TGLT

INTERIM INDIVIDUAL CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TGLT S.A.

AS TO SEPTEMBER 30, 2012 (NINE MONTH PERIOD)

Grant Thornton

TGLT S.A.

INTERIM CONDENSED FINANCIAL STATEMENTS

AS TO SEPTEMBER 30, 2012

Presented comparatively - See Note 3.1

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REPORTING SUMMARY

TGLT S.A.

AS TO SEPTEMBER 30, 2012 (NINE MONTH PERIOD)

TGLT S.A.

REPORTING SUMMARY

PERIOD ENDED ON SEPTEMBER 30, 2012 (NINE MONTHS)

I. BRIEF OVERVIEW OF THE COMPANY OPERATIONS DURING THE PERIOD ENDING IN SEPTEMBER 2012

Relevant events during the period

Preliminary injunction Astor Caballito

On September 11, 2012, by decision of the Room I of the Court of Appeals on Administrative and Tax Matters in and for the City of Buenos Aires in re "Civil Neighbourhood Association SOS Caballito in favour of a Better Quality of life a/ Government of the City of Buenos Aires o/ Incidental Processes", the building works of the project Astor Caballito in the premises owned by TGLT on Rojas street on the City of Buenos Aires were suspended.

Corporate notes – Authorization of the program and issuance of Classes I and II

On December 20th 2011, the Shareholders' Meeting approved the creation of a global program of issuance of simple corporate notes, non-convertibles into shares, for the short, medium and/or long term, subordinated or not, with or without bond, pursuant Argentine Law No. 23576 as amended (the "CNs") for the maximum amount of fifty millions of (USD 50,000,000) or their equivalent in other currencies in circulation in any amount, under which different classes and/or series denominated in United States Dollars may be issued or other currencies and the consecutive classes and/or series that may be depreciated may be reissued (the "Program"). The term of the Program will be of five (5) years, beginning with the authorization granted by CNV (Argentine Securities and Exchange Commission); within this term all the issuances and re-issuances under this Program must be carried out.

The funds obtained by means of the placement of the CNs issued under the Program will be allotted to any of the items enumerated on section 36 subsection 2) of Law No. 23,576 as amended, that is: to the investment in physical assets located on the country; and/or the integration of working capital in the country; and/or refunding of liabilities and/or the integration of capital contributions in companies controlled by or affiliated to the issuing Company, which turnover applies exclusively to the allotments specified above. The Board of Directors (or, in turn, Directors or officers so empowered) shall establish where the funds from the issuance or from the re-issuance on maturity shall be allotted.

On July 12, 2012, the Board of Directors of the Argentine Securities and Exchange Commission (Comisión Nacional de Valores) authorised the program by means of resolution No. 16853.

On August 21, 2012, Corporate Notes Classes I and II on the scope of the Program were issued.

Class I Corporate Notes where issued for the amount of ARS 19,533,207, at a variable rate according to Private Badlar (interest rate calculated by the Central Bank of Argentina) wenty one months after the issuance, that is, on May 21, 2014 plus a margin of 5.25%. The capital will be amortized in Argentine pesos by means of three equal and consecutive payments on the months 15, 18 and 21 as from the issuance. The interest accrued from each series or classes of CNs issued under the Program shall be due and payable after each three-month period from November 21, 2013.

Class II Corporate Notes were issued for the amount of U$S 8,554,320, at a fixed rate of 9.25% due 24 months after issuance, that is, on August 21, 2014. The principal will be amortised in Argentine Pesos by means of four equal consecutive payments on the months 15, 18, 21 and 24 as from the issuance. Interests shall be payable each three-month period as from November 21, 2013.

TGLT allocates its funds to make investments on property, plant and equipment within Argentina, to integrate working capital in the country, to refund liabilities, to make capital contributions to companies subsidiary or affiliated to the Company, and/or any other allotment provided for on applicable rules.

Both issuances have been graded as "A-" long term national risk scale of Fitch Argentina Calificadora de Riesgo S.A. and are traded at the Bolsa de Comercio de Buenos Aires (Buenos Aires Stock Exchange) and the Mercado Abierto Electrónico (Open Electronic Market).

Annual General Meeting – Changes in the Board of Directors

On July 3, 2012, the Annual General Shareholder's Meeting was held, in which the resignations of directors Marcos Galperín, Osvaldo Gimenez, Michel Wurman and Frederico Marinho Carneiro Da Cunha were accepted and the candidates to fill the vacancies where appointed. The new composition of the Board of Directors is detailed on the table below:

Director	Position in TGLT	Office expires	Date of appointment	Capacity
Federico N. Weil	President	December 31, 2012	October 30, 2009	Office holder
José Antonio Tornaghi Grabowsky	Vicepresident	December 31, 2012	October 30, 2009	Office holder
Mariano Weil	Director	December 31, 2012	October 30, 2009	Office holder
Ezequiel Segal	Director	December 31, 2012	October 30, 2009	Office holder
João Miguel Mallet Racy Ferreira	Director	December 31, 2012	July 3, 2012	Office holder

Cauê Castello Veiga Innocêncio Cardoso	Director	December 31, 2012	October 30, 2009	Office holder
Aldo Raúl Bruzoni	Director	December 31, 2012	July 3, 2012	Office holder
Alejandro Emilio Marchionna Faré	Director	December 31, 2012	February 19, 2010	Office holder
Rodrigo Lores Arnaiz	Director	December 31, 2012	December 20, 2011	Substitute
Saulo de Tarso Alves de Lara	Director	December 31, 2012	July 3, 2012	Substitute
Rafael Ignacio Soto	Director	December 31, 2012	April 17, 2012	Substitute
Cynthia Lorena Vatrano Natale	Director	December 31, 2012	February 19, 2010	Substitute
Pedro Thompson Landeira de Oliveira	Director	December 31, 2012	July 3, 2012	Substitute
Marcus Vinicius Medeiros Cardoso de Sá	Director	December 31, 2012	October 30, 2009	Substitute
Santiago Juan Gallichio	Director	December 31, 2012	July 3, 2012	Substitute
Daniel Alfredo Vicien	Director	December 31, 2012	July 3, 2012	Substitute

(*) Pursuant to Section 287 of Law No. 19550, Argentine Business Organizations Act directors shall hold office until a successor is duly elected.

Lift of the preliminary injunction – Astor Palermo

The Court Decision entered on April 26, 2012, of the Court of Appeals on Administrative and Tax Matters in and for the City of Buenos Aires reversed the trial court's decision entered in the case "Asociación Amigos Alto Palermo c/ GCBA s/ Amparo - otros procesos incidentales" Court Record No. 41544/1 and ordered to lift the preliminary injunction previously ordered, which suspended the building works of a multifamily dwelling and commercial garage in the premises located at Beruti 3351/59 in the City of Buenos Aires.

Extension of the bargaining deadline—FACA Project

On March 15, 2011 the Company had entered into a Memorandum of Understanding ("MOU") with Servicios Portuarios S.A. ("SP) under which TGLT S.A. (or a subsidiary controlled by TGLT S.A.) intended to purchase a plot of land in the City of Rosario, Province of Santa fe, designated by the Municipality of Rosario as Unidad de Gestión No. 1 del Plan Especial 2 Fase del Centro de Renovación Urbana Scalabrini Ortiz, next to the plot of land in which the undertaking "Forum Puerto Norte", which belongs to Maltería del Puerto S.A. a subsidiary of the Company, is carried out.

Under this Memorandum of Understanding, the parties had agreed to bargain on good faith the definite terms and conditions of the definite contract(s), agreements and documents that would have set forth the rights and liabilities of the parties for the joined development of a real estate project in the premises within a term no longer than 6 (six) months as from the date of the Memorandum of Understanding. Such term was later extended for 6 months up to March 15, 2012, and after that it was extended for 3 additional months up to June 30, 2012. While the bargaining process and the transactions to close the agreed upon terms of the MOU continue, the Company and SP are currently bargaining the date up to which the term set forth in the MOU for the bargaining and entering into the contracts and definitive documents of such transactions shall be extended.

Discharge of payment liabilities - Pico y Cabildo S.A.

On March 30, 2011, the Company had entered into an agreement for the sale of the total capital stock of "Pico y Cabildo S.A.", with the shareolders of such company (the "Sellers"). On April 14, 2011 95 % of the shares (the "First Closing Date") were transferred to the Company and on June 2, 2011, 5 % of the remaining shares (the "Second Closing Date"), were transferred to the Company.

The price of the total capital stock purchase was agreed in twelve millions and six hundred thousand United States Dollars (USD 12,600,000.)

The Company has completely and timely discharged all of such payment liabilities. Therefore, on March 7, 2012 all of the security interests were discharged, and there are no security interests or liens on any of the Company's assets.

Closing of the Real Estate Purchase in Montevideo

On January 5, 2012, a wholly-owned subsidiary of the TGLT, FDB S.A., closed the purchase agreement by granting the corresponding deed of conveyance on the plot of land with its buildings and annexes located at the Department of Montevideo, Land Registry District of Montevideo, urban area, which has a surface of ten thousand eight hundred and fifty two square metres. There, the project "Forum Puerto del Buceo" will be carried out (the "Premises").

FDB S.A. has agreed to pay the following amounts in consideration: (i) the amount of USD 600,000 (six hundred thousand United States Dollars) at the time of granting the Deed of Conveyance; (ii) on March 31, 2012, the amount of USD 5,400,000 (five million and four hundred thousand United States Dollars) and on March 31, 2013 the amount of USD 6,000,000 (six millions of United States Dollars); and (iii) the remaining balance, that is, the amount of USD 12,000,000 (twelve million United State Dollars) will be paid by means of the conveyance of future units of the condominium of the project "Forum Puerto del Buceo" that, jointly have an area of five thousand eight hundred and fourty five (5,845) square metres, comprising the common property to be used exclusively by those units and fifty-four (54) parking lots that FDB S.A. will build on the Premises. As a collateral for the liabilities incurred due to the purchase agreement, FDB S.A. has drawn a first degree mortgage on the Premises in favour of the sellers. Additionally, TGLT has posted a joint and several bond in favour of the sellers as a collateral for the liabilities taken on by FDB S.A. under the sales agreement and the mortgage.

TGLT S.A.

REPORTING SUMMARY

PERIOD ENDED ON SEPTEMBER 30, 2012 (NINE MONTHS)

Summary of our real estate undertakings

Project	**Forum Puerto Norte**	**Forum Alcorta**	**Astor Palermo**	**Astor Caballito**	**Astor Núñez**	**Venice**	**FACA Project**	**Forum Puerto del Buceo**
Location	Rosario, Santa Fe	Bajo Belgrano, City of Buenos Aires	Palermo, City of Buenos Aires	Caballito, City of Buenos Aires	Nuñez, City of Buenos Aires	Tigre, Buenos Aires	Rosario, Santa Fe	Montevideo, Uruguay
Segment	High/Medium-High	High	Medium-High	Medium-High	Medium-High	High/Medium-High	High/Medium-High	High
Type	Urban Complex	Urban Complex	Multifamily	Multifamily	Multifamily	Urbanization	Urban Complex	Urban Complex
Characteristics	Coastal	Park	Urban	Urban	Urban	Coastal	Coastal	Coastal
Year of Acquisition	2008	2008	2010	2011	2011	2007	2011	2011
Plot of land (m2)	43.000	13.000	3.208	9.766	4.759	320.000	84.000	10.765
Area for sale (m2)	52.186	40.123	14.765	31.114	20.377	Single family plots of land: approx. 22300 Dwellings and commercial uses approx. 214.700	approx. 121.000	approx. 48.374
Units for sale	455	158	210	500	298	Single family plots of land: approx. 24 Dwellings and commercial uses: approx. 2.610	approx. 2.000	307
Other units for sale	Parking lots: Boat parks: 90	Parking lots: 400	Residential parking lots: 204 Commercial parking lots 171	Residential parking lots: 502	Parking lots: 310	Parking lots: approx. 3.030 Boat parkings and marinas: approx. 182	Parking lots: approx. 2.050	370
Total estimated Potential sale value (PSV) (millions of ARS)	444,3	798,8	309,5	366,2	269,9	approx. 2.917,6	1.722,9	USD 138.6
Total estimated PSV (millions of ARS)	444,3	798,8	309,5	198,4	269,9	256,1	-	USD 53.7
Area sold as to 30/9/12 (m2)	46.447	25.807	9.944	7.135	3.345	3.966	-	4.672
% of the total	*89%*	*64%*	*67%*	*23%*	*16%*	*2%*	-	*10%*
Units sold as to 30/09/12	409	94	145	118	45	65	-	57

TGLT S.A.

REPORTING SUMMARY

PERIOD ENDED ON SEPTEMBER 30, 2012 (NINE MONTHS)

Project	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Caballito	Astor Núñez	Venice	FACA Project	Forum Puerto del Buceo
Other units sold as to 30/09/12	Parking lots: 473 Parks: 76	Parking Lots: 182	Residential parking lots: 123 Commercial parking lots 171	Garages: 88	Residential Parking lots: 32 Commercial parking lots 20	Parking lots: 58 Boat parks and marinas: 2	-	Parking lotss: 67
Secured sales as to 30/09/12 (millions of ARS)	366,0	399,5	190,1	63,3	36,5	40,1	-	USD 17.5
% of the total	*82%*	*50%*	*61%*	*17%*	*14%*	*1%*	-	*13%*
Secured sales during 2012 (millions of ARS)	58,3	73,2	98,5	52,4	15,8	23,4	-	USD 11.8
Building progress as to 30/09/12 (monetary budget execution)	86%	51%	40%	20%	-	-	-	-
Stage	Construction	Construction	Construction	Construction	Product Design and Granting of Approvals	Product Design and Granting of Approvals	Product Design and Granting of Approvals	Product Design and Granting of Approvals

Outstanding achievements on our real estate undertakings during the period

The following are the most outstanding achievements during the period:

Forum Puerto Norte

- **Approvals**

  Negotiations before the Municipality to obtain the final permissions for the building works of buildings TWO, THREE and NINE are moving forward. These negotiations are necessary to grant the pertinent deed of conveyance to the purchasers of the units in such buildings.

  The surveyor's plans of said buildings will be submitted during the second week of November.

- **Progress**

  We are working to recover the delays on outdoor areas, as a consequence of the heavy rainfalls, above the average of the last 5 years.

  The building work is still in progress in all of the buildings not yet finished, with about 500 workers on the premises. The schedule to finish the works is as follows:

  - finished: TWO, NINE, THREE, Gym, multipurpose room
  - December 2012: buildings ONE, TEN
  - January 2013: CUBE A
  - February 2013: building FOUR
  - March 2013 buildings SEVEN, EIGHT
  - June 2013: building FIVE, CUBE B

- **Showroom and commercialization**

  The apartments that were part of the showroom in building NINE where dismantled and they are being arranged so as to be ready for occupancy as the rest of the units of the building.

  No other showroom is planned owing to the advanced progress of the project.

Forum Alcorta

- **Approvals**

  The file of Ongoing modifications of the building works is on its registration process to reorganise the changes in the areas between the buildings. The municipal filefor the electrical installations has been registered, an the file for sanitation facilities, submitted. During the first days of November the file for mechanical and thermal installations will be submitted.

- **Progress**

  Building works: Currently, the reinforced-concrete structure on floor 27 on Tower 1 and on floor 15 on Tower 2 is being performed, according to the plan of the building work. The building works started on September, together with metalworking carpentry. The thermo-mechanical installations and aluminium carpentry for both towers have been hired, together with the sanitation facilities for the second stage. The import of lifts is scheduled for the end of the year and bathroom fittings are in the building site. The masonry for tower 1 is on floor 14, together with the installations that are on the phase of chain performance.

  The building on Juramento street was defined with two functional units of the type "town houses" located on the end of Castañeda street, and 12 functional apartment units, with 4 units per floor in a three-storey building. The demolition works of the second half of the building will begin on December this year, during school holidays. As of this date, 60 % of the provisions and labour for the project have been hired.

- **Showroom and commercialization**

  Operating showrrom 100%. The preliminary works for the displacement of the showroom will begin on December, locating the commercial offices on Ramsay and Juramento streets.

  Commercialization is being performed exclusively by the Company.

Astor Palermo

- **Approvals**

Every and all approvals for the continuation of the overall project construction have been obtained. The municipal files for the electric installations are being prepared.

- **Progress**

The activities of the company Caputo S.A., the main contractor for the works on concrete and building works initially planned around mid August, commenced on August 27, 2012 owing to the heavy rainfalls.

The provisional workshops were arranged on the existing underlayment.

Almost all of the submural walls have been performed on the first level of the municipal line and on the side of the neighbouring Centro de Gestión Participativa. 2nd level on performance. The restraint of the car ramp is also in progress.

- **Showroom and commercialization**

The showroom is located on the premises leased on Beruti street, some metres away from the building work.

Commercialization is being performed exclusively by the Company.

Astor Caballito

- **Approvals**

Every and all approvals for the continuation of the overall project construction have been obtained. The municipal files regarding the electric installations are on submittion phase.

The professional in charge of supervising building works of the Government of the Autonomous City of Buenos Aires has visited the building work without making any observations.

- **Progress**

Estructure of reinforced-concrete up to the 12 floor. The waterproofing process of subfloors is complete.

The water network of eight blocks is finished. Low water pressure was one of the arguments that the neighbours of the area raised to prevent the construction of the project.

As from September 11, 2012 building works are suspended pursuant to the decision entered by Room I of the Court of Appeals on Administrative and Tax Matters in and for the City of Buenos Aires, in the case “Civil Neighbourhood Association SOS Caballito in favour of a Better Quality of life a/ Government of the City of Buenos Aires o/ Incidental Processes”.

- **Showroom and commercialization**

The showroom of 450m2 that includes a model unit is operating at 100%.

During the period of suspension of the building works, the showroom is operating on a reduced timetable to answer the consults of current clients and people interested. Commercialization has also been suspended.

Astor Nuñez

- **Approvals**

The Commission of Urban Planning has approved the architecture file, which has been submitted on the entrace desk of the Direction of Building Works and Land Registry for the allotment of rights and their final register, estimated for 4Q’12. The files on structure, fire and environmental impact will be submitted jointly.

- **Progress**

The whole documentation has been delivered to studies and consultant. The commercial premises and their respective parking lots, will be put in a tender separatedly from the other subfloors on the tower. This is to anticipate the commencement of building works for January 2013. An study will be hired for the management and direction of building works.

- **Showroom and commercialization**

The municipal process for the commercial authorization of the showroom on Pico Street is in progress. Once the municipal file on architecture, structure and environmental impact has been approved for the fourth quarter of 2012, the commercial launch will be estimated for 2013.

Venice

- **Approvals**

At the end of May, decree No. 702 of the preliminary technical validation was obtained, and the file to obtain the final technical validation was initiated.

A Public Hearing was held on September, 14 jointly with the Municipality of Tigre On such office the project and the environmental impact study were presented. Feedback from the authorities is pending.

The commencement of construction works are planned for the beginning of 2013.

- **Progress**

During the first days of 2013 the tenders for infrastructure will commence (movement and fill for soils, deforestation, etc). Engineering works required before the commencement of building works are in advanced progress.

The construction works of the first buildings are estimated to begin during the first half of 2013.

- **Showroom and commercialization**

The showroom is finished and operating as from December 2011.
During October and November many commercial initiatives were undertaken (press releases, events on the premises, advertising on media, etc.) More than 50 mentions about the project were released on the press.
In just two weekends we have registered a successful commercial launch (six buildings, including a tower) with about 160 people visiting the showroom and 11 booked units.

FACA Project

- **Approvals**

In the first quarter, the Master Plan developed by the architecture study Foster & Partners was submitted to the Technical Commission on Urbanisation of the Municipality of Rosario. The Department of Urban Planning is drafting the amendment of the regulations in effect that should be submitted for approval to the City Legislature to be scheduled before the close of sessions in 2012.

- **Progress**

During the last workshop in the offices of Foster & Partners in New York all of the architecture issues for the first phase of the launching were defined. Value engineering of the facades is in process.

The project consultants together with the study of architecture are moving forward with the Masterplan, the basements and the first blocks 1A, 2C, 2D of the project.

Blocks 5J and 6L have been put out to the tender of architecture. Such blocks are aimed to be sold in the modality of cooperative funding, and Estudio McCormack y Asociados (MCCA) won the project. A new team of consultants has been hired, which is working jointly with Estudio MCCA in the engineering of the tender.

- **Showroom and commercialization**

Once the projection phase of the showroom is finished, the opening is estimated for the first quarter of 2013, with the presale launching of buildings under the modality of cooperative financing.

Forum Puerto del Buceo

- **Approvals**

On the session held on September, 27, the Department Board approved favourably the project and sent to IMM (Municipal City Council of Montevideo) its positive ruling. On October 22, by means of resolution 4465/12, the IMM definitely authorized the project and obtained a favourable resolution to the request of Anticipated Permission for Building Works, in order to start raising the siege of the work and the excavations.

As part of the process for obtaining the Permission for Construction, the permissions for lifts, (already approved by the IMM), the file on evaluation of facades according to the sustainability regulations of IMM, and the reorganization of the project to Redes (Social Ecology Network) have been submitted.

- **Progress**

Siege of the work: the company that is building the siege of the work has been hired in order to start its installation immediately.

Excavations: The contractor is organizing its equipments to start working during 4Q'12, once the plot of land is secured with the siege of the work.

Engineering: currently, the executive project is being prepared simultaneously with the final submission of the request of permission for construction. The tender for the main contractor is planned for December.

- **Showroom and commercialization**

  Improvements are being made on the premises leased on the World Trade Center of Montevideo. The commercial launch and the showroom opening are planed for November, 17. An event of launching and presentation of TGLT to the Uruguay market is under organisation for November the 14th.

II. FINANCIAL STRUCTURE (1)

	Sep 30, 2012	Sep 30, 2011
Current assets	1.288.781.337	956.918.202
Non current assets	207.300.795	181.788.005
Total assets	**1.496.082.132**	**1.138.706.207**
Current Liabilities	998.529.205	551.494.818
Non current liabilities	130.925.483	106.284.789
Total liabilities	**1.129.454.688**	**657.779.607**
Allocated to the controlling owners	356.331.629	453.599.280
Allocated to non controlling owners	10.295.815	27.327.320
Total shareholders' equity	**366.627.444**	**480.926.600**
Total liabilities and shareholders' equity	**1.496.082.132**	**1.138.706.207**

(1) See Note 5 to the condensed consolidatedfinancial statements about the reconciliation between Argentine Standards and International Financial Reporting Standards.

III. INCOME STRUCTURE(2)

	Sep 30, 2012	Sep 30, 2011
Operating income	**(107.711.732)**	**(28.847.079)**
Other expenses	(391.041)	(58.036)
Financial results:		
Exchange difference	(43.264.270)	(11.474.048)
Financial income	17.918.928	3.636.014
Financial costs	(11.972.254)	(3.956.621)
Other net income and expenses	485.384	990.815
Income for the period before Income Tax	**(144.934.985)**	**(39.708.955)**
Income Tax	38.475.218	7.454.186
Results for the period	**(106.459.767)**	**(32.254.769)**

(2) See Note 5 to the condensed consolidatedfinancial statements about the reconciliation between Argentine Standards and International Financial Reporting Standards.

IV. CASH FLOW STRUCTURE

	Sep 30, 2012	Sep 30, 2011
Funds (used in) provided by operating activities.	(69.697.445)	(93.334.813)
Funds used in investing activities	(4.022.119)	(30.950.787)
Funds provided by financing activities	64.642.577	31.986.411
Total funds (used in) provided by during the period	(9.076.987)	(92.299.189)

V. STATISTIC INFORMATION

Information on the evolution of the number of Company employees:

	Sep 30, 2012	Sep 30, 2011

Employees	70	51

REPORTING SUMMARY

PERIOD ENDED ON SEPTEMBER 30, 2012 (NINE MONTHS)

VI. INFORMATION CONCERNING EVOLUTION ON SALES AND ADVANCE PAYMENTS:

	Project							
	Forum Puerto Norte	**Forum Alcorta**	**Astor Palermo**	**Astor Caballito**	**Astor Nuñez**	**Venice (50%)**	**Forum Puerto del Buceo**	**Total**
Commercialised units								
During the quarter ended on September 30, 2012	15	3	27	23	4	-	-	72
During the quarter ended on September 30, 2011	38	5	2	-	11	-	-	56
During the 9-month period ended on September 30, 2012	40	14	47	93	20	18	41	273
During the 9-month period ended on September 30, 2011	115	21	60	25	23	-	-	244
Accumulated as to September 30, 2012	485	94	145	118	45	33	57	977
Secured sales (*)								
Sales for the period								
During the quarter ended on September 30, 2012	15.634.551	17.515.013	36.397.476	14.341.302	3.114.970	-	-	87.003.312
During the 9-month period ended on September 30, 2012	26.351.567	48.671.810	61.910.756	51.435.359	12.960.013	10.768.006	53.168.274	265.265.784
Adjustments of sales on previous periods (**)								
During the quarter ended on September 30, 2012	20.454.088	11.810.785	36.231.276	2.059.462	1.238.787	1.451.607	2.969.384	76.215.389
During the 9-month period ended on September 30, 2012	31.906.730	24.566.694	36.588.101	971.284	2.888.313	927.282	2.415.903	100.264.307
Total sales								
During the quarter ended on September 30, 2012	36.088.639	29.325.798	72.628.752	16.400.763	4.353.757	1.451.607	2.969.384	163.218.701
During the quarter ended on September 30, 2011	45.119.877	45.291.534	4.570.682	89.269	6.551.533	-	-	101.622.895
During the 9-month period ended on September 30, 2012	58.258.297	73.238.504	98.498.857	52.406.643	15.848.326	11.695.288	55.584.177	365.530.092
During the 9-month period ended on September 30, 2011	105.262.381	131.835.536	56.882.452	10.659.086	19.379.582	-	-	324.019.037
Accumulated as to September 30, 2012	365.977.123	399.469.323	190.072.605	63.349.201	36.492.691	20.067.765	82.042.330	1.157.471.038

TGLT S.A.

REPORTING SUMMARY

PERIOD ENDED ON SEPTEMBER 30, 2012 (NINE MONTHS)

								-
Advanced Payments of clients (*)								
During the quarter ended on September 30, 2012	(3.885.039)	34.451.381	55.813.994	16.255.399	1.506.959	708.149	2.875.747	107.726.590
During the quarter ended on September 30, 2011	28.999.907	14.439.086	4.738.724	213.099	368.030	-	-	48.758.846
During the 9-month period ended on September 30, 2012	8.998.154	117.985.220	67.044.853	41.708.245	20.696.552	6.994.447	51.017.145	314.444.616
During the 9-month period ended on September 30, 2011	78.588.071	57.980.421	17.795.412	10.782.916	6.862.481	-	-	172.009.301
Accumulated as to September 30, 2012	240.650.828	281.340.225	116.886.155	52.650.823	29.028.300	9.075.271	51.167.785	780.799.387

(*) Amounts denominated in Argentine Pesos net after Value-added tax.

(**) Corresponds to adjustments related to variations on the exchange and the rate CAC by which certain purchase agreements entered into previous periods are adjusted, as well as those secured on previous periods.

VII. MAIN INDICATORS, RATIOS OR RATES:

Rate	Formula	Sep 30, 2012	Sep 30, 2011
Liquidity	Current Assets / Current Liabilities	1,23	1,73
Creditworthness	Shareholders' equity / Liabilities	0,32	0,73
Fixed capital	Non current assets / Total Assets	0,14	0,16
Profitability	Net results for the year / Average Shareholders' equity	(1,05)	(0,27)

VIII. OUTLOOK

The beginning of 2012 fiscal year was simultaneous to the weakening of the demand on real estate, depicted in a year-on-year drop of 16 % of the amount of deeds of conveyance executed in January and February, according to the Colegio de Escribanos de la Ciudad de Buenos Aires (Association of Civil Noteries Public for the City of Buenos Aires). This context, together with the holiday period in the same months, meant for the company a deterioration in the pace of sales of some of our projects, such as Forum Puerto Norte and Forum Alcorta. On the contrary, projects Venice and Forum Puerto del Buceo were launched, with very successful pre-sale launches on the stage *"friends & family"* according to projections.

The second quarter of the year began with the commercial launch of Astor Caballito and the re-launch of Astor Palermo after the lift of the preliminary injunction that kept this process suspended for nine months. The different Government measures in connection with what is called "*cepo cambiario"* (Argentine exchange restrictions) produced a paralization of the activities in April and May, until the market was able to adapt to the new conditions. Up to the first quarter of this year, TGLT sold the units in United States Dollars and purchsed agreement provided for payments expressed in that currency. Since the restrictions to the purchase of American dollars had been strengthened, followed by a suspension for an unspecified period of time, by means of Communication "A" 5318 of the Central Bank of Argentina, of the possibility to purchase foreign currency for saving money or purchasing real estate, the Company started to sell all of its products in Argentine pesos.

The measures concerning exchange restrictions caused a decrease in the activity in the secondary market of dwelling houses, on the one hand due to the fact that bidders are reluctant to receive any currency other than dollars as payment, and on the other hand, due to the reduction of investment or capital preservation denominated in dollars. Although the prevailing political and macroeconomic uncertainty have delayed, in general, long-term decisions in the population, within a context lacking of investment alternatives and conservation of value, the demand of real state commercialised in pesos has remained relatively stable.

At the beginning of the fourth and last quarter of the year, to the date of this Summary, the first stage of Venice has already been launched commercially. Venice is our ambitious project in Tigre, which we anticipate, will generate sales for over ARS 2,500 millions through the whole decade. With the launch to the public of Forum Puerto del Buceo in Montevideo, Uruguay, in November, we're closing the year in terms of launches. The remaining projects that we had planned to launch during 2012 have been postponed for next year owing to the delays of approvals as well as to the decision of the Company to proceed carefully in a context full of uncertainties as today's.

On the other hand, the Company is still making progress in different corporative initiatives, such as the integration of certain activities associated with the construction and selling of the undertakings that the Company carries out, the implementation of a new system of Enterprise Resource Planning (ERP), the definition and formalisation of the commercialization, production and management in every area, the design of a new system of remuneration and incentives for employees, among other aspects.

TGLT

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TGLT S.A.

AS TO SEPTEMBER 30, 2012 (NINE MONTH PERIOD)

TGLT S.A.

Place of Business: Av. Scalabrini Ortiz 3333 - Piso 1º

City of Buenos Aires

FISCAL YEAR NO. 8 STARTED ON JANUARY 1, 2012

INTERIM CONDENSED FINANCIAL STATEMENTS AS TO SEPTEMBER 30, 2012

PRESENTED COMPARATIVELY– SEE NOTE 3.1.

Company's core business: Management of real state projects and undertakings, urban developments; planning, evaluation, scheduling, formulation, development, implementation, administration, coordination, supervision, handling, organization, direction and performance in the management of businesses concerning real estate; exploitation of trademarks, patents, methods, formulas, licenses, technologies, know-how, models and designs; every form of commercialization.

Date of registration with Inspección General de Justicia (registry of business organizations for the City of Buenos Aires):

Bylaws: June 13, 2005

Last amendment: May 3, 2010 (Note 35 to the individual condensed financial statements)

Date of registration with Inspección General de Justicia (registry of business organizations for the City of Buenos Aires): 1.754.929

Bylaws maturity date: June 12, 2014

C.U.I.T. (taxpayer identification number): 30-70928253-7

Information about controlled companies: See Note 21 to the condensed consolidated financial statements)

Share capital contributions (figures in Argentine Pesos)		
Shares	Issued, subscribed and paid-in share capital	Registered
Ordinary, book-entry shares, carrying one vote each with a par value of (P.V.) ARS 1	70.349.485	22.350.000
	70.349.485	22.350.000

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Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
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Professional Counsel of Economic Science for the City of Buenos Aires
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Federico Nicolás Weil
President

TGLT S.A.

CONDENSED CONSOLIDATED BALANCE SHEET

AS TO SEPTEMBER 30, 2012; DECEMBER 31, 2011; AND DECEMBER 31, 2010

(figures expressed in Argentine pesos)

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Assets				
Current assets				
Cash and cash equivalents	6	73.117.877	77.047.456	177.959.331
Trade receivables	7	3.127.235	8.551.085	-
Other receivables	8	127.042.993	108.760.971	24.110.418
Inventories	9	1.085.493.232	824.657.480	509.034.131
Total curent assets		1.288.781.337	1.019.016.992	711.103.880
Non current assets				
Other receivables	8	1.641.662	953.122	446.305
Property, plant and equipment	10	5.599.067	3.370.290	1.873.577
Intangible assets	11	778.441	766.345	227.133
Tax assets	12	87.137.480	43.618.505	19.174.686
Capital gain	13	112.144.145	143.540.998	132.982.013
Total non current assets		207.300.795	192.249.260	154.703.714
Total assets		**1.496.082.132**	**1.211.266.252**	**865.807.594**
LIABILITIES				
Current Liabilities				
Trade debts	14	127.005.901	90.966.418	22.876.316
Loans	15	80.397.715	30.747.267	677.293
Employees' benefits	16	1.186.207	2.141.143	796.871
Current tax liabilities	17	4.330.231	4.288.299	3.813.884
Other tax burdens	18	2.001.666	2.745.001	3.028.139
Advanced Payments of clients	19	780.799.388	466.354.772	227.322.697
Other accounts payable	20	2.808.097	25.216.707	-
Total current liabilities		998.529.205	622.459.607	258.515.200
Non current liabilities				
Loans	15	52.253.194	33.515.044	12.000.000
Other tax burdens	18	315.771	374.639	406.420
Deferred tax liabilities	29	78.356.518	81.140.181	63.008.053
Total non current liabilities		130.925.483	115.029.864	75.414.473
Total liabilities		**1.129.454.688**	**737.489.471**	**333.929.673**
SHAREHOLDERS' EQUITY				
Allocated to the controlling owners		356.331.629	445.423.657	498.491.953
Allocated to the non-controlling share		10.295.815	28.353.124	33.385.968
Total shareholders' equity		**366.627.444**	**473.776.781**	**531.877.921**
Total liabilities and shareholders' equity		**1.496.082.132**	**1.211.266.252**	**865.807.594**

Notes 1 to 46 enclosed hereto are part of these financial statements.

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Federico Nicolás Weil
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TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD

FOR THE NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2012 AND 2011

(figures expressed in Argentine pesos)

	Notes	NINE MONTHS		THREE MONTHS	
		Sep 30, 2012	**Sep 30, 2011**	**Sep 30, 2012**	**Sep 30, 2011**
Income		54.061.579	-	22.062.655	-
Cost of sold property	23	(91.899.242)	-	(34.426.156)	-
Gross income		**(37.837.663)**	**-**	**(12.363.501)**	**-**
Expenses for building works management	24	(6.458.868)	(12.013.006)	(2.394.824)	(2.694.116)
Commercialisation expenses	25	(16.902.790)	(9.411.882)	(5.829.861)	(3.272.409)
Management expenses	26	(15.115.558)	(7.422.191)	(5.108.598)	(2.946.109)
Other operating expenses	4.11	(31.396.853)	-	(26.891.426)	
Operating income		**(107.711.732)**	**(28.847.079)**	**(52.588.210)**	**(8.912.634)**
Other expenses	11	(391.041)	(58.036)	(142.253)	(24.073)
Financial results:					
Exchange difference	27	(43.264.270)	(11.474.048)	(20.536.375)	(7.840.274)
Financial income	27	17.918.928	3.636.014	6.244.737	1.441.637
Financial costs	27	(11.972.254)	(3.956.621)	(7.438.396)	(1.590.585)
Other income	28	485.384	990.815	405.826	24.000
Income for the period before Income Tax		**(144.934.985)**	**(39.708.955)**	**(74.054.671)**	**(16.901.929)**
Income Tax	29	38.475.218	7.454.186	13.822.852	3.868.825
Income for the period		**(106.459.767)**	**(32.254.769)**	**(60.231.819)**	**(13.033.104)**
Other comprehensive income that will be reclassified in gaining or loss					
Difference for the conversion of a net investment abroad		(689.570)	-	268.524	-
Total of other comprehensive income		**(689.570)**	**-**	**268.524**	**-**
Total comprehensive income for the period		**(107.149.337)**	**(32.254.769)**	**(59.963.295)**	**(13.033.104)**
Gain (Loss) for the period attributable to:					
Controlling owners		(88.402.458)	(37.066.192)	(49.311.053)	(12.714.448)
Non-controlling shares		(18.057.309)	4.811.423	(10.920.766)	(318.656)
Total gain (loss) for the period		**(106.459.767)**	**(32.254.769)**	**(60.231.819)**	**(13.033.104)**
Income by share attributable to controlling owners					
Base	41	**(1,51)**	**(0,46)**	**(0,86)**	**(0,19)**
Diluted	41	**(1,51)**	**(0,46)**	**(0,86)**	**(0,19)**
Total comprehensive income for the period attributable to:					
Controlling owners		(89.092.028)	(37.066.192)	(49.042.529)	(12.714.448)
Non-controlling shares		(18.057.309)	4.811.423	(10.920.766)	(318.656)
Total gain (loss) for the period		**(107.149.337)**	**(32.254.769)**	**(59.963.295)**	**(13.033.104)**

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TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED ON SEPTEMBER 30, 2012

(figures expressed in Argentine pesos)

	Share capital				Reserves		Income	Shareholders' equity allocated to:		
Concept	Share capital	Additional paid-in capital	Transactions between Shareholders	Total	Diff for conversion of net investment abroad	Statutory reserve	Unappropiated Retained earnings	Controlling owners	Non-controlling shares	Totals
Balances as to January 1, 2012	70.349.485	378.208.774	(7.826.480)	440.731.779	-	4.000	4.687.878	445.423.657	28.353.124	473.776.781
Income for the period	-	-	-	-	-	-	(88.402.458)	(88.402.458)	(18.057.309)	(106.459.767)
Income for the period before Income Tax	-	-	-	-	(689.570)	-	-	(689.570)	-	(689.570)
Total comprehensive income for the period	-	-	-	-	(689.570)	-	(88.402.458)	(89.092.028)	(18.057.309)	(107.149.337)
Balances as to September 30, 2012	70.349.485	378.208.774	(7.826.480)	440.731.779	(689.570)	4.000	(83.714.580)	356.331.629	10.295.815	366.627.444

(1) Corresponds to the net effect caused by the loss of ARS 13,749,943 due to the purchase of Canfot S.A shares that were not owned by the company during the second quarter of 2011 and the gain of ARS 5,923,463 originated on the sale of Canfot S.A shares during the third quarter of 2011.

