



**GeneralShopping**<sup>BRASIL</sup>

**JUNE 2008**

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# Highlights

- One of the largest companies in the Brazilian Shopping Center industry in terms of own GLA <sup>(1)</sup>
- Majority ownership: 86.7% average interest
- 12 shopping centers and 5 greenfields
- Total GLA: 198,017 m2
- Own GLA: 171,576 m2
- Complementary services activities
- 1Q08 financial highlights
  - Gross revenue: +61.1%
  - Adjusted EBITDA: +58.5%
- 1Q08 EBITDA margin: 72.4%
- Focus on serving the B and C consumption classes

<sup>(1)</sup> Gross leaseable area

<sup>(2)</sup> Considering additional call of 20% stake

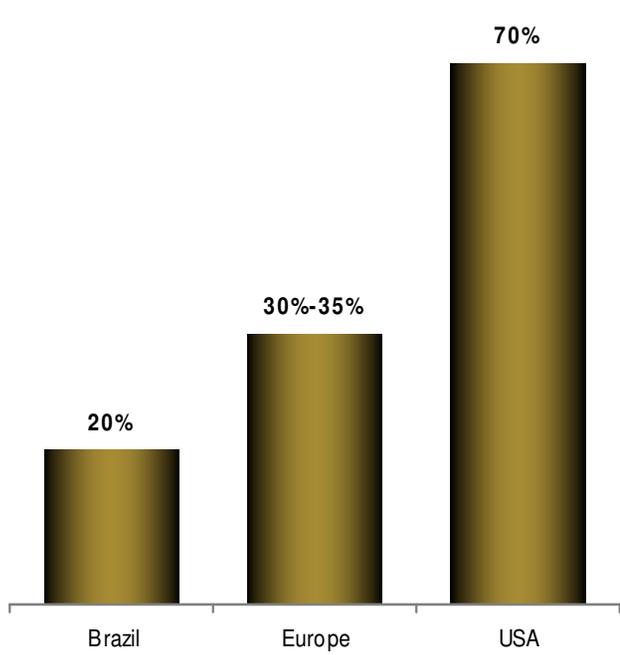


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**Sector Overview**

# Low Sector Penetration

## Revenues (% of Local Retail Market <sup>(1)</sup>)



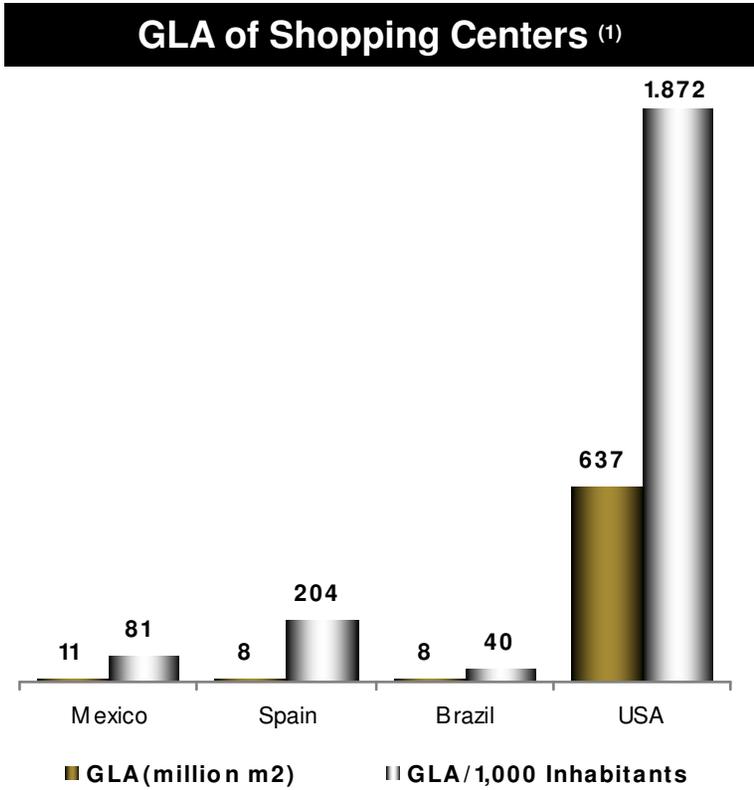
## Sorts of Shopping Centers in USA

- Regional Center
- Super Regional Center
- Neighborhood Center
- Community Center
- Lifestyle Center
- Power Center
- Thematic Center
- Outlet Center
- Festival Center

The Brazilian Shopping Center Sector Presents Ample Room for Growth

Source: ABRASCE  
<sup>(1)</sup> Excludes car sales  
<sup>(2)</sup> Year end

# Low Sector Penetration



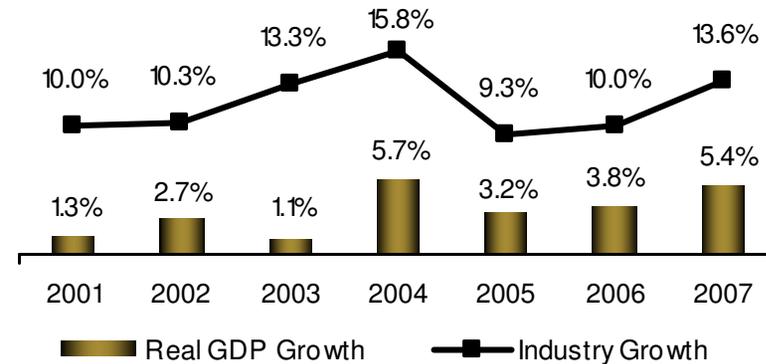
The Brazilian Shopping Center Sector Presents Ample Room for Growth

