

TGLT S.A.

Financial Statements to December 31, 2007

TGLT S.A.

Legal address:

Alicia Moreau de Justo 846 – Floor 1 – Office B – C.A.B.A.

Company's Main Line of Business:

Project management and real estate ventures, urban development, planning, evaluation, scheduling, design, development, implementation, administration, coordination, supervision, management, organization, and execution of the above lines of business which are associated with real estate; working brands, patents, methods, formulas, licenses, technologies, know-how, models, and designs, and any kind of sales activities.

**Date of Registry at the Corporate Records Office:
June 13, 2005**

**Corporate Records Office Registry Number:
Book 28, No. 6967; Volume: *de Sociedades por Acciones C.C.: 1***

FISCAL YEAR No. 3

Beginning on January 1, 2007

Financial Statements to December 31, 2007

CAPITAL STRUCTURE

28,571 shares with a nominal value of \$ 1 each

SUBSCRIBED: \$28,571

Paid: 28,571

ANNUAL REPORT FOR FINANCIAL STATEMENTS TO 12/31/2007

Members of the TGLT S.A. Board of Directors:

In compliance with current legal and statutory provisions, we are pleased to submit this Annual Report and Financial Statements for the third fiscal year for the January 1 - December 31, 2007 period to the Meeting of Shareholders.

GENERAL CONSIDERATIONS

As the Shareholders are well aware, for the first part of the fiscal year in question and until expiry of the respective development agreement, the company continued conducting the management of the Forum Puerto Madero real estate project. Furthermore, the company has obtained income from the sales of some of the units which make up the project.

For the purposes of this Board achieving further consolidation of the company on the market by carrying out the business activities for which it was created, various investment and growth alternatives were assessed. With this objective, at the end of August, a new shareholder—with whom we have signed a joint venture for housing real estate projects and the purchase of land for future business projects in cities that are more significant than Argentina—joined our company, allowing TGLT S.A. the possibility of also becoming a shareholder of projects developed in the future. We believe that this is quite an important step in the company boosting its current business platform and providing the capital required to further the company's growth plan. Due to the investment received and the change in ownership of the shareholding, a capital increase to \$28,571 was approved at the General Regular and Special Shareholders' Meeting held on 8/15/07, by issuing and subscribing 8,571 new shares with nominal values of \$1 each, and a share issuance premium of \$2,604.2969 per share.

This infusion of capital made it possible to finance the company's activities during the last part of the year, and allowed for defining investments in two companies, Piedras Claras S.A. and Maltería del Puerto S.A., associated with large scale real estate projects to begin in 2008 in Rosario and the Province of Buenos Aires, respectively.

Short-term investments in funds in the United States have been made with the temporary surplus, for the purposes of obtaining adequate returns.

Consequently, it has not been necessary to resort to external financing, because through its shareholders the company has generated sufficient resources to conduct its line of business.

It is relevant to point out that there have been no delays in paying our liabilities, and therefore, there are no significant due and payable debts which could bear on startup of the company.

INDICATORS

Following are the main indicators, ratios, or indexes, presented comparatively with the previous fiscal year:

Indicator	Formula	To 12/12/2007	To 12/31/2006
Creditworthiness	Net worth / Liabilities	68.42	1.08
Equity indebtedness	Liabilities / Net Liabilities	0.01	0.92
Current liquid assets	Current assets / Current liabilities	47.60	1.74
Quick asset ratio	(Cash and Banks + Temporary Investments + Credit) / Current liabilities	47.60	1.74
Net worth – asset ratio	Net worth / Assets	0.99	0.52
Immobilization of Assets	Non-current Assets / Total Assets	0.31	0.16
Profitability	Profits (losses) / Average Net Worth	-0.08	1.63
Leverage	(Profits (losses) / Net Worth) / ((Profits (losses) + / - financial Profits (losses) generated by liabilities) / (Liabilities + Net Worth))	1.02	1.92
Asset turnover	Net Sales / Total Assets	0.08	2.57

FUTURE PROSPECTS

We are optimistic regarding the future corporate development of our company. We foresee excellent growth and development possibilities for upcoming fiscal years.

Argentina's market has shown great resilience in overcoming the worst crisis in its history. The economy has had high growth rates over the last few years, the real estate market being one of the main factors which boosted recovery. During the 2007 fiscal year, the Argentinean real estate market was not affected by the global real estate crisis.

However, because of the low amount of mortgages to finance purchases of land, an insignificant percentage of the market has access to purchasing new housing. With the progressive increase in mortgages available, the demand for new housing will rise significantly.

We believe that in the coming years, Argentina will evolve toward the same professionalism and growth experienced by the Brazil and Mexico's real estate markets less than a decade back. In this sense, real estate development companies that are prepared to access capital markets and institutional investors—as is the case with TGLT S.A.—will be in a better position to participate in this process of change.

PROFITS (LOSSES) FOR THE PERIOD

During the fiscal year, losses of \$848,864.15 were incurred, mainly due to the first stage of the company's modification of its line of business during the second half of the fiscal year for the purpose of including new projects.