(2) Difference for the conversion of a net investment abroad

Notes 1 to 46 enclosed hereto are part of these financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED ON SEPTEMBER 30, 2011

(figures expressed in Argentine pesos)

	Share capital				Reserves		Results	Shareholders' equity allocated to:		
Concept	Share capital	Additional paid-in capital	Transactions between Shareholders	Total	Diff for conversion of net investment abroad	Statutory reserve	Unappropriated Retained earnings	Controlling owners	Non-controlling shares	Totals
Balances as to January 1, 2011	70.349.485	378.208.774	-	448.558.259	-	4.000	49.929.693	498.491.952	33.385.969	531.877.921
Acquisition of non-controlling share	-	-	(7.826.480)	(7.826.480)	-	-	-	(7.826.480)	(10.870.072)	(18.696.552)
Income for the period	-	-	-	-	-	-	(37.066.192)	(37.066.192)	4.811.423	(32.254.769)
Income for the period before Income Tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	(37.066.192)	(37.066.192)	4.811.423	(32.254.769)
Balances as to September 30, 2011	70.349.485	378.208.774	(7.826.480)	440.731.779	-	4.000	12.863.501	453.599.280	27.327.320	480.926.600

(1) Corresponds to the net effect caused by the loss of ARS 13,749,943 due to the purchase of Canfot S.A shares that were not owned by the company during the second quarter of 2011 and the gain of ARS 5,923,463 originated on the sale of Canfot S.A shares during the third quarter of 2011.

(2) Difference for the conversion of a net investment abroad

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TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2012 AND 2011

(figures expressed in Argentine pesos)

	Sep 30, 2012	Sep 30, 2011
Operating activities		
Total comprehensive income for the period	(107.149.337)	(32.254.769)
Adjustments to obtain the cash flow provided by operating activities		
Income Tax	(38.475.218)	(7.454.186)
Depreciations of properties, plants and equipments	1.390.205	457.986
Amortizations of intangible assets	391.041	52.816
Loss due to the impairment of capital gain	31.396.853	-
Net unpaid exchange differences	41.849.606	14.094.065
Changes in operating assets and liabilities		
Trade receivables	5.677.397	(483.545)
Other receivables	(16.017.507)	(69.969.766)
Inventories	(260.835.752)	(262.052.499)
Tax assets	(43.518.975)	(7.880.465)
Trade debts	31.977.152	59.848.343
Employees' benefits	(954.936)	449.264
Tax liabilities	31.403.256	13.180.297
Other tax burdens	(803.546)	348.348
Advanced Payments of clients (*)	272.292.054	157.557.848
Other accounts payable	(22.649.969)	37.555.226
Assumed minimum income tax	4.330.231	3.216.224
Net cash flow used in operating activities	**(69.697.445)**	**(93.334.813)**
Investment activities		
Acquisition of non-controlling shares	-	(7.826.480)
Decrease in non-controlling variations	-	(10.870.072)
Purchase of shares capital gain	-	(10.558.985)
Payments for the purchase of property, plant and equipment	(3.618.982)	(1.210.626)
Payments for the purchase of intangible assets	(403.137)	(484.624)
Payments for the purchase of controlled companies		-
Net cash flow used in investment activities	**(4.022.119)**	**(30.950.787)**
Financing activities		
Loan increases	64.642.577	31.986.411
Net cash flow provided by financing activities	**64.642.577**	**31.986.411**
Net decrease in cash and cash equivalents	(9.076.987)	(92.299.189)
Cash and cash equivalents at the beginning of the commercial year	77.047.456	177.959.331
Effects of the variations of the exchange rate on cash and cash equivalents kept in foreign currency	5.147.408	4.016.477
Cash and cash equivalents as to the close of the year	**73.117.877**	**89.676.619**

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

Notes 1 to 46 enclosed hereto are part of these financial statements.

Note 1. Company information

1.1. Introduction

TGLT S.A. (hereinafter “the Company”, “TGLT” or “the Corporation” indistinctible) is a company limited by shares, incorporated under the Laws of the Argentine Republic dedicated to residential real estate development that operates in the main urban centres in Argentina and Uruguay. TGLT was founded in 2005 by Federico Weil, and in 2007 associated to PDG Realty S.A. Empreendimentos e Participações (hereinafter “PDG”), one of the main real state developers in Latin America and currently majority shareholder of the Corporation. Being initially focused on undertakings for high income segments of society, TGLT is gradually extending its offer of productsy to medium-high and medium income segments.

TGLT is the leader developer in the Argentine residential market, and aims to be so also in Uruguay. It is currently developing 8 projects in highly demanded urban areas in Argentina and Uruguay, which are at the stage of product design and approval obtention, pre-construction and construction, totaling about saleable 530,000 m2 and USD 1,300 millions of potencial sale value (“PSV”).

TGLT controls and participates in every aspect of the development process, since land adcquisition to the management of construction, from product design to marketing and commercialization, ensuring an strict control of the working capital at every stage. Together with the development of unique products for each segment and location, it standardizes processes for the production of new dwellings so as to reach a high growth rate.

On November, 2010, the Company made the Initial Public Offering (“IPO”) of its shares in Argentina and abroad. As a result of the placement, 47,999,485 new shares were issued for the price of ARS 9.034 per share. The payment of new shares was effected in cash by means of the capitalizations of debtors resulting from liabilities assumed by the Corporation owing to the acquisition of shares in other companies. Currently, the shares of the Company are listed in Buenos Aires stock Exchange and in BM&FBOVESPA of Brazil, by means of a project of Brazilian Depositary Receipts or BDRs. Besides, the American Depositary Receipts (ADRs) Level I that represent the shares of the Company are traded at the OTC. The Company’s ordinary shares can be translated into BDRs or ADRs in a ratio 5:1.

1.2. Business models

TGLT is focused on the development of residential real estate undertakings in Argentina and Uruguay.

The business model of TGLT is based on their capability to identify the best plots of land and to build high-quality residential projects, supported by an excellent team of professionals, on the standardization of processes, on the support of sophisticated management tools that allow the Company to make new launches permanently and to operate a great number of projects simultaneously.

TGLT participates exclusively or substantially in the projects it develops, and it is committed to each project and in line with shareholders’ aims.

TGLT’s team controls and is part of every function performed in connection with real estate development, from the search and acquisition of lands, product design, marketing, sales, construction management, purchase of supplies, post-sale services and financial planning, with the councelling of businesses specialized in each development stage. Although the decision and control of these functions are kept within the organization of TGLT, the performance of some tasks, such as the architecture and the construction, are delegated to specialized companies, which are thoroughly supervised by TGLT. This business model allows the company to ensure an excellent production for each location and segment, granting an always efficient management of the working capital, and allowing them to choose the best partner for each development feature, keeping the size of the organization adaptable to the changes in the volume of business.

TGLT business model estimates a quick land rotation. Once the Company acquires a plot of land, it plans to lauch the project or the stages of the project within a period of three to six months. By doing so, TGLT seeks to avoid the fixing of capital that to accumulate a plot of land for long term exploitation means.

Note 1. Company information (continued)

1.2. Business models (continued)

As a reference, the range of tasks and the strategy of TGLT at the different stages of project development is the following:

Stages	Vision	Land acquisition	Product design	Marketing and Sales	Construction	Post Construction
Functions	Market Analysis	Search for land	Market research and comparison	Marketing Strategy	Pre construction	Quality control
	Zoning strategies	Feasibility study	Draft	Sales strategy	Hiring strategy	Product adaptations
	Plot of land strategies	Bargaining and structure	Executive project	Sales operation	Bidding for construction	Customer services
Strategy	Risk management	To obtain the best land in each sub market	Design the best products for each category	To maximize the sale rate and the total income	To build with the best quality for each product category	To have a real satisfied client portfolio
	Great projects	To keep a price discipline	Value engineering from the beginning of the design process	Development of a portfolio of renowned and valued trademarks	Discipline and cost control	To take care of all clients' necessities regarding real estate purchase
	Large scale projects	To focus on big cities		Own sales platform	Development of long-term relations with suppliers	
	Unique locations	To consolidate a plot of land for 3-year development, minimizing capital fixing by means of exchanges.		To avoid conflicting channels		
				To avoid reversal of prices		

1.3. Real estate undertakings

As to September 30, 2012, the Company participates individually and/or jointly with other investors in the following real estate urban projects (to obtain more information about the projects, see Note 42 "Segment Information"):

Forum Puerto Norte

The project consists in the construction of new buldings for dwelling houses and commercial offices, and is being developed on a plot of land of approximately 4 hectares. It is the only one having an enclosed perimetre in the Puerto Norte Area, which encloses, approximately, 178 metres of Parana River. The undertaking consists in the construction of 9 residential buildings, 2 office buildings, 22 commercial units and a boat parking with capacity for 100 boats, among other amenities. The architecture of the project was performed by the firm M.S.G.S.S.S. "Forum Puerto Norte" is an undertaking performed by the subsidiary Maltería del Puerto S.A.

Forum Alcorta

"Forum Alcorta" is located in Belgrano neighborhood in the City of Buenos Aires, on the premises where historically the postal service Limited Liability Company, OCA was located, surrounded by Ramsay, Juramento, Castañeda and Echeverría Streets. The Project is developed on a plot of land of about 13,000 square metres where three high-range residential buildings will be built in a block enclosed in a perimeter, with an extraordinary view of La Plata River. The project was designed by the firm M.S.G.S.S.S. and plans the construction of 158 residential dwellings and 400 underground parking lots. "Forum Alcorta" is an undertaking performed by the subsidiary Canfot S.A.

Note 1. Company information (continued)

1.3. Real Estate undertakings (continued)

Astor Palermo

The project is developed in Palermo Neighborhood, in the City of Buenos Aires, on a plot of land of 3,200 m2 on Beruti street, some metres away from Coronel Díaz Street and in front of Alto Palermo shopping centre. The development plans a single tower of 26 floors, with 210 units, four subfloors with different amenities for the buildings, as well as 171 commercial parking lots, 204 residential parking lots and cellars for residential units. The project was designed by the architects Dujovne—Hirsch and is being developed directly by TGLT.

Astor Núñez

The Project is located in Nuñez neighborhood, in the City of Buenos Aires. Such project is carried out on a plot of land of 4,759 square metres, surrounded by Cabildo Avenue, Pico, Vuelta de Obligado and Vedia Streets. The Project plans the development of a building for 12 commercial premises, a tower of 30 floors with 286 residential units and two subfloors with 310 parking lots and cellars.

“Astor Núñez” was projected by the architecture firm Mario Roberto Álvarez & Asociados and is performed by the Subsidiary Pico y Cabildo S.A.

Astor Caballito

Astor Caballito is an undertaking located in Caballito Neighborhood in the City of Buenos Aires, on a plot of land of 9,800 m2, surrounded by Felipe Vallese, Colpayo, Mendez de Andes and Rojas Streets. The undertaking includes the development of three towers for dwelling houses that will be built in stages, with a total of 500 residential units, two subfloors with parking lots and an amenities building. The project was designed by the architects Dujovne—Hirsch and is being developed directly by TGLT.

Venice

“Venice” is located in Tigre, in the province of Buenos Aires. The project is developed on a plot of land of about 32 hectares, for single family dwellings and commercial offices, as well as common areas for leisure and transit. The Master Plan of Venice was projected by the firm Duany Plater-Zyberk & Company (Miami, USA.) and Bodas, Miani, Anger Arquitectos (Buenos Aires), whereas the design of the first stage of the project was performed by the firm Mc Cormack Asociados. The undertaking is unique because it has 600 linear metres along the bank of Lujan River, in the intersection of such river and Canal Vinculación, which is a centre for nautical and leisure activities in the northern area of the Province of Buenos Aires. This project is unique due to the lack of plots of lands and the unsatisfied demand not only for marinas, but also for boat parks. The construction of the navigable infrastructure is planed in stages, and it will surround about 2,600 residential and commercial units, and 24 single family plots of land, that will take several years.

“Venice” is an undertaking performed by the subsidiary Marina Río Luján S.A.. 50 % of Marina Río Luján S.A. share capital belongs to TGLT.

Forum Puerto del Buceo

This developing real estate urban project is located in the City of Montevideo, Oriental Republic of Uruguay. Such project is developed on a plot of land of approximately 10,765 square metres located strategically on the Rambla República del Perú that goes along La Plata River. On that plot of land a curved building will be constructed in three phases, with 310 residential units and two subfloors with parking lots and cellars.

“Forum Puerto del Buceo” was designed by Carlos Ott Arquitectos, in association with Carlos Ponce de León Arquitectos, and it will be developed by the subsidiary FDB S.A. (previously called Miwok S.A.)

Note 1. Company information (continued)

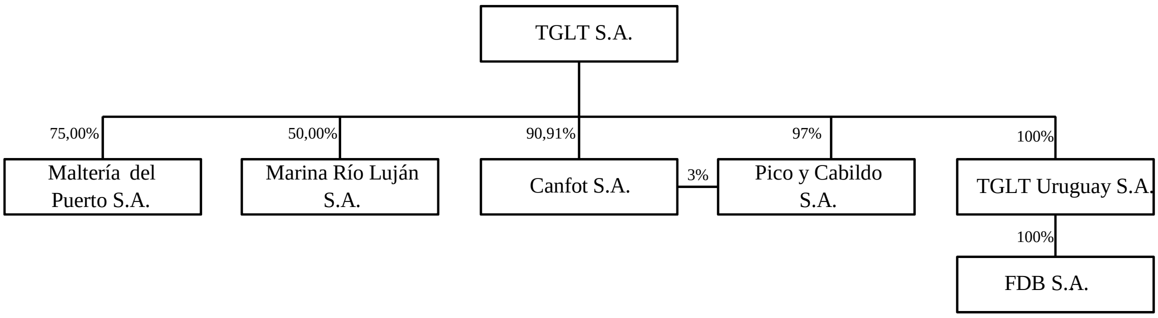
1.3. Real Estate undertakings (continued)

FACA

On March 15, 2011, the Company executed a memorandum of understanding with Servicios Portuarios S.A. (“SP”) to acquire for TGLT (or a controlled subsidiary of TGLT) a plot of land of 8.4 hectareas located in the city of Rosario, Provincia De Santa Fe, which adjoins the property on which “Forum Puerto Norte” project is being developed. For the design of the masterplan and the first phase of the project a renowned architect firm Foster & Partners (England) was hired, wheres the phase of the project facing the city has been undertaken by the firm Mc Comarck Asociados. The undertaking envisages a saleable area of approximately 120,000 square metres, and its first phase is planed to be launched at the beginning of 2013.

1.4. Company’s structure

The structure of the economic group TGLT (hereinafter “the Group”) is showed in the following outline:



The Group carries out the development of its real estate projects by TGLT S.A. or its subsidiaries, according to Note 1.3. TGLT Uruguay S.A. (previously called Birzey International S.A.) is an investment company limited by shares in Uruguay, which is a holding company for our projects in said country. FDB S.A. is a business company having its domicile in Montevideo, Oriental Republic of Uruguay.

Note 2. Use of the IFRS in accordance with the provisions of RT 26

The condensed consolidatedfinancial statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The interim condensed consolidated financial statements (hereinafter, the financial statements) are the first to be prepared according to the IFRS to be submitted before monitoring bodies.

The effects of the changes that are produced due to the implementation of such accounting standards are presented in Note 5. The application of the IFRS is mandatory for the Company pursuant to RG 562 of Argentine Security and Exchange Commission (Comisión Nacional de Valores, CNV). By means of such regulation the CNV adopted for certain entities under its control the Technical Resolution No. 26 (Adoption of International Financial Reporting Standards) issued by the International Accounting Standards Board (IASB) as amended by RT 29 (“Amendment to Technical Resolution No. 26”).

Note 3. Criteria for Presenting the Consolidated Financial Statements

3.1. Criteria for the presentation

The condensed consolidated balance sheet as to September 30, 2012, as to December 31, 2011 and as to December 31, 2010, and the condensed consolidated statement of income and of other comprehensive income for the period, the statement of changes to sharholder's equity and the statement of cash flow as to September 30, 2012 and 2011 have been presented pursuant to the Provisions of the International Accounting Standard 34 *"Interim Financial Reporting."* This condensed consolidated financial information must be read jointly with the individual consolidated financial statements of the Company as to December 31, 2011 and 2010, presented according to previous accounting standards; and the pertinent information provided in this financial statements was prepared according to the IFRS over said periods.
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 the application of Technical Resolution No. 26 of the F.A.C.P.C.E. (as amended by Technical Resolution No. 29, passed by the F.A.C.P.C.E. on December 3, 2010), which adopts the International Financing Reporting Standards issued by the International Accounting Standards Board (IASB) for certain entities included in the public offering system of 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.As the Company is included in the public offering system due to it's share capital, the enforcement of such standards is mandatory as from this year that commenced on January 1, 2012. These financial statements have been prepared under the historical cost basis of accounting, modified, when applicable, to adopt other basis of accounting as required by the IFRS.

These interim condensed consolidated financial statements correspond to a nine-month period commenced on January 1, 2012 and ended on September 30, 2012. According to the IFRS, the Company presents condensed consolidated accounting information in comparison with the last two fiscal years closed as to December 31, 2011 and 2010, and presents the statement of income and of other comprehensive income for the period, the statement of changes to shareholder's equity and the statement of cash flow, for the nine-month period ended as to September 30, 2012, in comparison with the same period of the previous accounting year; and the statement of income and of other comprehensive income for the period of three months starting on June 1, 2012 and ended on September 30, 2012 in comparison with the same period of the previous year.

3.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted as to this date

As the date of issuance of these financial statements, there are certain standards, amendments and interpretations to existing standards not yet enforced, which have not been adopted by the Company.

The Company did not adopt the IFRS or their revisions, which are detailed below, due to the fact that their enforcement is not required at the close of the period ended on September 30, 2012:

IFRS 9 (as amended in 2010: Financial Instruments (1),

IFRS 10: Consolidated Financial Statements (1),

IFRS 11: Joint Arrangements (1),

IFRS 12: Disclosure of Interests in Other Entities (1),

IFRS 13: Fair Value Measurement (1),

IAS 19: Employees' benefits (1)

IAS 32 and IFRS 7: Amendments about Offsetting Financial Assets and Financial Liabilities (2).

Improvements to the IFRSs issued in 2012 (3)

(1) Applicable standards for the years commencing on or after January 1, 2013.

Note 3. Criteria for Presenting the Consolidated Financial Statements (continued)

3.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted as to this date (continued)

(2) Applicable as from the periods commencing on 2014

On the other hand, the Company decided to adopt beforehand the ammendmet to IAS 1 regarding the presentation of the Statement of Other Comprehensive Income, issued on June, 2011, applicable as from July, 2012.

(3) They Include improvements to the following IFRSs: IFRS 1 First- time adoption of the International Financial Reporting Standards, IAS 1 Presentation of Financial Statements, IAS 16 Property Plant and Equipment, IAS 32 Financial Instruments: Presentation, IAS 35 Interim Financial Reporting. Applicable to annual periods commencing on January 1, 2013. Advanced application is allowed.

IFRS 9 titled "Financial Instruments"issued on November, 2009 and amended on October, 2010, introduces new requirements for the classification and measurement of financial assets and liabilities and to their disposal. IFRS 9 requires that all financial assets falling within the scope of IAS 39 Financial Instruments – Recognition and Measurement be measured after their depreciated cost or fair value. Specifically, debt investments within the scope of a business model , which aims at collecting contractual cash flow, and which have contractual cash flow consisting solely in payments of principal and interests on the effective share capital, are, in general, measured at the depreciated cost at the closing of subsequent accounting periods. All of the other debt or equity investments are measured at their fair values at closing of the subsequent accounting periods.

The most significant effect of IFSR 9 in connection with the classification and measurment of financial liabilities refers to the accounting entry of changes of the fair value of financial liabilities (determined as financial liabilities at their fair value with changes in the income) attributable to changes on the credit risk of such liability. Specifically, according to IFRS 9, for those financial liabilities that are designated as financial liabilities at their fair value with changes in the results, the amount of the change in the fair value of the financial liability, which is attributable to changes in the credit risk in that debt, is recognised through other comprehensive income, unless the recognition of the changes in the credit risk of the debt in other comprehensive income created or increased accounting mismatch. The changes in the fair value attributable to the credit risk of a financial liability are not subsequently reclassified as income. In the past, according to IAS 39, the total amount of change in the fair value of the financial liabilities designated at its fair value with changes in the results was recognised in gains and losses. The Company Management is analysing the potential impact of adopting this amendment. The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

IFRS 10 was issued by IASB on May 12, 2011. It sets forth the principles for the preparation and presentation of the consolidated financial statements when the entity controls one or more entities. IFRS 10 replaces the consolidation requirements set forth in SIC-12 "Consolidation- Special Purpose Entities" and IAS 27 "Consolidated and Separate Financial Statements." Although such standard is in effect for year periods starting as from January 1, 2013, advanced compliance of such standard is advisable. IFRS is based on existing principles to identify the control concept as the key factor to establish whether an entity must be included in the consolidated financial statements of the controlling company. Such standard provides additional orientation to help determining control where such control is difficult to evaluate. The Company Management is analysing the potential impact of adopting this amendment. The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

IFRS 11 "Joint Arrangements", issued by the IASB on May 12, 2011, provides to reflect the implications of joint arrangements in a more realistic way, focusing on the rights and liabilities of such arrangement instead of its legal form (as is the case currently). Such Standard is focused on solving the inconsistencies in the explanation of joint agreements as it requires a simple method to register jointly interests in controlled entities. The application of this standard will have an impact on the exposition and inversion in the joint business "Marina Río Luján S.A." owned by the Company. The Company Management is analysing the potential impact of adopting this amendment. The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

Note 3. Criteria for Presenting the Consolidated Financial Statements (continued)

3.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted as to this date (continued)

On May 12, 2011, IASB issued IFRS 12 "Disclosure of Interests in Other Entities". IFRS 12 is a new complete standard dealing with the requirements of explanation for every kind of interest in other entities, including subsidiaries, joint agreements and associated entities and non-consolidated structures. Applicable to annual periods commencing on January 1, 2013. Advanced application is adviced. The Company Management is analysing the potential impact of adopting this amendment.

The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

Amendment to IAS 19 includes a number of specific improvements to the Standard. The main changes refer to:

- Eliminating the "corridor method", by requiring entities to recognise actuarial gain and losses arising on the period.
- Rationalising the presentation of changes in assets and liabilities of the plan;
- Improving the explanation requirements, including information regarding the characteristics of the benefit plans and the risks the entities are exposed to by participating in such plans.

The amended version of IAS 19 is effective for the years commencing on January 1, 2013. The Company Management considers that enforcement of this standard will not have a significant impact.

On May 12, 2011, IAS and the Financial Accounting Standards Board (FASB) issued a new guide regarding the measurement of the fair value and the requirements for the divulgation of IFRS and the US GAAP. The guide is enclosed in the IFRS 13 "Fair Value Measurement" and completes a project of the joint tasks of the boards to improve the IFRS and the US GAAP, aiming at making such regulations converge.

IFRS 13 provides for a single structure to measure the fair value when such is required by other standards. This IFRS is applied to financial elements, as well as non-financial elements, both measured at their fair value.

The fair value is measured as the price that would be received to sell an asset or paid to transfer a liability in an ordered transaction between the market participants to the measurement date." The Board of Directors establishes in advance that IFRS 13 will be adopted in the Group financial statements for the year commencing on January 1, 2013. The changes may not affect significantly the disclosures in the Group financial statements. However, it may not be possible to reasonably determine the impact of the potential effect until a detailed analysis has been performed.

On June 2011 the IASB issued Presentation of Items of Other Comprehensive Income (amendments to IAS 1). Such amendments improved the coherence and clarity of the presentation of items of other comprehensive income (OCI).

Such amendments clearly stated that the Board should include in the presentation the income for the period and the presentation of the OCI jointly and with the same degree of importance. As it was explained in the paragraph IN13, IAS 1 was amended in 2007 to require that the result for the period and the OCI be presented jointly. The amendments issued on June, 2011 maintained this requirement, but focusing on improving the way in which the items of OCI are presented.

The main change derived from the amendments was that entities were required to group the items presented in OCI based on whether they can be potentially reclassified later at the income for the period. The amendments did not state which items were presented in OCI.

The amendments did not change the option to present the items of OCI before taxes or net after taxes. However, if the items are presented before taxes, the tax related with each of the groups of the items of OCI (the ones that can be reclassified and those that will not be reclassified) should be presented separately.

Although the amendment to IAS 1 is mandatory as from July 2012, the Company decided to apply it in advance.

Note 3. Criteria for Presenting the Consolidated Financial Statements (continued)

3.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted as to this date (continued)

The amendment "Offsetting Financial Assets and Financial Liabilities" (Amendments to IAS 32 and IFRS 7), issued in December 2011, revoked paragraph GA38 and added paragraphs GA38A to GA38F. Entities will apply these amendments to yearly periods that begin on January 1, 2014. A company can apply these modifications retroactively. Early application of the same is allowed. If an entity applies these amendments as from a previous date, it must reveal this fact as well as reveal the information required in Diclosure-Offseting of Financial Assets and Liabilities" (Amendments to IFRS 7), issued in December, 2011.

In May, 2012 IASB published "Improvements to International Financial Reporting Standards", through which several standards were amended. The effective date of each amendment is detailed in each of the standards amended. Such standards, revisions and interpretations are not applicable for the year commenced on January 1, 2012, and were not adopted early.

The Company Management is analyzing the potential impact that the early application of such standards would cause on the financial situation of the Company and in the operating results.

Note 4. Summary of the Main Accounting Policies Applied

4.1. Applicable accounting standards

These condensed consolidated financial statements have been prepared using specific IFRS measurements for every type of asset, liability, income, and expenses. An exhaustive description of the measurement criteria is provided below.

The consolidated and individual reports attached are presented in pesos (ARS), the legal tender in the Argentine Republic, prepared on the basis of TGLT S.A. accounting entries and its controlled subsidiaries. Preparation of this financial report −for which the Company's Board of Directors is responsible requires the board to perform certain accounting estimates and use its judgement when applying certain accounting standards. The areas with a greater degree of complexity and that often require using criteria, or those in which hypotheses or estimates are significant are detailed in Note 4.22 regarding criteria, accounting estimates, and relevant hypothesis.

These interim condensed consolidated financial statements have been approved by the Board of Directors at the meeting held on November 9, 2012.

4.2. Consolidation Criteria

TGLT's interim condensed consolidated financial statements include interim financial information from the Company, its controlled subsidiaries, and its jointly controlled subsidiaries. They are considered controlled subsidiaries when the Company has the power to govern their financial and operational policies in order to obtain benefits from their activities, assuming that they meet these characteristics when it has over half of the voting rights directly or indirectly.

The financial statements of the controlled subsidiaries and those of its jointly controlled subsidiaries used to prepare the condensed consolidated financial statements were drafted according to other accounting standards.

Based on the foregoing paragraph, and for the purposes of applying accounting regulations standardized with TGLT S.A., the standards used by the exclusive or joint controlled subsidiaries and those resulting from the application of Technical Resolution No. 26 (application of the IFRS) were reconciled for the following items: a) total shareholder's equity and b) net income for the year (according to the standard applied) and net income for the year (according to IFRS), and that amount to the total comprehensive income for the year.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.2. Consolidation Criteria (continued)

The Board of Directors that approved the referred financial statements of the exclusively or jointly controlled subsidiaries, or those influenced significantly were subject to application of monitoring and confirmation mechanisms on a management level contemplated by all the significant items treated differently by the standards used and the IFRS, in accordance with General Resolution No. 592 by the Argentine Securities and Exchange Commission. Therefore, the amounts reported in the subsidiaries' individual financial statements have been adjusted where they required a measurement that was consistent with the accounting policies adopted by TGLT S.A.

In the case of TGLT Uruguay S.A. and its subsidiary FDB S.A., the assets and liabilities were converted to Argentine pesos at the exchange rates in effect to the date of those financial statements. The income accounts were converted to Argentine pesos at the exchange rates in effect to the date of those transactions.

For the jointly controlled company, the respective proportion was added to assets, liabilities, income and cash flow.

In all cases, the credit and debt and transactions among entities of the consolidated group were eliminated during consolidation. The income resulting from transactions among members of the consolidated group that were not projected to third parties and included in the final asset balances were eliminated completely.

The controlled companies and the jointly controlled companies, whose financial statements have been included in these interim condensed consolidated financial statements, are the following:

Company	Control	Share Percentage as to 30/09/2012 and 31/12/2011 (1)	Share Percentage as to 31/12/2010	Consolidation Method
Canfot S.A.	Exclusive	90,91 % (2)	75,04 %	Comprehensive
Pico y Cabildo S.A.	Exclusive	99,73 % (3)	-	Comprehensive
Maltería del Puerto S.A.	Exclusive	75,00 %	75,00 %	Comprehensive
Marina Río Luján S.A.	Joint	49,99 %	49,99 %	Proportional
TGLT Uruguay S.A.	Exclusive	100,00 % (4)	-	Comprehensive

(1) Direct and indirect share
(2) See note 38.1
(3) See note 38.2
(4) Company acquired by TGLT in October, 2011. Furthermore, in November 2011, TGLT Uruguay S.A. acquired 100% of the share capital of FCB S.A. (See Note 38.3).

Non-controlling shares, presented as part of the shareholder's equity, represent the part of profits or losses and net asses of a subsidiary, which are not owned by TGLT. The Company Management ascribes the total other comprehensive income or losss of the subsidiaries to the owners of the controlling company and the non-controlling shares based on their respective shares.

4.3. Functional Currency

For the purposes of these condensed consolidated financial statements, the income and balance sheet of each entity are expressed in pesos (legal tender of the Argentine Republic), which is the functional currency (currency of the main economic environment in which a company operates) for all companies with a legal domicile in the Argentine Republic, being the currency in which consolidated are presented. The functional currency of TGLT S.A. Uruguay and its subsidiary FDB S.A., located in the Oriental Republic of Uruguay, is the American dollar.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.3. Functional Currency (continued)

When preparing the financial statements of individual entities, the transactions in currencies other than the entity's functional currency (foreign currency) were entered using the exchange rates on the dates when the transactions were performed. At the end of the period and of each fiscal year reported, the monetary items expressed in foreign currencies were converted using the exchange rates in effect on that date.

The non-monetary items entered at their fair value, expressed in foreign currencies, were reconverted using the exchange rates in effect on the date when the fair value was determined. Non-monetary items calculated in terms of historical costs in foreign currency were not reconverted.

4.4. Loan Costs

The financial costs incurred through loans obtained to directly finance real estate urban projects (undergoing development), are included as part of the cost of such assets, in accordance with the provisions set forth in IAS 23 "Loan Costs."

Additionally, for generic loans −that is, those not assigned specifically to a particular real estate urban project− the assignment criterion provided for in paragraph 14 of the referred IAS was used.

The amount of costs for loans capitalized during the period and the fiscal years reported does not exceed the total loan costs incurred during that same period and fiscal years, respectively.

The remaining loan costs are included as profits and losses when they are incurred.

4.5. Taxes

The Income Tax charge represents the total current Income Tax, generated by tax losses, and the Deferred Tax, that results from temporary differences between accounting and tax measurements.

4.6. Current Taxes

The charge for the current tax was based on the tax losses recorded for the period/fiscal year. The tax income differed from the income reported in the consolidated statement of comprehensive income due to the income or taxable expense or deductible items from other years and due to the items that will never be taxable or deductible.

The current tax charge was calculated using the tax rates promoted or substantially approved to the end of the fiscal year reported in countries in which the Group's companies are located. The current taxes were entered as income or expenses and included in the comprehensive income.

4.7. Deferred taxes

The Deferred Tax was recognised for the temporary discrepancies between accounting criteria applied to the assets and liabilities included in the financial statements and their respective tax criteria.

The Deferred Tax Liabilities were generally recognised for all future temporary taxable discrepancies. The Deferred Tax Assets were recognised for all the temporary deductible discrepancies to the extent that it was deemed likely that the entity would have future tax earnings from which to charge these temporary deductible discrepancies. These assets and liabilities were not recognised when the temporary discrepancies were the result of capital gain or of the initial recognition (different from the one generated in a joint business) of other assets and liabilities in transactions that did not bear on tax earnings or accounting earnings.

The Deferred Tax Assets and Liabilities were measured using the tax rates. The application of those rates is expected during the period in which the assets is realized or the liability paid, based on the rates (and tax laws) approved, or in the final stages of approval, by the end of the period or fiscal year reported.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.7. Deferred Taxes (continued)

Measurement of the Deferred Tax Liabilities and Deferred Tax Assets at the end of the period/fiscal year being reported reflect the tax consequences of the way in which the entity intends to recover or liquidate the amount of its assets or liabilities in its books.

Deferred Tax Assets were only offset with the Deferred Tax Liabilities when a) the right to compensate them was legally allowed by tax authorities, and when b) the deferred tax assets and liabilities result from the relevant Income Tax paid to the same tax authorities and TGLT S.A. had the intention of liquidating its assets and liabilities as net assets and liabilities. Deferred Tax charges were entered as income or expenses and included in the comprehensive income.

4.8. Assumed minimum income tax

The Assumed Minimum Income Tax is supplementary to the Income Tax because, whereas the latter is applied to the taxable income of each fiscal year, the Assumed Minimum Income Tax is a minimum tax of 1% applied to income potentially obtained from certain productive assets at the closing of the period/fiscal year, and the company must pay whichever of the two taxes amounts to more. However, if the Assumed Minimum Income Tax exceeds the Income Tax in a fiscal year, the excess may be credited to any amount by which the Corporate Income Tax exceeds the Assumed Minimum Income Tax in any of the ten following periods.

During the period ended on September 30, 2012, the amount calculated as Assumed Minimum Income Tax in excess of the Income Tax was ARS 7,793,763. This amount, which added to the charges from previous fiscal years represents ARS 26,322,417 in credit, is listed under “Tax Assets” entry as a non-current assets, because the amounts paid for this tax are considered recoverable before they are barred by a statute of limitations.

4.9. Property, plant and equipment

Property, plant and equipment are expressed at the net cost of the cumulative depreciation and the cumulative losses due to impairment, when applicable. This cost includes the cost of replacing part of the property, plant, and equipment, as well as loan costs incurred due to long term construction projects, if the requirements for entering them are fulfilled.

Significant components of property plant and equipment that must be replaced periodically are recognised by the Company as individual separate assets, with their specific useful lives and respective depreciations. Likewise, when a major inspection or repair is performed, the cost incurred is recognised as a replacement in the book value of the plant and equipment if the criteria for recognizing them are met. Any other repair and maintenance costs are entered in the statement of income as they are incurred.

Depreciation is calculated using the straight-line method, applying rates that are sufficient to extinguish their values at the end of the estimated useful life. These useful lives are based on criteria and standards that are reasonable according to the experience obtained by the Company Management.

For more information regarding the useful lives assigned, please refer to Note 4.22 (Opinion, Accounting Estimates and Significant Assumptions).

Property, plant and equipment components or any significant parts of the same recognised initially are written off when they are sold or when no future financial benefits from its use or sale are expected. Any earnings or losses at the time an asset is written off (calculated as the difference between the net income obtained from the sale of the asset and its book value) are included in the statements of income when the asset is written off.

The residual values, useful lives, and depreciation methods and rates of the assets are checked and adjusted prospectively to the closing date of each period or fiscal year when necessary. The evolution of property, plant, and equipment assets is presented in Note 10.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.10. Intangible assets

4.10.1 Trademarks and Software

This includes expenses incurred in software acquisition and brand registry. The intangible assets acquired are initially measured at their cost value. Following the initial recognition, they are entered in the books at their cost value minus any cumulative amortization and any cumulative loss due to impairment.

Amortization is calculated using the straight-line method, the rate of which is determined based on the useful life assigned to the assets as from the month they are incorporated inclusive. The evolution of intangible assets is included in Note 11.

The amortization period and method for intangible assets with a predetermined useful life are checked at least at the close of each period reported. The changes in useful life expected or pattern for consumption of the asset expected are entered in the books upon changing periods or amortization methods, as the case may be, and they are treated as changes in accounting estimates. The amortization expense in intangible assets with finite useful lives is listed in the statement of income under the expense category that is consistent with the purpose of the intangible asset in question.

Any gain or loss that results from writing off an intangible asset are calculated as the difference between the net income obtained from the sale and the asset book value, included in the statements of income when the asset is written off.

4.10.2 Expenses incurred in Software Research and Development

Research expenses are entered in the books as expenses as they are incurred. Software development expenses incurred in a specific project are listed as intangible assets when the Company can prove the following:

- The technical feasibility of completing the intangible asset so that it is available for its expected use or sale.
- Its intention of completing the asset and its capacity to use or sell it.
- How the asset will generate future financial benefits.
- The availability of resources for completing the asset.
- The capacity to perform reliable measurements of disbursements during their development.

Alter a development expense is initially recognised as an asset, the cost model is applied, which requires that the asset be entered in the books at its cost value minus the cumulative amortization and cumulative losses due to impairment. Amortization of assets begins when development has been completed and the asset is available for use. The asset is amortized throughout the period in which generation of future financial benefits is expected. During the development period, the asset is subject to yearly tests for determining whether there has been impairment.

4.11. Impairment test of capital gain, of intangible assets and of property, plant and equipment

As a general rule, IAS 36 establishes that at the closing of each period reported, the Management must evaluate whether there is any indication of the impairment of a non-financial asset. If there is any such indication, or when yearly impairment tests for determining the impairment of assets are required, the recoverable value of such asset is estimated. The recoverable value of an asset is the fair value minus the sale cost –whether it is of an asset or of a cash generating unit– and its in-use value, whichever is greater, and it is determined for individual assets unless the asset does not generate cash flow substantially independent from other assets or asset groups. When the book value of an asset or of a cash generating unit is greater than its recoverable value, the asset is considered impaired, and its value is reduced to its recoverable value.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.11. Impairment test of capital gain, of intangible assets and of property, plant and equipment (continued)

When evaluating the in-use value, the estimated cash flow is deducted of its present value using a before tax deduction rate that reflects current market evaluations of the temporary value of money and the asset specific risks. To determine the fair value minus the sales cost, recent market transactions are taken into account, if there are any. If this type of transaction cannot be identified, the valuation model deemed most appropriate is used.

