




# Conference Call – 4Q07

## General Shopping Brasil

February 2008



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# Agenda



Highlights

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Sector Overview

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Company Overview

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Financial Highlights

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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 m<sup>2</sup>
  - Own GLA: 171,576 m<sup>2</sup>
  - Complementary services activities
  - 4T07 financial highlights
    - Gross revenue: +61.2%
    - Adjusted EBITDA: +134.2%
  - 2007 EBITDA margin: 72.2%
  - Focus on serving the B and C consumption classes
  - These classes represent approximately 66% of the total consumption in Brazil

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



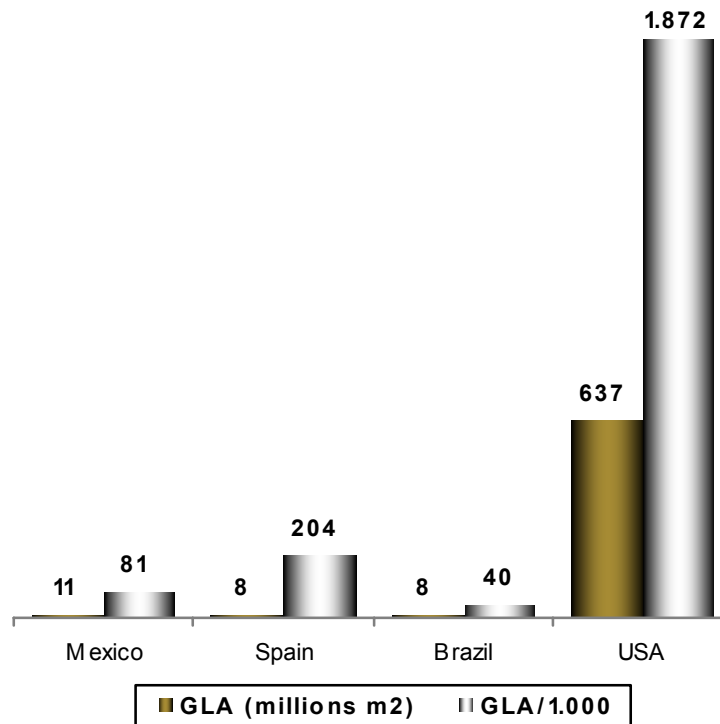


## Sector Overview



# 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

**The Brazilian Shopping Center Sector Presents Ample Room for Growth**

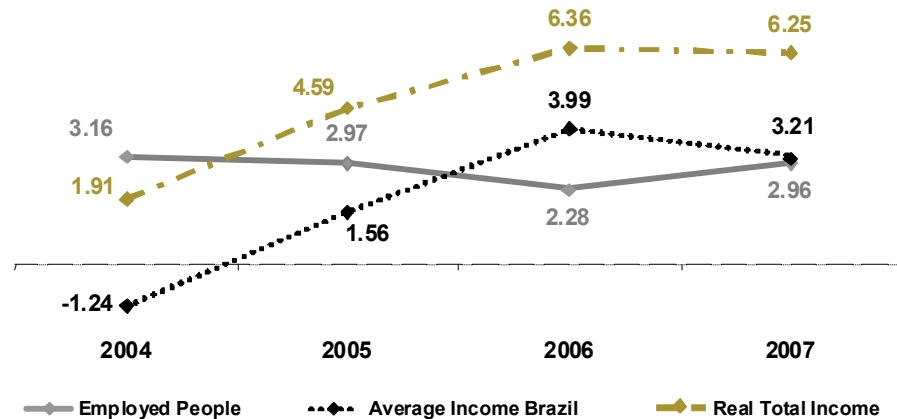
Source: ABRASCE  
<sup>(1)</sup> Excludes car sales

# Favorable Macroeconomics

## Revenues of Shopping Center market in Brazil <sup>(1)</sup>

	Revenues (R\$ billions)	Growth	IPCA	Real Growth of GDP
2000	23.0	—	6.0%	4.4%
2001	25.3	10.0%	7.7%	1.3%
2002	27.9	10.3%	12.5%	1.9%
2003	31.6	13.3%	9.3%	1.2%
2004	36.6	15.8%	7.6%	5.7%
2005	40.0	9.3%	5.7%	2.9%
2006	44.0	10.0%	3.1%	3.7%

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

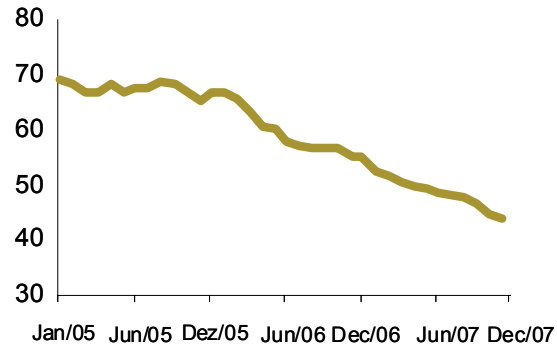


<sup>(1)</sup> Source: GSB and Bacen

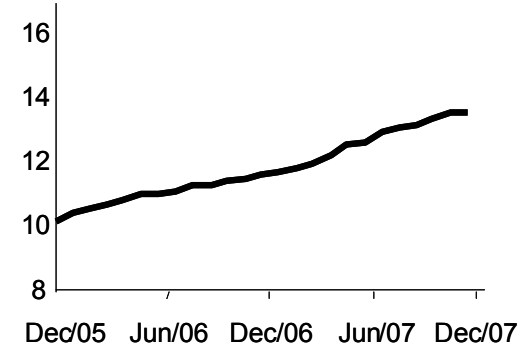
# Economic Data

## Credit and Interest rate <sup>(1)</sup>

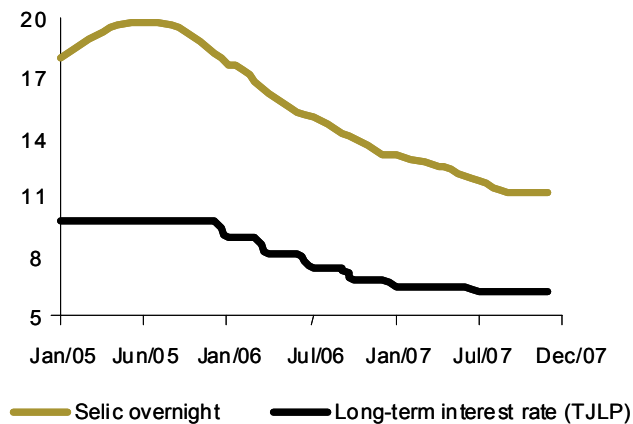
Personal Loan Interest (% p.y.)  
Jan/05 to Dec/07



Financial System Credit  
Operations(% GDP)  
Dec/05 to Dec/07



Interest Rates (% p.y.)  
Jan/05 to Dec/07





# Retail Sector Growth in November/07

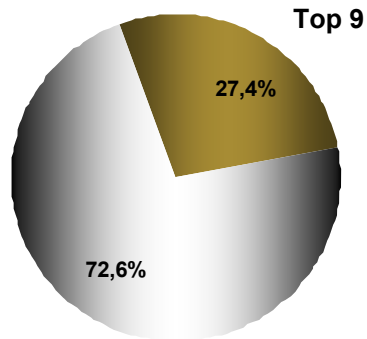


Activities	Accumulated (%)	
	Jan-Nov	12 months
Supermarkets and hypermarkets	6,9	6,9
Fabrics, clothing and footwear	10,8	9,3
Furniture and white/durable goods	16,0	14,7
Pharmaceutical, medical, orthopedic and cosmetics products	8,6	8,0
Office supplies and equipment, personal computers and telecom	27,9	26,8
Books, newspapers, magazines and stationery	7,1	6,2
Other personal and domestic products	22,4	21,5
Vehicles, motorcycles and autoparts	23.4	19.5