The cumulative profits (losses) to the close of the fiscal year were \$848,528.94. We are submitting how the cumulative profits (losses) will be allotted and establishing of the Board's fees to the decision of the Meeting of Shareholders, in accordance with legal and statutory provisions.

ACKNOWLEDGMENTS

We would like to express our gratitude to our suppliers, clients, banking institutions, professionals, consultants, and personnel for the collaboration received and support provided.

THE BOARD

Company Name: TGLT S.A.
Alicia Moreau de Justo 846 – Floor 1 – Office 8 – Autonomous City of Buenos Aires
FISCAL YEAR No. 3
Financial Statements to December 31, 2007

STATEMENT OF ASSETS AND LIABILITIES

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

ASSETS	2007	2006	LIABILITIES	2007	2006
CURRENT ASSETS			CURRENT LIABILITIES		
	1,924,307.12	16,040.62		300.00	424.42
	12,194,465.03			32,708.48	32,449.66
Cash and Banks (Note 2.1)	963,178.46	581,373.95	Accounts payable (Note 2.8)	261,341.87	307,191.45
Temporary investments (Note 2.2 and Exhibit VI)		6,090.00	Corporate debts (Note 2.9)	22,500.00	6,692.50
Other credit (Note 2.3 and Exhibit IV)			Tax burdens (Note 2.10)		
Other assets (Note 2.4)			Other liabilities (Note 2.11)		
TOTAL CURRENT ASSETS	15,081,950.61	603,504.57	TOTAL CURRENT LIABILITIES	316,850.35	346,758.03
LONG-TERM ASSETS			LONG-TERM LIABILITIES		
	596,472.74	6,346.20			
	45,468.47	111,953.07			
Other credit (Note 2.3 and Note 6)	6,272,352.12	889.40	Does not exist		
Inventory (Note 2.5 and Exhibit I)					
Permanent investments (Note 2.6 and Exhibit V)			TOTAL LONG-TERM LIABILITIES		
Intangible assets (Note 2.7 and Exhibit II)			TOTAL LIABILITIES	316,850.35	346,758.03
			NET WORTH	21,679,393.59	375,935.21
TOTAL LONG-TERM ASSETS	6,914,293.33	119,188.67	According to the Respective Statement		
TOTAL ASSETS	21,996,243.94	722,693.24	TOTAL LIABILITIES AND NET WORTH	21,996,243.94	722,693.24

The Notes and Exhibits attached hereto are an integral part of these Financial Statements

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 158 F 043

Company Name: TGLT S.A.
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FISCAL YEAR No. 3

Financial Statements to December 31, 2007

INCOME STATEMENT
PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

INCOME	2007	2006
COST OF SALES / SERVICES (EXHIBIT III)	1,804,750.96	1,856,100.65
	-652,206.80	-724,352.23
GROSS PROFITS (LOSSES)	1,152,544.16	1,131,748.42
Minus:	-1,677,438.36	-260,628.19
ADMINISTRATIVE EXPENSES (EXHIBIT III)	-218,278.73	-113,026.12
SALES EXPENSES (EXHIBIT III)	-2,358.58	-1,379.90
FINANCING EXPENSES (EXHIBIT III)	-7,720.25	0.00
PROFITS (LOSSES) FROM PERMANENT INVESTMENTS (NOTE 2.12)	-496,852.40	-1,141.23
FINANCIAL AND STAKE-HOLDING PROFITS (LOSSES) (EXHIBIT III)		
Generated by Assets	-493838.68	
Profits (losses) from temporary investments	-152682.91	
Other stake-holding profits (losses)	-22268.06	
Interest	262225.03	
Exchange rate differences	-581112.74	
Generated by liabilities	-3013.72	
Interest	-2982.72	
Exchange rate differences	-31.00	-172,560.00
OTHER EARNINGS / OUTLAYS (Note 2.13)		
OPERATIONAL PROFITS (LOSSES)	-1,250,798.83	583,012.98
Income Tax	401,934.68	-240,338.48
Deferred Tax (Nota 6)		
NET PROFITS (LOSSES)	-848,864,15	342,674,50

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FISCAL YEAR No. 3
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NET WORTH EVOLUTION STATEMENT
PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

LINES OF BUSINESS	OWNERS' CONTRIBUTIONS			ISSUANCE PREMIUM SUBSIDIARIES	RESULTADOS			TOTAL 2007	TOTAL 2006
	CORPORATE EQUITY	SHARE ISSURANCE PREMIUM	TOTAL		STATUTORY PROVISION	UNDISTRIBUTED PROFITS	TOTAL		
Balances at start of fiscal year		22,321 429.00		173,922.53		354,647.18	355,935.21	375,935.21	
Distribution of Profits (losses) (AGO on 07/05/07)					1,288.03	-2,711.97			45,760.71
to Statutory Provision Fund	20,000.00		20,000.00		2,711.97	-85,600.00	-85,600.00	-85,600.00	
to Board fees						-266,000.00	-266,000.00	-266,000.00	
to Dividends in cash									-12,500.00
Capital Increase (AGO and E on 15/08/07)								22,330,000.00	
Purchase of Maltería del Puerto SA shares						-848,864.15	-848,864.15	173,922.53	342,674.50
Profits (losses) for Fiscal Year	8,571.00		22,330,000.00					-848,864.15	
AMOUNTS OUTSTANDING TO 31/12/2007	28,571.00	22,321 429.00	22,350,000.00	173,922.53	4 000.00	-848,528.94	-844,528.94	21,679 393.59	
AMOUNTS OUTSTANDING TO 31/12/2006	20,000.00		20,000.00		1 288.03	354 647.18	355,935.21		375,935.21

