferred amounts will bear interest at the applicable rate indicated above, plus 1% per annum. In any deferral of interest, the Company should distribute only the equivalent of 25% net profit for the mandatory minimum dividend provided for in Brazilian legislation. GS Investments Limited may totally or partially redeem the bonds at its own discretion in the 5th year counting from the date of issue, in the 10th year counting from the date of issue, and at each interest payment date after then. The bonds will be guaranteed by the sureties from General Shopping and from the following subsidiaries: General Shopping e Outlets do Brasil S.A., Ast Administradora e Incorporadora Ltda., BOT Administradora e Incorporadora Ltda., BR Outlet Administradora e Incorporadora Ltda., Brassul Shopping Administradora e Incorporadora Ltda., Bud Administradora e Incorporadora Ltda., Cly Administradora e Incorporadora Ltda. (incorporated into the Levian), Delta Shopping Empreendimentos Imobiliários Ltda., ERS Administradora e Incorporadora Ltda., FLK Administradora e Incorporadora Ltda., Intesp Shopping Administradora e Incorporadora Ltda. (incorporated into the Securis), I Park Estacionamentos Ltda., Levian Participações e Empreendimentos Ltda., MAI Administradora e Incorporadora Ltda., Manzanha Consultoria e Administração de Shopping Centers Ltda., Poli Shopping Center Empreendimentos Ltda., PP Administradora e Incorporadora Ltda. (incorporated into the Securis), Premium Outlet Administradora e Incorporadora Ltda., Sale Empreendimentos e Participações Ltda., Securis Administradora e Incorporadora Ltda., Send Empreendimentos e Participações Ltda. (incorporated into the Securis), Sulishopping Empreendimentos Ltda., Uniplaza Empreendimentos, Participações e Administração de Centros de Compra Ltda., Vide Serviços e Participações Ltda., Vul Administradora e Incorporadora Ltda., and Zuz Administradora e Incorporadora Ltda. The cost of issue of the perpetual bonds was R\$ 12,581.

There are no financial covenants in the perpetual bond issue transactions. The covenants refer to: (i) the limitation of encumbrances on the assets (except for the encumbrances allowed, including the BNDES financing, the refinancing of existing transactions and certain securitizations, among others), where the proportion of the non-encumbered assets/unsecuritized debts should be maintained *pari passu* with the conditions given to encumbered assets/securitized debts; (ii) limitation of sale and lease-back transactions concerning current assets with maturity exceeding three years, under the same conditions of (i) above and (iii) limitation of transactions with affiliates, building in, merging, or transferring of assets.

On August 10, 2016, the amount of US\$ 34,413 was settled in the exchange offer. For this operation, new perpetual senior debt bonds were issued in the amount of US\$ 8,923 with guarantee and maturity in 2026 (10% / 12% Senior Secured PIK Toggle Notes due 2016) and 34,413 Global Depositary Share (GDS) as the Issued by the Company in the proportion of 73 common shares for each 1 GDS, totaling 2,512,149 common shares. The Perpetual Bonds that were exchanged under the Exchange Offer were canceled;

- (c) Financing obtained during the last quarterly of 2011 for the acquisition of equipment to build Parque Shopping Barueri through the FINAME line of credit of the BNDES in the amount of R\$ 937 and the rate of 8.7% per year. In January 2012, R\$ 105 was added to the existing agreement. The duration of the agreement is 96 months, with a grace period of 24 months and 72 months of amortization;

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- (d) On October 26, 2012, the Debenture Trust Deed of the 1st issue of unsecured bonds SB Bonsucesso Administradora de Shoppings S.A, not convertible into shares, with additional security interest and personal guarantee, into two types (DI and IPCA) for public distribution with restricted placement efforts, was signed. The total amount of the debentures is R\$ 78,000, debts in the DI series of R\$ 39,000 with the rate of 2.75% per year + CDI rate, with monthly amortization of the principal and interest and a total duration of 120 months. The IPCA series in the amount of R\$ 39,000 has a 7.5% rate per year + IPCA, with monthly payments and annual amortization and a total 10 years term (120 months). In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- (e) On November 13, 2013, the amount of R\$ 15,344 was obtained through Brazilian Northeast Fund of Financing (FNE) from Banco do Nordeste do Brasil S.A, another R\$ 7,942 was released in December 30, 2013 and R\$ 1,910 in August 19, 2016, totaling R\$ 25,196 at the rate of 3.53% interest per year. The duration of the agreement is 139 months. As of June 30, 2019, this operation had an additional guarantee as described in note 5. In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- (f) On November 25, 2014, R\$ 25,900 was released, R\$ 9,100 was released on March 11, 2015, R\$ 7,700 was released on May 18, 2015, R\$ 1,494 was released on July 28, 2015, totaling the amount of R\$ 44,194. Such amounts were raised through the financing operation under FINEM/BNDES program. This operation was carried out by Banco Bradesco, at 6.8% rate per annum. + TJLP and it has a total 84 months term, which has 12 months grace period and 72 months amortization;
- (g) On November 25, 2014 were transferred R\$ 11,100, on March 11, 2015, R\$ 3,900, was released, R\$3,300 was released on May 18, 2015, R\$ 640 was released on July 28, 2015, totaling the amount of R\$18,940. These amounts were raised through a financing operation transacted in modality FINEM/ BNDES. This operation was transacted by Banco Bradesco, at the rate of 6.8% p.a. + SELIC for the total period of 84 months, 12 of grace period and 72 months of amortization.

The agreements do not provide for the maintenance of financial indicators (borrowing rate, coverage of expenses with interest etc.).

The composition of the installments as of June 30, 2019, by year of maturity, is composed in the following manner:

	Consolidated
Year	
2019	13,726
2020	12,491
2021	8,327
2022	-
2023 onwards*	1,164,622
	1,199,166

* Because the obtainments through the issuance of perpetual bonds do not have a maturity date, such obtainments were classified as debt payable from 2023 onwards.

