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## Conference Call

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## TGLT announces results for 4Q'12

**Buenos Aires, March 11, 2013 – TGLT S.A. (Buenos Aires Stock Exchange:TGLT; BM&FBOVESPA:TGLT11; USOTC:TGLTY)** today reported financial results for the period ended December 31, 2012. Except where stated otherwise, the financial and operating information is presented in accordance with International Financial Reporting Standards, in practice in Argentina, and is denominated in Argentine pesos.

## 2012 Highlights

- In spite of a very challenging environment and a contracting industry in 2012, TGLT delivered solid growth and record sales: contracted sales for the quarter totaled \$160.3M, up 50% vs 4Q'11. FY contracted sales totaled \$526M, +22% vs. 2011
- In terms of units, FY units sold grew 8% year over year, and 24% excluding swap sales related to land acquisitions
- TGLT quickly adapted to a volatile and fast changing environment: shifted pricing mechanisms to protect for construction inflation, focused on operational efficiency, strengthened our team and systems, adjusted our SG&A with aggressive cost-out actions and focused on protecting our long term franchise and cash position
- New pricing strategy allowed us to realize incremental pricing. Average selling prices increased 105% vs. 4Q'11 (strong sales at Forum Alcorta, our most premium project) and 18% FY, driven by higher pricing and inflation, partially offset by mix (as our Astor brand, positioned below Forum, gained relevance)
- Positive customer feedback to our new sales strategy and marketing campaign: record traffic at our Astor showrooms
- Cash-burn improved 23% vs. 2011 and increased cash management focus continuing into 2013
- As previously mentioned, we successfully placed our first bond in the local markets, for a total of \$59M, expanding our funding sources
- Given market conditions, we postponed several launches scheduled for 2013, following a more conservative strategy to ensure success
- Achieved 91% construction progress in Forum Puerto which has been our biggest drag to our financial performance and will be behind us in 2013 and beyond
- Our financial statements reflect a FY non cash impairment of Goodwill of \$32M and a depreciation of inventories of \$72M, significantly hampering our Net Income.

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## 2013 Perspectives

- We start 2013 with a strong and prime location land bank, a leaner, more focused organization and a clear strategy: cash preservation and operational excellence
- Reiterating our 2013 launch guidance: planning to get back on track with our growth plan, expecting to launch US\$280M in 2013, with most of it already in our portfolio
- Continued focus on capital efficiency. TGLT will privilege land swaps and develop commercial properties leveraging on the ample local liquidity willing to invest in real estate assets

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## Message from the CEO

### The worst of 2012 is behind us

2012 was the worst year for TGLT since the very beginning of its operations. Drastic changes in demand conditions came together – specially a strong deceleration of certain sectors of the demand and the demise of US dollars as the currency of denomination for real estate – along with a compression of margins, as a result of many years of inflation affecting construction costs and outpacing the increase in US dollar-denominated prices for real estate. This effect was particularly harsh in Forum Puerto Norte, that was almost entirely sold within the 2007 - 2010 period.

The impact of these market conditions on TGLT was profound, and the measures taken were conclusive:

- **Sales** – as we noted a strong retraction in real estate demand, we switched our commercial policy and started selling almost entirely in pesos, allowing us to maintain our sales level – reaching a total of \$526M – and eliminating at the same time the currency mismatch coming from having revenues in US dollars and outflows in pesos, as it was the case before 2012.
- **Launches** – we believed conditions were not favorable to launch new projects, so we significantly reduced our launches to US\$ 48.1M.
- **Construction** – we thoroughly reviewed our costs and cash outflows for all our ongoing projects, seeking to ensure that each project or stage of a project has all the resources needed to sustain the committed construction pace. On some cases – such as Forum Puerto Norte – contract terms and conditions were renegotiated in order to update construction dates and due to unexpected circumstances.
- **SG&A** – we also restructured our organization to adapt it to these new market conditions and to strengthen the key areas (Commercial and Construction & Procurement). Staff was reduced and some hires expected for 2013 were also eliminated. We have also renegotiated conditions with advisors and suppliers. This process, put in place in February this year, will deliver savings in structure costs for about \$8M for 2013, compared to 2012.

Our financial statements for 2012 naturally reflect the suffering the business has gone through as a result of the aforementioned, alongside with other factors that, despite not having a financial impact, accounting standards oblige us to show in a less optimistic way.

### And the best of 2012 remains with us

During 2012, nevertheless, we achieved some important goals in the process of transforming TGLT into the leading company of the real estate industry:

- **Positioning** – in a strongly contracted market, the first thing that takes place is the disappearance of the opportunistic players. Projects with low differentiation and high competition tend to lose sales more rapidly than those that offer privileged locations and have designs and qualities that make a difference. In this context, TGLT managed to solidify its position in the market, with a constant and visible presence.
- **Organization** – since the beginning of TGLT, the search for the best management team in the industry has been one of TGLT's main goals, and during 2012 we continued incorporating some of the best professionals in the market. We strengthened our commercial team and hired top-notch project managers. It is also worth mentioning that some of the leadership positions have been filled by internal promotions. Having people from our own staff covering management positions is a remarkable accomplishment. During 2012, we also implemented a world-class ERP, that now supports all back office processes, and will shortly support front office processes as well (CRM and Project management).
- **Uruguay** – we opened our office in Uruguay, being this our third one, and developed a local team that, with the support of our team in Buenos Aires, successfully launched Forum Puerto del Buceo, our first project in Uruguay. This project – due to its location, design and scale – is considered the most important one in Montevideo at the moment.
- **Corporate bonds** – we issued our first set of corporate bonds in the local capital market. This first placement was for \$59 million, out of a global program of US\$ 50 million that was approved by CNV. It is our intention to further TGLT's presence in the local capital market through different financial instruments.
- **PDG** – we continued developing our relationship with PDG, our strategic partner, that has constantly shown its commitment to TGLT, even in changes circumstances for them. We have developed an excellent relationship with PDG's new management. Carlos "Guga" Piani and Marco Kheirallah, CEO and CFO as of 2013, have joined TGLT's Board of Directors.