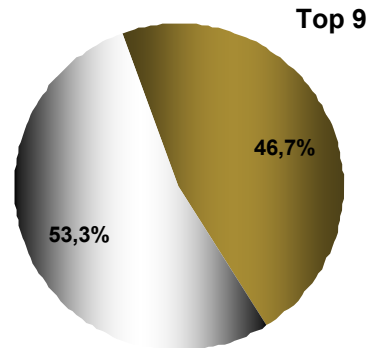
Source: GSB e IDV

# Fragmented Sector

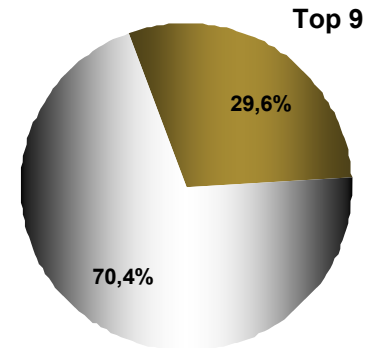
Top 9 – own GLA (%)



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**

(1) Source: Santander Investment - Sector report – Dec/07



# Company Overview



# General Shopping Brasil at-a-Glance



Shopping Center	Interest	Total GLA	Own GLA
Internacional Shopping	100.0%	72,958	72,958
Santana Parque Shopping	50.0%	26,538	13,269
Shopping do Vale	84.4%	16,487	13,913
Shopping Light	50.1%	14,140	7,092
Suzano Shopping	100.0%	13,120	13,120
Auto Shopping	100.0%	11,477	11,477
Americanas Prudente	100.0%	10,276	10,276
Unimart Shopping	100.0%	10,233	10,233
Cascavel JL Shopping	85.5%	8,877	7,590
Top Center	100.0%	6,166	6,166
Poli Shopping	50.0%	4,527	2,264
Americanas Osasco	100.0%	3,218	3,218
	86.7%	198,017	171,576
Greenfield	Interest	Total GLA	Own GLA
Convention Center	100.0%	25,730	25,730
Sulacap	90.0%	32,000	28,800
São Bernardo Project	50.0%	30,000	15,000
Barueri Project	96.0%	25,000	24,000
Itupeva Project <sup>(1)</sup>	50.0%	17,357	8,679
	78.6%	130,087	102,209

<sup>(1)</sup> Considering additional call of 20.0% stake

# Competitive Advantages

- Majority ownership interest
- Close relationship with store owners and retail intelligence
- Well defined growth strategy
- Diversified portfolio comprised of high quality assets
- Innovative malls and services
- Experienced management team





# Diversified Growth Strategy

## CONSOLIDATION

- Acquisition of shopping centers

## GREENFIELDS

- Conception and development of new shopping centers

## EXPANSION

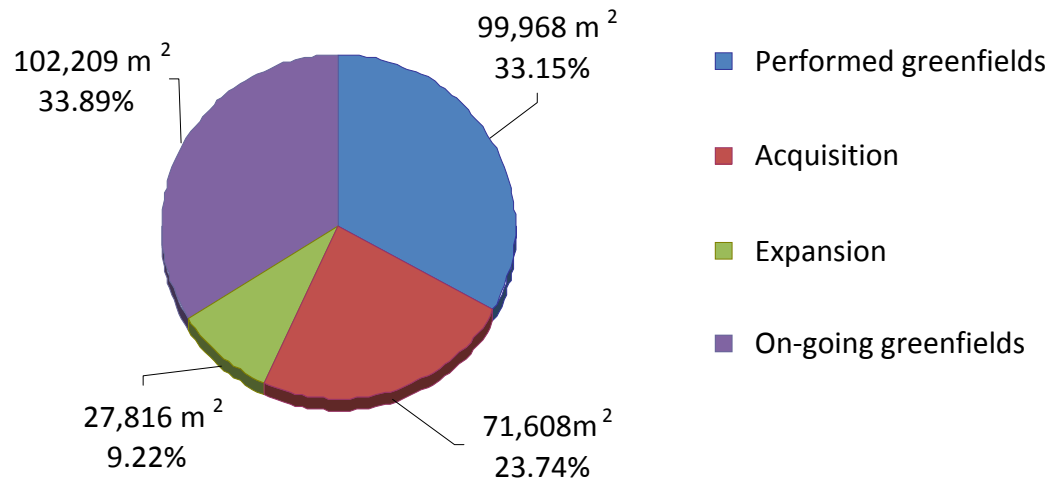
- Increase ownership interest in assets
- GLA expansion in the existing portfolio
- Implementation of mixed-use projects → Synergies + Profitability

## TURN AROUND

- Control of the tenant mix
- Innovation in complementary services



# Diversified Growth Strategy



# Case Suzano



## Suzano Shopping

- **Type:** acquisition
- **Interest:** 100%
- **% of B and C consumption classes:** 86%
- **Public comprised (inhabitants):** 445 thousands
- **Demand potential (per year):** R\$ 976 millions
- **Description:** Strong growth potential (aprox. 50%). Region comprises 4 cities with strong demand potential (Itaquaquetuba, Poá and Ferraz de Vasconcelos). Lack of large brands in region.

# Case Cascavel



## Cascavel JL Shopping

- **Type:** acquisition
- **Interest:** 85,5%
- **% of B and C consumption classes:** 76%
- **Public comprised (inhabitants):** 291 thousands
- **Demand potential (per year):** R\$ 1,15 billion
- **Description:** Sole shopping center in city.

# Case TOP



## TOP Center Shopping São Paulo

- **Type:** acquisition
- **Interest:** 100%
- **% of B and C consumption classes:** 83%
- **Public comprised (inhabitants):** 469 thousands
- **Demand potential (per year):** R\$ 2,1 billions
- **Description:** Located in the main financial avenue of São Paulo. Potential of GLA increase through internal mix reorganization.



# Case Osasco



## Shopping Americanas Osasco

- **Type:** acquisition
- **Interest:** 100%
- **% of B and C consumption classes:** 87%
- **Public comprised (inhabitants):** 615 thousands
- **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.

# Case Prudente



## Shopping Americanas Presidente Prudente

- **Type:** acquisition
- **Interest:** 100%
- **% of B and C consumption classes:** 85%
- **Public comprised (inhabitants):** 210 thousands
- **Demand potential (per year):** R\$ 998 millions
- **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.

# Case Vale



## Shopping do Vale

- **Type:** acquisition
- **Interest:** 84,4%
- **% of B and C consumption classes:** 70%
- **Public comprised (inhabitants):** 376 thousands
- **Demand potential (per year):** R\$ 535 millions
- **Description:** located between Cachoeirinha and Gravataí counties boarder, cities with highest growth rates of south state Rio Grande do Sul. Growth potential through increase and reorganization of stores and leisure mix.

# Case Unimart



## Shopping Unimart

- **Type:** acquisition
- **Interest:** 100%
- **% of B and C consumption classes:** 90%
- **Public comprised (inhabitants):** 410 thousands
- **Demand potential (per year):** R\$ 3 billions
- **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 São Bernardo



## São Bernardo Project

- **Type:** greenfield
- **Interest:** 50%
- **% of B and C consumption classes:** 72%
- **Public comprised (inhabitants):** 681 thousands
- **Demand potential (per year):** R\$ 3,95 billions
- **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 e Hipermercado.