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CASH FLOW STATEMENT
FOR THE FISCAL YEAR ENDED ON DECEMBER 31, 2007
PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

CASH VARIATIONS	2007 \$	2006 \$
Cash at start of fiscal year	16,040.62	4,580.24
Cash at close of fiscal year	1,924,307.12	16,040.62
	<hr/>	<hr/>
NET CASH INCREASE	1,908,266.60	11,460.38
Reasons for cash variations:		
<hr/>		
Operational Activities		
Ordinary Income: Profits (Losses)	(848,864.15)	342,674.50
plus / minus		
BU Amortizations	23,590.13	41,292.20
Intangible Amortizations	889.40	889.40
Corporate Income Tax accrued	0.00	240,338.48
Cost of Fixed-Asset Sales	69,788.16	29,997.79
Permanent Investment Profits (Losses)	7,720.25	-
Temporary Investment Profits (Losses)	151,015.88	-
Other Stake-holding Profits (Losses)	22,268.06	-
Interest earned	(262,225.03)	-
Interest lost	2,982.72	-
Deferred Tax	(401,934.68)	-
Changes in Operational Assets and Liabilities:		
<hr/>		
Other Credit	(569,996.37)	(572,958.60)
Other Assets	6,090.00	36,540.00
Accounts Payable	(124.42)	(43,079.67)
Social security Debts	258.82	30,574.96
Tax Burdens	194,488.90	26,086.79
Other Liabilities	15,807.50	(66,028.34)
Board Fees	(85,600.00)	(12,500.00)
Interest collected	262,225.03	-
Interest paid	(2,982.72)	-
Corporate Income Tax paid	(240,338.48)	-
Net cash flow applied to operational activities	<hr/>	<hr/>
	(1,654,941.00)	53,827.51
Investment Activities		
Investment in Malteria del Puerto SA	-1,736,522.00	"
Investment in Piedras Claras SA	-4,403,027.10	-
Sale of Piedras Claras SA shares	11,131.20	-
Temporary Investments	-12,345,480.91	-
Discharged Fixed Assets	(26,893.70)	(42,367.12)
Net Cash Flow generated in investment activities	<hr/>	<hr/>
	-18,500,792.51	-42,367.12
Financing activities		
Capital Increase	22,330,000.00	-
Dividends in Cash	(266,000.00)	-
Net Cash Flow originated from financing activities	<hr/>	<hr/>
	22,064,000.00	0.00
	<hr/>	<hr/>
	1,908,266.50	11,460.38

NET CASH INCREASE
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NOTES TO FINANCIAL STATEMENTS
TO DECEMBER 31, 2007
PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

Note 1. ACCOUNTING STANDARDS USED

The most relevant accounting regulations applied when drafting and presenting financial statements the following:

The financial statements have been put together in accordance with the guidelines set forth in Technical Resolutions No. 16 to 23 (which modify Technical Resolutions Nos. 6 and 12 by the Argentinean Federation of Professional Advice in Economics (F.A.C.P.C.E.), approved by the Professional Council of Economics of the Autonomous City of Buenos Aires in Resolutions Nos. 238/01, 243/01, and 262/01, respectively.

Consideration of the how the exchange rate bears on the currency's purchasing power

These financial statements have been drafted taking the effects of inflation into account.

As of approval of Decree No. 664 by the National Executive Branch, the Corporate Records Office issued General Resolution No. 4/2003, stating that as of March 1, 2003, institutions were to discontinue the method of redenomination of financial statements in a uniform currency, established in Technical Resolution No. 6, with the modifications introduced by Technical Resolutions No.19, issued by the Argentinean Federation of Professional Advice in Economics (F.A.C.P.C.E.), adopted in Technical Resolutions MD 03/02 and CD 262/01 by the Professional Council of Economics of the Autonomous City of Buenos Aires.

Consequently, bearing the above paragraph in mind, and as was anticipated in the first paragraph of this chapter, the company has not redenominated its financial statements, in accordance with the requirements set forth in current legislation.

Information Provided on a Comparative Basis

The financial statements are presented in pesos, in two columns, and provide information on a comparative basis in accordance with current professional regulations.

Presentation Criteria

The financial statements are presented in compliance with the presentation criteria established in Technical Resolutions 8 and 9 by the F.A.C.P.C.E.

Valuation Criteria

Following are the most relevant valuation criteria used to put together the financial statements:

a) Monetary Items

Funds in Cash and Banks, Credit, and Liabilities, for transactions which can be converted into pesos without adjustment or indexation clauses, at their nominal values, when relevant, plus interest accrued at the close of the period.