- **Construction progress** – construction in our ongoing projects recorded a strong progress. Forum Puerto Norte is already in its final stage – with final deliveries expected throughout 2013 – and Forum Alcorta is already at a 35% construction progress. Construction works in Astor Palermo have been resumed, after the Justice lifted the injunction, and the project has now sold 71% of its total units.

## Outlook for 2013

It is key for our company, in times when demand is changing, to maintain a cash position that is consistent with the current cycle of the business. Consequently, our priority for 2013 is cash preservation. This does not mean that TGLT will resign its position in the Argentine market, but it does mean we will be very conservative in setting commercial policies, launching decisions, cost control and setting efficiency levels on our corporate expenses. Our portfolio has important features for the purpose of generating cash:

- **Prime locations** – leading positions in each sub-market. Properties with these features are the ones that suffer the least in times of weakening demand.
- **Projects with stages** – our larger projects (over 15,000 m2) are split into separate stages, that are gradually launched according to demand requirements and generating construction obligations that are in line with contracted sales.
- **End user** – even when a significant portion of our customers are investors, our products are designed for end users, being this one a more stable segment than that of investors.

The main guidelines of our strategy for 2013 are:

- **Delivery** – during the second and third quarter of 2013 we will deliver almost 100% of the remaining units in Forum Puerto Norte and, towards the end of the year, we will start delivering units from the first tower of Forum Alcorta. The great majority of the sales generally leave a 10 to 30% of the price to be paid at delivery. Consequently, deliveries produce a great deal of free cash, since main cash outflows have ended, as construction has reached its end.
- **Launches** – our objective for 2013 is to regain the growth rate we set on our business plan at the time of the IPO. At that time, we were planning to launch US\$ 280M in 2012, but, given the aforementioned circumstances, we only launched US\$ 48M. Most of the gap (approximately 70%) can be covered by projects we already own, and so, we believe it is feasible to launch them during 2013, going back to the path we set in our IPO, one year later.
- **Land acquisition** – in order to achieve its launches objectives, TGLT needs to acquire land to develop approximately 25.000 sqm. We plan to acquire these lands through swap, that will not consume any cash during 2013.
- **Offices** – although we have already developed office buildings as part of mixed-use projects, we have decided to develop buildings 100% for commercial use (offices and retail). We believe the opportunity in this business lies in an unmet investor demand for this type of property – institutional investors in particular –, our development capabilities and the presence of very few well-established developers in the segment. Our strategy will be to replicate some of the principles we follow on residential developments: prime locations, scale, excellence in design, quality of construction and financing through capital markets. TGLT has recently acquired an option to develop its first office building – 10.100 sqm – in a consolidated area of the city of Vicente López, in Buenos Aires province.
- **Metra** – during 2012 we developed Metra, our third business line for residential products. Metra is positioned below our Forum and Astor projects, with less central locations, more compact designs and lower construction costs. This business line lies on sales schemes that allows us to give financing to our customers for up to 10 years with no equity exposure or bank financing. This scheme is very successful in markets such as Córdoba – and Brazil in the past – and TGLT aims to be a leader on this type of product in Buenos Aires and Rosario, planning to launch projects in both markets.
- **“Proyectos de vida” (Life projects)** – we have developed a marketing strategy that comprises all of our products, based on the concept “Proyecto de vida”. This idea, already present in all our communication, is a summary of our development philosophy: to impact our customers’ lives in a positive way, with products specifically designed for their different life projects.

## TGLT into the future

As many other industries that have experienced difficulties that harmed their businesses during 2012, we have analyzed the possibility of speeding up our geographic diversification. The same way we were able to establish ourselves outside Buenos Aires (Rosario), and then outside Argentina (Uruguay), we have considered the possibility of expanding our development capabilities to other Southamerican countries, such as Peru and Colombia, markets in which real estate is in the middle of an expansion and consolidation process. However, given our current scale and growth pace, we believe that the diversion of resources – both financial and human – that this would imply could affect the market presence we have achieved in the last few years. Consequently, we have decided that the best strategy is to strengthen our business in Argentina and

Uruguay, expanding only to segments that offer local financing, such as office development and residential middle segment with cooperative financing.

In conclusion: 2012 was a very hard year. 2013 will be a year in which we will privilege the consolidation of our company and we will be very prudent. This strategy will leave us in superb competitive position to return to our growth path.

The current volatile conditions of the market in which we operate force us to constantly reevaluate and modify the course of action. We always do it aiming at protecting our shareholders' capital and maximizing their value.

