



**MID-TERM FINANCIAL STATEMENTS**

**TGLT S.A.**

**AS OF SEPTEMBER 30, 2011**

TGLT S.A.

# MID-TERM FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011

Presented on a comparative basis (Note 1.)

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**OVERVIEW**ON THE FINANCIAL STATEMENTS  
AS OF SEPTEMBER 30, 2011**I. OVERVIEW OF COMPANY OPERATIONS FOR THE PERIOD ENDED ON  
SEPTEMBER 30, 2011****Significant acquisitions****Property in Puerto Norte, Rosario**

On March 15, 2011, the Company executed a memorandum of understanding with Servicios Portuarios S.A. ("SP") for TGLT S.A. (or a controlled subsidiary of TGLT S.A.) to purchase a property located in the city of Rosario, Province of Santa Fe, referred to by the Municipality of Rosario as Management Unit 1 of the 2<sup>nd</sup> Phase Special Plan for the Scalabrini Ortiz Urban Renovation Center, which adjoins the property on which "Forum Puerto Norte" project that belongs to subsidiary Maltería del Puerto S.A. is located (the "Property").

Under the memorandum of understanding the parties agreed to enter into bona fide negotiations for the definitive terms and conditions of the contracts, agreements and documents that will set out the rights and obligations of the parties for the joint development of a real estate project on the Property within 6 (six) months from the execution of the memorandum of understanding, which term may be extended on a one-time basis for 3 (three) additional months by any of the parties. On September 22, 2011, the Company announced it was extending the period to negotiate and sign the definitive contracts, agreements and documents for an additional 3 (three) months, i.e. until December 15, 2011.

The total surface area of the Property is app. 84,000 m<sup>2</sup>, resulting from an FOT of 117,000 m<sup>2</sup> and a sellable and/or marketable area of app. 121,000 m<sup>2</sup> plus 1,380 parking spaces. TGLT S.A. (or a controlled subsidiary of TGLT S.A.) will acquire the Property where the Company will erect several premium-quality buildings that will include, among other things, apartments, commercial establishments, storerooms, parking spaces, boathouse, piers, marinas, etc., with a PSV of app. US\$ 260 million.

This development will be built in two stages, as evident from the ordinances and other municipal regulations of Rosario: Stage I (construction units 1 and 2), and Stages II, III and IV (construction units 3, 4 and 5).

The purchase price will be US\$ 28,000,000 (Twenty Eight Million US Dollars). Also, the Company will offset the sums paid by SP for the works on Luis Candido Carballo Avenue, totaling \$ 8,408,700.90 (Eight Million Four Hundred and Eight Thousand Seven Hundred point Ninety Pesos), plus Value Added Tax, as of the date the memorandum was executed. As of September 30, 2011, the Company had paid \$4,696,877 plus Value Added Tax.

**All the shares in Pico and Cabildo S.A.**

On March 30, 2011, the Company entered into a purchase agreement for the entire equity package at "Pico and Cabildo S.A.", with the shareholders of that company (the "Sellers"). The transfer of 95% of the shares to the Company took place on April 14, 2011 (the "First Closing Date") and the transfer of the remaining 5% of the shares to the Company or its nominee took place on June 2, 2011 (the "Second Closing Date").

The main asset held by Pico and Cabildo S.A. is two (2) parcels of land located in the neighborhood of Núñez, Autonomous City of Buenos Aires, as per the following breakdown (collectively, the "Property"):

(i) Vedia Street Nos. 2332 / 2334 / 2340 / 2342 / 2348 / 2350 between Cabildo Avenue and Vuelta de Obligado Street; Real Estate Inventory Classification: Circumscription: 16; Section: 29; Block: 12; parcel 4b; License FR 16-48561; and

(ii) Cabildo Avenue Nos. 4801 / 4827 / 4829 / 4833 / 4837 / 4847 / 4861 corner with Pico Street 2329 / 2335 / 2339 / 2347 / 2351 / 2357 / 2331 / 2365 / 2395 / 2397; Real Estate Inventory Classification: Circumscription: 16; Section: 29; Block: 12; Parcel 4c; License: FR 16-48562.

The total purchase price for the shares was agreed at US\$ 12,600,000. The terms of payment are as follows:

- (i) US\$ 2,199,348 was paid by the Company's delivery to the Sellers of preliminary sales agreements for functional units in the "Astor" development that the Company is building on the property it owns on Beruti Street No. 3351 in the Autonomous City of Buenos Aires.
- (ii) US\$ 6,184,775 was paid in cash on September 30, 2011.
- (iii) US\$ 4,215,877 will be paid in cash on January 30, 2012.

As security for the payment of the balance on the cash Price due subsequent to the Second Closing Date, the Company furnished, as of the First Closing Date, a first-priority pledge on the Shares by executing a share pledge agreement in favor of the Sellers.

On the Property, measuring 4,759 m<sup>2</sup>, the Company –either under its own name or as Pico and Cabildo S.A.- plans to build a real estate development measuring app. 18,800 m<sup>2</sup> of sellable area plus parking spaces and storerooms, with a potential sales value estimated at U\$ 55 million.

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### Sale of shares in Pico and Cabildo S.A.

On September 9, 2011, the Company sold 3% of the shares it owned in Pico y Cabildo S.A. to Canfot S.A. in the sum of US\$ 378,000.

### Balance of shares in Canfot S.A.

On June 14, 2011, the Company bought out the final balance of the shares that it did not yet own in Canfot S.A. ("Canfot"), the business of which is to develop, build and sell, on a condominium basis, the real estate project known as "Forum Alcorta", located in the neighborhood of Belgrano, City of Buenos Aires. Therefore, TGLT acquired twelve million thirty nine thousand and twenty four (12,039,024) registered non-endorsable shares of common stock with a par value of one Peso (\$1) each and one (1) vote per share in Canfot, representing 24.96% of the entire corporate capital and votes in Canfot, in the sum of US\$ 7,500,000. In 2010, TGLT had already acquired the holdings of other investors who participated in the "Forum Alcorta" project, and it now completed the purchase of 100% of the corporate capital and votes in Canfot.

### Sale of minority interest in Canfot S.A.

On September 6, 2011, the Company sold 9.09% of the shares it owned in Canfot S.A. ("Canfot") to Kondor Fund SPC, a Brazilian asset management company, in the sum of US\$ 2.9 million.

### Property in Caballito, City of Buenos Aires

On June 29, 2011, the Company entered into an exchange acquisition operation for a lot located in the neighborhood of Caballito, City of Buenos Aires, owned by IRSA Inversiones and Representaciones Sociedad Anónima. The Company intends to develop a housing project on the Property. As consideration for the acquisition of the property, TGLT agreed to transfer to IRSA:

- (i) A number to be determined of functional housing units (apartments), on aggregate representing 23.10% of the proprietary sellable square meters destined for housing (apartments) in the building to be erected;
- (ii) A number to be determined of parking spaces, on aggregate representing 21.10% of the proprietary parking square meters located in the two underground levels of the real estate development to be built by TGLT in the Property;
- (iii) If TGLT builds additional storerooms, a number to be determined of additional storerooms equivalent to 21.1% of the proprietary storeroom square meters in the buildings that TGLT will erect on the Property; and
- (iv) The sum of One Hundred and Fifty Nine Thousand Three Hundred and Seventy Five United States Dollars (US\$ 159,375) payable within forty eight (48) hours after execution and delivery of the transaction documentation.

The percentages specified in (i) above would be reduced by up to 21% of the sellable housing square meters (apartments) if possession of the units subject to this exchange is made before the deadlines agreed in the contractual documentation.

To secure its obligations under the exchange, TGLT furnished a first-priority mortgage in favor of IRSA over the Property, for up to the sum of Twelve Million Seven Hundred and Fifty Thousand United States Dollars (US\$12,750,000) plus interest, costs and expenses as applicable.

On the Property, which measures 10,000 m<sup>2</sup>, the Company expects to develop a real estate property totaling approximately 30,000 sellable m<sup>2</sup> plus parking spaces and storerooms, with a potential sales value ("PSV") estimated at US\$ 73 million.

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### Summary chart of our real estate projects

Project	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Núñez	Astor Caballito	Venice	Montevideo Project	FACA Project
<b>Location</b>	Rosario, Santa Fe	Bajo Belgrano, City of Buenos Aires	Palermo, City of Buenos Aires	Núñez, City of Buenos Aires	Caballito, City of Buenos Aires	Tigre, Buenos Aires	Montevideo, Uruguay	Rosario, Santa Fe
<b>Segment</b>	High/Medium-High	High	Medium-High	Medium-High	Medium-High	High/Medium-High	High	High/Medium-High
<b>Type</b>	Urban Complex	Urban Complex	Multi-family	Multi-family	Multi-family	Development	Urban Complex	Urban Complex
<b>Characteristics</b>	Riverfront	Park	Urban	Urban	Urban	Riverfront	Riverfront	Riverfront
<b>Year of Acquisition</b>	2008	2008	2010	2011	2011	2007	2009	2011
<b>Land (m2)</b>	43,000	13,000	3,208	4,759	9,766	320,000	10,765	84,000
<b>Sellable area (m2)</b>	52,755	39,271	14,449	20,317	30,064	Single-family plots: approx. 22,300 Housing and commercial: approx. 212,300	Approx. 40,000	Approx. 121,580
<b>Sellable units</b>	454	151	210	298	500	Single-family plots: approx. 24 Housing and commercial: approx. 2,589	Approx. 240	Approx. 1,095
<b>Other sellable units</b>	Parking spaces: 570 Boathouses: 95	Parking spaces: 400	Residential parking spaces: 195 Commercial parking spaces: 171	Parking spaces: 231	Residential parking spaces: 500	Parking spaces: approx. 3,019 Boathouses and marinas: approx. 182	Parking spaces: approx. 312	Commercial parking spaces: approx. 1,307
<b>Total estimated PSV (millions of US\$)</b>	95.3	167.6	52.5	54.4	73.4	Approx. 540.0	Approx. 130.0	Approx. 250.0
<b>PSV launched (millions of US\$)</b>	95.3	167.6	52.5	54.4	13.7	-	-	-
<b>Area sold as of 06/30/11 (m2)</b>	40,321	21,424	6,658	2,011	1,535	-	-	-
<b>Units sold as of 06/30/11</b>	374	75	98	23	25	-	-	-
<b>Other units sold as of 06/30/11</b>	Parking spaces: 384 Boathouses: 40	Parking spaces: 149	Residential parking spaces: 78 Commercial parking spaces: 171	Residential parking spaces: 8 Commercial parking spaces: 20	Parking spaces: 25	Parking spaces: - Boathouses and marinas: -	-	-

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Project	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Núñez	Astor Caballito	Venice	Montevideo Project	FACA Project
Sales secured as of 06/30/11 (millions of \$)	285.5.3	283.3.0	86.9	19.4	10.7	-	-	-
Sales secured during 2011 (millions of \$)	105.3	131.8	56.9	19.4	10.7	-	-	-
Construction progress as of 06/30/11 (performance of monetary budget)	78%	35%	-	-	21%	-	-	-
Stage	Construction	Construction	Pre-construction	Product Design and Permitting	Construction	Product Design and Permitting	Product Design and Permitting	Product Design and Permitting

### Mid-term milestones of our real estate projects

The milestones reached in our projects during the period include:

#### Forum Puerto Norte

- Sales efforts for building CUBO B were launched in January 2011. This building, which was originally planned for residential units under the name of SIX, was retrofitted to accommodate offices, after the success achieved with the CUBO A building.
- The project boathouses were launched in June 2011. This completes the full launch of this project.
- The works are contracted in their entirety. Construction is progressing as scheduled, with 22% remaining to complete the project.
- During the rest of the year, the first units will be delivered in buildings 2, 3 and 9.

#### Forum Alcorta

- After the showroom was launched in November 2010, sales of departments in Towers 1 and 2 have continued.
- During the second quarter, the entire footmark of Tower 1 was completed and work began on the ground floor of the building. During the third quarter, concreting work continued in the first and second floors of Tower 1 and progress is expected to pick up pace starting with the 4<sup>th</sup> floor. The excavation of the auditorium for Tower 2 is expected to be finished by late November.
- The CASAS building was launched in September 2011, with PSV of US\$ 17.35 million, completing the launch for the entire development.

#### Astor Palermo

- In June 2011, Astor Palermo was launched with a PSV of US\$ 53 million. Sales began with a commercial pre-sales stage, successfully completed in the showroom of Forum Alcorta. The sales showroom of Astor Palermo is expected for the fourth quarter, as well as the advertising campaign kickoff.
- On April 8, 2011, a lease was signed on a commercial establishment located on Beruti 3465, City of Buenos Aires, where the sales office for Astor Palermo, where the sale of the project will continue.
- On June 9, 2011, the 9<sup>th</sup> Court for Adversary Administrative and Tax Matters of the Autonomous City of Buenos Aires, 18<sup>th</sup> Clerk's Office, granted pretrial injunctive relief in the proceedings captioned "*Asociación Amigos Alto Palermo c/ Gobierno de la Ciudad de Buenos Aires s/ Amparo*", deciding to suspend construction of the Astor Palermo project. According to paragraph II of that resolution, the suspension will remain in force until the Government of the City of Buenos Aires adds the administrative dossiers to the case file, whereby it

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has granted authorization for the construction of an apartment building with residential and commercial parking spaces, to be built by the Company in that property. On July 4, 2011, the Government of the Autonomous City of Buenos Aires complied with this petition. On July 11, 2011, the acting judge accepted the pretrial relief requested until all the evidence offered by the parties is produced, as well as any other evidence as is required by the court in due procedural course. On July 15, 2011, the Company appealed from the resolution that granted this relief, and the appeal was granted that same day.

- The appeal from the injunction is being substantiated with the Court of Appeals and we understand it should be decided finally shortly, and once all pertinent procedural stages are completed, which as of now are progressing normally.
- Commencement of excavation and construction work is expected once the injunction described above is resolved, and at the same time results will start being recognized on the basis of the valuation of inventory at net realization value.

### Astor Núñez

- During the second quarter, architectural firm Mario Roberto Álvarez & Asociados was retained to design the project
- In the same project, the commercial building on Cabildo Avenue was launched and sold with a PSV and secured sales of US\$ 3.6 million.
- In September 2011, the residential apartment building known as Astor Núñez was launched with a PSV of app. US\$ 51 million. Sales began with a pre-sales commercial stage that was successfully completed in the Forum Alcorta showroom.

### Astor Caballito

- On September 30, 2011, the Company acquired, under an exchange agreement, a property located in Caballito, as reported above in *Significant Acquisitions*.
- The property has approved blueprints to erect three towers with a total sellable area of app. 30,000 m<sup>2</sup>, for a total PSV of US\$ 63 million, and works commenced for the construction of Tower C. TGLT gave these works continuity by deeming said tower launched with a PSV of US\$ 13.7 million.
- The project was designed by Dujovne, Hirsch & Asociados, as was the case in Astor Palermo.

### Venice

- During the first quarter of 2011, configuration of the master plan to match the development and sales plan was completed, adjusting the characteristics to the result obtained from our technical studies, as well as the stage-wise execution of the project.
- Once the definitive master plan was drawn up, an architectural contest was launched in early April for the design of the first 40,000 m<sup>2</sup> to be launched for sale in multi-family units. Of all seven proposals received, we picked that submitted by McCormack & Asociados, on the basis of economic and qualitative criteria.
- In November 2011, a sales office will be inaugurated with features that are unique in this country, namely its design, size and connection with the environment, which should raise great expectations vis-à-vis the launch of the first stage of the project, expected for 4Q11, subject to certain final approvals.

### Montevideo

- Now that the final design was defined by architecture firms Carlos Ott (Uruguay) and Ponce de León (Uruguay), as of this date the project is at its final permitting stage and its launch is planned for 4Q11. Construction is expected to start in March 2012.

### FACA

- Renowned architects Foster & Partners (UK) was engaged to design the master plan and the first stage of the project. The development has a sellable surface area of app. 121,580 m<sup>2</sup> for a total US\$ 250 million.
- The launch of the first stage is scheduled for the first quarter of 2012.
- At present, there is a possibility to develop the buildings located in the sectors furthest from the river using a cooperative financing modality.

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**II. BALANCE SHEET**

	Sep 30, 2011	Sep 30, 2010
Current assets	370,780,105	19,852,242
Non-current assets	641,737,302	420,633,688
<b>Total assets</b>	<b>1,012,517,407</b>	<b>440,485,930</b>
Current liabilities	269,335,220	237,887,861
Non-current liabilities	311,798,731	168,925,814
<b>Total liabilities</b>	<b>581,133,951</b>	<b>406,813,675</b>
Minority interests	12,371,501	16,847,818
Shareholders' equity	419,011,955	16,824,437
<b>Total liabilities, minority interests and shareholders' equity</b>	<b>1,012,517,407</b>	<b>440,485,930</b>

Current assets as of September 30, 2011, increased by \$350.9 million year over year mostly as a result of: a) the growing balance of cash and cash equivalents (Cash and banks and temporary investments) by \$75.8, generated by proceeds from the IPO, net of cash used during the period; and b) the reclassification of inventory to current assets since certain functional units are expected to be delivered in the Forum Puerto Norte project over the next 12 months (\$254.3 million as of September 30, 2011). The increase in non-current assets is mostly accounted for by the increase in inventory (non-current) in the sum of \$207 million year over year as a result of greater progress in the construction of projects underway, as well as the purchase of new land and a \$6 million increase in goodwill.

The makeup of liabilities and shareholders' equity as of September 30, 2011, differs significantly from the previous year, mostly as a result of the company's capitalization thanks to the IPO. As of September 30, 2010, current liabilities showed debts totaling \$213.9 million to the previous shareholders of the operating companies after the purchases made early that year. Capitalization of these debts within the context of the IPO resulted in a commensurate increase to shareholders' equity, which was also driven up by fresh funds from shares sold to new investors. Elsewhere, current liabilities as of September 30, 2011, reflect a balance of customer advances in the sum of \$158.5 million for the functional units that the Company plans to deliver over the coming 12 months. As of September 30, 2010, that balance was zero whereas customer advances were entirely in non-current liabilities. In fact, the increase in non-current liabilities is mostly accounted for by an increase in \$83 million in customer advances as well as by non-current trade payables higher by \$42.8 million, chiefly related to land purchases.

**III. INCOME STATEMENT**

	Sep 30, 2011	Sep 30, 2010
Operational results	11,822,798	(5,788,152)
Results from long-term investments	(5,220)	(513,271)
Goodwill depreciation	(5,064,074)	1,324,441
Other expenses	(52,816)	(47,762)
Financial and holding results, net	(11,170,040)	(10,567,681)
Other income and expenses, net	1,892,026	1,255,851
<b>Period results before Corporate Income Tax</b>	<b>(2,577,326)</b>	<b>(14,336,574)</b>
Corporate Income Tax	(9,267,450)	2,149,826
Minority interest	(4,154,048)	399,042
<b>Net period loss</b>	<b>(15,998,824)</b>	<b>(11,787,706)</b>

Operational results climbed significantly on a year over year basis, mostly on account of more projects entering the construction stage, the effect of which is reflected in the result from valuation at net realization value ("NRV result"). In the period ended on September 30, 2010, the only project that posted NRV results was Forum Puerto Norte, whereas this period we have included Forum Alcorta and Astor Caballito.

In relation to goodwill depreciation, it was increased by greater depreciation associated with the progress made in the projects to which said goodwill relates.

Financial and holding results are mostly accounted for by the impact of exchange rate variations on a higher level of dollar liabilities (customer advances).



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### IV. CASH FLOW AND USE OF FUNDS

	Sep 30, 2011	Sep 30, 2010
Cash flow from (funds used in) operations	(79,198,261)	(6,578,294)
Funds used in investments	(34,859,068)	(284,864)
Cash flow from financing	25,774,617	7,889,946
<b>Total period cash flow (funds used)</b>	<b>(88,282,712)</b>	<b>1,026,788</b>

The funds generated by operational activities decreased since September 2010, mostly on account of the increase in inventory for sale, whether through the purchase of land or the construction works in the projects underway.

In relation to use of funds in investments, this figure went up for the most part because of payments made in the purchase of companies and the purchase of furniture and supplies related to the remodeling and furnishing of the new TGLT offices.

As far as cash flow from financing activities, it increased significantly YoY because of faster increase in indebtedness.

### V. STATISTICS

Information on staffing evolution in the Company:

	Sep 30, 2011	Sep 30, 2010
Staffing	51	27

Information on the evolution of sales and advance payments:

	Project					Total
	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Núñez	Astor Caballito	
<b>Units sold</b>						
In the quarter ended 09.30.11	38	5	2	11	-	56
In the quarter ended 09.30.10	21	4	-	-	-	25
In the 9-month period ended 09.30.11	115	21	60	23	25	244
In the 9-month period ended 09.30.10	68	10	-	-	-	78
Accumulated as of 09.30.11	374	75	98	23	25	557
<b>Sales closed (*)</b>						
<b>Period sales</b>						
In the quarter ended 09.30.11	37,484,918	39,752,319	3,054,104	6,255,020	-	86,546,361
In the 9-month period ended 09.30.10	100,669,759	129,186,275	55,459,297	19,379,582	10,659,086	315,353,999
<b>Adjustments on sales in previous periods (**)</b>						
In the quarter ended 09.30.11	7,634,960	5,539,214	1,516,578	296,513	89,269	15,076,534
In the 9-month period ended 09.30.10	4,592,622	2,649,260	1,423,155	-	-	8,665,037
<b>Totals</b>						
In the quarter ended 09.30.11	45,119,877	45,291,534	4,570,682	6,551,533	89,269	101,622,895
In the quarter ended 09.30.10	10,086,420	15,579,665	-	-	-	25,666,085
In the 9-month period ended 09.30.11	105,262,381	131,835,536	56,882,452	19,379,582	10,659,086	324,019,037
In the 9-month period ended 09.30.10	50,230,280	29,662,572	-	-	-	79,892,852
Accumulated as of 30.09.11	285,464,845	283,284,935	86,908,039	19,379,582	10,659,086	685,696,487

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	Project					Total
	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Núñez	Astor Caballito	
<b>Customer advances (*)</b>						
In the quarter ended 09.30.11	28,999,907	14,439,086	4,738,724	368,030	213,099	<b>48,758,846</b>
In the quarter ended 09.30.10	13,410,874	7,109,787	-	-	-	<b>20,520,661</b>
In the 9-month period ended 09.30.11	78,588,071	57,980,421	17,795,412	6,862,481	10,782,916	<b>172,009,301</b>
In the 9-month period ended 09.30.10	36,604,440	12,569,831	-	-	-	<b>49,174,271</b>
Accumulated as of 09.30.11	189,551,013	141,962,690	46,362,865	6,862,481	10,782,916	<b>395,521,965</b>

(\*) Amounts stated in pesos, net of Value Added Tax.

(\*\*) Adjustments related to variations in the exchange rate and in the CAGR index whereby some sales contracts entered in previous periods are adjusted, as well as other adjustments on sales closed in previous periods.

**VI. LEADING INDICATORS, RATIOS OR INDEXES:**

Indicator	Formula	Sep 30, 2011	Sep 30, 2010
Current ratio	Current Assets / Current Liabilities	1.38	0.08
Acid-test ratio	(Shareholders' Equity + Minority Interest) / Liabilities	0.74	0.08
Sunken capital	Non-current Assets / Total Assets	0.63	0.95
Rate of return	Annualized mid-term net results / Average Shareholders' Equity	(0.05)	(0.69)

**VII. PROGRESS IN COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) IMPLEMENTATION PLAN**

On April 26, 2010, the Board of Directors of TGLT S.A. approved the Formal Plan for Implementing the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), as was set forth in General Resolution ("RG") No. 562/09 issued by the CNV.

In 2007, the CNV approved the adoption of the IFRS as the sole set of standards for entities under its supervision to prepare their financial statements. Consequently, the CNV commissioned the Argentinean Federation of Professional Economics Associations ("FACPCE" by its Spanish acronym), to draft a plan for companies making public offering of their shares and debt securities to adopt the IFRS. The FACPCE submitted said plan to the CNV in April 2008, and the final version was published in October of the same year.

In March, 2009, the Governing Board of the FACPCE approved Technical Resolution No. 26, "Adoption of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB."

Subsequently, the CNV published a draft RG project for adopting RT No. 26 issued by the FACPCE. Finally, in December, RG No. 562/09 issued by the CNV was published in the Official Gazette, which adopts, *mutatis mutandis*, the general guidelines of RT No. 26 of the original proposal by the FACPCE.

RG No. 562/09 issued by the CNV was included in the CNV regulations (2001 Version), and its article 114 included the obligation that entities adopting the IFRS for drafting their financial statements must submit a formal implementation plan, which is to be approved by the Board of Directors, and the content of which must be included in the minutes of the Board meeting in which it is considered and approved, and must also notify the market of such approval as a relevant fact through the CNV and the BCBA.

RG No. 562/09 provides that application of the IFRS will be mandatory for the Company as of the fiscal year beginning on January 1, 2012, and its relevant partial periods. The Company did not make use of the option granted by RG No. 562/09 of early adoption of the IFRS starting on January 1, 2011.

However, the Board hereby explicitly acknowledges that the adoption of the IFRS implies a number of analyses and tasks to be undertaken prior to full adoption of the same. In this regard, the Company has begun an orderly process to implement the IFRS, which is to be phased-in as follows:

TGLT S.A.

**OVERVIEW****ON THE FINANCIAL STATEMENTS  
AS OF SEPTEMBER 30, 2011**

Stage	Period affected
Stage I – Launching of the convergence project and compliance with defined actions	Period prior to the drafting of the opening balance sheet  YEAR: 2010
Stage II – Evaluation of accounting and business impact (after drafting the opening balance sheet)	Transition period (compared with first full period under the IFRS)  YEAR: 2011
Stage III – Compliance with actions prior to drafting the first information under the IFRS (reconciliations)	Transition period (compared with first full period under the IFRS)  YEAR: 2011
Stage IV – Notification to the market of the impact that the application of the IFRS will have on the entity’s financial performance metrics and the dividend policy	Transition period (compared with first full period under the IFRS)  YEAR: 2011

As a result of monitoring the specific IFRS implementation plan, the Board has not become aware of any circumstance that would require modifications to such a plan or that would indicate that it would eventually deviate from the established goals and dates. As of the date of these statements, stages II and III were underway.

**VIII. PROSPECTS**

Regarding the projects developed by the Company, the following is expected for the rest of the year:

- Continue construction, sale and delivery of units in Forum Puerto Norte in Rosario, the province of Santa Fe.
- Continue construction and sale of Forum Alcorta in the City of Buenos Aires.
- Obtain a favorable resolution for the relief petition related to the Astor Palermo project, commence construction and continue with the sale of this development.
- Continue the construction and sale of Astor Caballito in the City of Buenos Aires.
- Continue marketing Astor Núñez and start the construction of the project.
- Start construction and sale of the first multi-family buildings for the first development stage of the project temporarily known as Marina Río Luján.
- Complete the architectural design of the Montevideo project and obtain definitive approval of the project with a view to begin sales efforts toward the end of 2011.
- Make progress in the design and approval of plans of the FACA project in order to launch it in 1H12, respectively.
- Continue evaluating and carrying out new real estate projects in due time in markets where TGLT S.A. operates.
- Continue integrating certain activities related to the construction and marketing off the projects developed by the Company.

On November 4, 2011, the Securities Commission of the Federal Republic of Brazil (Comissão de Valores Mobiliários or “CVM”) granted TGLT S.A. open-company registration and approved the BDR Level II program (Brazilian Depositary Receipts). Also, BM&F Bovespa, Brazil’s largest stock market, authorized BDR trading on its general screen. All common shares and ADRs of the Company are convertible into BDRs and vice versa.

Moreover, the company is implementing the Microsoft Dynamics SL accounting and management system also known as *Enterprise Resource Planning* (“ERP”), assisted by external experts, the final migration expected to take place in 1Q12.

**TGLT S.A.**

Legal Address: Av. Scalabrini Ortiz 3333 – 1<sup>st</sup> Floor  
Autonomous City of Buenos Aires

**7<sup>TH</sup> BUSINESS YEAR BEGUN ON JANUARY 1, 2011**

**MID-TERM FINANCIAL STATEMENTS  
AS OF SEPTEMBER 30, 2011**

**SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

Main line of business of the Company: Project management and real estate enterprises, urban development; planning, evaluation, scheduling, designing, development, implementation, management, coordinating, supervising, making arrangements, organization, direction, and execution in handling the business associated with real estate; the beneficial use of brands, patents, methods, formulas, licenses, technologies, know-how, models, and designs, and marketing in all its forms.