To determine the decrease in the capital gains resulting from business combinations, such capital gains were distributed among each of the Company's Cash-Generating Units (CGU) that have benefited from business combination synergies. This forces the Company to conduct impairment tests on the CGUs on each date of issuance of financial statements including such CGUs.

Due to the fact that the remaining assets that must undergo the impairment test set forth in IAS 36 are included in any of the CGUs to which capital gain was assigned, the Company must carry out the impairment test on each date on which financial statements are prepared, regardless of whether or not there are indications of impairment. Consequently, creating a procedure for monitoring indications was not necessary, according to what IAS 36 sets forth.

The management bases its calculation of impairment on detailed estimates and prediction calculations conducted separately for each of the Group cash generating units to which individual assets are assigned. In general, the estimates and prediction calculations cover five-year periods. For longer periods, a long-term growth rate is calculated and applied to the future cash flow of the project as from the fifth year.

Losses due to impairment of continued transactions, including the impairment of assets, are included in the statement of income under the expense category for the function of the deteriorated asset, except in the case of properties previously revaluated when the revaluation has been included in the other comprehensive income. In this case, the impairment is also included in the other comprehensive income until reaching any evaluation previously recognised.

For assets in general, once the capital gain has been excluded, at the closing date of each period reported, an evaluation is performed to determine whether or not there is any indication that losses due to impairment previously recognised no longer exist or have decreased. If there is any such indication, the Management conducts an estimate of the recoverable amount of the asset or of the cash-generating unit. A loss due to impairment previously recognised is only reverted if there has been a change in the assumptions used for determining the recoverable value of an asset as from the last time the last loss due to impairment has been recognised. This reversal is limited in such a way that the asset book value does not exceed its recoverable value or exceed the book value determined, net of the respective depreciation, if no loss due to deterioration for the asset has been recognised in previous periods. This reversal is included in the statement of income unless the asset is entered in the books based on its newly assigned value, in which case the reversal is treated as a revaluation increase.

The following criteria are also applied to evaluation of impairment of specific assets:

Capital gain

Capital gain is tested yearly (as to December 31) and when there are circumstances indicating that their book value may have deteriorated, to determine whether there is impairment.

Capital gain impairment is determined by evaluating the recoverable value of each cash-generating unit (or group of cash-generating units) related to the capital gain. When the recoverable value of each cash-generating unit is lower than its book value, a value deterioration loss is recognised. Losses due to impairment related to capital gain cannot be reverted in future periods.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.11. Impairment test of capital gain, of intangible assets and of property, plant and equipment

As to September 30, 2012, the Company Management determined that the capital gain related to the investment in Maltería del Puerto S.A. was impaired in ARS 31,396,853 (See Note 13 and 40).

Intangible assets

Intangible assets with indefinite useful lives undergo tests for determining if there is any value deterioration, whether it is done individually or for the cash-generating unit, as the case may be.

4.12. Inventories

Inventories include developing urban real estate (works in process) and completed units ready for sale.

4.12.1 Real Estate Urban Projects

Real estate classified as inventories are valued at the acquisition and/or construction costs, or at their estimated market value, whichever is lower. The value of the land and improvements, direct costs and general construction expenses, loan costs (when the requirement set forth in IAS 24 are met), and real estate taxes are included in the costs.

Additionally, and as a result of the restatement of business combinations (for more information on this topic see Note 4.16 “Business Combinations”) performed by the Company, the greatest value of the differences in measurement of net assets that can be identified when performing the referred business combinations are listed under this account. Therefore, the greatest inventory value is obtained mainly by comparing the book values and the respective fair values of the main assets owned by the companies incorporated at that time (inventories).

The fair value of net assets that can be identified was obtained from the reports issued by independent professional experts on this subject when business combinations occurred.

4.12.2 Complete Units

The units of real estate urban projects are listed as “Complete Units” when the construction process has finished and such units can be conveyed or sold. Disbursements after construction has been completed are recognised as income, as long as they are not part of post-construction costs required for the units to be ready for conveyance or sale.

4.13. Leases

Pursuant to IAS 17 “Leases”, the financial ownership of an asset in a financial lease is transferred to the lessee if the lessee takes on substantially all the risks and rewards of ownership of such leased asset. The related asset is thus recognised at the beginning of the lease at its fair value or at the value of the minimum payments for the lease if the latter is a lower amount, established at the beginning of the lease.

As to September 30, 2012, the Company has not entered into financial lease agreements.

All other leases are treated as operating leases. Operating lease payments are listed lineally as expenses based on the lease agreement, and related costs such as maintenance and insurance are listed as expenses when they are incurred.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.14. Acknowledgement of income

In general, income is recognised on the basis of the fair value of the consideration charged or to be charged, taking into account the estimated amount of any deduction, bonus, or commercial reduction provided by the entity.

Sale of Complete Units (Inventories)

Regular income obtained from the sale of assets was recognised once each and every of the following conditions was met:

- The Company transferred to the buyer significant risks and benefits derived from ownership of the assets.
- The company did not continue participating in the current management of the assets sold, in matters usually associated with ownership, and neither did it maintain actual control over such assets.
- The amount of the regular income was calculated reliably.
- It was deemed likely that the Company would receive financial benefits related to the transaction.
- The costs incurred or to be incurred and related to the transaction were calculated reliably.

4.15. Classification of Entries into Current and Non-current

The Company classifies an asset as a current asset when it meets any of the following criteria:

a) Its realization is expected, or its sale or consumption is intended within the entity regular operating cycle;
b) It is maintained primarily for the purposes of trading;
c) Its realization is expected for the twelve-month period following the balance sheet date; or
d) It is cash or a cash equivalent (as defined in IAS 7), not applied to restrictions to being exchanged or used to pay a liability, at least within the twelve-month period following the balance sheet date.

Any other assets are classified as non-current assets.

Additionally, liabilities are listed as current liabilities when they meet any of the following criteria:

a) Its liquidation is expected during the entity regular business cycle;
b) It is maintained primarily for the purposes of trading;
c) It must be liquidated within the twelve-month period as of the date of the balance sheet; or
d) The entity is not entitled unconditionally to extend the timeframe for paying the liability for at least the twelve months that follow the date of the balance sheet.

Any other liabilities are classified as non-current liabilities.

Pursuant to the provisions of IAS 1, an entity normal operating cycle is the period between the acquisition of material assets incorporated in the production process, and the realization of the products as cash or cash equivalents. In the case of development of real estate projects, which are the Company's main line of business, the normal operating cycle is the period between the launch of sales and construction and the conveyance of functional units.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.16. Business Combinations

The Company opted for restating the business combinations prior to the date of transition to the IFRS (December 31, 2010), and acquiring of its stock in the joint controlled entity “Marina Río Luján S.A.”, in accordance with the provisions set forth in IFRS 1.

Thus, the Company recognised all the assets and liabilities on the date of the business combinations prior to the date of transition to the IFRS and calculated them as at said date based on their fair values on the date of acquisition, as required by IFRS 3 “Business Combinations” and IAS 31 “Interests in Joint Ventures”.

Additionally, non-controlling equity interests (previously referred to as “minority interest”) acquired through business combinations prior to the date of transition to IFRS (Canfot S.A. and Maltería del Puerto S.A.), were recalculated and updated as follows:

a) As from the date of acquisition of each one of the business combinations until December 31, 2010 (date of transition to IFRS), this being the amount listed for this concept in the opening statement of income; and

b) From December 31, 2010 to December 31, 2011, according to equity interests by non-controlled shareholders on the profits and losses obtained during 2011 by the controlling companies and changes that took place during this year that have not caused changes in control relationships; this being the amount listed for this concept in the condensed, consolidated financial statement of income as to December 31, 2011, in accordance with the IFRS.

Finally, upon recalculating the business combinations prior to the date of transition to the IFRS (and acquisition of the jointly controlled entity “Marina Río Luján S.A.”), the Company has proceeded to also recalculate the added values related to the referred acquisitions.

In summary, the purchases were entered in the books by applying the acquisition method. The consideration obtained as a result of the acquisition was calculated at the estimated fair value (at the date of exchange) of the assets assigned and liabilities incurred or assumed and the equity instruments, except for the deferred tax assets or liabilities, or assets related to agreements entailing benefits for employees that were included and calculated pursuant to IAS 12, “Income Taxes”, and IAS 19 “Employees’ Benefits”, respectively.

The costs associated with the acquisition were included under profits and losses upon being incurred.

4.17. Capital Gains

These result from the restatement of business combinations prior to December 31, 2010 (See Note 38.) The capital gain is the amount that exceeds the sum of the consideration transferred, the amount of any non-controlling equity interest in the entity acquired—when applicable—and the fair value of the equity interest that the purchaser previously had (when applicable) in the entity in relation to the net amount as to the date of acquisition of the identifiable assets required and liabilities assumed.

Goodwill is not amortized, but at the date of each report is revised to determine whether it is necessary to acknowledge any impairment. (See note 40.) For the purposes of evaluating the impairment, capital gain is assigned to each of the Company cash generating units for which benefits from the synergies of the respective combination are expected. The cash-generating units to which capital gain is assigned undergo impairment tests on yearly basis, or more frequently if there are indications that the unit may have been impaired. If the recoverable amount of the cash-generating unit is lower than the book value of such unit, the loss due to impairment is first assigned to reducing the book value of the capital gain assigned to the unit and then to other assets of the unit, proportionally. To do this, the book value of each asset is used as a basis. Loss due to impairment recognised for the purposes of capital gain is not reverted in any subsequent period.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.17. Capital Gains (continued)

Changes in the interest in ownership of a subsidiary are entered in the books as equity transactions and do not affect the book value of the capital gain.

As to September 30, 2012, the capital gain related to Maltería del Puerto S.A. has undergone impairment for the amount of 31,396,853, which is explained in Note 40.

4.18. Allowances

Allowances were recognised in the cases at which the Company was faced with a current obligation (whether it was legal or implied) for which it was responsible and that resulted from a past event, and then had to let go resources that brought financial benefits to discharge such obligation, and when it was possible to reasonably estimate the amount of the obligation.

The amount listed as an allowance was the best estimate of the disbursement required for discharging the current obligation, at the close of the period reported, taking in to account the respective risks and uncertainties. When an allowance is calculated using the cash flow estimated for discharging a current obligation, its book value represents the current value of said cash flow.

When recovery of some or all the financial benefits required to cancel an allowance was required, an account receivable was listed as an asset if it was virtually certain that the payment would be received and the amount receivable could be calculated reliably.

Note 35 contains a detailed description of the main claims received by the Company.

4.19. Financial Assets and Liabilities, Loans, and Accounts Receivable and Payable

4.19.1 Financial Assets

1) Initial Measurement

Financial assets under IAS 39 are classified as financial assets at their fair value with changes in income, loans and account receivable, investments maintained until their due date, financial assets available for sale, or as derivatives assigned as hedge instrument with effective coverage, as applicable. The Company determines how these financial assets are classified when they are initially recognised.

All the financial assets are initially listed at their fair value plus –for financial assets not entered into the books at their fair value with changes in income– transaction costs that can be directly ascribed.

Purchases or sale of financial assets that require delivery of assets within a term established in a regulation or market agreement (conventional sales agreement) are entered on the date of the purchase, that is, the date when the Company commits to purchase or sell the asset.

The Company financial assets include cash and short-term placements, trade receivables, loans, and other accounts receivable and listed and unlisted financial instruments.

2) Subsequent Measurement: Financial assets are measured subsequently in the following way, depending on their classification:

a) Financial Assets at fair value with changes in income

Financial assets at fair value with changes in income include the assets maintained for the purposes of trading and the financial assets allotted when initially recognised, and at the fair value with changes in income. Financial assets are classified as maintained for negotiating purposes when they are acquired to be sold or repurchased in the near future.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.19. Financial Assets and Liabilities, Loans, and Accounts Receivable and Payable (continued)

Financial assets at their fair values with changes in income are entered in the financial statement of income at their fair values, and the changes in this fair value are recognised as income or financial costs in the statement of income.

b) Loans and accounts receivable

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. Following their initial recognition, these financial assets are measured at their amortized costs by means of the effective interest rate method, minus any impairment. Amortized costs are calculated by contemplating any deduction or goodwill for acquisition, and the commissions or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is recognised as financial income in the statement of income. The losses resulting from impairment are entered in the statement of income as financial costs.

c) Investments Maintained until Expiry

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates are classified as maintained until maturity when the Company has the intention and capacity of maintaining them until their maturity date. Following their initial recognition, investments maintained until maturity are measured at their amortized costs by means of the effective interest rate method, minus any impairment. Amortized costs are calculated by contemplating any deduction or goodwill for acquisition, and the commissions or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is recognised as financial income in the statement of income. The losses that result from impairment are entered in the statement of income as financial costs.

4.19.2 Financial liabilities

1) Initial Recognition and Measurement

Financial liabilities under IAS 39 are classified as financial liabilities at their fair value with changes in income, loans and accounts payable, or as derivatives assigned as hedge instruments with effective coverage, as applicable. The Company determines how these financial liabilities are classified when they are recognised initially.

All financial liabilities are initially recognised at their fair value plus –for loans and accounts payable– transaction costs that can be ascribed directly.

The Company's financial liabilities include commercial accounts payable, loans and other accounts payable and overdrafts in bank current accounts.

2) Subsequent Measurement

Financial liabilities are measured subsequently in the following way, depending on their classification:

a) Financial liabilities at fair value with changes in income

Financial liabilities at fair value with changes in income include the financial liabilities maintained for the purposes of trading and the financial liabilities allotted when initially recognised, and at the fair value with changes in income.

Financial liabilities are classified as maintained for negotiating purposes when they are incurred for the purposes of negotiating in the near future.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.19. Financial Assets and Liabilities, Loans, and Accounts Receivable and Payable (continued)

Earnings or losses due to liabilities maintained for the purposes of trading are recognised in the statement of incomes.

b) Loas that accrue interests

Following their initial recognition, loans that accrue interest are measured at their amortized cost using the effective interest rate method. Earnings and losses are recognised in the statement of income when liabilities are written off, as well as through the amortization process using the effective interest rate method.

Amortized costs are calculated by contemplating any deduction or goodwill for acquisition, and the commissions or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is recognised as financial cost in the statement of income.

4.20. 4.20. Short-Term Employees' benefits

Short-term employees' benefits, including the right to holidays are current liabilities included under pensions and other obligations with employees, measured at the amount deducted that the Company expects to pay as a result of its unused benefits.

4.21. Shareholders' Equity Accounts

Shareholder's equity items were prepared in accordance with the accounting standards in effect to the date of transition. The movements listed under this item were accounted for in accordance with the respective meeting decisions, legal provisions or regulations (Reserves), although said items would not have existed or would have had different balances had the IFRS been applied in the past.

4.21.1. **Share capital**

This is made up of contributions committed to or performed by Shareholders represented by shares of stock, and includes outstanding shares at a par value.

4.21.2. **Statutory reserve**

In accordance with the provisions set forth by Law No. 19550, the Company must maintain a statutory reserve not inferior to 5% of the positive result of the algebraic sum of the profits and losses for the fiscal year, adjustments of previous fiscal years, transfers of other comprehensive income to cumulative income, and losses accumulated from previous fiscal years, until reaching 20% of the Share Capital.

4.21.3. **Cumulative Income**

This includes earnings or losses, accumulated but not specifically allotted, which, when positive, may be distributed if decided on at Shareholder's Meeting, provided they are not subject to legal restrictions such as the one referred to in the previous paragraph. It includes the income from previous fiscal years that were not distributed, the amounts transferred from other comprehensive income, and adjustments to previous fiscal years as a result of applying accounting standards.

In order to absorb the negative balance of the "Cumulative Income" account, when applicable, at the closing of the fiscal year to be considered at the Shareholders' Meeting, the balances must be earmarked in the following order:

a) Reserved earnings (voluntary, statutory and legal, in that order);

b) Capital Contributions;

c) Issuance premiums and own share negotiation (when the balance of this account is positive);

d) Other equity instruments (when it is legal and feasible from a corporate standpoint);

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.21. Shareholders' Equity Accounts (continued)

4.21.3. **Cumulative Income (continued)**

e) Capital adjustments, and

f) Share capital.

4.22. Good judgement, Accounting Estimates, and Significant Assumptions

Preparation of the Company's financial statements requires that the Management deliver good judgement, accounting estimates and significant assumptions that affect the amounts of income, expenses, assets and liabilities reported and the disclosure of contingent liabilities, at the closing of the period/fiscal years reported. In this sense, the uncertainty regarding these assumptions and estimates may result in profit and losses that will require a significant adjustment in future periods of the amount of assets or liabilities earmarked and entered into the books.

In the process of applying the Company's accounting policies, Management did not pass judgement with a potentially significant effect on the amounts recognised in the condensed consolidated financial statements, except for what was indicated regarding recognition of tax credits.

The main accounting estimates and underlying assumptions included in the Company condensed consolidated financial statements as to September 30, 2012 are described below. Such estimates and assumptions are periodically reviewed by the Management. The effects of the reviews of the accounting estimates are recognised in the period/fiscal year in which the estimates are reviewed, whether it is in the current period or fiscal year or in a future one.

a) Estimate of Useful Lives:

Bellow, there is a description of the periods during which the Management believes that the assets will no longer be usable or will stop benefiting the Company financially:

	Useful life
Chattels and supplies	10 years
Hardware	5 years
Leasehold improvements	5 years
Facilities	5 years
Trademarks	10 years
Software	3 years
Software development	3 years
Showrooms	3 years

The Management reviews its estimates upon the useful lives of depreciable or amortizable assets to the date of each period/fiscal year, based on the usefulness expected for the assets. The uncertainty of these estimates is related to the technical obsolescence that could change the usefulness of certain assets such as software or technological equipment.

Capital gain has been classified as having an undefined useful life and is subject to impairment analysis.

b) Estimate of the impairment of non-cash assets.

There is impairment when the book value of an asset or cash generating unit exceeds its recoverable amount, which is the fair value minus the sales costs, or its use value, whichever one is greater. Calculation of the fair value minus sales costs is based on information available regarding similar sales transactions, performed by independent parties for similar assets, or at observable market prices, minus the incremental costs incurred in transferring ownership of the asset.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.22. Good judgement, Accounting Estimates, and Significant Assumptions (continued)

Calculation of the use value is based on discounted cash flow model. Cash flow is obtained from the budget for the next five years and do not include restructuring activities to which the Company has not yet committed, or significant future investments that will increase the performance of the asset or of the cash-generating unit subject to testing. The recoverable amount is very sensitive to the discount rate used for the discounted cash flow model, and to entries of future funds expected at the growth rate used for the purposes of extrapolation, and therefore, the uncertainty is related to said estimate variables.

c) Taxes

The Company establishes allowances based on reasonable estimates. The amount of said allowances is based on various factors, such as experience with previous tax audits and the different interpretations of tax regulations by the entity subject to the tax and the tax authority in charge. Differences in the interpretation may result in a large number of issues according to the conditions that prevail at the legal address of the financial group entity.

The Deferred Tax Asset that results from tax losses is recognised for all the tax losses not used, provided it is likely that there will be a future tax profit available that can be used to compensate said losses.

Determination of the amount of the Deferred Tax Asset that can be recognised requires a significant level of judgment by the management, based on the timing and level of the future tax profit and of the future tax planning strategies. The Company has recognised a Deferred Tax Asset of ARS 60,815,063 as to September 30, 2012, which is presented in Note 12 "Tax Assets".

Furthermore, the Company has an Assumed Minimum Income Tax credit of ARS 26,322,417 as to September 30, 2012 as it is expected to be recoverable before it is barred by the statute of limitations.

Note 29 includes more detailed information on the Corporate Income Tax.

4.23. Cash and cash equivalents

This includes cash, bank deposits, and other short-term ones, and highly liquid investments that are easily convertible into cash and are subject to a minimum risk of changing value.

The following is presented in cash and cash equivalents:

In the national legal tender: at its par value.

In foreign currency: These amounts were converted at the exchange rate in effect at the closing of the applicable period/fiscal year for liquidation of the respective transactions. Exchange rate differences were ascribed to the period's profits and losses.

Financial assets such as Mutual Funds and commercial papers were classified as "Financial Assets at fair value with changes in income", considering the nature and purposed established during the initial recognition.

The net earnings or losses for any income obtained resulting from financial assets were recognised in the income and classified as financial income in the consolidated statement of comprehensive income.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation

5.1. Reconciliations of consolidated financial statements to IFRS as to December 31, 2011 and 2010

	Ref.	As to December 31, 2011			As to December 31, 2010		
		Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
ASSETS							
Current assets							
Cash and banks	(a)	11.536.261	65.511.195	77.047.456	170.236.988	7.722.343	177.959.331
Short-term investments	(a)	65.511.195	(65.511.195)	-	7.722.343	(7.722.343)	-
Trade receivables		8.551.085	-	8.551.085	-	-	-
Other receivables	(b)	28.648.342	80.112.629	108.760.971	10.715.944	13.394.474	24.110.418
Inventories	©	278.530.330	546.127.150	824.657.480	-	509.034.131	509.034.131
Total current assets		392.777.213	626.239.779	1.019.016.992	188.675.275	522.428.605	711.103.880
Non current assets							
Other receivables	(b)	19.481.776	(18.528.654)	953.122	14.143.866	(13.697.561)	446.305
Inventories	©	635.529.058	(635.529.058)	-	484.840.279	(484.840.279)	-
Fixed assets		858.789	2.511.501	3.370.290	334.598	1.538.979	1.873.577
Intangible assets		766.345	-	766.345	227.133	-	227.133
Tax assets	(e)	-	43.618.505	43.618.505	-	19.174.686	19.174.686
Subtotal non current assets		656.635.968	(607.927.706)	48.708.262	499.545.876	(477.824.175)	21.721.701
Capital gain	(d)	38.908.915	104.632.083	143.540.998	34.777.969	98.204.044	132.982.013
Total non current assets		695.544.883	(503.295.623)	192.249.260	534.323.845	(379.620.131)	154.703.714
Total assets		**1.088.322.096**	**122.944.156**	**1.211.266.252**	**722.999.120**	**142.808.474**	**865.807.594**

Ref.	Detail
(a)	Current investments (classified as such according to GAAP in effect as to that date) were reclassified as cash equivalents as provided for in IAS 7.
(b)	As to December 31 2011 and 2010, the most significant effect of the application of IFRS is due to the incorporation here of “Advance payments to suppliers” (previously classified under “Inventory” according to GAAP) and to the separate classification of “Current taxes” and “Deferred taxes” (classified here according to GAAP).
©	IAS 1 provides that the inventory is part of current assets since it is consumed in a business cycle. Thus, inventory is shown in current assets under IFRS. Moreover, and as mentioned in point (b), advance payments to suppliers were reclassified as “Other Receivables” according to those regulations. Since the company must measure inventory pursuant to IAS 2, the amount shown as the valuation of inventory at their net realization value (on the basis of percentage completion and sales) was written off, as well as certain triggered expenses that must be debited to the income for the period under IFRS. Moreover, Showroom items were reclassified as Fixed assets (Property, Plant, and Equipment).

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.1. Reconciliations of consolidated financial statements to IFRS as to December 31, 2011 and 2010 (continued)

Ref.	Detail
(d)	Business combinations prior to December 31, 2010, were recalculated to yield new goodwill (Capital Gain). As required under IAS 36, the recoverability tests were performed, and no deterioration arose that would have to be included in the calculation of cash-generating units (CGU) that include recognised capital gains.

	Ref.	As to December 31, 2011			As to December 31, 2010		
		Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
LIABILITIES							
Current Liabilities							
Trades payable	(e)	46.568.605	44.397.813	90.966.418	22.531.080	345.236	22.876.316
Loans		30.747.267	-	30.747.267	677.293	-	677.293
Wages and social security contributions		2.370.807	(229.664)	2.141.143	790.019	6.852	796.871
Current tax liabilities		-	4.288.299	4.288.299	-	3.813.884	3.813.884
Taxes payable		7.033.300	(4.288.299)	2.745.001	6.842.023	(3.813.884)	3.028.139
Advanced Payments of clients	(e)	188.982.769	277.372.003	466.354.772	-	227.322.697	227.322.697
Other liabilities		25.216.707	-	25.216.707	-	-	-
Total current liabilities		300.919.455	321.540.152	622.459.607	30.840.415	227.674.785	258.515.200
Non current liabilities							
Trades payable	(e)	44.465.033	(44.465.033)	-	385.237	(385.237)	-
Loans		33.515.044	-	33.515.044	12.000.000	-	12.000.000
Taxes payable		5.405.022	(5.030.383)	374.639	406.420	-	406.420
Deferred tax liabilities	(f)	-	81.140.181	81.140.181	-	63.008.053	63.008.053
Advanced Payments of clients	(e)	277.372.003	(277.372.003)	-	227.322.697	(227.322.697)	-
Total non current liabilities		360.757.102	(245.727.238)	115.029.864	240.114.354	(164.699.881)	75.414.473
Total liabilities		**661.676.557**	**75.812.914**	**737.489.471**	**270.954.769**	**62.974.904**	**333.929.673**
Third parties' interest in controlled companies		13.313.905	15.039.219	28.353.124	16.399.743	16.986.225	33.385.968
SHAREHOLDERS' EQUITY	(g)	**413.331.634**	**32.092.023**	**445.423.657**	**435.644.608**	**62.847.344**	**498.491.953**
Total liabilities, third parties' interests in controlled companies and shareholders' equity		**1.088.322.096**	**122.944.156**	**1.211.266.252**	**722.999.120**	**142.808.473**	**865.807.594**

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.1. Reconciliations of consolidated financial statements to IFRS as to December 31, 2011 and 2010: (continued)

Ref.	Detail
(e)	As provided in paragraph 70 of IAS 1, the Company has reclassified accounts payable and clients' advanced payments from non current to current entries, since they are part of the Company operating business cycle.
(f)	As required by IAS 1, Deferred tax balances are shown separately, regardless of being of assets or liabilities. In relation to Deferred Tax Assets, they are mostly accumulated tax losses and Minimum Presumed Income Tax. In relation to Deferred Tax Liabilities, these are tax effects resulting from calculating business combinations under IFRS.
(g)	See point 5.2 below.

5.2. Reconciliation of statement of evolution of shareholders' equity to IFRS as to December 31, 2011 and 2010

	As to December 31, 2011			As to December 31, 2010		
SHAREHOLDER'S EQUITY	Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
Share capital	70.349.485	-	70.349.485	70.349.485	-	70.349.485
Additional paid-in capital	378.208.774	-	378.208.774	378.208.774	-	378.208.774
Reserve controlled companies	6.338.982	(6.338.982)	-	6.972.811	(6.972.811)	-
Effects from inter-shareholder transactions (Capital contributions)	-	(7.826.480)	(7.826.480)	-	-	-
Statutory reserve	4.000	-	4.000	4.000	-	4.000
Retained earnings	(41.569.607)	46.257.485	4.687.878	(19.890.462)	69.820.155	49.929.693
Total shareholders' equity attributable to Company	413.331.634	32.092.023	445.423.657	435.644.608	62.847.344	498.491.952
Non-controlling interests	-	28.353.124	28.353.124	-	33.385.969	33.385.969
Total shareholders' equity	**413.331.634**	**60.445.147**	**473.776.781**	**435.644.608**	**96.233.313**	**531.877.921**

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.3 Reconciliation of consolidated statements of income as to December 31, 2011

	Ref.	As to December 31, 2011 Argentine GAAP (prior)	Transition effect	IFRS
Income		32.144.147	(16.992.724)	15.151.423
Cost of services rendered		(29.819.721)	20.877.745	(8.941.976)
Gross income		**2.324.426**	**3.885.021**	**6.209.447**
Income for valuation of inventory at net realization value	(1)	34.516.581	(34.516.581)	-
Work management cost		-	(16.017.964)	(16.017.964)
Commercialization expenses	(2)	(10.252.833)	(4.488.559)	(14.741.392)
Administrative expenses		(11.055.019)	-	(11.055.019)
Operating income		**15.533.155**	**(51.138.083)**	**(35.604.928)**
Long-term investment results		-	-	-
Goodwill depreciation	(3)	(5.958.220)	5.958.220	-
Other expenses		(70.422)	-	(70.422)
Net Financial and holding income				
Generated by assets		18.808.132	-	18.808.132
Generated by liabilities		(37.915.360)	-	(37.915.360)
Other net income and expenses		3.241.409	(1.517.336)	1.724.073
Income for the fiscal year before Income Tax		**(6.361.306)**	**(46.697.199)**	**(53.058.505)**
Income Tax		(10.222.664)	23.875.304	13.652.640
Income for the fiscal year		**(16.583.970)**	**(22.821.895)**	**(39.405.865)**
Profit (loss) attributable to:				
Controlling owners	(4)	(21.679.145)	(23.562.670)	(45.241.815)
Non-controlling interests	(4)	5.095.175	740.775	5.835.950
		(16.583.970)	**(22.821.895)**	**(39.405.865)**

Ref.	Detail
(1)	The result of inventory valuation at net realization value ratably to percentage of work completion recognised under the General Accepted Accounting Principles has been reversed since income from inventory sales must be recognised as indicated by IAS 18 and its valuation must be made at cost or net realizable value, whichever is less (IAS 2.9).
(2)	Certain expenses were included, which under General Accepted Accounting Principles had been triggered in inventory cost.
(3)	IFRS does not allow for calculation of goodwill amortization.
(4)	IFRS require that consolidated results be attributable to the entity, and that the interest attributable to the controlling company and non-controlling shareholders be shown at the bottom of the statement of comprehensive income.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.3 Reconciliation of consolidated statements of income as to December 31, 2011 (continued)

Governing Standards

In the preparation of the reconciliations included in this Note, the Company Management has considered the same IFRS that were applicable to the preparation of these condensed consolidated financial statements as to September 30, 2012. However, the items and amounts included in these reconciliations may be modified to the extent that, when the annual financial statements are prepared in accordance with IFRS, new standards should be issued or the existing ones should be modified, applied on a mandatory or anticipated authorized fashion as to such date, or if a change to any of the exemptions indicated in IFRS 1 is opted for.

Accordingly, the condensed consolidated interim financial statements enclosed, the items and figures contained in the reconciliations between those standards are subject to changes and may only be deemed final when the annual financial statements for 2012 are prepared.

Moreover, material accounting determinations and estimates made by the Company Management to determine the amounts under the IFRS as to January 1, 2011 (IFRS transition date) and as to December 31, 2011, were consistent with those made at those dates under current GAAP and reflect the conditions prevailing at the respective dates.

5.4. Balance sheet reconciliations of consolidated financial statements to IFRS as to December 30, 2011:

	September 30, 2011		
	Argentine GAAP (prior)	Transition effect	IFRS
ASSETS			
Current assets			
Cash and banks	24.964.772	64.711.847	89.676.619
Short-term investments	64.711.847	(64.711.847)	-
Trade accounts receivable	513.856	-	513.856
Other receivables	26.252.618	68.116.082	94.368.700
Inventories	254.337.012	518.022.015	772.359.027
Total current assets	**370.780.105**	**586.138.097**	**956.918.202**
Non current assets			
Other receivables	16.148.615	(15.696.103)	452.512
Inventories	584.279.410	(584.279.410)	-
Tax assets	-	34.509.337	34.509.337
Property, plant and equipment	847.275	1.778.942	2.626.217
Intangible assets	658.941	-	658.941
Long-term investments	-	-	-
Subtotal non current assets	601.934.241	(563.687.234)	38.247.007
Capital gain	39.803.061	103.737.937	143.540.998
Total non current assets	**641.737.302**	**(459.949.297)**	**181.788.005**
Total assets	**1.012.517.407**	**126.188.800**	**1.138.706.207**

See conceptual explanation of the main differences in note 5.1.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.4. Balance sheet reconciliations of consolidated financial statements to IFRS as to December 30, 2011 (continued):

	September 30, 2011		
	Argentine GAAP (prior)	Transition effect	IFRS
LIABILITIES			
Current liabilities			
Trade accounts payable	42.302.140	42.893.638	85.195.778
Loans	21.278.620	-	21.278.620
Employees' benefits	1.337.299	(91.164)	1.246.135
Current tax liabilities	-	2.289.249	2.289.249
Other tax burdens	6.072.156	(2.289.249)	3.782.907
Advanced Payments of clients	158.460.773	239.357.124	397.817.897
Other accounts payable	39.884.232	-	39.884.232
Total current liabilities	**269.335.220**	**282.159.598**	**551.494.818**
Non current liabilities			
Trade accounts payable	43.010.858	(43.010.858)	-
Loans	25.355.580	-	25.355.580
Other tax burdens	4.075.169	(4.075.169)	-
Advanced Payments of clients	239.357.124	(239.357.124)	-
Deferred tax liabilities	-	80.929.209	80.929.209
Total non-current liabilities	**311.798.731**	**(205.513.942)**	**106.284.789**
Total liabilities	**581.133.951**	**76.645.656**	**657.779.607**
Third parties' interest in controlled companies	12.371.501	14.955.819	27.327.320
SHAREHOLDERS' EQUITY	**419.011.955**	**34.587.325**	**453.599.280**
Total liabilities, third parties' interests in controlled companies and shareholders' equity	**1.012.517.407**	**126.188.800**	**1.138.706.207**

See conceptual explanation of the main differences in note 5.1.

(figures expressed in Argentine pesos)

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Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.5 Reconciliation of consolidated statements of income as to September 30, 2011

	As to September 30, 2011		
	Argentine GAAP (prior)	Transition effect	IFRS
Income	16.707.901	(16.707.901)	-
Cost of services rendered	(12.013.006)	12.013.006	-
Gross income	**4.694.895**	**(4.694.895)**	**-**
Income for valuation of inventory at net realization value	20.787.937	(20.787.937)	-
Expenses for building works management	(6.237.843)	(5.775.163)	(12.013.006)
Commercialization expenses	(7.422.191)	(1.989.691)	(9.411.882)
Administrative expenses	-	(7.422.191)	(7.422.191)
Operating income	**11.822.798**	**(40.669.877)**	**(28.847.079)**
Long-term investment results	(5.220)	5.220	-
Goodwill depreciation	(5.064.074)	5.064.074	-
Other expenses	(52.816)	(5.220)	(58.036)
Financial results			
Exchange difference	-	(11.474.048)	(11.474.048)
Financial income	11.603.462	(7.967.448)	3.636.014
Financial expenses	(22.773.502)	18.816.881	(3.956.621)
Other net income and expenses	1.892.026	(901.211)	990.815
Income for the fiscal year before Income Tax	**(2.577.326)**	**(37.131.629)**	**(39.708.955)**
Income Tax	(9.267.450)	16.721.636	7.454.186
Income for the fiscal year	**(11.844.776)**	**(20.409.993)**	**(32.254.769)**
Other comprehensive income	-	-	-
Other total comprehensive income	-	-	-
Total comprehensive income	-	-	-
Income for the fiscal year and total comprehensive income attributable to:			
the Controlling Company	(15.998.824)	(21.067.368)	(37.066.192)
non-controlling shareholders	4.154.048	657.375	4.811.423
Total comprehensive income	**(11.844.776)**	**(20.409.993)**	**(32.254.769)**
Income per ordinary share			
Base	**(0,09)**		**(0,27)**
Diluted	**(0,09)**		**(0,27)**

See conceptual explanation of the main differences in note 5.3.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.6. Reconciliation of statement of changes to Shareholders' equity as to September 30, 2011

	As to September 30, 2011		
SHAREHOLDER'S EQUITY	Argentine GAAP (prior)	Transition effect	IFRS
Share capital	70.349.485	-	70.349.485
Additional paid-in capital	378.208.774	-	378.208.774
Reserve controlled companies	6.972.811	(6.972.811)	-
Statutory reserve	4.000	-	4.000
Effects from inter-shareholder transactions	-	(7.826.480)	(7.826.480)
Retained earnings	(35.889.286)	48.752.787	12.863.501
Total shareholders' equity attributable to Company	**419.645.784**	**33.953.496**	**453.599.280**
Non-controlling interests	12.371.501	14.955.819	27.327.320
Total shareholders' equity	**432.017.285**	**48.909.315**	**480.926.600**

(figures expressed in Argentine pesos)

Note 6. Cash and cash equivalents

	Notes	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Cash				
In the national legal tender:		16.200	30.510	60.707
In foreign currency:	43	26.573	154.330	93.101
Banks				
In the national legal tender:		3.529.506	3.981.094	1.518.128
In foreign currency:	43	3.653.828	5.887.443	167.803.284
Funds to be deposited		185.929	1.482.884	210.248
Restricted funds		-	-	(1.200.000)
Time deposits				
In the national legal tender:		15.056.186	-	6.220.399
In foreign currency:	34.5 and 43	898.623	813.780	-
Mutual funds				
In the national legal tender:		14.539.811	-	1.501.944
In foreign currency:	43	28.427.602	56.704.973	-
Commercial papers	43	6.783.619	7.992.442	-
Foreign Currency to be converted	43	-	-	1.751.520
Cash and cash equivalents		**73.117.877**	77.047.456	177.959.331

Time deposits in local currency are funds placed with HSBC Bank Argentina S.A., Banco Macro and Banco Industrial, which accrue an average annual interest of 15.60 %.

Time deposits in foreign currency are funds placed with Banco Santander Río S.A., under a 30-day renewable term, accrueing an average annual interest of 0.40 %.

Mutual funds in local currency: a) as to September 30, 2012, there are funds placed without any maturity, with a par value of ARS 11,860,617, with a period-end market value of 1.23.

Mutual funds in foreign currency: a) as to September 30, 2012, there are mutual funds placed abroad, without maturity, for an initial cost of USD 5,952,50, with a period-end market value of USD 1.03; b) as to December 31, 2011, there are funds placed abroad, without maturity, for an initial cost of 13,315,728, with a period-end market value of USD 0.99.

Commercial Papers in foreign currency are a portfolio of unsecured notes issued by large foreign (US) banks and corporations. a) As to September 30, 2012, there are deposits in JP MORGAN, with a par value of USD 1,500,000, with a period-end market value of USD 0.9711; b) As to December 31, 2011, there are deposits in BNP PARIBAS US, with a par value of USD 2,000,000, with a period-end market value of USD 0.9372.