**Federico N. Weil**  
Chairman & CEO

## Operating Performance

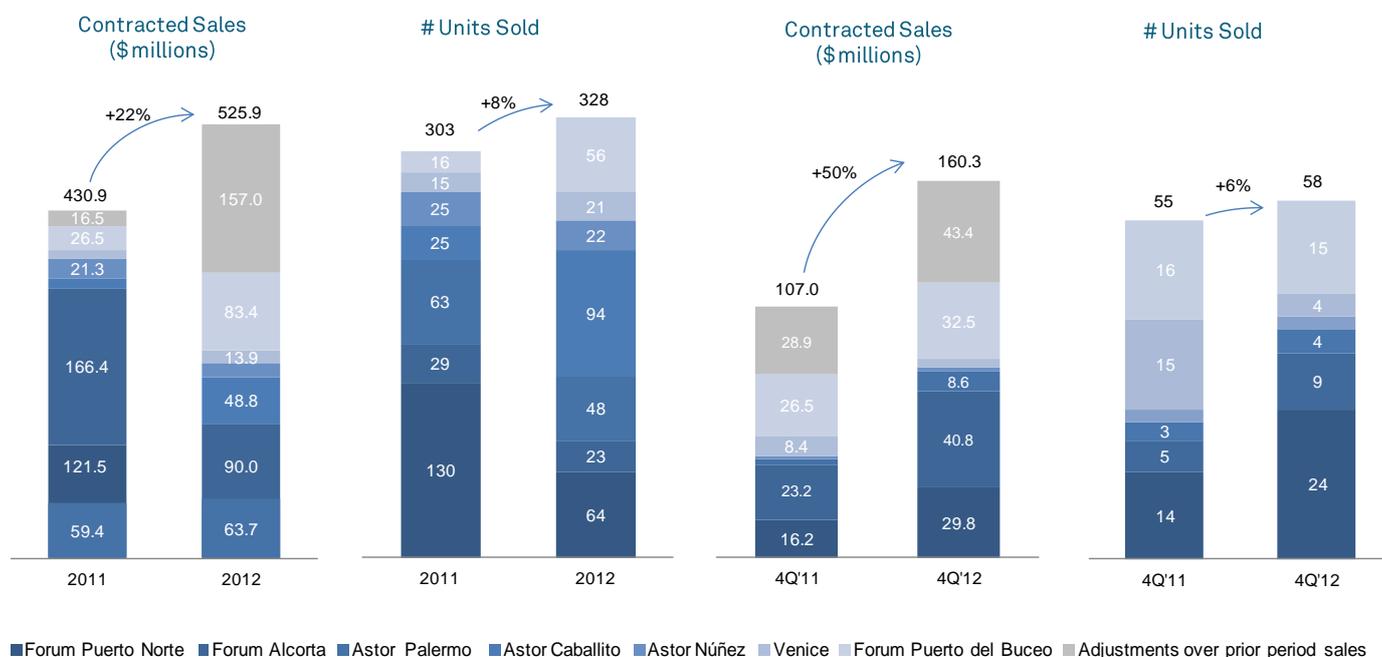
### Launches

Total launches in 2012 were \$272.4M, 71% down vs. 2011 and below our previously announced guidance, due to our more conservative approach and focus on existing projects. As discussed above, we are planning to get back on track with our growth, expecting to launch US\$280M in 2013.

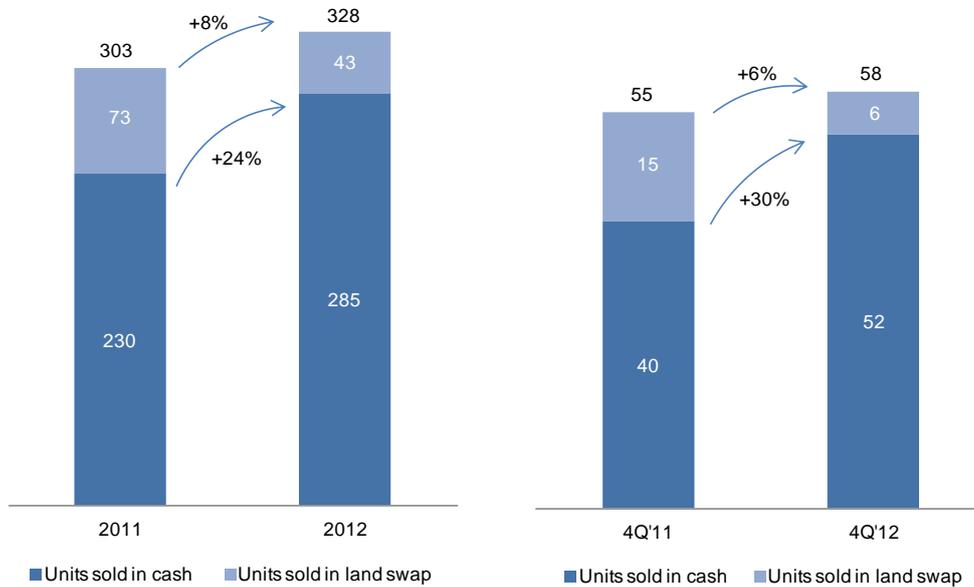
### Contracted Sales

Contracted sales for the quarter totaled \$160.3M, up 50% vs 4Q'11. During 2012, contracted sales reached a total of \$525.9M, a 22% increase vs. 2011, in line with inflation. 328 units were sold in 2012, up 8% vs. last year. Excluding sales related to land swaps, contracted sales increased 33% in 2012 (24% in terms of units).

Average selling prices increased 105% vs. 4Q'11 (strong sales at Forum Alcorta, our most premium project) and 18% full year, driven by higher pricing and inflation, partially offset by mix (as our Astor brand, positioned below Forum, gained relevance).

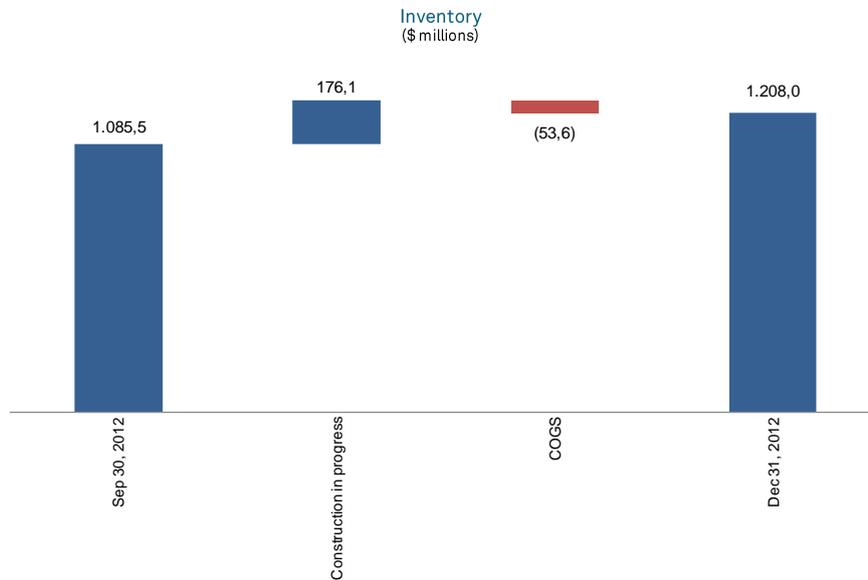


## Units sold in cash and in land swap



## Inventory

Our inventory continued increasing during the quarter, with new construction outpacing delivery of units, as Forum Puerto Norte and Forum Alcorta construction continues with a sustained pace and Astor Palermo has initiated excavation works. Reductions in inventory relate to the delivery of units in buildings DOS, TRES, NUEVE and DIEZ in Forum Puerto Norte (Rosario) and inventory write offs.