Date of registry at the Corporate Records Office:

- Of the articles of incorporation: June 13, 2005
- Of its last modification: May 3, 2010 (Note 9 to the individual financial statements)

Registration number at the Corporate Records Office: 1,794,929

Expiry date of the articles of incorporation: June 12, 2104

Tax ID No.: 30-70928253-7

Information on the subsidiary companies: See the breakdown in Exhibit "C" for the individual financial statements.

<b>Structure of Corporate Equity</b>		
(Note 6.)		
(figures in pesos)		
Shares	Issued, subscribed, and paid	Registered
Common, book-entry voting shares with a Par Value (P.V.) of \$ 1	70,349,485	22,350,000
	70,349,485	22,350,000

p.p Supervisory Commission

Ignacio Fabián Gajst  
Examiner

Signed for identification purposes  
with our report dated November 10, 2011  
Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

Gabriel Righini (Socio)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74

Federico Nicolás Weil  
Chairman

TGLT S.A.

## CONSOLIDATED BALANCE SHEET

AS OF SEPTEMBER 30, 2011, AND DECEMBER 31, 2010

(figures in pesos expressed as described in Note 3.1.)

		Sep 30, 2011 Pesos	Dec 31, 2010 Pesos
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and banks	Note 5.a	24,964,772	170,236,988
Provisional investments	Exhibit C	64,711,847	7,722,343
Trade receivables	Note 5.b	513,856	-
Other receivables	Note 5.c	26,252,618	10,715,944
Inventory	Note 5.d	254,337,012	
<b>Total current assets</b>		<b>370,780,105</b>	<b>188,675,275</b>
<b>Non-current assets</b>			
Other receivables	Note 5.c	16,148,615	14,143,866
Inventory	Note 5.d	584,279,410	484,840,279
Fixed assets	Exhibit A	847,275	334,598
Intangible assets	Exhibit B	658,941	227,133
<b>Subtotal of non-current assets</b>		<b>601,934,241</b>	<b>499,545,876</b>
Goodwill	Exhibit B	39,803,061	34,777,969
<b>Total non-current assets</b>		<b>641,737,302</b>	<b>534,323,845</b>
<b>Total assets</b>		<b>1,012,517,407</b>	<b>722,999,120</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	Note 5.e	42,302,140	22,531,080
Loans	Note 5.f	21,278,620	677,293
Wages and social security contributions	Note 5.g	1,337,299	790,019
Taxes payable	Note 5.h	6,072,156	6,842,023
Customer advances	Note 5.i	158,460,773	-
Other liabilities	Note 5.j	39,884,232	-
<b>Total current liabilities</b>		<b>269,335,220</b>	<b>30,840,415</b>
<b>Non-current liabilities</b>			
Trade payables	Note 5.e	43,010,858	385,237
Loans	Note 5.f	25,355,580	12,000,000
Taxes payable	Note 5.h	4,075,169	406,420
Customer advances	Note 5.i	239,357,124	227,322,697
<b>Total non-current liabilities</b>		<b>311,798,731</b>	<b>240,114,354</b>
<b>Total liabilities</b>		<b>581,133,951</b>	<b>270,954,769</b>
Minority interests		12,371,501	16,399,743
<b>SHAREHOLDERS' EQUITY</b>		<b>419,011,955</b>	<b>435,644,608</b>
<b>Total liabilities, minority interests and shareholders' equity</b>		<b>1,012,517,407</b>	<b>722,999,120</b>

Notes 1 to 21 and Exhibits A, B, C, G, and H hereto are an integral part of these consolidated statements.

Signed for identification purposes  
with our report dated November 10, 2011  
Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

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Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74

Federico Nicolás Weil  
Chairman

TGLT S.A.

## CONSOLIDATED INCOME STATEMENT

FOR THE 9-MONTH PERIODS ENDED AS OF SEPTEMBER 30, 2011, AND 2010

(figures in pesos expressed as described in Note 3.1.)

		Sep 30, 2011	Sep 30, 2010
		Pesos	Pesos
Income for services rendered		16,707,901	176,495
Cost of services rendered	Exhibit H	(12,013,006)	(119,705)
<b>Gross profit</b>		<b>4,694,895</b>	<b>56,790</b>
Income from valuation of inventory at net realization value	Note 11	20,787,937	1,262,205
Sales expenses	Exhibit H	(6,237,843)	(2,036,637)
Administrative expenses	Exhibit H	(7,422,191)	(5,070,510)
<b>Operational results</b>		<b>11,822,798</b>	<b>(5,788,152)</b>
Long-term investment results		(5,220)	(513,271)
Goodwill depreciation	Exhibit B	(5,064,074)	1,324,441
Other expenses	Exhibit B	(52,816)	(47,762)
Financial and holding revenue, net	Note 5.k		
<i>Generated by assets</i>		11,603,462	875,475
<i>Generated by liabilities</i>		(22,773,502)	(11,443,156)
Other revenue and expenses, net	Note 5.l	1,892,026	1,255,851
<b>Period income before Income Tax</b>		<b>(2,577,326)</b>	<b>(14,336,574)</b>
Income Tax	Note 4	(9,267,450)	2,149,826
Minority interests		(4,154,048)	399,042
<b>Period results</b>		<b>(15,998,824)</b>	<b>(11,787,706)</b>
<b>Results per common share</b>			
Base		<b>(0.23)</b>	<b>(0.53)</b>
Diluted		<b>(0.23)</b>	<b>(0.53)</b>

Notes 1 to 21 and Exhibits A, B, C, G, and H hereto are an integral part of these consolidated statements.

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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Federico Nicolás Weil  
Chairman

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TGLT S.A.

## CONSOLIDATED CASH FLOW STATEMENT

FOR THE 9-MONTH PERIODS ENDED AS OF SEPTEMBER 30, 2011, AND 2010

(figures in pesos expressed as described in Note 3.1.)

	Sep 30, 2011 Pesos	Sep 30, 2010 Pesos
<b>CASH FLOW VARIATIONS (1)</b>		
Cash flow at start of period	177,959,331	12,825,519
Cash flow at close of period	89,676,619	13,852,307
<b>Net cash flow increase (decrease)</b>	<b>(88,282,712)</b>	<b>1,026,788</b>
<b>REASONS FOR CASH VARIATIONS</b>		
<b>Operational activities</b>		
Mid-term results	(15,998,824)	(11,787,706)
Income Tax	9,267,450	(2,149,826)
<b>Adjustments for arriving to the net cash flow from operational activities</b>		
Fixed asset depreciation	238,645	124,530
Income from long-term investment	5,220	513,271
Amortization of intangible assets	52,816	47,762
Income from sale of stock	(1,517,336)	747,105
Residual value of retired intangible assets	-	12,000
Goodwill depreciation	5,064,074	(1,324,441)
Accrued unpaid exchange rate difference, net	458,653	3,510,858
Income from valuation of inventory at net realization value	(20,787,937)	(1,262,205)
Minority interest	4,154,048	(399,042)
<b>Changes in Operational Assets and Liabilities</b>		
Increase (decrease) in trade payables	(513,856)	942,270
Increase in other payables	(17,541,423)	(3,329,134)
Increase in inventory	(291,306,851)	(58,043,759)
Increase in trade payables	62,396,681	14,826,871
Increase in salaries and social security	547,280	309,157
Decrease in taxes payable	(6,368,568)	(5,171,432)
Increase in customer advances	170,495,200	55,855,427
Increase in other liabilities	22,156,467	-
<b>Net cash flow used in operations</b>	<b>(79,198,261)</b>	<b>(6,578,294)</b>
<b>Investment activities</b>		
Increase in goodwill	11,359	-
Payments for purchase of intangible assets	(484,624)	(165,982)
Payments for purchase of fixed assets	(751,322)	(118,882)
Increase in interest in other subsidiaries	17,374,907	-
Payment of equity purchases in subsidiaries	(64,672,588)	-
Collection on sales of shares in subsidiaries	13,663,200	-
<b>Net cash flow from investing</b>	<b>(34,859,068)</b>	<b>(284,864)</b>
<b>Financing activities</b>		
Owners' contributions	-	5,431
Increase in loans	33,956,907	7,884,515
Variation in minority interest	(8,182,290)	-
<b>Net cash flow from financing</b>	<b>25,774,617</b>	<b>7,889,946</b>
<b>NET CASH INCREASE (DECREASE)</b>	<b>(88,282,712)</b>	<b>1,026,788</b>

Notes 1 to 21 and Exhibits A, B, C, G, and H hereto are an integral part of these consolidated statements.

(1) Cash: equivalent to cash and banks and temporary investments maturing within 3 months.

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p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
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Federico Nicolás Weil  
Chairman

TGLT S.A.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

## Note 1 Purpose of consolidated mid-term financial statements

On October 30, 2009, the Regular and Special Shareholders' Meeting of TGLT S.A. (the "Company") unanimously authorized entering the same into the public offering scheme in the country and/or on foreign markets which the Board of Directors determines, and the public offering and the listing of its shares with the National Securities Commission (C.N.V.) and the Buenos Aires Stock Exchange (B.C.B.A.), respectively, and/or on the foreign stock exchanges and/or self-regulated markets determined in due course by the Board of Directors.

On October 14, 2010, the C.N.V. issued its approval of Resolution No. 16,409 of September 8, 2010, whereby the Company has been authorized to make a public offering of up to 45,400,000 book-entry common shares, with the possibility of extending said offering up to 61,800,000 shares. In turn, on October 19, 2010, the B.C.B.A. issued the authorization for TGLT S.A.'s shares to be listed on the stock exchange.

On November 4, 2011, the Securities Commission of the Federal Republic of Brazil (Comissão de Valores Mobiliários or "CVM") granted TGLT S.A. open-company registration and approved the BDR Level II program (Brazilian Depository Receipts). Also, BM&F Bovespa, Brazil's largest stock market, authorized BDR trading on its general screen. All common shares and ADRs of the Company are convertible into BDRs and vice versa.

These consolidated mid-term financial statements (the "consolidated financial statements") as of September 30, 2011, were drafted for the purposes of complying with the requirements of the C.N.V. and the B.C.B.A. within the framework of the public offering of its stock.

These consolidated financial statements are for the 6-month period from January 1 to Sep 30, 2011. In accordance with the provisions set forth in Technical Resolution No. 8 issued by the Argentinean Federation of Professional Economics Boards (F.A.C.P.C.E.) on General Accounting Presentation Regulations, the Company submitted consolidated accounting information on its Balance Sheet compared with the last business year closed (December 31, 2010). In relation to the consolidated accounting information on the Income Statement and Cash Flow Statement, the Company shows that information compared with the mid-term financial statements as of September 30, 2010.

## Note 2 Company Business

TGLT S.A.'s main line of business consists in integrating all the roles associated with housing development projects, such as: searching for and acquiring land, designing the products, marketing, sales, construction project management, purchasing consumables, aftersales services, and financial planning. The architecture and construction are outsourced to other companies, with which the Company has strategic relationships.

As of September 30, 2011, the Company participates in the following real estate projects individually and/or along with other investors:

Project	Location	Sellable area (m2)	Units	Units sold	Closed sales (*)	Advances received (*)	Balance receivable (*)
Forum Puerto Norte	Rosario, Santa Fé	52,755	454	374	285,464,845	189,551,013	95,913,832
Forum Alcorta	Bajo Belgrano, City of Buenos Aires	39,271	151	75	283,284,935	141,962,690	141,322,245
Astor Palermo	Palermo, City of Buenos Aires	14,449	210	98	86,908,039	46,362,865	40,545,174
Astor Caballito	Caballito, City of Buenos Aires	30,064	500	25	10,659,086	10,782,916	-
Astor Nuñez	Nuñez, City of Buenos Aires	20,317	298	23	19,379,582	6,862,481	12,517,101

(\*) Figures in pesos, net of Value Added Tax.

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p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
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Chairman



TGLT S.A.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

**Note 2 Company Business (continued)**

Project	Location	Sellable area (m2)	Units	Units sold	Closed sales (*)	Advances received (*)	Balance receivable (*)
Venice	Tigre, Buenos Aires	(**) 234,600	(**) 2,613	-	-	-	-
"Montevideo" Project	Montevideo, Uruguay	(**) 40,000	(**) 240	-	-	-	-
"FACA" Project	Rosario, Santa Fé	(**) 121,580	(**) 1,095	-	-	-	-

(\*) Figures in pesos, net of Value Added Tax.

(\*\*) Estimated figures.

**Note 3 Criteria for presenting consolidated financial statements****3.1 Effects of inflation**

As of January 1, 2002, and in accordance with the provisions established by professional accounting standards, the restatement method (discontinued as from August 31, 1995) established in Technical Resolution No. 6, with the modifications introduced by Technical Resolution 19, both by the F.A.C.P.C.E., had been reinstated. On March 25, 2003 the National Executive Branch issued Decree No. 664, which stated that financial statements for periods closed as of said date were to be denominated in nominal values. Consequently, and in accordance with General Resolution No. 4/2003, issued by the Corporate Records Office (I.G.J.), the Company discontinued restatement of financial statements as of March 1, 2003.

In accordance with the above, the accounting information is presented in compliance with requirements established by current legal regulations, and therefore, the consolidated financial statements provide for the effects of restatement in a constant currency until February 28, 2003.

Had the comprehensive adjustment been performed to reflect the changes in the purchasing power of the currency established in the professional accounting standards currently in effect in the Republic of Argentina, and bearing in mind the provisions set forth in Resolution M.D. No. 41/2003 by the Argentinean Federation of Professional Economics Boards of the Autonomous City of Buenos Aires (C.P.C.E.C.A.B.A.), the changes in the currency's purchasing power as of September 30, 2003 ought to have been acknowledged. Said Resolution established that as of October 1, 2003, restatement in a constant currency was to be discontinued because the country has attained monetary stability.

The differences between the consolidated financial statements drafted in accordance with legal provisions and those drafted in accordance with professional accounting standards have not had a significant bearing on the consolidated financial statements in the terms established in Chapter 7 of Technical Resolution No. 16 by the F.A.C.P.C.E.

p.p. Supervisory Commission

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

## Note 3 Criteria for presenting consolidated financial statements (continued)

### 3.2 Presentation of consolidated financial statements

The Company's individual mid-term financial statements are consolidated with the intermediate mid-term financial statements for the 9-month period begun on January 1, 2011, and ended on September 30, 2011, of the following companies:

Company	Type of Control	Percentage interest (1)	Consolidation method
Canfot S.A.	Wholly-owned	90.91% (2)	Comprehensive
Pico y Cabildo S.A.	Wholly-owned	99.73% (2)	Comprehensive
Maltería del Puerto S.A.	Wholly-owned	75.00 % (3)	Comprehensive
Marina Río Luján S.A.	Joint	49.99% (4)	Proportional

(1) Direct and indirect interest. See Note 17.

(2) As a result of several transactions, the Company had become the sole shareholder as of September 30, 2011, of Canfot S.A. and Pico y Cabildo S.A. During the quarter ended as of September 30, 2011, the Company transferred 9.09% of its shares in Canfot S.A. in favor of Kondor Fund SPC – Kondor Properties Segregated Portfolio, and 3% of its shares in Pico y Cabildo S.A. to Canfot S.A. (See Note 17).

(3) See Note 12.2.

(4) See Note 12.4.

In accordance with the provisions set forth in General Resolutions Nos. 368/01 and 372/01 by the C.N.V., when consolidated financial statements are published they must be presented preceding the reporting Company's basic financial statements. This provision only means a change in the position of the consolidated information, and does not modify the fact that the main information is that contained in the basic financial statements and that the information contained in the consolidated financial statements is supplemental, in accordance with the provisions set forth in Law No. 19,550 on Business Corporations and professional regulations currently in effect.

Consequently, in order for these consolidated financial statements to be interpreted correctly, they must be read together with the Company's individual financial statements that are submitted following this consolidated information.

### 3.3 Applicable professional accounting standards

Consolidation of these financial statements has been performed in accordance with the provisions set forth in Technical Resolution No. 21 by the F.A.C.P.C.E.

In the consolidation of wholly-owned subsidiaries, the amounts invested in them and interests in their bottom-line results and cash flow are replaced by the total assets, liabilities, results and cash flow of the subsidiaries, separately reflecting third-party interests in said companies. In the case of the company which is under joint control, the amounts of investment in the subsidiary and the interests in its results and cash flow are replaced with the ratable share of the subsidiary's assets, liabilities, results and cash flow.

In both methods, the sums receivable and loans, and operations between entities of the consolidated group are eliminated in the consolidation. The profits (losses) originated by operations among members of the consolidated group excluding third parties and contained in the final asset balance are eliminated completely, unless said assets are measured according to current values determined on the basis of operations conducted with third parties.

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p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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Federico Nicolás Weil  
Chairman

TGLT S.A.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

## Note 3 Criteria for presenting consolidated financial statements (continued)

### 3.4 Adoption of International Financial Reporting Standards (IFRS)

Through General Resolution No. 562/09 dated December 29, 2009, titled "Adoption of International Financial Reporting Standards", and General Resolution No. 576/10, dated July 1, 2010, titled "Addendum to General Resolution No. 562," the C.N.V. established application of Technical Resolution No. 26 of the F.A.C.P.C.E. (as amended by Technical Resolution No. 29, approved by the F.A.C.P.C.E. on December 3, 2010), for certain entities included in the public offering system of Law No. 17,811, which adopts the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) for certain entities included in the public offering system provided for in Law No. 17,811, whether on account of their equity or debt securities, or because they have requested authorization to be included in said system. In fulfillment of these regulations, and in accordance with General Resolution 592/11 of October 24, 2011, as of the year starting on January 1, 2012, the companies that consolidate with the Company must include, in a note to the financial statements or in additional information, a reconciliation of their shareholders' equity and results determined in accordance with IFRS. This information is to be used by the Company to apply the proportional equity value method and for consolidation of their financial statements

On April 26, 2010 the Company's Board of Directors approved the "Formal Plan for Implementation of the International Financial Reporting Standards" which was submitted to the C.N.V. on April 30, 2010. Among other things, it establishes that implementation of the same is to be done in coordination with the Boards of Directors of the subsidiaries.

As of the date of these financial statements, the "Formal Plan for Implementing the International Financial Reporting Standards" was being implemented on schedule. Also, the Board of Directors of the Company was not aware of any circumstance that would necessitate any modifications to that plan or that would indicate any potential deviation from the established goals and dates.

### 3.5 Accounting calculation and presentation criteria

The main valuation criteria used to prepare these financial statements were the following:

#### a. Cash and banks

In local currency, at nominal values.

In foreign currency: It was converted at the exchange rate in effect at the close of the period applicable for settlement of the respective operations. The exchange rate differences were included in the results of the period. The respective breakdown is shown in Exhibit G.

#### b. Temporary investments

Fixed Term: valued at nominal value plus the applicable financial earnings accrued to the closing date of the period.

Mutual Funds: valued at the quotation value of the effective quota portion to the closing date of the period minus the direct sales costs.

Commercial Papers: a portfolio of unsecured notes issued by large foreign banks and corporations (U.S.), valued at their respective trade value as of the closing date of the period, minus direct sales costs.

Investments in foreign currency were converted at the exchange rate in effect at the close of the period, for settlement of the respective operations. The exchange rate differences were included in the results of the period. The respective breakdown is shown in Exhibits C and G.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting consolidated financial statements (continued)****3.5 Accounting calculation and presentation criteria (continued)****c. Receivables and payables**

Trade and financial receivables and payables: those with independent parties have been valued at the cash price estimated at the time of each operation, plus the relevant financial portion accrued by the close of the period. Trade and financial receivables and payables with related parties have been valued at their nominal value plus the financial components accrued at the close of the period in cases when they were agreed upon.

Other receivables and payables: those with independent parties were valued based on the best possible estimate of the amount payable or receivable, respectively, discounted—when applicable—using the estimated rate at the moment of incorporation of the asset and liability. In cases where they do not differ significantly, they have been left at their nominal value. The various payables and receivables with related parties have been valued at their nominal value plus the financial components accrued at the close of the period in cases when they were agreed upon.

Customer advances: These are funds received as a result of selling units of the real estate projects outlined in Note 2, where the units have not yet been delivered. These advanced payments were valued in accordance with the amount of cash received.

For accounts in foreign currencies, the amounts determined in foreign currencies were converted to the local currency at the exchange rates in effect at the close of the period applicable to settlement of the respective operations. The respective breakdown is presented in Exhibit G. Exchange rate differences were included in period results.

Payables and receivables include the portion of the relevant financial results accrued up to the period's closing date. Underlying financial components have been separated from the relevant asset amounts outstanding, when they were significant.

The breakdown of amounts outstanding with related parties is presented in Note 7 of these consolidated mid-term financial statements.

Deferred Tax credit balances have been reflected at its nominal value.

Labor cost liabilities are accrued in the period in which the employees have provided the service entitling them to said payments.

**d. Inventory**

- Urban development projects: The real estate classified as inventory is valued at the cost of acquisition and/or construction, as per Note 3.1, or at its estimated market value, whichever is lower. Among the costs are the value of the land and improvements, direct costs and general construction costs, financial costs, and real estate taxes.

The inventory for which price-clinching advance payments have been received and the terms and conditions of the operation contemplate the actual sale and profit actually being made and are valued at the net realization value provided. The result of said valuation is included under the item, "Result of inventory valuation at net realization value" in the consolidated Income Statement (see Note 11).

Moreover, this item includes the advance payment toward the purchase of the property in Rosario, Province of Santa Fe (see Note 19. to the individual financial statements) and direct purchase expenses incurred through the end of the period. The advance was valued according to the moneys/property delivered and direct purchase expenses at nominal value.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Nota 3 Criteria for presenting consolidated financial statements (continued)****3.5 Accounting calculation and presentation criteria (continued)****d. Inventory (continued)**

Inventory for Marina Río Luján S.A. comprises a property located in Tigre, in the province of Buenos Aires, which was acquired on July 5, 1999. At the time, this property was included in the assets of said company at its cost of acquisition. Among the costs were the value of the property and direct expenses associated with acquiring it.

As of December 31, 2003 and based on the technical value which resulted from a report put together by independent professional experts on the matter, Marina Río Luján S.A. acknowledged a devaluation to the book value of inventory because it exceeded the recoverable value on that date.

If a conservative approach is used, as of September 30, 2011, the referred inventory will continue to be valued as per the technical value indicated above. The values determined that way do not exceed their recoverable value.

- Greater book value of inventories: This is the difference among calculations of net assets which can be identified at the moment long-term interests are acquired in companies (see Note 17.), which result from applying the criterion established in Section 1.3.1.1 of Technical Resolution No. 21 by the F.C.P.C.E. Therefore, the inventories' greater book value is mostly generated by a comparison of the book values and the relevant current values of the main assets which belong to the acquired companies (inventory).

The current value of the identifiable net assets is obtained from reports put together by independent professional experts on the matter.

As provided in paragraph 1.2.ñ) of Technical Resolution No. 21 by the F.A.C.P.C.E., the differences in calculations of net assets that can be identified at the moment of purchase which result from applying the criterion established in Section 1.3.1.1 of that Technical Resolution must be attributed to results at the investor company based on consumption of said assets by the issuer company. Because of this, the Company has attributed the greater book value of the new investments to results, applying the same criterion used by consolidated companies to identify their inventories in their income statements, i.e. based on the degree of progress of each project.

As of September 30, 2011, the Company acknowledged a debit to results of \$ 23,879,476 (\$6,032,135 as of September 30, 2010), which is included under "Result from valuation of inventory at net realization value" of the Consolidated Income Statement (see Note 11.).

The financial costs generated by the loans obtained by Maltería del Puerto S.A. and Canfot S.A. (See Note 15.) are included in the costs for the "Forum Puerto Norte" and "Forum Alcorta" projects, respectively, since at period-end those companies meet all the requirements set out in section 4.2.7.2 of Technical Resolution No. 17 of the F.A.C.P.C.E.

The value of inventory does not exceed its recoverable value as of the closing date of the period.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting consolidated financial statements (continued)****3.5 Accounting calculation and presentation criteria (continued)****e. Fixed assets**

These assets were valued at their cost of acquisition minus the relevant accumulated depreciations, calculated ratably to the estimated life cycle years. Depreciation is calculated using the straight-line method, applying rates that are sufficient to extinguish their values at the end of the estimated life cycle. Said life cycles are based on reasonable criteria and standards established according to past experience of Company Management. The evolution of fixed assets is included in Exhibit A.

Company Management reviews the residual book value of the fixed assets in order to check whether they have incurred any material devaluation when there are facts or changing circumstances that indicate that the recorded value of the same may be unrecoverable. In the event that there is any indication and book values exceed the estimated recoverable amount, said assets must be reduced to the limit of their recoverable value. The recoverable amount for fixed assets is equivalent to the net realization value or use value, whichever is greater.

Company Management has not detected any signs of devaluation as of the closing date of the period/term. Therefore, the value of fixed assets does not exceed their recoverable value as of such dates.

**f. Intangible assets**

These are setup expenses incurred during the incorporation process of the Companies, and expenditures made for acquiring software and registering trademarks.

Intangible assets are valued at their nominal value, minus the relevant depreciation calculated ratably to their estimated life cycle years. Depreciation is calculated using the straight-line method, the rate of which is determined on the basis of the life cycle assigned to the assets as of and including the year in which they were acquired. The evolution of intangible assets is included in Exhibit B.

Company Management reviews the residual value of the intangible assets in order to check whether they have incurred any material devaluation when there are facts or changing circumstances that indicate that the recorded value of the same may be unrecoverable. In the event that there is any indication and book values exceed the estimated recoverable amount, said assets must be reduced to the limit of their recoverable value. The recoverable amount for intangible assets is equivalent to the net realization value or use value, whichever is greater.

Company Management has not detected any signs of devaluation at the end of the period/term. Therefore, the value of intangible assets does not exceed their recoverable value as of such dates.

**g. Goodwill**

As a result of the long-term investment acquisitions and sales (see Note 17.), the Company has acknowledged a total net goodwill of \$41,823,309.

The goodwill referred to in the previous paragraph was determined at the time of each acquisition based on the provisions set forth in Section 1.3.1.1.d) of Technical Resolution No. 21 of the F.A.C.P.C.E.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting consolidated financial statements (continued)****3.5 Accounting calculation and presentation criteria (continued)****g. Goodwill (continued)**

The criterion adopted by the Company to calculate goodwill depreciation is as follows:

- a) Negative goodwill associated with the “Forum Puerto Norte” project (Maltería del Puerto S.A.): Because Company Management has not seen indications of future losses or expenditures associated with the acquired company, goodwill is depreciated using the same criterion as the one used for acknowledging the greater inventory value in the income statement generated by the acquisition of Maltería del Puerto S.A. This, negative goodwill depreciation is acknowledged on the basis of progress made in the works of the “Forum Puerto Norte” project.
- b) Negative goodwill associated with the “Venice” (Marina Río Luján S.A.) and “Astor Núñez” (Pico y Cabildo S.A.) developments: Because Company and Canfot S.A. Management has seen indications of future losses or expenditures associated with the acquired companies, goodwill is depreciated based on the results recognized by those companies by applying the proportional equity value method determined as per Technical Resolution No. 21 issued by the F.A.C.P.C.E., approved by the C.P.C.E.C.A.B.A. (see Note 3.4.e. to the individual financial statements as of September 30, 2011).
- c) Positive goodwill associated with the “Forum Alcorta” (Canfot S.A.) project: Positive goodwill is depreciated on the basis of progress in the works of the housing project being developed by the acquired company. This criterion is the best estimate for the period during which the Company expects to receive financial gain associated with said value.

As of September 30, 2011, the Company acknowledges a depreciation of \$ 5,064,074, in goodwill (as of September 30, 2010, \$1,324,441), shown in the income statement under “Goodwill depreciation”.

**h. Acknowledgment of income**

- Income from management and commissions: This includes the fees generated by management agreements and the commissions associated with the real estate projects executed by the consolidated companies. This income is acknowledged based on provision of services by the Company, regardless of the period when they are invoiced.

- Sale of units: Sales of properties in the real estate developments under construction are acknowledged by the Company on the basis of rate of progress (see Note 11.). This method acknowledges income based on the coefficient between the costs incurred and total estimated costs according to the total budget. The Company does not acknowledge the income and costs until the moment construction of the works begins. The rate-of-progress method requires that The Board of Directors of the Company put together cost budgets for property/unit sales. Potential modifications to the estimated completion costs are regularly incorporated into the estimated costs updated during the timeframe of the project.

**i. Corporate Income tax and Minimum Presumptive Corporate Income Tax**

The Company determines the Corporate Income Tax it must pay by applying the current 35% rate to the taxable income of each period/year. In accordance with current accounting regulations, the Company determines the debit for the Corporate Income Tax using the Deferred Tax method, which consists in acknowledging (as a credit or debit) the tax effect of temporary differences between the book and tax valuations of the assets and liabilities, determined at the current 35% rate established by law, and its subsequent application to results for the periods/years in which the same are reversed. When there are accumulated tax loss carry-forwards which may decrease future tax earnings, or the Deferred Tax which results from the temporary differences is an asset, said credits are acknowledged for accounting purposes to the extent Company Management deems it likely that they will be beneficial.