<sup>(1)</sup> Source: ABRASCE

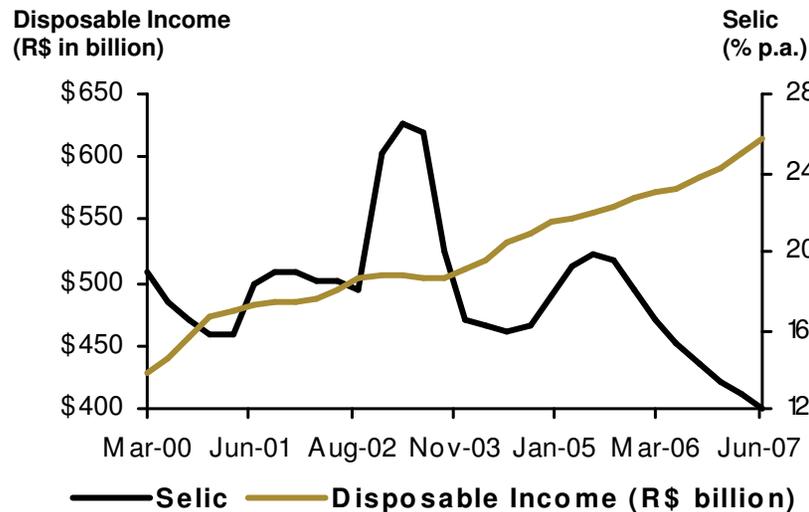
# Favorable Macroeconomics

## Growth of The Shopping Center Industry vs. The Entire Economy

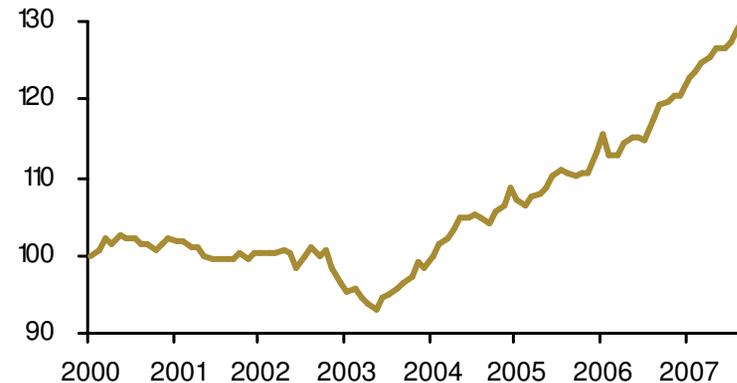
- The shopping center sector has presented higher growth rates than the Brazilian economy
- Declining interest rates combined with increasing disposable income, credit availability and consumer confidence promoted the inclusion of the social classes B and C in consumption
- These factors had a strong impact on the sector sales, which increased by 31% since mid-2003



## Disposable Income vs. Interest Rates (1)



## Retail Sales Real Growth (1)



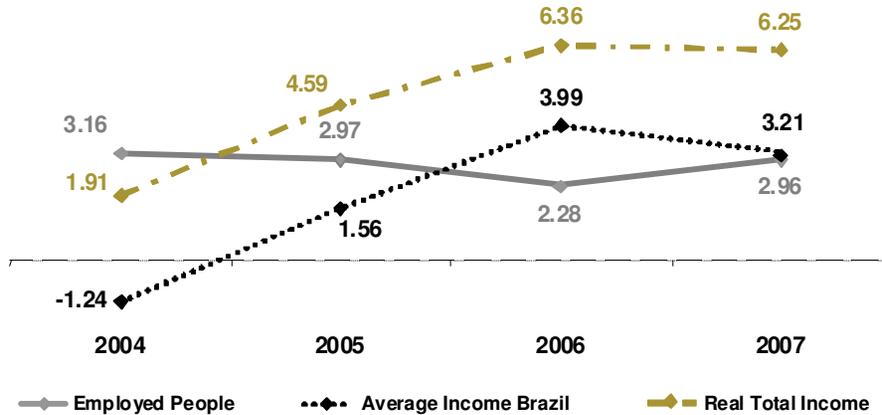
(1) Source: IBGE

# Favorable Macroeconomics

**Brazilian Shopping Center Sector Revenues (1)**

Revenue (R\$ billion)		Growth		IPCA	Real GDP Growth
2000	23.0		-	6.0%	4.3%
2001	25.3		10.0%	7.7%	1.3%
2002	27.9		10.3%	12.5%	2.7%
2003	31.6		13.3%	9.3%	1.1%
2004	36.6		15.8%	7.6%	5.7%
2005	40.0		9.3%	5.7%	3.2%
2006	44.0		10.0%	3.1%	3.8%
2007	50.0*		13.6%	4.5%	5.4%

**Brazil Annual Growth (% over previous year)**



(\*) Abrasce estimates

(1) Source: GSB and Central Bank

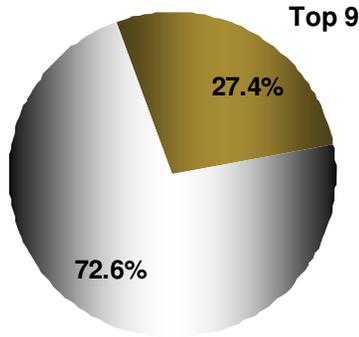
# Retail Sector Growth from January to March 2008

Activities	2008 (%)			2007 (%)	
	Jan	Feb	Mar	Year	12 Months
Supermarkets and hypermarkets	8.5	8.3	8.5	8.5	6.9
Fabrics, clothing and footwear	15.4	12.5	11.9	13.3	11.9
Furniture and white/durable goods	16.0	22.3	14.3	17.3	14.9
Pharmaceutical, medical, orthopedic and cosmetics products	16.2	14.0	9.6	13.2	10.8
Office supplies and equipment, personal computers and telecom	24.7	36.9	24.8	29.2	31.3
Books, newspaper, magazines and stationery	8.1	17.9	7.1	11.0	8.9
Other personal and domestic products	29.6	27.5	23.7	26.9	23.9
Vehicles, motorcycles and autoparts	20.9	30.6	14.6	21.4	23.4