(figures expressed in Argentine pesos)

Note 7. Trade receivables

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Intercompany balances	32 and 43	-	78.681	-
Accounts receivable from individual debtors in local currency		376.279	-	-
Accounts receivable from individual debtors in foreign currency	43	2.750.956	8.472.404	-
Total Trade receivables		3.127.235	8.551.085	-

The trade receivables mentioned above are measured at amortized cost. The Company has not recognised any allowance for bad debts after conducting an individual recoverability analysis of the receivables portfolio. The age of accounts receivable is as follows:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Due within			
0 to 90 days	616.461	3.544.553	-
91 to 180 days	396.158	2.562.286	-
181 to 270 days	146.919	1.752.962	-
Over 271 days	-	374.541	-
Past-due			
0 to 90 days	1.621.760	282.977	-
91 to 180 days	-	12.906	-
Over 181 days	345.937	20.860	-
Total	3.127.235	8.551.085	-

Note 8. Other receivables

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Current				
Added value tax		27.144.040	18.522.129	6.623.199
Gross Income Tax		3.951.847	238.984	632.267
Security Deposits		501.200	-	1.200.000
Intercompany balances in local currency	32	4.502.616	2.694.515	630.437
Intercompany balances in foreign currency	32 and 43	1.253.144	5.269.223	-
Insurance policies to be accrued in local currency		25.668	26.175	11.073
Insurance policies to be accrued in foreign currency	43	766.651	665.462	495.928
Advance payments to general suppliers in local currency		8.915.486	9.866	349.142
Advance payments to general suppliers in foreign currency	43	-	-	58.237
Advance payments to general work suppliers in local currency		46.973.762	57.979.423	12.086.216
Advance payments to general work suppliers in foreign currency	43	7.627.347	351.835	1.970.856
Advance payments to suppliers on inventory purchases	39.2 and 43	23.889.041	22.078.255	-
Other tax credits		-	-	47.702
Expenses to be recovered in local currency	35.4	796.085	507.583	-
Expenses to be recovered in foreign currency	43	-	2.558	3.761
Bad checks receivable		109.472	4.212	-
Rent receivable		102.496	116.434	-
Sundry receivables in local currency		739.917	227.268	1.600
Sundry receivables in foreign currency	43	69.613	67.049	-
Minus:				
Bad-debt allowance on other receivables	35.4	(325.392)	-	-
Total other receivables - Current		**127.042.993**	108.760.971	24.110.418

(figures expressed in Argentine pesos)

Note 8. Other receivables (continued)

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Non-current				
Added value tax	43	1.081.205	146.472	-
Expenses to be accounted for		-	374.639	-
Security deposits in local currency		21.100	21.100	-
Security deposits in foreign currency	43	344.851	191.880	110.209
Insurance policies to be accrued in local currency		3.676	-	-
Insurance policies to be accrued in foreign currency	43	153.932	219.031	336.096
Income credit balance		36.898	-	-
Total other receivables – Non-current		1.641.662	953.122	446.305

Note 9. Inventories

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
"Astor Palermo" urban real estate project	34	109.646.467	79.533.354	76.886.003
"Astor Caballito" urban real estate project	34	76.485.194	58.884.406	-
"FACA" urban real estate project		22.305.515	-	-
"Forum Alcorta" urban real estate project	34	284.230.877	194.958.048	150.405.918
"Venice" urban real estate project		72.792.356	71.164.113	69.494.199
"Astor Nuñez" urban real estate project		57.846.986	57.376.513	-
"Forum Puerto del Buceo" urban real estate project		118.026.783	843.276	-
"Forum Puerto Norte" urban real estate project		274.301.232	244.597.724	212.248.011
Finished units at "Forum Puerto Norte"		80.950.963	117.300.046	-
Minus:				
Impairment of "Forum Puerto Norte" urban real estate project		(5.070.002)	-	-
Impairment of finished units at "Forum Puerto Norte"		(6.023.139)	-	-
Total inventory		1.085.493.232	824.657.480	509.034.131

Note 10. Property, plant and equipment

	Chattels and supplies	Hardware	Leasehold improveme nts	Facilities	Showrooms	Total
Original value						
Balance as to January 1, 2012	457.240	508.509	727.661	3.087	5.257.417	**6.953.914**
Acquisitions	106.474	270.763	320.316	-	2.921.429	**3.618.982**
Decreases	-	-	-	-	-	-
Total as to September 30, 2012	563.714	779.272	1.047.977	3.087	8.178.846	**10.572.896**
Depreciation and impairment						
Balance as to January 1, 2012	(129.098)	(296.959)	(411.033)	(618)	(2.745.916)	**(3.583.624)**
Depreciations	(42.045)	(160.902)	(123.865)	(463)	(1.062.930)	**(1.390.205)**
Loss due to impairment	-	-	-	-	-	-
Total as to September 30, 2012	(171.143)	(457.861)	(534.898)	(1.081)	(3.808.846)	**(4.973.829)**
Residual value as to September 30, 2012	**392.571**	**321.411**	**513.079**	**2.006**	**4.370.000**	**5.599.067**

(figures expressed in Argentine pesos)

Note 10. Property, plant and equipment (continued)

	Chattels and supplies	Hardware	Leasehold improvements	Facilities	Showrooms	Total
Original value						
Balance as to January 1, 2011	288.475	278.727	252.719	-	2.256.651	**3.076.572**
Acquisitions	168.765	229.782	474.942	3.087	3.000.766	**3.877.342**
Decreases	-	-	-	-	-	**-**
Total as to December 31, 2011	457.240	508.509	727.661	3.087	5.257.417	**6.953.914**
Depreciation and impairment						
Balance as to January 1, 2011	(82.562)	(153.274)	(249.487)	-	(717.672)	**(1.202.995)**
Depreciations	(46.536)	(143.685)	(161.546)	(618)	(2.028.244)	**(2.380.629)**
Loss due to impairment	-	-	-	-	-	**-**
Total as to December 31, 2011	(129.098)	(296.959)	(411.033)	(618)	(2.745.916)	**(3.583.624)**
Residual value as to December 31, 2011	**328.142**	**211.550**	**316.628**	**2.469**	**2.511.501**	**3.370.290**

	Chattels and supplies	Hardware	Leasehold improvements	Facilities	Showrooms	Total
Original value						
Balance as to January 1, 2010	232.918	118.356	252.719	-	470.869	**1.074.862**
Acquisitions	55.557	160.371	-	-	1.785.782	**2.001.710**
Decreases	-	-	-	-	-	**-**
Total as to December 31, 2010	288.475	278.727	252.719	-	2.256.651	**3.076.572**
Depreciation and impairment						
Balance as to January 1, 2010	(53.070)	(75.828)	(165.247)	-	(140.160)	**(434.305)**
Depreciations	(29.492)	(77.446)	(84.240)	-	(577.512)	**(768.690)**
Loss due to impairment	-	-	-	-	-	**-**
Total as to December 31, 2010	(82.562)	(153.274)	(249.487)	-	(717.672)	**(1.202.995)**
Residual value as to December 31, 2010	**205.913**	**125.453**	**3.232**	**-**	**1.538.979**	**1.873.577**

Note 11. Intangible assets

	Software	Software development	Trademarks	**Total**
Original value				
Balance as to January 1, 2012	207.033	678.811	15.071	**900.915**
Acquisitions	26.572	370.557	6.008	**403.137**
Decreases	-	-	-	**-**
Total as to September 30, 2012	233.605	1.049.368	21.079	**1.304.052**
Amortization and impairment				
Balance as to January 1, 2012	(131.944)	-	(2.626)	**(134.570)**
Amortizations	(58.401)	(331.582)	(1.058)	**(391.041)**
Loss due to impairment	-	-	-	-
Total as to September 30, 2012	(190.345)	(331.582)	(3.684)	**(525.611)**
Residual value as to September 30, 2012	43.260	717.786	17.395	**778.441**

(figures expressed in Argentine pesos)

Note 11. Intangible assets (continued)

	Software	Software development	Trademarks	Total
Original value				
Balance as to January 1, 2011	188.798	98.973	3.510	**291.281**
Acquisitions	18.235	579.838	11.561	**609.634**
Decreases	-	-	-	**-**
Total as to December 31, 2011	207.033	678.811	15.071	**900.915**
Amortization and impairment				
Balance as to January 1, 2011	(62.933)	-	(1.215)	**(64.148)**
Amortizations	(69.011)	-	(1.411)	**(70.422)**
Loss due to impairment	-	-	-	**-**
Total as to December 31, 2011	(131.944)	-	(2.626)	**(134.570)**
Residual value as to December 31, 2011	75.089	678.811	12.445	**766.345**

	Software	Software development	Trademarks	Total
Original value				
Balance as to January 1, 2010	22.680	110.973	960	**134.613**
Acquisitions	166.118	-	2.550	**168.668**
Decreases	-	(12.000)	-	**(12.000)**
Total as to December 31, 2010	188.798	98.973	3.510	**291.281**
Amortization and impairment				
Balance as to January 1, 2010	-	-	(960)	**(960)**
Amortizations	(62.933)	-	(255)	**(63.188)**
Loss due to impairment	-	-	-	**-**
Total as to December 31, 2010	(62.933)	-	(1.215)	**(64.148)**
Residual value as to December 31, 2010	125.865	98.973	2.295	**227.133**

Note 12. Tax Assets

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Income Tax	-	-	629.450
Assumed minimum income tax	26.322.417	18.528.654	8.986.729
Tax loss – local source	58.055.476	25.057.693	9.533.850
Tax loss – foreign source	32.158	32.158	24.657
Foreign net investment loss	2.727.429	-	-
Total Tax Assets	**87.137.480**	43.618.505	19.174.686

(figures expressed in Argentine pesos)

Note 12. Tax Assets (continued)

Local and foreign source tax losses may be used until the following dates:

	Pesos		
Year	2012	2011	2010
2012	30.245	30.245	1.083.096
2013	3.529.677	3.529.677	1.558.415
2014	1.558.415	1.558.415	6.916.996
2015	6.916.996	6.916.996	-
2016	12.714.735	12.714.735	-
2017	36.064.995	339.783	-
Total	60.815.063	25.089.851	9.558.507

Note 13. Capital Gain

	Marina Río Luján S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as to January 1, 2012	21.487.412	32.095.394	10.558.985	79.399.207	**143.540.998**
Acquisitions	-	-	-	-	**-**
Decreases	-	-	-	-	**-**
Total as to September 30, 2012	21.487.412	32.095.394	10.558.985	79.399.207	**143.540.998**
Impairment					
Balance as to January 1, 2012	-	-	-	-	**-**
Loss due to impairment (Note 40)	-	(31.396.853)	-	-	**(31.396.853)**
Total as to September 30, 2012	-	(31.396.853)	-	-	**(31.396.853)**
Residual value as to September 30, 2012	**21.487.412**	**698.541**	**10.558.985**	**79.399.207**	**112.144.145**

	Marina Río Luján S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as to January 1, 2011	21.487.412	32.095.394	-	79.399.207	**132.982.013**
Acquisitions	-	-	10.558.985	-	**10.558.985**
Decreases	-	-	-	-	-
Total as to December 31, 2011	21.487.412	32.095.394	10.558.985	79.399.207	**143.540.998**
Impairment					
Balance as to January 1, 2011	-	-	-	-	-
Loss due to impairment	-	-	-	-	-
Total as to December 31, 2011	-	-	-	-	-
Residual value as to December 31, 2011	**21.487.412**	**32.095.394**	**10.558.985**	**79.399.207**	**143.540.998**

(figures expressed in Argentine pesos)

Note 13. Capital Gain (continued)

	Marina Río Luján S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as to January 1, 2010	-	-	-	-	-
Acquisitions	21.487.412	32.095.394	-	79.399.207	**132.982.013**
Decreases	-	-	-	-	-
Total as to December 31, 2010	21.487.412	32.095.394	-	79.399.207	**132.982.013**
Impairment					
Balance as to January 1, 2010	-	-	-	-	-
Loss due to impairment	-	-	-	-	-
Total as to December 31, 2010	-	-	-	-	-
Residual value as to December 31, 2010	**21.487.412**	**32.095.394**	**-**	**79.399.207**	**132.982.013**

Note 14. Trades payable

	Notes	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Suppliers in local currency		6.708.292	17.080.841	11.172.796
Suppliers in foreign currency	43	2.576.679	110.377	459.481
Deferred checks		11.465.496	8.201.099	7.267.535
Provision for expenditure in local currency		3.554.977	17.886.543	2.994.396
Provision for expenditure in foreign currency	43	123.982	747.547	61.729
Provision for works in local currency		15.713.629	1.056.797	-
Provision for works in foreign currency	43	-	928.050	-
Fees payable		-	3.450	-
Insurance policies payable in national currency		23.603	20.501	7.455
Insurance policies payable in foreign currency	43	449.673	397.659	487.636
Performance bond		83.635	68.521	37.128
Contingency fund in local currency		3.583.865	2.180.152	329.827
Contingency fund in foreign currency	43	66.856	59.981	55.410
Intercompany balances	32 and 43	25.511.416	42.224.900	-
Real estate purchase creditors	43	57.143.798	-	-
Sundry		-	-	2.923
Total Trades payable		**127.005.901**	90.966.418	22.876.316

(figures expressed in Argentine pesos)

Note 15. Loans

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Current				
Mortgage-backed bank loans in local currency	31.2.A	16.996.378	189.939	100.358
Mortgage-backed bank loans in foreign currency	31.2.B and 43	23.046.637	69.034	-
Other loans in local currency	31.1	6.504.803	-	-
Other loans in foreign currency	31.5 and 43	-	8.764.449	-
Intercompany balances	31.3 and 4, 32,43	14.604.239	14.204.607	398.472
Current account advances		11.744.482	7.511.895	178.463
Corporate notes in local currency	44	3.784.559	-	-
Corporate notes in foreign currency	44 and 43	3.716.617	-	-
Sundry		-	7.343	-
Subtotal current loans		**80.397.715**	30.747.267	677.293
Non-current				
Corporate notes in local currency	44	15.904.992	-	-
Corporate notes in foreign currency	44 and 43	36.348.202	-	-
Mortgage-backed bank loans in local currency	31.2.A	-	15.528.000	12.000.000
Mortgage-backed bank loans in foreign currency	31.2.B and 43	-	17.987.044	-
Subtotal non-current loans		**52.253.194**	33.515.044	12.000.000
Total Loans		**132.650.909**	64.262.311	12.677.293

Following is a breakdown of activity in loans and financing arrangements:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Opening balance	64.262.311	12.677.294	-
New loans and financing arrangements	69.801.736	42.214.903	12.000.000
Interests	2.995.041	4.885.653	100.358
Effects of exchange rate variation	5.571.787	1.496.409	-
Current account advances	4.232.587	6.934.960	576.935
Principal payments	(12.912.419)	-	-
Interest payments	(1.300.134)	(3.946.908)	-
Closing balance	**132.650.909**	64.262.311	12.677.293

Maturity schedule for long-term items:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Loans	52.253.194	33.515.044	12.000.000
Total	**52.253.194**	33.515.044	12.000.000

(figures expressed in Argentine pesos)

Note 16. Employee'sBenefits

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Wages payable		2.820	782.108	11.995
Social security contributions payable in local currency		405.699	670.150	217.581
Social security contributions payable in foreign currency	43	86.635	-	-
Provision for vacations		979.749	646.337	388.183
Federal Tax Payment Plan		-	272.212	172.260
Provision for Board of Directors' fees		76.239	67.220	40.000
Minus:				
Staff advances		(364.935)	(296.884)	(33.148)
Total Employees' benefits		**1.186.207**	2.141.143	796.871

Note 17. Current Tax Liabilities

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Assumed minimum income tax		4.330.231	4.288.299	3.813.884
Total Current tax liabilities		**4.330.231**	4.288.299	3.813.884

Note 18. Other Taxes Payable

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Current				
Added value tax		-	20.789	859.253
Gross Income Tax		105.719	288.605	462.581
Municipal Tax Payable		61.802	-	-
Stamp Tax		94.019	489.580	26.636
Net worth tax		-	-	-
Provision for net worth tax (Uruguay)	43	837.101	14.705	-
Federal Tax Payment Plan		57.727	-	527.005
Provincial Tax Payment Plan		-	406.420	552.072
Municipal Tax Payment Plan	35.4	77.352	72.976	45.412
Withholdings and earnings to be deposited		754.697	1.387.949	537.230
Registration and inspection duties		-	59.436	17.950
Sundry tax provisions	43	13.249	-	-
Other provincial taxes		-	4.541	-
Subtotal Other Current taxes payable		**2.001.666**	2.745.001	3.028.139
Non-current				
Provincial Tax Payment Plan		-	-	406.420
Municipal Tax Payment Plan	35.4	315.771	374.639	-
Subtotal Other Non-current taxes payable		**315.771**	374.639	406.420
Total Other tax burdens		**2.317.437**	3.119.640	3.434.559

(figures expressed in Argentine pesos)

Note 19. Clients' Advanced Payments

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Early collections in local currency		116.256.585	44.189.396	24.816.315
Early collections in foreign currency	43	610.034.546	410.538.145	186.243.070
Stock sales advances		1.580.061	-	-
Intercompany balances in national currency	32	780.385	4.022.989	1.103.347
Intercompany balances in foreign currency	32 and 43	113.528.689	51.102.124	35.309.073
Working fund		786.429	496.468	-
Minus:				
Added value tax		(62.167.307)	(43.994.350)	(20.149.108)
Total Clients' Advanced Payments		**780.799.388**	466.354.772	227.322.697

Note 20. Other accounts payable

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Inventory creditors	43	1.719.604	6.257.790	-
Long-term investment creditors	43	-	18.145.137	-
Sundry creditors	34.5 and 43	898.623	813.780	-
Sundry in local currency		164.827	-	-
Sundry in foreign currency	43	25.043	-	-
Total Other accounts payable		**2.808.097**	25.216.707	-

Note 21. Share Capital

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Share paid-in capital	70.349.485	70.349.485	70.349.485
Additional paid-in capital	378.208.774	378.208.774	378.208.774
Inter-shareholder transaction	(7.826.480)	(7.826.480)	-
Total Share Capital	**440.731.779**	440.731.779	448.558.259

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Inter-shareholder transaction			
Opening balances	(7.826.480)	-	-
Acquisition of non-controlling interests	-	(13.749.943)	-
Divestment of non-controlling interests (b)	-	5.923.463	-
Closing balance	**(7.826.480)**	(7.826.480)	-

(a) This corresponds to the acquisition of 24.86% of Canfot S.A. at the beginning of the second quarter 2011. According to IAS 27 (paragraph 30), charges in the interest held by a parent in a subsidiary that do not result in a loss of control are accounted for as shareholders' equity transactions (i.e. transactions with the owners as such.) The price of the transaction totalled ARS 30,824,714 and the reduction in the non-controlling interest was ARS 17,074,771, and therefore the effect of inter-shareholder transactions was ARS 13,749,943.

(b) This corresponds to the sale of 9.09% of Canfot S.A. at the beginning of the third quarter 2011. According to IAS 27 (paragraph 30), charges in the interest held by a parent in a subsidiary that do not result in a loss of control are accounted for as shareholders' equity transactions (i.e. transactions with the owners as such.) The price of the transaction totalled ARS 12,129,439 and the reduction in the non-controlling interest was ARS 6,205,976, and therefore the effect of inter-shareholder transactions was ARS 5,923,463.

(figures expressed in Argentine pesos)

Note 21. Share Capital

Issued share capital consists of:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Ordinary fully paid-up shares	70.349.485	70.349.485	70.349.485
Total ordinary fully paid-up shares	70.349.485	70.349.485	70.349.485

As to September 30, 2012 and as to December 31, 2011 and 2010, the issued share capital subscribed for and paid up of the Company amounts to ARS 70,349,485. As to such date the share capital registered with the registry of business organizations for the City of Buenos Aires amounts to ARS 22,350,000.

As to September 30, 2012, December 31, 2011 and 2010, the Company's capital is distributed as follows:

	Sep 30, 2012		Dec 31, 2011		Dec 31, 2010	
Shareholders	Shares	Interest	Shares	Interest	Shares	Interest
Federico Nicolás Weil	13.549.889	19 %	13.549.889	19 %	15.645.000	22 %
PDG Realty S.A. Empreendimentos e Participações	19.121.667	27 %	19.121.667	27 %	19.121.667	27 %
Holders of US certificates of deposit representing ordinary shares	14.919.635	21 %	17.548.905	25 %	16.005.710	23 %
Holders of Brazilian certificates of deposit representing ordinary shares	2.960.510	4 %	-	-	-	-
Other holders of ordinary shares	19.797.784	29 %	20.129.024	29 %	19.577.108	28 %
Total Share Capital	70.349.485	100 %	70.349.485	100 %	70.349.485	100 %

Note 22. Reserves, accumulated earnings and dividends

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Statutory reserve	4.000	4.000	4.000
Total reserves	4.000	4.000	4.000

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
(Deficit) / Accumulated earnings	(83.714.580)	4.687.878	49.929.693
Opening balances	4.687.878	49.929.693	
Total comprehensive income for the period / year	(88.402.458)	(45.241.815)	
Increase in statutory reserve	-	-	
Closing balance for the period / year	(83.714.580)	4.687.878	49.929.693

(figures expressed in Argentine pesos)

Note 22. Reserves, accumulated earnings and dividends (continued)

Dividend Policy

The Company's Board of Directors establishes and files a motion with the Shareholders' Meeting regarding the convenience, timing and amount of dividends, as well as, if applicable, the capitalization of annual profits, when submitting its proposal for the distribution of profits/losses to the shareholder's meeting, in light of how the business and commitments undertaken by the Company have progressed and are being projected into the future. The Company does not have or plan to establish an official policy of dividends in the near future to govern the amount and payment of dividends or other apportionments.

The Company does not plan to distribute any dividends within the next three to four years, since it intends to reinvest all the profits earned through its business to finance earning growth and to allow for value to be generated for its shareholders. See also the restrictions to the distribution of earnings (Note 46).

According to the Bylaws and the Business Organizations Act, the Company may declare dividends once or more, within any business year, and even pay anticipated dividends, pursuant to Section 224 (ii) of said Law, out of the realized net earnings as shown in the consolidated balance sheet of the Company, prepared in accordance with Argentine Generally Accepted Accounting Principle and the Regulations of the Argentine Securities and Exchange Commission as at the last day of that business year, or in special consolidated balance sheets in case of anticipated or interim dividends, providing that such dividend must be paid ratably to all holders of ordinary shares of the Company as at the pertinent record date.

All capital shares of the Company rank pari passu in terms of dividend payments.

Note 23. Cost of sold property

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Inventory at start of period	117.300.046	-	-	-
Plus:				
Cost triggered during the period	44.457.018	-	19.547.845	-
Minus:				
Inventory at end of period	(80.950.963)	-	14.878.311	-
Impairment	11.093.141	-	-	-
Total cost of sold property	**91.899.242**	-	34.426.156	-

Note 24. Expenses for building work management

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Wages and social security contributions	4.741.597	10.053.444	1.725.158	2.260.114
Other payroll expenses	-	293.163	-	82.069
Rent and maintenance fees	813.967	990.457	259.605	210.677
Transport and per diem	384.851	251.068	133.604	54.977
IT and services expenses	518.453	424.874	276.457	86.279
Total expenses for building work management	**6.458.868**	12.013.006	2.394.824	2.694.116

(figures expressed in Argentine pesos)

Note 25. Commmercialization expenses

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Wages and social security contributions	2.905.073	1.245.762	1.069.216	506.711
Other payroll expenses	-	47.006	-	17.983
Rent and utility bills	178.055	114.181	56.788	46.163
Professional fees	1.514.879	385.000	214.306	252.279
Taxes, duties and assessments	6.356.183	3.491.777	1.795.453	899.227
Transport and per diem	130.209	84.395	61.195	32.747
IT and service expenses	116.011	53.934	61.228	20.995
Impairment of fixed assets	1.063.040	-	330.673	-
Office expenses	71.078	-	13.882	-
Insurance	226.358	690	70.977	330
Advertising expenses	3.088.606	561.469	1.522.234	384.592
Marketing expenses	593.874	253.629	418.592	39.756
Overhead	659.424	3.174.039	215.317	1.071.626
Total marketing expenses	**16.902.790**	9.411.882	5.829.861	3.272.409

Note 26. Administrative Expenses

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Wages and social security contributions	7.888.368	1.877.115	2.904.319	753.152
Other payroll expenses	30.242	71.488	3.580	27.349
Rent and utility bills	558.876	173.649	252.695	70.205
Professional fees	2.306.681	2.535.291	730.784	1.067.306
Directors' fees	151.430	180.000	73.430	60.000
Statutory auditing committee fees	241.100	169.000	86.950	66.500
IPO expenses	312.471	976.924	120.707	568.834
Taxes, duties and assessments	1.193.117	159.252	54.591	-253.048
Transport and per diem	134.828	46.989	45.066	13.593
IT and services expenses	247.957	109.544	132.374	52.991
Impairment of fixed assets	327.165	238.645	127.313	170.397
Office expenses	591.334	274.117	230.958	135.073
Insurance	554.420	396.812	167.518	175.148
Donations	142.600	17.220	5.600	8.220
Overhead	434.969	196.145	172.713	30.389
Total administrative expenses	**15.115.558**	7.422.191	5.108.598	2.946.109

(figures expressed in Argentine pesos)

Note 27. Financial Results

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Exchange difference				
Income from exchange differences	15.291.593	10.984.650	5.519.097	4.797.603
Costs from exchange differences	(58.555.863)	(22.458.698)	(26.055.472)	(12.637.877)
Total Exchange difference	(43.264.270)	(11.474.048)	(20.536.375)	(7.840.274)
Financial income				
Interest	5.761.800	2.499.567	2.617.126	1.595.691
Income from holding short-term investments	2.330.038	1.099.477	517.376	(157.314)
Income from sale of short-term investments	9.827.090	6.700	3.110.235	3.260
Sundry	-	30.270	-	-
Total Financial income	17.918.928	3.636.014	6.244.737	1.441.637
Financial costs				
Banking expenses	(476.182)	(254.210)	(282.390)	(113.523)
Tax on bank debits and credits	(3.091.767)	(2.762.992)	(1.259.781)	(934.519)
Other uncollectable credits	(2.679.169)	-	(2.353.777)	-
Interest	(5.721.415)	(939.419)	(3.545.365)	(542.543)
Sundry	(3.721)	-	2.917	-
Total Financial Costs	(11.972.254)	(3.956.621)	(7.438.396)	(1.590.585)
Total Financial Income	**(37.317.596)**	(11.794.655)	(21.730.034)	(7.989.222)

Note 28. Other receivables

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Other income				
Rent earned	97.213	192.500	54.480	24.000
Revenues from administrative fees	276.909	-	275.174	-
Expenses Discovered	35.554	624.615	35.554	-
Sundry	75.708	173.700	40.618	-
Total Other Income	**485.384**	990.815	405.826	24.000

(figures expressed in Argentine pesos)

Note 29. Income Tax and Deferred Tax

The structure of "Income tax" determined in accordance with IAS 12, which is shown in the statement of income as to September 30, 2012, and 2011 is as follows:

	Sep 30, 2012	Sep 30, 2011
Income Tax	35.691.555	-
Deferred Tax	2.783.663	7.454.186
Total Income Tax	38.475.218	7.454.186

Deferred Tax at the close of the period/years has been determined on the basis of the temporary difference between accounting and tax-related calculations. The structure of assets and liabilities for deferred Tax at the close of each period is as follows:

Assets from Deferred tax	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Uncollectable credits	1.276.153	-	-
Property, plant and equipment	208.416	961.070	205.233
Subtotal assets from deferred tax	1.484.569	961.070	205.233
Deferred tax liabilities	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Short-term investments	984.288	1.251.327	680
Inventory valuation	69.485.207	78.004.462	63.212.606
Foreign currency valuation	90.256	92.147	-
Financial costs	9.281.336	2.753.315	-
Subtotal liabilities from deferred tax	79.841.087	82.101.251	63.213.286
Net position of assets/(liabilities) from Deferred Tax	**(78.356.518)**	(81.140.181)	(63.008.053)

Following there is a detailed description of the reconciliation between Income Tax charged to results and such as would result from applying the relevant tax rate to the accounting result before taxes:

	Sep 30, 2012	Sep 30, 2011
Income Tax calculated at the current rate on the accounting result before taxes	50.727.245	13.898.134
Permanent differences	(12.252.027)	(6.443.948)
Income Tax	38.475.218	7.454.186

(figures expressed in Argentine pesos)

Note 30. Leases

The Company has entered into operating leases regarding the lease of the Company administrative and commercial offices. Payments affected under these operating leases are recognized as expenses when accrued. The leases signed do not contain any contingent rent clauses or purchase options, or other restraints. Following is the most relevant information on these leases:

The company has entered into two operating leases for the offices located on the 1st and 3rd floors of the building located on Avenida Scalabrini Ortiz 3333 in the City of Buenos Aires on May 21, 2008, and their renewal on May 18, 2011 and March 3rd 2011, respectively. Directive, Management and Marketing activities are conducted in those offices.

Besides that, on April 8th, 2011, the Company entered into a lease on an office located in a property on Beruti street in the City of Buenos Aires, where marketing activities are being conducted in relation to the “Astor Palermo” real estate project.

	Payments due under the operating leases		
	In 1 year	In 1 to 5 years	In over 5 years
	ARS	ARS	ARS
September 30, 2012	539.552	1.738.011	-
December 31, 2011	1.157.898	1.738.011	-
December 31, 2010	981.012	2.895.909	-

Note 31. 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 accrued interest at a nominal annual rate on outstanding balances, which was paid in twelve consecutive monthly installments starting on the month following execution of the loan agreements, repaying principal with the last installment.

   The description of each loan agreement executed is detailed below:

#	Date	Amount	Rate
1	31/05/2011	USD 505,317	10,50 %
2	13/06/2011	USD 505,323	10,59 %
		USD 1,060,640	

   USD: United States dollars

   On September 17, 2012 a new loan agreement was entered into with Sociedad Italiana, for the amount of ARS 6,547,165. Due to the maturity of the above mentioned loans, both parties agreed to completely charge the previous amount to the payment of the remaining balance of the loans owed, being the debt repaid totally and definitely.

   The new dibursed capital will accrue an interest at a nominal annual rate on outstanding balances which will be paid in five consecutive monthly installments, starting on October 2012, repaying principal with the last installment on February 28, 2013. As to December 31, 2010, Maltería del Puerto S.A. had not entered into any loan agreement with Sociedad Italiana.

   The amounts outstanding under the above mentioned agreements, as to September 30, 2012 and December 31, 2011, are:

	Loans		
Date	Current	Non-current	Total
30/09/2012	6.504.803	-	6.504.803
31/12/2011	-	-	-
31/12/2010	-	-	-

   The figures shown in the preceding table are shown under “Loans” in current liabilities.

(figures expressed in Argentine pesos)

Note 31. Loans (continued)

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:

I. The loan had a maximum amount of ARS 30,000,000. Following is a summary of the sums disbursed by the Bank.

#	Date	Total Amount
1	17/06/2010	ARS 12.000.000
2	29/06/2011	ARS 518.400
3	29/07/2011	ARS 457.200
4	30/08/2011	ARS 185.400
5	07/10/2011	ARS 527.400
6	31/10/2011	ARS 475.200
7	02/12/2011	ARS 1.170.000
8	29/12/2011	ARS 194.400
9	30/01/2012	ARS 270.000
10	14/03/2012	ARS 52.200
11	16/04/2012	ARS 284.400
12	09/05/2012	ARS 176.400
13	06/06/2012	ARS 216.000
14	05/07/2012	ARS 131.400
15	31/07/2012	ARS 104.400
16	06/09/2012	ARS 81.000
		ARS 16.843.800

The balance on the loan i.e., the sum of ARS 13,156,200, 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 by the company –to full satisfaction of the Bank- of certain information on the project.

II. The term established was 36 months. The principal loaned should be reimbursed by Canfot S.A. to the Bank in pesos, within a maximum, non-extendable deadline of June 15, 2013. Said company is allowed the possibility of making prepayments with funds obtained from presales of units from the undertaking, without any kind of penalty being applied by the Bank.

III. All the amounts disbursed by the Bank will accrue, until their full payment, interest on the amount outstanding at the end of each monthly period, equivalent to the "BADLAR Bancos Privados Corregida" rate, plus a margin of 550 basis points.

The amounts outstanding under the above mentioned agreements, as to September 30, 2012, December 31, 2011, and December 31, 2010, are:

Loans			
Date	Current	Non-current	Amount
30/09/2012	16.996.378	-	16.996.378
31/12/2011	189.939	15.528.000	15.717.939
31/12/2010	100.358	12.000.000	12.100.358

Note 31. Loans (continued)

A) Construction Financing Agreement secured by a mortgage in United States Dollars:

I. The loan had a maximum amount of ARS 12,000,000. Following is a summary of the sums disbursed by the Bank.

#	Date	Total Amount
1	19/08/2011	USD 2,800,000
2	29/08/2011	USD 100,019
3	07/10/2011	USD 285,007
4	31/10/2011	USD 256,798
5	02/12/2011	USD 632,268
6	29/12/2011	USD 105,054
7	30/01/2012	USD 145,908
8	14/03/2012	USD 28,200
9	16/04/2012	USD 153,689
10	09/05/2012	USD 94,576
11	06/06/2012	USD 116,726
12	08/07/2012	USD 71,000
13	31/07/2012	USD 56,400
14	06/09/2012	USD 44,522
		USD 4,890,167

The balance on the loan, i.e. the sum of USD 7,109,833, 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 verifications that the Bank will conduct regarding completion of the works.

II. The term established was 16 months. The principal loaned is to be reimbursed to the Bank in pesos, within a maximum, non-extendable deadline of June 15, 2013. Canfot S.A. is allowed the possibility of making prepayments with funds obtained from presales of units from the undertaking, without any kind of penalty being applied by the Bank.

III. All sums disbursed by the Bank shall accrue, every month until fully repaid, interest on the outstanding balance equivalent to fixed annual nominal interest rate in dollars of 9.5 %.

The amounts outstanding under the above mentioned agreements, as to September 30, 2012, and December 31, 2011 are:

	Loans		
Date	Current	Non-current	Amount
30/09/2012	23.046.637	-	23.046.637
31/12/2011	69.034	17.987.044	18.056.078

Canfot S.A., to secure the financing agreed and the correct performance of its obligations under these agreements, has furnished a first-priority mortgage in favor of the Bank over the property where it is developing the “Forum Alcorta”urban 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” urban project. In all cases the disbursement of 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.

(figures expressed in Argentine pesos)

Note 31. Loans (continued)

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 date.

The description of each credit facility applied by Maltería del Puerto S.A., as to September 30, 2012, is detailed below:

Shareholder	#	Date	Total Amount	Amount requested	Amount paid	Rate
Osvaldo Roberto Paladini	1	11/04/2011	USD 400,000	USD 400,000	USD 400,000	9%
	2	20/05/2011	USD 400,000	USD 400,000	USD 400,000	11%
Juan Carlos Rossetti	1	12/04/2011	USD 400,000	USD 400,000	USD 400,000	9%
Eduardo Rubén Glusman	1	15/04/2011	USD 400,000	USD 300,000	USD 300,000	9%
Juan Carlos Paladini	1	15/04/2011	USD 800,000	USD 800,000	USD 800,000	9%
	2	18/07/2011	USD 200,000	USD 200,000	USD 193,939	9%
			USD 2,600,000	USD 2,500,000	USD 2,493,939	

USD: United States dollars

The loans mentioned have been renewed under the same conditions and with a new due date on April, 2013.

The amounts outstanding under the above mentioned credit facilities, as to September 30, 2012, and December 31, 2011 are:

Loans			
Date	Current	Non-current	Amount
30/09/2012	13.207.805	-	13.207.805
31/12/2011	11.364.748	-	11.364.748

4. On December 15, 2012, Marina Río Luján S.A. applied with its shareholders for a credit facility totaling USD 750,000 each to finance works and other expenses related to the development and construction of the project. The disbursement of the funds had 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 accrued current interest at a nominal 8% annual rate, calculated on disbursed principal, and had to be paid together with principal on the stipulated due date.

   On December 15, 2011, Marina Río Luján S.A. agreed with its shareholders on an extension until April 1, 2012 for the due date to pay all the outstanding sums of principal and interest.

   On April 12 and 16, 2012, The Company repaid all the sums accruing as of the date in connection with these loans.

   On October 4, 2011, Marina Río Luján S.A. applied with its shareholders for a credit facility totaling USD 500,000 each to finance works and other expenses related to the development and construction of the project. The funds were disbursed in October and November 2011.

   The principal disbursed by the shareholders accrues current interest at a nominal annual rate of 8% on disbursed principal. The date on which the Company agreed to repay principal and interest on the loan is October 3, 2012. To that date, an extension was requested for each of the credit lines to be payable on December 15, 2012, capitalizing the toal amount of interests.

(figures expressed in Argentine pesos)

Note 31. Loans (continued)

The amounts outstanding under the above mentioned credit facilities, as to September 30, 2012, December 31, 2011 and December 31, 2010 are:

Loans			
Date	Current	Non-current	Amount
30/09/2012	1.396.434	-	1.396.434
31/12/2011	2.839.859	-	2.839.859
31/12/2010	398.472	-	398.472

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 on the month following execution of the loan agreements, repaying principal with the last installment.

The description of each loan agreement executed as to September 30, 2012 and December 31, 2011, is detailed below:

#	Date	Total	Rate
1	29/07/2011	USD 505,310	10,14 %
2	29/07/2011	USD 505,310	10,14 %
		USD 1,010,620	

USD: United States dollars

On August 24, 2012 the loans have been fully repaid. As to December 31, 2011, the balance of said loan was of ARS 8,764,449.