## Advances from Clients

Advances from clients increased by \$58.6M in 4Q'12. The ending balance for the quarter was \$839.4M, of which a 77% is denominated in US dollars and subject to quarterly mark-to-market adjustments that get reversed at the time of delivery. Due to our new pricing and sales strategy in pesos, advances from clients in local currency continued growing, representing now a 23% of total advances, up 1300 bps vs 2011, and as a consequence we expect this quarterly mark-to-market to continue diminishing in subsequent quarters and beyond. This non-cash mark-to-market impact flows through our income statement under the "Financial result" account.

## Liquidity & Debt

TGLT's operating cash flow for the year was (\$77.8M), mainly driven by the sustained construction pace in Forum Alcorta and Forum Puerto Norte. Operating cash burn improved 23% in 2012 yoy. Cash flow from investment activities of (\$7.1M) relates mainly to investments in showrooms and intangible assets (mainly software). Cash from financing activities increased mainly due to the placement of our first corporate bond issued in August in the local capital markets.

Our cash balances are primarily denominated foreign exchange (87% - valued at official exchange rate), with the remaining balance in local currency (13%). The company invests its excess cash in highly liquid, investment grade mutual funds and commercial paper. The company maintains a net debt position of \$71.0M at the end of the year, slightly above the amount of corporate bonds issued.

The US\$ denominated debt and a part of cash correspond to a hedging strategy to mitigate Forum Puerto del Buceo's exposure to dollar inflation in Uruguay. We obtain US\$ denominated loans whose proceeds are invested in Central Bank bills that adjust by UY\$ inflation.

	\$ millions	\$ millions
Liquidity & Debt	Dec 31, 2012	Dec 31, 2011
<b>Cash and equivalents at the beginning of the year</b>	<b>77.0</b>	<b>178.0</b>
Cash and equivalents from operating activities	(77.8)	(101.2)
Cash and equivalents from investment activities	(7.1)	(15.0)
Cash and equivalents from financing activities	106.8	21.3
Impact of exchange rate variation	(11.0)	(6.0)
<b>Cash and equivalents at the end of the period</b>	<b>87.9</b>	<b>77.0</b>
AR\$-denominated	11.2	5.5
US\$-denominated	45.1	71.6
UY\$-denominated	31.5	-
<b>Debt</b>	<b>(158.9)</b>	<b>(50.1)</b>
AR\$-denominated	(60.0)	(23.2)
US\$-denominated	(68.2)	(26.8)
US\$-denominated (Uruguay)	(30.6)	-
<b>Net Cash (Debt)</b>	<b>(71.0)</b>	<b>27.0</b>
AR\$-denominated	(48.8)	(17.7)
US\$-denominated	(23.1)	44.7
UY/US\$ (Uruguay)	0.9	-

## Project Updates



### Forum Puerto Norte

- During the quarter we delivered 15 units, including the first ones in building DIEZ. The remaining buildings will be delivered throughout 2013.
- Construction continues at full speed on unfinished buildings, with 400 workers on site and 91% construction progress achieved.
- With less than 6% of sellable units in stock, showroom has now been dismantled.
- As of December 31, 2012, 431 (out of a total of 453) residential units and 78 (out of a total of 82) boat slides were sold, and 91 units were delivered. Total PSV is \$431M.
- In spite of being our largest operational drag, TGLT focused on delivering the superior quality product that is Forum Puerto Norte, being one of the best projects in Rosario.



### Forum Alcorta

- Construction continues at full speed with both towers under execution. Concrete and masonry has topped at the last floor in Tower 1 (with curtain wall up to the 5<sup>th</sup> floor) and runs up the 23<sup>th</sup> floor in Tower 2. Total construction progress for the project is at 35%.
- Redefined BARRA building with a mix of apartments and townhouses, to accommodate better to our customers demand. With the beginning of construction works in the BARRA building, the showroom has been relocated to the corner of Ramsay and Juramento.
- Completion of Tower 1 expected for 4Q'13 and Tower 2 & BARRA for 2Q'14.
- As of December 31, 2012, 103 units were sold. PSV is \$805M.



### Astor Palermo

- Excavation and underpinning at the 4<sup>th</sup> and bottom underground. Foundation slab and concreting works already in progress.
- Strong sales speed (less than 30% of sellable sqm in stock) is allowing us to enhance pricing and expand margins. Remaining stock is being marketed with prices comparable to premium projects in Buenos Aires.
- As of December 31, 2012, 149 units were sold. PSV of \$333M.



## Astor Núñez

- Architectural blueprints designed by Mario Roberto Alvarez obtained Municipal approvals.
- Commercial launch took place on March 9 of 2013 with the inauguration of our onsite showroom and an extended marketing campaign
- Construction to begin in March 2013 with deliveries of commercial spaces expected by year-end.
- As of December 31, 2012, 35 residential units and 12 retail stores were sold. PSV is \$274M.



## Astor Caballito

- As previously described, Court of Appeals of the City of Buenos Aires ordered the temporary freeze of construction works. We believe the suit has no merits given the project received all approvals required. TGLT is working with legal counsel to obtain a lift of the injunction and resume construction as soon as possible.
- As of December 31, 2012, 119 units were sold. PSV of \$366M.



## Venice

- Successfully completed the approvals process after a favorable outcome of the public hearing that took place last September.
- During October we commercially launched the project, inaugurating the largest showroom in Argentina with a wide media and marketing campaign.
- Launched an additional building (6 are now being marketed to the public).
- As of December 31, 2012, 72 units and 2 moorings were sold. PSV of \$3,100M (TGLT share is 50%), with \$407 million already launched.