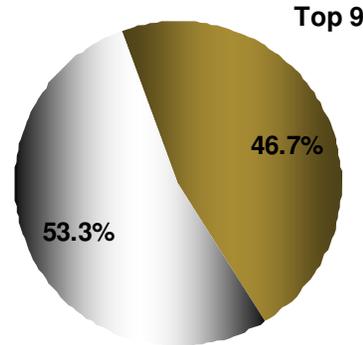
Source: IBGE

# Fragmented Sector

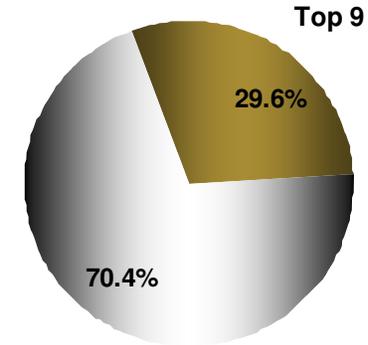
Top 9 – own GLA (%)



Top 9 – Total GLA (%)



Top 9 – No. of SC (%)



**The industry is highly fragmented: the largest groups operate only 29.6% of the existing shopping centers and 27.4% of the own GLA in the country**

<sup>(1)</sup> Source: Santander Investment – Sector Report – Dec/07



**GeneralShopping**<sup>BRASIL</sup>

**Company Overview**

# Competitive Advantages

- ✓ Retail intelligence and close relationship with store owners
- ✓ Majority ownership interest
- ✓ Well defined growth strategy
- ✓ Diversified portfolio comprised of high quality assets
- ✓ Innovative malls and services

# Retail Intelligence and Relationship with Store Owners

General Shopping maintains a strong relationship with an extensive and diversified base of anchor and satellite store owners

## Relationship with Retailers

- 18 years of experience
  - Retail intelligence
  - Constant market research
- X
- Replicating mix ( competition)
- Better results for the store owners and for the shopping centers
  - Credibility to attract and maintain the main retailers in the Company's shopping centers
  - The Company is focused on improving the retailers' performance and, consequently, General Shopping's rental revenues

## Main Tenants



1,299 Clients

# Majority Ownership Interest

## Shopping Centers / Stake Held

100%	100%	50.0%	50.0%	50.1%	100%
Internacional Shopping Guarulhos	Auto Shopping	Santana Parque Shopping	Poli Shopping	Shopping Light	Suzano Shopping
85.5%	100%	100%	100%	84.4%	100%
Cascavel JL Shopping	Shopping Americanas Presidente Prudente	Shopping Americanas Osasco	Top Center Shopping São Paulo	Shopping do Vale	Unimart Shopping

General Shopping Brasil is the key decision-maker of the strategies and policies of its shopping centers



Redevelopment and remodeling of shopping centers



Redevelopment and remodeling of the tenant mix



Expansion of the existing shopping malls



Provide complementary services



Flexibility in establishing partnerships

# Diversified and Flexible Growth

## Consolidation

- Acquisition of shopping centers

## Greenfields

- Conception and development of new shopping centers

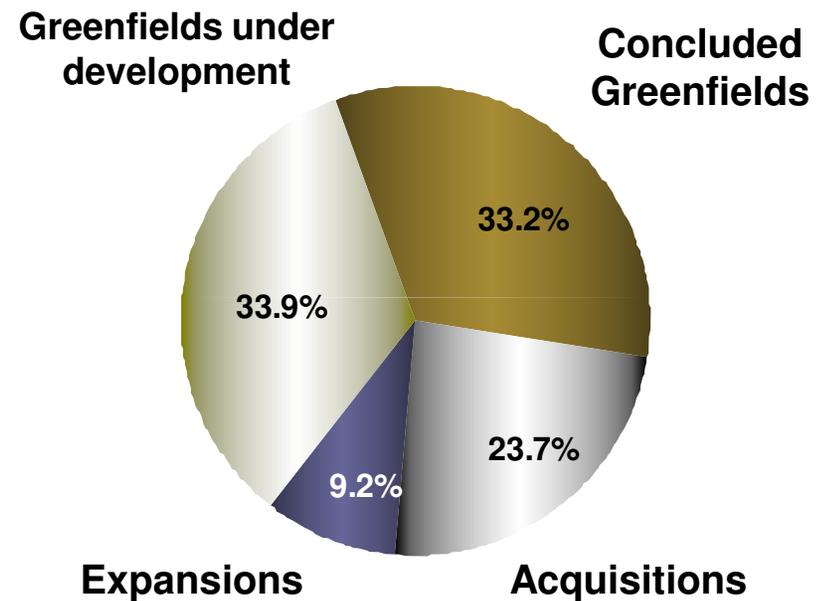
## Expansion

- Increase ownership interest in the assets
- Expand existing GLA of the current portfolio
- Implement mixed used projects
  - Synergies + profitability