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Changes in loans and financing for the quarterly ended on June 30, 2019 are the following:

	Company	Consolidated
Balances on December 31, 2017	-	1,306,183
Amortization of Funding Cost	-	5,565
Payment - principal	-	(317,107)
Payment - Interest	-	(72,191)
Exchange Variation	-	185,960
Financial charges	-	130,112
Balances on December 31, 2018	-	1,238,522
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB	-	(49,886)
Amortization of Funding Cost	-	177
Payment - principal	-	(7,899)
Payment - Interest	-	(25,650)
Exchange Variation	-	(12,717)
Financial charges	-	56,619
Balances on June 30, 2019	-	1,199,166

Financial charges and transaction costs

Financial charges and transaction costs of loans and financing are capitalized and allocated to P&L because the duration of the instrument entered into has been elapsing according to the amortized cost, using the effective interest rate method.

15. Real estate credit Bills

	Currency	% - Rate	Maturity	Consolidated	
				06/30/2019	12/31/2018
Subsidiaries					
Andal (a)	R\$	11% + TR	2022	-	30,979
Send (b)	R\$	7% + IPCA	2024	-	56,820
Bot (c)	R\$	6.95% + IPCA	2024	-	44,468
Pol (d)	R\$	6.9% + IPCA	2025	-	32,176
Levian (e)	R\$	9.9% + TR	2026	130,580	136,411
Ers (f)	R\$	10% + TR	2027	-	64,540
Pentar (g)	R\$	6.5% + IPCA	2027	-	61,098
				130,580	426,492
Current liabilities				12,392	48,509
Non-current liabilities				118,188	377,983

- (a) In June 2012, the subsidiary Andal obtained resources by issuing CCI's. The total amount of the CCI's issued is R\$ 63,911. The amount obtained will be paid in 120 monthly installments, plus 11% interest per year and annual inflation adjustments according to the changes in the TR rate. The following were granted to guarantee the CCI's: (i) secured fiduciary sale of the property called Shopping Suzano; and (ii) statutory lien of Shopping Suzano's receivables. The cost of the obtainment was R\$ 959. The effective cost of the transaction was TR + 11.17%. In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- (b) On November 13, 2012, the subsidiary Xar Administradora obtained resources by issuing CCI's on behalf of HABITASEC Securitizadora S.A. in the amount of R\$ 67,600, with a 7% interest rate per year + IPCA. The duration of the transaction is 144 months. The following were granted to guarantee the CCI's: (i) statutory lien of the ideal fraction of the property called Parque Shopping Barueri and (ii) statutory lien of Parque Shopping Barueri's receivables. In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;

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- (c) On January 8, 2013, the subsidiary Gax Administradora e Incorporadora Ltda. obtained resources by issuing CCI's on behalf of Habitasec Securitizadora S.A. in the amount of R\$ 50,814 with a 6.95% interest rate per year + IPCA. The duration of the transaction is 144 months. The following were granted to guarantee the CCI's: (i) statutory lien of the ideal fraction of the property called Outlet Premium and (ii) statutory lien of Outlet Premium's receivables. In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- (d) On June 20, 2013, the subsidiary Indui Administradora e Incorporadora Ltda. obtained resources by issuing CCI's on behalf of HABITASEC Securitizadora S.A. in the amount of R\$ 36,965 with a 6.95% interest rate per year + IPCA. The duration of the transaction is 144 months. The following were granted to guarantee the CCI's: (i) statutory lien of the ideal fraction of the property called Outlet Premium Brasília and (ii) statutory lien of Outlet Premium Brasília's receivables. In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- (e) On March 26, 2014, the subsidiary Eler Administradora e Incorporadora Ltda. (incorporated in the Levian in 2018) obtained resources by issuing CCI's, to securitize the rents receivable referring to the property where Internacional Guarulhos Shopping Center is located. The total amount of the CCI's issued is R\$ 275,000. The amount obtained will be paid in 144 monthly installments (until April 2026), plus 9.90% interest per year and annual inflation adjustments according to the changes in the Referential Rate (TR). The following were granted to guarantee the CCI's: (i) secured fiduciary sale of the property, with book value of R\$ 201,829; (ii) collateral transfers of credits arising from the agreement; and (iii) statutory lien of the shares and quotas of the subsidiaries Nova União and Eler. The costs of obtainment in the amount of R\$ 10,706 of the CCI's were deducted from the principal and are being amortized in 144 installments on a straight-line basis. On August 1, 2014 Itaú Unibanco assigned the CCI's to Ápice Securitizadora. The transaction was partially settled on October 8, 2018, in the amount of R\$ 150,000. As of June 30, 2019, this operation had an additional guarantee as described in note 5;
- (f) On January 13, 2015, subsidiary Ers Administradora e Incorporadora Ltda., through issue of Real Estate Credit Bills (CCI) in favor of Ápice Securitizadora, has raised R\$ 75,000, at the rate of 10% per annum + TR. This operation has a 145 months term. As collateral for the CCI's, where given: (i) statutory lien of the ideal fraction of the property called Outlet Premium Rio de Janeiro and (ii) partial statutory lien of receivables of Gsb Administradora e Serviços. As of June 30, 2019, this operation had an additional guarantee as described in note 4. In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;
- (g) On March 27, 2017, the subsidiary Pentar Administradora e Incorporadora Ltda., through the issuance of Real Estate Credits (CCI) in favor of Habitasec Securitizadora SA, raised R\$ 71,045, at a rate of 6.5% per annum + IPCA. This operation has a term of 120 months. Under CCI guarantee, the following were granted: (i) fiduciary sale of the ideal fraction of the property and (ii) fiduciary sale of receivables from Shopping Unimart. In April 2019, the amounts granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB;

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The agreements do not provide for the maintenance of financial indicators (indebtedness, coverage of expenses with interest etc.), for compliments of "covenants".