# Case Barueri



## Barueri Project

- **Type:** greenfield
- **Interest:** 96%
- **% of B and C consumption classes:**
- **Public comprised (inhabitants):** 643 thousands
- **Demand potential (per year):** R\$ 2,46 billions
- **Description:** First Shopping Center downtown city (8th GDP of Brazil). High demand potential and low retail offer.

# Case Outlet

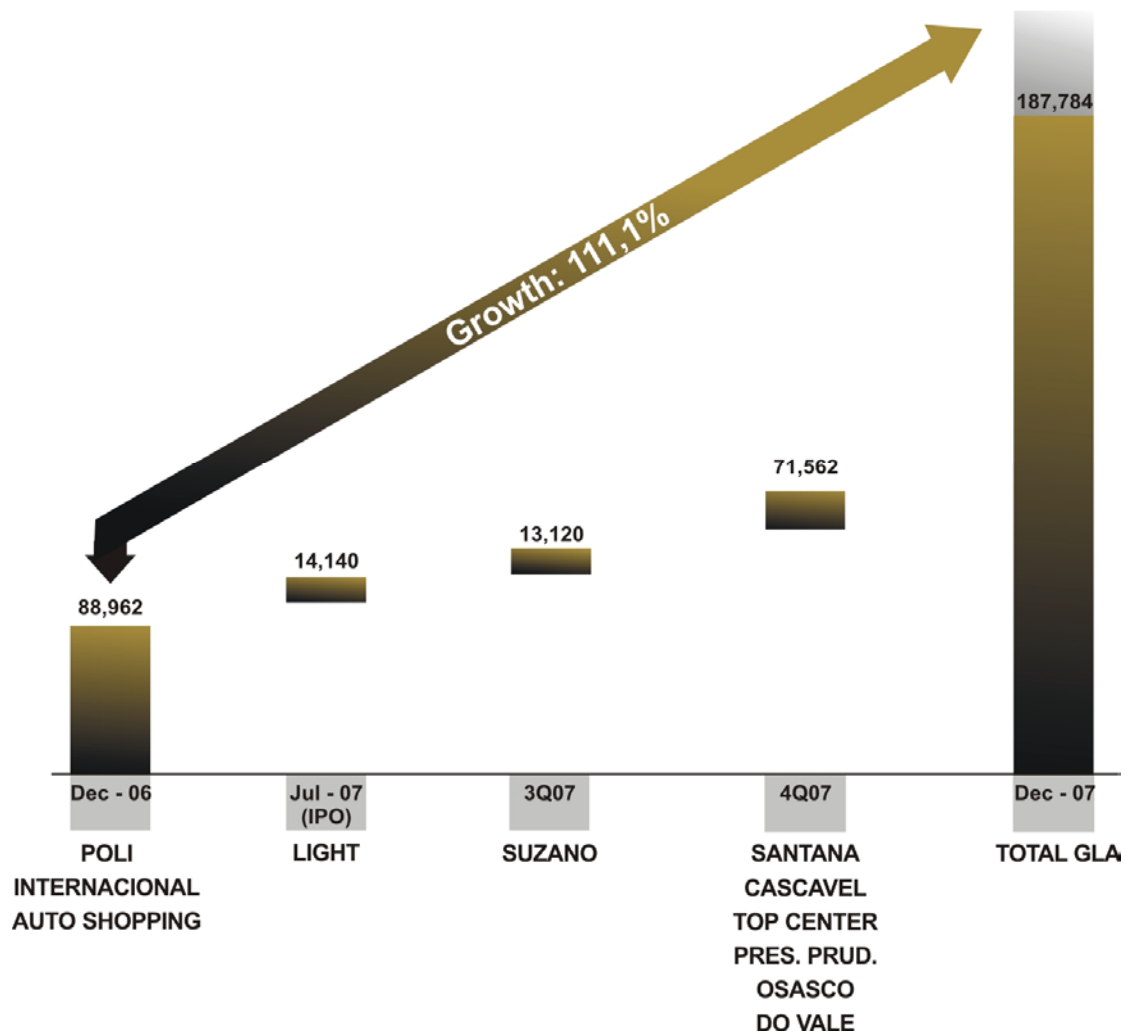


## Projeto Outlet

- **Type:** greenfield
- **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.