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TGLT S.A.
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NOTES TO FINANCIAL STATEMENTS
TO DECEMBER 31, 2007
PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

b) Assets and Liabilities in Foreign Currency

Assets and Liabilities denominated in foreign currencies were converted at the exchange rates set by Banco de la Nación Argentina applicable at closing time for transactions on the last business day of each fiscal year. Exchange rate differences are ascribed to the profits (losses) of the fiscal year.

c) Fixed Assets

These have been valued at their cost of incorporation, plus the expenses incurred in servicing them, net of cumulative amortizations.

d) Permanent Investments

Permanent Investments were valued using the proportional asset value method.

Note 2. STRUCTURE OF MAIN ITEMS OF THE FINANCIAL STATEMENTS

The main items to December 31, 2007, presented comparatively with the previous fiscal year, are broken down as follows:

	<u>2007</u>	<u>2006</u>
	\$	\$
2.1 Cash and Banks		
Fixed Fund	2,000.00	656.83
Citibank	-	125.68
HSBC	68,915.91	15,258.11
UBS Miami	1,843,646.36	-
Foreign Currency	9,744.85	-
Total	<u>1,924,307.12</u>	<u>16,040.62</u>
2.2 Temporary Investments		
Foreign Investments	12,194,465.03	-
Total	<u>12,194,465.03</u>	<u>-</u>
2.3 Other Credit		
Current		
IIBB Federal Capital – Withholdings and Amounts Received	-	10,58
IIBB Federal Capital – Positive Balance	15,416,02	-
Payment to Tax account	8,607,10	4,295,21
Corporate Income Tax – Withholdings	35,195.02	35,345.13
Corporate Income Tax – Advance Payments	153,704.04	892.19

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

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C.P.C.E.C.A.B.A. T° 7 F-216

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NOTES TO FINANCIAL STATEMENTS

TO DECEMBER 31, 2007

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

	2007	2006
2.3 Other Credit (continued)		
	\$	\$
Advance Payments	-	600.00
Lease Guarantee Deposits	6,528.90	3,626.40
VAT Positive Balance	73,839.42	-
Federal Capital VAT	781.20	300.58
Advance payments for expenses on which to render accounts	2,000.00	-
Payments on behalf of third parties	15,247.21	-
Advance payments for services	3,115.45	-
Malteria del Puerto S.A.	639417.10	-
Assignment of rights receivable	9,327.00	-
Shareholders - Personal Account	-	536,303.86
Total	963,178.46	581,373.95
Non-Current		
Lease Deposits	-	6 346.20
Deferred Tax	401,934.68	-
Estimated Minimum Income	194,538.06	-
Total	596,472.74	6,346.20
2.4 Other Assets		
Current		
Leases paid in advance	-	6,090.00
Total	-	6,090.00

2.5 Fixed Assets

Amortizations were made based on life cycles estimated for each type of asset and using the straight-line method, without considering the recoverable value or full month of discharge. The value of these assets as a whole does not exceed the economic utilization value.

2.6 Permanent Investments

Maltería del Puerto S.A.	1,922,508.24
Piedras Claras S.A.	4,349,843.88
Total	6,272,352.12

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NOTES TO FINANCIAL STATEMENTS

TO DECEMBER 31, 2007

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

	<u>2007</u>	<u>2006</u>
<u>2.7 Intangible Assets</u>		
Brands		320.00
Incorporation Expenses		569.40
Total		<u>889.40</u>
<u>2.8 Accounts Payable</u>	300,000	424.42
Suppliers		
Total	<u>300,000</u>	<u>424.42</u>
<u>2.9 Social security debts</u>		
Payroll and wages payable	52.00	23,797.00
Social Security Contributions Payable		
Total	<u>32,656.48</u>	<u>8,652.66</u>
	32,708.48	32,449.66
<u>2.10 Tax Burdens</u>		
Gross Income Tax		7,292.58
VAT		
Corporate Income Tax Withholdings to Deposit		
SUSS Withholdings Payable	-	40,800.55
I.G.M. P. Provision	66,803.81	18,743.34
Corporate Income Tax Provision	-	16.50
Total	<u>194,538.05</u>	<u>-</u>
	-	240,338.48
<u>2.11 Other Liabilities</u>	261,341.87	307,191.45
<u>Current</u>		
Provision for Miscellaneous Expenses		
Other debts		6,692.50
Total		
<u>2.12 Permanent Investment Profits (Losses)</u>	<u>22,500.00</u>	<u>-</u>
Piedras Claras S.A.	<u>22,500.00</u>	<u>6,692.50</u>
Maltería del Puerto S.A.		
Total	<u>(19,783.96)</u>	
	12,063.71	
	<u>(7,720.25)</u>	

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	<u>2007</u>		<u>2006</u>
2.13 Other Income/Outlays	\$		\$
Expenses Recovered	-		140,00
Fixed Asset Sales	(7,804.70)		
Assignment of Rights	11,708.03		
Donations	<u>(4,598.00)</u>		<u>(172,700.00)</u>
Total	<u>(694.67)</u>		<u>(172,560.00)</u>

Note 3. Equity Statement

The capital subscribed and paid amounts to \$28,571.00. To the date when these Financial Statements were drafted, registry at the Public Registry of Commerce of the capital increase approved at the General Common and Special Shareholders' Meeting held on 8/15/2007, which raised the capital from \$20,000 to \$28,571, was pending.