## Turnaround

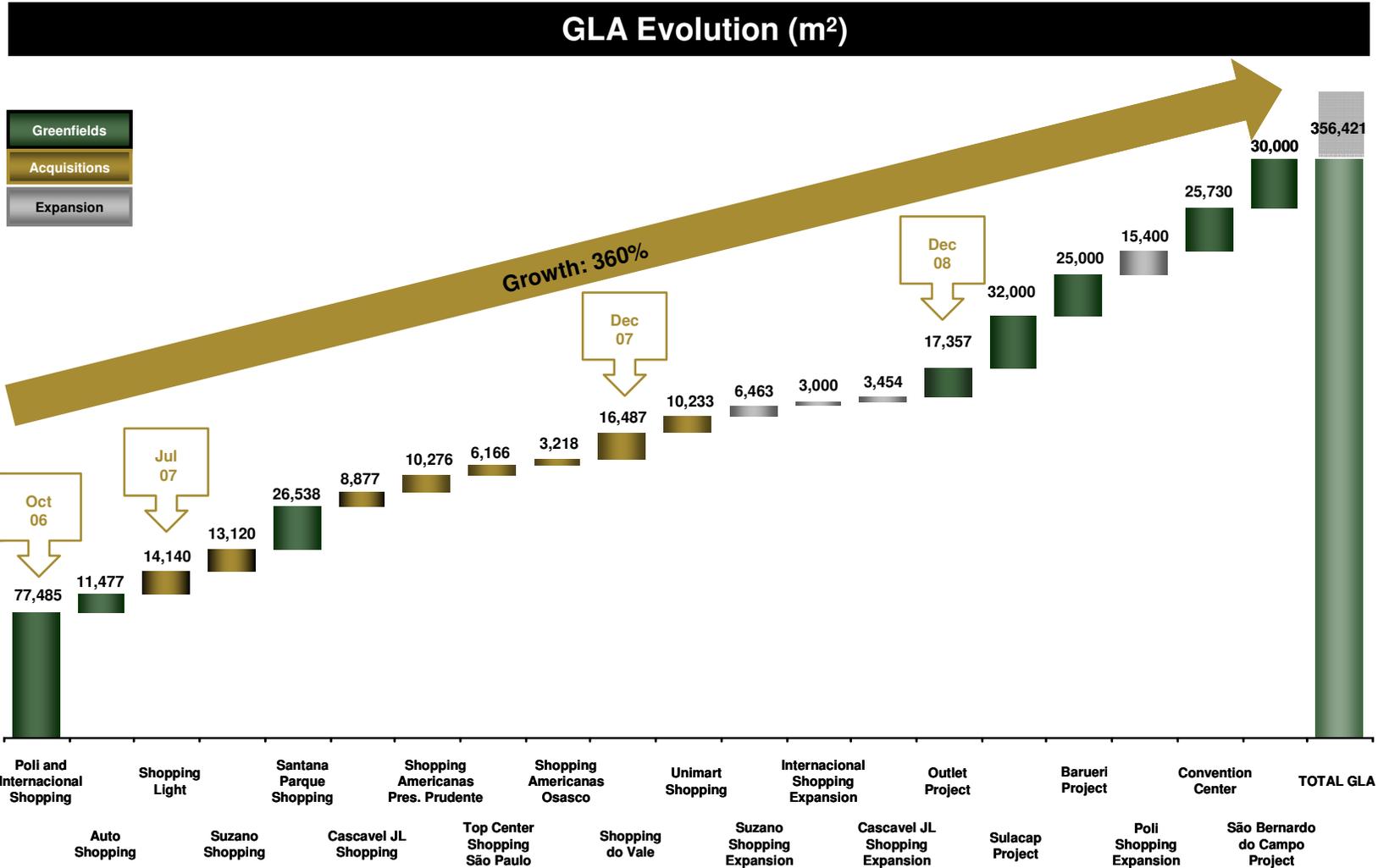
- Store mix renewal and remodeling within shopping centers
- Innovation with complementary services

## Own GLA Breakdown <sup>(1)</sup>



<sup>(1)</sup> Consider current shopping centers, announced expansions and greenfields

# Portfolio



# Dominant Player in São Paulo

**1**



Total GLA (m <sup>2</sup> )	72,958
No. of stores	292
Visitors/year (mm)	23.5

**2**



Total GLA (m <sup>2</sup> )	6,166
No. of stores	55
Visitors/year (mm)	4.0

**3**



Total GLA (m <sup>2</sup> )	4,527
No. of stores	52
Visitors/year (mm)	6.0

**4**



Total GLA (m <sup>2</sup> )	3,218
No. of stores	19
Visitors/year (mm)	1.5

**5**



Total GLA (m <sup>2</sup> )	26,538
No. of stores	176
Visitors/year (mm)	NA

**17**



Total GLA (m <sup>2</sup> )	30,000 <sup>(1)</sup>
No. of stores	NA
Visitors/year (mm)	NA

**São Paulo state**  
30.9% of GDP  
32.6% of retail market

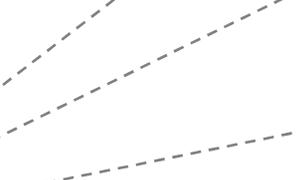


**12**



Total GLA (m <sup>2</sup> )	10,233
No. of stores	91
Visitors/year (mm)	6.48

**9**



Total GLA (m <sup>2</sup> )	11,477
No. of stores	80
Visitors/year (mm)	NA

**6**



Total GLA (m <sup>2</sup> )	13,120
No. of stores	170
Visitors/year (mm)	9.0

**16**



Total GLA (m <sup>2</sup> )	17,357 <sup>(1)</sup>
No. of stores	NA
Visitors/year (mm)	NA

**13**



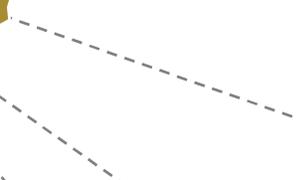
Total GLA (m <sup>2</sup> )	25,730
No. of stores	NA
Visitors/year (mm)	NA

**14**



Total GLA (m <sup>2</sup> )	25,000 <sup>(1)</sup>
No. of stores	NA
Visitors/year (mm)	NA

**7**



Total GLA (m <sup>2</sup> )	14,140
No. of stores	134
Visitors/year (mm)	12.0

**8**



Total GLA (m <sup>2</sup> )	10,276
No. of stores	56
Visitors/year (mm)	4.0

<sup>(1)</sup> Estimated

# Focus on the Southeastern and Southern Regions



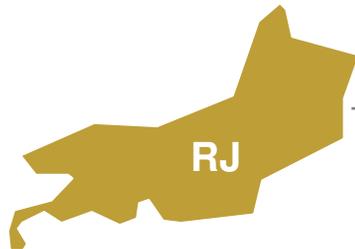
**10**

Total GLA (m <sup>2</sup> )	16,487
No. of stores	94
Visitors/year (mm)	2.0



**11**

Total GLA (m <sup>2</sup> )	8,877
No. of stores	80
Visitors/year (mm)	3.4



**15**

Total GLA (m <sup>2</sup> )	32,000 <sup>(1)</sup>
No. of stores	165 <sup>(1)</sup>
Visitors/year (mm)	NA



Region	GDP	Retail mkt
Southeast + South	73.1%	73.9%

## Shopping centers in operation

1. Internacional Shopping Guarulhos
2. Top Center
3. Poli Shopping
4. Americanas Osasco
5. Santana Parque
6. Suzano Shopping
7. Shopping Light
8. Americanas P. Prudente
9. Auto Shopping
10. Shopping do Vale
11. Cascavel JL Shopping
12. Shopping Unimart

## Greenfields

13. Convention Center
14. Barueri Project
15. Sulacap Project
16. Itupeva Project
17. São Bernardo Project

<sup>(1)</sup> Estimated

# Well Defined Growth Strategy – Acquisitions and Greenfields

## Suzano Shopping



- Interest: 100%
- % of B and C consumption classes: 86%
- Public comprised (inhabitants): 445 thousand
- Demand potential (per year): R\$ 976 million
- Description: Strong growth potential (aprox. 50%). Region comprises 4 cities with strong demand potential (Itaquaquecetuba, Poá and Ferraz de Vasconcelos).