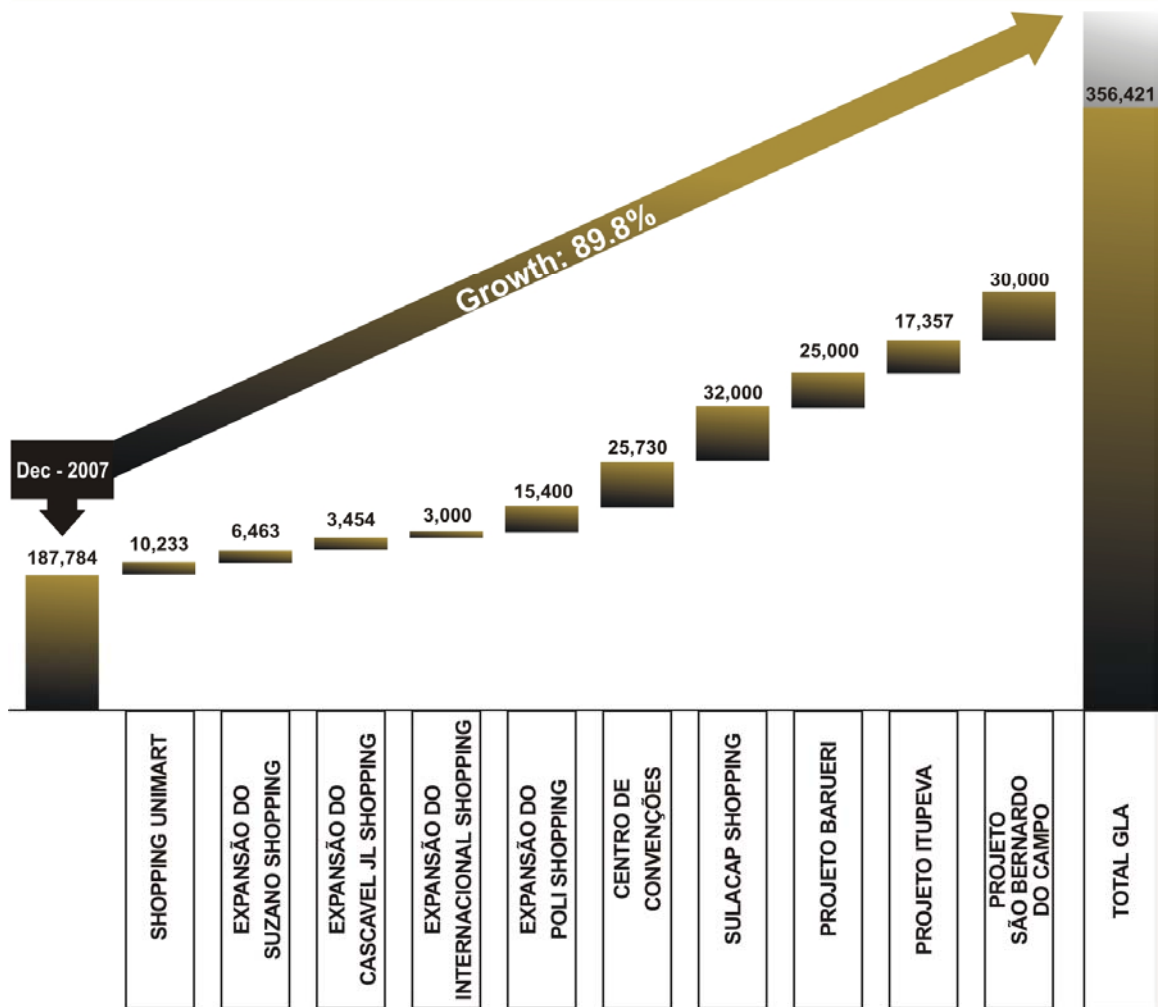
# Portfolio

## Current Portfolio - Total GLA Evolution (m<sup>2</sup>)



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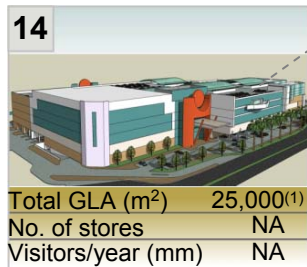
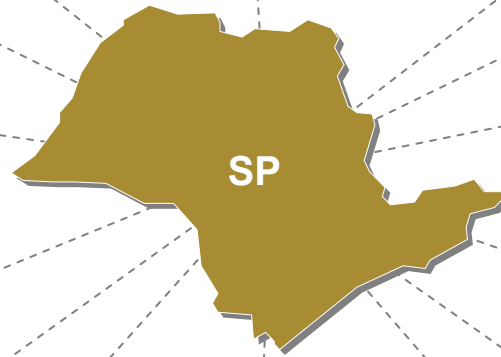




# Dominant Player in São Paulo



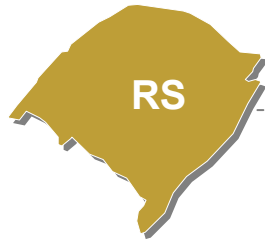
**São Paulo state**  
30,9% of GDP  
32,6% of retail market



<sup>(1)</sup> Estimated



# Focus on the Southeastern and Southern Regions



**10**



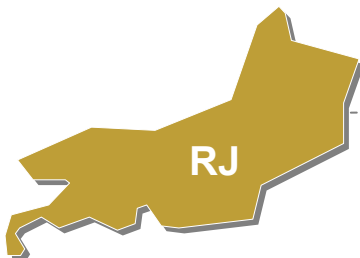
Total GLA (m <sup>2</sup> )	16,487
No. of stores	94
Visitors/year (mm)	2.0




**11**



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

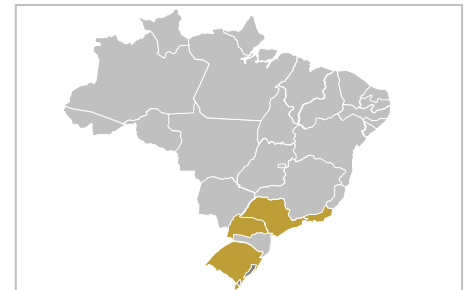


**15**



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

<sup>(1)</sup> Estimated



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 Shopping
15. Sulacap Shopping
16. Itupeva Shopping
17. São Bernardo Shopping

# Increasing Complementary Services Activities



## Complementary Services Activities

	ISG	Auto	Poli	Light	Santana	Suzano	Cascavel	Americ. Pres. Prudente	Americ. Osasco	Top Center	Do Vale	Unimart
Parking	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Water	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Energy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- ☒ Services currently provided to the mall
- ☒ Service rendering potential/on implementation
- ☒ \* Partial

Complementary services activities present high margins, strong growth potential and diversify the Company's revenues

# Sustainability

- Use of energy sources approved by the federal government's Alternative Electric Energy Sources Incentive Program
- Water supply management
  - Reuse for air-conditioning, gardens and bathrooms
  - Licensed wells
- Waste recycling
- Fluorescent lamp recycling
- Natural lighting in architecture projects
- Reforesting programs



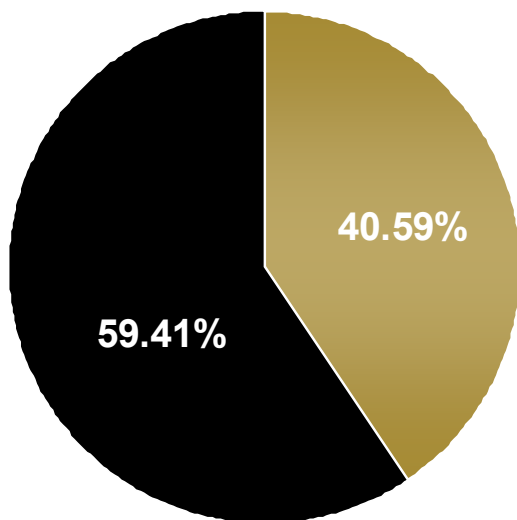
# Awards

- Alshop<sup>(1)</sup> Visa award 2007 – renovation/expansion
- Alshop<sup>(1)</sup> Visa award 2003 – best social marketing activities
- Alshop<sup>(1)</sup> Visa award 2003 – outstanding professionals
- SENAC-SP<sup>(2)</sup> award – for engagement in community services

<sup>(1)</sup> Shopping centers and retailers association

<sup>(2)</sup> Retailers and social services foundation

# Shareholders



■ Free float ■ Controlling Stake

	No. shares
Controlling shareholder	29.990.000
Free float	20.490.600
Total	50.480.600

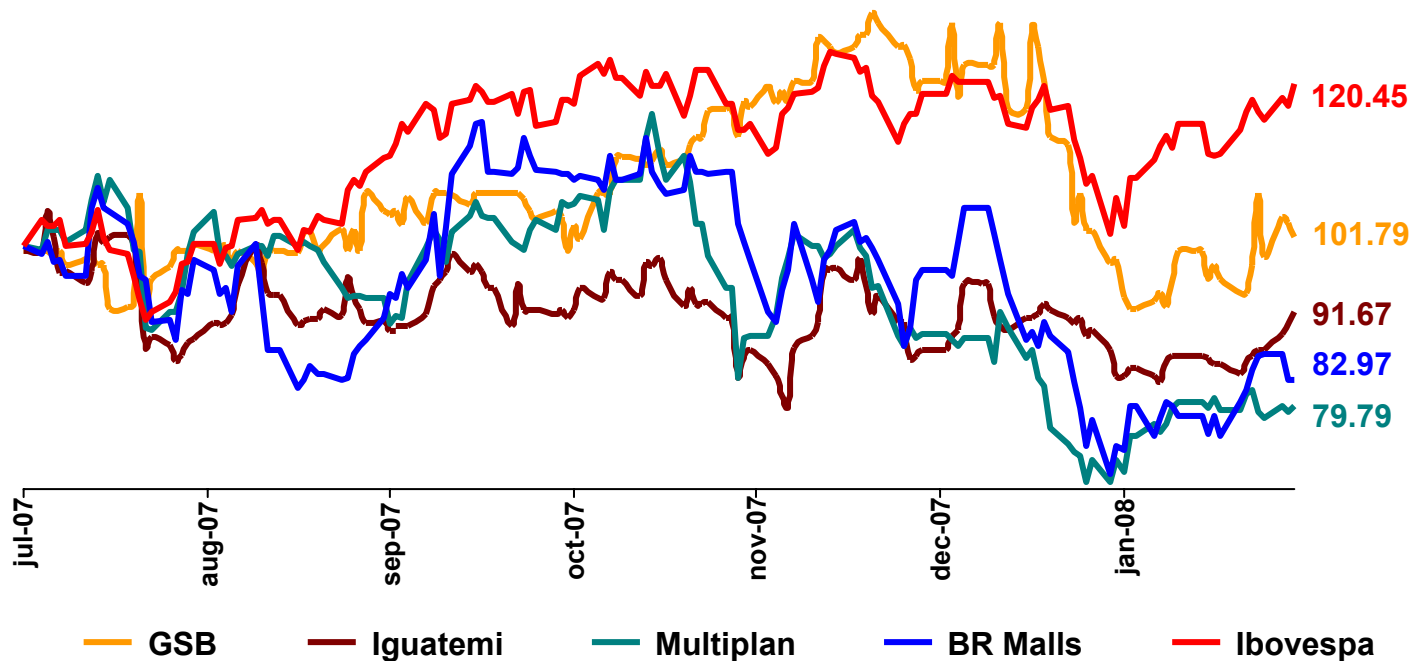
Market-making activities (through broker Ágora Senior) since October/07