The breakdown of installments as of June 30, 2019, by year of maturity, is the following:

	Consolidated
2019	6,062
2020	12,955
2021	14,595
2022	16,237
2023 onwards	80,731
Total	130,580

The changes in the CCIs for the quarterly ended on June 30, 2019 is the following:

	Consolidated
Balances on December 31, 2017	593,492
Raising Cost amortization	4,047
Payment - principal	(204,232)
Payment - Interest	(24,430)
Financial charges	57,615
Balances on December 31, 2018	426,492
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB	(281,842)
Raising Cost amortization	1,575
Payment - principal	(15,997)
Payment - Interest	(12,729)
Financial charges	13,081
Balances on June 30, 2019	130,580

16. Other accounts payable

	Consolidated	
	06/30/2019	12/31/2018
Transfer of key money and rentals - partners (a)	108	1,382
Transfers to condominium	205	175
Advances from customers	452	611
Other	124	122
Total	889	2,290

(a) It refers to key money and rents to be transferred to the partners of the following ventures: Parque Shopping Barueri, Poli Shopping, Cascavel JL Shopping, Shopping Bonsucesso, Parque Shopping Sulacap, Parque Shopping Maia, Outlet Premium São Paulo, Outlet Premium Brasília, Outlet Premium Salvador and Outlet Rio de Janeiro.

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17. Taxes in installments

	Company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
PIS and COFINS	130	140	10,820	10,828
INSS	512	614	513	615
ISS	-	-	3,267	5,534
Income taxes and social contribution	-	-	59,246	67,335
Total	642	754	73,846	84,312
Current liabilities	223	235	17,750	20,818
Non-current liabilities	419	519	56,096	63,494

In 2009 and 2014, the Company adhered to the tax installment plan under Law No. 11.941/2009 (REFIS), Law No. 12.996/2014 (REFIS) and to the simplified tax installment plan.

The Company's Management estimate is that the balance, as of June 30, 2019, of the aforementioned installments of REFIS and simplified taxation system are settled within 180 and 60 months, respectively, using the flat number of installments, adjusted through the Liquidation Special System for Settlement and Custody Rate (SELIC).

The permanence in the installment programs depends on the payment of current federal and social security taxes and installment payments. Delinquency may lead to the exclusion of payment programs.

The change of debts for the quarterly ended on June 30, 2019, projected by the Company, in connection to tax-installments pay plan, contemplating the amount of the principal added of interests and fines in the period, is the following:

Balances on December 31, 2017	18,386
New installments	72,581
Payment - principal	(15,055)
Payment - interest	(1,473)
Financial charges	9,873
Balances on December 31, 2018	84,312
Payment - principal	(10,120)
Payment - interest	(993)
Financial charges	3,851
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB	(3,204)
Balances on June, 30, 2019	73,846

18. Taxes, Charges and Contributions

	Company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Income taxes and social contribution	20,872	16,968	85,558	99,732
PIS and COFINS	184	162	31,191	47,780
ISS	-	-	1,427	1,680
Other taxes	1,339	1,750	11,107	13,266
Total	22,395	18,880	129,283	162,458

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19. Revenue from assignments to appropriated

The Company controls, in liabilities, revenues from transfer of property rights to be appropriated.

Revenues from assignments of rights of use to tenants, equipment rental and usufruct of ideal fractions of the parking of Shopping Bonsucesso, Parque Shopping Maia and Shopping Suzano are appropriated to the result in accordance with the respective term of the first rental agreement or the agreement of Rights of use, or of the usufruct agreement.

The change in the agreements and recognition of revenue in the quarterly ended on June 30, 2019 is the following:

	Consolidated
Balances on December 31, 2018	80,489
New contracts	1,753
Revenues recognition	(4,560)
(-) Extinction of usufruct (*)	(52,423)
Balances on June 30, 2019	25,259
Current liabilities	5,156
Non-current liabilities	20,103

(*) Extinction of the enjoyment of ideal fractions of the parking lots of the Bonsucesso, Suzano and Maia malls, according to Material Fact published on April 26, 2019 and contribution to the FII GSOB.

20. Provisions for labor and civil procedural risks

For all matters in litigation, a provision is made in an amount considered sufficient to cover probable losses, based on the assessment of external legal advisors. The amounts reserved include those referring to tax, labor and civil matters.

There are no deposits in court escrow accounts linked to these reserves. The breakdown of the reserves/provisions are the following:

	Company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Civil (a)	-	-	1,275	7,163
Labor	-	-	183	580
Judicial deposits	-	-	-	(5,432)
Total	-	-	1,458	2,311

(a) It refers to the lawsuits due to pecuniary injury and pain and suffering damages, lawsuits referring to the renewal of lease agreements, lawsuits regarding collection of amounts owed, and lawsuits concerning contractual termination.

On June 30, 2019, Company as other proceedings in progress approximately R\$ 10,706 (R\$ 16,007 in December 31, 2018), with loss probabilities classified as possible by external legal advisors. No provision was recorded thereto on the financial information.

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From time to time, proceedings are evaluated and reserves are supplemented when necessary.

The changes in reserves for these risks, as of the quarterly ended on June 30, 2019, are the following:

	12/31/2018	Inclusion	Consolidated	
			Contribution to Fil GSOB	06/30/2019
Civil	7,163	30	(5,918)	1,275
Labor	580	-	(397)	183
Judicial deposits	(5,432)	-	5,432	-
Total	2,311	30	(883)	1,458

21. Equity

Share capital

Company's capital on June 30, 2019 is R\$ 385,064, represented by 69,435,699 common shares without par value, as follows:

	06/30/2019	12/31/2018
Golf Participações	16,089,236	48,267,707
L.H.Y.S.P.E.	16,089,236	-
L.H.X.S.P.E.	16,089,236	-
Teton Capital Partners L.P.	-	6,115,100
General Shopping e Outlets do Brasil S.A.	1,923,550	1,923,550
Board of Directors	2,899	8,689
Officers	3,148	253
Stockholders Ballast in GDSs	2,512,149	2,512,149
Other Stockholders	16,726,245	10,608,251
Total shares	69,435,699	69,435,699
Treasury shares	(1,923,550)	(1,923,550)
Total shares in circulation	67,512,149	67,512,149

The Company may, through a decision made by the Board of Directors and in accordance with the plan approved by the Shareholders at a Shareholders' Meeting, grant stock option or share subscription, without shareholders being entitled to preemptive right, on behalf of Management, employees or individuals that provide services to the Company, or the Company's direct or indirect subsidiaries.