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

## Note 3 Criteria for presenting consolidated financial statements (continued)

### 3.5 Accounting calculation and presentation criteria (continued)

#### i. Corporate Income tax and Minimum Presumptive Corporate Income Tax (continued)

The Deferred Tax liability recorded as of September 30, 2011 amounts to \$4,075,169 and is listed under "Taxes payable" in non-current assets (as of December 31, 2010, Deferred Tax assets amounted to \$ 4,710,832 and are listed under "Other receivables" in non-current assets).

Note 4 to these financial statements provides a breakdown of the evolution and structure of the Corporate Income Tax and Deferred Tax accounts.

The Minimum Presumptive Corporate Income Tax is supplementary to the Corporate Income Tax, because while the latter is levied on the taxable income of each period/year, the Minimum Presumptive Corporate Income Tax is a minimum tax with a rate of 1% levied on the potential income of certain productive assets at the close of each period/year, and therefore, the Company's tax liability is the greater of both taxes. However, if the Minimum Presumptive Corporate Income Tax exceeds the Corporate Income Tax in any fiscal period, said excess may be considered as a payment toward any excess in the Corporate Income Tax over the Minimum Presumptive Corporate Income Tax which may be generated in any of the following ten fiscal years.

During the period ended on September 30, 2011, the amount calculated as the Minimum Presumptive Income Tax was \$ 6,298,120. This amount, which added to the charges from previous periods represent a credit of \$ 15,696,103, is outlined in "Other receivables" in non-current assets because the amounts paid for this tax are deemed recoverable before the respective statutes of limitations run.

#### j. Income statement accounts

Accounts accumulating monetary operations are shown at nominal value. Debits due to consumption of noncash assets were determined using the original date of those assets as indicated in Note 3.1.

Under "Financial and holding results, net", we include, jointly: (a) exchange rate differences generated by assets and liabilities in foreign currency, (b) interest earned/accrued on assets and liabilities, (c) expenses and bank interest generated by assets and liabilities, (d) holding results generated by temporary investments, and (e) recovery of expense provisions.

#### k. Estimates

Preparation of the financial statement as per professional accounting standards requires Company Management to make estimates that affect the amounts disclosed for assets and liabilities and the presentation of contingent assets and liabilities as of the date the financial statements are issued, as well as the amounts disclosed for income and expenses during each period/year. Actual results may differ from such estimates.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting consolidated financial statements (continued)****3.6 Comparative information**

As provided in Technical resolution No.8 of the F.A.C.P.C.E. on General Accounting Presentation Standards, and in light of Note 1, the Company discloses its accounting information on a comparative basis.

When preparing these financial statements, Company Management introduced certain changes to how some entries were shown. The annual financial statements as of December 31, 2010, shown for comparative purposes, were modified to reflect the effect of these changes.

**Note 4 Corporate Income Tax and Deferred Tax**

The structure of "Corporate Income Tax", determined in accordance with Technical Resolution No. 17 of the F.A.C.P.C.E., included in the income statement as of September 30, 2011 and 2010, is as follows:

	Sep 30, 2011	Sep 30, 2010
Deferred Tax originated by temporary differences	(9,267,450)	2,149,826
<b>Total Corporate Income tax</b>	<b>(9,267,450)</b>	<b>2,149,826</b>

The Deferred Tax at the close of the year/period has been determined on the basis of the temporary differences between the accounting and the tax calculations. The structure of assets and liabilities for Deferred Tax at the close of the year/period is as follows:

<b>(Liabilities) Assets from Deferred Tax:</b>	Sep 30, 2011	Dec 31, 2010
Locally-sourced tax loss carry-forwards (1)	18,648,267	9,533,850
Foreign-sourced tax loss carry-forwards	32,158	24,657
Provisional investment	(625,842)	(680)
Valuation of Inventory	(20,480,590)	(4,846,995)
Financial costs	(1,649,162)	-
<b>Balance at close of period</b>	<b>(4,075,169)</b>	<b>4,710,832</b>

(1) As of September 30, 2011, \$481,449 are included as a result of the acquisition of Pico y Cabildo S.A. (see Note 17.).

Following is a detail of the reconciliation of the Corporate Income Tax attributed to results, which would be the result of applying the relevant tax rate to the accounting result before taxes:

	Sep 30, 2011	Sep 30, 2010
Corporate Income Tax calculated at effective rate on the accounting result before taxes	902,064	5,017,801
Interest	(69,166)	(19,228)
Fees	(54,250)	-
Penalties	(5,694)	-
Other bad debt	-	(35,465)
Result from sale of interests in companies	(878,828)	(261,487)
Depreciation of goodwill, higher value of investments and others	(9,122,292)	(2,353,928)
Taxes	(33,695)	-
Donations	(6,027)	-
Sundry	438	(197,867)
<b>Corporate Income Tax</b>	<b>(9,267,450)</b>	<b>2,149,826</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 4 Corporate Income Tax and Deferred Tax (continued)**

The temporary difference originated by accrued tax loss carry-forwards as of September 30, 2011, which may be used up to the dates indicated below is as follows:

Year	Pesos
2012	30,245
2013	897,372
2014	1,558,415
2015	6,916,996
2016	9,183,384
2017	94,013
<b>Total</b>	<b>18,680,425</b>

**Note 5 Structure of Main Items**

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows:

**5.a. Cash and banks**

		Sep 30, 2011	Dec 31, 2010
Cash			
In local currency		20,215	60,707
In foreign currency	Exhibit G	56,746	93,101
Banks			
In local currency		20,374,537	1,518,128
In foreign currency	Exhibit G	4,326,161	167,803,284
Foreign currency to be converted	Exhibit G	-	1,751,520
Securities to be deposited		187,113	210,248
Restricted funds		-	(1,200,000)
		<b>24,964,772</b>	<b>170,236,988</b>

**5.b. Trade receivables**

Individual debtors	Exhibit G	513,856	-
		<b>513,856</b>	<b>-</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 5 Structure of Main Items (continued)

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

#### 5.c. Other receivables

<b>Current:</b>		<b>Sep 30, 2011</b>	Dec 31, 2010
Value Added Tax		18,089,923	6,623,199
Gross Receipts Tax		272,869	632,267
Corporate Income Tax		132,809	629,450
Deposits as collateral		-	1,200,000
Accounts receivable from related parties in local currency	Note 7	2,689,588	630,437
Accounts receivable from related parties in foreign currency	Note 7 and Exhibit G	3,961,482	-
Insurance policies to be accrued in local currency		33,422	11,073
Insurance policies to be accrued in foreign currency	Exhibit G	533,968	495,928
Advance payments to suppliers in local currency		130,786	349,142
Advance payments to suppliers in foreign currency	Exhibit G	52,063	58,237
Advance payments to personnel		208,384	33,148
Other tax credits		12,492	47,702
Rent receivable		-	-
Expenses to be accounted for in local currency		8,712	-
Expenses to be accounted for in foreign currency	Exhibit G	53,963	3,761
Sundry		2,499	1,600
		<b>69,658</b>	<b>10,715,944</b>

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

<b>Non-current:</b>			
Assets for Deferred Tax	Note 4	-	4,710,832
Insurance policies to be accrued	Exhibit G	243,987	336,096
Minimum Presumptive Income Tax (1)		15,696,103	8,986,729
Deposits as collateral in local currency		21,100	-
Deposits as collateral in foreign currency	Exhibit G	187,425	110,209
		<b>16,148,615</b>	<b>14,143,866</b>

(1) As of September 30, 2011, \$ 411, 254 are included, incorporated through the acquisition of Pico y Cabildo S.A. (See Note 17).

#### 5.d. Inventory

<b>Current:</b>			
<b>"Forum Puerto Norte" real estate project</b>			
Cost incurred	Note 11	211,824,149	-
Valuation at net realization value	Note 11	25,217,304	-
Supplier advances in nominal currency		16,610,335	-
Supplier advances in foreign currency	Exhibit G	685,224	-
		<b>254,337,012</b>	<b>-</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

**Note 5 Structure of Main Items (continued)**

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

**5.d. Inventory**

<b>Non-current:</b>		<b>Sep 30, 2011</b>	Dec 31, 2010
<b>"Forum Puerto Norte" real estate project</b>			
Cost incurred	Nota 11	39,546,721	120,371,840
Valuation at net realization value	Nota 11	6,960,386	13,848,560
Greater value of inventory		55,574,069	55,574,069
Greater value of inventory – Accumulated depreciation		(31,234,777)	(10,618,693)
		<b>70,846,399</b>	<b>179,175,776</b>
<b>"Forum Alcorta" real estate project</b>			
Cost incurred	Nota 11	159,738,501	125,522,265
Valuation at net realization value	Nota 11	25,811,929	-
Greater value of inventory		20,462,077	19,691,563
Greater value of inventory – Accumulated depreciation		(3,263,392)	-
		<b>202,749,115</b>	<b>145,213,828</b>
<b>"Venice" real estate project</b>			
Cost incurred		10,437,756	8,109,388
Greater value of inventory		61,398,212	61,398,212
		<b>71,835,968</b>	<b>69,507,600</b>
Transportation		345,431,482	393,897,204
<b>"Astor Palermo" real estate project</b>			
Cost incurred		79,358,856	76,886,003
		<b>79,358,856</b>	<b>76,886,003</b>
<b>"Astor Caballito" real estate project</b>			
Cost incurred	Note 11	56,556,190	-
Valuation at net realization value	Note 11	526,354	-
		<b>57,082,544</b>	<b>-</b>
<b>"Astor Nuñez" real estate project</b>			
Cost incurred		9,068,687	-
Greater value of inventory		42,176,125	-
		<b>51,244,812</b>	<b>-</b>
Advance payments to suppliers in local currency		29,591,302	12,086,216
Advance payments to suppliers in foreign currency	Exhibit G	21,570,414	1,970,856
		<b>584,279,410</b>	<b>484,840,279</b>

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Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

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Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74

Federico Nicolás Weil  
Chairman

TGLT S.A.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 5 Structure of Main Items (continued)

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

#### 5.e. Trade payables

Current:		Sep 30, 2011	Dec 31, 2010
Suppliers in local currency		25,426,324	11,172,796
Suppliers in foreign currency	Exhibit G	443,355	459,481
Post-dated checks		3,872,323	7,267,535
Provision for expenditures in local currency		11,700,080	2,994,396
Provision for expenditures in foreign currency	Exhibit G	422,048	61,729
Fees payable		7,200	-
Provision for Board Members' fees		117,220	40,000
Insurance policies payable in local currency		24,582	7,455
Insurance policies payable in foreign currency	Exhibit G	230,130	487,636
Fulfillment of agreement		58,878	37,128
Sundry		-	2,924
		42,302,140	22,531,080
<b>Non-current:</b>			
Contingency fund in local currency		1,634,205	329,827
Contingency fund in foreign currency	Exhibit G	123,005	55,410
Balances with related parties	Note 7, 12.2 and Exhibit G	41,253,648	-
		43,010,858	385,237

#### 5.f. Loans

Current:			
Mortgage-backed bank loan in local currency	Note 15.2 a)	126,237	100,358
Mortgage-backed bank loan in foreign currency	Note 15.2 b) and Exhibit G	50,783	
Loans received in foreign currency	Note 15.1/5 and Exhibit G	8,563,469	
Balances with related parties	Note 7, 15 3/4 and Exhibit G	12,537,446	-
Advance payment into bank account		685	576,935
		21,278,620	677,293
<b>Non-current:</b>			
Mortgage-backed bank loan in local currency	Note 15.2 a)	13,161,000	12,000,000
Mortgage-backed bank loan in foreign currency	Note 15.2 b) and Exhibit G	12,194,580	
		25,355,580	12,000,000

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 5 Structure of Main Items (continued)

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

#### 5.g. Salaries and social security contributions

	Sep 30, 2011	Dec 31, 2010
Wages payable	-	11,995
Social security contributions payable	281,558	217,581
Provision for annual bonuses and vacations	711,234	388,183
Federal tax payment plan	344,507	172,260
	1,337,299	790,019

#### 5.h. Taxes payable

##### Current:

Minimum Presumptive Corporate Income Tax (1)	3,782,907	3,813,884
Value Added Tax	-	859,253
Gross Receipts Tax	241,436	462,581
Stamp Tax	86,670	26,636
Federal Tax Payment Plan	-	527,005
Provincial Tax Payment Plan	480,456	552,072
Municipal Tax Payment Plan	821,592	45,412
Withholdings and earnings to be deposited	566,201	537,230
Registration and inspection tax	92,894	17,950
	6,072,156	6,842,023

(1) Net of advance payments totaling \$ 2,515,213 and \$ 1,557,552, as of September 30, 2011 and December 31, 2010, respectively.

##### Non-current:

Provincial Tax Payment Plan		-	406,420
Deferred Tax Liability	Note 4	4,075,169	-
		4,075,169	406,420

#### 5.i. Customer advances

##### Current:

Early collections in local currency		35,627,885	-
Early collections in foreign currency	Exhibit G	131,558,822	-
Amounts outstanding with related parties in local currency	Note 7	4,022,989	-
Amounts outstanding with related parties in foreign currency	Note 7 and Exhibit G	3,125,665	-
Working fund		457,568	-
Minus			
Value Added Tax		(16,332,156)	-
		158,460,773	-

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 5 Structure of Main Items (continued)**

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

**5.i. Customer advances (continued)**

<b>Non-current:</b>		<b>Sep 30, 2011</b>	<b>Dec 31, 2010</b>
Amounts outstanding with related parties in local currency	Note 7	-	1,103,347
Amounts outstanding with related parties in foreign currency	Note 7 and Exhibit G	45,932,216	35,309,073
Early collections in local currency		4,331,934	24,816,315
Early collections in foreign currency	Exhibit G	209,622,473	186,243,070
Minus			
Value Added Tax		(20,529,499)	(20,149,108)
		<b>239,357,124</b>	<b>227,322,697</b>

**5.j. Other liabilities**

Inventory creditors	Exhibit G	21,354,710	-
Long-term investment creditors	Note 12.3 and Exhibit G	17,727,765	-
Sundry creditors	Note 12.6 and Exhibit G	801,757	-
		<b>39,884,232</b>	<b>-</b>

**5.k. Financial and holding results, net**

	<b>Profit / (Loss)</b>	
	<b>Sep 30, 2011</b>	<b>Sep 30, 2010</b>
<b>Generated by assets</b>		
Exchange rate differences	10,984,650	785,217
Banking expenses	(254,210)	(53,462)
Temporary investment holding results	6,700	879
Temporary investment sales results	1,099,477	-
Interest	2,499,567	807,614
Sundry	30,270	9,780
Banking debit and credit tax	(2,762,992)	(674,553)
	<b>11,603,462</b>	<b>875,475</b>
<b>Generated by liabilities</b>		
Exchange rate differences	(22,458,698)	(8,809,354)
Interest	(939,419)	(2,333,802)
Banking expenses	-	(300,000)
Recovery of expense provisions	624,615	-
	<b>(22,773,502)</b>	<b>(11,443,156)</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 5 Structure of Main Items (continued)**

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

**5.I. Other revenues and expenses, net**

	Sep 30, 2011	Sep 30, 2010
Rent earned	192,500	1,916,248
Results from sale of stock	1,517,336	(747,105)
Cancellation of debt	173,700	-
Sundry	8,490	86,708
	1,892,026	1,255,851

**Note 6 Corporate equity**

The issued, subscribed and integrated corporate equity as of September 30, 2011, is \$ 70,349,485. The corporate equity registered with the Corporate Records Office to that date is \$ 22,350,000.

As of September 30, 2011, the distribution of the interest in the corporate equity is as follows:

Shareholders	Shares	Interest
Federico Nicolás Weil (1)	15,645,000	20 %
PDG Realty S.A. Empreendimentos e Participações	19,121,667	27 %
Holders of certificates representing common shares	16,005,710	23 %
Other holders of common shares	19,577,108	30 %
	70,349,485	100 %

(1) On July 1, 2011, shareholder Federico Nicolás Weil reduced his equity interest in the Company to 14,003,398 shares, representing 20% of the capital and votes of the same.

**Note 7 Related parties**

a) As of September 30, 2011, and December 31, 2010, the amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows:

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p.p. Supervisory Commission		
Ignacio Fabián Gajst Examiner	Gabriel Righini (Partner) Certified Public Accountant (U.B.A.) C.P.C.E.C.A.B.A. Tº 245 - Fº 74	Federico Nicolás Weil Chairman



TGLT S.A.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 7 Related parties (continued)**

a) As of September 30, 2011, and December 31, 2010, the amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows (continued):

<b>OTHER RECEIVABLES</b>	<b>Sep 30, 2011</b>	Dec 31, 2010
In local currency		
Individual shareholders	908,662	356,176
PDG Realty S.A. Empreendimentos e Participações	842,516	250,455
Other shareholders	909,086	-
Board members	29,324	23,806
	2,689,588	630,437
In foreign currency		
Alto Palermo S.A.	2,399,624	-
Marina Río Luján S.A.	1,561,858	-
	3,961,482	-
<b>TRADE PAYABLES</b>		
IRSA Inversiones y Representaciones Sociedad Anónima	41,253,648	-
	41,253,648	-
<b>LOANS</b>		
Individual shareholders	12,537,446	-
	12,537,446	-
<b>CUSTOMER ADVANCES</b>		
<b>Current</b>		
In local currency		
Individual shareholders	4,022,989	-
	4,022,989	-
In foreign currency		
Individual shareholders	3,125,665	-
	3,125,665	-

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 7 Related Companies (continued)

a) As of September 30, 2011, and December 31, 2010, the amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other subsidiary parties are as follows (continued):

<b>CUSTOMER ADVANCES (continued)</b>	<b>Sep 30, 2011</b>	<b>Dec 31, 2010</b>
<b>Non-current</b>		
In local currency		
Individual shareholders	-	1,103,347
	-	1,103,347
In foreign currency		
Alto Palermo S.A.	34,242,286	32,377,486
IRSA Inversiones y Representaciones S.A.	11,689,930	-
Individual shareholders	-	2,931,587
	45,932,216	35,309,073

b) As of September 30, 2011 and 2010, the most significant operations with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows:

	Profit/ (Loss)	
	<b>Sep 30, 2011</b>	<b>Sep 30, 2010</b>
<b>SERVICES PROVIDED</b>		
Marina Río Luján S.A.	225,000	-
Compañía Argentina de Participaciones S.A.	-	7,500
	225,000	7,500
<b>FINANCIAL RESULTS, NET</b>		
Alto Palermo S.A.	(1,699,257)	-
Marina Río Luján S.A.	91,420	61,008
Individual shareholders	(754,609)	-
IRSA Inversiones y Representaciones S.A.	(1,197,454)	-
AGL Capital S.A.	-	156,685
	(3,559,900)	217,693
<b>PAYMENTS MADE</b>		
AGL Capital S.A.	-	3,194,363
Driway Corporation S.A.	-	365,636
Individual shareholders	-	21,966
	-	3,581,965
<b>COLLECTION OF SERVICES PROVIDED</b>		
Marina Río Luján S.A.	272,454	-
Compañía Argentina de Seguros S.A.	-	9,075
	272,454	9,075
<b>CUSTOMER ADVANCES RECEIVED</b>		
Individual shareholders	2,944,303	-
	2,944,303	-

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 7 Related Companies (continued)**

b) As of September 30, 2011 and 2010, the most significant operations with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows (continued):

	Sep 30, 2011	Sep 30, 2010
<b>LOANS RECEIVED</b>		
Individual shareholders	11,335,444	-
	11,335,444	-
<b>PAYMENTS MADE ON BEHALF OF THIRD PARTIES</b>		
PDG Realty S.A. Empreendimentos e Participações	592,062	244,495
Individual shareholders	487,723	24,439
	1,079,785	268,934
<b>EXPENSES MADE BY THIRD PARTIES</b>		
Marina Río Lujan S.A.	22,107	-
	22,107	-
<b>LOANS GRANTED</b>		
Alto Palermo S.A.	2,226,560	-
Marina Río Luján S.A.	1,070,625	-
	3,297,185	-
<b>PAYMENT OF CORPORATE EQUITY PLUS ISSUANCE PREMIUM</b>		
Individual shareholders	-	253,887
Marina Río de la Plata S.L.	-	1,549
Marina Río Lujan S.A.	-	250,005
	-	505,441

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

**Note 8 Breakdown by Maturity of and Interest Rates on Investments, Credits and Debts**

a) Classification of investment, credit, and debt balances according to maturity:

	Sep 30, 2011	Dec 31, 2010
<b>Investments</b>		
Maturing		
Up to 3 months	64,711,847	7,722,343
	<b>64,711,847</b>	<b>7,722,343</b>
<b>Credits</b>		
Maturing		
Up to 3 months	19,560,145	8,842,181
From 3 to 6 months	161,102	755,987
From 6 to 9 months	4,213,788	111,838
From 9 to 12 months	87,889	101,449
Over 12 months	16,148,615	14,143,866
No specific due date	2,743,550	904,489
	<b>42,915,089</b>	<b>24,859,810</b>
<b>Debts</b>		
Maturing		
Up to 3 months	243,165,884	26,413,753
From 3 to 6 months	3,604,392	4,064,422
From 6 to 9 months	17,448,661	154,220
From 9 to 12 months	4,287,490	144,258
Over 12 months	311,798,731	240,114,354
No specific due date	828,793	63,762
	<b>581,133,951</b>	<b>270,954,769</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

**Note 8 Breakdown by Maturity of and Interest Rates on Investments, Credits and Debts (continued)**

b) Classification of investment, credit, and debt balances, accruing interest and otherwise, as shown below:

	Sep 30, 2011	Dec 31, 2010
<b>Investments</b>		
Accruing interest	1,806,839	6,220,399
Not accruing interest	62,905,008	1,501,944
	<b>64,711,847</b>	<b>7,722,343</b>
<b>Average nominal annual rate:</b>	7%	8%
<b>Credits</b>		
Accruing interest	2,399,624	788,925
Not accruing interest	40,515,465	24,070,885
	<b>42,915,089</b>	<b>24,859,810</b>
<b>Average nominal annual rate:</b>	8%	8%
<b>Debts</b>		
Accruing interest	49,779,243	14,502,616
Not accruing interest	531,354,708	256,452,153
	<b>581,133,951</b>	<b>270,954,769</b>
<b>Average nominal annual rate:</b>	12%	18%

**Note 9 Information Contained in the Individual Financial Statements**

For a more appropriate interpretation of these consolidated financial statements, Notes 2., 9. through 18., to the individual financial statements of TGLT S.A. should be taken into account.

**Note 10 Information by Segments**

After performing an analysis as per sections 8.2.1 and 8.2.2 of Technical Resolution No. 18 of the F.A.C.P.C.E., the Board of Directors of the Company has concluded that there are no business or geographical segments that merit submitting additional information, as all of the products and/or services offered by the Company are subject to the same risks and profitability.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 11 Result from Valuation of Inventory at Net Realization Value

As mentioned in Note 3.5.e., the inventory for which advance payments was received, thereby establishing a fixed price and contractual terms for the transaction, and secure the actual consummation of the sale and profit, is valued at the net realization value indicated.

The inventory valuation method using net realization value requires Company Management to draft cost budgets and total sales of its real estate projects. The modifications to such estimates are regularly incorporated into those budgets and directly impact on the income for valuation of inventory at net realization value.

Following is the most relevant information for the "Forum Puerto Norte" and "Forum Alcorta" housing projects used by the Company to acknowledge income for valuation of inventory at net realization value at the close of the period:

Projects	Costs		Sales			Result from valuation of inventory at NRV			
	Incurring as of 06/30/2011 (1)	Work progress (*) (2)	Secured as of 06/30/2011 (3)	Sales progress (**) (4)	Expenses from secured sales (5)	Accumulated as of 06/30/2011 (6) = (3) * (2) - (1) * (4) - (5)	Accumulated as of 12/31/2010 (7)	Devaluation of greater inventory value Nota 3.5.e. (8)	For the period (9) = (6) - (7) - (8)
Forum "Puerto Norte"	251,370,870	77%	285,464,845	80%	1,886,161	32,177,690	13,848,560	20,616,084	(2,286,954)
Forum "Alcorta"	159,738,501	39%	283,284,935	61%	4,046,730	25,811,929	-	3,263,392	22,548,537
"Astor Caballito"	56,556,190	29%	10,659,086	4%	93,522	526,354	-	-	526,354
	<b>467,665,561</b>		<b>579,408,866</b>		<b>6,026,413</b>	<b>58,515,973</b>	<b>13,848,560</b>	<b>23,879,476</b>	<b>20,787,937</b>

(\*) Weighted-average progress of works for secured sales of each building of each real estate project

(\*\*) Weighted-average progress of works for costs incurred in each building of each real estate project

### Note 12 Restricted Assets

- As a result of the funding obtained by Canfot S.A. by means of two mortgage-backed Construction Project Facility Agreements, entered into with Banco Hipotecario S.A. (the "Bank"), and as explained in Note 15.2, Canfot S.A. attached its real estate on which it is building the "Forum Alcorta" project, with a first-priority mortgage.

As of September 30, 2011, the recorded value of the mortgage property mentioned above totals \$ 202,749,115, and is included under non-current "Inventory."

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 12 Restricted Assets (continued)**

2. To secure the obligations assumed by the Company as a result of its purchase of the property where the “Astor Caballito” project is being built (see Note 18.3), the Company furnished a first-priority mortgage in favor of IRSA Inversiones y Representaciones S.A. (“IRSA”) over the said property. Also, and to secure that operation, the Company furnished a first-priority pledge in favor of IRSA over the shares it holds in Maltería del Puerto S.A.

As of September 30, 2011, the recorded value of the mortgage property mentioned above totals \$ 57,082,544 and is included under non-current “Inventory”.

As of September 30, 2011, the outstanding debt on the purpose of the aforementioned purchase totals \$ 41,253,648, included under current and non-current “Trade Payables”, respectively, and \$ 11,689,930 under non-current “Customer Advances” liabilities.

3. As a result of the purchase of 95% of the equity package in Pico y Cabildo S.A. by the Company, on April 14, 2011, the Company perfected a security interest in favor of the previous shareholders of that company attaching to all the shares received in Pico y Cabildo S.A., to secure performance in time and form of payment obligations in the sum of US\$8,749,755.

Moreover, and as a result of the purchase of the remaining 5% of the shares in Pico y Cabildo S.A., on June 2, 2011, the Company perfected a security interest in favor of the previous shareholder of that company attaching to all the shares received in Pico y Cabildo S.A., to secure performance in time and form of payment obligations in the sum of US\$265,000.

On September 13, 2011, and pursuant to clause 5©(ii) of the pledge agreement (allowing for the transfer of the pledged shares), the Company transferred to Canfot S.A. 3% of the equity package of Pico y Cabildo S.A.

As of September 30, 2011, the debt outstanding on the purchase of the shares in Pico y Cabildo S.A. totals \$ 17,727,765, included under current “Other Liabilities.”

4. On December 27, 2007, Marinas Río de la Plata SL and Marcelo Gómez Prieto entered into two Stock Pledge Agreements, one in favor of Marcelo Gómez Prieto and the other in favor of Marinas Río de la Plata SL (the “Stock Pledge Agreements”). Under those agreements, each party granted the other, as security for the fulfillment of the financing obligations assumed by both in relation to Marina Río Luján S.A., a first-priority security interest pursuant to Art. 580 et sqq. of the Code of Commerce of the Argentine Republic, on all the shares issued by Marina Río Lujan S.A. owned by the party who ultimately becomes the Pledgor under each of the Stock Pledge Agreements. Following is a description of the financing obligations secured under the Pledge Agreements:
- The financing policy of Marina Río Luján S.A. will be established by the Board of Directors with a view to attaining the most efficient financial and tax structure for the development of the real estate project. Those policies shall be implemented substantially in the same conditions as would have been obtained in the market by unrelated third parties (arm’s length terms).
  - First, Marcelo Gómez Prieto and Marinas Río de la Plata SL, through Marina Río Luján S.A., will try to obtain financing from independent third parties to develop the real estate project of that company. To this end, Marina Río Luján S.A. will accept third-party financing on arm’s length terms. In case said third party financing is not disbursed, each party will provide financing to the other in the sum of up to US\$4,000,000.

On February 22, 2010, Marcelo Gómez Prieto consented and the Company agreed to assume all the rights and obligations of Marinas Río de la Plata SL and replace it under the Stock Pledge Agreements.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 12 Restricted Assets (continued)**

5. To secure obligations assumed by the Company as a result of the purchase of the property where the “Astor Palermo” project is being developed (see Note 18.1), the Company furnished a first-priority pledge in favor of Alto Palermo S.A. (“APSA”) over that property. The mortgaged amount is US\$ 8,143,231.