## FACA Project

- Masterplan by Foster+Partners already submitted for the approval of Rosario's City Council.
- The first phase, designed by Mc Cormack & Associates, is expected to be launched in 2Q'13 through a cooperative financing scheme ("Metra") that will provide financing to middle and upper middle income segments.
- Launch of the buildings designed by Foster+Partners targeting high-income segments planned for 2H'13.
- Total Project PSV of \$1,800M, of which \$286M corresponds to the initial phase of the corporate financing scheme.



## Forum Puerto del Buceo

- Final approvals obtained in October while excavations works began in February 2013 after obtaining a preliminary construction permit.
- In November we launched the project to the general public, with the inauguration of our sales showroom in the World Trade Center complex.
- The project has a total sellable area of approx. 48,600 sqm, to be launched in three phases. The third and last phase will be launched in 2Q'13.
- As of December 31, 2012, 72 units were sold. PSV is US\$153M.

## Financial Performance

### Gross Profit

Under IFRS, the Company recognizes revenue – and its corresponding COGS – only when the sold units are delivered. As a result, and given that most of TGLT's projects are in a "construction" phase, and only Forum Puerto Norte is currently delivering units, the reported gross profit is highly influenced by the performance of this project, and does not represent in full the profitability of the company or its ongoing projects.

As mentioned on previous Earning Releases, there were some factors, both external and related to the project, that led Forum Puerto Norte to a negative operating result. As we move towards the final stages of the project, and having finished negotiations with our main contractor on remaining costs and delivery dates, we are recognizing cost overruns in the project as a result of factors that we anticipated in the past, such as: (i) the default of a major contractor of the project (IGM) whose works took months to be resumed by another contractor, hence delaying project deliveries and increasing costs as a consequence; (ii) unforeseen costs related to the recycling of certain buildings in the projects and; (iii) construction delays due to a lower speed of sales, with the corresponding increase in costs, deriving from inflation and higher fixed costs related to a longer stay of contractors on site.

All these effects are necessarily reflected on the gross profit of the year, that contains the delivery of units with a negative gross margin. This situation is at the same time influenced by the fact that these units belong to the first set of buildings that were launched, and therefore have the lowest margins of the project.

At the same time, considering the project's current and expected results, and following IFRS recommendations, we are recording as part of the Cost of Sold Goods a \$56M impairment, in anticipation of future losses that will take place as the project continues delivering units.

The table below shows the gross profit for the quarter, corresponding to 15 units delivered in buildings DOS, TRES, NUEVE and DIEZ of Forum Puerto Norte. We have delivered a total of 91 units so far in this project. We adjust for the non-cash cost of higher value of inventory to obtain an adjusted gross profit.

<b>Gross Profit</b>	<b>4Q'12</b>	<b>4Q'11</b>	<b>2012</b>	<b>2011</b>
Revenue from sales	18.6	15.2	72.6	15.2
Cost of goods sold	(53.6)	(25.0)	(145.5)	(25.0)
<b>Gross profit</b>	<b>(35.1)</b>	<b>(9.8)</b>	<b>(72.9)</b>	<b>(9.8)</b>
(+) Cost of higher value of inventory	2.2	4.6	16.3	4.6
<b>Adj. Gross profit</b>	<b>(32.8)</b>	<b>(5.2)</b>	<b>(56.6)</b>	<b>(5.2)</b>

In order to continue to provide information that was relevant to investors, and to offer continuity to the figures presented in the past, TGLT presents PoC Revenue and PoC COGS, on a pro forma basis, facilitating comparison with other companies of the sector that do recognize revenues under the PoC methodology.

# 4Q'12 EARNINGS RELEASE

PoC gross margin for 2012 is (6%), driven by cost overruns in Forum Puerto Norte (reasons explained above). The negative numbers are coming entirely from FPN, as margins remain healthy in the rest of our ongoing projects. This year we began to recognize profit for our Astor Palermo project, which broke ground in July and presented a 61% progress in sales at the end of this quarter.

	\$ millions	\$ millions	\$ millions	\$ millions
<b>Gross profit PoC - Pro forma</b>	<b>4Q'12</b>	<b>4Q'11</b>	<b>2012</b>	<b>2011</b>
<b>Revenue PoC</b>	<b>97.6</b>	<b>69.0</b>	<b>309.3</b>	<b>311.4</b>
Forum Puerto Norte	47.9	43.3	91.1	185.5
Forum Alcorta	44.8	25.8	121.9	122.9
Astor Caballito	(0.1)	(0.1)	14.4	2.9
Astor Palermo	4.9	-	81.8	-
<b>COGS PoC</b>	<b>(100.8)</b>	<b>(49.7)</b>	<b>(327.9)</b>	<b>(247.6)</b>
Forum Puerto Norte	(62.9)	(32.4)	(151.9)	(156.5)
Forum Alcorta	(37.2)	(17.4)	(94.3)	(88.7)
Astor Caballito	0.2	0.1	(13.1)	(2.4)
Astor Palermo	(0.8)	-	(68.5)	-
<b>Gross profit PoC</b>	<b>(3.2)</b>	<b>19.2</b>	<b>(18.6)</b>	<b>63.8</b>
Forum Puerto Norte	(15.0)	10.8	(60.8)	29.1
Forum Alcorta	7.6	8.4	27.6	34.2
Astor Caballito	0.1	0.01	1.3	0.5
Astor Palermo	4.0	-	13.3	-
<b>PoC Gross profit / PoC Revenue</b>	<b>(3%)</b>	<b>28%</b>	<b>(6%)</b>	<b>20%</b>
Forum Puerto Norte	(31%)	25%	(67%)	16%
Forum Alcorta	17%	33%	23%	28%
Astor Caballito	(142%)	(11%)	9%	18%
Astor Palermo	83%	n.a.	16%	n.a.

## Selling, General & Administrative expenses

SG&A ended the year at \$54.5M vs \$41.8M in 2011 (up 30%), mainly driven by inflation, along with new hires and other expenses related to the strengthening our corporate structure, in light of a higher number of launched projects and the level of activity expected for the upcoming year.

Several expenses, including marketing and other selling expenses, that were capitalized and expensed through COGS under AR GAAP, are now expensed as incurred under IFRS, making yoy comparisons difficult. This includes our showrooms, that are now part of the PP&E and hence amortized.