# Stock market performance

Base 100 - 07/27/2007 to 02/20/2008



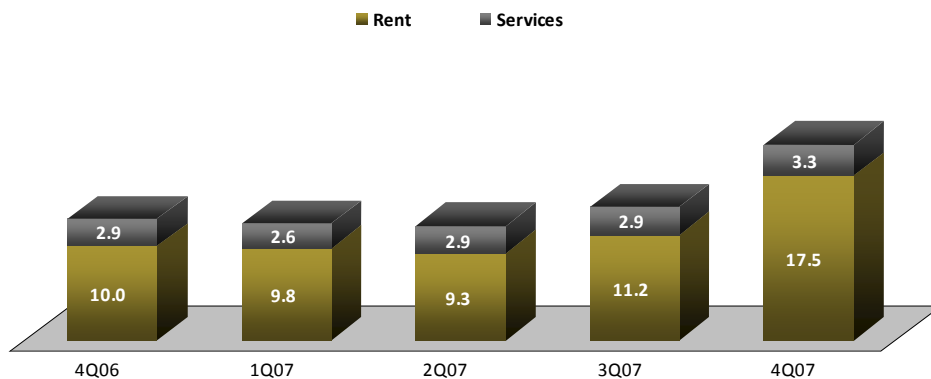


# Financial Performance



# Gross Revenues

Quarterly Revenues Evolution (R\$ millions)



▪ Gross revenues growth in 4Q07, 61,2%

– Services: 13.8%

– Rent: 75.4%

• 36.0% Rent own GLA

• 29.6% Acquisitions 3Q07

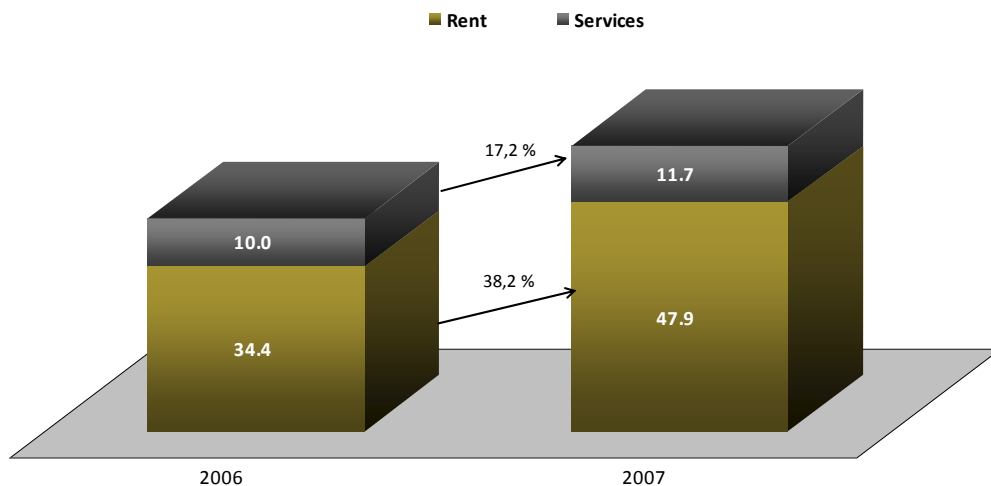
• 34.4% Acquisitions 4T07

• Growth 2007 de 34.2%

– Services: 17.2%

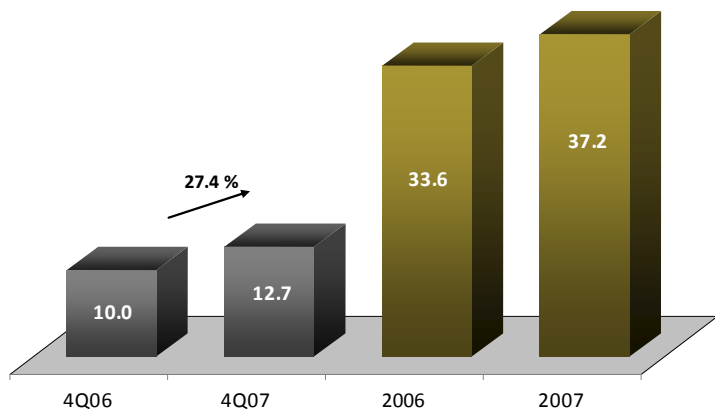
– Rent: 39.0%

Annual Revenues Evolution (R\$ millions)



# Rent Revenues

Same Store Revenues (R\$ millions)

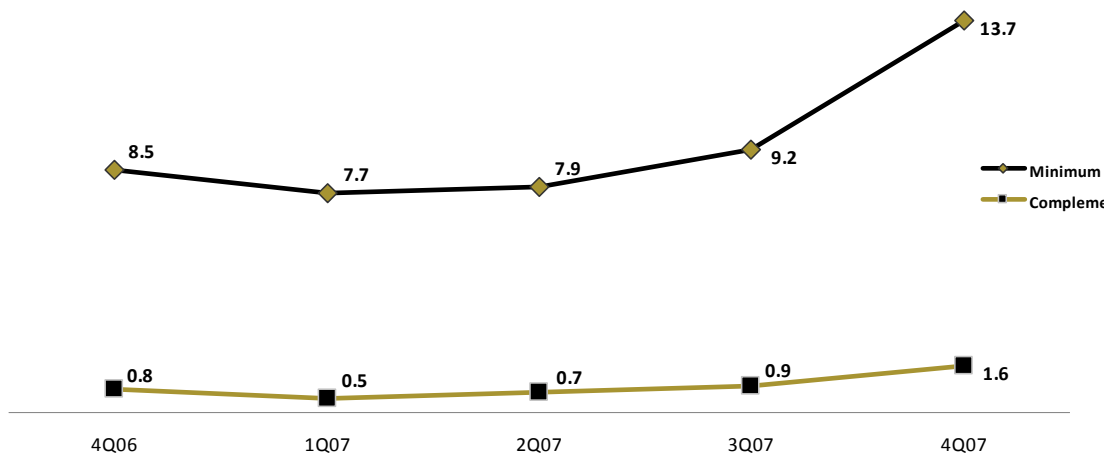


▪ Same Store Rent growth of 27,4% in 4Q07 and 10,8% in 2007

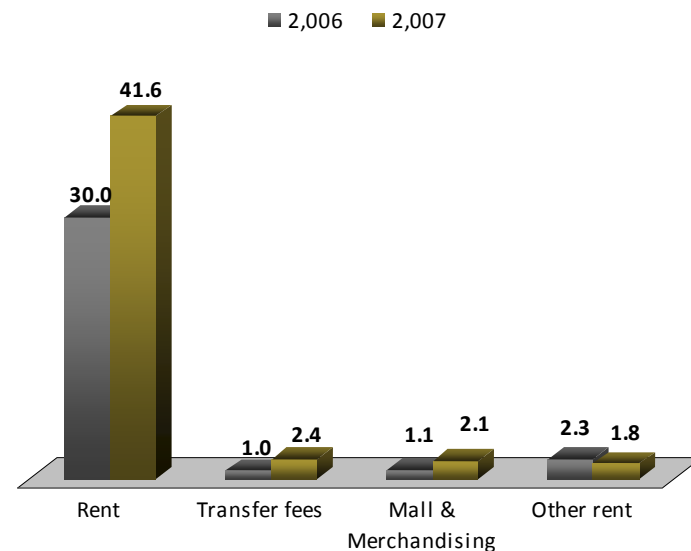
▪ Rent revenues breakdown in 2007: 90.6% rent, 4.9% transfer fees and e 4.5% mall/merchandise