As of September 30, 2011, the recorded value of the aforementioned mortgaged property totals \$ 79,358,856 and is included under non-current “Inventory”.

As of September 30, 2011, the debt outstanding on the purchase of the aforementioned property totals \$ 34,242,286, included under non-current liabilities as “Customer Advances.”

6. As a result of certain demolition activities conducted in September 2006 in the property where the Astor Núñez project is being developed, Pico y Cabildo S.A. was served a suit for “damages due to proximity” in 2009. The case is being substantiated before the 89<sup>th</sup> Civil Trial Court and the amount of the suit is app. \$440,000.

As of the date of these financial statements, the case had not entered discovery.

Likewise, and as a result of the acquisition of shares in Pico y Cabildo S.A. by TGLT S.A., and to secure the outcome of the contingency mentioned above, the former shareholders made a time deposit to the name of Pico y Cabildo S.A., which would be used solely to pay any obligations arising from the outcome of the claim against Pico y Cabildo S.A.

Consequently, current assets include the sum of \$ 801,757 under “Temporary Investments”, and the sum of \$ 801,757 is included in current liabilities under “Other Liabilities.”

**Note 13 Health & Safety**

Maltería del Puerto S.A. has been summoned, as the owner of the Forum Puerto Norte works (the “Works”), in six administrative proceedings instituted by the Workplace Health and Safety Commission of the Ministry of Labor and Social Security of the Province of Santa Fe. The Company submitted the respective replies, rejecting the allegations made surrounding violations and the number of personnel members affected by each violation, offering the respective evidence. Once that evidence is produced, the Commission must issue a resolution, determining whether these violations did in fact take place or not, and, if applicable, imposing the requisite penalties.

As of the date of these consolidated financial statements, we cannot determine whether the accused parties will be declared guilty or not, or if the adverse resolution, if any, will be made extensive to Maltería del Puerto S.A. as the owner of the Works. The Ministry must decide on these proceedings at some time during April 2011. Nevertheless, as of the date of these consolidated financial statements, that entity had not issued the same. If any monetary penalties are imposed, they must be paid even if an appeal is filed with the Labor Court of Appeals of the Province of Santa Fe, under penalty of collection by way of coercion and shutdown of the Works.

The Board of Directors of the Company is of the opinion that the resolution issued on the aforementioned administrative proceedings will not entail any material losses for the Company, and therefore it had not recognized any debt in relation to this as of September 30, 2011.

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TGLT S.A.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 14 Astor Palermo Project – Injunction

On June 9, 2011, the 9<sup>th</sup> Court for Adversary Administrative and Tax Matters of the Autonomous City of Buenos Aires, headed by Judge Andrea Danas, 18<sup>th</sup> Clerk's Office headed by Judge María José Izurieta, granted pretrial injunctive relief in the proceedings captioned "Asociación Amigos Alto Palermo c/ Gobierno de la Ciudad de Buenos Aires s/ Amparo" (Art. 14 CCABA) number 41,544. The injunction granted suspends construction activities at the worksite of the property situate on Beruti No. 3351/59 between Bulnes and Coronel Díaz Avenue, Real Estate Inventory Classification: Circumscription: 19; Section: 15; Block: 15; Plot 11-S in this City of Buenos Aires. Pursuant to paragraph II of that resolution, the suspension will remain in force until the Government of the City of Buenos Aires adds administrative dossiers No. 28,831/2009 and 10,788/2009 to the case file, whereby it has granted authorization for the construction of an apartment building with residential and commercial parking spaces, to be built by the Company on that property.

On July 4, 2011, the Government of the Autonomous City of Buenos Aires complied with this petition. On July 11, 2011, the acting judge accepted the pretrial relief requested until all the evidence offered by the parties is produced, as well as any other evidence as is required by the court in due procedural course.

On July 15, 2011, the Company appealed from the resolution that granted this relief, and the appeal was granted that same day.

On October 4, 2011, the claimant filed a brief related to a petition for reports on the conditions in which the Project and its performance were authorized.

### Note 15 Loans

1. Maltería del Puerto S.A. entered into certain loan agreements with Sociedad Italiana de S.M.P. ("Sociedad Italiana"). In all cases, the principal disbursed by Sociedad Italiana will accrue interest at a nominal annual rate on outstanding balances, to be paid in twelve consecutive monthly installments starting the month following execution of the loan agreements, repaying principal with the last installment.

The breakdown of each loan agreement executed as of September 30, 2011, is detailed below:

#	Date	Amount	Rate
1	05/31/2011	US\$ 505,317	10.50 %
2	06/13/2011	US\$ 505,323	10.59 %

US\$: United States dollars.

The amount outstanding on the loan agreements executed between Maltería del Puerto S.A. and Sociedad Italiana as of September 30, 2011, totals \$ 4,278,399 (principal plus interest), included under current liabilities as "Loans".

2. Canfot S.A. executed two loan agreements with Banco Hipotecario S.A. (the "Bank"). Following is a summary of the most relevant aspects of each:

A) Construction Financing Agreement secured by a mortgage in pesos:

- a. The loan had a maximum of \$30,000,000. On June 17, 2010, the Bank made a disbursement of \$12,000,000 to Canfot S.A., on June 29, 2011, the sum of \$ 518,400, on July 29, 2011 the sum of \$457,200, and on August 30, 2011 the sum of \$185,400. The balance on the loan, i.e. the sum of \$17,481,600 will be loaned through disbursements made within timeframes of no less than thirty (30) days, proportionate to the progress of the works and subject to delivery—to the full satisfaction of the Bank—of certain information on the project. The term established was 36 months. The capital loaned was to be reimbursed by Canfot S.A. to the Bank in pesos within a maximum, non-extendable deadline of June 15, 2013. The Company was allowed the possibility of making prepayments with funds obtained from presales of the project's units without any kind of penalty being applied by the Bank.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 15 Loans (continued)**

- A) Construction Financing Agreement secured by a mortgage in pesos (continued):
- b. All the amounts disbursed by the Bank were to accrue interest on the amounts outstanding at the end of each monthly period until payment of said amounts, equivalent to the "BADLAR Bancos Privados Corrected" rate, plus a margin of 550 basis points

The amount outstanding under the Agreement as of September 30, 2011, totals \$ 13,287,237, which is included under "Loans" in the sum of \$ 126,237 and \$13,161,000 under current and non-current liabilities, respectively.

- B) Construction Financing Agreement secured by a mortgage in United States dollars:
- I) The loan had a maximum of US\$ 12,000,000. On August 19, 2011, the Bank made a disbursement of US\$ 2,800,000 to Canfot S.A., and on August 29, 2011, the sum of US\$100,019. The balance on the loan, i.e. the sum of US\$9,099,981 will be loaned through disbursements made within timeframes of no less than thirty (30) days and no greater than ninety (90) days, proportionate to the progress of the works and subject to delivery—to the full satisfaction of the Bank—of certain information on the project and the technical inspections that the Bank will conduct on the progress of the works.
- II) The term of the loan is 16 months. Loaned principal shall be reimbursed to the Bank on or before June 15, 2013. Canfot S.A. may deliver prepayments with proceeds from the presale of the project units, without any penalty on the part of the Bank.
- III) All sums disbursed by the Bank shall accrue, every month until full repaid, interest on the outstanding balance equivalent to the fixed annual nominal interest rate in dollars of 9.5%.

The amount outstanding on the Agreement as of September 30, 2011, totals \$ 12,245,363, which is included under "Loans" in the sum of \$ 50,783 and \$12,194,580 under current and non-current liabilities, respectively

Canfot S.A., to secure this financing and correct performance of its obligations under the same, as furnished a first-priority mortgage in favor of the Bank over the property where it is developing the Forum Alcorta project.

3. Maltería del Puerto S.A. applied with certain shareholders for several credit facilities to fund works and other expenses related to the development and construction of the Forum Puerto Norte project. The disbursement of the funds must be requested by Maltería del Puerto S.A., providing for its refund within a maximum of 1 year, from the date of each requested disbursement. The principal disbursed by the shareholders of Maltería del Puerto S.A. will accrue current interest at a nominal annual rate, calculated on disbursed principal, and will be paid together with principal on the stipulated due.

The breakdown of each credit facility applied for by Maltería del Puerto S.A. as of September 30, 2011, is detailed below:

Shareholder	#	Date	Total amount	Amount requested	Amount paid	Rate
Osvaldo Roberto Paladini	1	04/11/2011	US\$ 400,000	US\$ 400,000	US\$ 400,000	9%
	2	05/20/2011	US\$ 400,000	US\$ 400,000	US\$ 400,000	10%
Juan Carlos Rossetti	1	04/12/2011	US\$ 400,000	US\$ 400,000	US\$ 400,000	9%
Eduardo Rubén Glusman	1	04/15/2011	US\$ 400,000	US\$ 300,000	US\$ 300,000	9%
Juan Carlos Paladini	1	04/15/2011	US\$ 800,000	US\$ 800,000	US\$ 800,000	9%

US\$: United States dollars.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 15 Loans (continued)

The amount outstanding under the above credit facilities as of September 30, 2011, totals \$ 10,862,136 (principal plus interest), shown under current liabilities as "Loans".

4. On December 15, 2010, Marina Río Luján S.A. asked its shareholders for a credit facility totaling US\$ 750,000 each to finance works and other expenses related to the development and construction of the project. The disbursement of the funds must be requested by the Company, providing for its refund within a minimum of 6 months and a maximum of 1 year, from the date of the requested disbursement, but in no case later than December 15, 2011. The principal disbursed by the shareholders will accrue current interest at a nominal 8% annual rate, calculated on disbursed principal, and will be paid together with principal on the stipulated due date.

The amount outstanding under the above credit facilities as of September 30, 2011, totals \$ 1,675,310 (principal plus interest), shown under current liabilities as "Loans".

5. The Company entered into certain loan agreements with Sociedad Italiana de S.M.P. ("Sociedad Italiana"). In all cases, the principal disbursed by Sociedad Italiana will accrue interest at a nominal annual rate on outstanding balances, to be paid in twelve consecutive monthly installments starting the month following execution of the loan agreements, repaying principal with the last installment.

The breakdown of each loan agreement executed as of September 30, 2011, is detailed below:

#	Date	Amount	Rate
1	07/29/2011	US\$ 505,310	10.14 %
2	07/29/2011	US\$ 505,310	10.14 %

US\$: United States dollars.

6. The amount outstanding on the loan agreements executed between Maltería del Puerto S.A. and Sociedad Italiana as of September 30, 2011, totals \$ 4,285,070 (principal plus interest), included under current liabilities as "Loans".

### Note 16 Management and Development & Administration Agreements

#### a. Canfot S.A.:

On October 27, 2009, Canfot S.A. and the Company entered into a management agreement pursuant to which Canfot entrusted the Company with the management, administration, accounting, and other aspects associated with operating and selling the Forum Alcorta project.

For said services, the parties agreed on the payment of 48 monthly installments of US\$ 67,000 plus VAT in favor of the Company, which cannot exceed 2% of the project's aggregate gross sales; however, if once said amounts have been paid in full said amount exceeds the 2% limit provided for above, the relevant party must pay the difference to the other party. Furthermore, another form of variable compensation in favor of the Company is established aside from the above payment, associated with Canfot S.A.'s net and earned profits.

Additionally, on that date the parties entered into a sales services agreement whereby the Company will be in charge of promoting and selling the Forum Alcorta project.

For those promotion and sales services, Canfot will pay the Company 2% of the total value of gross sales of the units in the project mentioned in the preceding paragraph.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 16 Management and Development & Administration Agreements (continued)

#### a. Canfot S.A. (continued):

To adjust the terms and conditions of the aforementioned contracts to present circumstances, on July 1, 2011, the parties agreed to suspend the terms and conditions of the same.

As of the date of these financial statements, the Boards of Directors of both companies were analyzing the various different alternatives.

#### b. Marina Río Luján S.A. and Metro 21 S.A.:

On December 27, 2007 the Company, Marina Río Luján S.A. and Metro 21 S.A. entered into a Development and Management Agreement whereby the Company and Metro 21 were entrusted with managing the project known as "Venice." Pursuant to the provisions of the agreement, the developers (the Company and Metro 21 S.A.) take charge of managing the project, which includes supervising sales, management, administration, accounting activities, and in general, all of the aspects associated with management.

As consideration for their development services, Marina Río Luján S.A. will pay the developers a monthly amount of \$150,000 plus VAT, of which \$90,000 will be paid to the Company.

For product sales services (except those referred to as *Macrolotes*), Marina Río Luján S.A. shall pay the developers 2% plus VAT of the sales price of the products sold. Additionally, the developers reserve the right to charge the purchasers a commission of up to 2% of the sales price of the products plus VAT. Payments for sales services will be made until all the products have been sold.

As a result of the execution of several addendums to the Development and Management Agreement, entered into among the Company, Marina Río Luján and Metro 21 S.A., accrual of payments for Development Services was suspended in late 2009 and for 2010 in its entirety, resuming accrual on January 1, 2011. On June 1, 2011, the parties signed a new addendum to the development and management agreement to suspend accrual of payments for Development Services from June 1, 2011, until August 31, 2011, inclusive. Moreover, on September 1, 2011, by signing another addendum to the development and management agreement, the parties agreed to suspend accrual of the development service payments until October 31, 2021, inclusive.

#### c. Maltería del Puerto S.A.:

On September 18, 2008, the Company and Maltería del Puerto S.A. entered into a management agreement and on October 27, 2009, they executed an amendment to the same. Under that agreement, as amended, Maltería del Puerto S.A. entrusted the Company with the management, financial and commercial administration of the "Forum Puerto Norte" real estate development in the urban area known as "*Centro de Renovación Urbana Scalabrini Ortíz, Puerto Norte*" in the City of Rosario, Province of Santa Fe.

In consideration for its development services, Maltería del Puerto S.A. paid the Company US\$ 200,000 before December 31, 2008, a monthly amount of US\$ 80,000 from October through December 2008 (inclusive), and is paying a monthly amount of US\$ 40,000 from January 2009 and until June 2011 (both inclusive), and US\$ 20,000 from July 2011 until the end of the effective term of the agreement. Additionally, it is established that the aforementioned amounts may not exceed 2% of the sum of the gross sales of the project; however, if at the end of the effective term of the agreement—once the referred amounts have been paid in full—said amount exceeds the established limit, the difference shall be allocated to payment of the pending pre-sales commissions; if lower, Maltería del Puerto S.A. shall pay the difference within 30 calendar days from the expiration date of this agreement.

For sales and promotional services, Maltería del Puerto S.A. pays the Company 2% of the total value of gross sales of the units in the "Forum Puerto Norte" real estate development.

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

## Note 17 Interests in other companies - purchases and transfers

The Company has entered into several purchase agreements to acquire permanent interests in various different companies. Following is a summary of the most relevant information on those agreements:

### 1. Purchase and transfer of shares in Drivay Corporation S.A. (Uruguay) - Canfot S.A.:

- a. On January 1, 2010, the Company executed a share purchase agreement with Mr. Moshe Kattan, whereby it acquired 36.08% of the capital and voting rights in Drivay Corporation S.A. (Uruguay). At the date of the agreement, the latter company held a 69.12% stake in Canfot S.A.

The price of the operation was agreed at US\$ 13,600,000 and was to be paid before December 31, 2010, or within 10 days from the launch of the IPO (see Note 1) if earlier. The Company may opt for paying the purchase price for the equity package in Drivay Corporation S.A. by transferring its own stock.

As a result of the subscription of the Company's new shares within the framework of its public offering of shares (see Note 19), the Company paid the agreed price by transferring its own shares.

- b. On January 21, 2010, the Company executed a share purchase agreement with Constructora Sudamericana S.A., whereby it acquired 6.36% of the capital and voting rights in Drivay Corporation S.A. (Uruguay). At the date of the agreement, the latter company held a 69.12% stake in Canfot S.A..

The price of the operation was agreed at US\$ 1,500,000 and was to be paid before December 31, 2010, or within 10 days from the launch of the IPO (see Note 1) if earlier.

The Company could opt for paying the purchase price for the equity package in Drivay Corporation S.A. by transferring its own shares.

As a result of the subscription of the Company's new shares within the framework of its public offering of shares (see Note 19.), the Company paid the agreed price by transferring its own shares.

- c. On February 9, 2010, the Company executed a share purchase agreement with PDG Realty S.A. Empreendimentos e Participações, whereby it acquired 28.78% of the capital and voting rights in Drivay Corporation S.A. (Uruguay). At the date of the agreement, the latter company held a 69.12% stake in Canfot S.A.

The price of this transaction was to be the one obtained by multiplying 3,315,292 by the subscription price of the Company's share (par value plus issuance premium) in the public offering for its shares (see Note 1), converted into US dollars using the average exchange rate (between call and put) of the Central Bank of Argentina at the closing date on which the Company publicly offers its shares. The price of the operation was to be paid before December 31, 2010, or within 10 days from receiving authorization to launch the IPO, if earlier

The Company could opt for paying the purchase price for the equity package in Drivay Corporation S.A. through the delivery of its own stock.

As a result of the subscription of the Company's new shares within the framework of its public offering of shares (see Note 19.), the Company paid the agreed price by transferring its own shares.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 17 Interests in other companies - purchases and transfers (continued)****1. Purchase and transfer of shares in Driway Corporation S.A. (Uruguay) - Canfot S.A. (continued):**

The early dissolution and wind-up of Driway Corporation S.A. was resolved upon by the General Special Shareholders' Meeting of that company held on February 12, 2010, as well as the transfer of its assets (consisting in shares representing a 69.12% equity interest and voting rights in Canfot S.A.) in favor of its shareholders. As a result of the above and of the agreements executed by it, the Company has received 21,302,587 shares representing 44.16% of the corporate equity and votes in Canfot S.A., which combined with the interest the Company had previously adds up to 75.04% of the corporate equity of Canfot S.A. as of that date.

On June 14, 2011, the Company executed a stock purchase agreement with Mr. Ricardo Depresbiteris whereby it acquired 24.96% of the capital and votes in Canfot S.A. in the sum of US\$ 7,500,000. As of September 30, 2011, the Company had paid the agreed price in its entirety.

On September 13, 2011, the Company entered into a share purchase agreement with Kondor Fund, SPC – Kondor Properties Segregated Portfolio ("Kondor"), whereby it transferred 4,383,235 shares in Canfot S.A. (representing 9.09% of corporate equity and votes) in the sum of US\$ 2,900,000.

As a result of the transactions mentioned above, the Company held 90.91% of the equity and votes in Canfot S.A. as of September 30, 2011.

**2. Acquisition of shares in Maltería del Puerto S.A.:**

On February 11, 2010, PDG Realty S.A. Empreendimentos e Participações accepted the Company's offer to acquire the entire interest held by PDG Realty S.A. Empreendimentos e Participações in Maltería del Puerto S.A., as a result of which the Company acquired a 62.02% stake in the equity interest and voting power in Maltería del Puerto S.A.

The price of this transaction was to be the result of multiplying 6,559,083 by the subscription price of the Company's share (par value plus issuance premium) in the public offering for its shares (see Note 1), converted into U.S. dollars using the average exchange rate (between buyer and seller) of the Central Bank of Argentina at the closing date on which the Company publicly offers its shares. The price of the operation was to be paid before December 31, 2010, or within 10 days from receiving authorization to launch the IPO, if earlier.

The Company could opt for paying the purchase price for the equity package in Maltería del Puerto S.A. by transferring its own stock.

As a result of the subscription of the Company's new shares within the framework of its public offering of shares (see Note 19.), the Company paid the agreed price by transferring its own shares.

**3. Purchase of shares in Marina RL LLC (Delaware) and Piedras Claras S.A. (Uruguay) - Marina Río Luján S.A.:**

- a. On January 28, 2010, the Company entered into a share purchase agreement with Bastow S.A., whereby it acquired a 50% equity interest and voting power in Marina RL LLC (Delaware), indirect shareholder of Marina Río Luján S.A., through its subsidiary Marinas Río de la Plata SLA (Spain). As a result of the purchase of the aforementioned shares, the Company acquired an indirect 25% stake in the corporate equity and votes in Marina Río Luján S.A.

The price of the operation was agreed at US\$ 10,600,000 and was to be paid before December 31, 2010, or within 10 days from the launch of the IPO (see Note 1) if earlier.

The Company could opt for paying the purchase price for the equity package in Marina RL LLC (Delaware) by transferring its own stock.

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with our report dated November 10, 2011  
Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
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Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74

Federico Nicolás Weil  
Chairman

TGLT S.A.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 17 Acquisition of interest in other companies (continued)****3. Purchase of shares in Marina RL LLC (Delaware) and Piedras Claras S.A. (Uruguay) - Marina Río Luján S.A. (continued):**

As a result of the subscription of the Company's new shares within the framework of its public offering of shares (see Note 23. To the individual financial statements) the Company paid the agreed price by transferring its own shares to the date of issuance of these financial statements.

- b. On February 9, 2010, the Company entered into a share purchase agreement with PDG Realty S.A. Empreendimentos e Participações, whereby it acquired an 80% equity interest and voting power in Piedras Claras S.A. (Uruguay), indirect shareholder of Marina Río Luján S.A. As a result of the purchase of the aforementioned shares, the Company acquired an indirect 25% stake in the corporate equity and votes in Marina Río Luján S.A.

The price of this transaction was to be yielded by multiplying 2,542,292 by the subscription price of the Company's share (par value plus issuance premium) in the public offering for its shares (see Note 1), converted into US dollars using the average exchange rate (between call and put) of the Central Bank of Argentina at the closing date on which the Company publicly offers its shares. The price of the operation was to be paid before December 31, 2010, or within 10 days from the launch of the IPO (see Note 1.) if earlier.

The Company could opt for paying the purchase price for the equity package in Piedras Claras S.A. (Uruguay) by transferring its own stock.

As a result of the subscription of the Company's new shares within the framework of its public offering of shares (see Note 19.) the Company paid the agreed price by transferring its own shares.

The early dissolution and wind-up of Piedras Claras S.A. (Uruguay) was resolved upon by the General Special Shareholders' Meeting of that company held on February 19, 2010, as well as the transfer of its assets (consisting in shares representing a 50% equity interest and voting power in Marina RL LLC (Delaware) in favor of its only shareholder: the Company.

Moreover, on that same, date, Marinas Río de la Plata SL (Spain) reduced its capital and assigned its holdings in Marina Río Luján S.A. to its only shareholder, Marina RL LLC (Delaware). On February 22, 2010, Marina RL LLC (Delaware) was dissolved and its holdings in Marina Río Luján S.A. were assigned to its only shareholder: the Company, who thereby became a direct 50% shareholder (Note 12.4.e.(1)) of the corporate equity and voting rights in that company.

**4. Purchase and sale of shares in Pico and Cabildo S.A.:**

On March 30, 2011, the Company entered into a purchase agreement for the entire equity package at "Pico and Cabildo S.A.", with the shareholders of that company (the "Sellers"). The transfer of 95% of the shares to the Company took place on April 14, 2011 (the "First Closing Date") and the transfer of the remaining 5% of the shares to the Company or its nominee took place on June 2, 2011 (the "Second Closing Date").

The main asset held by Pico and Cabildo S.A. is two (2) parcels of land located in the neighborhood of Núñez, Autonomous City of Buenos Aires, as per the following breakdown (collectively, the "Property"):

- a) Vedia Street Nos. 2332 / 2334 / 2340 / 2342 / 2348 / 2350 between Cabildo Avenue and Vuelta de Obligado Street; Real Estate Inventory Classification: Circumscription: 16; Section: 29; Block: 12; parcel 4b; License FR 16-48561; and
- b) Cabildo Avenue Nos. 4801 / 4827 / 4829 / 4833 / 4837 / 4847 / 4861 corner with Pico Street 2329 / 2335 / 2339 / 2347 / 2351 / 2357 / 2331 / 2365 / 2395 / 2397; Real Estate Inventory Classification: Circumscription: 16; Section: 29; Block: 12; Parcel 4c; License: FR 16-48562.

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TGLT S.A.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 17 Acquisition of interest in other companies (continued)**

4. Purchase of shares in Pico and Cabildo S.A. (continued):

The total purchase price for the shares was agreed at US\$ 12,600,000. The terms of payment are as follows:

- (i) US\$ 2,199,354 was paid by the Company's delivery to the Sellers of bills of sale for functional units in the "Astor" development that the Company is building on the property it owns on Beruti Street No. 3351 in the Autonomous City of Buenos Aires.
- (ii) US\$ 6,184,775 was paid in cash on September 30, 2011.
- (iii) US\$ 4,215,877 will be paid on January 30, 2012.

As security for the payment of the balance on the cash price, the Company furnished a first-priority pledge on the shares by executing a share pledge agreement in favor of the Sellers (see Note 12.3).

On the Property, measuring 4,759 m<sup>2</sup>, the Company –either under its own name or as Pico and Cabildo S.A.– plans to build a real estate development measuring app. 20,317 m<sup>2</sup> of sellable area plus parking spaces and storerooms, with a potential sales value estimated at U\$ 54.4 million.

b) On September 13, 2011, the Company transferred to Canfot S.A. shares representing 3% of equity and votes in Pico y Cabildo S.A. in the sum of \$ 1,587,601.

As a result of the transactions mentioned in the preceding points, the Company held a direct interest in the equity and votes of Pico y Cabildo totaling 97%.

5. Acquisition of Birzey International S.A.

On October 5, 2011, the Company entered into a share purchase agreement whereby it acquired 100% of the equity package in Birzey International S.A. in the sum of US\$ 5,100.

Birzey International S.A., a company incorporated under the laws of the Oriental Republic of Uruguay, was acquired by the Company in order to expand its businesses in that country.

**Note 18 Purchase of real estate properties**

1. Astor Palermo project

On October 13, 2010, the Company executed a promissory agreement with Alto Palermo S.A. ("APSA") for the purchase of a property located in the City of Buenos Aires, the front of which is on 3351/59 Beruti Street, between Bulnes and Av. Coronel Díaz, with Real Estate Inventory Classification: Circumscription: 19; Section: 15; Block: 15; Plot 11-S (the "Plot"). TGLT S.A. is planning on erecting an apartment building on the plot with residential and commercial parking lots.

As consideration for the acquisition of the Property, TGLT agreed to transfer to APSA: (i) a number to be determined of functional housing units jointly representing 17.33% of the Company's own sellable square meters of residential space in the building to be erected; (ii) a number to be determined of supplementary/functional parking units jointly representing 15.82% of the Company's own square meters of parking space in the same building, (iii) the total amount of functional units to be used as commercial parking spaces; and (iv) US\$ 10,700,000, which were paid on November 5, 2010.

On December 16, 2010 the transfer of title to the Property was executed, with APSA as the seller and the Company as the purchaser

As a result of the property purchase and to secure performance of all the obligations TGLT assumed vis-à-vis APSA, TGLT furnished a first-priority mortgage over that property in favor of APSA. The mortgage is valued at US\$8,143,231 (see Note 12.5).

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p.p. Supervisory Commission

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Federico Nicolás Weil  
Chairman



TGLT S.A.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

## Note 18 Purchase of real estate properties (continued)

### 1. Astor Palermo project (continued)

This property is also subject to three gratuitous, perpetual, continuous and non-apparent easements, as a servient estate in favor of the property where the "Alto Palermo Shopping" mall is located, the latter as the dominant estate, in relation to any structures erected on the servient estate and the future use of the functional units to be eventually built on the servient estate.

On June 9, 2011, the 9<sup>th</sup> Court for Adversary Administrative and Tax Matters of the Autonomous City of Buenos Aires, 18<sup>th</sup> Clerk's Office, granted pretrial injunctive relief in the proceedings captioned "Asociación Amigos Alto Palermo c/ Gobierno de la Ciudad de Buenos Aires s/ Amparo" (Art. 14 CCABA) No. 41,544 (see Note 14).

### 2. Project temporarily known as "FACA"

On March 15, 2011, the Company executed a memorandum of understanding with Servicios Portuarios S.A. ("SP") for the Company (or a controlled subsidiary of the same) to purchase a property located in the city of Rosario, Province of Santa Fe, which adjoins the property on which "Forum Puerto Norte" project that belongs to subsidiary Maltería del Puerto S.A. is located (the "Property").

Under the memorandum of understanding, the parties agreed to enter into bona fide negotiations for the definitive terms and conditions of the contracts, agreements and documents that will set out the rights and obligations of the parties for the joint development of a real estate project on the Property within 6 months from the execution of the memorandum of understanding, which term may be extended on a one-time basis for 3 additional months by any of the parties. On September 22, 2011, the parties agreed to extend the term of the MoU until December 15, 2011.