Note 32. Related Parties

a) As to September 30, 2012 and December 31, 2011 and 2010, the amounts outstanding with companies as per section No. 33 – Law No. 19550 and other related parties are as follows

TRADE RECEIVABLES	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
In foreign currency:			
Marina Río Luján S.A.	-	78.681	-
	-	78.681	-

OTHER RECEIVABLES			
In the national legal tender:			
Individual shareholders	1.145.296	910.282	356.176
PDG Realty S.A. Empreendimentos e Participações	1.404.254	842.516	250.455
Other shareholders	1.913.139	909.086	-
Directors	39.927	32.631	23.806
	4.502.616	2.694.515	630.437

In foreign currency:			
Alto Palermo S.A.	-	2.480.737	-
Marina Río Luján S.A.	1.253.144	2.788.486	-
	1.253.144	5.269.223	-

(figures expressed in Argentine pesos)

Note 32. Related Parties (continued)

a) As to September 30, 2012 and December 31, 2011 and 2010, the amounts outstanding with companies as per section No. 33 – Law No. 19550 and other related parties are as follows (continued):

TRADES PAYABLE	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
IRSA Inversiones y Representaciones S.A.	25.511.416	42.224.900	-
	25.511.416	42.224.900	-

LOANS			
In foreign currency:			
Individual shareholders	13.207.805	11.364.748	-
Marina Río Luján S.A.	1.396.434	2.839.859	398.472
	14.604.239	14.204.607	398.472

CUSTOMER ADVANCES			
In the national legal tender:			
Individual shareholders	780.385	4.022.989	1.103.347
	780.385	4.022.989	1.103.347
In foreign currency:			
Individual shareholders	4.617.208	4.088.507	2.931.587
Alto Palermo S.A.	65.401.421	35.048.466	32.377.486
IRSA Inversiones y Representaciones S.A.	43.510.060	11.965.151	-
	113.528.689	51.102.124	35.309.073

b) As to June 30, 2012 and 2011, the most significant operations with companies as per section No. 33 – Law No. 19550 and other related parties were as follows:

	Profit/(Loss)	
	Sep 30, 2012	Sep 30, 2011
SERVICES PROVIDED		
Marina Río Luján S.A.	94.469	225.000
	94.469	225.000
FINANCIAL RESULTS		
Marina Río Luján S.A.	185.567	56.285
Alto Palermo S.A.	(3.171.203)	(1.446.685)
IRSA Inversiones y Representaciones S.A.	(4.948.115)	
Individual shareholders	(2.479.300)	(350.191)
	(10.413.051)	(1.740.591)
PAYMENT MADE ON BEHALF OF AND TO THE ORDER OF THIRD PARTIES		
Individual shareholders	464.178	-
PDG Realty S.A. Empreendimentos e Participações	561.738	-
Other shareholders	753.851	-
Directors	28.220	-
	1.807.987	-

(figures expressed in Argentine pesos)

Note 32. Related Parties (continued)

b) As to September 30, 2012 and 2011, the most significant operations with Companies as per section No. 33 – Law No. 19550 and other related parties were as follows (continued):

	Profit/(Loss)	
	Sep 30, 2012	Sep 30, 2011
COLLECTION ON SERVICE PROVIDED AND LOANS		
Alto Palermo S.A.	2.529.350	-
Maltería del Puerto S.A.	1.918.834	-
IRSA Inversiones y Representaciones S.A.	19.824.592	-
Marina Río Luján S.A.	-	217.597
Individual shareholders	1.697.569	
	25.970.345	217.597
LOANS MADE		
Alto Palermo S.A.	-	2.226.560
Marina Río Luján S.A.	-	403.000
	-	2.629.560
LOANS RECEIVED		
Individual shareholders	-	9.885.717
	-	9.885.717
CUSTOMER ADVANCES RECEIVED		
Alto Palermo S.A.	27.152.665	-
IRSA Inversiones y Representaciones S.A.	29.707.904	-
Individual shareholders	146.605	2.110.617
	57.007.174	2.110.617
CONVEYANCE OF UNITS		
Individual shareholders	3.242.604	9.885.717
	3.242.604	9.885.717

c) As to September 30, 2012 and 2011, transactions with key personnel were as detailed below:

	Sep 30, 2012	**Sep 30, 2011**
Short-Term Employees' benefits	1.173.314	1.652.990
Social Security	223.928	296.809
Total	**1.397.242**	1.949.799

On December 13, 2011, the Company Board of Directors provided that its Senior Management Departments, pursuant to Section 270 of the Business Organizations Act, are as follows:

- General Management
- Financial Management
- Operations Managemetn
- Human Resources, Technology and Process Management

Thus, TGLT's key personnel consists of the persons in charge of these Management Departments (4 people).

(figures expressed in Argentine pesos)

Note 33. Breakdown by maturity of and interests rates on credits, tax assets and debts

a) Classification of credits, tax assets and debt balances according to maturity:

Credits/Tax assets	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Due within			
Up to 3 months	41.501.897	94.807.762	22.236.655
From 3 to 6 months	628.705	17.038.177	755.987
From 6 to 9 months	28.254.972	1.922.355	111.838
From 9 to 12 months	10.467	532.502	101.449
Over 12 months	87.060.156	44.571.627	19.620.991
No specific due date	59.276.039	2.694.516	904.489
Past-due			
Up to 3 months	1.711.300	233.942	-
From 3 to 6 months	9.546	82.802	-
From 9 to 12 months	54.670	-	-
Over 12 months	441.618	-	-
	218.949.370	161.883.683	43.731.409

Debts	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Due within			
Up to 3 months	166.705.746	142.314.836	26.413.753
From 3 to 6 months	137.070.070	53.658.694	4.046.422
From 6 to 9 months	78.140.219	58.590.830	154.220
From 9 to 12 months	11.934.766	45.541.315	144.258
Over 12 months	735.429.421	436.570.016	303.089.259
No specific due date	-	813.780	81.761
Past-due			
Up to 3 months	174.466	-	-
	1.129.454.688	737.489.471	333.929.673

(figures expressed in Argentine pesos)

b) Credit, tax asset and debt balances accruing interest and otherwise are shown bellow:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Credits			
Accruing interests	963.152	5.601.129	788.925
Non accruing interests	217.986.218	156.282.554	42.942.484
	218.949.370	161.883.683	43.731.409
Average nominal anual rate:	9%	7%	8%
Debts			
Accruing interests	138.078.862	64.281.935	14.502.615
Non accruing interests	991.375.826	673.207.536	319.427.058
	1.129.454.688	737.489.471	333.929.673
Average nominal anual rate:	17%	15%	18%

Note 34. Restricted assets

1. 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 31, Canfot S.A. attached its real estate on which it is building the “Forum Alcorta” project, with a first-priority mortgage.

   As to September 30, 2012, the recorded value of the mortgaged property mentioned above totals ARS 284,230,877, (including land value and works in progress) and is included under the entry “Inventory” under current assets.

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 developed (see note 39.3), the company furnished a first-priority mortgage in favour of IRSA Inversiones y Representaciones S.A. (hereinafter “IRSA”) over said property. Additionally, and to secure that operation, the Company furnished a frist-priority pledge in favor of IRSA over the shares it holds in Maltería del Puerto S.A.

   As to September 30, 2012, the recorded value of the mortgaged property mentioned above totals ARS 76,485,194, and is included under the entry “Inventory” under current assets.

   As at September, 30, 2012, the outstanding debt on the aforementioned purchase totals ARS 25,511,416 (including land value and works in progress), which is included under the entry “Trades payable” under current liabilities.

3. On December 27, 2007, Marinas Río de la Plata SL and Marcelo Gomez 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 (hereinafter, the “Stock pledge Agreements”). Pursuant to said agreements, each party granted the other, as security for the fulfilment of the financing obligations by both in connection with Marina Río Luján S.A., a first-priority security interest pursuant to Section No. 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 Stock Pledge Agreements:

   I. 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.

II. First, Marcelo Gomez 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. For these purposes, Marina Río Luján S.A. will accept third-party financing on arm's length terms. In the event that said third party financing is not disbursed, each party will provide financing to the other for up to the amount of USD 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.

4. To secure the obligations assumed by the Company as a result of its purchase of the property where the "Astor Palermo" project is being developed (see note 39.1), the company furnished a first-priority mortgage in favour of Alto Palermo S.A. (hereinafter "APSA") over said property. The mortgaged amount is USD 8,143,231.

   As to September 30, 2012, the recorded value of the aforementioned mortgaged property amounts to ARS 109,646,467, and is included under the entry "Inventories" under the current assets.

   As to September, 30, 2012, the outstanding debt on the aforementioned purchase totals ARS 65,401,421, which is included under the entry "Customer Advances" under current liabilities.

Note 34. Restricted assets (continued)

5. As a result of certain demolition activities conducted in September, 2006 in the premises where the "Astor Nuñez" Urban Project is being developed, Pico y Cabildo S.A. was served with process regarding a suit for "damages due to proximity" in 2009. The case is held before the 89th Civil Trial Court and the amount claimed is about ARS 440,000.

   On August 24, 2012, the Court granted a motion to dismiss based on the statute of limitations, which had been filed by the Company; such court decision was appealed by the plaintiff. The file is about to be sent to the Court of Appeals.

   Likewise, and as a consequence of the acquisition of shares of 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 on behalf of Pico y Cabildo S.A., which would be used solely to pay any obligations arising out of the outcome of the claim filed against the Company.

   Consequently, current assets includes the sum of ARS 898,623 under the entry "Cash and Cash Equivalents", and the sum of ARS 898,623, is included in current liabilities under the entry "Other accounts payable."

6. On January 5th, 2012, and to secure the obligations assumed as a result of the purchase of the property where the "Forum Puerto del Buceo" project is being developed (see Note 39.4), FDB S.A. furnished with a first-priority mortgage in favour of Hèctor Fernando Colella Moix, Maria Eugenia Ortiz Fissore y Tomás Romay Buero (in their applicable proportions) on that property. The mortgaged amount is USD 23,600,000.

   Additionally, in connection with the same operation, the Company became joint-and-several guarantor, purely and simply, and principal payer, waiving the benefits of discussion and division, and also waving any defense accruing from FDB S.A; for the performance of all the obligations assumed by this company under the purchase and mortgage of the property acquired by the latter. The security will be effective until all the secured obligations have been discharged.

   As to September 30, 2012, the recorded value of the mortgaged property mentioned above totals ARS 118,026,783 (including land value and works in progress), and is included under the entry "Inventory" under current assets. Furthermore, FDB S.A. had discharged part of the obligation on the amount of USD 6,000,000.

Note 35. Claims

35.1. Health and 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 regarding violations and the number of personnel members affected by each violation, offering respective evidence. Once that evidence was produced, the Commission must issue a resolution, determining whether these violations did in fact take place or not, and, if applicable, imposing the penalties due to violations.

As to the date of these condensed 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 should have decided on these proceedings at some time during April 2011. However, as to the date of these condensed consolidated financial statements, said entity had not issued such decision. If monetary penalties are imposed, they must be paid, even if an appeal is filed with the Labour Court of Appeals in and for the Province of Santa Fe, under penalty of collection by way of coercion and shutdown of the Works.

The Company's board of Directors is of the opinion that the resolution issued on the aforementioned administrative proceedings will not entail any significant material losses for the Company, and therefore it had not recognised any debt in relation to this as to September 30, 2012.

Note 35. Claims (continued)

35.2. Labor matters

As to September 30, 2012, Maltería del Puerto S.A. had been served process regarding three labor claims in its capacity as owner of the "Forum Puerto Norte" urban project, and as joint-and-several guarantor of the labor obligations of certain subcontractors in connection with three labor claims.

As of the date of these condensed consolidated financial statements, it was impossible to quantify the potential contingencies the Company could face because the service of those claims did not state the amounts claimed. Nevertheless, the Board of Directors of the Company and its legal counsel estimate that the resolution of said claims should not generate significant losses for the Company.

35.3. Ingeniero Milia S.A.

On January 5, 2012, Maltería del Puero and the Company learned that Ingeniero Guillermo Milia S.A. (IGM), a contractor that both companies hired for the provision of concrete and mansory service in the "Forum Puerto Norte" and "Astor Caballito" urban projects, respectively, had not paid the ages corresponding to the second half of December and the supplementary annual salary (SAC) to its employees, which resulted in a walkout by its workers from the site. The Company was thus forced to assume the labor contingencies, terminate the commercial relationship with IGM and take over the works, as described below:

On December 18, 2011, Maltería del Puerto S.A. and the Company received a request for information from the Construction Workers' Trade Union of the Argentine Republic (UOCRA) and from the Construction Personnel Health Insurance Corporation (OSPECON), in relation to the personnel affected at those works hired through IGM. On January 25, 2012, said entities assessed a debt of ARS 217,846 and ARS 78,745, making this claim extensive to Maltería del Puerto S.A. and the Company, respectively, on a joint-and-several bases, pursuant to Law No. 22550, section 32.

Besides,, during December 2011, both companies signed collective employment agreements in relation to the IGM personnel assigned to the "Forum Puerto Norte" and "Astor Caballito" works, respectively. Thus, in their capacities as owners of both urban projects and as joint-and-several guarantors for the labor obligations of the workers of IGM, Maltería del Puerto S.A. and the Company paid-off, during January and February 2012, the debt IGM owed to its workers, paying them all salaries owned under the supervision of the Argentine Ministry of Labor, in addition to their supplementary annual salary, unemployment fund and final settlement.

Additionally, and as a result of the breaches incurred by IGM, Maltería del Puerto S.A. filed a petition with the District Civil and Commercial Trial Court of the 4th Circuit in and for the City of Rosario, Province of Santa Fe, to issue a restraining order against IGM and Carlos Domingo Tonsich and Gabriel Alejandro Pierre, in connection with the preliminary purchase agreements for functional units in the Forum Puerto Norte Project, executed pursuant to Letter Offers regarding the provision of concrete and masonry services, sent in due course by IGM to the Company. The Judge in charge of said Court granted the petition filed. On April 12, 2012, the Company filed a claim against IGM, Carlos Domingo Tonsich and Gabriel Alejandro Pierre.

As advised by the legal counsel of Maltería del Puerto S.A. Guillermo Alejandro Pierre and Carlos Domingo Tonsich, in their capacities as assignees of preliminary purchase agreements for units in Forum Puerto Norte, would be able to file a claim against the Company as a consequence of the restraining order above mentioned.

Likewise, in February 2012, IGM filed an insolvency petition before the Civil and Commercial Trial Court No. 1 in and for the City of Olavarría, in the case "Ingeniero Guillermo Milia S.A. s/Concurso Preventivo."

Maltería del Puerto and the Company have appeared in court as unsecured creditors, claiming credits for the amount of ARS 9,085,156 and ARS 1,293,689, respectively. On September 12, 2012, the Court disregarded the proof of claims filed by Maltería del Puerto as unsecured creditor. For this reason, on October 12th, 2012, Maltería del Puerto filed a motion for review in the proceedings. As to September 30, 2012, the Board of Directors of Maltería del Puerto S.A. decided to set up an allowance for the amount of ARS 2,353,777, included in the entry "Inventories" under the current assets.

Note 35. Claims (continued)

35.4. Worksite Advertising and Fencing

On July 8, 2011, Dirección General de Rentas (General Revenue Bureau, dependent of the Governmental Administration of Public Revenue of the City of Buenos Aires) drafted a resolution for the works where "Forum Alcorta" urban project is being developed, due to an alleged failure to pay advertising fees regarding the fencing surrounding the site and alleged failure to pay the fee for occupying the street right-of-way with the fence, understanding that the same had been placed on the street right of way (at a distance of approximately 35 centimeters from the municipal line).

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

As to the fee for occupying the street right-of-way, on November 3, 2011, Canfot S.A. adhered to a payment plan for the total amount of ARS 591,770 (including principal and interest), to be paid in 60 monthly instalments.

Additionally, 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 agreed to pay or repair all damages caused by advertisement bills and/or perimeter fences.

As to September, 30, 2012, the outstanding liability totaled ARS 393,123 (principal and interest), included in the entry "Other tax liabilities" under current liabilities totalling ARS 77,352, and under non current liabilities totalling ARS 315,771.

As to September 30, 2012, and in the light of the status of negotiations being conducted by the Board of Directors of the Company with the management of CBS Outdoor Argentina S.A., it has been decided to establish an allowance for likelihood of uncollectabilitty for that credit in the sum of ARS 325,392. The opinion of the Company's legal counsel was also taken into account at the time the allowance was set up. Regarding the balance of ARS 266,378, the parties are bargaining for the purposes of suscribing a Compromise Settlement Agreement, involving benefits in kind by CBS Outdoor Argentina S.A. in favour of TGLT S.A.

Note 36. Preliminary Injunction

36.1. Astor Palermo Project

On June 9, 2011, the Trial Court on Administrative and Tax Matters No. 9, Clerk's Office No. 18, granted a preliminary injunction in Court Record No. 41.544 "Asociación de Amigos Alto Palermo c/ Gobierno de la Ciudad Autónoma de Buenos Aires Sobre Amparo". Such injunction suspends the construction of the work of the premises located on Beruti No. 3351/59 between Bulnes street and Coronel Díaz Avenue of the City of Buenos Aires. Pursuant to paragraph II of said resolution, the suspension will remain in force until the Government of the City of Buenos Aires adds the administrative records No. 28831/2009 and 10788/2009 to the court record, whereby it has granted authorization for the construction of an apartment building with residential and commercial parking lots, to be built by the Company on that property. On July 4, 2011, the Government of the City of Buenos Aires complied with this petition. On July 11, 2011, the acting judge granted the requested preliminary injunction. Said preliminary injunction was granted until all the evidence offered by the parties was produced, as well as any other evidence as might be required by the Court in due procedural course. On July 15, 2011, the Company appealed from the resolution that granted this injunction, and said resolution was reversed.

On October 4, 2011, the plaintiff filed a brief (new fact) related to a request of reports on the conditions in which the project and its performance were authorized. Such new fact were answered, both on the appeal and in the principal court record. On April 26, 2012, the Appellate Court decided to reverse the trial's court decision and lifted the injunction that had suspended resumption of works at Astor Palermo.

As to the date of issuance of these condensed consolidated financial statements, the Company has resumed the works and commercialization of said project. Notwithstanding the foregoing, the main court record "Asociación Amigos Alto Palermo c/Gobierno de la Ciudad Autónoma de Buenos Aires s/Amparo" is on the discovery period.

Note 36. Preliminary Injunction

36.2. Astor Caballito Project

By means of a resolution on August 14, 2012, Room I of the Court of Appeals on Administrative and Tax Matters in and for the City of Buenos Aires, granted a preliminary injunction on the connected court records in the cases: "Asociación Civil y Vecinal SOS Caballito c/ GCBA s/ amparo" and "Asociación Civil Basta de Demoler c/ GCBA s/ amparo " both being handled by the Trial Court on Administrative and Tax Matters No. 14 in and for the city of Buenos Aires. Said injunction provides for the suspention of the construction of the works on the premises of "Astor Caballito" project, located in the block surrounded by Mendez de Andés Street 621/25/39/53/59, Colpayo 624/26/28/36/38/44, Felipe Vallese 702/24738/42/50/54 and Rojas 629/31/33/35/37/38/41/49/77, of the City of Buenos Aires.

For this reason, the Company filed an appeal for review by the Trial court, having subsidiary appellation to a Superior Court. As to the date of issue of these consolidated condensed financial statements, said Superior Court has not issued a decision.

Note 37. Management, development and administration agreements

37.1. Canfot S.A.

On October 27, 2009, Canfot S.A. and the Company entered into a management agreement by which Canfot S.A. entrusted the Company with the management, administration, accounting and other aspects related to the operation and exploitation of "Forum Alcorta Project."

On account of said services, the parties agreed on the payment of 48 monthly installments of USD 67,000 plus the Added Value Tax in favour of the Company which cannot exceed 2% of the project's aggregate gross sales; however, if once said amounts have been paid in full, and said amounts exceed the 2% limit provided for above, the relevant party must pay the difference to the other party. Furthermre, another form of variable compensation in favor of the Company is established, regardless of what is provided above, connected to Canfot S.A net and earned profits.

Addtionally, on that date the parties entered into a "sales service agreement" whereby the Company will be in charge of promoting and selling the Forum Alcorta Project.

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

On July 1, 2011, the parties agreed to suspend the terms and conditions of said agreement, resuming them on November 1, 2012, fixing the monthly amount of ARS 120,000 for any item being invoiced from November, 2012, to January 31, 2014, or until six months have elapsed since the closing of the post-construction stage of the project, whichever is later.

37.2. 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 S.A. were entrusted with managing "Venice" urban project. Pursuant to the provisions of the agreement, the developers (the Company and Metro 21 S.A.) take charge of project management, which includes supervision of sales, management, administration, accounting activities, and in general, all aspects associated with managemet.

As consideration for their development services, Marina Río Luján S.A. will pay the developers a monthly amount of ARS 15.000 plus Added Value Tax, of which ARS 90,000 will be paid to the Company.

For the product sales services (except those referred to as Macrolotes), Marina Río Luján S.A. shall pay the developers 2% plus Added Value Tax 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 Added Value Tax. Payments for sales services will be made until all the products have been sold.

Note 37. Management, development and administration agreements (continued)

37.2. Marina Río Luján S.A. and Metro 21 S.A. (continued):

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. Other addenda to the development and management agreement were executed subsequently, whereby the parties agreed to suspend accrual of the development service payments until April 1, 2012, inclusive.

As to the date of these condensed consolidated financial statements, the Boards of Directors of both companies were analizyng the various different alternatives.

37.3. 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, Matería del Puerto S.A. entrusted the Company with the management, financial and commercial administration of “Forum Puerto Norte” project, in the urban area known as “Centro de Renovación Urbana Escalabrini Ortiz, 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 the amount of USD 200,000 until September 30, 2008, the monthly amount of USD 80,000 from October to December, 2008 inclusive, the monthly amount of USD 40,000 from January, 2009 to June, 2011, both inclusive, and shall pay the amount of USD 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 said agreement.

For those promotion and sales services, Maltería del Puerto S.A. pays the Company 2 % of the total value of gross sales of the units in the urban project “Forum Puerto Norte.”

Note 38. Interest in other companies – Acquisitions and transferences

38.1. Acquisition and transference of shares of Canfot S.A.

On June 14, 2011, the Company executed a stock purchase agreement with Ricardo Depresbiteris, whereby it acquired 24.96% of the share capital and the votes in Canfot S.A. for the amount of USD 7,500,000.

On September 13, 2011, the Company entered into an agreement for the purchase of shares with Kondor Fund, SPC - Kondor Properties Segregated Portfolio (“Kondor”), whereby it transferred 4,383,235 shares in Canfot S.A. (representing 9.09% of the share capital and votes) for the amount of USD 2,900,000.

As a result of the transactions mentioned above, the Company held 90.91% of the share capital and the votes in Canfot S.A. as to September 30, 2012.

38.2. Acquisition and transference of shares of Pico y Cabildo S.A.

a) On March 30, 2011, the Company entered into an agreement for the sale of the total capital stock of “Pico y Cabildo S.A.”, with the shareolders of such company (the “Sellers”). On April 14, 2011 (the “First Closing Date”) 95 % of the shares were transferred to the Company and on June 2, 2011 (the "Second Closing Date"), 5 % of the remaining shares were transferred to the Company.

Note 38. Interest in other companies – Acquisitions and transferences (continued)

The main assets held by Pico y Cabildo S.A. are two plots of land located in Nuñez neighborhood, in the City of Buenos Aires, as per the following desciption (hereinafter, collectively, the "Premises"):

I. Vedia Street Nros. 2332 / 2334 / 2340 / 2342 / 2348 / 2350 between Cabildo Avenue and Vuelta de Obligado Street;Real Estate Registration: Circunscription: 16; Section 29; Block 12; Parcel 4b; Registration number: FR 16-48561; and

II. Cabildo Avenue No. 4801 / 4827 / 4829 / 4833 / 4837 / 4847 / 4861 and Pico Street 2329 / 2335 / 2339 / 2347 / 2351 / 2357 / 2361 / 2375 / 2395 / 2397; Real Estate Registration: Circunscription: 16; Section 29; Block 12; Parcel 4c; Registration Number: FR 16-48562.

The total purchase price for the shares was agreed at USD 12,600,000, which were paid-up as follows:

(i) The amount of USD 2,199,348 was paid by the Company's delivery to the Sellers of the preliminary sales agreements of the functional units in the "Astor Palermo" real estate undertaking, that the Company is developing in the premises owned on Beruti 3351, in the City of Buenos Aires.

(ii) USD 6,184,775 were paid in cash on June 30, 2011.

(iii) USD 4,215,877 were paid in cash 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. Such pledge was released after payment of the price.

b) On September 13, 2011, the Company transferred to Canfot S.A. shares representing 3% of the share capital and votes in Pico y Cabildo S.A. for the amount of ARS1,587,601.

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

38.3. Acquisitions of shares in TGLT Uruguay S.A. and FDB S.A. (Uruguay):

On October 5, 2011, the Company entered into a stock purchase agreement, whereby it acquired 100% of the share capital of TGLT Uruguay S.A., for the amount of USD 5,100.

TGLT Uruguay S.A. is a company incorporated under the laws of the Oriental Republic of Uruguay, and was acquired by the company for the purposes of extending business in said country.

Additionally, on November 22, 2011, TGLT Uruguay S.A. acquired 100% of the share capital of FDB S.A. for the amount of USD 5,100.

FDB S.A. is a company incorporated under the laws of the Oriental Republic of Uruguay, and was acquired for the purposes of developing the urban project "Forum Puerto del Buceo" in said country.

On June 29, 2012, the Company decided to capitalize the credit it had with TGLT Uruguay S.A. for the amount of USD 2,382,336, equivalent to ARS 10,689,541.

Note 39. Acquisition of real estate properties

39.1. Premises of "Astor Palermo" urban real estate project

On October 13, 2010, the Company executed a preliminary sales agreement with Alto Palermo S.A. (herinafter "APSA") for the purchase of the premises located in the City of Buenos Aires, facing the street Beruti No. 3351/59, between Bulnes and Av. Coronel Díaz, with Real Estate Registration: Circumscription 19, Section 15, Parcel 11-S. The Company is planning the construction of an apartment building with residential and commercial parking lots in said premises.

In consideration for the acquisition of the premises, the Company agreed to transfer to APSA: (i) a number to be determined of functional housing units (apartments) jointly representing 17.33% of the Company's own sellable square metre of residential space (apartments) in the building to be constructed; (ii) a number to be determined of supplementary/functional units (parking lots), representing 15.82% of the Company own square metres of parking lots in the same building; (iii) the total amount of functional units to be used as commercial parking spaces; and (iv) the amount of USD 10,700,000, which were paid in November 5, 2010.

On December 16, 2010, the deed of conveyance of said premises was executed by Alto Palermo S.A. as the seller and the Company, as the purchaser.

As a result of the acquisition of the premises, and to secure performance of all the obligations TGLT S.A. assumed vis-à-vis APSA, TGLT S.A. furnished a first-priority mortgage over said property in favor of APSA. The mortgaged amount is USD 8,143,231 (See Note 34.4.)

This property is also subject to three gratuitous, perpetual, continuous and non-aparent 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 built on the servient estate.

39.2. Premises of the urban real estate project temporarily called "FACA"

On March 15, 2011, the Company executed a memorandum of understanding with Servicios Portuarios S.A. (herinafter "SP") to acquire for the Company (or a controlled subsidiary thereof) a plot of land located in the city of Rosario, Province of Santa Fe, which adjoins the property on which "Forum Puerto Norte" project is being developed. Such plot of land (hereinafter, the "Premises") belongs to the Subsidiary of the Company, Maltería del Puerto S.A.

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. The parties agreed to extend the term of the memorandum of understanding twice, and established the third and last extension until the June 30, 2012.

As to the date of these condensed consolidated financial statements, the Company and SP were negotiating up to what date to extend anew the term established in the memorandum of understanding to sign the contracts and documents defined in said transaction.

The total surface area of the Premises is approximately 84,000 m², resulting from a Total Occupation Factor (TOF) of 117,000 m2 in a sellable and/or marketable area estimated in 121,000 m² m2 plus 1,380 garages. TGLT S.A. (or a controlled subsidiary thereof) will acquire the Premises, where the Company will erect several premium-quality buildings that will include, among others, apartments, commercial establishments, cellars, parking lots, piers, marinas, etc.

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

The purchase price will be USD 28,000,000. Also, the Company will offset the amounts paid by SP for the works on Luis Candido Carballo Avenue, totalling the amount of ARS 8,408,701 plus the Added Value Tax.

Note 39. Acquisition of real estate properties (continued)

39.2. Premises of the urban real estate project temporarily called "FACA" (continued)

As to September 30, 2012, the Company includes the advance payment made toward the purchase of the property mentioned in the preceding paragraphs in the entry "Other receivables", under current assets.

39.3. Premises of "Astor Caballito" urban real estate project

On June 29, 2011, the Company entered into an exchange acquisition operation for a plot of land located in this city, identified with the following real estate registration: Circunscription: 7; Section 45; Item: 179,579-02 (the "Premises"), owned by IRSA Inversiones y Representaciones S.A. (hereinafter "IRSA".) The Company Intends to develop a housing project on the Property.

In consideration for the acquisition of the premises, the Company agreed to transfer to IRSA:

(i) a number to be determined of functional housing units (apartments), jointly representing 23.10% of the property sellable square metres destined for housing (apartments) in the building to be constructed;

(ii) a number to be determined of parking lots, jointly representing 21.10% of the proprietary parking lots square metres located in the two subfloor levels of the real estate development to be built by TGLT in the Premises;

(iii) If the Company builds supplementary cellar units, a number to be determined of supplementary cellar units equivalent to 21.10% of the proprietary cellar square meters in the buildings that the Company will erect on the Premises; and

(iv) the amount of USD 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.

As security of its obligations under the exchange, the Company furnished a firts-priority mortgage in favor of IRSA over the Premises, for upto the principal amount of USD 12,750,000 plus interests, costs and expenses as may be deemed applicable (see Note 34.2).

39.4. Premises of "Forum Puerto del Buceo" urban real estate project

On December 28, 2011, the company FDB S.A. executed a Reserve for the acquisition of a property located on the corner of Rambla Armenia and Rambla Costanera de Pocitos in Puerto del Buceo, City of Montevideo, Oriental Republic of Uruguay, measuring approximately 10,765 square metres.

Following are the main conditions agreed:

a) The offeror, Héctor Collela Moix (owner of 90% of the premises) agreed to reserve for the sale to the acceptor, FDB S.A., who accepted and in turn agreed to acquire the aforementioned premises.

b) The price of this transaction was agreed in the amount of USD 24,000,000, to be paid as follows:

   i. The amount of USD 600,000 when signing the purchase instrument.

   ii. The amount of USD 5,400,000 as to March 31, 2012.

   iii. The amount of USD 6,000,000 as to March 31, 2013.

   iv. The amount of USD 12,000,000 by selling (i) thirty-four (34) future condominium units, on aggregate with a surface of five thousands eight hundred and forty-five square metres (5,845m^2) and (ii) fifty-four (54) parking lots in the same building to be erected on the premises.

c) To secure payment of the price balance, the aceptor would furnish a first-priority mortgage on the property in favor of the offeror.

Note 39. Acquisition of real estate properties (continued)

39.4. Premises of "Forum Puerto del Buceo" urban real estate project (continued)

d) The deed of conveyance would be executed within 30 days as from execution of this Reserve.

On January 5, 2012, between FDB S.A. (the buyer) and Héctor Fernando Colella Moix, Marta Eugenia Ortiz Fissore and Tomás Romay Buero (the sellers, owners of 100% of the premises) executed the deed of conveyance of said premises, which included the main terms and conditions agreed in the Reserve executed on December 28, 2011.

To secure the obligations assumed under that operation, several security instruments were furnished in favor of the sellers (see Note 34.6).

As to the date of these condensed consolidated financial statmenes, USD 600,000 had already been paid, as established in the executed deed of conveyance, as well as the USD 5,400,000 payment due on March 31, 2012.

Note 40. Asset Impairment

For the purposes of probing the impairment of the capital gain acquired as a consequence of subsequent business combinations, such capital gains were allocated to each project, which acquisition originated said capital gain, as shown in Note 13. Each project is considered independently as a cash-generating unit (CGU).

Due to the fact that there is no active market for CGUs, the company verifies if these CGUs are impaired, calculating their in-use value. For calculating the in-use value of each CGU, the Company uses the internal projections aiming at monitoring the course of each business, and discounting using the discount rate before taxes, which shows the current market evaluations, corresponding to the temporary value of money and at specific risks of the assets for which such estimations of future cash flow had not been adjusted.

The projections performed by the Company, on which the calculations of the in-use value of CGU are based, include the net cash flow generated by income and expenses connected to the project, which is projected to be received or paid until the end of said project.

For the preparation of said calculations the Company considers, among others, the flow of collections associated to the units whose sale has been secured or is projected to be secured in the future, the costs of construction calculated for the end of the works, and other administrative and commercialization expenses, on the basis of calculations made by different operative managements of the Company, and macroeconomic projections provided by external counselors.

The calculations of future cash flow do not include income or outcome of cash due to financing activities, or collections or payments due to the income tax.

Such calculations are revised and adjusted, to meet the requirements set forth in IAS 36.

The cash flow projected was discounted at a rate of 27%, which represents approximately the financing marginal cost of the Company.

From the comparison between the book value of CGU identified with their corresponding recoverable amounts, it arises that the capital gain associated to Forum Puerto Norte is impaired in ARS 31,396,853 arises. Such amount is shown in the Statement of income, under "Other operating expenses".

Due to the fact that the urban projects carried out by the Company have a useful life determined by the completion date and conveyance of units, the current value of the projected cash flow decreases with time, as that date is closer. Such is the case of the Forum Puerto Norte Project, which capital gain was impaired during the ongoing period, as it is already at conveyance stage.

(figures expressed in Argentine pesos)

Note 41. Earnings per share

Income per basic share:

The result and weighted average numbers of ordinary shares used to calculate earnings per basic shares are as follows:

	Sep 30, 2012	Sep 30, 2011
Results allocated to the controlling owners	(88.402.458)	(37.066.192)
Results allocated to non-controlling interests	(18.057.309)	4.811.423
Results used to calculate earnings per basic share	**(106.459.767)**	**(32.254.769)**
Results used to calculate earnings per basic share from ongoing operations	**(106.459.767)**	**(32.254.769)**
Weighted average number of shares of common stock for purposes of earnings per basic share (all measurements)	70.349.485	70.349.485
Earnings per share	**(1,51)**	**(0,46)**

The weighted average number of outstanding shares was 70,349,485, as in the case of the weighted diluted average number of shares, since there were no debt securities convertible into shares as to September 30, 2012.

Note 42. Segment information

42.1. Introduction

The Company has adopted IFRS 8—Operating Segments, which provides that operative segments are identified on the bases of internal reports regarding the company components regularly reviewed by the Board of Directors, the main operative decision-maker, to allocate resources and assess performance.

To conduct its business, both financially and operationally, the Company has established that each of its real estate undertakings represents a business segment or Cash Generating Unit (CGU), namely: Forum Puerto Norte, Forum Alcorta, Astor Palermo, Astor Caballito, Astor Núñez, Venice, Forum Puerto del Buceo and Proyecto FACA.

In this sense, Management makes use of the indicators summarized in the following sections:

42.2. Secured sales

	Sep 30, 2012	**Sep 30, 2011**
Forum Puerto Norte	365.977.123	285.464.845
Forum Alcorta	399.469.323	283.284.935
Astor Palermo	190.072.605	86.908.039
Astor Caballito	63.349.201	10.659.086
Astor Núñez	36.492.691	19.379.582
Venice (50%)	20.067.765	-
Forum Puerto del Buceo	82.042.330	-
FACA Project	-	-
Total	**1.157.471.038**	**685.696.487**

(figures expressed in Argentine pesos)

Note 42. Segment information (continued)

42.3. Gross result measured as percentage of completion

September 30, 2012	Forum Puerto Norte	Forum Alcorta	Astor Caballito	Astor Palermo	Total
Sales revenues measured as percentage of completion	14.543.312	26.419.975	7.094.621	76.959.542	125.017.450
Net cost of sales measured as percentage of completion	(48.520.945)	(21.882.870)	(6.721.125)	(67.671.563)	(144.796.503)
Gross result measured as percentage of completion	**(33.977.633)**	**4.537.105**	**373.496**	**9.287.979**	**(19.779.053)**

September 30, 2011	Forum Puerto Norte	Forum Alcorta	Astor Caballito	Astor Palermo	Total
Sales revenues measured as percentage of completion	52.913.259	19.681.533	356.125	-	72.950.917
Net cost of sales measured as percentage of completion	(46.075.495)	(11.609.191)	(345.353)	-	(58.030.039)
Gross result measured as percentage of completion	**6.837.764**	**8.072.342**	**10.772**	**-**	**14.920.878**

42.4. Inventories

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Forum Puerto Norte			
Inventories under construction	*274.301.232*	*244.597.724*	*212.248.011*
impairment of inventories under construction	*(5.070.002)*	-	-
Completed units	*80.950.963*	*117.300.046*	-
Impairment of completed units	*(6.023.139)*	-	-
Forum Alcorta	284.230.877	194.958.048	150.405.918
Forum Puerto del Buceo	118.026.783	843.276	-
Astor Palermo	109.646.467	79.533.354	76.886.003
Astor Caballito	76.485.194	58.884.406	-
Astor Núñez	57.846.986	57.376.513	-
Venice	72.792.356	71.164.113	69.494.199
FACA Project	22.305.515	-	-
Total	**1.085.493.232**	**824.657.480**	**509.034.131**

42.5. Advanced Payments of clients

Cumulative	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Forum Puerto Norte	240.650.828	231.156.206	110.962.942
Forum Alcorta	281.340.225	163.355.005	83.982.269
Forum Puerto del Buceo	51.167.785	150.640	-
Astor Palermo	116.886.153	47.400.991	30.025.587
Astor Caballito	52.650.826	10.942.578	-
Astor Núñez	29.028.300	8.331.748	-
Venice	9.075.271	2.080.824	-

FACA Project	-	-	-
Total	**780.799.388**	**463.417.992**	**224.970.798**

(figures expressed in Argentine pesos)

TGLT

Note 43. Assets and liabilities in foreign currency

	Sep 30, 2012				Dec 31, 2011	Dec 31, 2010
	Class and amount of foreign currency		Exchange rate	Total Amount accounted for In pesos	Total Amount accounted for In pesos	Total Amount accounted for In pesos
ASSETS						
Current assets						
Cash and cash equivalents :						
Cash	USD	582	4,657	2.711	154.108	92.676
	UYU	107.486	0,222	23.862	-	-
	BRL	-	-	-	222	425
				26.573	154.330	93.101
Banks	USD	729.783	4,657	3.398.599	5.887.443	167.803.284
Banks	UYU	1.149.680	0,222	255.229	-	-
				3.653.828	5.887.443	167.803.284
Time deposits	USD	191.319	4,697	898.623	813.780	-
Mutual funds	USD	6.104.274	4,657	28.427.602	56.704.973	-
Commercial papers	USD	1.456.650	4,657	6.783.619	7.992.442	-
Foreign Currency to be converted	USD	-	-	-	-	1.751.520
Trade receivables:						
Intercompany balances	USD	-	-	-	78.681	-
Private debtors	USD	590.714	4,657	2.750.956	8.472.404	-
Other receivables:						
Intercompany balances	USD	269.088	4,657	1.253.144	5.269.223	-
Insurance to be accrued	USD	164.623	4,657	766.651	665.462	495.928
Advance payments to general suppliers	USD	-	-	-	-	58.237
Advance payments to work suppliers	USD	1.637.824	4,657	7.627.347	351.835	1.970.856
Advance payments to suppliers on inventory purchases	USD	5.129.706	4,657	23.889.041	22.078.255	-
Refundable expenses	USD	-	-	-	2.558	3.761
Sundry	USD	14.948	4,657	69.613	67.049	-
Total current assets				76.146.997	108.538.435	172.176.687
Non current assets						
Other receivables:						
Added value tax	UYU	4.870.293	0,222	1.081.205	146.472	-
Security deposits	USD	45.000	4,657	209.565	191.880	110.209
Security deposits	UYU	609.396	0,222	135.286	-	-
Insurance to be accrued	USD	33.054	4,657	153.932	219.031	336.096
Total non current assets				1.579.988	557.383	446.305

(figures expressed in Argentine pesos)

Total assets	**77.726.985**	**109.095.818**	**172.622.992**

USD: United States dollars
UYU Uruguayan pesos.