## Shopping Americanas Osasco



- Interest: 100%
- % of B and C consumption classes: 87%
- Public comprised (inhabitants): 615 thousand
- Demand potential (per year): R\$ 1.9 billion
- Description: Located in the commercial center of city. Anchored by the main toys and variety store of city. Potential of GLA increase through internal mix reorganization.

## Shopping Cascavel



- Interest: 85.5%
- % of B and C consumption classes: 76%
- Public comprised (inhabitants): 291 thousand
- Demand potential (per year): R\$ 1.15 billion
- Description: Sole shopping center in city

## Shopping Americanas Presidente Prudente



- Interest: 100%
- % of B and C consumption classes: 85%
- Public comprised (inhabitants): 210 thousand
- Demand potential (per year): R\$ 998 million
- Description: First eastern São Paulo state shopping, most traditional of region. Anchored by the main hipermarket of region and located near downtown, courthouse, mayor office, city hospital and bus terminal.

## TOP Shopping



- Interest: 100%
- % of B and C consumption classes: 83%
- Public comprised (inhabitants): 469 thousand
- Demand potential (per year): R\$ 2.1 billion
- Description: Located in the main financial avenue of São Paulo. Potential of GLA increase through internal mix reorganization

## Shopping do Vale



- Interest: 84.4%
- % of B and C consumption classes: 70%
- Public comprised (inhabitants): 376 thousand
- Demand potential (per year): R\$ 535 million
- Description: located between Cachoeirinha and Gravataí counties boarder. Growth potential through increase and reorganization of stores and leisure mix.

# Well Defined Growth Strategy – Acquisitions and Greenfields

## Shopping Unimart



- Interest: 100%
- % of B and C consumption classes: 90%
- Public comprised (inhabitants): 410 thousand
- Demand potential (per year): R\$ 3 billion
- Description: First open mall in Brazil. Focused on B e C consumer classes has outstanding revenues and growth rate. Located in Campinas with strong mix composition. Presents 30% of GLA growth potential.

## Case Barueri



- Interest: 96%
- % of B and C consumption classes:
- Public comprised (inhabitants): 643 thousand
- Demand potential (per year): R\$ 2.46 billion
- Description: First shopping center downtown city (8<sup>th</sup> GDP of Brazil). High demand potential and low retail supply.

## Case São Bernardo



- Interest: 50%
- % of B and C consumption classes: 72%
- Public comprised (inhabitants): 681 thousand
- Demand potential (per year): R\$ 3.95 billion
- Description: City lacks a large shopping center. High demand potential and low retail offer. Approximately 50% of GLA leased before launch. Power center comprising Auto shopping, Home Center and hypermarket.

## Case Outlet



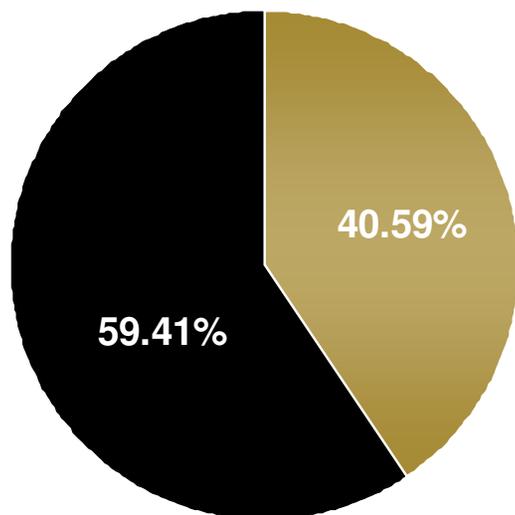
- Interest: 50%
- Public comprised (inhabitants): super-regional
- Demand potential (per year): super-regional
- Description: First outlet of country, which lacks equipment with these features. Entrance for main brands with outlet operations. Located in the highway from São Paulo capital to Campinas metropolitan region. Power Center comprising hotel and 2 theme parks.

# Increasing Complementary Services Activities

Atlas		Management	Parking	Water	Energy	
		ISG	✓	✓	✓	✓
		Auto	✓	✓	✓	✓
<b>Stake Held</b>		Poli	✓	✓	✓	✓
100%	<b>Energy</b> ▶ Responsible for planning the energy supply and leasing of the equipment for its transmission and distribution	Light	✓	✓	✓	✓
100%	<b>Wass</b> ▶ Engaged in water supply planning and its treatment na distribution	Santana	✓*	✓	✓	✓
100%	<b>I Park</b> ▶ Controls and manages parking lots	Suzano	✓	✓	✓	✓
100%	<b>ISG Adm</b> ▶ Manages operations of shopping centers	Cascavel	✓	✓	✓	✓
100%	<b>ASG Adm</b> ▶ Manages the operations of Auto Shopping	Americ. Pres Prudente	✓	✓	✓	✓
		Americ. Osasco	✓	✓		
		Top Center	✓		✓	
		Do Vale	✓	✓	✓	✓
		Unimart	✓	✓	✓	✓

✓ Services currently provided to the mall   ✓ Potential services / currently being implemented   ✓\* Partial

# Shareholders



	No. shares
Controlling shareholder	29,990,000
Free float	20,490,600
Total	50,480,600