▪ 89,5% minimum rent and 10.5% complementary rent in 2007

Quarterly Rent Revenues Evolution (R\$ millions)



Rent Revenues Evolution (R\$ millions)

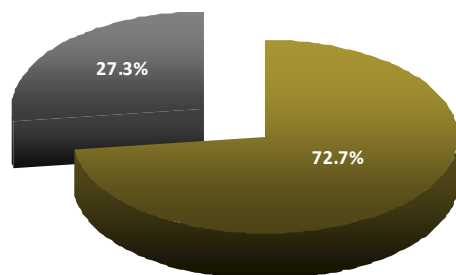


# Revenues from projects

Rent Revenues 4Q07

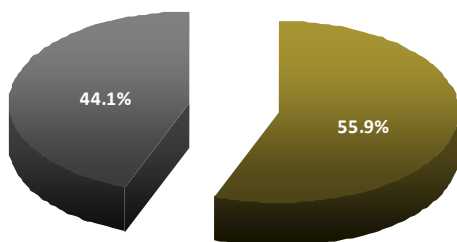
■ Pre IPO projects

■ New projects



- Interest of 72.7% of pre IPO projects and 27.3% of new projects
  - Santana 68 days
  - Osasco 45 days
  - Prudente 45 days
  - Vale 30 days
  - Cascavel 30 days

GLA - 12/31/2007



■ Pre IPO projects

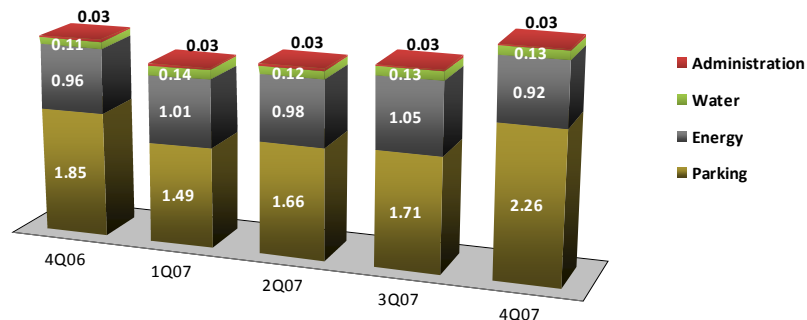
■ New projects

- Pre IPO projects GLA of 86.7 mil m<sup>2</sup> and new projects of 68.5 mil m<sup>2</sup>
- TOP Center e Unimart not included



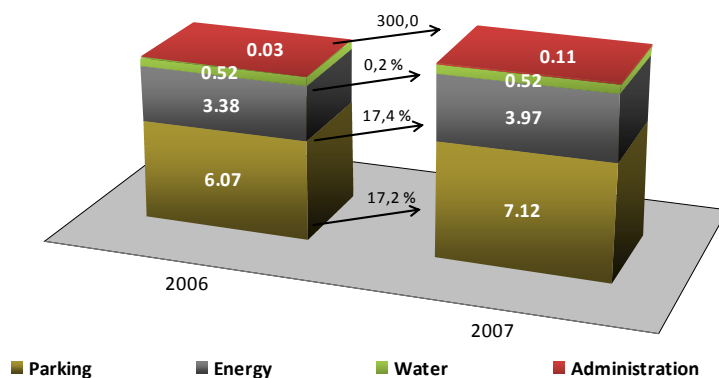
# Services Revenues

Quarterly Services Revenues Evolution (R\$ millions)

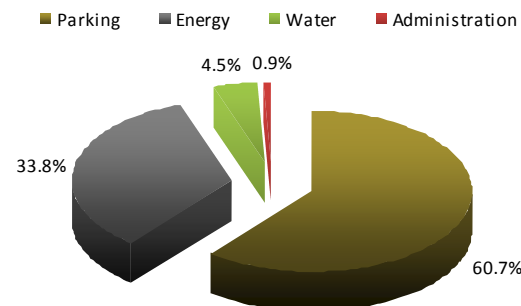


- 4Q07 growth of 37.9% and 11.7% in 2007
  - Parking 21.7% in 4Q07 and 17.2 in 2007
- Services revenues breakdown in 4Q07
  - Parking 60.7%
  - Energy 33.8%
  - Water 4.5%
  - Administration 0.9%
- Administration exclusively in own projects

Annual Services Revenues Evolution (R\$ millions)

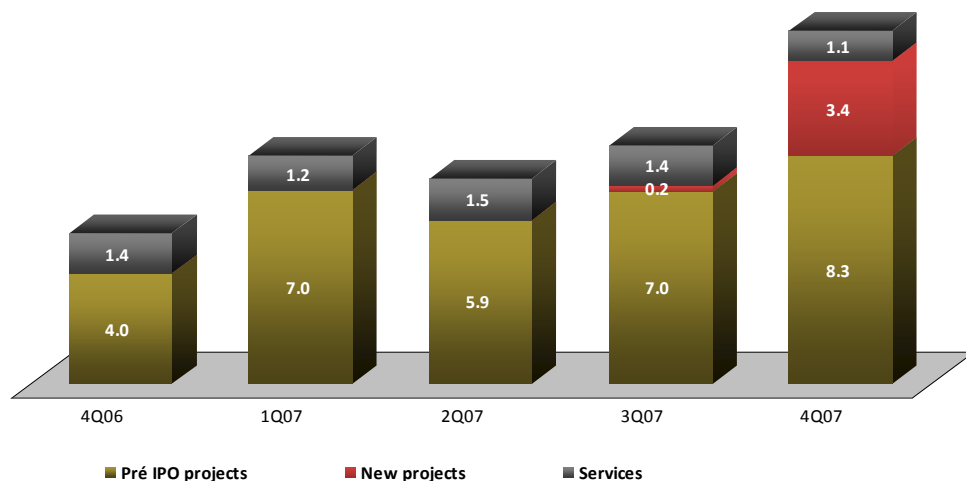


Services Revenues 2007

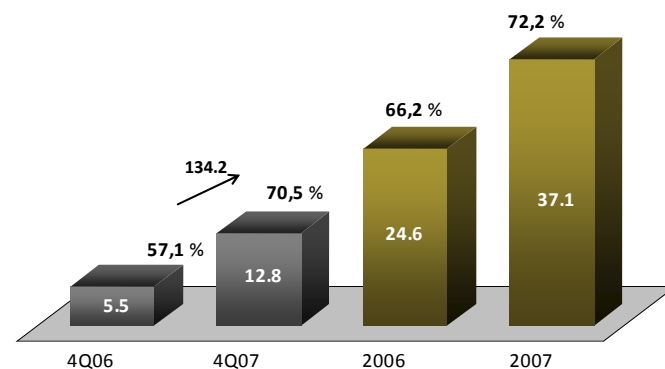


# EBITDA Ajustado

Quarterly Adjusted EBITDA Evolution (R\$ millions)