Note 43. Assets and liabilities in foreign currency (continued)

	Sep 30, 2012				Dec 31, 2011	Dec 31, 2010
	Class and amount of foreign currency		Exchange rate	Total Amount accounted for In pesos	Total Amount accounted for In pesos	Total Amount accounted for In pesos
LIABILITIES						
Current Liabilities						
Trades payable:						
Suppliers	USD	233.063	4,697	1.094.695	110.377	459.481
Suppliers	UYU	6.616.000	0,224	1.481.984	-	-
				2.576.679		
Accrued expenses	USD	26.396	4,697	123.982	747.547	61.729
Provisions for works	USD	-	-	-	928.050	-
Insurance payable	USD	95.736	4,697	449.673	397.659	487.636
Contingency fund	USD	14.234	4,697	66.856	59.981	55.410
Intercompany balances	USD	5.431.428	4,697	25.511.416	42.224.900	-
Real estate purchase creditors	UARSS	12.166.020	4,697	57.143.798	-	-
Loans:						
Mortgage-backed bank loans	USD	4.906.672	4,697	23.046.637	69.034	-
Other loans	USD	-	-	-	8.764.449	-
Intercompany balances	USD	3.109.270	4,697	14.604.239	14.204.607	398.472
Corporate notes	USD	791.275	4,697	3.716.617	-	-
Employees' benefits:						
Social Security payables	UYU	386.763	0,224	86.635	-	-
Other tax burdens:						
Provision for net worth tax	UYU	3.737.058	0,224	837.101	14.705	-
Other national taxes	UYU	59.147	0,224	13.249	-	-
Advanced Payments of clients:						
Sums collected in advance	USD	129.877.485	4,697	610.034.546	410.538.145	186.243.070
Intercompany balances	USD	24.170.468	4,697	113.528.689	4.022.989	1.103.347
Other accounts payable:						
Inventory creditors	USD	366.107	4,697	1.719.604	6.257.790	-
Long-term investment creditors	USD	-	-	-	18.145.137	-
Sundry creditors	USD	191.319	4,697	898.623	813.780	-
Sundry	USD	5.332	4,697	25.043	-	-
Total current liabilities				**854.383.387**	**554.378.285**	**223.014.871**

Non current liabilities

Loans:						
Corporate notes	USD	7.738.621	4,697	36.348.202	-	-
Mortgage-backed bank loans	USD	-	-	-	17.987.044	-
Total non current liabilities				**36.348.202**	**17.987.044**	**-**
Total liabilities				**890.731.589**	**572.365.329**	**223.014.871**

USD: United States dollars UYU Uruguayan pesos.

Note 44. Program of Corporate notes

At the Shareholders' Meeting held on December 20, 2011, approval was given for the creation of a global program for the issuance of short-, medium-, or long term simple corporate notes not convertible into stock, subordinated or not, secured or unsecured, pursuant to Law No. 23576, as amended (the "CNs") for the maximum amount of fifty million United States Dollars (USD 50,000,000) or its equivalent in any other currency, under which different classes or series denominated in United States Dollars or other currencies may be issued and the successive classes and/or series that are amortized may be reissued (the "Program"). The term of the Program will be of five (5) years, beginning with the authorization granted by CNV (Argentine Securities and Exchange Commission); within this term all the issuances and re-issuances under this Program must be carried out.

Likewise, the funds obtained by means of the placement of the CNs issued under the Program will be allotted to any item on the list on section 36 subsection (2) of Law No. 23576, as amended, e.g. Investment in physical assets located in the country; and/or contribution of working capital in the country; and/or refinancing of liabilities; and/or capital contributions to subsidiaries or affiliates of the issuer Company whose proceeds are used solely for the purposes indicated above, and the Board of Directors (or, if applicable, the directors or officers to which their power may be sub-delegated) may determine to what use the proceeds from the issuance or re-issuance of each series or class of CNs to be issued under the program will be put.

On July 12, 2012, the Board of Directors of the Argentine Securities and Exchange Commission (Comisión Nacional de Valores) authorised the Program by means of resolution No. 16853.

On August 21, 2012, Corporate Notes Classes I and II on the scope of the Program were issued.

Class I Corporate Notes were issued for the amount of ARS 19,533,207, at a variable rate Private Badlar, plus a margin of 5.25% due 21 months after the issuance, that is, on May 21, 2014. The capital will be amortised in Argentine Pesos by means of three equal consecutive payments on the months 15, 18 and 21 as from issuance. Interests shall be payable each three-month period as from November 21, 2012.

Class II Corporate Notes were issued for the amount of U$S 8,554,320, at a fixed rate of 9.25% due 24 months after the issuance, that is, on August 21, 2014. The capital will be amortised in Argentine Pesos by means of four equal consecutive payments on the months 15, 18, 21 and 24 as from the issuance. Interests shall be payable each three-month period as from November 21, 2012.

TGLT allocates its funds to make investments in property, plant and equipment within Argentina, to integrate working capital in the country, to refund liabilities, to make capital contributions to subsidiaries or affiliates to the Company, and/or any other allotment provided for on applicable rules.

Both issuances have been graded as "A" according to the national risk scale on the long term of Fitch Argentina Calificadora de Riesgo S.A. and are traded at Bolsa de Comercio de Buenos Aires (Buenos Aires Stock Exchange) and Mercado Abierto Electrónico (Open Electronic Market).

As to September 30, 2012, the debt due to Corporate Notes in local currency and in foreign currency is ARS 19,689,551 and 40,064,819, respectively, and is included in the entry "Loans" under the current liabilities for the amount of ARS 3,784,559 and 3,716,617, respectively, and under the non-current liabilities the amount of ARS 15,904,992 and ARS 36,348,202, respectively.

Note 45. Risks – financial risk management

The company is exposed to market, liquidity and credit risks that are inherent to the real estate business as well as to the financial instrument used to finance real estate projects and for liquidity investments. The Company does not presently use derivatives for risk coverage.

The Company's Management regularly analyses risks to report to the Board of Directors about them, and devises risk management strategies and policies. Likewise, it controls that the practices adopted throughout the organization are consistent with established policies. It also monitors current policies and adapts or modifies them based on market changes and emerging organizational needs.

Market Risks

The activities of the Company are exposed to risks inherent to the real estate development business in Argentina. These include the following:

Risk of increasing construction costs

Most of our costs are pegged to the evolution of construction and material prices and labour rates. The Cámara Argentina de la Construcción (Argentine Construction Chamber) publishes the "CAC" index to track the evolution of these costs. Many construction contracts for our projects are pegged to this index or to similar ones. In the first nine months of 2012, the CAC index rose 22.2%, compared to an increase of 22.1% in the same period last year. Increased construction costs reduce our operational margins if we are unable to increase revenues commensurately. The strategies applied by the Company to avoid this include, among others, the following:

- We control the pace of sales throughout the project, allowing the Company to take advantage of price increases accumulated by real estate as a consequence of cost-side pressures, as well as to prevent cash balances from accumulating and probably losing their purchasing power.
- Our sales agreement have one or more of the following characteristics:
    - ✓ Payments adjusted according to the evolution of the CAC index: In most of the sales agreements, we include a clause whereby customer payments are adjusted on the bases of the variations undergone by the CAC index.
    - ✓ Prices denominated in United State Dollars: In the past, most of sales contracts were denominated in United States dollars, under the expectation that inflation was accompanied by currency depreciation. Thus, the value of payments in pesos would go up as peso depreciates, and would pay, at least in part, for our rising costs. Due to the fact that recent restrictions to purchase US dollars for saving money or purchasing real estate have been imposed, we have exercised the options provided for in preliminary sales agreements with our clients, by requiring the payments of obligations denominated in dollars of our clients to be made in dollars deposited in foreign accounts, or in pesos at an exchange rate higher than the official exchange rate.
    - ✓ Prices to be determined on the bases of the cost of construction: In some cases, sales agreements include clauses that adjust the value of the products sold and hence advances made by our customers, based on how costs progress in our real estate projects. Thus, all increases in construction costs are actually charged to our customers. We generally cap these adjustments to limit the total increase a customer could face in relation to the original price, but it is far above our cost increase expectations.
- We pay some of our suppliers by exchanging the product to be completed; in fact, we tie the cost of materials or services purchased directly to the cost of production of the product offered in exchange.

Note 45. Risks – financial risk management (continued)

Risks of demand of our products

Financing for our real estate projects depends mostly on the evolution of presales. The demand for our products depends, among other factors, on the prospects for the population to gain access to housing, the supply of credit, the availability of excess savings destined to the purchase of housing as an investment alternative, the prospects for increases in housing prices in relation to other investment options, buyers' preferences for the products offered by the Company, etc. The evolution of economic indicators, the economic perspectives of the population, the competition in the sector, the changes in our buyers' preference, among others, affect the demand-side factors for our products, and downturn in the former could slow down the pace of sales in our projects and therefore, their financing. For this reason, the Company Management monitors the pace of sales and takes corrective actions to adjust our marketing strategy, forms of payment, product design, etc., in order to keep up a steady pace of sales that will allow our projects to be funded. Also, as discussed in the "Liquidity risk" section below, it resorts to external sources of finance to overcome a potential slowdown in the pace of sales without delaying the construction timeframes for the projects.

Risk of suppliers' contract default

The Company largely outsources the construction of its undertakings through work contract with expert suppliers. Thus, meeting the project deadlines and budgets depends, in large, on the effective performance of contracts. In this sense, the Company thoroughly evaluates the contractors (before and during performance of the contract) to reduce the risk of contractual default, and demands that relevant insurance be taken. Besides, the Company requires that its suppliers take insurance policies directly or through the Company, against the risk that may arise from work contract defaults.

The Company is also exposed to the risks inherent to the construction business in relation to labour matters, safety, hygiene and environment, which the Company controls by implementing the policies imposed to our suppliers to minimise those risks.

Credit risks

Credit risk related to the sale of our products

The Company finances its projects largely through unit presales. The sales agreements with our customers, generally, contemplate a payment plan that begins with the signature of the contract and ends with the conveyance of title to the completed product, with installment payments during the construction of the project. Any irregularity or delay in the payment of these sums committed by the customers constitutes a risk for project funding. Sales agreements contemplate heavy penalties for defaults in payment, generating significant costs for our customers; we hence record a very low level of delays and uncollectable debts. Nevertheless, the Company conducts permanent monitoring of collections and actively works on any delays in payment.

Credit risk related to financial instruments and cash deposits

Credit risk related to the investment of cash and cash equivalent balances is managed directly by the Treasury. The Company is very conservative in its financial investment policies, favouring deposits in top-tier and sterling-rated financial entities, as well as in mutual funds that maintain instruments with very little volatility and high liquidity in their portfolios.

Note 45. Risks – financial risk management (continued)

Liquidity risks

All our real estate projects aim to be "self-funding", i.e., presale proceeds should accompany disbursements related to construction costs. Nevertheless, in order to preserve financing continuity for its operations, the Company uses several external financing vehicles such as bank account overdrafts, bank loans and corporate notes, for which it seeks to maintain excellent rapport with financial institutions and capital markets as a whole. As to September 30, 2012, the Company maintains a reduced level of loans equivalent to ARS 133 millions, 36% of its shareholders' equity or 9 % of its assets, which is below its lendable capacity. In this sense, the Company is presently negotiating new loans for the construction of some of its projects, new bank facilities and the issuance of corporate notes in the capital markets. Fitch Argentina S.A. recently rated the Company's long-term credit capacity as A.

Note 46. Allocation of retained earnings originated from the application of IFRS for the first time

Pursuant to the Business Organizations Act, the Bylaws and General Resolution No. 368/01 of the Argentine Securities and Exchange Commission (CNV), 5% of the earnings for the fiscal year must be transferred to the statutory reserve, after the accumulated losses, if any, have been absorbed, until the Reserve amounts to 20% of the adjusted capital.

According to General Resolution No. 609 of CNV, the Company must allocate the amount of ARS 46,257,485 to a special reserve. Such amount results from the difference between the initial balance of retained earnings, showed in the financial statements at the first closing of year in which IFRS were applied, and the final balance of retained earnings at the closing of the last year, which were governed by former accounting standards. This reserve cannot be reversed to make distributions in cash or in kind among shareholders or owners of the organization, and may only be reversed for capitalization or to absorb possible negative balances in the account "Retained Earnings".

The decision arising from the application of the paragraph above shall be taken at the Shareholders Meeting in which the financial statements as to December 31, 2012 is considered.

INTERIM INDIVIDUAL CONDENSED FINANCIAL STATEMENTS

TGLT S.A.

AS TO SEPTEMBER 30, 2012 (NINE MONTH PERIOD)

TGLT S.A.

INDIVIDUAL CONDENSED BALANCE SHEET

AS TO SEPTEMBER 30, 2012; DECEMBER 31, 2011; AND DECEMBER 31, 2010

(figures expressed in Argentine pesos)

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
ASSETS				
Current assets				
Cash and cash equivalents	6	66.483.066	64.981.797	164.312.906
Trade receivables	7	2.630.248	1.132.281	1.412.140
Other receivables	8	101.936.755	78.334.738	4.396.281
Inventories	9	208.437.176	138.417.759	76.886.003
Total current assets		379.487.245	282.866.575	247.007.330
Non current assets				
Other receivables	8	1.968.820	1.919.169	110.209
Property, plant and equipment	10	3.673.909	1.326.166	305.730
Intangible assets	11	746.288	731.505	212.013
Tax assets	12	21.901.674	12.238.189	6.828.732
Investments	13	239.742.136	303.694.353	281.771.334
Total non current assets		268.032.827	319.909.382	289.228.018
Total assets		**647.520.072**	**602.775.957**	**536.235.348**
LIABILITIES				
Current Liabilities				
Trades payable	16	29.379.648	47.008.141	1.939.198
Loans	17	33.946.223	18.571.154	-
Employees' benefits	18	1.070.260	2.106.312	780.329
Current tax liabilities	19	1.409.017	770.652	2.294.179
Other tax burdens	20	295.729	612.872	351.797
Advanced Payments of clients	21	169.536.978	62.390.284	32.377.893
Other accounts payable	22	2.037.961	24.569.744	-
Total current liabilities		237.675.816	156.029.159	37.743.396
Non current liabilities				
Loans	17	52.253.194	-	-
Deferred tax liabilities	23	1.259.433	1.323.141	-
Total non current liabilities		53.512.627	1.323.141	-
Total liabilities		**291.188.443**	**157.352.300**	**37.743.396**
SHAREHOLDERS' EQUITY		**356.331.629**	**445.423.657**	**498.491.953**
Total liabilities and shareholders' equity		**647.520.072**	**602.775.957**	**536.235.348**

Notes 1 to 45 enclosed hereto are part of these financial statements.

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

TGLT

TGLT S.A.

INDIVIDUAL CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME FOR PERIOD

FOR THE NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2012 AND 2011

(figures expressed in Argentine pesos)

		NINE MONTHS		THREE MONTHS	
	Notes	Sep 30, 2012	Sep 30, 2011	Sep 30, 2012	Sep 30, 2011
Income		5.546.440	8.885.741	2.594.444	1.602.689
Cost of services rendered	26	(6.458.868)	(6.712.715)	(2.394.824)	(2.694.116)
Gross income		**(912.428)**	**2.173.026**	**199.620**	**(1.091.427)**
Sales expenses	27	(8.523.098)	(4.249.289)	(2.783.515)	(1.092.886)
Administrative expenses	28	(12.145.274)	(6.374.543)	(4.170.448)	(2.559.012)
Other operating expenses		(31.396.853)	-	(26.891.426)	-
Operating income		**(52.977.653)**	**(8.450.806)**	**(33.645.769)**	**(4.743.325)**
Long-term investment results		(42.573.279)	(32.651.556)	(16.355.380)	(6.571.576)
Other expenses		(378.207)	(47.146)	(142.605)	(16.963)
Financial results	29				
Exchange difference		(5.680.782)	3.016.335	(3.445.085)	(171.722)
Financial income		8.677.823	2.604.331	3.495.842	742.441
Financial costs		(2.672.199)	(1.305.336)	(1.575.214)	(626.535)
Other income	30	-	624.615	-	-
Income for the period before Income Tax		**(95.604.297)**	**(36.209.563)**	**(51.668.211)**	**(11.387.680)**
Income Tax	31	7.201.839	(856.629)	2.544.588	226.053
Income for the period		**(88.402.458)**	**(37.066.192)**	**(49.123.623)**	**(11.161.627)**
Other comprehensive income that will be reclassified in gaining or loss					
Difference for the conversion of a net investment abroad		(689.570)	-	268.524	-
Total of other comprehensive income		**(89.092.028)**	**(37.066.192)**	**(48.855.099)**	**(11.161.627)**
Total comprehensive income for the period		**(89.092.028)**	**(37.066.192)**	**(48.855.099)**	**(11.161.627)**
Earnings per share attributable to controlling owners					
Base		**(1,30)**	**(0,53)**	**(0,74)**	**(0,16)**
Diluted		**(1,30)**	**(0,53)**	**(0,74)**	**(0,16)**

Notes 1 to 45 enclosed hereto are part of these financial statements.

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

TGLT S.A.

INDIVIDUAL CONDENSED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED ON SEPTEMBER 30, 2012

(figures expressed in Argentine pesos)

		Share capital				Reserves			
Concept	Notes	Share capital	Additional paid-in capital	Transactions between shareholders	Total	Diff for conversion of net investment abroad (1)	Statutory reserve	Unappropriated Retained earnings	Totals
Balances as to January 1, 2012		70.349.485	378.208.774	(7.826.480)	440.731.779	-	4.000	4.687.878	445.423.657
Income for the period		-	-	-	-	-	-	(88.402.458)	(88.402.458)
Income for the period before Income Tax		-	-	-	-	(689.570)	-	-	(689.570)
Comprehensive income for the period		-	-	-	-	(689.570)	-	(88.402.458)	(89.092.028)
Balances as to September 30, 2012		70.349.485	378.208.774	(7.826.480)	440.731.779	(689.570)	4.000	(83.714.580)	356.331.629

(1) Difference for the conversion of a net investment abroad

Notes 1 to 45 enclosed hereto are part of these financial statements.

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with our limited review report dated on November 9, 2012
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TGLT S.A.

INDIVIDUAL CONDENSED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED ON SEPTEMBER 30, 2011

(figures expressed in Argentine pesos)

		Share capital				Reserves		Unappropriated	
Concept	Notes	Share capital	Additional paid-in capital	Transactions between shareholders	Total	Diff for conversion of net investment abroad (1)	Statutory reserve	Unappropriated Retained earnings	Totals
Balances as to January 1, 2011		70.349.485	378.208.774	-	448.558.259	-	4.000	49.929.693	498.491.952
Acquisition of non-controlling share		-	-	(7.826.480)	(7.826.480)	-	-	-	(7.826.480)
Income for the period		-	-	-	-	-	-	(37.066.192)	(37.066.192)
Income for the period before Income Tax		-	-	-	-	-	-	-	-
Comprehensive income for the period		-	-	-	-	-	-	(37.066.192)	(37.066.192)
Balances as to September 30, 2011		70.349.485	378.208.774	(7.826.480)	440.731.779	-	4.000	12.863.501	453.599.280

Notes 1 to 45 enclosed hereto are part of these financial statements.

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires (C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires (C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

TGLT

TGLT S.A.

INDIVIDUAL CONDENSED STATEMENT OF CASH FLOW

FOR THE NINE-MONTH PERIODS ENDED ON SEPTEMBER 30, 2012 AND 2011

(figures expressed in Argentine pesos)

	Notes	Sep 30, 2012	Sep 30, 2011
Operating activities			
Total comprehensive income for the period		(89.092.028)	(37.066.192)
Adjustments to obtain the cash flow provided by operating activities			
Income Tax		(7.201.839)	856.629
Depreciations of properties, plants and equipments		769.371	227.996
Amortizations of intangible assets		378.206	47.146
Long-term investment results		63.952.217	32.651.556
Net unpaid accrued exchange differences		2.366.857	5.953.000
Changes in operating assets and liabilities			
Trade receivables		(1.393.608)	2.899.985
Other receivables		(18.095.784)	73.760.442
Inventories		(70.019.417)	58.471.617
Tax assets		(8.254.468)	2.174.647
Trades payable		(19.992.900)	(43.068.485)
Employees' benefits		(1.036.052)	(441.963)
Tax liabilities		7.776.496	1.331.866
Other tax burdens		(317.143)	(795.659)
Advanced Payments of clients		101.358.983	(32.334.588)
Other accounts payable		(24.775.256)	(40.654.646)
Assumed minimum income tax		(1.409.017)	(1.147.456)
Net cash flow (used in) generated by operating activities		**(64.985.382)**	**22.865.895**
Investment activities			
Payments for the purchase of property, plant and equipment		(3.117.114)	(2.297.096)
Payment for the purchase of intangible assets		(392.989)	(469.828)
Payment for the purchase of long-term investments		-	(98.420.577)
Net cash flow used in investment activities		**(3.510.103)**	**(101.187.501)**
Financing activities			
Loan increases		66.618.391	(11.369.597)
Net cash flowgenerated in financing activities		**66.618.391**	**(11.369.597)**
Net decrease in cash and cash equivalents		(1.877.094)	(89.691.203)
Cash and cash equivalents at the beginning of the year		64.981.797	164.312.906
Effects of the variations of the exchange rate on cash and cash equivalents kept in foreign currency		3.378.363	3.771.408
Cash and cash equivalents at the close of the year		**66.483.066**	**78.393.111**

Notes 1 to 45 enclosed hereto are part of these financial statements.

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Federico Nicolás Weil
President

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

AS TO SEPTEMBER 30, 2012 PRESENTED COMPARATIVELY – SEE NOTE 4.1.

(figures expressed in Argentine pesos)

Note 1. Purpose of financial statements

On October 14, 2010, the C.N.V. issued its approval of Resolution No. 16409 of September 8, 2010, whereby the Company has been authorized to make a public offering of up to 45,400,000 book-entry ordinary shares, with the possibility of extending said offering up to 61,800,000 shares. In turn, the B.C.B.A. (Buenos Aires Stock Exchange) issued the authorization for TGLT S.A shares to be listed on the stock exchange DATED October 19, 2010.

Additionally, on November 4, 2011, the Securities and Exchange Commission of the Federal Republic of Brazil (in Portuguese, Comissão de Valores Mobiliários or "CVM") granted TGLT S.A. open-company registration and approved the BDR Level II program (Brazilian Depositary Receipts). Furthermore, the BM&FBovespa, the main Brazilian stock exchange market, authorized the negotiation of BDR in its general board. All common shares and ADRs of the company are convertible into BDRs and vice versa.

These individual condensed interim financial statements (hereinafter "financial statements") as to September 30, 2012, were prepared by the Company Management for the purposes of complying with governing law and with the requirements of the C.N.V. and the B.C.B.A. within the framework of authorization of the public offering of its stock.

Note 2. Use of the IFRS in accordance with the provisions of RT 26

These condensed financial statements as to September 30, 2012, are the first statements issued by the Company to be submitted to the regulatory entities, in accordance with Technical Resolution No. 26 (text ordered by Technical Resolution No. 29), prepared in accordance with the International Financing Reporting Standards (IFRS), except solely for the provisions of section 9, which provides that the individual financial statements of entities required to submit consolidated financial statements, investments in subsidiary entities (controlled companies), entities under shared control and associated entities (entities in which significant influence is exercised but which are neither controlled nor under shared control) shall be accounted for using the interest method (proportional equity value) described in IAS 28 "Investments in Associates and Joint Ventures", and in the case of investments in controlled entities and in entities under shared control with the same adjustments incorporated into the consolidated financial statements in accordance with the consolidation standards contained in IAS 27 and IAS 31. This criterion differs to that set out in IAS 2, according to which this accounting must be performed in such cases at cost or fair value. In the case of the Company, its application is for investments in controlled companies.

The effects of the changes that result from the application of these accounting standards are shown in Note 5. Application of IFRS is mandatory for the Company, pursuant to Technical resolution No. 26 (ordered text) of Federación Argentina de Consejos Profesionales de Ciencias Económicas (Argentine Federation of Profesional Economics Associations) and the Regulations of the Argentine Securities and Exchange Commission ("CNV), in this period, which began on January 1, 2012.

Note 3. Activities of the Company

TGLT S.A. main line of business consists of 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, after sale 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 individual condensed financial statements, the Company participates, along with other investors, in various urban projects (See note 1 to the condensed 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.

Note 4. Criteria for Preparing the Condensed Financial Statements

4.1. Criteria for the presentation

The individual balance sheet as to September 30, 2012, December 31, 2011 and December 31, 2010, and the individual statement of income and of other comprehensive income for the period, the statement of changes to shareholder's equity and the statement of cash flow as to September 30, 2012 and 2011 have been presented pursuant to the provisions of IAS 34 *"Interim Financial Reporting."* This individual condensed financial information must be read jointly with the consolidated financial statements of the Company as to December 31, 2011 and 2010, presented according to previous accounting standards; and the pertinent information provided in this financial statements was prepared according to the IFRS over said periods.

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 the application of Technical Resolution No. 26 of the F.A.C.P.C.E. (as amended by Technical Resolution No. 29, passed by the F.A.C.P.C.E. on December 3, 2010), which adopts the International Financing Reporting Standards issued by the International Accounting Standards Board (IASB) for certain entities included in the public offering system of Law No. 17811, whether on account of their equity or debt securities, or because they have requested authorization to be included in said system.

As the Company is included in the public offering system due to its share capital, the enforcement of such standards is mandatory as from this year that commenced on January 1, 2012.

These financial statements have been prepared under the historical cost basis of accounting, modified, when applicable, to adopt other basis of accounting as required by the IFRS.

These interim individual condensed financial statements correspond to the nine-month period beginning on January 1, 2012 and ending on September 30, 2012. According to the IFRS, the Company presents its condensed consolidated accounting information in comparison with the last two fiscal years closed at December 31, 2011 and 2010, and shows the statement of income and of other comprehensive income for the period, the statement of changes to shareholders' equity and the statement of cash flow for the nine-month period ended on September 30, 2012, comparing it to the same period during the previous fiscal year.

These individual condensed financial statements have been approved by the Board of Directors at the meeting held on November 9, 2012.

4.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted

At the date of issuance of these financial statements, there are certain standards, amendments and interpretations to existing standards not yet enforced, which have not been adopted by the Company.

The Company did not adopt the IFRS or their revisions, which are detailed below, due to the fact that their enforcement is not required as to the close of the year ended on September 30, 2012:

IFRS 9 (as amended in 2010: Financial Instruments (1) ;

IFRS 10: Consolidated Financial Statements (1);

IFRS 11: Joint Arrangements (1);

IFRS 12: Disclosure of Interests in Other Entities (1);

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted (continued)

IFRS 13: Fair Value Measurement (1);

IFRS 19: Employee's Benefits (1);

IAS 32 and IFRS 7: Amendments about Offsetting Financial Assets and Financial Liabilities (2).

Improvements to the IFRSs issued in 2012 (3)

(1) Applicable standards for the years commencing on or after January 1, 2013.

(2) Applicable as from the periods commencing on 2014

(3) Include improvements to the following IFRSs: IFRS 1 First- time adoption of the International Financial Reporting Standards, IAS 1 Presentation of Financial Statements, IAS 16 Property Plant and Equipment, IAS 32 Financial Instruments: Presentation, IAS 34 Interim Financial Reporting. Applicable to annual periods commencing on January 1, 2013. Advanced application is allowed.

On the other hand, the Company decided to adopt beforehand the amendment to IAS 1 regarding the presentation of the Statement of Income and of Other Comprehensive Income, issued on June, 2011, applicable as from July, 2012.

IFRS 9 titled "Financial Instruments" issued on November, 2009 and amended on October, 2010, introduces new requirements for the classification and measurement of financial assets and liabilities and to their disposal. IFRS 9 requires that all financial assets falling within the scope of IAS 39 Financial Instruments – Recognition and Measurement be measured after their depreciated cost or fair value. Specifically, debt investments within the scope of a business model , which aims at collecting contractual cash flow, and which have contractual cash flow consisting solely in payments of principal and interests on the effective share capital, are, in general, measured at the depreciated cost at the closing of subsequent accounting periods. All other debt or equity investments are measured at their fair values at the closing of the subsequent accounting periods.

The most significant effect of IFSR 9 in connection with the classification and measurement of financial liabilities refers to the accounting entry of changes of the fair value of financial liabilities (determined as financial liabilities at their fair value with changes in the income) attributable to changes on the credit risk in such liability.

Specifically, according to IFRS 9, for those financial liabilities that are designated as financial liabilities at their fair value with changes in the results, the amount of the change in the fair value of the financial liability, which is attributable to changes in the credit risk in that debt, is recognized through other comprehensive income, unless the recognition of the changes in the credit risk of the debt in other comprehensive income created or increased accounting mismatch. The changes in the fair value attributable to the credit risk of a financial liability are not subsequently reclassified as income. Previously, according to IAS 39, the total amount of change in the fair value of the financial liabilities designated at its fair value with changes in the results was recognized in gains and losses. The Company management is analysing the potential impact of adopting this amendment. The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

IFRS 10 was issued by IASB on May 12, 2011. It sets forth the principles for the preparation and presentation of the consolidated financial statements when the entity controls one or more entities. IFRS replaces the consolidation requirements set forth in SIC-12 "Consolidation- Special Purpose Entities" and IAS 27 "Consolidated and Separate Financial Statements." Although such standard is in effect for year periods starting as from January 1, 2013, advanced compliance of such standard is advisable. IFRS is based in existing principles to identify the control concept as the key factor to establish whether an entity must be included in the consolidated financial statements of the controlling company.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted (continued)

Such standard provides additional orientation to help determining control where such control is difficult to evaluate. The Company Management is analysing the potential impact of adopting this amendment. The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

IFRS 11 "Joint Arrangements", issued by the IASB on May 12, 2011, provides to reflect the implications of joint arrangements in a more realistic way, focusing in the rights and liabilities of such arrangement instead of its legal form (as is currently the case). Such Standard is focused on solving the inconsistencies in the explanation of joint agreements as it requires a simple method to register jointly interests in controlled entities.

The application of this standard will have an impact on the exposition and inversion in the joint business "Marina Río Luján S.A." owned by the Company. The Company Management is analysing the potential impact of adopting this amendment. The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

On May 12, 2011, IASB issued IFRS 12 "Disclosure of Interests in Other Entities". IFRS 12 is a new complete standard dealing with the requirements of explanation for every kind of interest in other entities, including subsidiaries, joint agreements and associated entities and non-consolidated structures. Applicable to annual periods commencing on January 1, 2013. Advanced application is adviced. The Company Management is analysing the potential impact of adopting this amendment. The impact of the potential effect cannot be determined reasonably until the mentioned analysis is concluded.

Amendment to IAS 19 includes a number of specific improvements to the Standard. The main changes refer to:

- Eliminating the "corridor method", by requiring entities to recognise actuarial gains and losses arising on the period,
- Rationalising the presentation of changes in assets and liabilities of the plan,
- Improving the explanation requirements, including information regarding the characteristics of the benefit plans and the risks that the entities are exposed to by participating in such plans.

The amended version of IAS 19 is effective for the years commencing on January 1, 2013. The Company Management considers that enforcement of this standard will not have a significant impact.

On May 12, 2011 the IASB and the Financial Accounting Standards Board (FASB) issued a new guideline regarding measurement of the fair value and the requirement for dissemination of the IFRS and the US GAAP. The guideline is found in IFRS 13 "Fair Value Measurement" and completes the joint committees' task for improving and integrating the IFRS and the US GAAP.

IFRS 13 provides for a single structure to measure the fair value when such is required by other standards. This IFRS is applied to financial elements, as well as non-financial elements, both measured at their fair value.

The fair value is measured as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date." The Board of Directors establishes in advance that IFRS 13 will be adopted in the Group financial statements for the year commencing on January 1, 2013. The changes may not affect significantly the disclosures in the Group financial statements. However, it is not be possible to reasonably determine the impact of the potential effect until a detailed analysis has been performed.

On June 2011 the IASB issued Presentation of Items of Other Comprehensive Income (amendments to IAS 1). Such amendments improved the coherence and clarity of the presentation of items of other comprehensive income (OCI). Such amendments clearly stated that the Board should include in the presentation the income for the period and the presentation of the OCI jointly and with the same degree of importance.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations not yet adopted (continued)

As it was explained in the paragraph IN13, IAS 1 was amended in 2007 to require that the result for the period and the OCI be presented jointly and with the same degree of importance. The amendments issued on June, 2011 maintained this requirement, but focusing on improving the way in which the items of OCI are presented.

The main change derived from the amendments was that entities were required to group the items presented in OCI based on the fact of whether they can be potentially reclassified later at the income for the period (re classification adjustments). The amendments did not state which items were presented in OCI.

The amendments did not change the option to present the items of OCI before taxes or net after taxes.

However, if the items are presented before taxes, the tax related with each of the two groups of the items of OCI (the ones that can be reclassified and those that will not be reclassified) should be presented separately.

Although the amendment to IAS 1 is mandatory as from July 2012, the Company decided to apply it in advance.

The amendment “Offsetting Financial Assets and Financial Liabilities” (Amendments to IAS 32 and IFRS 7), issued in December 2011, revoked paragraph GA38 and added paragraphs GA38A to GA38F. Entities will apply these amendments to yearly periods that begin as from January 1, 2014. A company can apply these modifications retroactively. Early application of the same is allowed. If an entity applies these amendments as of a previous date, it must reveal this fact as well as reveal the information required in Diclosure-Offseting of Financial Assets and Liabilities” (Amendments to IFRS 7), issued in December, 2011.

4.3. Foreign currency and functional currency

The financial statements of the Company, the income and financial position are expressed in pesos (legal tender of the Argentine Republic), which is the functional currency of the Company (currency of the main economic environment in which it operates), being the currency in which the individual condensed financial statements are presented.

The transactions in currencies other than the entity functional currency (foreign currency) were entered using the exchange rates on the dates when the transactions were performed. At the end of the period and of each fiscal year reported, the monetary items expressed in foreign currencies were converted using the exchange rates in effect on that date. The non-monetary items entered at their fair value, expressed in foreign currencies, were reconverted using the exchange rates in effect on the date when the fair value was determined.

Foreign exchange differences were recognized in the income for each period except when originating in foreign-currency loans related to assets under construction for productive use, which were included in the cost of said assets since they were considered as an adjustment to the cost of interest on those loans in foreign currency.

For the purposes of applying the equity method, the financial statements of each entity were expressed in pesos (the legal tender of the Argentine Republic for all companies domiciled thereat) which, as explained before, is the functional currency of the Company (currency of the main economic environment in which a company operates), being the currency in which financial statements are presented.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.4. Loan Costs

The financial costs incurred through loans obtained to directly finance real estate urban projects (undergoing development), are included as part of the cost of such assets, in accordance with the provisions set forth in IAS 23 "Loan Costs."

Additionally, for generic loans–that is, those not assigned specifically to a particular real estate urban project– the assignmen t criterion provided for in paragraph 14 of the referred IAS was used.

The amount of loan costs capitalized during the period and the fiscal years reported do not exceed the total loan costs incurred during that same period and fiscal years, respectively.

The remaining loan costs are included as profits and losses when they are incurred.

4.5. Taxes

The Income Tax charge represents the total current Income Tax, generated by tax losses, and the Deferred Tax, that results from temporary differences between accounting and tax measurements.

4.6. Current Taxes

The charge for the current tax was based on the tax losses recorded for the period/fiscal year. The tax income differed from the income reported in the consolidated statement of comprehensive income due to the income or taxable expense or deductible items from other years and due to the items that will never be taxable or deductible.

The current tax charge was calculated using the tax rates promoted or substantially approved to the end of the fiscal year reported in countries in which the Group companies are located.

The current taxes were entered as income or expenses and included in the comprehensive income.

4.7. Deferred taxes

The Deferred Tax was recognized for the temporary discrepancies between accounting criteria applied to the assets and liabilities included in the financial statements and their respective tax criteria.

The Deferred Tax Liabilities were generally recognized for all future temporary taxable discrepancies. The Deferred Tax Assets were recognized for all the temporary deductible discrepancies to the extent that it was deemed likely that the entity would have future tax earnings from which to charge these temporary deductible discrepancies. These assets and liabilities were not recognized when the temporary discrepancies were the result of capital gain or of the initial recognition (different from the one generated in a joint business) of other assets and liabilities in transactions that did not bear on tax earnings or accounting earnings.

The Deferred Tax Assets and Liabilities were measured using the tax rates. The application of those rates is expected during the period in which the assets are realized or the liabilities, paid, based on the rates (and tax laws) approved, or in the final stages of approval, by the end of the period or fiscal year reported.

Measurement of the Deferred Tax Liabilities and Deferred Tax Assets at the end of the period/fiscal year being reported reflect the tax consequences of the way in which the entity intends to recover or liquidate the amount of its assets or liabilities in its books.