	\$ millions	\$ millions	\$ millions	\$ millions
<b>SG&amp;A</b>	<b>4Q'12</b>	<b>4Q'11</b>	<b>2012</b>	<b>2011</b>
Selling expenses	(7.6)	(8.5)	(24.5)	(14.7)
Administration expenses	(14.9)	(3.6)	(30.0)	(11.1)
<b>Total SG&amp;A</b>	<b>(22.5)</b>	<b>(12.1)</b>	<b>(54.5)</b>	<b>(25.8)</b>
SG&A / Launches	14%	4%	20%	3%
SG&A / Contracted sales	14%	11%	10%	6%
SG&A / PoC Revenues	23%	18%	18%	8%

## Financial Result

The Company's financial result was (\$25.7M) in 4Q'12 vs. (\$7.6M) in 4Q'11, an increased loss primarily driven by a higher balance of US\$-denominated advances from clients in the quarter, that are subject to FX revaluations, and the accelerated devaluation of the peso. Due to the new selling policy which denominates contracts in pesos and the pesification of outstanding contracts, the relative weight of this loss will diminish over time. Exchange difference results will be compensated when we record the operating revenue related to these units.

Interest expense has also risen to (\$5.5M) in the quarter and (\$11.2M) in the year as we enhance our capital structure through leverage. Main corporate debt items include our Corporate Bond and the construction bank loan for Forum Alcorta.

	\$ millions	\$ millions	\$ millions	\$ millions
	4Q'12	4Q'11	2012	2011
<b>Financial result</b>				
<b>Exchange rate differences</b>	<b>(24.2)</b>	<b>(10.4)</b>	<b>(67.5)</b>	<b>(21.5)</b>
Income from exchange rate differences	7.6	3.9	22.9	15.5
Outflows from exchange rate differences	(31.9)	(14.3)	(90.4)	(37.0)
<b>Financial income</b>	<b>5.3</b>	<b>4.2</b>	<b>23.2</b>	<b>7.8</b>
Interests	3.5	1.8	9.2	4.3
Temporary investments - holding	0.4	1.1	2.7	1.1
Temporary investments - sale	1.5	0.7	11.3	1.8
Other	-	0.6	-	0.6
<b>Financial costs</b>	<b>(5.5)</b>	<b>(0.5)</b>	<b>(11.2)</b>	<b>(1.5)</b>
Interests	(5.5)	(0.5)	(11.2)	(1.5)
<b>Other financial results</b>	<b>(1.3)</b>	<b>(0.9)</b>	<b>(7.5)</b>	<b>(3.9)</b>
Bank charges	(0.1)	(0.1)	(0.6)	(0.4)
Temporary investments - holding	-	-	-	-
Credit and debit tax	(1.2)	(0.8)	(4.2)	(3.6)
Credit loss	-	-	(2.7)	-
Other	-	-	(0.0)	-
<b>Total financial result</b>	<b>(25.7)</b>	<b>(7.6)</b>	<b>(63.0)</b>	<b>(19.1)</b>

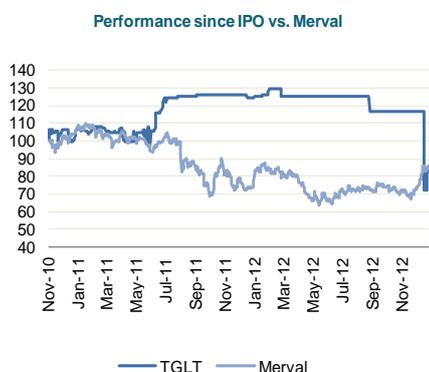
## Goodwill

We are recognizing an impairment on our Goodwill of \$0.7M in this quarter and a total of \$32.1M during the year, related to the acquisition of our controlling interest in Forum Puerto Norte prior to our IPO. The loss is exposed under Other Expenses in our Income Statement. The adjustment in this quarter sets the goodwill of the project to zero, reflecting the revision of our projections over its final profitability.

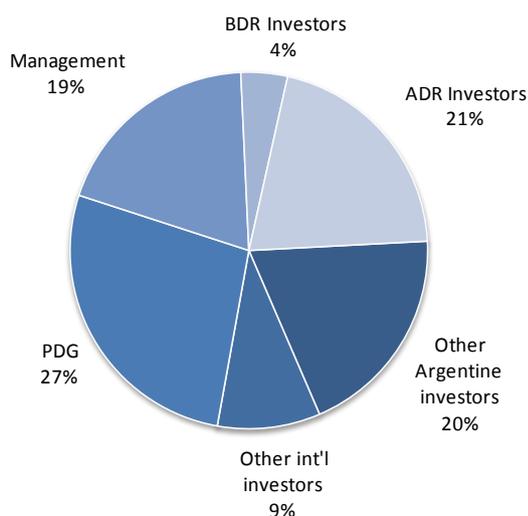
Goodwill in our Balance Sheet now totals \$111.5M, split between the companies that develop Forum Alcorta, Astor Núñez & Venice, and is subject to periodical impairment tests.

## Stock Performance and Ownership

TGLT stock in the Buenos Aires Stock Exchange closed at \$7,50, down 33% versus last year. Its performance since IPO is in line with the broader Merval index.



There are 70.349.485 shares outstanding, of which 46% are owned by management and PDG.