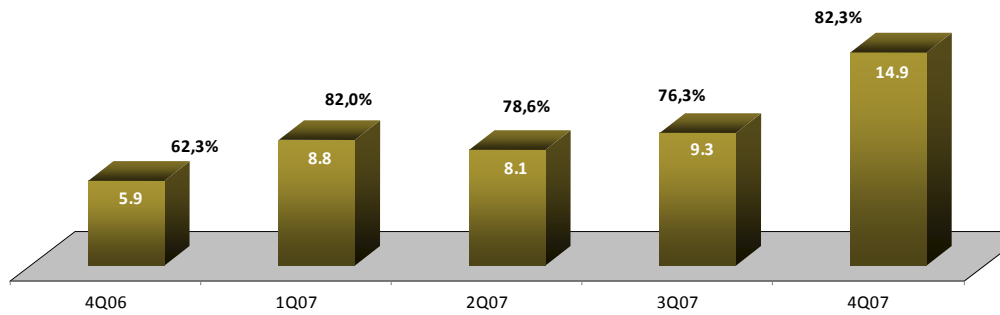


Adjusted EBITDA (R\$ millions)

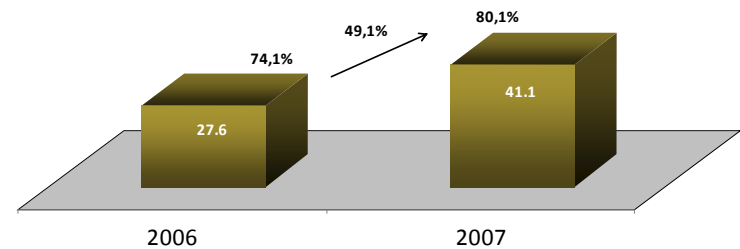


- EBITDA 4Q07: R\$ 12.8 MM
- 4Q06 growth rate: 134.2%
- 2007 EBITDA: R\$ 37.1 MM
- EBITDA margin 2007: 72.2%
- 2007 growth: 50.5%
- New projects participation in 4Q07 EBITDA: 26.6%

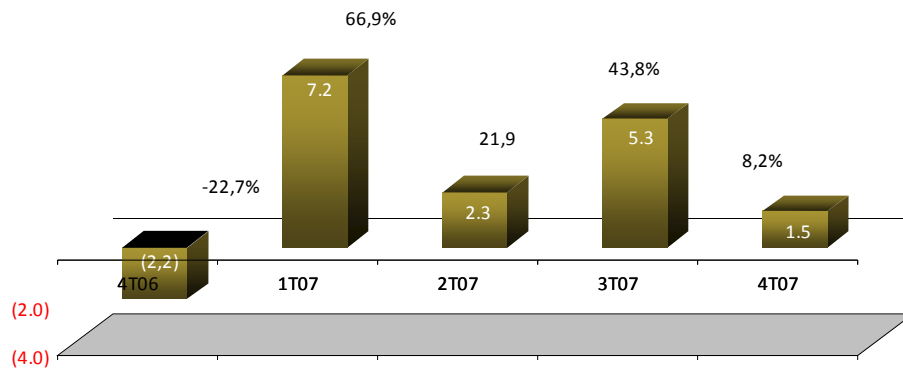
NOI (R\$ millions)



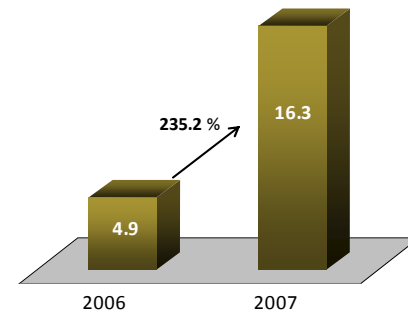
NOI (R\$ milhões)



FFO Ajustado (R\$ millions)

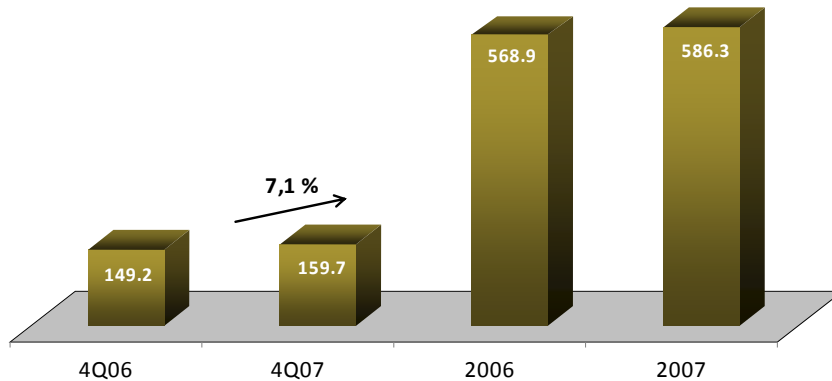


Adjusted FFO (R\$ millions)