■ Free float ■ Controlling Stake

Listed since July 2007

Market-making activities (through broker *Ágora Senior*) since October/07



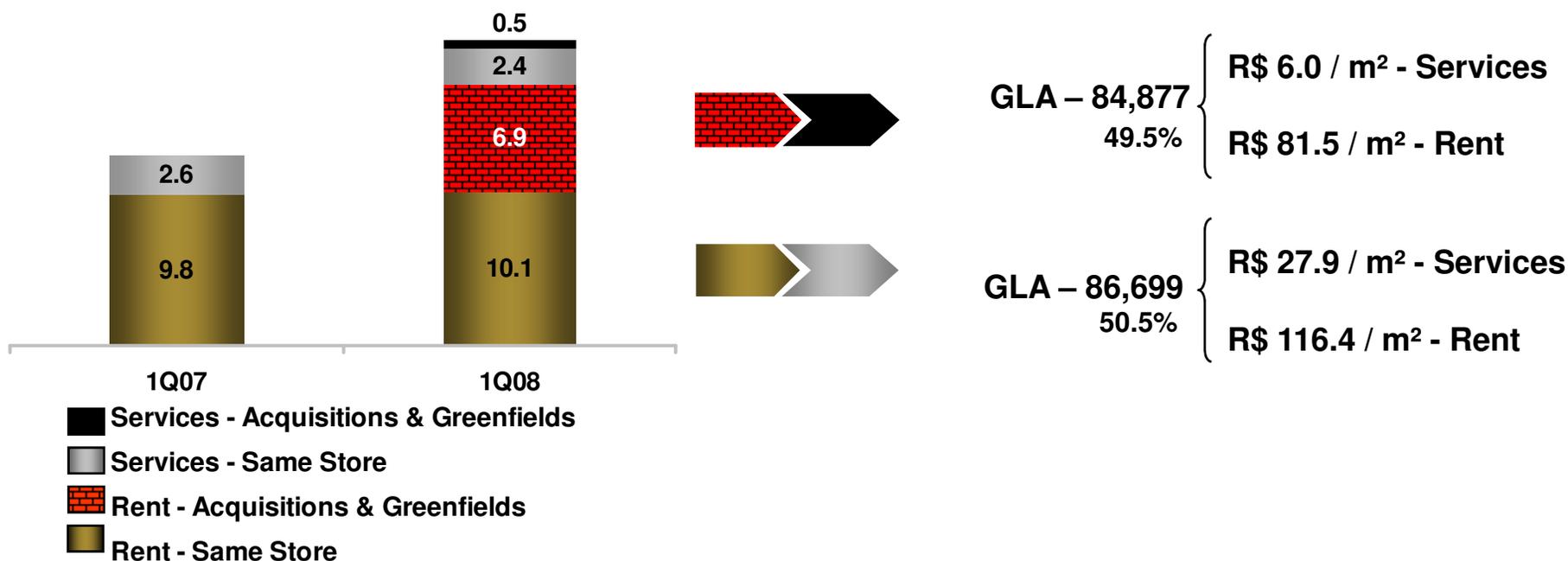


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**Financial Performance**

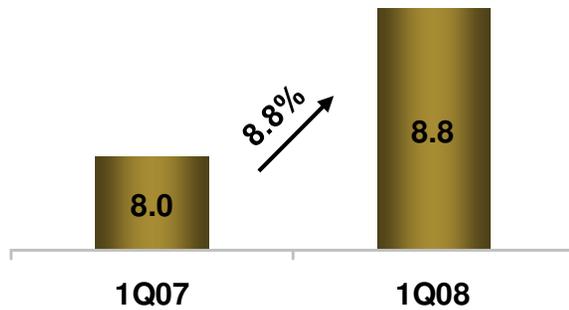
# Total Gross Revenue

R\$ million	1Q07		1Q08		△
		%		%	
Rent	9.8	79.1%	17.0	85.3%	73.8%
Services	2.6	20.9%	2.9	14.7%	13.2%
Total	12.4	100.0%	19.9	100.0%	61.1%