The Ordinary and Extraordinary General Meeting on April 29, 2016 amended Article 6 of the Company's Bylaws, in order to increase the limit of the Company's authorized share capital by 30,000,000 (thirty million) of new common shares, nominative, book-entry and with no par value, which may be issued by the deliberation of the Company's Board of Directors, regardless of corporate statutory reform, so that the share capital of the Company may be represented by up to 95,000,000 (ninety-five million) common shares.

According to the minutes of the meeting of the board of directors of August 4, 2017, 6,564,301 treasury shares were canceled, with the balance of 1,923,550 registered shares remaining with the Company. Treasury shares in the amount of R\$10,710 went to R\$2,427, with a reduction of R\$8,283, deducted from the capital transaction.

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Capital reserve

Goodwill on the issue of shares: Variation of the nominal value of the 2,512,149 shares issued at the time of the Perpetual Bonds exchange, in relation to their effective value at the date of the transaction.

Legal reserve

Legal reserve shall be created in conformity to the Corporate Law and Bylaws, at the basis of 5% of the net profit of each year up to 20% of capital stock. Legal reserve is intended to assure the integrity of the capital stock and can only be used to compensate losses and increase capital.

Profit reserves to realize

On December 31, 2014, due to a change in accounting policies regarding measurement of investment properties, the Company withheld the adjustment at fair value payment of investment properties, recorded in the opening balance sheet (January 01, 2013).

Consequently, the Company's Management proposed that the amount to be paid of R\$ 958,644 of accumulated profit was withhold by the Company to set up the account profit reserve to realize.

According to a meeting of the Board of Directors of the Company commenced on December 21, 2018 and was concluded on December 26, 2018, after the suspension of the work ("First RCA") and at the Company's Board of Directors Meeting held on February 22 of 2019 ("Second RCA" and in conjunction with the First RCA, the "Meetings"), the approval of the General Shareholders Meeting of the Company, the distribution of dividends to the shareholders in the aggregate amount of R\$ 828,955,780.00 (eight hundred and twenty-eight million, nine hundred and fifty-five thousand, seven hundred and eighty reais), arising from the realization of profits recorded in the Profit Reserve to be realized (RLAR) verified according to the Company's balance sheet as of December 31, 2018, the amount of (i) R\$ 207,238,945.00 (two hundred and seven million, two hundred and thirty-eight thousand and nine hundred and forty-five reais) to be paid in cash to shareholders ("Portion in Cash") and (ii) R\$ 621,716,835.00 (Six hundred and twenty-one million, seven hundred and sixteen thousand and eight hundred and thirty-five reais) to be paid in natura, upon delivery of quotas of General Shopping and Outlets of Brazil Fundo de Investimento Imobiliário - FII ("FII"), pursuant to the Meetings ("Portion in Natura") The dividends were settled on April 9, 2019. General Shopping and Outlets do Brasil Fundo de Investimento Imobiliário - FII started trading at "B3" on April 30, 2019.

The table below shows the basic loss per share:

	06/30/2019	06/30/2018
Basis numerator		
Loss for the period	(31,151)	(287,870)
Denominator		
Weighted average of the shares - basic	67,512	67,512
Basic loss per share in Brazilian Reais	(0.46)	(4.26)

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22. Net revenue

	Consolidated			
	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18
Gross operating revenues				
Rental	9,193	45,243	32,912	81,138
Services	19,290	40,603	20,061	41,255
	28,483	85,846	52,973	122,393
Deductions				
Taxes on Rentals and Services	(2,515)	(7,257)	(4,391)	(10,027)
Deductions and discount	(743)	(2,977)	(1,682)	(3,864)
Net revenue	25,225	75,612	46,900	108,502

The variation in rental costs was substantially due to the contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário FII GSOB as mentioned in the note 1.

23. Cost of rental and services provided by nature

	Consolidated			
	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18
Personnel cost	(754)	(1,464)	(684)	(1,208)
Depreciation cost	(292)	(696)	(251)	(711)
Occupation cost	(5,112)	(9,972)	(4,336)	(8,350)
Third-party services cost	(1,861)	(3,569)	(1,440)	(2,806)
Total	(8,019)	(15,701)	(6,711)	(13,075)

The variation in rental costs was substantially due to the contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário FII, as mentioned in the note 1.

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24. General and administrative expenses

	Company				Consolidated			
	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18
IPTU	(31)	(63)	(25)	(50)	(158)	(318)	(113)	(224)
Commercialization	-	-	-	-	(745)	(1,795)	(917)	(1,622)
Allowance for doubtful accounts	-	-	-	-	(235)	(489)	(2,012)	(3,307)
Publicity And advertising	(56)	(109)	(29)	(58)	(117)	(394)	(312)	(639)
Facilities conservation	-	-	-	-	-	(3)	(1)	(13)
Materials	(68)	(125)	(60)	(106)	(185)	(399)	(128)	(313)
Electric power	(24)	(52)	(21)	(43)	(35)	(72)	(29)	(56)
Personnel expenses	(3,196)	(6,221)	(3,267)	(6,201)	(3,471)	(6,811)	(3,545)	(6,944)
Third parties services	(3,545)	(8,184)	(1,025)	(2,658)	(7,233)	(14,703)	(4,102)	(7,850)
Depreciation and Amortization	(326)	(696)	(537)	(1,105)	(326)	(696)	(537)	(1,105)
Rental	(251)	(396)	(177)	(338)	(387)	(697)	(178)	(342)
Fee and contributions	(17)	(40)	(15)	(24)	(63)	(153)	(259)	(533)
Telephony/Internet	(177)	(324)	(126)	(261)	(206)	(402)	(158)	(324)
Travels and lodging	(145)	(204)	(116)	(144)	(182)	(276)	(134)	(195)
Insurances	(55)	(109)	(53)	(117)	(142)	(284)	(123)	(255)
Courier service	(56)	(116)	(60)	(105)	(56)	(116)	(60)	(105)
Legal expenses	(71)	(113)	(27)	(39)	(470)	(927)	(233)	(824)
Contingencies	-	-	-	-	(31)	(31)	-	-
Other	(80)	(129)	-	(31)	(270)	(588)	(743)	(1,199)
Total	(8,098)	(16,881)	(5,538)	(11,280)	(14,312)	(29,154)	(13,584)	(25,850)