The total surface area of the Property is app. 84,000 m<sup>2</sup>, resulting from an FOT of 117,000 m<sup>2</sup> and a sellable and/or marketable area of app. 121,000 m<sup>2</sup> plus 1,380 parking spaces. TGLT S.A. (or a controlled subsidiary of TGLT S.A.) will acquire the Property where the Company will erect several premium-quality buildings that will include, among other things, apartments, commercial establishments, storerooms, parking spaces, boathouse, piers, marinas, etc.

This development will be built in two stages, as evident from the ordinances and other municipal regulations of Rosario: Stage I (construction units 1 and 2), and Stages II, III and IV (construction units 3, 4 and 5).

The purchase price will be US\$ 28,000,000 (Twenty Eight Million US Dollars). Also, the Company will offset the sums paid by SP for the works on Luis Candido Carballo Avenue, totaling \$ 8,408,700.90, plus value Added Tax, as of the date of execution of the MoU. As of September 30, 2011, the Company had paid the sum of \$ 4,696,877 plus VAT.

As of September 30, 2011, the Company includes the advance payment made toward the purchase of the property mentioned in the preceding paragraphs in "Inventory", under non-current assets.

### 3. Astor Caballito project

On June 29, 2011, the Company entered into an exchange acquisition operation for a lot located in this city, with the following Real Estate Inventory Classification: Circumscription: 7; Section: 45; Item: 179-579-02 (the "Property"), owned by IRSA Inversiones and Representaciones Sociedad Anónima ("IRSA"). The Company intends to develop a housing project on the Property.

As consideration for the acquisition of the property, TGLT agreed to transfer to IRSA: (i) a number to be determined of functional housing units (apartments), on aggregate representing 23.10% of the proprietary sellable square meters destined for housing (apartments) in the building to be erected; (ii) a number to be determined of parking spaces, on aggregate representing 21.10% of the proprietary parking square meters located in the two underground levels of the real estate development to be built by TGLT in the Property; (iii) If the Company builds additional storerooms, a number to be determined of additional storerooms equivalent to 21.1% of the proprietary storeroom square meters in the buildings that the Company will erect on the Property; and (iv) the sum of US\$ 159,375 payable within forty eight (48) hours after execution and delivery of the transaction documentation. The percentages specified in (i) above would be reduced by up to 21% of the sellable housing square meters (apartments) if possession of the units subject to this exchange is made before the deadlines agreed in the contractual documentation. To secure its obligations under the exchange, TGLT furnished a first-priority mortgage in favor of IRSA over the Property, for up to the sum of US\$12,750,000 plus interest, costs and expenses as applicable (see Note 12.2).

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p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
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Federico Nicolás Weil  
Chairman

TGLT S.A.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 19 IPO – Outcome of subscription

In accordance with the terms and conditions of the informative prospectus issued by the Company on October 14, 2010, the Company made a public offering of up to 45,400,000 common book-entry shares at a par value of \$ 1 peso per share, with the possibility of expanding it to 61,800,000 common book-entry shares at a par value of \$ 1 peso per share and 1 voting right per share.

The Company offered up to 30,400,000 new shares in Argentina and 15,000,000 new shares as Global Depository Shares represented by Global Depository Receipts in the United States of America and countries other than Argentina.

The subscription period of the new shares took place between October 21 2010, and October 28, 2010, both dates included.

On October 29, 2010, having completed the subscription period of the new shares, the Board of Directors of the Company set the subscription price at \$ 9.034 per common share, as a result of the demand curve drafted in accordance with the subscription orders received during the stock subscription period.

As a result of the underwriting under the IPO, 47,999,485 new shares were issued, of which 31,984,275 shares were subscribed in the local offering in Argentina, and 16,015,210 shares were subscribed in the international offering as Global Depository Receipts.

Payment of the new shares was made in cash and by capitalizing the credits as a result of obligations taken by the Company pursuant to the acquisition of interest in other companies (see Note 17.).

### Note 20 Claim by General Revenue Bureau

On July 8, 2011, the General Revenue Bureau (which belongs to the Governmental Administration of Public Revenue of the Autonomous City of Buenos Aires) drafted a resolution for the works where the Forum Alcorta project is being developed, due to an alleged failure to pay advertising fees for the fencing surrounding the site and alleged failure to pay the fee for occupying the public domain with the fence, understanding that the same had been placed on the public domain (at a distance of app. 35 centimeters from the municipal line).

In relation to the failure to pay the advertising fees, payment was noted in the same resolution.

As to the fee for occupying the public domain, on November 3, 2011, the Company adhered to a payment plan in the total sum of \$ 450,883 (including principal and interest), to be paid in 60 monthly installments.

Moreover, on February 4, 2011, Canfot S.A. executed a contract for the “erection of fences to post advertisements” with CBS Outdoor Argentina S.A., whereby that company agrees to pay or repair all damages caused by advertisement bills and/or perimeter fences.

As of September 30, 2011, Canfot S.A. had not recognized any loss in relation to the fine for occupying public spaces, since the Board of that company feels that all the costs indicated in the fine must be absorbed by CBS Outdoor Argentina S.A.

### Note 21 Limits under Article 32 of Law No. 19550

As of September 30, 2011, Canfot S.A. includes under “Long-Term Investments” its interest in Pico y Cabildo S.A. in the sum of \$1,537,327. As of such date, Canfot S.A. had exceeded the limit set out in the second paragraph of article 32 of Law 19550 (reciprocal interests) in the sum of \$ 968,081.

Consequently, the Board of Canfot S.A. must decide on what to do with said interest within 6 months from the approval of these financial statements.

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with our report dated November 10, 2011  
Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

p.p. Supervisory Commission

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Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
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Federico Nicolás Weil  
Chairman

TGLT S.A.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

p.p. Supervisory Commission

Ignacio Fabián Gajst  
ExaminerSigned for identification purposes  
with our report dated November 10, 2011  
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C.P.C.E.C.A.B.A. Tº 4 - Fº 130Gabriel Righini (Partner)  
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**EXHIBIT A**
**TGLT S.A.**
**CONSOLIDATED FIXED ASSET STRUCTURE AND EVOLUTION**
**AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010**

(figures in pesos expressed as described in Note 3.1).

Description	Original cost			Accumulated depreciation			Resulting net figure	
	At start	Increases	At close	At start	Increases	At close	Sep 30, 2011	Dec 31, 2010
Furniture and supplies	288,475	136,369	424,844	82,562	32,472	115,034	309,810	205,913
Hardware	278,727	141,732	420,459	153,274	85,752	239,026	181,433	125,453
Improv. to 3 <sup>rd</sup> pty props.	252,719	470,134	722,853	249,487	119,958	369,445	353,408	3,232
Facilities	-	3,087	3,087	-	463	463	2,624	-
<b>Totals as of September 30, 2011</b>	<b>819,921</b>	<b>751,322</b>	<b>1,571,243</b>	<b>485,323</b>	<b>238,645</b>	<b>723,968</b>	<b>847,275</b>	<b>-</b>
<b>Totals as of Dec 31, 2010</b>	<b>603,993</b>	<b>215,928</b>	<b>819,921</b>	<b>294,145</b>	<b>191,178</b>	<b>485,323</b>	<b>-</b>	<b>334,598</b>

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 Signed for identification purposes

 Federico Nicolás Weil  
 Chairman

**TGLT S.A.**
**GOODWILL AND OTHER CONSOLIDATED INTANGIBLE ASSETS**
**AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010**

	Original cost				Accumulated amortization				Net result	
	At start	Increases	Retirements	At close	At start	For period (1)	Retirements	At close	Sep 30, 2011	Dec 31, 2010
<b>INTANGIBLE ASSETS</b>										
Incorporation expenses	4,170	-	-	4,170	4,170	-	-	4,170	-	-
Software	188,798	33,031	-	221,829	62,933	51,758	-	114,691	107,138	125,865
Trademarks	3,510	11,561	-	15,071	1,215	1,058	-	2,273	12,798	2,295
Software development	98,973	440,032	-	539,005	-	-	-	-	539,005	98,973
Totals as of September 30, 2011	295,451	484,624	-	780,075	68,318	52,816	-	121,134	658,941	-
Totals as of Dec 31, 2010	138,783	168,668	(12,000)	295,451	3,740	64,578	-	68,318	-	227,133
	Original cost				Accumulated depreciation				Net result	
GOODWILL	At start	Increases	Retirements	At close	At start	For period (2)	Retirements	At close	Sep 30, 2011	Dec 31, 2010
Neg. goodwill – Marina Río Luján S.A.	(4,529,940)	-	-	(4,529,940)	(451,769)	(269,750)	-	(721,519)	(3,808,421)	(4,078,171)
Neg. goodwill – Maltería del Puerto S.A.	(9,439,824)	-	-	(9,439,824)	(1,803,693)	(3,501,853)	-	(5,305,546)	(4,134,278)	(7,636,131)
Neg. goodwill – Pico y Cabildo S.A.	-	(538,089)	-	(538,089)	-	(274,026)	-	(274,026)	(264,063)	-
Goodwill – Canfot S.A.	46,492,271	15,471,388	(5,632,497)	56,331,162	-	9,109,703	(788,364)	8,321,339	48,009,823	46,492,271
Totals as of September 30, 2011	32,522,507	14,933,299	(5,632,497)	41,823,309	(2,255,462)	5,064,074	(788,364)	2,020,248	39,803,061	-
Totals as of Dec 31, 2010	-	32,522,507	-	32,522,507	-	(2,255,462)	-	(2,255,462)	-	34,777,969

(figures in pesos expressed as described in Note 3.1).

(1) Included in "Other expenses" in the Consolidated Income Statement.

(2) Included in "Goodwill depreciation" in the Consolidated Income Statement.

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Chairman

TGLT S.A.

## CONSOLIDATED INVESTMENTS

**AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010**

(figures in pesos expressed as described in Note 3.1).

Description	Issuer	Maturity	Face value	Market Quote at Sep 30, 2011	Value recorded as of Sep 30, 2011	Value recorded as of Dec 31, 2010
<b>CURRENT INVESTMENTS</b>						
Time deposit in local currency	HSBC Bank Argentina S.A.	-	-	-	-	6,220,399
Time deposit in local currency	Banco Industrial Azul S.A.	30 days	1,005,082	-	1,005,082	-
Time deposit in foreign currency	Banco Santander Río S.A.	30 days	192,499	-	801,757	-
Mutual funds in foreign currency (*)	Sundry	Indefinite	US\$ 13,375,243	103.89	55,707,888	-
Mutual funds in local currency	Banco Itaú Argentina S.A.	-	-	-	-	1,501,944
Commercial papers in foreign currency (*)	Sundry	Indefinite	US\$ 1,728,000	86.00	7,197,120	-
<b>Totals</b>					<b>64,711,847</b>	<b>7,722,343</b>

US\$: U.S. dollars

(\*) See Note 3.5.b

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 C.P.C.E.C.A.B.A. Tº 245 - Fº 74  
 Signed for identification purposes

 Federico Nicolás Weil  
 Chairman

**EXHIBIT G**

TGLT S.A.

# CONSOLIDATED ASSETS AND LIABILITIES IN FOREIGN CURRENCY

AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010

	Sep 30, 2011			Dec 31, 2010	
	Class and amount of foreign currency	Exchange rate	Amount accounted for in pesos	Amount accounted for in pesos	
<b>ASSET</b>					
<b>Current assets</b>					
Cash and banks:					
Cash	US\$	13,545	4.165	56,417	92,676
	Reales	155	2.12	329	425
				<b>56,746</b>	<b>93,101</b>
Banks	US\$	1,038,694	4.165	4,326,161	167,803,284
Currency to be converted	US\$	-	-	-	1,751,520
Temporary investments:					
Fixed term	US\$	192,499	4.165	801,757	-
Mutual funds	US\$	13,375,243	4.165	55,707,888	-
Commercial papers	US\$	1,728,000	4.165	7,197,120	-
Sales receivables:					
Private debtors	US\$	123,375	4.165	513,856	-
Other credits:					
Balances with related parties	US\$	951,136	4.165	3,961,482	-
Insurance to be accrued	US\$	128,204	4.165	533,968	495,928
Vendor advances	US\$	12,500	4.165	52,063	58,237
Expenses to be accounted for	US\$	600	4.165	2,499	3,761
Bienes de cambio:					
Anticipo a proveedores	US\$	164,520	4.165	685,224	-
<b>Total current assets</b>				<b>129,568,421</b>	<b>170,205,831</b>
<b>Non-current assets</b>					
Other credits:					
Insurance to be accrued	US\$	58,580	4.165	243,987	336,096
Security deposits	US\$	45,000	4.165	187,425	110,209
Inventory:					
Vendor advances	US\$	5,178,971	4.165	21,570,414	1,970,856
<b>Total non-current assets</b>				<b>22,001,826</b>	<b>2,417,161</b>
<b>Total assets</b>				<b>95,840,590</b>	<b>172,622,992</b>

US\$: United States dollars

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Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

55

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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Certified Public Accountant (U.B.A.)  
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Federico Nicolás Weil  
Chairman

## EXHIBIT G (continued)

TGLT S.A.

## CONSOLIDATED ASSETS AND LIABILITIES IN FOREIGN CURRENCY (CONTINUED)

AS OF JUNE 30, 2011 and DECEMBER 31, 2010

	Sep 30, 2011			Dec 31, 2010	
	Class and amount of foreign currency	Exchange rate	Amount accounted for in pesos	Amount accounted for in pesos	
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade payables:					
Suppliers	US\$	105,435	4.205	443,355	459,481
Expense provisions	US\$	100,368	4.205	422,048	61,729
Insurance payable	US\$	54,728	4.205	230,130	487,636
Loans:					
Bank loan	US\$	12,077	4.205	50,783	-
Loans received	US\$	2,036,497	4.205	8,563,469	-
Balances with related parties	US\$	2,981,557	4.205	12,537,446	-
Customer advances:					
Sums collected in advance	US\$	31,286,283	4.205	131,558,822	-
Balances with related parties	US\$	743,321	4.205	3,125,665	-
Other Liabilities:					
Creditors on the purchase of inventory	US\$	5,078,409	4.205	21,354,710	-
Creditors on purchase of long-term investments	US\$	4,215,877	4.205	17,727,765	-
Sundry creditors	US\$	192,499	4.165	801,757	-
<b>Total current liabilities</b>				<b>196,815,950</b>	<b>1,008,846</b>
<b>Non-current liabilities</b>					
Trade payables:					
Contingency fund	US\$	29,252	4.205	123,005	55,410
Balances with related parties	US\$	9,810,618	4.205	41,253,648	-
Loans:					
Bank loan	US\$	2,900,019	4.205	12,194,580	-
Customer advances:					
Balances with related parties	US\$	10,923,238	4.205	45,932,216	35,309,073
Sums collected in advance	US\$	49,850,766	4.205	209,622,473	186,243,070
<b>Total non-current liabilities</b>				<b>309,125,922</b>	<b>221,607,553</b>
<b>Total liabilities</b>				<b>505,941,872</b>	<b>222,616,399</b>

US\$: United States dollars

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Chairman



## EXHIBIT H

TGLT S.A.

## CONSOLIDATED INFORMATION REQUIRED BY ARTICLE NO. 64, SECTION I, SUBSECTION B) OF LAW NO. 19,550

FOR THE 9-MONTH PERIODS ENDED ON SEPTEMBER 30, 2011 AND 2010

(figures in pesos expressed as described in Note 3.1.)

Account	Cost of services rendered	Sales expenses	Administrative expenses	Totals as of Sep 30, 2011	Totals as of Sep 30, 2010
Sales and social security contributions	10,053,444	1,245,762	1,877,115	13,176,321	1,884,429
Other personnel expenses	293,163	47,006	71,488	411,657	22,990
Rent and expenses	990,457	114,181	173,649	1,278,287	207,610
Professional fees	-	385,000	2,535,291	2,920,291	2,385,836
Directors' fees	-	-	180,000	180,000	-
Examiners' fees	-	-	169,000	169,000	-
IPO expenses	-	-	976,924	976,924	-
Taxes, duties and assessments	-	3,491,777	159,252	3,651,029	1,703,073
Transportation and per diems	251,068	84,395	46,989	382,452	68,369
IT expenses and services	424,874	53,934	109,544	588,352	-
Office expenses	-	-	274,117	274,117	159,946
Entertainment expenses	-	-	-	-	237,629
Insurance	-	690	396,812	397,502	103,915
Fixed asset depreciation	-	-	238,645	238,645	124,530
Other bad debt	-	-	-	-	101,329
Advertising expenses	-	561,469	-	561,469	76,369
Overhead	-	253,629	196,145	449,774	150,827
Donations	-	-	17,220	17,220	-
<b>Totals as of September 30, 2011</b>	<b>12,013,006</b>	<b>6,237,843</b>	<b>7,422,191</b>	<b>25,673,040</b>	<b>-</b>
<b>Totals as of September 30, 2010</b>	<b>119,705</b>	<b>2,036,637</b>	<b>5,070,510</b>	<b>-</b>	<b>7,226,852</b>

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**INDIVIDUAL MID-TERM FINANCIAL STATEMENTS**

**TGLT S.A.**

**AS OF SEPTEMBER 30, 2011**

TGLT S.A.

## BALANCE SHEET

AS OF SEPTEMBER 30, 2011, AND DECEMBER 31, 2010

(figures in pesos expressed as described in Note 3.1.)

		Sep 30, 2011	Dec 31, 2010
		Pesos	Pesos
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and banks	Note 5.a	14,483,021	158,092,507
Provisional investments	Exhibit C	63,910,090	6,220,399
Trade receivables	Note 5.b	4,245,334	1,412,140
Other receivables	Note 5.c	46,163,992	4,659,804
<b>Total current assets</b>		<b>128,802,437</b>	<b>170,384,850</b>
<b>Non-current assets</b>			
Other receivables	Note 5.c	8,056,856	6,708,566
Inventory	Note 5.d	165,042,517	76,886,003
Fixed assets	Exhibit A	2,374,830	305,730
Long-term investments	Note 5.e	272,955,411	218,923,990
Intangible assets	Exhibit B	634,695	212,013
<b>Subtotal of non-current assets</b>		<b>449,064,309</b>	<b>303,036,302</b>
<b>Total assets</b>		<b>577,866,746</b>	<b>473,421,152</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	Note 5.f	3,784,502	1,979,198
Loans	Note 5.g	10,723,771	-
Wages and social security contributions	Note 5.h	1,313,456	773,477
Taxes payable	Note 5.i	1,483,928	2,645,976
Customer advances	Note 5.j	-	407
Other liabilities	Note 5.k	39,219,916	-
<b>Total current liabilities</b>		<b>56,525,573</b>	<b>5,399,058</b>
<b>Non-current liabilities</b>			
Trade payables	Note 5.f	41,318,052	-
Customer advances	Note 5.j	61,011,166	32,377,486
<b>Total non-current liabilities</b>		<b>102,329,218</b>	<b>32,377,486</b>
<b>Total liabilities</b>		<b>158,854,791</b>	<b>37,776,544</b>
<b>SHAREHOLDERS' EQUITY</b>		<b>419,011,955</b>	<b>435,644,608</b>
<b>Total liabilities and shareholders' equity</b>		<b>577,866,746</b>	<b>473,421,152</b>

Notes 1 to 18 and Exhibits A, B, C, G, and H hereto are an integral part of these consolidated statements.

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

Signed for identification purposes  
with our report dated November 10, 2011  
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Chairman

TGLT S.A.

## INCOME STATEMENT

FOR THE 9-MONTH PERIODS ENDED AS OF JUN 30, 2011, AND 2010

(figures in pesos expressed as described in Note 3.1.)

		Sep 30, 2011 Pesos	Sep 30, 2010 Pesos
Income for services rendered		8,885,741	5,622,404
Cost of services rendered	Exhibit H	(6,712,715)	(3,813,310)
<b>Gross profit</b>		<b>2,173,026</b>	<b>1,809,094</b>
Result from inventory valuation at net realization value	Note 17	526,354	-
Sales expenses	Exhibit H	(2,562,358)	(906,068)
Administrative expenses	Exhibit H	(6,374,543)	(3,843,301)
<b>Operational results</b>		<b>(6,237,521)</b>	<b>(2,940,275)</b>
Long-term investment results	Note 5.l	(15,130,586)	(6,725,509)
Other expenses	Exhibit B	(47,146)	(41,049)
Financial and holding revenue, net	Note 5.m		
<i>Generated by assets</i>		10,653,167	170,564
<i>Generated by liabilities</i>		(5,713,221)	(3,768,808)
Other revenue and expenses, net	Note 5.n	1,517,336	(747,105)
<b>Period income before Income Tax</b>		<b>(14,957,971)</b>	<b>(14,052,182)</b>
Income Tax	Note 4	(1,040,853)	2,264,476
<b>Period results</b>		<b>(15,998,824)</b>	<b>(11,787,706)</b>
<b>Results per common share</b>			
Base		<b>(0.23)</b>	<b>(0.53)</b>
Diluted		<b>(0.23)</b>	<b>(0.4053)</b>

Notes 1 to 18 and Exhibits A, B, C, G, and H hereto are an integral part of these consolidated statements.

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TGLT S.A.

## STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE 9-MONTH PERIODS ENDED AS OF SEPTEMBER 30, 2011, AND 2010

(figures in pesos expressed as described in Note 3.1.)

Item	Shareholders' contributions			Reserves of subsidiary companies	Accumulated results			Totals June 30, 2011	Totals June 30, 2010
	Corporate capital	Issuance premium	Total		Reserve requirement	Non-allocated results	Total		
Opening balance	70,349,485	378,208,774	448,558,259	6,972,811	4,000	(19,890,462)	(19,886,462)	435,644,608	28,612,143
Release of reserve in subsidiaries (1)	-	-	-	(633,829)	-	-	-	(633,829)	-
Period results	-	-	-	-	-	(15,998,824)	(15,998,824)	(15,998,824)	(11,787,706)
Closing balance	70,349,485	378,208,774	448,558,259	6,338,982	4,000	(35,889,286)	(35,889,286)	419,011,955	16,824,437

(1) See Note 17.1 to the consolidated Financial Statements.

Notes 1 to 21 and Exhibits A, B, C, G, and H hereto are an integral part of these consolidated statements.

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TGLT S.A.

## CASH FLOW STATEMENT

FOR THE 9-MONTH PERIODS ENDED AS OF SEPTEMBER 30, 2011, AND 2010

(figures in pesos expressed as described in Note 3.1.)

	Sep 30, 2011	Sep 30, 2010
<b>CASH FLOW VARIATIONS (1)</b>		
Cash flow at start of period	164,312,906	3,722,198
Cash flow at close of period	78,393,111	3,219,745
Net cash flow decrease	<b>(85,919,795)</b>	<b>(502,453)</b>
<b>REASONS FOR CASH VARIATIONS</b>		
<b>Operational activities</b>		
Mid-term results	(15,998,824)	(11,787,706)
Income Tax	1,040,853	(2,264,476)
<b>Adjustments for arriving to the net cash flow from operational activities</b>		
Fixed asset depreciation	227,996	122,690
Amortization of intangible assets	47,146	41,049
Income from long-term investment	15,130,586	6,725,509
Income from sale of stock	(1,517,336)	747,105
Result from inventory valuation at net realization value	(526,354)	-
Residual value of disposed fixed assets	-	12,000
Accrued unpaid exchange rate difference, net	458,653	3,602,415
<b>Changes in Operational Assets and Liabilities</b>		
(Increase) Decrease in trade receivables	(2,833,194)	1,774,519
(Increase) Decrease in other receivables	(42,305,731)	1,464,486
Increase in inventory	(87,630,160)	-
Increase in trade payables	43,123,356	1,251,255
Increase in salaries and social security	539,979	309,157
Decrease in taxes payable	(1,162,048)	(449,800)
Increase in customer advances	28,633,273	407
Increase in other liabilities	21,492,151	-
<b>Net (use of funds in) cash flow from operations</b>	<b>(41,279,654)</b>	<b>1,548,610</b>
<b>Investment activities</b>		
Payments for purchase of fixed assets	(2,297,096)	(118,882)
Payments for purchase of intangible assets	(469,828)	(165,982)
Payments on the purchase of long-term investments	(64,672,588)	-
Aporte de capital en sociedades controladas	-	(500,010)
Cobro por venta de inversiones permanentes	12,075,600	-
<b>Net use of funds in investing</b>	<b>(55,363,912)</b>	<b>(784,874)</b>
<b>Financing activities</b>		
Increase (Decrease) in loans	10,723,771	(1,266,189)
<b>Net cash flow from (use of funds in) financing</b>	<b>10,723,771</b>	<b>(1,266,189)</b>
<b>NET CASH DECREASE</b>	<b>(85,919,795)</b>	<b>(502,453)</b>

(1) Cash: equivalent to cash and banks and temporary investments maturing within 3 months.

Notes 1 to 18 and Exhibits A, B, C, G, and H hereto are an integral part of these consolidated statements.

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TGLT S.A.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 1 Purpose of mid-term financial statements

On October 30, 2009, the Regular and Special Shareholders' Meeting of TGLT S.A. (the "Company") unanimously authorized entering the same into the public offering scheme in the country and/or on foreign markets which the Board of Directors determines, and the public offering and the listing of its shares with the National Securities Commission (C.N.V.) and the Buenos Aires Stock Exchange (B.C.B.A.), respectively, and/or on the foreign stock exchanges and/or self-regulated markets determined in due course by the Board of Directors.

On October 14, 2010, the C.N.V. issued its approval of Resolution No. 16,409 of September 8, 2010, whereby the Company has been authorized to make a public offering of up to 45,400,000 book-entry common shares, with the possibility of extending said offering up to 61,800,000 shares. In turn, on October 19, 2010, the B.C.B.A. issued the authorization for TGLT S.A.'s shares to be listed on the stock exchange.

On November 4, 2011, the Securities Commission of the Federal Republic of Brazil (Comissão de Valores Mobiliários or "CVM") granted TGLT S.A. open-company registration and approved the BDR Level II program (Brazilian Depositary Receipts). Also, BM&F Bovespa, Brazil's largest stock market, authorized BDR trading on its general screen. All common shares and ADRs of the Company are convertible into BDRs and vice versa.

These mid-term financial statements (the "financial statements") as of September 30, 2011, were drafted by Company Management for the purposes of complying with the law and with the requirements of the C.N.V. and the B.C.B.A. within the framework of the public offering of its stock.

These financial statements are for the 9-month period from January 1 to September 30, 2011. In accordance with the provisions set forth in Technical Resolution No. 8 issued by the Argentinean Federation of Professional Economics Boards (F.A.C.P.C.E.) on General Accounting Presentation Regulations, the Company submitted accounting information on its Balance Sheet compared with the last business year closed (December 31, 2010). In relation to the accounting information on the Income Statement and Cash Flow Statement, the Company shows that information compared with the mid-term financial statements as of September 30, 2010.

### Note 2 Company Business

TGLT S.A.'s main line of business consists in integrating all the roles associated with housing development projects, such as: searching for and acquiring land, designing the products, marketing, sales, construction project management, purchasing consumables, aftersales services, and financial planning. The architecture and construction are outsourced to other companies, with which the Company has strategic relationships.

To the date of issuance of these financial statements, the Company has participated—along with other investors—in various urban projects (see Note 2. to the consolidated financial statements), in which the Company is in charge of comprehensive management, and it charges both flat and contingent fees for the tasks it executes in accordance with the breakdown provided in Note 16 to the consolidated financial statements.

### Note 3 Criteria for presenting financial statements

#### 3.1 Effects of inflation

The professional accounting regulations currently in effect provide that, as of October 1, 2003, restatement in constant currency as established by Technical Resolution No. 6, as amended by Technical Resolution No. 19 by the F.A.C.P.C.E., must be discontinued.

Consequently, the Company used the nominal legal tender for the Republic of Argentina as a constant currency when preparing these financial statements.

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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TGLT S.A.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 3 Criteria for presenting financial statements (continued)

#### 3.2 Applicable professional accounting standards

The Board of Directors of the Company has drafted these financial statements in accordance with professional accounting standards applicable in the Republic of Argentina, the regulations issued by the C.N.V., and the Law on Business Corporations.

Drafting of these financial statements in accordance with said professional accounting standards requires Company Management to make estimates and assumptions that may affect the reported amounts of assets and liabilities, the determination and presentation of contingent assets and liabilities as of the date of said financial statements, as well as the amounts disclosed on income and disbursements in each period. Actual results may differ from such estimates.