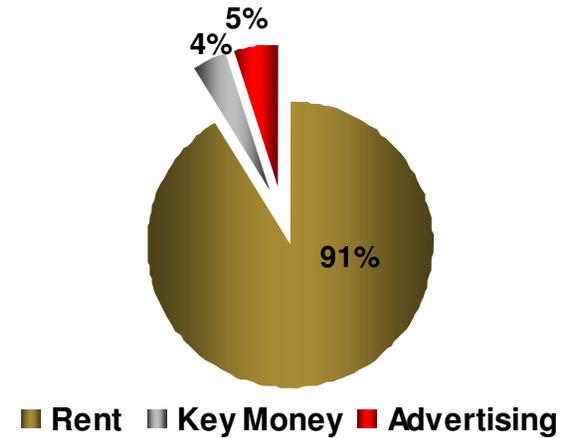


# Revenue from Rent

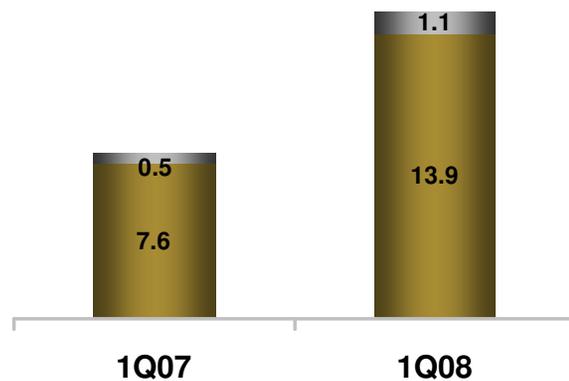
Same Store Rent



Revenue from Rent - 1Q08

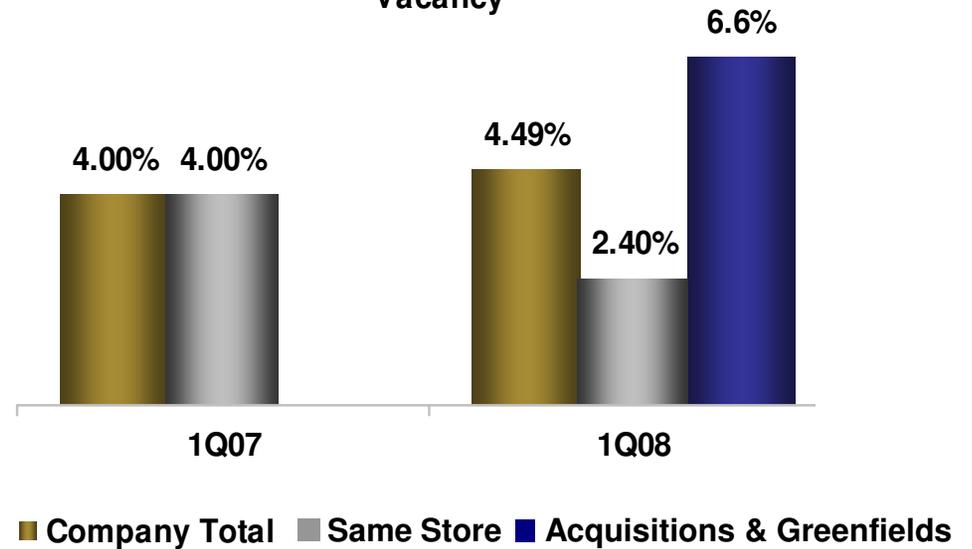


Minimum x Exceeding Percentage of Sales



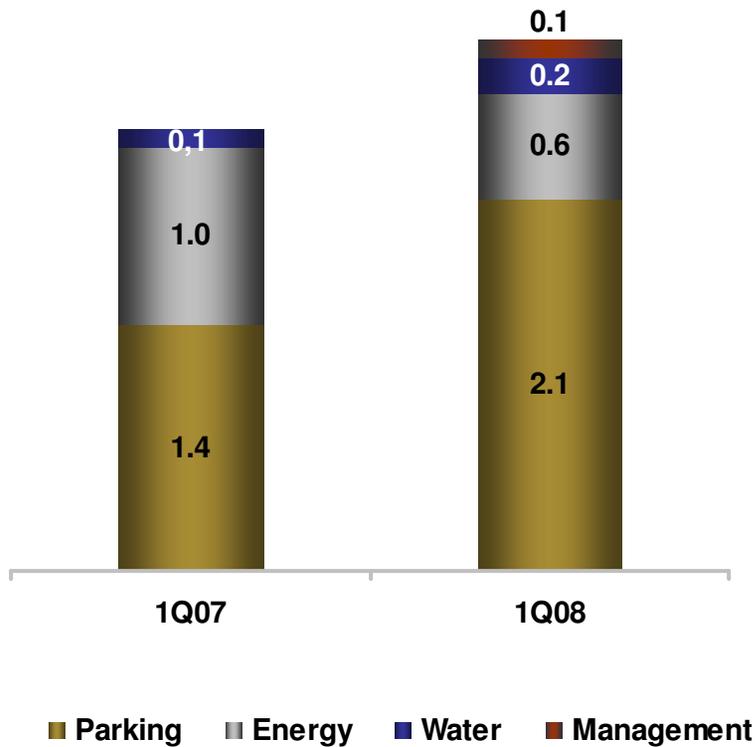
■ Minimum ■ Exceeding Percentage of Sales

Vacancy



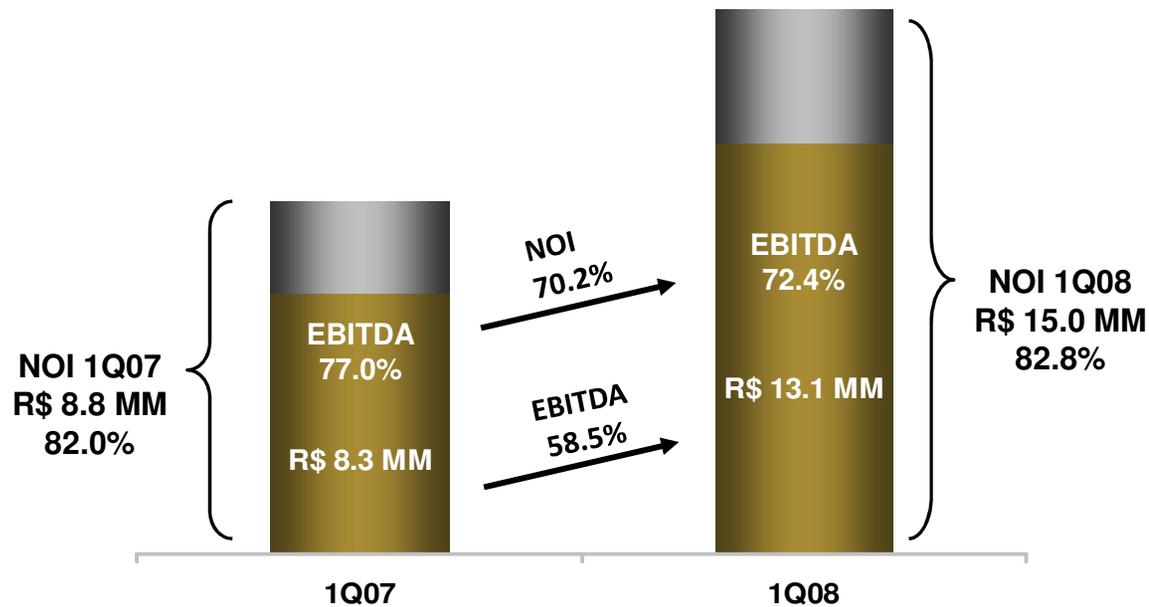
■ Company Total ■ Same Store ■ Acquisitions & Greenfields