Deferred Tax Assets were only offset with the Deferred Tax Liabilities when a) the right to compensate them was legally allowed by tax authorities, and when b) the deferred tax assets and liabilities result from the relevant Income Tax paid to the same tax authorities and TGLT S.A. had the intention of liquidating its assets and liabilities as net assets and liabilities.

Deferred Tax charges were entered as income or expenses and included in the comprehensive income.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.8. Assumed minimum income tax

The Assumed Minimum Income Tax is supplementary to the Income Tax because, whereas the latter is applied to the taxable income of each fiscal year, the Assumed Minimum Income Tax is a minimum tax of 1% applied to income potentially obtained from certain productive assets as to the closing of each fiscal year, and the company must pay whichever of the two taxes amounts to more. However, if the Assumed Minimum Income Tax exceeds the Income Tax in a fiscal year, the excess may be credited to any amount by which the Corporate Income Tax exceeds the Assumed Minimum Income Tax in any of the ten following periods.

During the period ended on September 30, 2012, the amount calculated as Assumed Minimum Income Tax in excess of the Income Tax was ARS 2,525,353. This amount, which added to the charges from previous fiscal years represents ARS **8,656,047** in credit, is listed under "Tax Assets" entry as a non-current assets, because the amounts paid for this tax are considered as recoverable before they are barred by a statute of limitations.

4.9. Property, plant and equipment

Property, plant and equipment are expressed at the net cost of the cumulative depreciation and the cumulative losses due to value impairment, when applicable. This cost includes the cost of replacing part of the property, plant, and equipment, as well as loan costs incurred due to long term construction projects, if the requirements for entering them are fulfilled.

Significant components of property plant and equipment that must be replaced periodically are recognized by the Company as individual separate assets, with their specific useful lives and respective depreciations. Likewise, when a major inspection or repair is performed, the cost incurred is recognized as a replacement in the book value of the plant and equipment if the criteria for recognizing them are met. Any other repair and maintenance costs are entered in the statement of income as they are incurred.

Depreciation is calculated using the straight-line method, applying rates that are sufficient to extinguish their values at the end of the estimated useful life. These useful lives are based on criteria and standards that are reasonable according to the experience obtained by the Company Management.

For more information regarding the useful lives assigned, please refer to Note 4.23 (Opinion, Accounting Estimates and Significant Assumptions).

Property, plant and equipment components or any significant parts of the same recognized initially are written off when they are sold or when no future financial benefits from the use or sale of the same are expected. Any earnings or losses at the time an asset is written off (calculated as the difference between the net income obtained from the sale of the asset and its book value) are included in the statements of income when the asset is written off.

The residual values, useful lives, and depreciation methods and rates of the assets are checked and adjusted prospectively on the closing date of each fiscal year when necessary.

Evolution of property, plant, and equipment assets is presented in Note 10.

4.10. Intangible assets

4.10.1 Trademarks and Software

This includes expenses incurred in software acquisition and brand registry. The intangible assets acquired are initially measured at their cost value. Following the initial recognition, they are entered in the books at their cost value minus any cumulative amortization and any cumulative loss due to value impairment.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.10. Intangible Assets (continued)

4.10.1 Trademarks and Software (continued)

The amortization is calculated by the straight-line method, whose rate is determined on the base on the useful life assigned to assets from the month of incorporation inclusive. The evolution of intangible assets is included in Note 11.

The amortization period and method for intangible assets with a predetermined useful life are checked at least at the close of each period reported. The changes in useful life expected or pattern expected for consumption of the asset are entered in the books upon changing periods or amortization methods, as the case may be, and they are treated as changes in accounting estimates. The amortization expense in intangible assets with finite useful lives is listed in the statement of income under the expense category that is consistent with the purpose of the intangible asset in question.

Any gain or loss that results from writing off an intangible asset is calculated as the difference between the net income obtained from the sale and the asset book value, included in the statements of income when the asset is written off.

4.10.2 Expenses incurred in Software Research and Development

Research expenses are entered in the books as expenses as they are incurred. Development expenses incurred in a specific project are listed as intangible assets when the Company can prove the following:

- The technical feasibility of completing the intangible asset so that it is available for its expected use or sale.
- Its intention of completing the asset and its capacity to use or sell it.
- How the asset will generate future financial benefits.
- The availability of resources for completing the asset.
- The capacity to perform reliable measurements or disbursements during its development.

Alter a development expense is initially recognized as an asset, the cost model is applied, which requires that the asset be entered in the books at its cost value minus cumulative amortization and cumulative losses due to value impairment. Amortization of assets begins when development has been completed and the asset is available for use. The asset is amortized throughout the period in which generation of future financial benefits is expected. During the development period, the asset is subject to yearly tests for determining whether there has been value impairment.

4.11. Impairment test of capital gain, intangible assets and property, plant and equipment

4.11.1 Impairment of non-financial assets

At the closing of each period reported, the Management must evaluate whether there is any indication of the impairment of the value of a non-financial asset. If there is any such indication, or when yearly impairment tests for determining the impairment of assets are required, the recoverable value of such asset is estimated. The recoverable value of an asset is the fair value minus the sale cost –whether it is of an asset or of a cash generating unit– or its in-use value, whichever is greater, and it is determined for individual assets unless the asset does not generate cash flow that is substantially independent from other assets or asset groups. When the book value of an asset or of a cash generating unit is greater than its recoverable value, the asset is considered impaired, and its value is reduced to its recoverable value. When evaluating the in-use value, the estimated cash flows are deducted at their present value using a before tax deduction rate that reflects current market evaluations of the temporary value of money and the asset specific risks. To determine the fair value minus the sales cost, recent market transactions are taken into account, if there are any. If this type of transaction cannot be identified, the valuation model deemed most appropriate is used.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.11. Impairment test of capital gain, intangible assets and property, plant and equipment

4.11.1 Impairment of non-financial assets (continued)

The management bases its calculation of value impairment on detailed estimates and prediction calculations conducted separately for each of the Group cash generating units to which individual assets are assigned. In general, the estimates and prediction calculations cover five-year periods. For longer periods, a long-term growth rate is calculated and applied to the future cash flow of the project as from the fifth year.

Losses due to value impairment of continued transaction, including the impairment of assets, are included in the statement of income under the expense category for the function of the deteriorated asset, except in the case of properties previously revaluated when the revaluation has been included in the other comprehensive income. In this case, the value impairment is also included in the other comprehensive income until reaching any evaluation previously recognized.

For assets in general, once the capital gain has been excluded, at the closing date of each period reported, an evaluation is performed to determine whether or not there is any indication that losses due to impairment previously recognized no longer exist or have decreased. If there is any such indication, the Management conducts an estimate of the recoverable amount of the asset or of the cash-generating unit. A loss due to impairment previously recognised is only reverted if there has been a change in the assumptions used for determining the recoverable value of an asset as from the last time the last loss due to impairment has been recognised. This reversal is limited in such a way that the asset book value does not exceed its recoverable value or exceed the book value determined, net of the respective depreciation, if no loss due to deterioration for the asset has been recognised in previous periods. This reversal is included in the statement of income unless the asset is entered in the books based on its newly assigned value, in which case the reversal is treated as a revaluation increase.

4.11.2. The following criteria are also applied to evaluation of impairment of specific assets:

Capital gain

Capital gain is tested yearly (at December 31) and when there are circumstances indicating that their book value may have deteriorated, to determine whether there is impairment.

Capital gain impairment is determined by evaluating the recoverable value of each cash-generating unit (or group of cash-generating units) related to the capital gain. When the recoverable value of each cash-generating unit is lower than its book value, a value deterioration loss is recognized. Losses due to impairment related to capital gain cannot be reverted in future periods.

Intangible assets

Intangible assets with indefinite useful lives undergo tests for determining if there is any value deterioration, whether it is done individually or for the cash-generating unit, as the case may be, whenever financial statements are issued and when the circumstances indicate that their book value may have undergone deterioration.

4.12. Inventories

Inventories include developing urban projects (works in progress)

Real estate classified as inventories are valued at the acquisition and/or construction costs, or at their estimated market value, whichever is lower. The value of the land and improvements, direct costs and general construction expenses, loan costs (when the requirement set forth in IAS 24 are met), and real estate taxes are included in the costs.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.13. Leases

Pursuant to IAS 17 "Leases", the financial ownership of an asset in a financial lease is transferred to the lessee if the lessee takes on substantially all the risks and rewards of ownership of such leased asset. The related asset is thus recognized at the beginning of the lease at its fair value or at the value of the minimum payments for the lease if the latter is a lower amount, established at the beginning of the lease.

As to September 30, 2012, the company has not entered into financial lease agreements.

All other leases are treated as operating leases. Operating lease payments are listed lineally as expenses based on the lease agreement, and related costs such as maintenance and insurance are listed as expenses when they are incurred.

4.14. Acknowledgement of income

In general, income is recognised on the basis of the fair value of the consideration charged or to be charged, taking into account the estimated amount of any deduction, bonus, or commercial reduction provided by the entity.

Management and commission income

This is comprised of fees generated by management contracts and commissions related to the real state projects being developed by the consolidated subsidiaries. This income is acknowledged based on the delivery of the services by the Company, regardless of the period when they are invoiced.

4.15. Classification of Entries into Current and Non-current

The company classifies an asset as a current asset when it meets any of the following criteria:

a) Its realization is expected, or its sale or consumption is intended within the entity regular operating cycle;
b) It is maintained primarily for the purposes of trading;
c) Its realization is expected for the twelve-month period following the balance sheet date; or
d) It is cash or a cash equivalent (as defined in IAS 7), not applied to restrictions to being exchanged or used to pay a liability, at least within the twelve-month period following the balance sheet date.

Any other assets are classified as non-current assets.

Additionally, liabilities are listed as current liabilities when they meet any of the following criteria:

a) Its liquidation is expected during the entity regular business cycle;
b) It is maintained primarily for the purposes of trading;
c) It must be liquidated within the twelve-month period as of the date of the balance sheet; or
d) The entity is not unconditionally entitled to extend the timeframe for paying the liability for at least the twelve months that follow the date of the balance sheet.

Any other liabilities are classified as non-current liabilities.

Pursuant to the provisions of IAS 1, an entity normal operating cycle is the period between the acquisition of material assets incorporated in the production process, and realization of the products as cash or cash equivalents. In the case of development of real estate projects, which are the Company main line of business, the normal operating cycle is the period between the launch of sales and construction and the conveyance of functional units. When the regular business cycle of an entity is not clearly identifiable, it is assumed to be 12 months.

(figures expressed in Argentine pesos)

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.16. Investment in subsidiaries

As to September 30, 2012 and December 31, 2011 and 2010, the Company held direct interests in other companies as follows:

Company	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Canfot S.A.	90,91%	90,91%	75,04 %
Pico y Cabildo S.A.	97,00%	97,00%	-
Maltería del Puerto S.A.	75,00%	75,00%	75,00 %
Marina Río Luján S.A.	49,99%	49,99%	49,99 %
TGLT Uruguay S.A.	100,00%	100,00%	-

Investments in these companies were valued using the interest method (equity method), as provided in Technical Resolution No. 26 of the F.A.C.P.C.E., instead of using the cost-based or fair-value accounting as required by IFRS.

Managements of those Companies have reconciled accounting information on shareholders' equity results in the relevant financial statements with the IFRS. This information, along with the consideration of adjustments for business companies and others, were considered by the Company in the valuation of its long-term investments.

4.17. Business Combinations

The Company opted for restating the business combinations prior to the date of transition to the IFRS (December 31, 2010), and acquiring its stock in the joint controlled entity "Marina Río Luján S.A.", in accordance with the provisions set forth in IFRS 1.

Thus, the Company recognised all the assets and liabilities on the date of the business combinations prior to the date of transition to the IFRS and calculated them as at said date based on their fair values on the date of acquisition, as required by IFRS 3 "Business Combinations" and IAS 31 " Interests in Joint Ventures".

Finally, upon recalculating the business combinations prior to the date of transition to the IFRS (and acquisition of the jointly controlled entity "Marina Río Luján S.A."), the Company has proceeded to also recalculate the added values related to the referred acquisitions.

In summary, the purchases were entered in the books by applying the acquisition method. The consideration obtained as a result of the acquisition was calculated at the estimated fair value (at the date of exchange) of the assets assigned and liabilities incurred or assumed and the equity instruments, except for the deferred tax assets or liabilities, or assets related to agreements entailing benefits for employees that were included and calculated pursuant to IAS 12, "Income Taxes", and IAS 19 "Employees' Benefits", respectively.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.18. Capital Gains

These result from the restatement of business combinations prior to December 31, 2010. See Note 4.16 of the condensed consolidated financial statements.

The capital gain is the amount that exceeds the sum of the consideration transferred, the amount of any non-controlling equity interest in the entity acquired—when applicable—and the fair value of the equity interest that the purchaser previously had (when applicable) in the equity in regard to the net amount at the date of acquisition of the identifiable assets required and liabilities assumed.

Capital gain is not amortised, but reviewed at the date of each report to determine whether it is necessary to acknowledge any impairment (see more on the impairment test for capital gain in Note 4.11).

Changes in the interest in ownership of a subsidiary are entered in the books as equity transactions and do not affect the book value of the capital gain.

As to September 30, 2012, capital gain has not undergone impairment.

4.19. Allowances

Allowances were recognized in the cases at which the Company was faced with a current obligation (whether it was legal or implied) for which it was responsible and that resulted from a past event, and it would have to let go resources that brought financial benefits to discharge such obligation, and when it was possible to reasonably estimate the amount of the obligation.

The amount listed as an allowance was the best estimate of the disbursement required for discharging the current obligation, at the close of the fiscal year reported, taking into account the respective risks and uncertainties. When an allowance is calculated using the cash flow estimated for discharging a current obligation, its book value represents the current value of said cash flow.

When recovery of some or all the financial benefits required to cancel an allowance was required, an account receivable was listed as an asset if it was virtually certain that the payment would be received and the amount receivable could be calculated reliably.

Note 40 to the individual condensed financial statements contains a description of the main complaints received by the Company as to September 30, 2012.

4.20. Financial Assets and Liabilities, Loans, and Accounts Receivable and Payable

4.20.1 Financial Assets

1) Initial Measurement

Financial assets under IAS 39 are classified as financial assets at their fair value with changes in income, loans and account receivable, investments maintained until their due date, financial assets available for sale, or as derivatives assigned as hedge instrument with effective coverage, as applicable. The Company determines how these financial assets are classified when they are recognized initially.

All the financial assets are initially listed at their fair value plus –for financial assets not entered into the books at their fair value with changes in income– transaction costs that can be directly ascribed.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.20. Financial Assets and Liabilities, Loans, and Accounts Receivable and Payable (continued)

4.20.1 Financial Assets (continued)

1) Initial Measurement (continued)

Purchases or sale of financial assets that require delivery of assets within a term established in a regulation or market agreement (conventional sales agreement) are entered on the date of the purchase, that is, the date when the Group commits to purchase or sell the asset.

The Company financial assets include cash and short-term placements, trade debtors, loans, and other accounts receivable and listed and unlisted financial instruments.

2) Subsequent Measurement: Financial assets are measured subsequently in the following way, depending on their classification:

a) Financial Assets at fair value with changes in income

Financial assets at fair value with changes in income include the assets maintained for the purposes of trading and the financial assets allotted when initially recognized, and at the fair value with changes in income. Financial assets are classified as maintained for negotiating purposes when they are acquired to be sold or repurchased in the near future.

Financial assets at their fair values with changes in income are entered in the financial statement of income at their fair values, and the changes in this fair value are recognized as income or financial costs in the statement of income.

b) Loans granted and accounts receivable

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. Following their initial recognition, these financial assets are measured at their amortized cost by using the effective interest rate method for loans granted in foreign currency and a rate equivalent to Badlar rate plus 200 points for loans granted in local currency, minus any impairment. Amortized costs are calculated by contemplating any deduction or goodwill for acquisition, and the commissions or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is recognized as financial income in the statement of income. The losses that result from impairment are entered in the statement of income as financial costs.

c) Investments Maintained until Expiry

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates are classified as maintained until maturity when the Company has the intention and capacity of maintaining them until their maturity date. Following their initial recognition, investments maintained until maturity are measured at their amortized costs by using the effective interest rate method, minus any impairment. Amortized costs are calculated by contemplating any deduction or goodwill for acquisition, and the commissions or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is recognized as financial income in the statement of income. The losses that result from impairment are entered in the statement of income as financial costs.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.20. Financial Assets and Liabilities, Loans, and Accounts Receivable and Payable (continued)

4.20.2 Financial Liabilities

1) Initial Recognition and Measurement

Financial liabilities under IAS 39 are classified as financial liabilities at their fair value with changes in income, loans and accounts payable, or as derivatives assigned as hedge instruments with effective coverage, as applicable. The Company determines how these financial liabilities are classified when they are recognized initially.

All financial liabilities are initially recognized at their fair value plus –for loans and accounts payable– transaction costs that can be ascribed directly.

The Group financial liabilities include commercial accounts payable, loans and other accounts payable.

2) Subsequent Measurement: Financial liabilities are measured subsequently in the following way, depending on their classification:

a) Financial liabilities at fair value with changes in income

Financial liabilities at fair value with changes in income include the financial liabilities maintained for the purposes of trading and the financial liabilities allotted when initially recognized, and at the fair value with changes in income.

Financial liabilities are classified as maintained for negotiating purposes when they are incurred for the purposes of negotiating in the near future.

Earnings or losses due to liabilities maintained for the purposes of trading are recognized in the statement of income.

b) Loans that accrue interests

Following their initial recognition, loans that accrue interest are measured at their amortized cost using the effective interest rate method. Earnings and losses are recognized in the statement of income when liabilities are written off, as well as through the amortization process using the effective interest rate method.

Amortized costs are calculated by contemplating any deduction or goodwill for acquisition, and the commissions or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is recognized as financial cost in the statement of income.

4.21. 4.20. Short-Term Employees' Benefits

Short-term employees' benefits, including the right to holidays are current liabilities included under pensions and other obligations with employees, measured at the amount deducted that the Company expects to pay as a result of its unused benefits.

4.22. Shareholders' Equity Accounts

Shareholder's equity items were prepared in accordance with the accounting standards in effect to the date of transition. The movements listed under this item were accounted for in accordance with the respective meeting decisions, legal provisions or regulations (Reserves), although said items would not have existed or would have had different balances had the IFRS been applied in the past.

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.22. Shareholders' Equity Accounts (continued)

4.22.1. **Share capital**

This is made up of contributions committed to or performed by Shareholders represented by shares of stock, and includes outstanding shares at a par value.

4.22.2. **Statutory reserve**

In accordance with the provisions set forth in Law No. 19550, the Company must maintain a statutory reserve not inferior to 5% of the positive result of the algebraic sum of the profits and losses for the fiscal year, adjustments of previous fiscal years, transfers of other comprehensive income to cumulative income, and losses accumulated from previous fiscal years, until reaching 20% of the Share Capital.

4.22.3. **Cumulative Income**

This includes earnings or losses, accumulated but not specifically allotted, which, when positive, may be distributed if decided on at Shareholder's Meeting, provided they are not subject to legal restrictions such as the one referred to in the previous paragraph. It includes the income from previous fiscal years that were not distributed, the amounts transferred from other comprehensive income, and adjustments to previous fiscal years as a result of applying accounting standards.

In order to absorb the negative balance of the "Cumulative Income" account, when applicable, at the closing of the fiscal year to be considered at the Shareholders' Meeting, the balances must be earmarked in the following order:

a) Reserved earnings (voluntary, statutory and legal, in that order);

b) Capital Contributions;

c) Issuance premiums and own share negotiation (when the balance of this account is positive);

d) Other equity instruments (when it is legal and feasible from a corporate standpoint);

e) Capital adjustments, and

f) Share capital.

4.23. Good judgement, Accounting Estimates, and Significant Assumptions

Preparation of the Company financial statements requires that the Management delivers good judgement, accounting estimates and significant assumptions that bear on the amounts of income, expenses assets and liabilities reported and the disclosure of contingent liabilities, at the closing of the period/fiscal year reported. In this sense, the uncertainty regarding these assumptions and estimates may result in profit and losses that will require a significant adjustment in future periods of the amount of assets or liabilities earmarked and entered into the books.

In the process of applying the Company accounting policies, Management did not make any decisions with a potentially significant effect on the amounts recognized in the individual condensed financial statements, except for what was indicated regarding recognition of tax credits.

The main accounting estimates and underlying assumptions included in the Company individual condensed financial statements as to September 30, 2012 are described below. Such estimates and assumptions are periodically reviewed by the Management. The effects of the reviews of the accounting estimates are recognized in the period/fiscal year in which the estimates are reviewed, whether it is in the current period or fiscal year or in a future one.

Note 4. Summary of the Main Accounting Policies Applied (continued)

4.23. Good judgement, Accounting Estimates, and Significant Assumptions (continued)

a) Estimate of Useful Lives:

Below, there is a description of the periods during which the Management estimates that the assets will no longer be usable or will stop benefiting the Company financially:

	Useful life
Chattels and supplies	10 years
Hardware	5 years
Leasehold improvements	5 years
Trademarks	10 years
Software	3 years
Software development	3 years
Showrooms	3 years

The Management reviews its estimates of the useful lives of depreciable or amortizable assets to the date of each period/fiscal year, based on the use expected for the assets. The uncertainty of these estimates is related to the technical obsolescence that could change the usefulness of certain assets such as software or technological equipment.

Capital gain has been classified as having an undefined useful life and is subject to impairment analysis.

b) Estimate of the impairment of non-cash assets.

There is impairment when the book value of an asset or cash generating unit exceeds its recoverable amount, which is the fair value minus the sales costs, or its use value, whichever one is greater. Calculation of the fair value minus sales costs is based on information available regarding similar sales transactions, performed by independent parties for similar assets, or at observable market prices, minus the incremental costs incurred in transferring ownership of the asset.

Calculation of the use value is based on discounted cash flow model. Cash flow is obtained from the budget for the next five years and does not include restructuring activities to which the Company has not yet committed, or significant future investments that will increase the performance of the asset or of cash-generating unit subject to testing. The recoverable amount is very sensitive to the discount rate used for the discounted cash flow model, and to entries of future funds expected at the growth rate used for the purposes of extrapolation, and therefore, the uncertainty is related with said estimate variables.

c) Taxes

The Company establishes allowances based on reasonable estimates. The amount of said allowances is based on various factors, such as experience with previous tax audits and the different interpretations of tax regulations by the entity subject to the tax and the tax authority in charge. Differences in the interpretation may result in a large number of issues according to the conditions that prevail at the legal address of the financial group entity.

The Deferred Tax Asset that results from tax losses is recognized for all the tax losses not used, provided it is likely that there will be a future tax profit available that can be used to compensate said losses.

Determination of the amount of the Deferred Tax Asset that can be recognized requires a significant level of judgment by the management, based on the timing and level of the future tax profit and of the future tax planning strategies. The Company has recognized a Deferred Tax Asset of ARS 13,067,551 as to September 30, 2012.

(figures expressed in Argentine pesos)

Note 4. Criteria for Preparing the Condensed Financial Statements (continued)

4.24. Cash and cash equivalents

This includes cash, deposits, and other short-term deposits, and highly liquid investments that are easily convertible into cash and are subject to a minimum risk of changing value.

In the national legal tender: at its par value.

In foreign currency: These amounts were converted at the exchange rate in effect at the closing of the applicable period/fiscal year for liquidation of the respective transactions. Exchange rate differences were ascribed to the period's profits and losses.

Financial assets such as Mutual Funds and commercial papers were classified as "Financial Assets at fair value with changes in income", considering the nature and purpose established during the initial recognition. The net earnings or losses for any income obtained that results from financial assets were recognized in the income and classified as financial income in the individual comprehensive statement of income.

Note 5. Adoption of International Financial Reporting Standards, reconciliation

5.1. Balance sheet reconciliations of individual condensed financial statements to IFRS as to December 31, 2011 and 2010

		As to December 31, 2011			As to December 31, 2010		
	Ref.	Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
ASSETS							
Current assets							
Cash and banks	(a)	284.382	64.697.415	64.981.797	158.092.507	6.220.399	164.312.906
Short-term investments	(a)	64.697.415	(64.697.415)	-	6.220.399	(6.220.399)	-
Trade receivables		1.132.281	-	1.132.281	1.412.140	-	1.412.140
Other receivables	(b)	43.778.825	34.555.913	78.334.738	4.659.804	(263.523)	4.396.281
Inventories	©	-	138.417.759	138.417.759	-	76.886.003	76.886.003
Total current assets		109.892.903	172.973.672	282.866.575	170.384.850	76.622.480	247.007.330
Non current assets							
Other receivables	(b)	11.054.839	(9.135.670)	1.919.169	6.708.566	(6.598.357)	110.209
Inventories	©	174.521.984	(174.521.984)	-	76.886.003	(76.886.003)	-
Tax assets	(e)	-	12.238.189	12.238.189	-	6.828.732	6.828.732
Fixed assets		2.409.534	(1.083.368)	1.326.166	305.730	-	305.730
Intangible assets		731.505	-	731.505	212.013	-	212.013
Investments	(d)	271.046.913	32.647.440	303.694.353	218.923.990	62.847.344	281.771.334
Total non current assets		459.764.775	(139.855.393)	319.909.382	303.036.302	(13.808.284)	289.228.018
Total assets		**569.657.678**	**33.118.279**	**602.775.957**	**473.421.152**	**62.814.196**	**536.235.348**

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.1. Balance sheet reconciliations of individual financial statements to IFRS as to December 31, 2011 and 2010 (continued)

Following is a summary of the causes of the main effects generated by the adoption of IFRS in relation to balance sheets as to December 31, 2011 and 2010:

Ref.	Detail
(a)	Current investments (classified as such according to GAAP in effect as of that date) were reclassified as cash equivalents as provided for in IAS 7.
(b)	As to December 31 2011 and 2010, the most significant effect of the application of IFRS is due to the incorporation here of "Advance payments to suppliers" (previously classified under "Inventory" according to GAAP) and to the separate classification of "Current taxes" and "Deferred taxes" (classified here according to GAAP).
©	IAS 1 provides that the inventory is part of current assets since it is consumed in a business cycle. Thus, inventory is shown in current assets under IFRS. Additionally, and as mentioned in point (b), advance payments to suppliers were reclassified as "Other Receivables" according to those regulations. Since the company must measure inventory pursuant to IAS 2, the amount shown as the valuation of inventory at their net realization value (on the basis of percentage completion and sales) was written off, as well as certain triggered expenses that must be debited to the income for the period under IFRS. Moreover, Showroom items were reclassified as Property, Plant, and Equipment (PP&E).
(d)	Business combinations prior to December 31, 2010, were recalculated to yield new goodwill (Capital Gain). As required under IAS 36, the recoverability tests were performed, and no deterioration arose that would have to be included in the calculation of cash-generating units (CGU) that include recognized capital gains.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.1. Balance sheet reconciliations of individual financial statements to IFRS as at December 31, 2011 and 2010 (continued)

	Ref.	As to December 31, 2011			As to December 31, 2010		
		Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
LIABILITIES							
Current Liabilities							
Trades payable	(f)	4.749.700	42.258.441	47.008.141	1.979.198	(40.000)	1.939.198
Loans		18.571.154	-	18.571.154	-	-	-
Wages and social security contributions		2.335.976	(229.664)	2.106.312	773.477	6.852	780.329
Current tax liabilities		-	770.652	770.652	-	2.294.179	2.294.179
Taxes payable		1.383.524	(770.652)	612.872	2.645.976	(2.294.179)	351.797
Advanced Payments of clients		-	62.390.284	62.390.284	407	32.377.486	32.377.893
Other liabilities		24.569.744	-	24.569.744	-	-	-
Total current liabilities		51.610.098	104.419.061	156.029.159	5.399.058	32.344.338	37.743.396
Non current liabilities							
Trades payable	(e)	42.325.662	(42.325.662)	-	-	-	-
Deferred tax liabilities	(f)	-	1.323.141	1.323.141	-	-	-
Advanced Payments of clients	(e)	62.390.284	(62.390.284)	-	32.377.486	(32.377.486)	-
Total non current liabilities		104.715.946	(103.392.805)	1.323.141	32.377.486	(32.377.486)	-
Total liabilities		**156.326.044**	**1.026.256**	**157.352.300**	**37.776.544**	**(33.148)**	**37.743.396**
Third parties' interest in controlled companies							
SHAREHOLDERS' EQUITY		**413.331.634**	**-**	**445.423.657**	**435.644.608**	**-**	**498.491.952**
Total liabilities, third parties' interests in controlled companies and shareholders' equity		**569.657.678**	**1.026.256**	**602.775.957**	**473.421.152**	**(33.148)**	**536.235.348**

Ref.	Detail
(e)	As provided in paragraph 70 of IAS 1, the Company has reclassified accounts payable and clients' advanced payments from non current to current entries, since they are part of the Company operating business cycle.
(f)	As required by IAS 1, Deferred tax balances are shown separately, depending on whether they are assets or liabilities. In relation to Deferred Tax Assets, they are mostly accumulated tax losses and Minimum Presumed Income Tax. In relation to Deferred Tax Liabilities, these are tax effects resulting from calculating business combinations under IFRS.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.2. Reconciliation of statement of evolution of shareholders' equity to IFRS as to December 31, 2011 and 2010

	As to December 31, 2011			As to December 31, 2010		
SHAREHOLDER'S EQUITY	Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
Share capital	70.349.485	-	70.349.485	70.349.485	-	70.349.485
Additional paid-in capital	378.208.774	-	378.208.774	378.208.774	-	378.208.774
Reserve controlled companies	6.338.982	(6.338.982)	-	6.972.811	(6.972.811)	-
Statutory reserve	4.000	-	4.000	4.000	-	4.000
Transactions between shareholders	-	(7.826.480)	(7.826.480)	-	-	-
Retained earnings	(41.569.607)	46.257.485	4.687.878	(19.890.462)	69.820.155	49.929.693
Total shareholders' equity attributable to Company	413.331.634	32.092.023	445.423.657	435.644.608	62.847.344	498.491.952
Non-controlling interests	-	-	-	-	-	-
Total shareholders' equity	**413.331.634**	**32.092.023**	**445.423.657**	**435.644.608**	**62.847.344**	**498.491.952**

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.3. Reconciliation of the statement of income as to December 31, 2011

		As to December 31, 2011		
		Argentine GAAP (prior)	Transition effect	IFRS
Income		9.170.564	-	9.170.564
Cost of services rendered		(10.717.673)	-	(10.717.673)
Gross income		**(1.547.109)**		(1.547.109)
Income for valuation of inventory at net realization value	(1)	536.869	(536.869)	-
Sales expenses	(2)	(4.234.481)	(206.542)	(4.441.023)
Administrative expenses		(9.406.508)	-	(9.406.508)
Operating income		**(14.651.229)**	**(743.411)**	(15.394.640)
Long-term investment results	(3)	(17.087.053)	(21.489.916)	(38.576.969)
Other expenses		(62.862)	-	(62.862)
Net Financial and holding income				
Generated by assets		15.986.522	-	15.986.522
Generated by liabilities		(9.498.108)	-	(9.498.108)
Other net income and expenses		2.743.113	(1.517.336)	1.225.777
Income for the fiscal year before Income Tax		**(22.569.617)**	**(23.750.663)**	(46.320.280)
Income Tax		890.472	187.904	1.078.376
Income for the fiscal year		**(21.679.145)**	**(23.562.759)**	(45.241.904)

Ref.	Detail
(1)	The result of inventory valuation at net realization value ratably to percentage of work completion recognized under valid General Accepted Accounting Principles has been reversed since income from inventory sales must be recognized as indicated in IAS 18 and its valuation must be made at cost or net realizable value, whichever is less (IAS 2.9).
(2)	Certain expenses were included, which under General Accepted Accounting Principles had been triggered in inventory cost.
(3)	IFRS does not allow for calculation of goodwill amortization.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

Governing Standards

In the preparation of the reconciliations included in this Note, the Company Management has considered the same IFRS that will be applicable to the preparation of the first annual financial statements presented in accordance with the IFRS, for the year ending on December 31, 2012. However, the items and amounts included in these reconciliations may be modified to the extent that, when the annual financial statements are prepared in accordance with IFRS, new standards should be issued or the existing ones should be modified, applied on a mandatory or anticipated authorized fashion as to such date, or if a change to any of the exemptions indicated in IFRS 1 is opted for.

Accordingly, the condensed consolidated interim financial statements enclosed, the items and figures contained in the reconciliations between those standards are subject to changes and may only be deemed final when the annual financial statements for 2012 are prepared.

Moreover, material accounting determinations and estimates made by the Management to determine the amounts under the IFRS as to January 1, 2011 (IFRS transition date) and as to December 31, 2011, were consistent with those made at those dates under current GAAP and reflect the conditions prevalent as to the respective dates.

5.4. Balance sheet reconciliations of financial statements to IFRS as to September 30, 2011:

	September 30, 2011		
	Argentine GAAP (prior)	Transition effect	IFRS
ASSETS			
Current assets			
Cash and banks	14.483.021	63.910.090	78.393.111
Short-term investments	63.910.090	(63.910.090)	-
Trade accounts receivable	4.245.334	-	4.245.334
Other receivables	46.163.992	28.259.924	74.423.916
Inventories	-	135.357.620	135.357.620
Total current assets	**128.802.437**	163.617.544	**292.419.981**
Non current assets			
Other receivables	8.056.856	(7.769.678)	287.178
Inventories	165.042.517	(165.042.517)	-
Tax assets	-	8.712.552	8.712.552
Property, plant and equipment	2.374.830	388.047	2.762.877
Intangible assets	634.695	-	634.695
Long-term investments	272.955.411	35.098.834	308.054.245
Subtotal non current assets	**449.064.309**	(128.612.762)	**320.451.547**
Capital gain	-	-	-
Total non current assets	449.064.309	(128.612.762)	320.451.547
Total assets	**577.866.746**	**35.004.782**	**612.871.528**

See conceptual explanation of the main differences in Note 5.1 to the condensed consolidated financial statements.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.4. Balance sheet reconciliations of financial statements to IFRS as to December 30, 2011 (continued):

	September 30, 2011		
	Argentine GAAP (prior)	Transition effect	IFRS
Liabilities			
Current liabilities			
Trade accounts payable	3.784.502	41.200.832	44.985.334
Loans	10.723.771	-	10.723.771
Employees' benefits	1.313.456	(91.164)	1.222.292
Current tax liabilities	-	336.472	336.472
Other tax burdens	1.483.928	(336.472)	1.147.456
Advanced Payments of clients	-	61.011.166	61.011.166
Other accounts payable	39.219.916	-	39.219.916
Total current liabilities	56.525.573	102.120.834	**158.646.407**
Non current liabilities			
Trade accounts payable	41.318.052	(41.318.052)	-
Loans	-	-	-
Other tax burdens	-	-	-
Advanced Payments of clients	61.011.166	(61.011.166)	-
Deferred tax liabilities	-	625.841	625.841
Total non-current liabilities	102.329.218	(101.703.377)	625.841
Total liabilities	**158.854.791**	**417.457**	**159.272.248**
SHAREHOLDERS' EQUITY	**419.011.955**	**34.587.325**	**453.599.280**
Total liabilities and shareholders' equity	**577.866.746**	**35.004.782**	**612.871.528**

See conceptual explanation of the main differences in Note 5.1 to the condensed consolidated financial statements.

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(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.5. Reconciliation of the statement of income to IFRS as to September 30, 2011

	As to September 30, 2011		
	Argentine GAAP (prior)	Transition effect	IFRS
Income	8.885.741	-	8.885.741
Cost of services rendered	(6.712.715)	-	(6.712.715)
Gross income	**2.173.026**	**-**	**2.173.026**
Income for valuation of inventory at net realization value	526.354	(526.354)	-
Sales expenses	(2.562.358)	(1.686.931)	(4.249.289)
Administrative expenses	(6.374.543)	-	(6.374.543)
Operating income	**(6.237.521)**	**(2.213.285)**	**(8.450.806)**
Long-term investment results	(15.130.586)	(17.520.970)	(32.651.556)
Goodwill depreciation	-	-	-
Other expenses	(47.146)	-	(47.146)
Exchange difference	-	3.016.335	3.016.335
Net Financial and holding income			
Financial income	10.653.167	(8.048.836)	2.604.331
Financial expenses	(5.713.221)	4.407.885	(1.305.336)
Other net income and expenses	1.517.336	(892.721)	624.615
Income for the fiscal year before Income Tax	**(14.957.971)**	**(21.251.592)**	**(36.209.563)**
Income Tax	(1.040.853)	184.224	(856.629)
Income for the fiscal year	**(15.998.824)**	**(21.067.368)**	**(37.066.192)**
Other comprehensive income	**-**	-	-
Total other comprehensive income	**-**	-	-
Total comprehensive income	**-**	**-**	**-**
Income for the fiscal year and total comprehensive income attributable to:			
the Controlling Company			
non-controlling shareholders			
Total comprehensive income	**(15.998.824)**	**(21.067.368)**	**(37.066.192)**

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation (continued)

5.6. Reconciliation of the statement of shareholders' equity to IFRS as to September 30, 2011

	As to September 30, 2011		
SHAREHOLDER'S EQUITY	Argentine GAAP (prior)	Transition effect	IFRS
Share capital	70.349.485	-	70.349.485
Additional paid-in capital	378.208.774	-	378.208.774
Reserve controlled companies	6.338.982	(6.338.982)	-
Statutory reserve	4.000	-	4.000
Effects from inter-shareholder transactions	-	(7.826.480)	(7.826.480)
Retained earnings	(35.889.286)	48.752.787	12.863.501
Total shareholders' equity	**419.011.955**	**34.587.325**	**453.599.280**

Note 6. Cash and cash equivalents

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Cash				
In the national legal tender:		2.990	6.001	5.670
In foreign currency:	45	1.630	3.846	3.633
Banks				
In the national legal tender:		792.313	43.601	63.832
In foreign currency:	45	1.340.961	230.934	159.009.124
Funds to be deposited		-	-	210.248
Restricted funds		-	-	(1.200.000)
Time deposits		15.056.186	-	6.220.399
Mutual funds in local currency:		14.077.765	-	-
Mutual funds in local currency:	45	28.427.602	56.704.973	-
Commercial papers	45	6.783.619	7.992.442	-
Cash and cash equivalents		66.483.066	64.981.797	164.312.906

(figures expressed in Argentine pesos)

Note 6. Cash and cash equivalents (continued)

Time deposits in local currency are funds placed with HSBC Bank Argentina S.A., Banco Macro and Banco Industrial, which accrue an average annual interest of 15.60 %.