#### 3.3 Adoption of International Financial Reporting Standards (IFRS)

Through General Resolution No. 562/09 dated December 29, 2009, titled "Adoption of International Financial Reporting Standards", and General Resolution No. 576/10, dated July 1, 2010, titled "Addendum to General Resolution No. 562," the C.N.V. established application of Technical Resolution No. 26 of the F.A.C.P.C.E. (as amended by Technical Resolution No. 29, approved by the F.A.C.P.C.E. on December 3, 2010), for certain entities included in the public offering system of Law No. 17,811, which adopts the IFRS issued by the International Accounting Standards Board (IASB) for certain entities included in the public offering system provided for in Law No. 17,811, whether on account of their equity or debt securities, or because they have requested authorization to be included in said system. In fulfillment of these regulations and as provided in General resolution No. 592/11 of October 24, 2011, as of the year starting on January 1, 2012, the companies that consolidate with the Company must include, in a note to the financial statements or in additional information, a reconciliation of their shareholders' equity and results determined in accordance with IFRS. This information is to be used by the Company to apply the proportional equity value method and for consolidation of their financial statements

On April 26, 2010 the Company's Board of Directors approved the "Formal Plan for Implementation of the International Financial Reporting Standards" which was submitted to the C.N.V. on April 30, 2010. Among other things, it establishes that implementation of the same is to be done in coordination with the Boards of Directors of the subsidiaries.

As of the date of these financial statements, the "Formal Plan for Implementing the International Financial Reporting Standards" was being implemented on schedule. Also, the Board of Directors of the Company was not aware of any circumstance that would necessitate any modifications to that plan or that would indicate any potential deviation from the established goals and dates.

#### 3.4 Accounting calculation and presentation criteria

The main valuation criteria used to prepare these financial statements were the following:

##### a. Cash and banks

In local currency: at nominal values.

In foreign currency: It was converted at the exchange rate in effect at the close of the period applicable for settlement of the respective operations. The exchange rate differences were included in the results of the period. The respective breakdown is shown in Exhibit G.

p.p. Supervisory Commission

Ignacio Fabián Gajst  
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Chairman



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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting financial statements (continued)****3.4 Accounting calculation and presentation criteria (continued)****b. Temporary investments**

Fixed Term: valued at nominal value plus the applicable financial earnings accrued to the closing date of the period.

Mutual Funds: valued at the quotation value of the effective quota portion to the closing date of the period minus the direct sales costs.

Commercial Papers: a portfolio of unsecured notes issued by large foreign banks and corporations (U.S.), valued at their respective trade value as of the closing date of the period, minus direct sales costs.

Investments in foreign currency were converted at the exchange rate in effect at the close of the period, for settlement of the respective operations. The exchange rate differences were included in the results of the period. The respective breakdown is shown in Exhibits C and G.

**c. Receivables and payables**

Trade and financial receivables and payables with independent parties have been valued at the cash price estimated at the time of each operation, plus the relevant financial portion accrued by the close of the period. Trade and financial receivables and payables with related parties have been valued at their nominal value plus the financial components accrued at the close of the period in cases when they were agreed upon.

Other receivables and payables: The various receivables and payables were valued based on the best possible estimate of the amount payable or receivable, respectively, discounted—when applicable—using the estimated rate at the moment of incorporation of the asset and liability. In cases where they do not differ significantly, they have been left at their nominal value. The various payables and receivables with related parties have been valued at their nominal value plus the financial components accrued at the close of the period in cases when they were agreed upon.

Customer advances: These are funds received as a result of selling units of the real estate projects outlined in Note 2, where the units have not yet been delivered. These advanced payments were valued in accordance with the amount of cash received.

For accounts in foreign currencies, the amounts determined in foreign currencies were converted to the local currency at the exchange rates in effect at the close of the period applicable to settlement of the respective operations. The respective breakdown is presented in Exhibit G. Exchange rate differences were included in period results.

Payables and receivables include the portion of the relevant financial results accrued up to the period's closing date. Underlying financial components have been separated from the relevant asset amounts outstanding, when they were significant.

The breakdown of amounts outstanding with related parties is presented in Note 7 of these mid-term financial statements.

Deferred Tax credit balances have been reflected at its nominal value.

Labor cost liabilities are accrued in the period in which the employees have provided the service entitling them to said payments.

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting financial statements (continued)****3.4 Accounting calculation and presentation criteria (continued)****d. Inventory**

Urban development projects: The real estate classified as inventory is valued at the cost of acquisition and/or construction, as per Note 3.1, or at its estimated market value, whichever is lower. Among the costs is the value of the land and improvements, direct costs and construction overhead, financial costs and real estate taxes.

The inventory for which price-clinching advance payments have been received and the terms and conditions of the operation contemplate the actual sale and profit actually being made and are valued at the net realization value provided. The result of said valuation is included under the item, "Result of inventory valuation at net realization value" in the consolidated Income Statement (see Note 17).

Moreover, this item includes the advance payment toward the purchase of the property in Rosario, Province of Santa Fe (see Note 18.2 to the consolidated financial statements) and direct purchase expenses incurred through the end of the period. The advance was valued according to the moneys/property delivered and direct purchase expenses at nominal value. The value of inventory does not exceed its recoverable value as of the closing date of each period/year.

**e. Fixed assets**

These assets were valued at their cost of acquisition minus the relevant accumulated depreciations, calculated ratably to the estimated life cycle years. Depreciation is calculated using the straight-line method, applying rates that are sufficient to extinguish their values at the end of the estimated life cycle. Said life cycles are based on reasonable criteria and standards established according to past experience of Company Management. The evolution of fixed assets is included in Exhibit A.

Moreover, this item includes the advance payment toward the purchase of the property in Rosario, Province of Santa Fe (see Note 19. to the individual financial statements) and direct purchase expenses incurred through the end of the period. The advance was valued according to the moneys/property delivered and direct purchase expenses at nominal value.

Company Management reviews the residual book value of the fixed assets in order to check whether they have incurred any material devaluation when there are facts or changing circumstances that indicate that the recorded value of the same may be unrecoverable. In the event that there is any indication and book values exceed the estimated recoverable amount, said assets must be reduced to the limit of their recoverable value. The recoverable amount for fixed assets is equivalent to the net realization value or use value, whichever is greater. Company Management has not detected any signs of devaluation as of the closing date of the period. Therefore, the value of fixed assets does not exceed their recoverable value as of such dates.

**f. Intangible assets**

These are expenditures made for acquiring software and registering trademarks.

Intangible assets are valued at their nominal value, minus the relevant depreciation calculated ratably to their estimated life cycle years. Depreciation is calculated using the straight-line method, the rate of which is determined on the basis of the life cycle assigned to the assets as of and including the year in which they were acquired. The evolution of intangible assets is included in Exhibit B.

Company Management reviews the residual value of the intangible assets in order to check whether they have incurred any material devaluation when there are facts or changing circumstances that indicate that the recorded value of the same may be unrecoverable. In the event that there is any indication and book values exceed the estimated recoverable amount, said assets must be reduced to the limit of their recoverable value. The recoverable amount for intangible assets is equivalent to the net realization value or use value, whichever is greater. Company Management has not detected any signs of devaluation of intangible assets to date. Therefore, the value of intangible assets does not exceed their recoverable value as of those dates.

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting financial statements (continued)****3.4 Accounting calculation and presentation criteria (continued)****g. Long-term investments**

As of September 30, 2011 and December 31, 2010, the Company had interests in other companies as shown in the following breakdown:

Company	Interest	
	Sep 30, 2011	Dec 31, 2010
Canfot S.A.	90.91% (1)	75.04%
Pico y Cabildo S.A.	97.00% (1)	-
Maltería del Puerto S.A.	75.00% (2)	75.00%
Marina Río Luján S.A.	49.99% (3)	49.99%

(1) As a result of several transactions, the Company had become the sole shareholder as of September 30, 2011, of Canfot S.A. and Pico y Cabildo S.A. During the quarter ended as of September 30, 2011, the Company transferred 9.09% of its shares in Canfot S.A. in favor of Kondor Fund SPC – Kondor Properties Segregated Portfolio, and 3% of its shares in Pico y Cabildo S.A. to Canfot S.A. (See Note 17 to the consolidated financial statements).

(2) See Note 12.2.a to the consolidated financial statements.

(3) See Note 12.4 to the consolidated financial statements.

(4) See Note 12.3 to the consolidated financial statements.

**- Investment in Canfot S.A., Maltería del Puerto S.A. and Marina Río Luján S.A.:**

The investment has been valued using the proportional equity value method determined in accordance with the provisions set forth in Technical Resolution No. 21 by the F.A.C.P.C.E. and approved by the C.P.C.E.C.A.B.A. The mid-term and annual financial statements of this company as of September 30, 2011, and December 31, 2010, respectively, were used to determine the proportional equity value.

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting financial statements (continued)****3.4 Accounting calculation and presentation criteria (continued)****g. Long-term investments (continued)****- Investment in Pico y Cabildo S.A.:**

The investment has been valued using the proportional equity value method determined in accordance with the provisions set forth in Technical Resolution No. 21 by the F.A.C.P.C.E. and approved by the C.P.C.E.C.A.B.A. The special financial statements of this company for the 6-month period ended as of September 30, 2011, were used to determine the proportional equity value.

Additionally, the Company has acknowledged the accounting effects of the acquisitions referred to in the above paragraphs, in accordance with the provisions set forth in Section 1.3.1. of Technical Resolution No. 21 by the F.A.C.P.C.E. Thus, the difference between the book value of the assets and liabilities and their relevant current net payment values is included in the item "Long-term investments" listed under non-current assets, and after considering the pertinent depreciations amounts to \$ 143,847,030 as of September 30, 2011. This difference is mainly generated by comparing book values and relevant current values of the main assets owned by the companies acquired (inventory).

The current value of the identifiable net assets results from reports put together by independent professional experts on the matter.

In accordance with the provisions set forth in Paragraph 1.2.ñ) of Technical Resolution No. 21 by the F.A.C.P.C.E., the differences in calculations of net assets which were identifiable at the moment of purchase which result from applying the criterion established in Section 1.3.1.1. of said Technical Resolution must be applied to results in the investing company based on consumption of said assets by the issuing company. Consequently, the Company has applied the greater value of said investments to results, applying the same criterion used by the issuing companies for acknowledging their inventory in results, that is, based on the degree of progress of the project, whenever applicable.

As of September 30, 2011, the Company has acknowledged a debit to its results for the amount of \$ 23,879,476, which is included in the income statement under the item, "Results from long-term investments" (as of September 30, 2010, \$6,032,135).

The Company's Board of Directors reviews the book value of permanent investments valued at proportional equity value, for the purposes of checking whether they have suffered any significant devaluation when there are facts or changes in circumstances which indicate that the registered value of the same may not be recoverable. In the event that there is any indication and book values exceed the estimated recoverable amount, said assets must be reduced to the limit of their recoverable value.

The value of the permanent investments does not exceed their recoverable value to the date of the close of the fiscal year.

**h. Goodwill**

As a result of the long-term investments acquired (see Note 17. to the consolidated financial statements), the Company has acknowledged a total goodwill of \$41,839,452.

The goodwill referred to in the previous paragraph was determined at the time of each acquisition based on the provisions set forth in Section 1.3.1.1.d) of Technical Resolution No. 21 of the F.A.C.P.C.E.

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 3 Criteria for presenting financial statements (continued)****3.4 Accounting calculation and presentation criteria (continued)****h. Goodwill (continued)**

The criterion adopted by the Company to calculate goodwill depreciation is as follows:

- a) Negative goodwill associated with the "Forum Puerto Norte" project (Maltería del Puerto S.A.): Because Company Management has not seen indications of future losses or expenditures associated with the acquired company, goodwill is depreciated using the same criterion as the one used for acknowledging the greater inventory value in the income statement generated by the acquisition of Maltería del Puerto S.A. This, negative goodwill depreciation is acknowledged on the basis of progress made in the works of the "Forum Puerto Norte" project.
- b) Negative goodwill associated with the "Venice" (Marina Río Luján S.A.) and "Astor Núñez" (Pico y Cabildo S.A.) developments: Because Company and Canfot S.A. Management has seen indications of future losses or expenditures associated with the acquired companies, goodwill is depreciated based on the results recognized by those companies by applying the proportional equity value method determined as per Technical Resolution No. 21 issued by the F.A.C.P.C.E., approved by the C.P.C.E.C.A.B.A. (see Note 3.4.e. to the individual financial statements as of September 30, 2011).
- c) Positive goodwill associated with the "Forum Alcorta" (Canfot S.A.) project: Positive goodwill is depreciated on the basis of progress in the works of the housing project being developed by the acquired company. This criterion is the best estimate for the period during which the Company expects to receive financial gain associated with said value.

As of September 30, 2011, the Company acknowledges a depreciation of \$ 5,069,294, in goodwill (as of September 30, 2010, \$1,324,441), shown in the income statement under "Results from long-term investments".

**i. Acknowledgment of income**

Management and commission income: comprised chiefly of fees generated by management agreements and the commissions associated with the real estate projects executed by the consolidated companies. This income is acknowledged based on provision of services by the Company, regardless of the period when they are invoiced.

Sale of units: Sales of properties in the real estate developments under construction are acknowledged by the Company on the basis of rate of progress (see Note 11.). This method acknowledges income based on the coefficient between the costs incurred and total estimated costs according to the total budget. The Company does not acknowledge the income and costs until the moment construction of the works begins. The rate-of-progress method requires that The Board of Directors of the Company put together cost budgets for property/unit sales. Potential modifications to the estimated completion costs are regularly incorporated into the estimated costs updated during the timeframe of the project.

**j. Corporate Income tax and Minimum Presumptive Corporate Income Tax**

The Company determines the Corporate Income Tax it must pay by applying the current 35% rate to the taxable income of each period/year. In accordance with current accounting regulations, the Company determines the debit for the Corporate Income Tax using the Deferred Tax method, which consists in acknowledging (as a credit or debit) the tax effect of temporary differences between the book and tax valuations of the assets and liabilities, determined at the current 35% rate established by law, and its subsequent application to results for the periods in which the same are reversed. When there are accumulated tax loss carry-forwards which may decrease future tax earnings, or the Deferred Tax which results from the temporary differences is an asset, said credits are acknowledged for accounting purposes to the extent Company Management deems it likely that they will be beneficial. The Deferred Tax liability recorded as of September 30, 2011 amounts to \$2,665,126 and is listed under "Other receivables" in non-current assets (as of December 31, 2010, \$ 3,705,979).

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Nota 3 Criteria for presenting financial statements (continued)****3.4 Accounting calculation and presentation criteria (continued)****j. Corporate Income tax and Minimum Presumptive Corporate Income Tax (continued)**

Note 4 to these financial statements provides a breakdown of the evolution and structure of the Corporate Income Tax and Deferred Tax accounts.

The Minimum Presumptive Corporate Income Tax is supplementary to the Corporate Income Tax, because while the latter is levied on the taxable income of each period/year, the Minimum Presumptive Corporate Income Tax is a minimum tax with a rate of 1% levied on the potential income of certain productive assets at the close of each period/year, and therefore, the Company's tax liability is the greater of both taxes. However, if the Minimum Presumptive Corporate Income Tax exceeds the Corporate Income Tax in any fiscal period, said excess may be considered as a payment toward any excess in the Corporate Income Tax over the Minimum Presumptive Corporate Income Tax which may be generated in any of the following ten fiscal years.

During the period ended on September 30, 2011, the amount calculated as the Minimum Presumptive Income Tax in excess of Corporate Income Tax was \$ 2,212,173. This amount, which added to the charges from previous periods represent a credit of \$ 5,104,552, is outlined in "Other receivables" in non-current assets because the amounts paid for this tax are deemed recoverable before the respective statutes of limitations run.

**k. Income statement accounts**

Included at face value.

Under "Financial and holding results, net," we have included, in joint fashion: (a) the exchange rate differences generated by assets and liabilities in foreign currency; (b) interest accrued by assets and liabilities; (c) banking expenses and interest generated by assets; (d) holding and sales results generated by temporary investments, and (e) recovery of expense allowances

**l. Shareholders' equity accounts**

Included at face value.

**3.5 Comparative information**

As provided in Technical resolution No.8 of the F.A.C.P.C.E. on General Accounting Presentation Standards, and in light of Note 1, the Company discloses its accounting information on a comparative basis.

When preparing these financial statements, Company Management introduced certain changes to how some entries were shown. The annual financial statements as of December 31, 2010, shown for comparative purposes, were modified to reflect the effect of these changes.

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 4 Corporate Income Tax and Deferred Tax**

The structure of "Corporate Income Tax", determined in accordance with Technical Resolution No. 17 of the F.A.C.P.C.E., included in the income statement as of September 30, 2011 and 2010, is as follows:

<b>Corporate Income Tax</b>	<b>Sep 30, 2011</b>	Sep 30, 2010
Deferred Tax originated by temporary differences	(1,040,853)	2,264,276
<b>Total Corporate Income tax</b>	<b>(1,040,853)</b>	<b>2,264,476</b>

The Deferred Tax at the close of the year/period has been determined on the basis of the temporary differences between the accounting and the tax calculations. The structure of assets and liabilities for Deferred Tax at the close of the year/period is as follows:

<b>Assets (liabilities) for Deferred Tax:</b>	<b>Sep 30, 2011</b>	Dec 31, 2010
Locally-sourced tax loss carry-forwards	3,443,033	3,681,321
Foreign-sourced tax loss carry-forwards	32,158	24,658
Provisional investment	(184,224)	-
<b>Balance at close of period</b>	<b>(625,841)</b>	<b>-</b>

Following is a detail of the reconciliation of the Corporate Income Tax attributed to results, which would be the result of applying the relevant tax rate to the accounting result before taxes:

	<b>Sep 30, 2011</b>	Sep 30, 2010
Corporate Income Tax calculated at effective rate on the accounting result before taxes	5,235,290	4,918,265
Interest	(45,520)	(12,509)
Directors' Fees	(54,250)	-
Result of valuation of long-term investments	(5,295,705)	(2,353,928)
Result on sale of shares	(878,828)	-
Donations	(1,400)	-
Sundry	(440)	(287,352)
<b>Corporate Income Tax</b>	<b>(1,040,853)</b>	<b>2,264,476</b>

The temporary difference originated by accrued tax loss carry-forwards as of September 30, 2011, which may be used up to the dates indicated below is as follows:

Year	Pesos
2015	3,467,690
2016	7,501
<b>Total</b>	<b>3,475,191</b>

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## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 5 Structure of Main Items

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows:

#### 5.a. Cash and banks

Cash		Sep 30, 2011	Dec 31, 2010
In local currency		6,001	5,670
In foreign currency	Exhibit G	3,723	3,633
<b>Banks</b>			
In local currency		13,129,679	63,832
In foreign currency	Exhibit G	1,343,618	159,009,124
Securities to be deposited		-	210,248
Restricted funds		-	(1,200,000)
		14,483,021	158,092,507

#### 5.b. Trade receivables

Balances with related companies	Note 7 and Exhibit G	3,731,478	1,412,140
Individual debtors	Exhibit G	513,856	-
		4,245,334	1,412,140

#### 5.c. Other receivables

##### Current:

Value Added Tax		1,505,469	1,437,628
Corporate Income Tax		132,809	230,375
Gross Receipts Tax		69,655	160,163
Deposits as collateral		-	1,200,000
Accounts receivable from related parties in local currency	Note 7	4,035,116	344,890
Accounts receivable from related parties in foreign currency	Note 7 and Exhibit G	39,697,370	788,925
Insurance policies to be accrued in local currency	Exhibit G	26,247	3,571
Insurance policies to be accrued in foreign currency		258,487	241,343
Advance payments to suppliers in local currency		129,583	108,461
Advance payments to suppliers in foreign currency	Exhibit G	52,063	58,237
Advance payments to personnel		208,384	33,148
Expenses to be accounted for	Exhibit G	2,499	3,761
Other tax credits		-	47,702
Sundry		46,310	1,600
		46,163,992	4,659,804

##### Non-current:

Deferred Tax Asset	Note 4	2,665,126	3,705,979
Minimum Presumptive Income Tax		5,104,552	2,892,379
Deposits as collateral in local currency		21,100	-
Deposits as collateral in foreign currency	Exhibit G	187,425	110,208
Insurance to be accrued	Exhibit G	78,653	-
		8,056,856	6,708,566

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## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 5 Structure of Main Items (continued)

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

#### 5.d. Inventory

		Sep 30, 2011	Dec 31, 2010
<b>"Astor Palermo" development</b>			
Cost incurred		79,358,856	76,886,003
		79,358,856	76,886,003
<b>"Astor Caballito" development</b>			
Cost incurred		56,556,190	-
Valuation at net realization value	Note 17	526,354	-
		57,082,544	-
Supplier advances in local currency		7,030,703	-
Supplier advances in foreign currency	Exhibit G	21,570,414	-
		165,042,517	76,886,003

#### 5.e. Long-term investments

Canfot S.A. - Shares	Exhibit C	49,339,954	31,397,774
Maltería del Puerto S.A. - Shares	Exhibit C	22,308,635	17,856,370
Marina Río Luján S.A. - Shares	Exhibit C	8,596,635	8,846,726
Pico y Cabildo S.A. - Shares	Exhibit C	9,053,957	
Canfot S.A. - Goodwill	Exhibit B	48,009,823	46,492,271
Maltería del Puerto S.A. - Goodwill	Exhibit B	(4,134,278)	(7,636,131)
Marina Río Luján S.A. - Goodwill	Exhibit B	(3,808,421)	(4,078,171)
Pico y Cabildo S.A. - Goodwill	Exhibit B	(257,924)	
Canfot S.A. - Capital gain		20,462,077	19,691,563
Canfot S.A. - Capital gain - Accumulated depreciation		(3,263,392)	-
Maltería del Puerto S.A. - Capital gain		55,574,069	55,574,069
Maltería del Puerto S.A. - Capital gain - Accumulated depreciation		(31,234,777)	(10,618,693)
Marina Río Luján S.A. - Capital gain		61,398,212	61,398,212
Pico and Cabildo S.A. - Capital gain		40,910,841	-
		272,955,411	218,923,990

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 5 Structure of Main Items (continued)**

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

**5.f. Trade payables**

<b>Current</b>		<b>Sep 30, 2011</b>	Dec 31, 2010
Suppliers in local currency		997,620	266,355
Suppliers in foreign currency	Exhibit G	318,765	424,446
Post-dated checks		649,635	766,236
Balances with related parties	Note 7	93,118	93,118
Provision for Board Members' fees		117,220	40,000
Insurance policies payable in local currency	Exhibit G	17,449	1,179
Insurance policies payable in foreign currency		216,438	244,403
Provision for expenses in local currency		952,209	78,808
Provision for expenses in foreign currency	Exhibit G	422,048	61,729
Sundry		-	2,924
		<b>3,784,502</b>	<b>1,979,198</b>
<b>Non-current</b>			
Balances with related parties	Note 7 and Exhibit G	41,253,648	-
Contingency fund		64,404	-
		<b>41,318,052</b>	<b>-</b>

**5.g. Loans**

Balances with related parties	Note 7 and Exhibit G	6,438,301	-
Loan received	Exhibit G	4,285,070	-
Current account advances		400	-
		<b>10,723,771</b>	<b>-</b>

**5.h. Salaries and social security contributions**

Vacation provision		695,926	387,223
Social security contributions payable		273,023	213,994
Federal tax payment plan		344,507	172,260
		<b>1,313,456</b>	<b>773,477</b>

**5.i. Taxes payable**

Minimum Presumptive Corporate Income Tax (1)		1,147,456	2,294,179
Withholdings and earnings to be deposited		279,194	183,981
Federal Tax Payment Plan		-	164,807
Gross Receipts Tax		27,755	3,009
Stamp Tax		29,523	-
		<b>1,483,928</b>	<b>2,645,976</b>

(1) Net of advance payments totaling \$ 1,064,717 and \$ 133,606, as of September 30, 2011 and December 31, 2010, respectively.

<p>p.p. Supervisory Commission</p> <p>Ignacio Fabián Gajst Examiner</p>	<p>Signed for identification purposes with our report dated November 10, 2011 Adler, Langdon, Hasenclever &amp; Asociados Certified Public Accountants C.P.C.E.C.A.B.A. Tº 4 - Fº 130</p>	<p>74</p> <p>Federico Nicolás Weil Chairman</p>
	<p>Gabriel Righini (Partner) Certified Public Accountant (U.B.A.) C.P.C.E.C.A.B.A. Tº 245 - Fº 74 Signed for identification purposes</p>	

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## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 5 Structure of Main Items (continued)

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

#### 5.j. Customer advances

Current		Sep 30, 2011	Dec 31, 2010
Balances with related parties	Note 7	-	407
		-	407
<b>Non-current</b>			
Balances with related parties	Note 7 and Exhibit G	45,932,216	32,377,486
Advance collections in local currency		164,828	
Advance collections in foreign currency	Exhibit G	16,079,364	-
Minus:			
Value Added Tax		(1,165,242)	-
		61,011,166	32,377,486

#### 5.k. Other liabilities

Balances with related parties	Note 7 and Exhibit G	21,492,151	-
Debt on purchase of stock	Exhibit G	17,727,765	-
		39,219,916	-

#### 5.l. Results from long-term investments

		Gain / (Loss)	
Results from long-term investments		13,818,184	(2,017,815)
Devaluation of capital gain		(23,879,476)	(6,032,135)
Goodwill depreciation	Exhibit B	(5,069,294)	1,324,441
		(15,130,586)	(6,725,509)

#### 5.m. Financial and holding results, net

##### Generated by assets

Exchange rate differences		8,957,110	209,873
Banking expenses		(73,934)	(17,588)
Income from investment holdings		10,480	879
Income from temporary investments		1,099,477	-
Interest		1,494,374	80,293
Banking debit and credit tax		(834,340)	(102,893)
		10,653,167	170,564

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 5 Structure of Main Items (continued)**

The structure of the main items of the balance sheet as of September 30, 2011, and December 31, 2010, and the income statement as of September 30, 2011 and 2010, is as follows (continued):

**5.m. Financial and holding results, net (continued)**

<b>Generated by liabilities</b>	Gain / (Loss)	
	<b>Sep 30, 2011</b>	Sep 30, 2010
Exchange rate differences	(5,940,775)	(3,627,866)
Interest	(397,061)	(140,942)
Recovery of expense provision	624,615	-
	<b>(5,713,221)</b>	<b>(3,768,808)</b>

**5.n. Other income and expenses, net**

Result from sale of stocks	1,517,336	(747,105)
	<b>1,517,336</b>	<b>(747,105)</b>

**Note 6 Corporate equity**

The issued, subscribed and integrated corporate equity as of September 30, 2011, is \$ 70,349,485. The corporate equity registered with the Corporate Records Office to that date \$ 22,350,000.

As of September 30, 2011, the distribution of the interest in the corporate equity is as follows:

Shareholders	Shares	Interest
Federico Nicolás Weil (1)	15,645,000	20 %
PDG Realty S.A. Empreendimentos e Participações	19,121,667	27 %
Holders of certificates representing common shares	16,005,710	23 %
Other holders of common shares	19,577,108	30 %
	<b>70,349,485</b>	<b>100 %</b>

(1) On July 1, 2011, shareholder Federico Nicolás Weil reduced his equity interest in the Company to 14,003,398 shares, representing 20% of the capital and votes of the same.