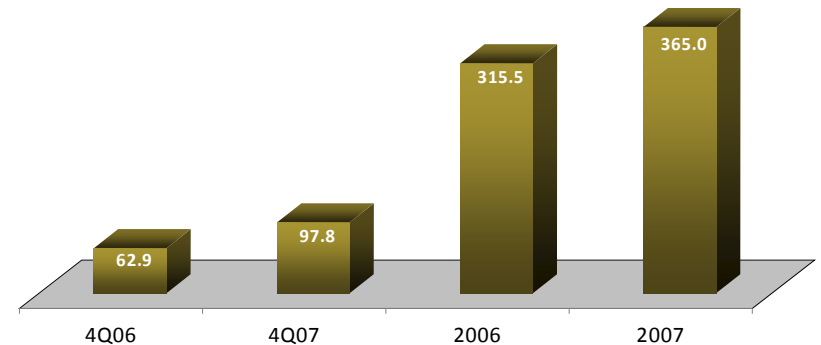


# Performance

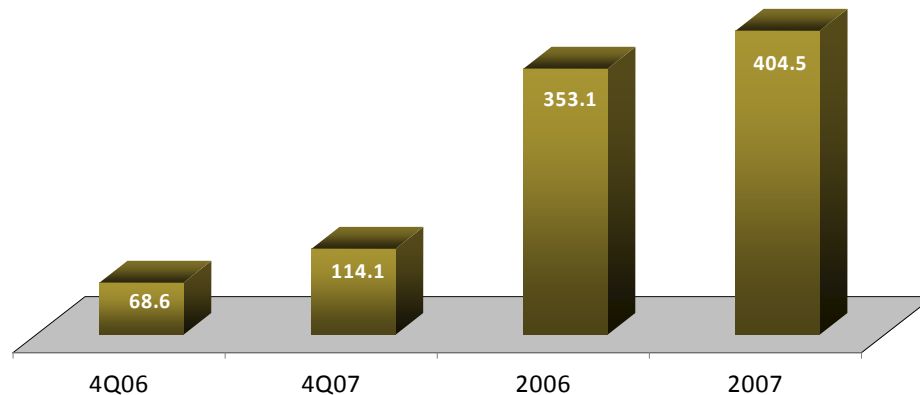
Gross Revenues per m<sup>2</sup>



Ebitda per m<sup>2</sup>



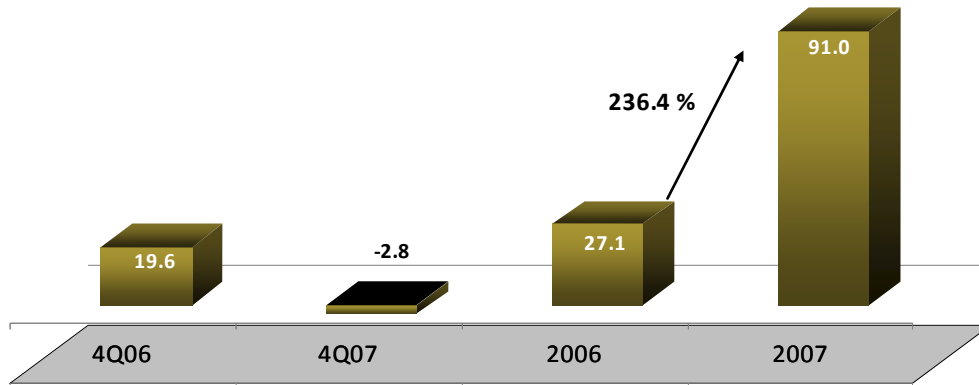
NOI per m<sup>2</sup>



- Gross revenues growth of 7.0% in 4Q07 and 3.0% in 2007
- NOI margin de 82.3% no 4Q07 and 80.0% in 2007
- EBITDA growth of 55.5% in 4Q07 and 15.7% in 2007

# Performance

Adjusted Net Earnings per m<sup>2</sup>



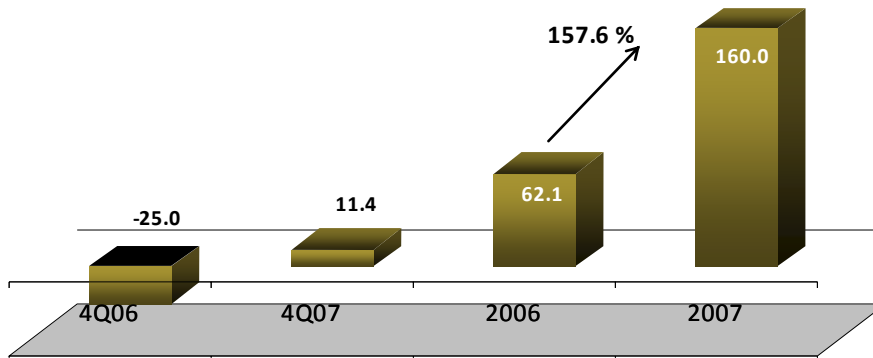
Growth of 236.4% in net earnings in 2007

Net earnings margin of 18.0% in 2007

Growth of 157.6% in adjusted FFO

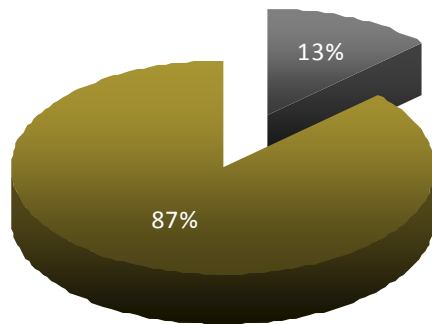
FFO margin of 31.7% in 2007

Adjusted FFO per m<sup>2</sup>





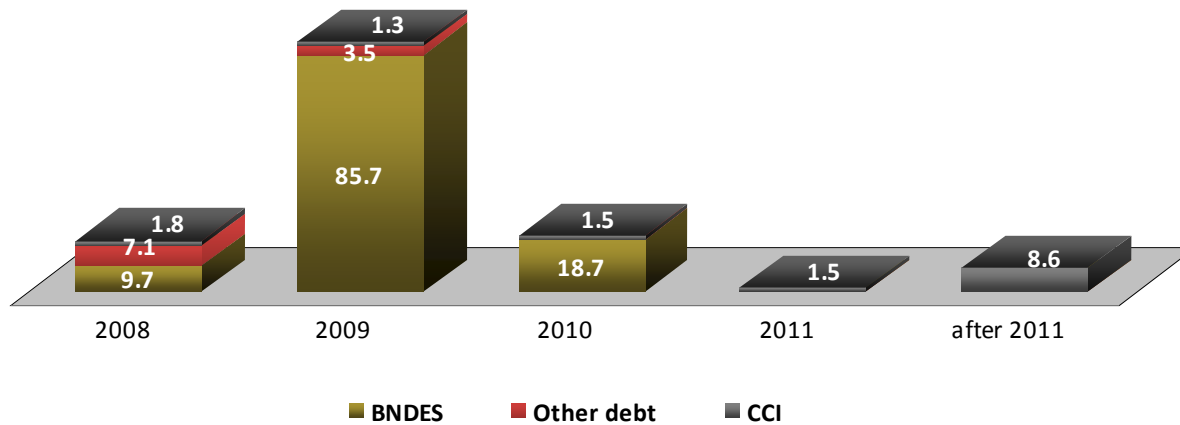
# Indebtness



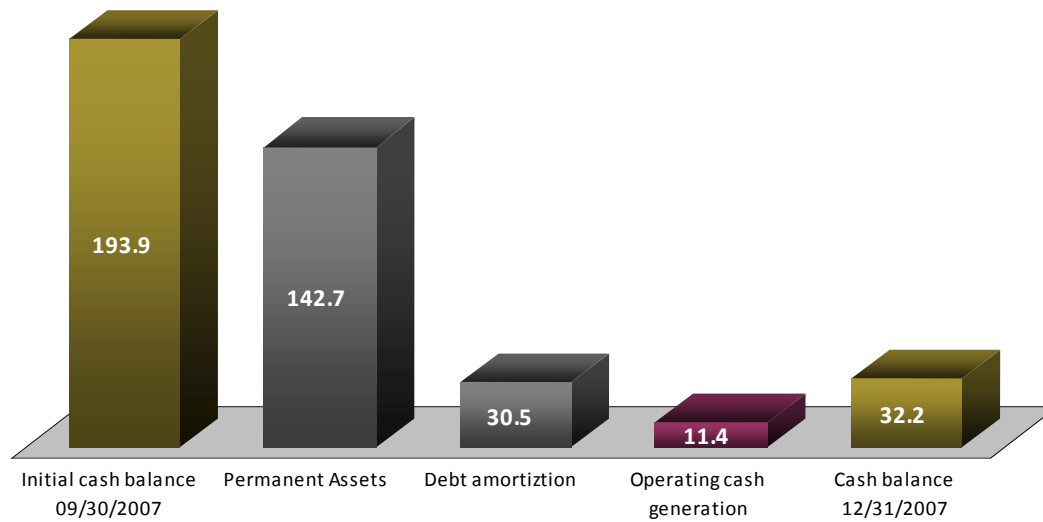
■ Short term   ■ Long term

- Total debt R\$ 140,3 MM
- 87% long term
- BNDES represents 81.4% of total

Amortization Timeline (R\$ million)



## Cash Evolution 4Q07



- Cash generation of R\$ 11,4 MM
- 63.0% of net revenues
- Acquisitions amounted R\$ 87.0 MM
- Green Fields amounted R\$ 55.7 MM
- Cash balance in 12/31/2007: R\$ 32.2 MM

# 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



# Contacts

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