Current Free Float	54%
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## Financial Statements

## Consolidated income statement

	\$ millions	\$ millions	\$ millions	\$ millions
	4Q'12	4Q'11	2012	2011
Operative revenue	18.6	15.2	72.6	15.2
Cost of units sold	(47.2)	(25.0)	(145.5)	(25.0)
<b>Gross profit</b>	<b>(28.6)</b>	<b>(9.8)</b>	<b>(72.9)</b>	<b>(9.8)</b>
Selling expenses	(7.6)	(8.5)	(24.5)	(14.7)
Administrative expenses	(14.9)	(3.6)	(30.0)	(11.1)
Other expenses	(0.7)	-	(32.1)	-
<b>Operating income</b>	<b>(51.8)</b>	<b>(21.9)</b>	<b>(159.5)</b>	<b>(35.6)</b>
Exchange rate difference	(24.2)	(10.1)	(67.5)	(21.5)
Financial income	5.3	3.6	23.2	7.8
Financial expenses	(6.7)	2.5	(18.7)	(1.5)
Other expenses	(0.2)	(0.0)	(0.5)	(0.1)
Other income and expenses, net	0.4	(2.6)	0.9	(2.2)
<b>Income before Income tax</b>	<b>(77.2)</b>	<b>(28.5)</b>	<b>(222.1)</b>	<b>(53.1)</b>
Income tax	28.6	6.2	67.1	13.7
<b>Net income</b>	<b>(48.6)</b>	<b>(22.3)</b>	<b>(155.0)</b>	<b>(39.4)</b>
Differences from currency conversion of investments abroad	0.2	-	(0.5)	-
<b>Comprehensive Net income</b>	<b>(48.4)</b>	<b>(22.3)</b>	<b>(155.5)</b>	<b>(39.4)</b>
	-	-	-	-
<b>Net income attributable to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Shareholders of the parent	(54.1)	(8.2)	(142.5)	(45.2)
Minority interests	5.5	1.0	(12.5)	5.8
<b>Comprehensive net income attributable to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Shareholders of the parent	(53.9)	(8.2)	(143.0)	(45.2)
Minority interests	5.5	1.0	(12.5)	5.8
	\$	\$	\$	\$
<b>Income per common share</b>				
Basic	(0.77)	(0.12)	(2.03)	(0.64)
Diluted	(0.77)	(0.12)	(2.03)	(0.64)

	\$ millions	\$ millions	\$ millions	\$ millions
	4Q'12	4Q'11	2012	2011
<b>EBITDA</b>				
Operating income	(51.8)	(21.9)	(159.5)	(35.6)
(+) Cost of higher value of inventory	2.2	4.6	16.3	4.6
(+) Goodwill depreciation	0.7	-	32.1	-
(+) PP&E depreciation and intangibles	0.9	2.2	2.7	2.5
<b>EBITDA</b>	<b>(48.0)</b>	<b>(15.2)</b>	<b>(108.5)</b>	<b>(28.5)</b>
(-) Gross profit (net of higher value of inventory)	26.4	5.2	56.6	5.2
(+) Gross profit PoC (pro forma)	(3.2)	19.2	(18.6)	63.8
<b>Pro forma EBITDA</b>	<b>(24.8)</b>	<b>9.3</b>	<b>(70.4)</b>	<b>40.4</b>
<i>Pro forma EBITDA margin on PoC Revenue</i>	<i>(25%)</i>	<i>13%</i>	<i>(23%)</i>	<i>13%</i>

## Consolidated balance sheet

	\$ millions	\$ millions	\$ millions
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2010
<b>Assets</b>			
<b>Current Assets</b>			
Cash and equivalents	87.9	77.0	178.0
Receivables	5.7	8.6	-
Other	129.1	108.8	24.1
Inventory	1,208.0	824.7	509.0
Credit with related parties	7.9	-	-
<b>Total current assets</b>	<b>1,438.5</b>	<b>1,019.0</b>	<b>711.1</b>
<b>Non-current assets</b>			
Tax assets	103.4	43.6	19.2
Property, plant & equipment	7.8	3.4	1.9
Intangible assets	0.8	0.8	0.2
Goodwill	111.4	143.5	133.0
Other	3.8	1.0	0.4
<b>Total non-current assets</b>	<b>227.2</b>	<b>192.2</b>	<b>154.7</b>
	-	-	-
<b>Total assets</b>	<b>1,665.7</b>	<b>1,211.3</b>	<b>865.8</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable	123.6	91.0	22.9
Debt	115.1	30.7	0.7
Wages and social security contributions	2.6	2.1	0.8
Taxes payable	4.9	4.3	3.8
Other taxes	3.6	2.7	3.0
Debt with related parties	148.4	-	-
Advances from clients	839.4	466.4	227.3
Other liabilities	1.0	25.2	-
<b>Total current liabilities</b>	<b>1,238.6</b>	<b>622.5</b>	<b>258.5</b>
<b>Non-current liabilities</b>			
Deudas comerciales	0.5	-	-
Debt	43.7	33.5	12.0
Other taxes	0.3	0.4	0.4
Deffered taxes liabilities	62.5	81.1	63.0
Advances from clients	-	-	-
<b>Total non-current liabilities</b>	<b>107.1</b>	<b>115.0</b>	<b>75.4</b>
<b>Total liabilities</b>	<b>1,345.6</b>	<b>737.5</b>	<b>333.9</b>
<b>Shareholders' equity</b>			
Shareholders of the parent	318.3	445.4	498.5
Minority interests	1.8	28.4	33.4
<b>Shareholders' equity</b>	<b>320.1</b>	<b>473.8</b>	<b>531.9</b>
<b>Total liabilities and Shareholders' equity</b>	<b>1,665.7</b>	<b>1,211.3</b>	<b>865.8</b>