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## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 7 Related parties

a) As of September 30, 2011, and December 31, 2010, the amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows:

	Sep 30, 2011	Dec 31, 2010
<b>TRADE RECEIVABLES</b>		
Canfot S.A.	-	268,722
Maltería del Puerto S.A.	3,731,478	1,143,418
	<b>3,731,478</b>	<b>1,412,140</b>
<b>OTHER RECEIVABLES</b>		
<b>In local currency</b>		
Individual shareholder	745,607	248,210
Other shareholders	909,086	-
PDG Realty S.A. Empreendimentos e Participações	667,881	75,820
Maltería del Puerto S.A.	108,801	20,860
Canfot S.A.	1,587,601	-
Pico y Cabildo S.A.	16,140	-
	<b>4,035,116</b>	<b>344,890</b>
<b>In foreign currency</b>		
Marina Río Luján S.A.	3,123,716	788,925
Alto Palermo S.A.	2,399,624	-
Maltería del Puerto S.A.	34,174,030	-
	<b>39,697,370</b>	<b>788,925</b>
<b>TRADE PAYABLES</b>		
<b>Current</b>		
Canfot S.A.	79,929	79,929
Maltería del Puerto S.A.	13,189	13,189
	<b>93,118</b>	<b>93,118</b>
<b>Non-current</b>		
IRSA Inversiones y Representaciones Sociedad Anónima	41,253,648	-
	<b>41,253,648</b>	<b>-</b>

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 7 Related parties (continued)**

a) As of September 30, 2011, and December 31, 2010, the amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows (continued):

<b>LOANS</b>	<b>Sep 30, 2011</b>	<b>Dec 31, 2010</b>
Pico y Cabildo S.A.	6,438,301	-
	6,438,301	-
<b>CUSTOMER ADVANCES</b>		
<b>Current</b>		
Marina Río Luján S.A.	-	407
	-	407
<b>Non-current</b>		
Alto Palermo S.A.	34,242,286	32,377,486
IRSA Inversiones y Representaciones S.A.	11,689,930	-
	45,932,216	32,377,486
<b>OTHER LIABILITIES</b>		
Maltería del Puerto S.A.	21,354,710	-
Canfot S.A.	137,441	-
	21,492,151	-

b) As of September 30, 2011 and 2010, the most significant operations with Companies as per art. No. 19,550 and other related parties are as follows:

	<b>Profit / (Loss)</b>	
	<b>Sep 30, 2011</b>	<b>Sep 30, 2010</b>
<b>SERVICES RENDERED AND COMMISSIONS EARNED</b>		
Maltería del Puerto S.A.	3,346,970	2,521,155
Canfot S.A.	3,716,401	2,924,754
Compañía Argentina de Participaciones S.A.	-	7,500
Marina Río Luján S.A.	450,000	-
	7,513,371	5,453,409
<b>ADVANCES MADE</b>		
Maltería del Puerto S.A.	1,554,524	-
	1,554,524	-
<b>LOANS MADE</b>		
Maltería del Puerto S.A.	20,400,000	-
Marina Río Luján S.A.	800,000	-
	21,200,000	-
<b>PRÉSTAMOS RECIBIDOS</b>		
Pico y Cabildo S.A.	7,803,624	-
	7,803,624	-
<b>FINANCIAL RESULTS, NET</b>		
Maltería del Puerto S.A.	640,539	2,091
Marina Río Luján S.A.	182,840	-
Pico y Cabildo S.A.	(322,932)	-
Alto Palermo S.A.	(1,669,257)	-
IRSA Inversiones y Representaciones S.A.	(1,197,454)	-
Canfot S.A.	(238)	208,450
	(2,366,502)	210,541

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Ignacio Fabián Gajst  
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Gabriel Righini (Partner)  
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Federico Nicolás Weil  
Chairman

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 7 Related parties (continued)**

b) As of September 30, 2011 and 2010, the most significant operations with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows (continued):

	Sep 30, 2011	Sep 30, 2010
<b>PAYMENTS MADE ON BEHALF OF THIRD PARTIES</b>		
Canfot S.A.	-	268.371
Individual shareholder	487.723	178.894
Maltería del Puerto S.A.	87.941	29.597
Pico y Cabildo S.A.	48.236	-
PDG Realty S.A. Empreendimentos e Participações	592.062	-
	1.215.962	476.862
<b>COLLECTIONS ON SERVICES RENDERED, COMMISSIONS EARNED AND LOANS EXTENDED</b>		
Maltería del Puerto S.A.	7,927,396	3,000,705
Canfot S.A.	4,902,772	6,249,651
Compañía Argentina de Participaciones S.A.	-	9,075
Marina Río Luján S.A.	544,907	
Pico y Cabildo S.A.	234,073	
	13,609,148	9,259,431
<b>EQUITY SUBSCRIPTION PLUS ISSUANCE PREMIUM</b>		
Marina Río Lujan S.A.	-	500,010
	-	500,010
<b>EXPENSES MADE FOR THIRD PARTIES</b>		
Marina Río Lujan S.A.	44,214	-
	44,214	-

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## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 8 Breakdown by Maturity of and Interest Rates on Investments, Credits and Debts

a) Classification of investment, credit, and debt balances according to maturity:

	Sep 30, 2011	Dec 31, 2010
<b>Investments</b>		
Maturing		
Up to 3 months	63,910,090	6,220,399
<b>Total investments</b>	<b>63,910,090</b>	<b>6,220,399</b>
<b>Credits</b>		
Maturing		
Up to 3 months	3,787,223	4,550,090
From 3 to 6 months	1,676,972	289,659
From 6 to 9 months	39,868,520	47,245
From 9 to 12 months	23,803	827,771
Over 12 months	8,056,856	6,708,566
No specific due date	2,322,574	357,179
Vencidos		
Hasta 3 meses	716,150	-
De 3 a 6 meses	1,864,526	-
De 6 a 9 meses	149,558	-
<b>Total de créditos</b>	<b>58,466,182</b>	<b>12,780,510</b>
<b>Debts</b>		
Maturing		
Up to 3 months	44,524,594	2,946,327
From 3 to 6 months	57,135	2,359,207
From 6 to 9 months	7,565,256	-
From 9 to 12 months	4,285,070	-
Over 12 months	102,329,218	32,377,486
No specific due date	93,518	93,524
<b>Total debts</b>	<b>158,854,791</b>	<b>37,776,544</b>

b) Classification of investment, credit, and debt balances, accruing interest and otherwise, as shown below:

	Sep 30, 2011	Dec 31, 2010
<b>Investments</b>		
Accruing interest	1,005,082	6,220,399
Not accruing interest	62,905,008	-
	<b>63,910,090</b>	<b>6,220,399</b>
<b>Average nominal annual rate:</b>	<b>13%</b>	<b>12%</b>
<b>Credits</b>		
Accruing interest	39,697,370	788,925
Not accruing interest	18,768,812	11,991,585
	<b>58,466,182</b>	<b>12,780,510</b>
<b>Average nominal annual rate:</b>	<b>9%</b>	<b>8%</b>
<b>Debts</b>		
Accruing interest	11,067,878	337,067
Not accruing interest	147,786,913	37,439,477
	<b>158,854,791</b>	<b>37,776,544</b>
<b>Average nominal annual rate:</b>	<b>7%</b>	<b>18%</b>

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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Chairman

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 9 Amendments to the articles of incorporation**

On October 30, 2009, the General Special Shareholders' Meeting unanimously decided, *inter alia*, on the following:

- a. Convert all the class A and class B non-endorsable common shares into common book-entry shares by amending Article 5 ("Capital") of the articles of incorporation, and deleting Article 6 ("Share Certificate Captions") from the articles of incorporation as it is no longer applicable.
- b. Increase corporate equity from \$ 28,571 to \$ 22,350,000 by capitalizing the "Issuance Premium" account in the sum of \$22,321,429. Accordingly, Article 5 ("Capital") of the articles of incorporation was amended.
- c. Comprehensively reform the articles of incorporation in order to adjust the same to the regulations in place for companies that offer their shares publicly. This comprehensive reform entailed amendments to Art. 5 ("Capital"), Art. 9 ("Management and Representation"), Art. 11 ("Authority of the Board of Directors"), Art. 12 ("Oversight") and Art. 13 ("Shareholders' Meeting"); deletion of Art. 7 ("Limitations to share transfers"); and the inclusion of a new Art. 12 ("Audit Committee"), Art. 13 ("Statutory regulations on mandatory public offering") and Art. 14 ("Mandatory public offering in the event of acquiring a relevant interest").
- d. Include an interim provision in the articles of incorporation in order that the amendments introduced under the comprehensive reform mentioned in the preceding paragraph should be effective as of the moment that the Company actually makes a public offering and/or lists all or part of its shares.
- e. Increase corporate equity by up to the sum of \$ 61,800,000, by issuing up to 61,800,000 common book-entry shares, as determined by the Board of Directors, with a par value of \$ 1 each and with one vote per share, to be offered publicly in the country and/or abroad. Payment of this increase may be made (i) by capitalizing certain preexisting obligations of the Company to be determined by the Shareholders' Meeting or (ii) in cash; with dividend rights rating *pari passu* with the shares of the Company outstanding at the time of the issuance. This capital increase entailed amending Article 5 ("Capital") of the articles of incorporation.
- f. Include an interim provision in the articles of incorporation in order that the capital increase mentioned in the preceding point should not be cancelled other than with the affirmative vote of the class B shareholders. Likewise, the implementation of the other conditions for the issuance of shares to be publicly offered by the Board of Directors must require the affirmative vote of at least one director appointed by the class B shareholders.
- g. Consider the issuance of stock options in favor of certain present and future executives and external advisors of the Company, with the simultaneous and implied decision of increasing corporate equity commensurately to respond to the exercise of rights under the stock options.

The increase in corporate equity described in b) above was registered with the Corporate Records Office on January 21, 2010.

The restated text of the articles of incorporation including the amendments indicated in the preceding paragraphs, except for the increase in corporate equity described in paragraph b), was registered with the Corporate Records Office on January 28, 2010.

On February 19, 2010, the General Special Shareholders' Meeting unanimously decided, *inter alia*, on the following:

- a) Introduce modifications in relation to the requisite quorums for calls to meeting and decisions adopted at the Regular and Special Shareholders' Meetings, by amending Art. 11 ("Shareholders' Meetings") of the articles of incorporation.
- b) Amend Art. 14 ("Mandatory public offering in case of acquiring a relevant interest") of the articles of incorporation in order to adjust the same to current regulations applicable to company that offer their shares publicly.

p.p. Supervisory Commission

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 9 Amendments to the articles of incorporation (continued)**

On April 13, 2010, the General Special Shareholders' Meeting unanimously decided, *inter alia*, on the following:

- a. Amend Art. 14 ("Mandatory public offering in case of acquiring a relevant interest") of the articles of incorporation and introduce adjustments to the quorums required to validly hold meetings and adopt resolutions at the Regular and Special Shareholders' Meetings, by amending Art 11 ("Shareholders' Meetings") of the articles of incorporation.
- b. Draw up a new text of the articles of incorporation, to become effective once the Company actually conducts the public offering and/or listing of the shares in the Argentine Republic in accordance with the amendments decided upon at the Shareholders' Meetings of the Company held on October 30, 2009, and February 19, 2010.

The amendments to the articles of incorporation agreed upon at the Shareholders' Meetings held on February 19, 2010, and April 13, 2010, were registered with the Corporate Records Office on May 3, 2010.

On November 4, 2010, pursuant to the powers granted them by the Shareholders' Meeting on October 30, 2009, the Members of the Board decided the following:

- a) The subscription price was set at \$ 9.034 per share as a result of the demand curve drafted in accordance with the subscription orders received during the share subscription period, which took place between October 21, 2010, and October 28, 2010. Therefore, the capital increase was set at \$ 47,999,485 by means of the issuance of 47,999,485 common book-entry shares at a nominal value of \$ 1 per share and with 1 voting right per share. The difference between the subscription price and the nominal price of each share was allocated—net of expenses—to setting up a special premium issuance provision. Additionally, the Board decided not to make another public subscription offering within the next six months.
- b) The division of corporate equity into different types of shares was eliminated, thereby converting common book-entry shares into a single class of share.
- c) The new shareholders' registry to be managed by Caja de Valores S.A. as of November 5, 2010 was implemented.
- d) The Company's corporate equity was set at \$ 70,349,485, and it was recorded that 31,984,275 common book-entry shares were subscribed in the Argentinean tranche of the offering of shares, and 16,015,210 common book-entry shares were subscribed as Global Depository Shares in the international tranche of the offering of shares.

As of the date of these financial statements, the aforementioned capital increase was pending registration with the Public Registry of Commerce, having begun the requisite paperwork with the C.N.V.

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**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 10 Loans**

Following are details of loans executed by the Company outstanding as of September 30, 2011. Note 15 to the consolidated financial statements must be considered along with this note:

1. Maltería del Puerto S.A. applied with the Company for several credit facilities to fund works and other expenses related to the development and construction of the Forum Puerto Norte project. The disbursement of the funds must be requested by Maltería del Puerto S.A., providing for its refund within a maximum of 1 year, from the date of each requested disbursement. The principal disbursed by the Company will accrue current interest at a nominal annual rate, calculated on disbursed principal, and will be paid together with principal on the stipulated due.

The breakdown of each facility applied for with the Company is detailed below:

Shareholder	#	Date	Total amount	Amount requested	Amount paid	Rate
TGLT S.A.	1	05/05/2011	US\$ 4,000,000	US\$ 4,000,000	US\$ 4,000,000	9%
	2	06/23/2011	US\$ 1,000,000	US\$ 1,000,000	US\$ 1,000,000	9%
	3	07/13/2011	US\$ 500,000	US\$ 500,000	US\$ 500,000	9 %
	4	07/29/2011	US\$ 1,000,000	US\$ 1,000,000	US\$ 1,000,000	9 %
	5	07/29/2011	US\$ 505,310	US\$ 505,310	US\$ 505,310	10.14%
	6	07/29/2011	US\$ 505,310	US\$ 505,310	US\$ 505,310	10.14%
	7	06/23/2011	US\$ 1,000,000	US\$ 1,000,000	US\$ 1,000,000	9 %

US\$: United States dollars.

The amount outstanding under the aforementioned credit facilities as of September 30, 2011, totals \$ 14,430,157 (principal plus interest), shown in "Other receivables" under current assets.

2. On December 16, 2010, the Company offered to make a loan to Alto Palermo S.A. (APSA) in the sum of US\$ 560,000 (five hundred and sixty thousand US dollars). On that date, APSA accepted the loan offered by the Company.

Following are the main characteristics of the loan extended:

- a) The final due date of the loan is one calendar year from the disbursement date.
- b) The loan accrues interest as from its disbursement date and until maturity at an interest rate equivalent to a nominal four percent (4%) per annum on the principal amount.
- c) Interest must be paid together with principal.

As of September 30, 2011, the loan amount (principal plus interest) totals \$2,399,624, and included in "Other receivables", current section.

3. On May 20, 2011, the Company applied for, and Pico y Cabildo S.A. agreed to grant, a credit facility for up to US\$ 2,000,000. The funds must be requested by the Company with a repayment term ranging from 1 month to 1 year, as from the date of the requested disbursement. Principal disbursed by Pico y Cabildo S.A. shall accrue interest at a nominal 5% per annum calculated on disbursed principal and shall be paid together with principal on the stipulated due date.

As of the date of these financial statements, the Company had received funds totaling US\$ 1,911,467, under the requested credit facility.

The amount pending payment by the Company under the aforementioned facility as of September 30, 2011, totals \$ 6,438,301 (principal plus interest), shown in "Loans" under current liabilities.

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with our report dated November 10, 2011  
Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
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p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74  
Signed for identification purposes

Federico Nicolás Weil  
Chairman

TGLT S.A.

**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 11 Shareholders' Agreements**

1. On December 22, 2008, the Company, PDG Realty S.A. Empreendimentos e Participações, Eduardo Rubén Glusman, Juan Carlos Paladini, Osvaldo Roberto Paladini, Verónica Lis Gonzalo and Juan Carlos Rossetti entered into a shareholders' agreement in relation to Maltería del Puerto S.A.

Pursuant to the Shareholders' Agreement, the parties agreed, if and when the board of directors of Maltería del Puerto S.A. so decides, to attend a General Special Shareholders' Meeting and meet the requisite quorum and vote in favor of certain increases to Corporate Capital.

Finally, the Company assumed the obligation—in case Maltería del Puerto S.A.'s corporate equity was insufficient for attaining its corporate purpose—of loaning it, pro se or on behalf of third parties, the amounts required for said corporate purpose.

2. On October 30, 2009, Federico Nicolás Weil and PDG Realty S.A. Empreendimentos e Participações entered into a shareholders' agreement in relation to the Company, which became effective once the Company launched its public offering and will remain effective until the equity interests held by any of the shareholders in the Company falls to less than 10% of its corporate equity.

Among the most relevant provisions that govern this Shareholders' Agreement, the following can be mentioned:

- a. Stipulations for the designation and removal of directors and statutory auditors;
- b. Stipulations for voting at Shareholders' Meetings (such as those mentioned in c) below), whereby the shareholders may only cast their votes as previously agreed by them in writing in relation to the Shareholders' Meeting in question;
- c. Supermajorities for certain decisions to be adopted at Board of Directors' meetings, such as: (i) call to Shareholders' Meeting to approve a capital increase, launch public share offerings, merge, spin off, dissolve and/or wind up the Company and/or amend its articles of incorporation; (ii) acquisition or sale of real estate other than in the ordinary course of business; (iii) approval of investments not related to the real estate or mortgage businesses in the Republic of Argentina; (iv) approval of the aggregate annual budget, among other things;
- d. Limitations to share transfers;
- e. Right of first refusal to acquire the shares; and
- f. Tag-along rights.

In the event of any breach of the provisions of the referred agreement by any of the parties, if the breaching party does not remedy its breach within the term provided therein, the non-breaching party may opt for: (i) demanding specific performance and damages payments; (ii) referring the matter to arbitration; or (iii) declaring the agreement terminated, in which case it may opt for any of the following alternatives: (a) buying all the shares of the breaching shareholder at market value minus 25% as penalty; (b) selling its own shares to the breaching shareholder at market value plus 25% as penalty; or (c) filing for damages.

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Ignacio Fabián Gajst  
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Signed for identification purposesFederico Nicolás Weil  
Chairman

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TGLT S.A.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 12 Joint Venture Agreement between TGLT S.A. and PDG Realty S.A. Empreendimentos e Participações

On August 15, 2007 the Company and PDG Realty S.A. Empreendimentos e Participações ("PDG S.A.") entered into a Joint Venture Agreement, (the "Agreement") whereby both parties set forth the rights and obligations associated with the joint investments by PDG S.A. and the Company in real estate projects.

In accordance with the provisions set forth in the Agreement, PDG S.A. put forth its intention of initially investing up to one hundred million U.S. Dollars (US\$ 100,000,000) jointly with the Company in the real estate projects in which the Company participates, either directly by acquiring land or property already built, or by acquiring stock from companies owning land or real estate.

The Agreement establishes that the Company is entitled to make investments at will in projects without having to offer PDG S.A. the opportunity to participate. In those projects in which the Company lacks the financial capacity or does not have the intention of financing its entire interest, it will use a joint investment scheme in partnership with PDG S.A. as per the terms set forth in said agreement, the latter holding a preemptive investment right.

Each Project in which PDG S.A. and the Company participate is to be structured through an Argentinean business corporation created or acquired for that purpose. In the event that the sum of (i) PDG S.A.'s direct shareholding in each of the corporations created or acquired for the aforementioned purposes and (ii) PDG S.A.'s indirect shareholding in said corporations through its shareholding in the Company should exceed 50%, PDG S.A.'s consent shall be required when making the decisions listed specifically in the Agreement. The most significant decisions are those following:

- Carrying out individual actions that entail increasing the debt of the companies created or acquired above the net worth of said companies.
- Hiring third-party services for amounts greater than US\$250,000 in the execution of any individual Project.
- Creating joint ventures or any other type of partnership with third parties for the purposes of developing an individual project.
- Selling, leasing, renting or any other action entailing the disposal of the property or use and enjoyment of all or a substantial portion of the assets of the companies created or acquired other than in the ordinary course of business.
- Corporate capital increases greater than those approved in the business plans of the companies created or acquired, whereby PDG S.A.'s consolidated shareholding interest were reduced at least by 50% of its initial interest in those companies were it not to subscribe them.
- Presentation of the companies created or acquired as a result of voluntary bankruptcy, bankruptcy, or court-supervised arrangements with creditors, and any decision concerning the liquidation of the referred companies, except in the event of having disposed of all or a significant part of the fixed assets of the same.

PDG S.A. must pay the Company certain percentages out of the profits earned on each project in which they participate jointly, as per the provisions of that agreement. The Agreement will be effective for 15 years as from its date of execution..

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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Federico Nicolás Weil  
Chairman

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TGLT S.A.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)

(figures in pesos expressed as described in Note 3.1.)

### Note 13 Non-competition agreement

On August 15, 2007, PDG Realty S.A. Empreendimentos e Participações (“PDG S.A.”), Federico Nicolás Weil and TGLT S.A. entered into a non-competition agreement whereby the parties to said agreement stipulated certain mutual restrictions regarding investment, including:

- a. For as long as Federico Nicolás Weil is acting General Manager of TGLT S.A., he agrees to conduct any negotiations, investments, and/or development of real estate businesses in the Republic of Argentina exclusively through TGLT S.A.
- b. Once Federico Nicolás Weil is no longer General Manager of TGLT for a period of two (2) years, he shall refrain—whether directly or indirectly through third parties—from conducting any negotiations, investments, and/or development of real estate business for housing construction in the Republic of Argentina.
- c. For three (3) years as of the date of the Non-Competition Agreement, provided PDG S.A. continues to be a TGLT S.A. shareholder, PDG S.A. shall be bound to continue to channel any residential real estate business in the Republic of Argentina through TGLT S.A.

If TGLT S.A. decides not to take part in said real estate business, PDG S.A. may not take part in it either.

- d. For three (3) years as from the date of the Non-Competition Agreement, provided PDG S.A. continues to be a TGLT S.A. shareholder, PDG S.A. may invest in non-housing projects, with the obligation of notifying TGLT S.A. immediately upon identifying said opportunity. TGLT S.A. may participate in the projects identified by PDG S.A., adhering to the financial conditions stipulated in Joint Venture Agreement

If TGLT S.A. decides not to participate in any of those Projects, PDG S.A. may do so on its own or associated with third parties, provided it is not done in conditions that are more favorable than those offered in due course to TGLT S.A.

- e. Upon expiration of the three-year (3) exclusivity period from the date of the Non-Competition Agreement, for two (2) years PDG S.A. and any of its affiliates shall refrain from conducting any negotiations, investments, and/or total or partial, direct or indirect development of activities in the Republic of Argentina, whether directly or indirectly through third parties, likely to compete with the business and activities associated with residential real estate development for housing construction in which TGLT S.A. may have invested.

### Note 14 Montevideo Project - Joint Venture Agreement between TGLT S.A. and Héctor Fernando Colella Moix

On October 1, 2009, the Company and Héctor Fernando Colella Moix (“Héctor Colella”) entered into an investment agreement whereby Héctor Colella will transfer the lot located at the intersection of Armenia Promenade and the Pocitos Coastline Promenade in Puerto de Buceo, Montevideo, Uruguay, to a trust designated and created by mutual agreement between the parties, in consideration of which, Héctor Colella will become beneficiary of 19% of the marketable square meters to be built on that property, which will be assigned by drawing lots. The same agreement states that the trust will designate the Company as project developer in consideration of which the Company will receive a development fee of 2% + VAT of the estimated volume of sales of the project (including the square meters assigned to Héctor Colella as consideration for the transfer to the trust). Additionally, the Company will be in charge of the exclusive marketing the project, and may enter into agreements with other marketing companies at its own cost. It will be entitled to a real estate commission of 2% + VAT for these services, and it may also charge the purchaser a market commission.

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Ignacio Fabián Gajst  
Examiner

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TGLT S.A.

**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 15 Stock option plan**

On October 30, 2009, the Company's Shareholders' Meeting decided to establish an options purchase plan on shares to be issued by the Company for the benefit of certain executives and current and future outsourced consultants (the "Executives") (the "Stock Options"). The Stock Options would generate value for the Executives if the listed price of the Company's shares were to increase above the subscription price of the shares issued as a result of the capital increase approved on November 4, 2010 (the "Subscription Price"). Thus, exercising Stock Options would imply earnings for the Executives if an actual appreciation of the Company's shares occurs, and consequently, capital gains for the shareholders. Therefore, Stock Options entail the benefit of efficiently aligning the Executives' interests with those of the Company and its shareholders. The price at which Stock Options are exercised shall be the same as the Subscription Price. In this regard, it is clarified that the value of Stock Options does not directly depend on there being earnings in a certain fiscal year nor on the distribution of dividends by the Company, but rather on the positive evolution of the price of Company shares on the stock markets (which by their very nature contemplate the potential issuing of shares upon the exercise of Stock Options).

Stock Options would collectively entitle holders to subscribe for up to the equivalent of seven percent (7%) of the corporate equity generated by the Offering, taking into account and including the shares issued under Stock Options, subject to the final terms and conditions determined by the Board. The full period during which Stock Options may be exercised by their holders shall be five (5) years counted as from the date on which they were granted, for up to one fifth per annum, with the exceptions that may be established by the Board in accordance with market practices in order to accelerate the exercise of Stock Options. As of the date of these Financial Statements, the Stock Options Plan had not been implemented by the Company.

**Note 16 Limit to shareholding in other companies**

As provided for in Article 31 of Law No. 19,550 (Law on Business Corporations), no company, except those that are specifically financial or holding companies, may acquire or have shareholding in any one or more companies in amounts exceeding their free reserves and one-half of their capital and legal reserves.

Shareholding, whether through shares or quotas, which exceed said amount must be transferred within six (6) months following the approval of the financial statements that disclose that the limit has been exceeded.

As of September 30, 2011, the Company had permanent investments for the amount of \$ 233,146,211. To said date, the Company had exceeded the limit established in Article 31 of Law No. 19.550 by \$ 8,865,082.

In accordance with Chapter XXIII.11.11 "Article 31 of Law 19,550" of the restated CNV text, for the purposes of calculating the limit set out by Art. 31 of Law 19550, only the interests held in companies the business purpose of which is not supplemental to or subsumed in the business purpose of the holding company will be taken into consideration, at their recorded value.

As of September 30, 2011, the Company had shareholding in companies the lines of business of which supplement and/or are included in the Company's line of business, and therefore, the limit regarding shareholding in other companies established by Art. 31 of Law 19,550 are inapplicable regarding was stated in the above paragraph.

p.p. Supervisory Commission

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Signed for identification purposesFederico Nicolás Weil  
Chairman

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TGLT S.A.

**NOTES TO THE FINANCIAL STATEMENTS****AS OF SEPTEMBER 30, 2011, SHOWN ON A COMPARATIVE BASIS (NOTE 1.)**

(figures in pesos expressed as described in Note 3.1.)

**Note 17 Result from valuation of inventory at net realization value**

As mentioned in Note 3.4.d., the inventory for which advance payments was received, thereby establishing a fixed price and contractual terms for the transaction, and secure the actual consummation of the sale and profit, is valued at the net realization value indicated.

The inventory valuation method using net realization value requires Company Management to draft cost budgets and total sales of its real estate projects. The modifications to such estimates are regularly incorporated into those budgets and directly impact on the income for valuation of inventory at net realization value.

Following is the most relevant information used by the Company to acknowledge income for valuation of inventory at net realization value at the close of the period:

Projects	Costs		Sales			Result from valuation of inventory at NRV		
	Incurring as of 09/30/2011 (1)	Work progress (*) (2)	Secured as of 09/30/2011 (3)	Sales progress (**) (4)	Expenses from secured sales (5)	Accumulated as of 09/30/2011 (6) = (3) * (2) - (1) * (4) - (5)	Accumulated as of 12/31/2010 (7)	For the period (9) = (6) - (7) - (8)
"Astor Caballito"	56,556,190	29%	10,659,086	4%	93,522	526,354	-	526,354

(\*) Weighted-average progress of works for secured sales of each building of each project

(\*\*) Weighted-average progress of works for costs incurred in each building of each project

**Note 18 Restricted Assets**

Restricted assets of the Company as of September 30, 2011, are detailed in Note 12 to the consolidated financial statements.

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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with our report dated November 10, 2011  
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**EXHIBIT A**
**TGLT S.A.**
**INDIVIDUAL FIXED ASSET STRUCTURE AND EVOLUTION**
**AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010**

(figures in pesos expressed as described in Note 3.1).

Description	Original cost			Accumulated depreciation			Resulting net figure	
	At start	Increases	At close	At start	Increases	At close	Sep 30, 2011	Dec 31, 2010
Furniture and supplies	282,025	134,687	416,712	81,272	31,253	112,525	304,187	200,753
Hardware	241,936	137,751	379,687	140,191	76,785	216,976	162,711	101,745
Improv. to 3 <sup>rd</sup> pty props.	252,719	470,134	722,853	249,487	119,958	369,445	353,408	3,232
Facilities	-	1,554,524	1,554,524	-	-	-	1,554,524	-
<b>Totals as of September 30, 2011</b>	<b>776,680</b>	<b>2,297,096</b>	<b>3,073,776</b>	<b>470,950</b>	<b>227,996</b>	<b>698,946</b>	<b>2,374,830</b>	<b>-</b>
<b>Totals as of Dec 31, 2010</b>	<b>591,725</b>	<b>184,955</b>	<b>776,680</b>	<b>291,691</b>	<b>179,259</b>	<b>470,950</b>	<b>-</b>	<b>305,730</b>

p.p. Supervisory Commission

 Ignacio Fabián Gajst  
 Examiner

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 Federico Nicolás Weil  
 Chairman

TGLT S.A.

**GOODWILL AND OTHER CONSOLIDATED INTANGIBLE ASSETS**

AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010

(figures in pesos expressed as described in Note 3.1).