Note 4. Assets with Limited Availability

Currently there are neither assets with limited availability nor assets encumbered in accordance with Art. 65, Paragraph a) of Law No. 19,550.

Note 5. Future-Related Facts

Following the closing dates of these financial statements there were no facts or circumstances that modified the company's asset-related, economic, and/or financial situation, had a bearing significantly on its profits (losses), or which entailed difficulties for start-up of the company.

Note 6. Corporate Income Tax and Minimum Presumptive Corporate Income Tax

The Company enters the Corporate Income Tax using the deferred method, in accordance with Technical Resolution No. 17 by the Argentinean Federation of Professional Advice in Economics.

Due to application of the method, to the close of the fiscal year the Company acknowledged a deferred tax of \$401,934.68.

The company has concluded that it does not have to pay the corporate income tax for this fiscal year. Furthermore, it has concluded that it must pay \$194,548.06 of Minimum Presumptive Corporate Income Tax.

Note 7. Restriction to Distribution of Profits

Because the profits (losses) for the fiscal year were negative, it is not necessary to refer to distribution of profits.

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PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

Note 8. Transactions with Subsidiaries

	<u>2007</u>	<u>2006</u>
<u>Maltería del Puerto S.A.</u>		
Initial Balance		
Movement of Funds – Financial Loan	639,417.10	
Final Balance	639,417.10	
Piedras Claras S.A.		
Initial Balance		
Final Balance		

Technical Resolution No. 21 by the FACPCE in effect to date was used for valuation of the investment by the subsidiary.

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with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 160 F 043

NOTES TO FINANCIAL STATEMENTS

TO DECEMBER 31, 2007

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

Note 9. Estimated Timeframes for Collection or Payment of Credit and Liabilities

DUE AND PAYABLE	OTHER CREDIT	ACCOUNTS PAYABLE	SOCIAL SECURITY DEBTS	TAX BURDENS	OTHER LIABILITIES
1 st Quarter	759,143.40	300.00	32,708.48	66,803.81	22,500.00
2 nd Quarter	197,506.16			194,538.06	
3 rd Quarter	6,528.90				
4 th Quarter	596,472.74				
From 1 to 2 years					
Over 2 years					
SUB TOTAL	1,559,651.20	300.00	32,708.48	261,341.87	22,500.00
Expired No timeframe established	-	-	-	-	0.00
TOTAL	1,559,651.20	300.00	32,708.48	261,341.87	22,500.00
Accruing interest	1,559,651.20	300.00	32,708.48	261,341.87	22,500.00
Not accruing interest					
TOTAL	1,559,651.20	300.00	32,708.48	261,341.87	22,500.00

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 160 F 043

TABLE OF FIXED ASSETS

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

MAIN ACCOUNT	ORIGINAL VALUE				AMORTIZATIONS				NET RESULT 2007	NET 2006
	AT START OF FISCAL YEAR	INCREASES	DECREASES	TO CLOSE OF FISCAL YEAR	CUMULATIVE AT START OF FISCAL YEAR	FISCAL YEAR DISPOSALS	FOR FISCAL YEAR	CUMULATIVE TO CLOSE OF FISCAL YEAR		
Vehicles	116,313.61	14,148.22	116,313.61	0.00	46,525.45	46,525.45	0.00	0.00	0.00	69,788.16
Furniture and Office Supplies	22,977.95	440.00		37,126.17	4,595.60		3,712.62	8,308.22	28,817.95	18,382.36
Installations	5,756.08	12,305.48		6,196.08	1,107.72		619.61	1,727.33	4,468.75	4,648.36
Hardware and Software	31,468.21			43,773.69	17,000.69		14,591.23	31,591.92	12,181.77	14,467.52
Improvements to third-party real estate	14,000.00			14,000.00	9,333.32		4,666.68	14,000.00	0.00	4,666.68
TOTAL TO 31/12/2007	190,515.85	26,893.70	116,313.61	101,095.94	78,562.78	46,525.45	23,590.13	55,627.47	45,468.47	
TOTAL TO 31/12/2006	178,146.52	42,367.12	29,997.79	190,515.85	37,270.58	0.00	41,292.20	78,562.78		111,953.07

The Notes and Exhibits attached hereto are an integral part of these Financial Statements

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 160 F 043

Company Name: TGLT S.A.
 Alicia Moreau de Justo 846 – Floor 1 – Office 8 – Autonomous City of Buenos Aires
 FISCAL YEAR No. 3
 Financial Statements to December 31, 2007

EXHIBIT II

TABLE OF FIXED ASSETS

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

MAIN ACCOUNT	ORIGINAL VALUE			AMORTIZATIONS			NET RESULT 2007	NET RESULT 2006
	AT START OF FISCAL YEAR	INCREASES AND DECREASES	TO CLOSE OF FISCAL YEAR	ACCUMULATED TO START OF FISCAL YEAR	OF FISCAL YEAR	ACCUMULATED TO CLOSE OF FISCAL YEAR		
Incorporation Expenses	1,708.20	0.00	1,708.20	1,138.80	569.40	1,708.20	0.00	569.40
Brands	960.00	0.00	960.00	640.00	320.00	960.00	0.00	320.00
TOTAL TO 31/12/2007	2,668.20	0.00	2,668.20	1,778.80	889.40	2,668.20	0.00	
TOTAL TO 31/12/2006	2,668.20	0.00	2,668.20	889.40	889.40	1,778.80		889.40