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25. Financial income (expense), net

	Company				Consolidated			
	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18
Financial income								
Interests on financial investments	-	-	-	-	5,326	12,534	9,996	11,334
Gains on operations - derivatives	-	1	-	-	4,193	29,524	14,941	16,623
Assets exchange rate variation	-	-	-	-	35,031	102,940	54,052	103,202
Other	73	113	33	462	20,723	22,750	1,760	4,141
	73	114	33	462	65,273	167,748	80,749	135,300
Financial expenses								
Interest on Loans, Financing and CCIs	-	-	-	-	(32,673)	(72,661)	(51,379)	(99,665)
Loss on derivative transactions	-	-	-	-	(14,602)	(38,262)	-	(2,631)
Liabilities monetary variation	-	-	-	-	-	(10)	(1)	(22)
Liability exchange rate variation	(1)	(2)	(3)	(4)	(15,185)	(89,957)	(181,791)	(236,642)
Penalty on taxes in arrears	(378)	(4,097)	(1,088)	(1,550)	(2,108)	(12,861)	(13,927)	(24,373)
Other	(57)	(85)	(41)	(71)	(4,362)	(9,007)	(15,027)	(19,738)
	(436)	(4,184)	(1,132)	(1,625)	(68,930)	(222,758)	(262,125)	(383,071)
Total	(363)	(4,070)	(1,099)	(1,163)	(3,657)	(55,010)	(181,376)	(247,771)

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26. Income taxes

Income taxes debited against the income for the period are composed as follows:

	06/30/2019		06/30/2018	
	Company	Consolidated	Company	Consolidated
Loss before Legal Entity Income Tax (IRPJ) and the Social Contribution on Net Profits (CSLL)	(31,242)	(27,737)	(287,869)	(256,568)
Combined rate in force	34%	34%	34%	34%
Estimated credits of income tax and social contribution	10,622	9,431	97,875	87,233
IRPJ and CSLL effects on			-	-
Equity accounting method	(3,464)	-	(93,647)	-
Other net permanent differences	-	(5)	-	(5)
IRPJ e CSLL de períodos anteriores	-	-	-	-
Deferred IRPJ and CSLL on tax losses and non-established temporary differences	(7,158)	(893)	(4,229)	13,429
Effects of IRPJ and CSLL of companies taxed by presumed profit	-	(15,924)	-	(165,021)
Effects of income tax and social contribution on the constitution / reversal of deferred tax assets	91	6,003	-	-
Reversal of IRPJ and CSLL on the adjustment to fair value of properties for divested investments	-	(2,025)	-	33,063
Income taxes and social contribution recognized in income	91	(3,413)	-	(31,301)
Current	-	(9,416)	-	(64,364)
Deferred	91	6,003	-	33,063

Deferred Income Taxes are composed as below:

	Consolidated	
	06/30/2019	12/31/2018
Calculation basis		
Assessing the fair value of investment properties and properties intended for sale	421,023	2,076,437
Presumption for Income Tax 8%-25% rate for income tax	2%	2%
Presumption for Social Contribution 12%- 9% of rate for Social Contribution	1.08%	1.08%
Deferred income tax and social contribution, liabilities on investment properties for sale	(12,969)	(63,955)
Deferred Income tax and social contribution, liabilities on agreements renewal rights	(1,549)	(1,549)
Liabilities Deferred income tax and social contributions	(14,518)	(65,504)

Basis for realizing Deferred Income Taxes

- Realization of deferred taxes liabilities on adjustment at fair value of investment properties based on the taxation according to assumed profit as of its respective disposal.

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27. Other income (expenses), net

	Company				Consolidated			
	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18	Period of 04/01/19 to 06/30/19	Period of 01/01/19 to 06/30/19	Period of 04/01/18 to 06/30/18	Period of 01/01/18 to 06/30/18
Net proceeds from sale of properties for investment	-	-	-	-	73,973	206,939	941,500	1,059,148
Cost of selling from properties for investments	-	-	-	-	(73,973)	(206,939)	(941,500)	(1,059,148)
Adjustment to fair value of sale of properties for Investment	-	-	-	-	(1,148)	(5,955)	(44,056)	(81,119)
Adjustment to fair value	-	-	-	-	(47)	124	-	-
Other income (expenses)	-	(101)	-	-	802	1,133	2,364	2,320
Recovery of expenses	-	-	-	5	441	1,213	272	424
Total	-	(101)	-	5	48	(3,485)	(41,420)	(78,375)

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28. Financial instruments by category

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

	Consolidated							
	06/30/2019				12/31/2018			
	Fair value by the result	Financial assets at amortized cost	Other liabilities at amortized cost	Total	Fair value by the result	Financial assets at amortized cost	Other liabilities at amortized cost	Total
Assets								
Cash and Cash Equivalents	-	289,348	-	289,348	-	383,959	-	383,959
Financial investments and restricted cash	70,046	-	-	70,046	134,273	-	-	134,273
Derivative financial instruments	343	-	-	343	-	-	-	-
Trade accounts receivable and other receivables	-	77,564	-	77,564	-	81,135	-	81,135
Total	70,389	366,912	-	437,301	134,273	465,094	-	599,367
Liabilities								
Loans and Financing	-	1,199,166	-	1,199,166	-	1,238,522	-	1,238,522
CCIs	-	130,580	-	130,580	-	426,492	-	426,492
Derivative financial instruments	-	-	-	-	1,599	-	-	1,599
Suppliers	-	-	21,340	21,340	-	-	8,187	8,187
Other accounts payable	-	-	889	889	-	-	2,290	2,290
Total	-	1,329,746	22,229	1,351,975	1,599	1,665,014	10,477	1,677,090

28.1. Risk factors

The Company's main source of revenues, as well as of its subsidiaries is rents from tenants in shopping malls.