INTANGIBLE ASSETS	Original cost				Accumulated amortizations				Net result	
	At start	Increases	Retirements	At close	At start	For period (1)	Retirements	At close	Sep 30, 2011	Dec 31, 2010
Software	166,118	18,235	-	184,353	55,373	46,088	-	101,461	82,892	110,745
Trademarks	3,510	11,561	-	15,071	1,215	1,058	-	2,273	12,798	2,295
Software development	98,973	440,032	-	539,005	-	-	-	-	539,005	98,973
Totals as of Sep 30, 2011	268,601	469,828	-	738,429	56,588	47,146	-	103,734	634,695	-
Totals as of Dec 31, 2010	111,933	168,668	12,000	268,601	960	55,628	-	56,588	-	212,013

GOODWILL	Original cost				Accumulated depreciation				Net result	
	At start	Increases	Retirements	At close	At start	For period (1)	Retirements	At close	Sep 30, 2011	Dec 31, 2010
Neg. goodwill - Marina Río Luján S.A.	(4,529,940)	-	-	(4,529,940)	(451,769)	(269,750)	-	(721,519)	(3,808,421)	(4,078,171)
Neg. goodwill - Maltería del Puerto S.A.	(9,439,824)	-	-	(9,439,824)	(1,803,693)	(3,501,853)	-	(5,305,546)	(4,134,278)	(7,636,131)
Neg. goodwill - Pico y Cabildo S.A.	-	(538,089)	16,143	(521,946)	-	(268,806)	4,784	(264,022)	(257,924)	-
Pos. goodwill - Canfot S.A.	46,492,271	15,471,388	(5,632,497)	56,331,162	-	9,109,703	(788,364)	8,321,339	48,009,823	46,492,271
Totals as of Sep 30, 2011	32,522,507	14,933,299	(5,616,354)	41,839,452	(2,255,462)	5,069,294	(783,580)	2,030,252	39,809,200	-
Totals as of Dec 31, 2010	-	32,522,507	-	32,522,507	-	(2,255,462)	-	(2,255,462)	-	34,777,969

(figures in pesos expressed as described in Note 3.1).

(1) Included in "Other expenses" in the Income Statement.

(2) Included in "results from long-term investments" in the Income Statement.

p.p. Supervisory Commission

Ignacio Fabián Gajst  
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with our report dated November 10, 2011  
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Signed for identification purposesFederico Nicolás Weil  
Chairman

TGLT S.A.

**INDIVIDUAL INVESTMENTS****AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010**

(figures in pesos expressed as described in Note 3.1).

Description	Issuer	Term	Face value	Market Quote at Sep 30, 2011 (%)	Value recorded as of Sep 30, 2011	Value recorded as of Dec 31, 2010
<b>CURRENT INVESTMENTS</b>						
Time deposit in local currency	HSBC Bank Argentina S.A.	-	-	-	-	6,220,399
Time deposit	Banco Industrial de Azul S.A.	30 days	1,005,082	-	1,005,082	-
Mutual funds in foreign currency (*)	Sundry	Open	U\$S 13,375,243	103,89	55,707,888	-
Commercial papers in foreign currency (*)	Sundry	Open	U\$S 1,728,000	86,00	7,197,120	-
<b>Totals</b>					<b>63,910,090</b>	<b>6,220,399</b>

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Chairman

US\$: United States dollars  
 (\*) See Note 3.4.b.

## EXHIBIT C (continued)

TGLT S.A.

### INDIVIDUAL INVESTMENTS

AS OF SEPTEMBER 30, 2011 and DECEMBER 31, 2010

(figures in pesos expressed as described in Note 3.1).

Name of issuer and characteristics of the securities	Face value	Value recorded as of Sep 30, 2011	Value recorded as of Dec 31, 2010	Information on issuer						
				As per most recent financial statement issued						
				Main line of business	Legal address	Closing date	Corp. capital	Period results	Shareholders' equity	Percentage interest
<b>NON-CURRENT INVESTMENTS</b>										
Marina Río Lujan S.A.	\$100 of 1 vote each	8,596,635	8,846,726	Construction and sale of real estate of all kinds	Ing. Enrique Butty 220 - Floor 11 – Apt. A – Buenos Aires, Argentine Republic Av. S. Ortíz 3333 – Floor 1 - C Buenos Aires, Argentine Republic	Sep 30, 2011	22,076,200	(522,165)	17,163,270	49.99%
Maltería del Puerto	\$100 of 1 vote each	22,308,635	17,856,370	Construction and sale of real estate of all kinds	Av. S. Ortíz 3333 – Floor 1 - C Buenos Aires, Argentine Republic	Sep 30, 2011	21,536,400	4,448,022	29,365,872	75.00%
Canfot S.A.	\$1 of 1 vote each	49,339,954	31,397,774	Construction and sale of real estate of all kinds	Av. S. Ortíz 3333 – Floor 1 - C Buenos Aires, Argentine Republic	Sep 30, 2011	48,238,100	10,857,416	54,096,960	90.91%
Pico y Cabildo S.A.	\$100 of 1 vote each	9,053,957	-	Construction and sale of real estate of all kinds	Av. S. Ortíz 3333 – Floor 1 - Apt. B - C.A.B.A. Argentine Republic	Sep 30, 2011	8,000,000	(220,593)	9,272,733	97.00%
Totals		89,299,181	58,100,870							

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Ignacio Fabián Gajst  
 Examiner

Gabriel Righini (Partner)  
 Certified Public Accountant (U.B.A.)  
 C.P.C.E.C.A.B.A. Tº 245 - Fº 74  
 Signed for identification purposes

Federico Nicolás Weil  
 Chairman

p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

Signed for identification purposes  
with our report dated November 10, 2011  
Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

Gabriel Righini (Partner)  
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Federico Nicolás Weil  
Chairman



## EXHIBIT G

TGLT S.A.

# INDIVIDUAL ASSETS AND LIABILITIES IN FOREIGN CURRENCY

AS OF SEPTEMBER 30, 2011, AND DECEMBER 31, 2010

Item	Sep 30, 2011			Dec 31, 2010	
	Kind and amount of foreign currency		Exchange rate	Amount accounted for in pesos	Amount accounted for in pesos
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and banks:					
Cash	US\$	815	4.165	3,394	3,208
	Reales	155	2.12	329	425
				<u>3,723</u>	<u>3,633</u>
Banks	US\$	322,597	4.165	1,343,618	159,009,124
Investments:					
Mutual funds	US\$	13,375,243	4.165	55,707,888	-
Commercial Papers	US\$	1,728,000	4.165	7,197,120	-
Trade receivables:					
Balances with related parties	US\$	895,913	4.165	3,731,478	1,412,140
Individual debtors	US\$	123,375	4.165	513,856	-
Other receivables:					
Balances with related parties	US\$	9,531,181	4.165	39,697,370	788,925
Insurance to be accrued	US\$	62,062	4.165	258,487	241,343
Vendor advances	US\$	12,500	4.165	52,063	58,237
Expenses to be accounted for	US\$	600	4.165	2,499	3,761
<b>Total current assets</b>				<b>108,508,102</b>	<b>161,517,163</b>
<b>Non-current assets</b>					
Other receivables:					
Security deposit	US\$	45,000	4.165	187,425	110,208
Insurance to be accrued	US\$	18,884	4.165	78,653	-
Inventory:					
Advance payments to suppliers	US\$	5,129,706	4.205	21,570,414	-
Fixed assets:					
Advance payments to suppliers	US\$	373,235	4.165	1,554,524	-
<b>Total non-current assets</b>				<b>23,391,016</b>	<b>110,208</b>
<b>Total assets</b>				<b>131,899,118</b>	<b>161,627,371</b>

US\$: United States dollars

p.p. Supervisory Commission

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ExaminerSigned for identification purposes  
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C.P.C.E.C.A.B.A. Tº 4 - Fº 130Gabriel Righini (Partner)  
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Signed for identification purposesFederico Nicolás Weil  
Chairman

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## EXHIBIT G (continued)

TGLT S.A.

## INDIVIDUAL ASSETS AND LIABILITIES IN FOREIGN CURRENCY

AS OF SEPTEMBER 30, 2011, AND DECEMBER 31, 2010

Item	Sep 30, 2011			Dec 31, 2010	
	Kind and amount of foreign currency	Exchange rate	Amount accounted for in pesos	Amount accounted for in pesos	
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade payables:					
Common vendors	US\$ 75,806	4.205	318,765	424,446	
Insurance payable	US\$ 51,472	4.205	216,438	244,403	
Expense provisions	US\$ 100,368	4.205	422,048	61,729	
			957,251	730,578	
Loans:					
Balances with related parties	US\$ 1,531,106	4.205	6,438,301	-	
Loans received	US\$ 1,019,042	4.205	4,285,070	-	
Other liabilities:					
Balances with related parties	US\$ 5,111,094	4.205	21,492,151	-	
Purchase of stock	US\$ 4,215,878	4.205	17,727,765	-	
<b>Total current liabilities</b>			<b>50,900,538</b>	<b>730,578</b>	
<b>Non-current liabilities</b>					
Trade payables:					
Balances with related parties	US\$ 9,810,618	4.205	41,253,648	-	
Customer advances					
Balances with related parties	US\$ 10,923,238	4.205	45,932,216	32,377,486	
Advance collections	US\$ 3,823,868	4.205	16,079,364	-	
<b>Total non-current liabilities</b>			<b>103,265,228</b>	<b>32,377,486</b>	
<b>Total liabilities</b>			<b>154,165,766</b>	<b>33,108,064</b>	

US\$: United States dollars

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Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

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p.p. Supervisory Commission

Ignacio Fabián Gajst  
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Certified Public Accountant (U.B.A.)  
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Federico Nicolás Weil  
Chairman



**EXHIBIT H**
**TGLT S.A.**
**INDIVIDUAL INFORMATION REQUIRED BY ARTICLE NO. 64,  
SECTION I, SUBSECTION B) OF LAW NO. 19,550**
**FOR THE 9-MONTH PERIODS ENDED ON SEPTEMBER 30, 2011 AND 2010**

(figures in pesos expressed as described in Note 3.1.)

Account	Cost of services rendered	Sales expenses	Administrative expenses	Totals as of Sep 30, 2011	Totals as of Sep 30, 2010
Sales and social security contributions	5,632,987	1,234,278	1,877,115	8,744,380	5,011,271
Other personnel expenses	214,526	47,006	71,488	333,020	61,137
Rent and expenses	521,098	114,181	173,649	808,928	552,100
Professional fees	-	385,000	1,946,462	2,331,462	1,818,843
Directors' fees	-	-	180,000	180,000	-
Examiners' fees	-	-	50,000	50,000	44,000
IPO expenses	-	-	976,924	976,924	-
Taxes, duties and assessments	-	389,007	49,012	438,019	257,069
Transportation and per diems	140,660	30,821	46,873	218,354	88,204
IT expenses and services	203,444	44,578	67,795	315,817	206,888
Insurance	-	-	383,525	383,525	93,753
Office expenses	-	-	208,032	208,032	131,370
Fixed asset depreciation	-	-	227,996	227,996	122,690
Advertising expenses	-	235,085	-	235,085	69,919
Donations	-	-	4,000	4,000	-
Overhead	-	82,402	111,672	194,074	105,435
<b>Totals as of September 30, 2011</b>	<b>6,712,715</b>	<b>2,562,358</b>	<b>6,374,543</b>	<b>15,649,616</b>	<b>-</b>
<b>Totals as of September 30, 2010</b>	<b>3,813,310</b>	<b>906,068</b>	<b>3,843,301</b>	<b>-</b>	<b>8,562,679</b>

Signed for identification purposes  
with our report dated November 10, 2011  
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Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

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p.p. Supervisory Commission

 Ignacio Fabián Gajst  
Examiner

 Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74  
Signed for identification purposes

 Federico Nicolás Weil  
Chairman

TGLT S.A.

## ADDITIONAL INFORMATION REQUIRED BY ARTICLE NO. 68 OF THE REGULATION OF THE BUENOS AIRES STOCK EXCHANGE

(figures in pesos denominated in accordance with the description of Note 3.1.)

1. There are no significant specific regulations that bear on the Company.
2. There are no significant modifications to the Company's activity.
3. Regarding classification of the balances pertaining to investments, credit, and debts by age of accounts, see Note 8.a) to TGLT S.A.'s individual financial statements.
4. Regarding classification of balances pertaining to investments, credit, and debts based on the financial effects caused by maintenance of the same, see Note 8.b) to TGLT S.A.'s individual financial statements.
  - a. The breakdown of investments, credit, and debts in foreign currency as of September 30, 2011, is provided in Exhibit G to the individual financial statements.
  - b. There are no assets or liabilities subject to adjustment clauses.
  - c. The breakdown of the items which accrue interest is provided in Note 8.b) to TGLT S.A.'s individual financial statements.

5. Breakdown of the percentage interest in companies provided for in Article No. 33 of Law No. 19,550:

Company	Capacity	Interest	
		% Equity	% Votes
Maltería del Puerto S.A.	Shareholder	75.00 %	75.00 %
Canfot S.A.	Shareholder	90.91 %	90.91 %
Marina Río Luján S.A.	Shareholder	49.99 %	49.99 %
Pico y Cabildo S.A.	Shareholder	97.00%	97.00%

Regarding the information on companies provided for in Article No. 33 of Law No. 19,550, see Note 7 to TGLT S.A.'s individual financial statements.

The breakdown of how interest is distributed in the Company's equity is presented in Note 6 to the individual financial statements de TGLT S.A.

6. To the close of the fiscal year there is no credit for sales or loans to the benefit of members of the Board, members of the Supervisory Commission, or relatives up to the second degree, and there have not been any during the fiscal year.
7. As of September 30, 2011, the Company owns two properties in the Autonomous City of Buenos Aires, and an advance payment toward the purchase of a property in the City of Rosario, Province of Santa Fe, which represent its inventory, in the total amount of \$ 165,042,517.  
No provisions have been established in relation to these properties.
8. The current value of the permanent investments has been calculated in using the proportional asset value method determined in accordance with the provision set forth in Technical Resolution No. 21 by the Argentinean Federation of Professional Economics Boards (F.A.C.P.C.E.) on General Accounting Presentation Regulations, approved by the Professional Council of Economics of the Autonomous City of Buenos Aires (C.P.C.E.C.A.B.A.). To determine the proportional asset value, the special and mid-term financial statements of each company as of September 30, 2011, were used, depending on each particular case.

Inventory for which price-clinching advance payments have been received and the contractual terms of the operation which provide for the actual closing of the sale and profit are valued at ratable net realization value.

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p.p. Supervisory Commission

Ignacio Fabián Gajst  
Examiner

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Chairman

TGLT S.A.

## ADDITIONAL INFORMATION REQUIRED BY ARTICLE NO. 68 OF THE REGULATION OF THE BUENOS AIRES STOCK EXCHANGE

(figures in pesos denominated in accordance with the description of Note 3.1.)

Fixed assets were valued at their acquisition cost minus accumulated depreciation, calculated ratably to the estimated years of useful life remaining.

9. There are no reserves from technical revaluations of fixed assets.
10. There are no obsolete fixed assets.
11. As of September 30, 2011, the Company maintained long-term investments in the sum of \$ 233,146,211. As of that date, the Company had exceeded the limit provided for in Article 31 of Law No. 19,550 in the sum of \$8,865,082.

As provided for in Article 31 of Law No. 19,550 (Law on Business Corporations), no company, except those that are specifically financial or holding companies, may acquire or have shareholding in any one or more companies in amounts exceeding their free reserves and one-half of their capital and legal reserves.

Shareholding, whether through shares or quotas, which exceed said amount must be transferred within six (6) months following the approval of the financial statements that disclose that the limit has been exceeded.

As of September 30, 2011, the Company had permanent investments for the amount of \$ 244,983,152. To said date, the Company had exceeded the limit established in Article 31 of Law No. 19,550 by \$ 20,702,023.

In accordance with Chapter XXIII.11.11 "Article 31 of Law 19,550" of the restated CNV text, for the purposes of calculating the limit set out by Art. 31 of Law 19550, only the interests held in companies the business purpose of which is not supplemental to or subsumed in the business purpose of the holding company will be taken into consideration, at their recorded value.

As of September 30, 2011, the Company had shareholding in companies the lines of business of which supplement and/or are included in the Company's line of business, and therefore, the limit regarding shareholding in other companies established by Art. 31 of Law 19,550 are inapplicable regarding what was stated in the above paragraph.

12. The recoverable value taken into account for permanent investments was the proportional asset value, for inventory the net realization value was used, whereas for fixed assets the economic use value was used.
13. Insurance:

Risk covered		Amount insured	
		\$	US\$
Building	Building fire	8,300,000	-
Building	General fire	400,000	-
Building	General content theft	450,000	-
Building	Water damage	70,000	-
Financial assets	Valuables theft from safe	40,000	-
Financial assets	Theft of valuables in transit	20,000	-
Facilities	Glass	5,000	-
Facilities	Technical insurance	165,000	-
Computer assets	Theft and fire of notebooks and projectors	150,000	-
Computer assets	Reconstruction of documents	100,000	-
Personal	Mandatory life insurance	-	-
Personal	Full civil liability	2,200,000	-
Personal	D&O civil liability	-	10,000,000
Personal	E&O civil liability	-	5,000,000
All-risk	Extraordinary expenses	350,000	-

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p.p. Supervisory Commission

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Ignacio Fabián Gajst  
Examiner

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Federico Nicolás Weil  
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TGLT S.A.

## ADDITIONAL INFORMATION REQUIRED BY ARTICLE NO. 68 OF THE REGULATION OF THE BUENOS AIRES STOCK EXCHANGE

(figures in pesos denominated in accordance with the description of Note 3.1.)

14. There is no coverage registered according to Company Management criteria and in the opinion of its legal consultants.
15. There are no contingencies that Company Management considers as being other than remote or the financial effects of which—if material—have not been accounted for in the books.
16. There are no irrevocable contributions charged to future subscriptions.
17. The company's equity is only represented by common shares.
18. In accordance with the Law on Business Corporations, the articles of incorporation, and General Resolution No. 368/2001 by the National Securities Commission, 5% of earnings in a fiscal year must be moved to statutory reserves until said reserves reach 20% of the capital, restated in constant currency.

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Federico Nicolás Weil  
Chairman

TGLT S.A.

# MID-TERM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2011

## RATIFICATION OF FACSIMILE SIGNATURES

“We hereby ratify our facsimile signatures affixed to the preceding pages”

On behalf of the Supervisory  
Commission

Ignacio Fabián Gajst  
Examiner

Federico Nicolás Weil  
Chairman

“I hereby ratify my facsimile signature affixed to the preceding pages”

Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74

# REPORT FOLLOWING LIMITED REVIEW OF MID-TERM FINANCIAL STATEMENTS

To the Directors and Shareholders of

**TGLT S.A.**

Tax ID No.: 30-70928253-7

Legal address: Av. Scalabrini Ortiz 3333 – 1<sup>st</sup> floor

Autonomous City of Buenos Aires

1. We have conducted a limited review of the individual balance sheet of TGLT S.A. (the “Company”) as of September 30, 2011, and of the individual income statement, statement of changes to shareholders’ equity, and statement of cash flow for the 6-month period ended on September 30, 2011. Furthermore, we have performed a limited review of the consolidated balance sheet as of September 30, 2011, and of the consolidated income and cash flow statements for the 9-month period ended on September 30, 2011, of **TGLT S.A.** and its subsidiary companies, which are presented as additional information. The Board of Directors is responsible for drafting and issuing these mid-term financial statements.
1. Our review was limited to applying the procedures established in Technical Resolution No. 7 by the Argentinean Federation of Professional Economics Boards regarding limited reviews of mid-term financial statements, which mainly entail conducting analytical procedures regarding the figures included in the financial statements and inquiring with the Company personnel responsible for putting together the information included in the financial statements and its subsequent analysis. The scope of these reviews is much more limited than an audit, the objective of which is to express an opinion regarding the financial statement undergoing review. Consequently, we do not provide an opinion regarding the Company’s balance sheet, income statement, changes to shareholders’ equity and cash flow as of September 30, 2011, or regarding the consolidated financial statements as of said date.
2. As mentioned in Note 3.5.d. to the consolidated financial statements, the inventory corresponding to MARINA RÍO LUJÁN S.A. has been accounted for considering the lower between the book value and technical value resulting from a report prepared by independent professional experts in the matter.

Moreover, and in accordance with the description made in Note 3.5.d. to the consolidated financial statements, the current value of identifiable net assets (Inventory) incorporated in the process of acquisition of the long-term investments in CANFOT S.A., MALTERÍA DEL PUERTO S.A., MARINA RÍO LUJÁN S.A. and PICO Y CABILDO S.A., is the result of a report issued by independent professional experts in the matter.

In view of the foregoing, Company Management has used the technical reports described above as basis for the purposes of determining the current values of certain inventory.

# REPORT FOLLOWING LIMITED REVIEW OF MID-TERM FINANCIAL STATEMENTS (CONTINUED)

3. Based on the task carried out and in accordance with what was indicated in Section 3, as regards the valuation of certain inventory items, and also as per the scope mentioned in Section 2 above, we hereby establish the following:

**TGLT S.A.**'s financial statements as of September 30, 2011, and its consolidated financial statements as of said date, detailed in Section 1 have been put together in accordance with accounting standards currently in effect in the Autonomous City of Buenos Aires and the relevant C.N.V. regulations, and contemplate all the facts and circumstances of which we are aware and regarding which we have no other comments to make.

4. Regarding the balances as of December 31, 2010, presented in the individual and consolidated balance sheets for comparative purposes, on March 10, 2011, we issued our audit report, which was favorable with one caveat due to the fact that the inventory of **MARINA RÍO LUJÁN S.A.** had been recorded considering the lower of the book value and technical value, resulting from a report prepared by independent professional experts in the matter, and that determination of the current value of certain inventory items had been made by Company Management using the technical reports prepared by independent professionals.

Regarding the individual and consolidated balances as of September 30, 2010, which are shown for comparative purposes in the income statements, statements of changes to shareholders' equity and statements of cash flow, on November 10, 2010, we issued our limited-review report with one remark originated in the lack of comparative information, considering that the Company had not been required to issue mid-term financial statements as of September 30, 2009.

5. In fulfillment of the provisions currently in effect, we hereby report the following:
- TGLT S.A.**'s individual financial statements and its consolidated financial statements are included in the "Inventory and Amounts Outstanding" book, and are in compliance with the provisions set forth in the Law on Business Corporations and the relevant resolutions issued by the National Securities Commission;
  - TGLT S.A.**'s financial statements and its consolidated financial statements are based on accounting entries made in accordance with the law from a formal standpoint;
  - We have read the summarized report and additional information to the notes to the financial statements required by Article No. 68 of the Regulation by the Buenos Aires Stock Exchange, and have nothing to comment regarding the same within the scope of our faculties;
  - As of September 30, 2011, the debt incurred to the benefit of the Integrated Pension System that resulted from the accounting entries and settlements by the Company amounted to \$ 202,806.53, were not due and payable as of such date.

Autonomous City of Buenos Aires, November 10, 2011.

Adler, Langdon, Hasenclever & Asociados  
Certified Public Accountants  
C.P.C.E.C.A.B.A. Tº 4 - Fº 130

Gabriel Righini (Partner)  
Certified Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 245 - Fº 74

# REPORT BY THE SUPERVISORY COMMISSION

To the shareholders of:

## TGLT S.A.

In our capacity as members of the Supervisory Commission of TGLT S.A., and in accordance with the provisions set forth in paragraph 5 of Article No. 294 of Law No. 19,550 and the Buenos Aires Stock Exchange Regulations, we have conducted a review of the documents detailed in paragraph I below. The Board of Directors of the Company is responsible for drafting and issuing said documents within the scope of the duties that are exclusively theirs.

## I. DOCUMENTS SUBJECT TO REVIEW

- a) Balance sheet as of September 30, 2011.
- b) Income statement for the 9-month period ended as of September 30, 2011.
- c) Statement of changes to shareholders' equity for the 9-month period ended as of September 30, 2011.
- d) Cash flow statement for the 9-month period ended as of September 30, 2011.
- e) Notes and Exhibits to the mid-term financial statements.
- f) Consolidated balance sheet as of September 30, 2011.
- g) Consolidated income statement for the 9-month period ended as of September 30, 2011.
- h) Consolidated cash flow statement for the 9-month period ended as of September 30, 2011.
- i) Notes and Exhibits to the consolidated mid-term financial statements.
- j) Additional information required by Article No. 68 of the Buenos Aires Stock Exchange Regulations.
- k) Informative overview established in General Resolution No. 368/01 by the National Securities Commission.

## II. SCOPE OF LIMITED REVIEW

Our task was carried out in accordance with the auditing standards in effect. Said regulations require application of the procedures established in Technical Resolution No. 7 by the Argentinean Federation of Professional Economics Boards regarding the limited review of mid-term financial statements, and include verifying the consistency of the documents reviewed and the information regarding company decisions presented in minutes, and whether said decisions are in compliance with the law and articles of incorporation from formal and documentary standpoints.

In order to carry out our professional task for the documents listed in paragraph I, we have conducted a review of the task performed by TGLT S.A.'s external auditors, Adler, Langdon, Hasenclever & Asociados, who issued their report on November 10, 2011, in accordance with the auditing standards currently in effect which apply to limited reviews of mid-term financial statements, with one note originating in the fact that the inventory corresponding to Marina Río Luján S.A. had been recorded considering the lower value yielded by comparing the book value and technical value, resulting from a report prepared by independent experts, and also that the determination of the current value of certain inventory items, Company Management had based itself on the technical reports prepared by independent experts.

A limited review mainly entails applying analytical procedures to accounting information, and inquiring with those responsible for accounting and financial matters. The scope of this review is substantially more limited than that of an audit of financial statements, the objective of which is to express an opinion regarding financial statements taken as a whole. Therefore, we have not expressed such an opinion.

We have not evaluated the criteria and business decisions regarding management, financing, and sales in any of their aspects, because they are the sole responsibility of the Board of Directors of the Company.

Likewise, the provisions set forth in Article 294 of the Law on Business Corporations have been complied with.



# REPORT BY THE SUPERVISORY COMMISSION (CONTINUED)

## III. PRELIMINARY CLARIFICATIONS

As mentioned in Note 3.5.d. to the consolidated financial statements, the inventory corresponding to Marina Río Luján S.A. has been accounted for considering the lower between the book value and technical value resulting from a report prepared by independent professional experts in the matter.

Moreover, and in accordance with the description made in that note to the consolidated financial statements, the current value of identifiable net assets (inventory) incorporated in the process of acquisition of the long-term investments in Canfot S.A., Maltería del Puerto S.A., Marina Río Luján S.A. and Pico y Cabildo S.A., is the result of a report issued by independent professional experts in the matter.

In view of the foregoing, Company Management has used the technical reports described above as basis for the purposes of determining the current values of certain inventory.

Regarding the balances as of December 31, 2010, presented in the individual and consolidated balance sheets for comparative purposes, on March 10, 2011, the auditors issued their audit report, which was favorable with one exception due to the fact that the inventory of Marina Río Luján S.A. had been recorded considering the lower of the book value and technical value, resulting from a report prepared by independent professional experts in the matter, and that determination of the current value of certain inventory items had been made by Company Management using the technical reports prepared by independent professionals. On March 10, 2011, the Supervisory Commission issued its report to the same effect.

Regarding the individual and consolidated balances as of September 30, 2010, which are shown for comparative purposes in the income statements, statements of changes to shareholders' equity and statements of cash flow, on November 10, 2010, the auditors issued their limited-review report with one remark originated in the lack of comparative information, considering that the Company had not been required to issue mid-term financial statements as of September 30, 2009. On even date, the Supervisory Commission issued its report to the same effect.

## IV. CONCLUSION

Based on our review, within the scope provided for in Chapter II, we hereby report that TGLT S.A.'s financial statements as of September 30, 2011, and its consolidated financial statements to said date, detailed in Chapter I, have been put together in compliance with accounting standards currently in effect in the Autonomous City of Buenos Aires and the relevant regulations by the C.N.V., with the considerations indicated in Chapter III a) and b), and contemplate all the facts and circumstances of which we are aware and regarding which we have no further caveats to mention.

## REPORT BY THE SUPERVISORY COMMISSION (CONTINUED)

We additionally advise that:

- a. The Informative Overview established in General Resolution No. 368/01 by the National Securities Commission includes the information required by Exhibit I of Book VII of that resolution.
- b. The "additional information required by Article No. 68 of the Buenos Aires Stock Exchange Regulations" is presented reasonably from all the relevant standpoints, regarding the financial statements referred to in Chapter I, taken as a whole.
- c. The financial statements referred to in Sections a) to e) of Chapter 1 are taken from accounting entries made in compliance with legal provisions currently in effect, as far as their formal aspects.
- d. TGLT S.A.'s individual financial statements and its consolidated financial statements are entered in the "Inventory and Amounts Outstanding" book.
- e. In accordance with the requirements contained in General Resolution No. 340 by the C.N.V regarding the independence of external auditors and the quality of auditing policies they apply, and regarding the Company's accounting policies, the external auditor's report described above shows that the auditing regulations currently in effect in the Argentine Republic which include requirements regarding independence have been applied, and there are no caveats regarding the application of said regulations and professional accounting standards in effect in the Argentine Republic.
- f. In the exercise of our duty to ensure legality, during the period we have applied the procedures described in Article No. 294 of Law No. 19,550, which we deem necessary for these circumstances, having no significant observations on the matter.

Autonomous City of Buenos Aires, November 10, 2011.

IGNACIO FABIAN GAJST

Chairman of the Supervisory Commission