The Notes and Exhibits attached hereto are an integral part of these Financial Statements

FEDERICO NICOLAS WEIL
 TGLT S.A.
 CHAIRMAN

Signed for identification purposes
 with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
 C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
 Partner
 Public Certified Accountant (U.B.A.)
 CPCFCABA T 160 F 043

TABLE OF EXPENSES
INFORMATION REQUIRED BY ART. 65 (PARAGRAPH B) OF LAW 19.550 AND ITS MODIFICATIONS
PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

EXHIBIT III

ITEM	TOTAL	COST OF	ADMINISTRATIVE	SALES	FINANCING	FINANCIAL AND	TOTAL
	2007	SALES/SERVICES	COSTS	COSTS	COSTS	STAKE-HOLDING	2006
Payroll and wages	753,990.58	424916.58	329,074.00				326,034.82
Social Security Contributions	97,383.51	51,310.51	46,073.00				29,306.41
Compensation	215.31	215.31					4,975.15
Professional fees	195,488.84	97,451.05	98,037.79				319,661.57
Gross Corporate Income Tax	56,391.06			56,391.06			55,656.21
Fixed Asset Amortizations	23,590.13		23,590.13				41,292.20
Leases	51,009.62		51,009.62				40,212.00
Miscellaneous Expenses	29,697.21		29,697.21				37,369.47
Representation and Travel Expenses	32,618.13			32,618.13			33,089.91
Office supplies	16,110.78		16,110.78				30,725.59
Stationary	1,099.81	1,099.81					27,770.39
Computer Expenses	7,585.23		7,585.23				22,772.57
Cleaning supplies and service charge expenses	16,232.88		16,232.88				21,882.67
Debit and credit tax	42,658.61		42,658.61				21,041.36
Promotion, Advertising, and Publicity	73,865.76			73,865.76			19,680.00
Marketing	55,403.78			55,403.78			-
Services – Phone and Internet Communications	63,027.93		63,027.93				19,169.68
Other personnel expenses	33,520.31	33,520.31					16,603.89
General expenses	11,750.91		11,750.91				9,717.52
Travel and transportation expenses	33,084.09		33,084.09				6,249.13
Insurance	2,753.15		2,753.15				5,950.77
Staff Bonuses	766,000.00		766,000.00				-
Maintenance Expenses	16,202.50		16,202.50				2,447.11
Security and Surveillance	-						2,045.45
Banking Expenses	2,358.58				2,358.58		1,379.90
Paid Interest and Assets	2,982.72					2,982.72	1,213.08
Intangible Asset Amortizations	889.40		889.40				889.40
Taxes, Rates, and Contributions	3,871.71		3,871.71				3,256.27
Notarizations and Certifications	814.35		814.35				207.00
Consulting - Reports	162,668.30	43,693.23	118,975.07				-
Temporary Investment Stake-holding Profits (Losses)	152,682.91					152,682.91	-
Exchange Rate Differences	581,143.74					581,143.74	(71.85)
TOTAL TO 31/12/2007	3,287,091.84	652,206.80	1,677,438.36	218,278.73	2,358.58	736,809.37	
TOTAL TO 31/12/2006		724,352.23	260,628.19	113,026.12	1,379.90	1,141.23	1,100,527.67

The Notes and Exhibits attached hereto are an integral part of these Financial Statements

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 160 F 043

ASSETS AND LIABILITIES IN FOREIGN CURRENCY

FOR THE FISCAL YEAR ENDED ON DECEMBER 31, 2007

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

ITEMS	CATEGORY	AMOUNT	EXCHANGE RATE TO 31/12/2007	AMOUNT IN PESOS 2007	AMOUNT IN PESOS 2006
ASSETS	U\$\$	593,003.01		\$	\$
CURRENT ASSETS	U\$\$	3,134.40			
CASH AND BANKS					
UBS Miami					
Foreign Currency			3,109	1,843,646.36	
			3,109	9,744.85	
Total Cash and Banks	U\$\$		3,109		
TEMPORARY INVESTMENTS		596,137.41		1,853,391.21	
Foreign Investments					
		3,922,311.04		12,194,465.03	
Total Temporary Investments	U\$\$	3,922,311.04	3,109	12,194,465.03	3,626.40
OTHER CREDIT	U\$\$		3,109		
Collateral	U\$\$	2,100.00	3,109	6,528.90	
Payments on behalf of third parties		4,904.22		15,247.21	
Assignment of rights payable		3,000.00		9,327.00	
Total Other Credit		10,004.22		31,103.11	3,626.40
TOTAL CURRENT ASSETS		4,528,452.67		14,078,959.35	3,626.40
CURRENT ASSETS	U\$\$				6,346.20
OTHER CREDIT					
COLLATERAL					
Total Other Credit					6,346.20
TOTAL LONG-TERM ASSETS					6,346.20
TOTAL ASSETS		4,528,452.67		14,078,959.35	9,972.60
TOTAL LIABILITIES					