The Company and its subsidiaries have a risk management policy to manage market risks through financial instruments. The main market risks to which the Company is exposed are translation adjustments and the flotation of inflation indexes inherent to its operations. The policy is monitored by the Board of Directors ensuring that the financial instruments do not exceed the limits of the policy, in consonance with the best corporate governance practices. The primary objective of risk management is to protect the Company's cash flows, where the operations must respect the limits of exposure, coverage, maturity and instrument, thus minimizing operating costs. According to their nature, financial instruments may involve known risks, or unknown risks, so it is important to the Company to assess potential risks according to the Company's and its subsidiaries' judgment. Therefore, there may be risks with guarantees or without guarantees, depending on circumstantial or legal aspects. The policy allows the Company to use derivative financial instruments only for hedging purposes. The Company is forbidden to enter into any derivatives that result in the net sale of options and structured financial transactions with embedded derivatives.

The main market risk factors that can affect the business of the Company and its subsidiaries are presented below:

a) Credit risk

The client portfolio is broadly diversified. By means of internal controls, the Company and its subsidiaries permanently monitor the level of their accounts receivable, which limits the risk of bad debt.

The Company's risk management policy allows transactions where cash funds are invested only with first line counterparties, that is, with low credit risk, according to the international rating agencies. The policy allows derivative financial instrument transactions to be directly entered into at B3 - Bolsa de Valores, Mercadorias e Futuros. Both the financial institutions and the brokers must be previously approved by the Risks Management Committee.

b) Liquidity risk

The forecast of the cash flow is performed at the operating entities of the Company by financial professionals that continually monitor liquidity in order to ensure that the Company has sufficient cash to meet its operating needs. Such forecast takes into consideration the plans for financing the debt, the achievement of the internal goals of the balance sheet quotient and, if applicable, external or legal regulatory requisites.

The cash and cash equivalents held by the operating entities, in addition to the balance required for managing working capital, is transferred to the treasury, which substantially invests cash and cash equivalents in CDBs, LTNs (Federal Treasury Bonds) and investment funds with their yield linked to the changes in the CDI rate and by choosing instruments with appropriate maturity dates or sufficient liquidity to provide the necessary margin, as established by the above-mentioned provisions.

c) Capital risk

The Company and its subsidiaries manage their capital to make sure that the companies will be able to continue their going concern at the same time that they maximize the return to all of the interested parties or all those involved in their operations by optimizing the balance of the debts and equity.

The capital structure of the Company and of its subsidiaries is formed by net indebtedness (loans and financing and CCIs described in Explanatory Notes 14 and 15 deducted from cash and cash equivalents and actives financial instruments) and by the consolidated shareholders' equity (which includes capital issued and reserves, as presented in Explanatory Note 21).

The Company's Management periodically reviews the capital structure of the Company. As a part of such review, it considers the cost of capital and the risks associated to each class of capital. The Company's borrowing rate, as of June 30, 2019, was of 9,437%, as detailed below:

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- Borrowing level

The borrowing rate, as of June 30, 2019 and December 31, 2018 is the following:

	Consolidated	
	06/30/2019	12/31/2018
Debt (i)	1,329,746	1,665,014
Cash and cash equivalents	(359,395)	(516,564)
Net debt	970,351	1,148,450
Equity (ii)	7,533	38,683
Net indebtedness Index	12,881%	2,969%

(i) Debt is defined as loans and financing and short and long-term CCI's;

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

d) Liquidity risk management

The Company and its subsidiaries manage liquidity risk by maintaining appropriate reserves, bank credit lines e credit lines to obtain loans they deem appropriate, by continually monitoring the forecast and actual cash flows, and by combining the maturity profiles of financial assets and liabilities.

Interest and liquidity risk table

The table below shows the details of the remaining contractual maturity term of the bank liabilities of the Company and its subsidiaries and the contractual amortization periods. The tables have been prepared in accordance with the cash flows not discounted of financial liabilities, based on the closer date on which the Company and its subsidiaries must settle their respective liabilities.

The tables include the cash flows of the interest and principal amount. While the interest flows were post-fixed, the amount not discounted was obtained on the basis of the interest curves at the end of the period. The contractual maturity is based on the most recent date in which the Company and its subsidiaries must settle their respective liabilities:

Consolidated	% - Weighted Average Effective Interest Rate	Less than one month	From one to three months	From three months to one year	From one to five years	Over five years	Total
Loans and Financing (*)	13.92%	1,270	15,380	45,917	159,032	1,512,676	1,734,275
CCI	10.00%	2,301	4,601	20,707	82,826	89,728	200,163
Total		3,571	19,981	66,624	241,858	1,602,404	1,934,438

(*) So as to obtain perpetual bonds, the interest to be incurred up to the date of the purchase option and the principal amount were considered and, because they have no maturity dates, they were classified as debt maturing after more than 05 years.

e) Interest rate risk

- Loans for working capital and CCI's: the Company's subsidiaries also have a series of loan and financing obtained for working capital, as described in Explanatory Notes 14 and 15, on which average interest rates are levied of up to 13.54% per year.

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f) Foreign currency exchange rate risk

The Company, through its subsidiary, has financing and amounts payable to non-related parties entered into in foreign currency in the amount of R\$ 1,194,462 in June 30, 2019 (R\$ 1,178,663 in December 31, 2018).