# Revenue from Services



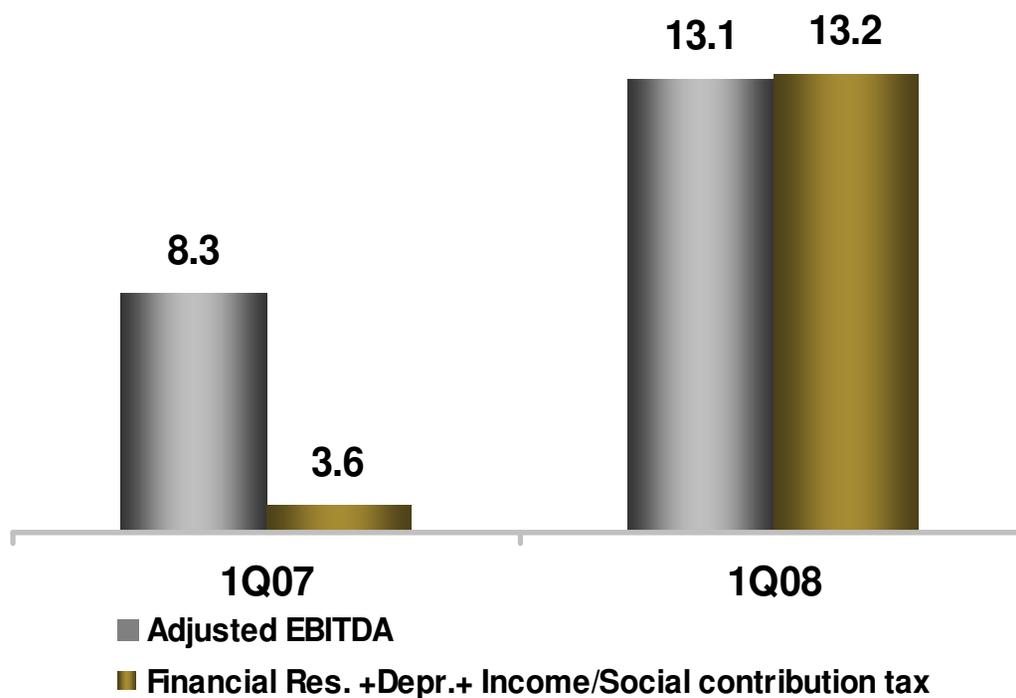
Services			
		1Q08	△
R\$ million		%	1Q08/1Q07
Parking	2.1	70.8%	39.1%
Energy	0.6	19.5%	(43.1)%
Water	0.2	6.4%	32.2%
Management	0.1	3.3%	257.6%

# NOI x Adjusted EBITDA



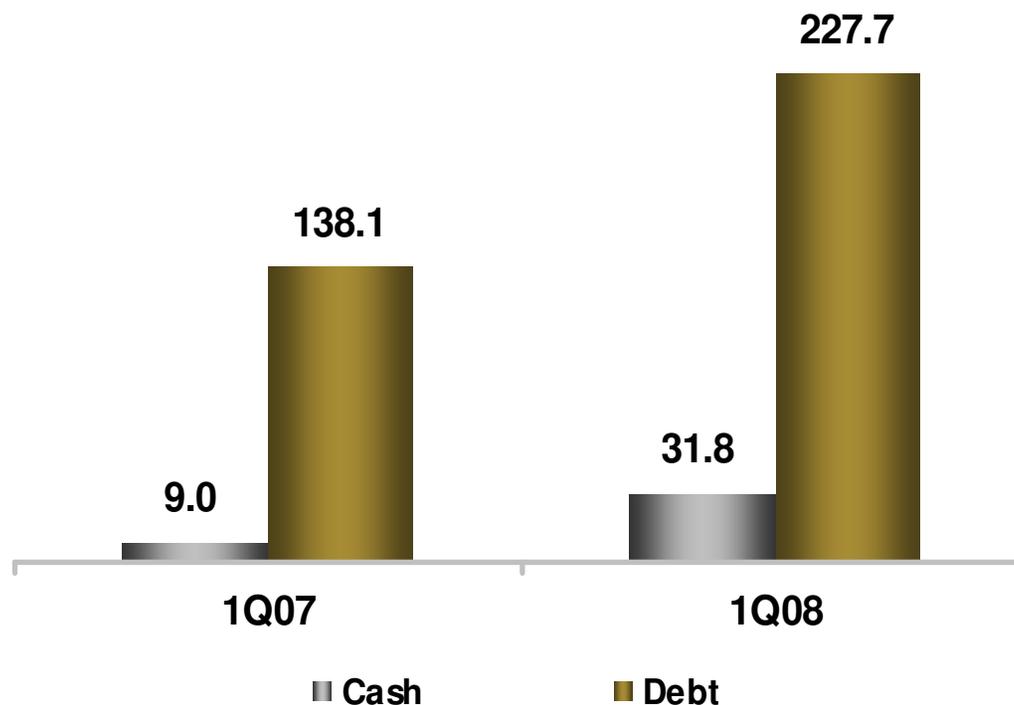
R\$ million	1Q07		1Q08	
		% (Net Rev)		% (Net Rev)
Cash Cogs	1.9	18.0%	3.1	17.2%
Expenses	0.5	5.0%	1.9	10.5%

# Adjusted Net Income x Adjusted FFO



R\$ million	1Q07		1Q08	
		% (Net Rev)		% (Net Rev)
Adjusted Net Income	4.7	44.0%	(0.1)	(0.6)%
Adjusted FFO	7.2	66.9%	3.6	19.8%

# Cash x Debt



Amortization Schedule					
R\$ million	2008	2009	After 2009	Total	%
<b>BNDES</b>	7.4	88.0	19.3	114.7	50.4%
<b>Other Banks</b>	93.6	3.7	0.0	97.3	42.8%
<b>CCI</b>	1.9	2.5	11.3	15.7	6.8%
<b>Total</b>	102.9	94.3	30.5	227.7	100.0%

# Key Takeaways

- ✓ Market-driven company with retail approach
- ✓ B and C consumption classes as target market
- ✓ Innovative complementary services
- ✓ Innovative shopping center operations and themes

## GSB INVESTOR RELATIONS

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