The Notes and Exhibits attached hereto are an integral part of these Financial Statements

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 160 F 043

STAKE-HOLDING IN OTHER COMPANIES – PERMANENT INVESTMENTS

FOR THE FISCAL YEAR ENDED ON DECEMBER 31, 2007

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

ISSUER	MAIN LINE OF BUSINESS	CHARACTERISTICS OF THE SECURITIES					
		CATEGORY	NOMINAL VALUE	AMOUNT	VALUE REGISTERED TO 31/12/07	VALUE REGISTERED TO 31/12/06	PERCENTAGE OF SHAREHOLDING, CAPITAL, AND VOTING RIGHTS
Piedras Claras S.A.	Real estate operations	Common	Uruguayan pesos 1	30,290,000	4,349,843.88		20.0000%
Malteria del Puerto S.A.	Real estate projects	Common	\$ 100	6,274	1,922,508.24		17.2961%
Total					6,272,352.12		

The Notes and Exhibits attached hereto are an integral part of these Financial Statements

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
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CPCFCABA T 160 F 043

TEMPORARY INVESTMENTS

FOR THE FISCAL YEAR ENDED ON DECEMBER 31, 2007

PRESENTED COMPARATIVELY WITH THE PREVIOUS FISCAL YEAR

EXHIBIT VI

Type of Investment	AMOUNT	LISTING			Valuation in \$
		Currency	Per unit	In pesos	
UBS Lux Emerging EC Fund global bonds	304.722	U\$\$	1,302.92	4,050.78	1,234,361.26
Brandywine GL Oppt. Bond	3,461.705	U\$\$	115.87	360.24	1,247,044.02
Permal Investment Holdings Fund Class A	56.984	U\$\$	5,185.06	16,120.35	918,602.11
Permal FX Financiate & Futures LTD Fund Class A	104.501	U\$\$	3,772.58	11,728.95	1,225,687.13
UBS Med Term Bond Fund USD B	4,429.642	U\$\$	180.42	560.93	2,484,700.39
Permal Fixed Income Holdings NV USD Class N	347.956	U\$\$	1,131.48	3,517.77	1,224,029.64
Bonds Diversity Strategic Fund Class A	753.410	U\$\$	391.17	1,216.15	916,257.71
UBS A&Q Solution Index Certs	824.000	U\$\$	1,149.10	3,572.55	2,943,782.77
Total					12,194,465.03

The Notes and Exhibits attached hereto are an integral part of these Financial Statements

FEDERICO NICOLAS WEIL
TGLT S.A.
CHAIRMAN

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 160 F 043

REPORT BY AUDITOR

Members of the Board:

TGLT S.A.

Legal address: Alicia Moreau de Justo 846 – Floor 1 – Office B – Autonomous City of Buenos Aires

CUIT: 30-70928253-7

As Independent Certified Public Accountants, we hereby provide a report regarding the audit we performed on the TGLT S.A. Financial Statements detailed in section A) below. The Company is responsible for drafting said financial statements. Our job is to express an opinion regarding the financial statements as a whole, based on our audit within the scope of section B).

A) FINANCIAL STATEMENTS AUDITED

- Statement of assets and liabilities to 12/31/2007 and 2006
- Income Statement to 12/31/2007 and 2006
- Statement of Net Worth Evolution to 12/31/2007 and 2006 to 12/31/2007 and 2006
- Cash Flow Statement to 12/31/2007 and 2006
- Notes 1 to 9 and supplementary Exhibits I to VI

B) SCOPE OF THE AUDIT

Our task was carried out in accordance with current auditing regulations approved by the CPCECABA. These regulations require that the auditor plan and conduct a study through which to reasonably conclude that the financial statements—considered as a whole—do not contain significant errors or omissions, in accordance with professional accounting regulations. An audit includes examining the evidence which backs the information provided in the financial statements through selective tests. Its objective is not— and it does not necessarily allow—detecting intentional crimes or irregularities. An audit also includes evaluating the accounting regulations applied and the reasonability of significant estimates made when the Company put together the financial statements, as well as an evaluation of the presentation of the financial statements taken as a group.

We have not examined Piedras Claras S.A.'s Financial Statements, which were used as the basis for determining the proportional equity value of the investment in this company and its relevant profits (losses) which amount to negative \$4,349,843.88 and \$19,783.93, respectively. Said financial statements were reviewed by another auditor whose report was delivered to me free of observations. Consequently, the opinion expressed in this report regarding the investment in said company is based on a report by another auditor.

C) OPINION

We are of the opinion that all the significant aspects of the financial statements referred to in the first paragraph reasonably reflect **TGLT S.A.'s** financial position to December 31, 2007 and 2006, as well as the profits (losses) of its transactions and net worth and cash flow variations for the fiscal years ended on said dates, in accordance with professional accounting regulations.