## Consolidate cash flow statement

	\$ millions	\$ millions
	Dec 31, 2012	Dec 31, 2011
<b>Cash variations</b>		
Cash at the beginning of fiscal period	77.0	178.0
Cash at the end of fiscal period	87.9	77.0
<b>Net cash changes</b>	<b>10.8</b>	<b>(100.9)</b>
<b>Reasons for cash variations</b>		
<b>Operating activities</b>		
Net income	(155.5)	(39.4)
<i>Adjustments for arriving to the net cash flow from operating activities</i>		
Income tax	(67.1)	(13.7)
Fixed asset depreciation	2.1	2.4
Amortization of intangible assets	0.5	0.1
Loss for deterioration	32.1	-
Exchange rate difference	9.4	(41.8)
Income from sale of stock	-	-
<i>Changes in operating assets and liabilities</i>		
Changes in accounts receivable	3.2	(7.8)
Changes in other credits	(26.1)	(75.4)
Changes in credits with related parties	0.3	(7.0)
Changes in other assets	(383.3)	(315.6)
Changes in tax assets	(59.8)	(10.8)
Changes in accounts payable	75.0	26.1
Changes in wages and social security contributions	0.5	1.3
Changes in tax liabilities	52.3	19.9
Changes in taxes payable	0.8	(0.3)
Changes in debts with related parties	28.2	79.8
Changes in advances from clients	437.1	254.9
Changes in other liabilities	(24.4)	27.3
Changes in minimum income tax	(3.1)	(1.3)
<b>Net cash flow generated by operational activities</b>	<b>(77.8)</b>	<b>(101.2)</b>
<b>Investment activities</b>		
Payments for purchase of intangible assets	(0.6)	(0.6)
Payments for purchase of fixed assets	(6.6)	(3.9)
Capital gain for purchase of shares	-	(10.6)
<b>Net cash flow used in investment activities</b>	<b>(7.1)</b>	<b>(15.0)</b>
<b>Financial activities</b>		
Payment for purchase of shares of no controlled companies	15.9	5.9
Payment for purchase of shares of controlled companies	-	(13.7)
Decrease changes of no controlled companies	(14.0)	(10.9)
Increase in loans	105.0	40.0
<b>Net cash flow generated by financing activities</b>	<b>106.8</b>	<b>21.3</b>
<b>Net cash changes</b>	<b>21.8</b>	<b>(94.9)</b>
Impact of exchange rate variation	(11.0)	(6.0)
<b>Total changes</b>	<b>10.8</b>	<b>(100.9)</b>

## Appendix: Project Summary

Project	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Caballito	Astor Núñez	Venice <sup>(1)</sup>	FACA Project	Forum Puerto del Buceo
<b>Location</b>	Rosario, Santa Fe	Bajo Belgrano, City of Buenos Aires	Palermo, City of Buenos Aires	Caballito, City of Buenos Aires	Núñez, City of Buenos Aires	Tigre, Buenos Aires	Rosario, Santa Fe	Montevideo, Uruguay
<b>Segment</b>	High / Mid-High	High	Mid-High	Mid-High	Mid-High	High / Mid-High	Mid-High / Mid	High
<b>Type</b>	Urban Complex	Urban Complex	Multifamily	Multifamily	Multifamily	Urbanization	Urban Complex	Urban Complex
<b>Character</b>	Coastal	Park	Urban	Urban	Urban	Coastal	Coastal	Coastal
<b>Site acquisition year</b>	2008	2008	2010	2011	2011	2007	2011	2009
<b>Land size (sqm.)</b>	43,000	13,000	3,208	9,766	4,759	320,000	84,000	10,765
<b>Sellable area (sqm.)</b>	52,186	40,064	14,765	31,114	20,377	Single family lots: approx. 22,300 Apartments and Commercial: approx. 208,600	Approx. 132,000	Approx. 48,600
<b>Sellable units</b>	453	157	210	500	298	Single family lots: approx 24 Apartments and Commercial: approx. 2,580	Approx. 1,800	307
<b>Other sellable units</b>	Parking spaces: 533 Boat slids: 82	Parking spaces: 400	Parking spaces residenciales: 204 Parking spaces comerciales: 171	Parking spaces residenciales: 502	Parking spaces: 310	Parking spaces: approx 2,970 Boat slids and moorings: approx. 182	Parking spaces: approx. 2.080	370
<b>Total PSV estimate (\$M)</b>	431.3	805.0	333.2	366.2	274.4	Approx. 3,121.2	1,794.0	US\$ 153.2
<b>Total PSV launched as of Dec. 31, 2012 (\$M)</b>	431.3	805.0	333.2	198.4	274.4	407.3	-	US\$ 71.3
<b>Area sold as of Dec. 31, 2012 (sqm.)</b>	49,089	28,150	10,446	7,135	3,483	4,552	-	9,596
<b>% del total</b>	94%	70%	71%	23%	17%	2%	-	20%
<b>Units sold as of Dec. 31, 2012</b>	431	103	149	119	47	72	-	72
<b>Other units sold as of Dec. 31, 2012</b>	Parking spaces: 514 Guarderías: 78	Parking spaces: 205	Residential parking spaces: 125 Commercial parking spaces: 171	Parking spaces: 88	Residential parking spaces: 34 Commercial parking spaces: 20	Parking spaces: 65 Boat slids y marinas: 2	-	Parking spaces: 91

# 4Q'12 EARNINGS RELEASE

Project	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Caballito	Astor Núñez	Venice <sup>(1)</sup>	FACA Project	Forum Puerto del Buceo
Contracted sales as of Dec. 31, 2012 (\$M)	398.6	459.1	201.8	74.7	40.3	50.0	-	US\$ 24.1
% del total	92%	57%	61%	20%	15%	2%	-	16%
Contracted sales during 2012 (\$M)	90.9	132.9	110.2	63.7	19.6	33.2	-	US\$ 18.7
Construction progress as of Dec. 31, 2012 (% execution of monetary budget, including Land)	91%	55%	41%	20%	-	-	-	-
Stage	Construcción	Construction	Construction	Construction (temporarily suspended)	Product design and approval process			

(1) The figures correspond to 100% of the project. TGLT takes into account the 50% of them when showing totals numbers.

**About TGLT.** TGLT S.A. (Buenos Aires Stock Exchange:TGLT, BM&FBOVESPA:TGLT11, USOTC:TGLTY) operates as a homebuilder in Argentina and Uruguay. TGLT participates in and controls all aspects of the development process, from land acquisition to construction management, from product design to sales and marketing, ensuring a tight working capital management at every moment. While developing unique products for each location and segment, it standardizes processes to efficiently achieve scale in the production of new homes and attain a high speed growth. As of September 2012, TGLT's largest projects were in the cities of Buenos Aires, Tigre, Rosario and Montevideo (Uruguay). PDG (BM&FBOVESPA:PDGR3), a Brazilian homebuilder, is TGLT's largest shareholder and strategic partner. The company was founded in 2005 and is headquartered in Buenos Aires, Argentina.