The Company measures its exposures according to the Company's own forecasting and budgeting model. Through its subsidiary, the Company enters into derivatives, such as dollar future in the "B3 (B3 S.A. - Brasil, Bolsa, Balcão)", with the purpose of protecting its exposure to exchange variation. The main risk that the Company intends to reduce is the exposure to translation adjustments linked to its liabilities in foreign currency.

On June 30, 2019, the Company is using derivatives for protecting exchange rate variation risks in connection to the issue of perpetual bonds.

The Company does not have derivative or non-derivative instrument transactions to hedge the balance of the principal amount of the perpetual bonds.

For protecting from exchange rate variation in payment of interests on perpetual bonds, the Company uses derivative of dollar future at "B3 (B3 S.A. - Brasil, Bolsa, Balcão)", as described at CPC 40. The mark-to-market of the derivative instruments as of June 30, 2019 was:

Instruments	Notional	Maturity	Fair Value in 06/30/2019
FUT DOL B3	101,500	08/01/2019	343
TOTAL	101,500		343

The Company manages and monitors its derivative position on a daily basis, suiting itself to the best hedge strategy with less cost in relation to others.

Sensitivity analysis - derivative

Notional (US\$ Thousands)	Contractual Price in 06/30/2019	Fair Value	Impact on the curve DI/TJLP			
			-25%	-50%	-25%	-50%
			Adjust	Adjust	Fair Value	Fair Value
101,500	R\$3.9165/US\$	343	(97,639)	(195,278)	(97,296)	(194,935)
		343	(97,639)	(195,278)	(97,296)	(194,935)

In order to carry out the operations on "B3 (B3 S.A. - Brasil, Bolsa, Balcão)", the margin deposit was made through public securities (LFT). The margin deposit, as of June 30, 2019, totaled R\$ 46,413.

Financial assets, except for those designated at fair value through profit or loss, are evaluated by impairment indicator at the end of each fiscal year. Impairment losses are recognized when there is objective evidence of a reduction in the recoverable amount of a financial asset, as a result of one or more events that have occurred after their initial recognition, with an impact on the estimated future cash flows of such asset.

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The criteria that the Company and its subsidiaries use to determine whether there is objective evidence of impairment of a financial asset include:

- significant financial difficulties of issuer or debtor;
- contract breach, such as nonperformance or late payments of interest or principal amount;
- the probability of the debtor declaring bankruptcy or financial reorganization;
- extinguishment of the active market for that financial asset by virtue of financial problems.

The book value of financial assets is directly reduced by impairment losses for all of the financial assets, except for the accounts receivable, where the book value is reduced by using a provision. Subsequent recoveries of amounts previously written off are credited to the provision. Changes in the book value of the provision are recognized in P&L.

g) Sensitivity analysis- loans, financing and CCI

Considering the aforementioned financial instruments, the Company developed a sensitivity analysis, as provided for by Instruction No. 475/2008 issued by the CVM, which requires the presentation of two other scenarios with 25% and 50% impairment of the risks variable considered. Those scenarios may generate impacts on the Company's profit or loss and/ or on the future cash flows as described below:

- base scenario: maintenance of the levels of interest at the same levels observed as of June 30, 2019;
- adverse scenario: impairment of 25% in the principal risk factor of the financial instrument in relation to the levels verified on June 30, 2019;
- remote scenario: impairment of 50% in the principal risk factor of the financial instrument in relation to the levels verified on June 30, 2019;

h) Loans, financing and CCI

Premises

As described above, the Company understands that it is primarily exposed to risks referring to the changes in the TR and IPCA rates, US-dollar translation adjustments, which are the basis for updating a substantial part of the loans, financing and CCIs and perpetual bonds it has entered into. Thus, the table below demonstrates the rates used to calculate the sensitivity analysis:

Premises	Base scenario	Adverse scenario	Remote scenario
Increase of IPCA rate	0.28%	0.35%	0.41%
TJLP Increase	0.48%	0.60%	0.72%
DI Increase	0.52%	0.65%	0.78%
Real devaluation against US Dollar	10.00%	12.50%	15.00%

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The net exposure in US-dollars, without considering the effects of derivative instruments is demonstrated below:

	Consolidated No effect of derivative operations - 06/30/2019
Loans and Financing (perpetual bonds)	1,171,976
Related Parties	22,493
Cash and Cash Equivalents	(8)
Net exposure	1,194,461

Operation	Risk	Scenarios		
		Basis	Adverse	Remote
Interest on Loans subject to TR variation	TR increase	-	1,115	2,230
US\$ forward agreements (*)	Dollar increase	247,653	278,610	284,801

(*) Calculated on the net exposure of the Company, without considering the effects of derivative instruments.

The table above shows the effects of interest and changes in the indices up to the maturity of the contracts.

The interest on the perpetual bonds are flat. Thus, the sensitivity analysis was not carried out.

i) Cash and cash equivalents

Premises

As described above, the Company understands that it is mainly exposed to the changes in the CDI rate and in foreign exchange rates. Thus, the table below demonstrates the indexes and the rates used to calculate the sensitivity analysis:

Premises	Base scenario	Adverse scenario	Remote scenario
Deterioration of CDI rate	6.40%	4.80%	3.20%

Operation		Consolidated		
Risk factor	Risk	Base scenario	Adverse scenario	Remote scenario
Subject to CDI variation	Reduction of CDI rate	23,001	17,251	11,501

The exchange variation sensitivity analysis of cash and cash equivalents indexed to USD was presented net of other liabilities indexed to USD, as mentioned in item (i).

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j) Fair value of bonds

Type	Currency	% - Contract rates per year	Maturity	Fair Value in 06/30/2019	Fair Value in 12/31/2018
Perpetual credit bonds (a)	U\$	10%	-	361,254	444,459
Perpetual credit bonds (b)	U\$	13%	-	377,445	439,749
Debt Bonus (b)	U\$	10%/12%	2026	25,827	21,792
TOTAL				764,526	906,000

The prices used to calculate the market value of the Company's Bonds were obtained from "Bloomberg". Prices are indicative of the market as of June 30, 2019 and December 31, 2018.