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C.A.B.A. Argentina

Tel / Fax (54 11) 4325-5225 LR

D) SPECIAL INFORMATION REQUIRED BY LEGAL PROVISIONS

In compliance with legal provisions currently in effect, we hereby report the following:

- a) The financial statements referred to in the first paragraph have been obtained from the accounting entries kept in accordance with legal regulations as far as the formal aspects of the same.
- b) Additionally, from the information obtained from accounting entries to December 31, 2007, the debts accrued to the benefit of the National Social Security System amount to \$26,723.61, and were not due and payable to said date.

Autonomous City of Buenos Aires, May 5, 2008

Signed for identification purposes
with my report dated 5/05/2008

ESTUDIO GAJST Y ASOCIADOS
C.P.C.E.C.A.B.A. T° 7 F-216

IGNACIO FABIAN GAJST
Partner
Public Certified Accountant (U.B.A.)
CPCFCABA T 160 F 043

SEAL:

Professional Council of Economics of the Autonomous City of Buenos Aires
No. E4008392 Buenos Aires, 20/8/2008 01.01.79 Certification No. 074993 Within the scope of the powers granted to this PROFESSIONAL COUNCIL by Laws 466 (Art. 2, Paragraphs D and J) and 20,488 (Art. 21, Paragraph 1), WE HEREBY CERTIFY the authenticity of the signature of TGLT S.A., 30-70928253-7, inserted on 575/2008 in the BALANCE dated 31/12/2007, to be presented before [illegible]... registered to Dr. GAJST IGNACIO FABIAN, 23-16453709-9 under license number CP T° 0160, F° 043—the validity of the license, pertinence, formal verification of the professional report, and formal macroscopic congruence of the signature having been checked—who has signed as partner of ESTUDIO GAJST Y ASOCIADOS THIS CERTIFICAION IS NOT VALID WITHOUT THE SEAL AND SIGNATURE OF THE SECRETARY OF CERTIFICATIONS
Dr. JUAN CARLOS RICO CERTIFIED PUBLIC ACCOUNTANT (U.B.A.) SECRETARY OF CERTIFICATIONS

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Suipacha 570 |4'B (C1008AAL)
C.A.B.A, Argentina

REPORT BY THE SUPERVISORY COMMISSION

Members of the Board of Directors of
TGLT S.A.

Legal address: Alicia Moreau de Justo 846 - 1o piso - oficina 8
Autonomous City of Buenos Aires
CUIT: 30-70928253-7

As auditors of TGLT S.A., in accordance with the provisions set forth in Article 294, paragraph 5 of the Law on Business Corporations, we have checked the documents detailed in Paragraph I below. The company's Board of Directors are responsible for the referred documents. My responsibility is to issue a report on said documents based on the work referred to in Paragraph II.

I. DOCUMENTS REVIEWED

- a) Statement of assets and liabilities to December 31, 2007
- b) Income Statement to for the fiscal year ended on December 31, 2007
- c) Statement of Net Worth Evolution for the fiscal year ended on December 31, 2007
- d) Cash Flow Statement for the fiscal year ended on December 31, 2007
- e) Notes 1 to 9 and Exhibits I to VI
- f) Inventory to December 31, 2007
- g) Annual Report by the Board of Directors for the fiscal year ended on December 31, 2007

II. SCOPE OF THE REVIEW

Our review was conducted in accordance with current auditing regulations, which require that the review of financial statements be done in compliance with current auditing regulations, and includes verifying the congruence of the documents reviewed and the information regarding the company decisions rendered in minutes, as well as whether said decisions are in compliance with the law and statutory regulations from formal and documentary standpoints. An audit requires that the auditor plan and execute its task in such a way that it may be reasonably sure that there are no false statements or significant errors in the financial statements. An audit also includes a review—based on selective premises—of the elements of judgment which back the information presented in the financial statements, and evaluating the accounting regulations applied, relevant estimates by the Board of Directors, and presentation of the financial statements as a group. Because auditors are not responsible for auditing management, said review did not cover the criteria and company decisions made in the various Company departments, because such matters are the sole responsibility of the Board. I believe that the work we performed provided us with reasonable grounds to back our report.

Furthermore, we have verified that the annual report by the Board of Directors for the fiscal year ended on December 31, 2007 includes the information required by Article 66 of the Law on Business Corporations, and—within the scope of our duties—that its numerical information is in line with the accounting entries by the Company and other pertinent information.

III. OPINION

- a) Based on the review performed, we believe that all the significant aspects of the financial statements attached reasonably reflect TGLT S.A.'s financial position to December 31, 2007 and the profits (losses) of its transactions, evolution of its net worth, and the cash flow for the fiscal year ended on said date, in compliance with professional accounting regulations.
- b) Within the scope of our duties, we have no observations regarding the annual report by the Board of Directors, as statements regarding future circumstances are the exclusive responsibility of the Board.
- c) The financial statements attached hereto and the relevant inventory are the result of accounting entries kept in compliance with current legal provisions from a formal standpoint.

IV. ADDITIONAL INFORMATION

Furthermore, we hereby report that the shareholder established abroad must proceed with registry before the Corporate Records Office, in fulfillment of the provisions set forth in the Law on Business Corporations. Said registry must be duly attested to for the shareholder to be able to participate in the Company's General Shareholders' Meetings.

Autonomous City of _____, April 28, 2008

IGNACIO FABIAN GAJST
Chairman of the Supervisory Commission