28.2. Determining the fair value of financial instruments

The Company discloses its financial assets and liabilities at fair value, based on the relevant accounting pronouncements, which refer to valuation concepts and disclosure requirements.

Specifically regarding the disclosure, the Company applies the hierarchy requirements set forth in Deliberation CVM No. 699/12, which involves the following aspects:

- Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in a transaction without favor; and
- Hierarchy in 3 levels for the measurement of the fair value, according to observable inputs for the valuation of an asset or liability at the measurement date.

Valuation in 3 levels of hierarchy for the measurement of fair value is based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect valuation techniques adopted by the Company. These two types of inputs create the following fair value hierarchy:

- Level 1 – Observed (unadjusted) prices for identical instruments in active markets. In this category are allocated the investments in Financial Treasury Bills ("LFT") and other Financial Bills;
- Level 2 – Prices observed in active markets for similar instruments, observed prices for identical or similar instruments in non-active markets and valuation models for which inputs are observable. At this level, investments in CDB, Committed DI, other financial investments remunerated by DI and derivatives, which are valued by pricing models widely accepted in the market. In addition to the indicators of operations, observable market inputs such as interest rates, volatility factors and exchange parity quotations are used; and
- Level 3 – Instruments whose significant inputs are not observable. The Company does not have financial instruments in this classification.

The table below presents the general classification of financial instruments assets and liabilities in accordance with the valuation hierarchy. For the period ended March 31, 2019, there was no change among the three levels of hierarchy.

(In Thousand of Brazilian Reais - R\$, except when indicated otherwise)

	Company			Consolidated		
	12/31/2018			12/31/2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial assets						
At amortized cost						
CDBs	-	-	-	-	32,676	-
Committed DI	-	-	-	-	165,828	-
Bearing account	-	5	-	-	2,604	-
Fixed income fund	-	-	-	-	132,605	-
Financial Treasury Bills - LFT	-	-	-	171,188	-	-
Financial treasury	-	-	-	9,962	-	-
	-	5	-	181,150	333,713	-
Liabilities						
Financial liabilities measured at fair value						
Other financial liabilities						
Derivatives not designated as hedge accounting	-	-	-	-	(1,599)	-
	-	-	-	-	(1,599)	-

The segment information is used by the Company's Management for decision making concerning the allocation of resources and performance assessment.

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The accounting practices for the reportable segments are the same as those of the Company, described in Explanatory Note 2. The P&L per segment consider the items that are directly attributable to the segment, as well as those that may be allocated on a reasonable basis. The assets and liabilities per segment are not being presented, because they are not the subject matter of analyses for Management's strategic decision-making.

Therefore, the reportable segments of the Company are the following:

a) Rent

Rent refers to the lease of space to tenants and other commercial spaces such as sales stands, lease of commercial spaces for publicity and promotion and fees concerning the transfer of rights to use property spaces.

b) Services

Services provided refer to the revenue from managing the energy and power supply of shopping malls as well as exploitation of parking lots.

The total revenue of the Company is made in Brazil.

Statement of Income per Segment

	Consolidated					
	06/30/2019			Elimination		06/30/2019
	Rental	Service	Corporative	Debit	Credit	Consolidated
Net Revenue	41,869	37,904	-	-	(4,161)	75,612
Cost of rentals and services	(5,246)	(12,798)	-	2,343	-	(15,701)
Gross profit	36,623	25,106	-	2,343	(4,161)	59,911
Operational (Expenses) / Income	9,962	15,258	(15,972)	-	(41,887)	(32,639)
Profit (Loss) Before Financial Income (Expense)	46,585	40,364	(15,972)	2,343	(46,048)	27,272
Financial income (expense), net	(9,605)	(436)	(44,969)	-	-	(55,010)
Profit / (loss) before taxes	36,980	39,928	(60,941)	2,343	(46,048)	(27,738)
Income taxes	(29)	(3,475)	91	-	-	(3,413)
Net income (loss) for the period	36,951	36,453	(60,850)	2,343	(46,048)	(31,151)

	Consolidated					
	06/30/2018			Elimination		06/30/2018
	Rental	Service	Corporative	Debit	Credit	Consolidated
Net Revenue	74,626	40,994	-	(7,118)	-	108,502
Cost of rentals and services	(6,764)	(10,060)	-	3,749	-	(13,075)
Gross profit	67,862	30,934	-	(3,369)	-	95,427
Operational (Expenses) / Income	(149,742)	12,004	(589,660)	503,208	(179,519)	(104,225)
Profit (Loss) Before Financial Income (Expense)	217,604	42,938	(589,660)	499,839	(179,519)	(8,798)
Financial income (expense), net	(59,719)	(2,484)	(185,568)	-	-	(247,771)
Profit / (loss) before taxes	157,885	40,454	(775,228)	499,839	(179,519)	(256,569)
Income taxes	(27,554)	(3,747)	-	-	-	(31,301)
Net income (loss) for the period	130,331	36,707	(775,228)	499,839	(179,519)	(287,870)

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31. Statement of Cash Flow

The Company has transacted the following operations, which have not involved cash and cash equivalents:

	Consolidated	
	06/30/2019	06/30/2018
Fair value adjustment of investment properties	(4,807)	-

32. Subsequent events

According to Material Fact, published on July 17, 2019, the company informed that, on July 16, 2019, through its subsidiary Send Empreendimentos e Participações Ltda., it acquired from VBI GSBR Empreendimentos e Participações Ltda. the ideal fraction of 38.6962% of the property in which the "Parque Shopping Barueri" project is built, for the total amount of R\$125,000,000.00.

Victor Poli Veronezi
Chief Executive Officer

Marcio Snioka
Chief Investors Relations Officer

Vicente de Paula da Cunha
Chief Financial Officer

Francisco José Ritondaro
Chief Planning and Expansion Officer

Francisco Antonio Antunes
Accountant
CRC 1SP-149.353/O-2