Mutual funds in local currency: a) as to September 30, 2012, there are funds placed abroad, without any maturity, with a par value of ARS 10,551,811, with a period-end market value of ARS 1.33.

Mutual funds in foreign currency: a) as to September 30, 2012, there are mutual funds placed abroad, without maturity, for an initial cost of USD 5,952,50, with a period-end market value of USD 1.03; b) as to December 31, 2011, there are funds placed abroad, whithout maturity, for an initial cost of US$13,315,728, with a period-enD market value of USD 0.99.

Commercial Papers in foreign currency are a portfolio of unsecured notes issued by large foreign (US) banks and corporation. a) As to September 30, 2012, there are deposits in JP MORGAN, with a par value of USD 1,500,000, with a period-end market value of USD 0.9711; b) As to December 31, 2011, there are deposits in BNP PARIBAS US, with a par value of USD 2,000,000, with a period-end market value of USD 0.9372.

Note 7. Trade receivables

	Notes	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Intercompany balances in foreign currency	33 and 45	2.284.311	815.538	1.412.140
Private debtors	45	345.937	316.743	-
Total Trade receivables		2.630.248	1.132.281	1.412.140

The trade receivables mentioned above are measured at amortized cost. The Company has not recognised any allowance for uncollectable debts after conducting an individual recoverability analysis of the receivables portfolio.

The age of accounts receivable is as follows:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Due within			
0 to 90 days	891.842	815.538	1.412.140
Past-due			
0 to 90 days	1.392.469	282.977	-
91 to 180 days	-	12.906	-
Over 181 days	345.937	20.860	-
Total	2.630.248	1.132.281	1.412.140

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Note 8. Other receivables

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Current:				
Added value tax		3.389.520	2.730.581	1.437.628
Gross Income Tax		3.828.790	53.794	160.163
Deposits as collateral		-	-	1.200.000
Intercompany balances in national currency	33	24.491.003	4.103.426	344.890
Intercompany balances in foreign currency	33, 36.1 and 45	33.675.221	35.875.110	788.925
Insurance policies to be accrued in local currency		17.934	13.495	3.571
Insurance policies to be accrued in foreign currency	45	397.482	384.003	241.343
Advance payments to suppliers		-	7.366	108.461
Advance payments to statutory auditors		15.700	-	-
Expenses to be accounted for in local currency		210.394	-	-
Expenses to be accounted for in foreign currency	45	-	2.558	3.761
Other tax credits		-	-	47.702
Refundable expenses			71.895	-
Advance payments to work suppliers		11.918.439	12.774.542	-
Advance payments to suppliers on inventory purchases	45	23.889.041	22.078.255	58.237
Bad checks receivable		100.472	-	-
Sundry in local currency		2.759	197.073	1.600
Sundry in foreign currency	45	-	42.640	-
Total other receivables - Current		101.936.755	78.334.738	4.396.281

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Non-current:				
Deposits as collateral in local currency		21.100	21.100	-
Deposits as collateral in foreign currency	45	209.565	191.880	110.209
Insurance to be accrued	45	-	114.715	-
Intercompany balances in foreign currency	33 and 45	1.738.155	1.591.474	-
Total other receivables – Non-current		1.968.820	1.919.169	110.209

Note 9. Inventories

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
"Astor Palermo" urban real estate project	109.646.467	79.533.353	76.886.003
"Astor Caballito" urban real estate project	76.485.194	58.884.406	-
"FACA" urban real estate project	22.305.515	-	-
Total Inventories	208.437.176	138.417.759	76.886.003

(figures expressed in Argentine pesos)

Note 10. Property, plant and equipment

	Chattels and supplies	Hardware	Leasehold improvements	Showroom	Total
Original value					
Balance as to January 1, 2012	449.108	441.771	727.661	508.106	**2.126.646**
Acquisitions	50.936	237.830	-	2.828.348	**3.117.114**
Decreases	-	-	-	-	**-**
Total as to September 30, 2012	500.044	679.601	727.661	3.336.454	**5.243.760**
Depreciation and impairment					
Balance as to January 1, 2012	(126.182)	(263.265)	(411.033)	-	**(800.480)**
Depreciations	(37.504)	(143.378)	(118.736)	(469.753)	**(769.371)**
Loss due to impairment					
Total as to September 30, 2012	(163.686)	(406.643)	(529.769)	(469.753)	**(1.569.851)**
Residual value as to September 30, 2012	**336.358**	**272.958**	**197.892**	**2.866.701**	**3.673.909**

	Chattels and supplies	Hardware	Leasehold improvements	Showroom	Total
Original value					
Balance as to January 1, 2011	282.025	241.936	252.719	-	**776.680**
Acquisitions	167.083	199.835	474.942	508.106	**1.349.966**
Decreases	-	-	-	-	**-**
Total as to December 31, 2011	449.108	441.771	727.661	508.106	**2.126.646**
Depreciation and impairment					
Balance as to January 1, 2011	(81.272)	(140.191)	(249.487)	-	**(470.950)**
Depreciations	(44.910)	(123.074)	(161.546)	-	**(329.530)**
Loss due to impairment	-	-	-	-	**-**
Total as to December 31, 2011	(126.182)	(263.265)	(411.033)	-	**(800.480)**
Residual value as to December 31, 2011	322.926	178.506	316.628	508.106	**1.326.166**

	Chattels and supplies	Hardware	Leasehold improvements	Showroom	Total
Original value					
Balance as to January 1, 2010	232.918	106.088	252.719	-	**591.725**
Acquisitions	49.107	135.848	-	-	**184.955**
Decreases	-	-	-	-	**-**
Balance as to December 31, 2010	282.025	241.936	252.719	-	**776.680**
Depreciation and impairment					
Balance as to January 1, 2010	(53.070)	(73.374)	(165.247)	-	**(291.691)**
Depreciations	(28.202)	(66.817)	(84.240)	-	**(179.259)**
Loss due to impairment	-	-	-	-	**-**
Balance as to December 31, 2010	(81.272)	(140.191)	(249.487)	-	**(470.950)**
Residual value as to December 31, 2010	200.753	101.745	3.232	-	**305.730**

(figures expressed in Argentine pesos)

Note 11. Intangible assets

Intangible assets represent trademarks, software and software development. Its progress is showed below:

	Software	Software development	Trademarks	Total
Original value				
Balance as to January 1, 2012	184.353	651.531	15.071	**850.955**
Acquisitions	26.572	366.417	-	**392.989**
Decreases				
Total as to September 30, 2012	210.925	1.017.948	15.071	**1.243.944**
Amortization and impairment				
Balance as to January 1, 2012	(116.824)	-	(2.626)	**(119.450)**
Amortizations	(52.731)	(324.417)	(1.058)	**(378.206)**
Loss due to impairment				
Total as to September 30, 2012	(169.555)	(324.417)	(3.684)	**(497.656)**
Residual value as to September 30, 2012	41.370	693.531	11.387	**746.288**

	Software	Software development	Trademarks	Total
Original value				
Balance as to January 1, 2011	166.118	98.973	3.510	**268.601**
Acquisitions	18.235	552.558	11.561	**582.354**
Decreases	-	-	-	**-**
Total as to December 31, 2011	184.353	651.531	15.071	**850.955**
Amortization and impairment				
Balance as to January 1, 2011	(55.373)	-	(1.215)	**(56.588)**
Amortizations	(61.451)	-	(1.411)	**(62.862)**
Loss due to impairment	-	-	-	**-**
Total as to December 31, 2011	(116.824)	-	(2.626)	**(119.450)**
Residual value as to December 31, 2011	67.529	651.531	12.445	**731.505**

	Software	Software development	Trademarks	Total
Original value				
Balance as to January 1, 2010	-	110.973	960	**111.933**
Acquisitions	166.118	-	2.550	**168.668**
Decreases	-	(12.000)	-	**(12.000)**
Balance as to December 31, 2010	166.118	98.973	3.510	**268.601**
Amortization and impairment				
Balance as to January 1, 2010	-	-	(960)	**(960)**
Amortizations	(55.373)	-	(255)	**(55.628)**
Loss due to impairment	-	-	-	**-**
Balance as to December 31, 2010	(55.373)	-	(1.215)	**(56.588)**
Residual value as to December 31, 2010	110.745	98.973	2.295	**212.013**

(figures expressed in Argentine pesos)

Note 12. Tax Assets

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Income Tax	-	-	230.375
Assumed minimum income tax	8.656.047	6.130.694	2.892.379
Tax loss – local source	13.213.469	6.075.337	3.681.321
Tax loss – foreign source	32.158	32.158	24.657
Total Tax Assets	21.901.674	12.238.189	6.828.732

Local- and foreign – source tax losses accumulated as to September 30, 2012, December 31, 2011 and 2010, may be used under the following dates:

	Pesos		
Year	2012	2011	2010
2013	358.794	358.794	358.794
2015	3.347.184	3.347.184	3.347.184
2016	2.401.517	2.401.517	-
2017	7.138.132	-	-
Total	13.245.627	6.107.495	3.705.978

Note 13. Long-term investments

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Canfot S.A.				
Investments	14	11.079.291	16.153.422	44.007.773
Implied capital gain	15	79.399.207	79.399.207	79.399.207
		90.478.498	95.552.629	123.406.980
Maltería del Puerto S.A.				
Investments	14	4.506.376	39.944.416	56.039.384
Implied capital gain	15	32.095.394	32.095.394	32.095.394
Capital gain impairment		(31.396.853)	-	-
		5.204.917	72.039.810	88.134.778
Marina Río Luján S.A.				
Investments	14	45.730.724	47.227.232	48.742.164
Implied capital gain	15	21.487.412	21.487.412	21.487.412
		67.218.136	68.714.644	70.229.576
Pico y Cabildo S.A.				
Investments	14	56.618.245	19.573.345	-
Implied capital gain	15	10.558.985	47.813.925	-
		67.177.230	67.387.270	-
TGLT Uruguay S.A.				
Investments		9.663.355	-	-
		9.663.355	-	-
Total long-term investments		239.742.136	303.694.353	281.771.334

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Note 14. Information on controlled companies

					Information on issuer						
					As per most recent financial statement issued (1)						
Name of issuer and characteristics of the securities	Par value	Value recorded as to Sep 30, 2012	Value recorded as to Dec 31, 2011	Value recorded as to Dec 31, 2010	Main line of business	Domicile	Closing date	Share capital	Income for the period	Shareholders' equity	Percentage interest
Canfot S.A.	ARS 1 of 1 vote each	11.079.291	16.153.422	31.397.774	Construction and sale of any type of real estate	Av. S. Ortíz 3333 - Floor 1 – Buenos Aires, Argentina	30/09/2012	48.238.100	2.433.128	59.473.679	90,91%
Maltería del Puerto S.A.	ARS 100 of 1 vote each	4.506.376	39.944.416	17.856.370	Construction and sale of any type of real estate	Av. S. Ortíz 3333 - Floor 1 – Buenos Aires, Argentina	30/09/2012	21.536.400	(45.567.361)	(10.399.811)	75,00%
Marina Río Luján S.A.	ARS 100 of 1 vote each	45.730.724	47.227.232	8.846.726	Construction and sale of any type of real estate	Ing. Enrique Butty 220 - Floor 11 - Apt. A, Buenos Aires, Argentina	30/09/2012	22.076.200	(2.902.957)	13.915.681	49,99%
Pico y Cabildo S.A.	ARS 100 of 1 vote each	19.363.305	19.573.345	-	Construction and sale of any type of real estate	Av. S. Ortíz 3333 - Floor 1 – Buenos Aires, Argentina	30/09/2012	13.474.239	(76.724)	9.153.336	97,00%

(figures expressed in Argentine pesos)

Birzey Internacional S.A (2)	UYU of 1 vote each	9.663.355	(26.141)	-	Investor	Plaza Independencia 811 P.B. – Montevideo – Uruguay	30/09/2012	10.741.236	(699.241)	7.608.785	100,00%
Totals		90.343.051	122.872.274	58.100.870				116.066.175	(46.813.155)	79.751.670	

(1) Information as per financial statements prepared without considering Technical Resolution No. 26.

(2) Shown in “Other accounts payable” in current liabilities.

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Note 15. Capital Gain

	Marina Río Luján S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as to January 1, 2012	21.487.412	32.095.394	10.558.985	79.399.207	**143.540.998**
Acquisitions	-	-	-	-	-
Decreases	-	-	-	-	-
Total as to September 30, 2012	21.487.412	32.095.394	10.558.985	79.399.207	**143.540.998**
Impairment					
Balance as to January 1, 2012	-	-	-	-	-
Loss due to impairment	-	(31.396.853)	-	-	**(31.396.853)**
Total as to September 30, 2012	-	(31.396.853)	-	-	**(31.396.853)**
Residual value as to September 30, 2012	21.487.412	698.541	10.558.985	79.399.207	**112.144.145**

	Marina Río Luján S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as to January 1, 2011	21.487.412	32.095.394	-	79.399.207	**132.982.013**
Acquisitions	-	-	10.558.985	-	**10.558.985**
Decreases	-	-	-	-	**-**
Total as to December 31, 2011	21.487.412	32.095.394	10.558.985	79.399.207	**143.540.998**
Impairment					
Balance as to January 1, 2011	-	-	-	-	**-**
Loss due to impairment	-	-	-	-	**-**
Total as to December 31, 2011	-	-	-	-	**-**
Residual value as to December 31, 2011	21.487.412	32.095.394	10.558.985	79.399.207	**143.540.998**

	Marina Río Luján S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as to January 1, 2010	21.487.412	32.095.394	-	79.399.207	**132.982.013**
Acquisitions	-	-	-	-	**-**
Decreases	-	-	-	-	**-**
Balance as to December 31, 2010	21.487.412	32.095.394	-	79.399.207	**132.982.013**
Impairment	-	-	-	-	**-**
Balance as to January 1, 2010	-	-	-	-	**-**
Loss due to impairment	-	-	-	-	**-**
Total as to December 31, 2010					
Residual value as to December 31, 2010	21.487.412	32.095.394	-	79.399.207	**132.982.013**

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants

By Supervisory Committee

Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

Note 16. Trades payable

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Suppliers in local currency		537.959	1.000.149	266.355
Suppliers in foreign currency	45	25.970	-	424.446
Provision for expenditure in local currency		598.419	454.869	78.808
Provision for expenditure in foreign currency	45	-	606.392	61.729
Provision for works in local currency		1.414.765	1.056.797	-
Provision for works in foreign currency	45	-	928.050	-
Deferred checks		583.722	150.673	766.236
Insurance policies payable in national currency		17.733	9.683	1.179
Insurance policies payable in foreign currency	45	115.001	382.748	244.403
Intercompany balances in national currency	33	93.118	93.118	93.118
Intercompany balances in foreign currency	33 and 45	25.511.417	42.224.900	-
Contingency fund		481.544	100.762	-
Sundry		-	-	2.924
Total Trades payable		29.379.648	47.008.141	1.939.198

Note 17. Loans

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Current				
Intercompany balances in national currency	33 and 36.4	3.280.000	-	-
Intercompany balances in foreign currency	33, 36.3 and 45	15.655.007	6.673.816	-
Loans received in foreign currency	45	-	4.385.955	-
Current account advances		7.510.040	7.511.383	-
Corporate notes in local currency		3.784.559	-	-
Corporate notes in foreign currency	45	3.716.617	-	-
Subtotal current loans		**33.946.223**	18.571.154	-
Non-current				
Corporate notes in local currency		15.904.992	-	-
Corporate notes in foreign currency	45	36.348.202	-	-
Subtotal non-current loans		52.253.194	-	-
Total Loans		**86.199.417**	18.571.154	-

Following is a description of activity in loans and financing arrangements:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Opening balance	18.571.154	-	-
New loans and financing arrangements	69.055.464	11.818.861	-
Interest	1.832.611	425.956	-
Effects of exchange rate variation	3.363.812	482.577	-
Current account advances	(1.343)	7.511.383	-
Principal payments	(6.467.968)	-	-
Interest payments	(147.815)	(1.379.159)	-
Sundry payments	(6.498)	(288.464)	-
Closing balance	86.199.417	18.571.154	-

Note 18. Employees' benefits

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Wages payable	2.820	782.108	-
Social Security payables	391.169	650.122	213.994
Provision for vacations	950.107	631.534	387.223
Federal Tax Payment Plan	-	272.212	172.260
Provision for Board of Directors' fees	76.239	67.220	40.000
Minus:			
Staff advances	(350.075)	(296.884)	(33.148)
Total Employees' benefits	1.070.260	2.106.312	780.329

Note 19. Current Tax Liabilities

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Assumed minimum income tax	1.409.017	770.652	2.294.179
Total Current tax liabilities	1.409.017	770.652	2.294.179

Note 20. Other Taxes Payable

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Withholdings and earnings to be deposited	295.729	423.837	183.981
Federal Tax Payment Plan	-	-	164.807
Gross Income Tax	-	103.318	3.009
Stamp Tax	-	85.717	-
Total Other tax burdens	295.729	612.872	351.797

Note 21. Clients' Advanced Payments

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Intercompany balances	33 and 45	108.911.481	47.013.617	32.377.893
Early collections in local currency		39.126.074	164.828	-
Early collections in foreign currency	45	27.108.683	16.371.392	-
Minus:				
Added value tax		(5.609.260)	(1.159.553)	-
Total Clients' Advanced Payments		169.536.978	62.390.284	32.377.893

Note 22. Other accounts payable

	Notes	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Intercompany balances in foreign currency	33 and 45	1.873.134	6.424.607	-
Debt on purchase of stocks	45	-	18.145.137	-
Sundry		164.827	-	-
Total Other accounts payable		2.037.961	24.569.744	-

Note 23. Deferred Tax Liabilities

		Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Deferred Tax	31	1.259.433	1.323.141	-
Total Deferred tax liabilities		1.259.433	1.323.141	-

Note 24. Share capital and issuance premium

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Share paid-in capital	70.349.485	70.349.485	70.349.485
Additional paid-in capital	378.208.774	378.208.774	378.208.774
Total share capital plus issuance premium	448.558.259	448.558.259	448.558.259

Issued share capital consists of:

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Ordinary fully paid-up shares	70.349.485	70.349.485	70.349.485
Total ordinary fully paid-up shares	70.349.485	70.349.485	70.349.485

As to September 30, 2012, the issued share capital subscribed for and paid up of the Company amounts to ARS ARS70,349,485. As to such date the share capital registered with the registry of business organizations for the City of Buenos Aires amounts to ARS 22,350,000.

As to December 31, 2011 and 2010, the issued share capital subscribed for and paid up of the Company was ARS 70,349,485. As to such date the share capital registered with the registry of business organizations for the City of Buenos Aires was ARS 22,350,000.

On November 4, 2010, the Board of Directors of the Company, in exercise of the powers delegated by shareholders at the Shareholders' Meeting held on October 30, 2009, decided to establish the amount of the capital increase in the sum of ARS 47,990,485, by issuing 47,990,485 book-entry ordinary shares, at a par value of 1 peso each and entitled to one vote per share. Therefore, in December 31, 2010, the issued share capital subscribed for and paid up of the Company was ARS ARS 70,349,485. As to such date the share capital registered with the registry of business organizations for the City of Buenos Aires was ARS 22,350,000.

Note 24. Share capital and issuance premium (continued)

As to September 30, 2012, December 31, 2011 and 2010, the Company capital is distributed as follows

	Sep 30, 2012		Dec 31, 2011		Dec 31, 2010	
Shareholders	Shares	Interest	Shares	Interest	Shares	Interest
Federico Nicolás Weil	13.549.889	19 %	13.549.889	19 %	15.645.000	22%
PDG Realty S.A. Empreendimentos e Participações	19.121.667	27 %	19.121.667	27 %	19.121.667	27%
Holders of US certificates of deposit representing ordinary shares	14.919.635	21 %	17.548.905	25 %	16.005.710	23%
Holders of Brazilian certificates of deposit representing ordinary shares	2.960.510	4%	-	-	-	-
Other holders of ordinary shares	19.797.784	29 %	20.129.024	29 %	19.577.108	28%
Total Share Capital	70.349.485	100 %	70.349.485	100 %	70.349.485	100%

Note 25. Reserves, accumulated earnings and dividends

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Statutory reserve	4.000	4.000	4.000
Total reserves	4.000	4.000	4.000

	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Accumulated earnings			
Opening balances	4.687.878	49.929.693	
Total comprehensive income for the period / year	(88.402.458)	(45.241.815)	
Increase in statutory reserve		-	
Closing balance	(83.714.580)	4.687.878	49.929.693

Dividend Policy

The Company Board of Directors establishes and files a motion with the Shareholders' Meeting regarding the convenience, timing and amount of distribution dividends, as well as, if applicable, the capitalization of annual profits, when submitting its proposal for the distribution of profits/losses to the Shareholder's Meeting, in light of how the business and commitments undertaken by the Company have progressed and are being projected into the future.

The Company does not have or plan to establish an official policy of dividends in the near future to govern the amount and payment of dividends or other apportionments.

The Company does not plan to distribute any dividends within the next three to four years, since it intends to reinvest all the profits earned through its business to finance earnings growth and to enable value generation for its shareholders.

According to the Bylaws and the Business Organizations Act, the Company may declare dividends once or more, within any business year, and even pay anticipated dividends, pursuant to Section 224 (ii) of said Law, out of the realized net earnings as shown in the consolidated balance sheet of the Company, prepared in accordance with Argentine GAAPs and the Regulations of the Argentine Securities and Exchange Commission as to the last day of that business year, or in special consolidated balance sheets in case of anticipated or interim dividends, providing that such dividend must be paid ratably to all of the holders of ordinary shares of the Company as at the pertinent record date.

All capital shares of the company rank pari passu in terms of dividend payments.

Note 26. Cost of rendered services

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Wages and social security contributions	4.741.597	5.632.987	1.725.158	2.260.114
Other payroll expenses	-	214.526	-	82.069
Rent and utilities	813.967	521.098	259.605	210.677
Transport and per diem	384.851	140.660	133.604	54.977
IT and services expenses	518.453	203.444	276.457	86.279
Total Cost of rendered services	6.458.868	6.712.715	2.394.824	2.694.116

Note 27. Commercialization Expenses

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Wages and social security contributions	2.753.185	1.234.278	1.001.704	495.227
Other payroll expenses	-	47.006	-	17.983
Rent and utilities	178.055	114.181	56.788	46.163
Professional fees	1.514.879	385.000	214.306	252.279
Taxes, duties and assessments	1.351.698	389.007	347.002	80.096
Impairment of fixed assets	469.753	-	286.129	-
Transport and per diem	84.186	30.821	29.226	12.047
IT and services expenses	113.412	44.578	60.475	18.905
Representation expenses	1.614	-	-	-
Advertising expenses	2.052.510	235.085	787.885	125.275
Fees	3.806	-	-	-
Overhead	-	1.769.333	-	44.911
Total commercialization expenses	8.523.098	4.249.289	2.783.515	1.092.886

Note 28. Administrative Expenses

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Wages and social security contributions	7.800.692	1.877.115	2.838.163	753.152
Other payroll expenses	9.780	71.488	3.580	27.349
Fees	-		-	-
Rent and utilities	279.801	173.649	89.239	70.205
Professional fees	1.480.166	1.946.462	544.196	809.772
Directors' fees	151.430	180.000	73.430	60.000
Statutory auditing committee fees	73.200	50.000	21.000	18.000
IPO expenses	312.471	976.924	120.707	568.834
Taxes, duties and assessments	152.396	49.012	10.005	(264.232)
Transport and per diem	132.292	46.873	45.926	18.320
IT and services expenses	178.218	67.795	95.032	28.751
Office expenses	493.373	208.032	191.989	92.179
Insurance	512.153	383.525	186.299	166.781
Impairment of fixed assets	299.618	227.996	(72.822)	166.712
Donations	142.600	4.000	5.600	-
Overhead	127.084	111.672	18.104	43.189

Total administrative expenses	12.145.274	6.374.543	4.170.448	2.559.012

Note 29. Financial Results

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Exchange difference				
Income from exchange differences	9.637.115	8.957.110	4.096.768	3.906.669
Cost from exchange differences	(15.317.897)	(5.940.775)	(7.541.853)	(4.078.391)
Total Exchange difference	**(5.680.782)**	**3.016.335**	**(3.445.085)**	**(171.722)**
Financial income				
Interests	2.074.449	1.494.374	1.142.456	896.495
Result from short-term investments	6.603.374	1.109.957	2.353.386	(154.054)
Total Financial income	**8.677.823**	**2.604.331**	**3.495.842**	**742.441**
Financial costs				
Interests	(1.281.185)	(397.061)	(657.702)	(232.512)
Banking expenses	(217.264)	(73.934)	(155.277)	(25.068)
Tax on bank debits and credits	(1.173.750)	(834.341)	(762.235)	(368.955)
Total Financial Costs	**(2.672.199)**	**(1.305.336)**	**(1.575.214)**	**(626.535)**
Total Financial Income	**324.842**	**4.315.330**	**(1.524.457)**	**(55.816)**

Note 30. Other receivables

	NINE MONTHS		THREE MONTHS	
	Sep 30, 2012	Sep 30, 2011	**Sep 30, 2012**	Sep 30, 2011
Other income				
Expenses recovered	-	624.615	-	-
Total Other Income	-	624.615	-	-

Note 31. Income Tax and Deferred Tax

The structure of "Income tax" determined in accordance with IAS 12, which is shown in the statement of income as to September 30, 2012, and 2011 is as follows:

	Sep 30, 2012	Sep 30, 2011
Income Tax	7.138.131	-
Deferred tax arising form temporary differences	63.708	(856.629)
Total Income Tax	7.201.839	(856.629)

Deferred Tax as to the close of the period/year has been determined on the basis of the temporary difference between accounting and tax-related calculations. The structure of assets and liabilities for deferred Tax as to the close of each period is as follows:

(Liabilities) Assets from Deferred tax	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Valuation of short-term investments	(1.268.619)	(1.251.326)	-
Foreign currency valuation	9.186	(71.815)	-
Balance at close of period / year	(1.259.433)	(1.323.141)	-

Following is a description of the reconciliation between Income Tax charged to results and such as would result from applying the relevant tax rate to the accounting result before taxes:

	Sep 30, 2012	Sep 30, 2011
Income Tax calculated at the current rate on the accounting result before taxes	33.461.504	12.673.347
Permanent differences	(26.259.665)	(13.529.976)
Income Tax	7.201.839	(856.629)

Note 32. Leases

The Company has entered into operating leases regarding the lease of the Company administrative and commercial offices. Payments effected under these operating leases are recognized as expenses when accrued. The leases signed do not contain any contingent rent clauses or purchase options, or other restraints.

Following is the most relevant information on these leases:

The company has entered into two operating leases for the offices located on the 1st and 3rd floors of the building located on Avenida Scalabrini Ortiz 3333 in the City of Buenos Aires on May 21, 2008, and their renewal on May 18, 2011 and March 3rd 2011, respectively. Directive, Management and Marketing activities are conducted in those offices.

Besides, on April 8th, 2011, the Company entered into a lease on an office located in a property on Beruti Street in the City of BuenosAires, where commercialization activities are being conducted in relation to the "Astor Palermo" real estate project.

Note 32. Leases (continued)

	Payments due under the operating leases		
	In 1 year	In 1 to 5 years	In over 5 years
	ARS	ARS	ARS
September 30, 2012	539.552	1.738.011	-
December 31, 2011	1.157.898	1.738.011	-
December 31, 2011	981.012	2.895.909	-

Note 33. Related Parties

a) The Balances outstanding with Companies as per section No. 33 – Law No. 19550 and other related parties are as follows

TRADE RECEIVABLES	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Canfot S.A.	-	-	268.722
Marina Río Luján S.R.L.	-	157.361	-
Maltería del Puerto S.A.	2.284.311	658.177	1.143.418
	2.284.311	815.538	1.412.140

OTHER RECEIVABLES	Sep 30, 2012	Dec 31, 2011	Dec 31, 2010
Current			
In the national legal tender:			
Individual shareholder	1.145.282	747.227	248.210
Other shareholders	1.662.937	909.086	-
PDG Realty S.A. Empreendimentos e Participações	1.229.620	667.882	75.820
Maltería del Puerto S.A.	20.395.621	150.350	20.860
Canfot S.A.		1.612.741	-
Pico y Cabildo S.A.	16.140	16.140	-
TGLT Uruguay S.A.	41.403	-	-
	24.491.003	4.103.426	344.890
In foreign currency:			
Marina Río Luján S.A.	2.514.545	5.576.973	788.925
Alto Palermo S.A.		2.480.737	-
Maltería del Puerto S.A.	30.127.144	27.001.330	-
TGLT Uruguay S.A.	1.033.532	21.746	-
FDB S.A.		794.324	-
	33.675.221	35.875.110	788.925
Non-current			
In foreign currency:			
Maltería del Puerto S.A.	1.738.155	1.591.474	-
	1.738.155	1.591.474	-

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Federico Nicolás Weil
President

Note 33. Related Parties (continued)

a) The Balances outstanding with Companies as per section No. 33 – Law No. 19550 and other related parties are as follows (continued):

TRADES PAYABLE	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
In the national legal tender:			
Canfot S.A.	79.929	79.929	79.929
Maltería del Puerto S.A.	13.189	13.189	13.189
	93.118	93.118	93.118
In foreign currency:			
IRSA Inversiones y Representaciones S.A.	25.511.417	42.224.900	
	25.511.417	42.224.900	-
LOANS			
In the national legal tender:			
Canfot S.A.	3.280.000	-	
	3.280.000	-	-
In foreign currency:			
Pico y Cabildo S.A.	15.655.007	6.673.816	-
	15.655.007	6.673.816	-
CUSTOMER ADVANCES			
In foreign currency:			
Alto Palermo S.A.	65.401.421	35.048.466	32.377.486
IRSA Inversiones y Representaciones S.A.	43.510.060	11.965.151	-
Marina Río Luján S.A.		-	407
	108.911.481	47.013.617	32.377.893
OTHER PAYABLES			
Maltería del Puerto S.A.	1.719.612	6.257.790	-
Canfot S.A.	153.522	140.676	-
TGLT Uruguay S.A. (1)	-	26.141	-
	1.873.134	6.424.607	-

(1) Long-term interest of TGLT S.A. in said company.

b) The most significant operations with Companies as per section No. 33 – Law No. 19550 and other related parties are as follows:

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

AS TO SEPTEMBER 30, 2012 PRESENTED COMPARATIVELY – SEE NOTE 4.1.

(figures in pesos denominated in accordance with the description of Note 3.1)

	Sep 30, 2012	Sep 30, 2011
ADVANCE PAYMENTS GRANTED		
Maltería del Puerto S.A.	-	1.554.524
Alto Palermo S.A.	27.152.665	-
IRSA Inversiones y Representaciones S.A.	29.707.904	-
	56.860.569	1.554.524
LOANS MADE		
Maltería del Puerto S.A.	19.750.000	39.074.179
Marina Río Luján S.A.	-	2.141.250
	19.750.000	41.215.429

Note 33. Related Parties (continued)

b) The most significant operations with Companies as per section No. 33 – Law No. 19550 and other related parties are as follows:

	Sep 30, 2012	Sep 30, 2011
LOANS RECEIVED		
Canfot S.A.	7.000.000	-
Pico y Cabildo S.A.	7.167.108	7.803.624
	14.167.108	7.803.624
PAYMENT MADE ON BEHALF OF AND TO THE ORDER OF THIRD PARTIES		
Individual shareholders	398.055	487.723
Maltería del Puerto S.A.	-	87.941
Pico y Cabildo S.A.	-	48.236
PDG Realty S.A. Empreendimentos e Participações	561.738	592.062
Other shareholders	753.851	
TGLT Uruguay S.A.	1.074.935	-
	2.788.579	1.215.962
COLLECTION OF RENDERED SERVICES, EARNED FEES AND LOAN AGREEMENTS SUSCRIBED		
Maltería del Puerto S.A.	5.068.219	7.927.396
Canfot S.A.	1.612.741	4.902.772
Marina Río Luján S.A.	3.837.668	544.907
Pico y Cabildo S.A.	-	234.073
Alto Palermo S.A.	2.529.350	
IRSA Inversiones y Representaciones S.A.	19.824.592	
	32.872.570	13.609.148
PAYMENTS MADE		
Canfot S.A.	4.000.000	-
Maltería del Puerto S.A.	4.881.814	-
	8.881.814	-
COSTS INCURRED BY THIRD PARTIES		
Marina Río Luján S.A.	-	44.214
	-	44.214
CAPITALIZATION OF CREDITS		
TGLT Uruguay S.A.	10.689.541	-
	10.689.541	-
	Profit/(Loss)	
SERVICES RENDERED AND FEES EARNED		
Maltería del Puerto S.A.	4.375.280	3.346.970
Canfot S.A.	-	3.716.401
Marina Río Luján S.A.	188.938	450.000
	4.564.218	7.513.371

Note 33. Related Parties (continued)

b) The most significant operations with Companies as per section No. 33 – Law No. 19550 and other related parties are as follows:

FINANCIAL RESULTS, NET		
Maltería del Puerto S.A.	4.850.332	640.539
Marina Río Luján S.A.	371.133	182.840
Pico y Cabildo S.A.	(1.814.083)	(322.932)
Alto Palermo S.A.	(3.171.203)	(1.669.257)
IRSA Inversiones y Representaciones S.A.	(4.948.115)	(1.197.454)
Canfot S.A.	(288.008)	(238)
FDB S.A.	(34.378)	-
TGLT Uruguay S.A.	766	-
	(5.033.556)	(2.366.502)

Note 34. Breakdown by maturity of credits and debts

a) Classification of credits, tax assets and debt balances according to maturity:

	Sep 30, 2011	Dec 31, 2011	Dec 31, 2010
Credits			
Due within			
Up to 3 months	15.847.992	43.889.619	4.550.090
From 3 to 6 months	107.038	32.674.511	26.136
From 6 to 9 months	67.562	81.422	47.245
From 9 to 12 months	50.325.918	71.728	827.771
Over 12 months	23.940.279	14.157.358	6.938.941
No specific due date	36.194.862	2.324.195	357.179
Past-due			
Up to 3 months	1.448.012	291.242	-
From 3 to 6 months	9.546	100.536	-
From 6 to 9 months	-	12.906	-
From 9 to 12 months	54.670	20.860	-
Over 12 months	441.618	-	-
Total credits	128.437.497	93.624.377	12.747.362
Debts			
Due within			
Up to 3 months	14.026.495	36.973.202	2.946.327
From 3 to 6 months	11.967.663	14.106.218	2.326.059
From 6 to 9 months	9.095.776	-	-
From 9 to 12 months	481.544	-	-
Over 12 months	255.290.147	106.039.087	32.377.486
No specific due date	-	93.118	93.524
Past-due			
Up to 3 months	8.469	140.675	-
From 3 to 6 months	318.349	-	-
Total Debts	291.188.443	157.352.300	37.743.396

Note 34. Breakdown by maturity of credits and debts

b) Credit, tax asset and debt balances accruing interest and otherwise are shown below:

Credits	**Sep 30, 2012**	Dec 31, 2011	Dec 31, 2010
Accruing interests	54.417.140	35.059.040	788.925
Non accruing interests	74.020.357	58.565.337	11.958.437
	128.437.497	93.624.377	12.747.362
Average nominal annual rate:	**11%**	**8%**	**8%**
Debts			
Accruing interests	84.428.955	18.571.154	337.067
Non accruing interests	206.759.488	138.781.147	37.406.329
	291.188.443	157.352.301	37.743.396
Average nominal annual rate:	**12%**	**18%**	**18%**

Note 35. Amendment to the bylaws

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

a) The subscription price was set at ARS 9.034 per ordinary share on the basis 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. As a consequence, a capital increase was set in the amount of ARS 47,999,485 by means of the issuance of 47,999,485 ordinary book-entry shares at a par value of ARS 1 each, entitling to 1 vote each. The difference between the subscription price and the par value of each share was allocated –net of expenses- to setting up a special premium issuance allowance. Additionally, the Board decided no to make another public subscription offering within the next six months.

b) The division of corporate capital in different types of shares was eliminated, thereby converting the existing shares into ordinary book-entry shares of a single class.

c) The new shareholders' registry to be manager by Caja de Valores S.A. as of November 5, 2010 was implemented.

d) The Company corporate equity was set at ARS 70,349,485, and it was recorded that 31,984,275 ordinary book entry shares were subscribed in the Argentinean tranche of the offering of shares, and 16,015,210 ordinary book-entry shares were subscribed as Global Depositary Shares in the international tranche of the offering of shares.

On December 20, 2011, at Extraordinary Shareholders' Meeting of the company it was unanimously decided that articles nineth (Powers of the Board of Directors) and fourth (business purpose) of the Bylaws had to be modified to allow for the furnishing of security in favour of third parties without having to secure the prior consent of the shareholders at the Shareholders' Meeting, and to amend certain ambiguities as to the business purpose and expand the same to include construction activities, respectively.

On April 17, 2012, at the Extraordinary Shareholders' Meeting it was unanimously voted that articles four (business purpose) and nine (powers of the Board of Directors) of the bylaws had to be amended to limit the furnishing of security only in favour of subsidiaries or affiliates of the Company, instead of third parties in general.

As to the date of these individual consolidated financial statements, the capital increase of November 4, 2010 and the amendments to Articles nine and four of the bylaws were pending registration with Registro Público de Comercio (Public Registry of Business Organizations), and the pertinent proceedings before C.N.V. commenced.

Note 36. Loans

Following are details on the loans entered into by the Company and in effect as to September 30, 2012. Note 31 to the condensed consolidated financial statements must be taken into consideration together 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 urban project. In all cases the disbursement of 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 collected together with principal on the stipulated due date.

   The breakdown of each credit facility applied for with the Company is as follows:

Shareholder	#	Date	Total Amount	Amount requested	Amount paid	Rate
TGLT S.A.	1	05/05/2011	USD 4,000,000	USD 4,000,000	USD 4,000,000	9%
	2	23/06/2011	USD 1,000,000	USD 1,000,000	USD 1,000,000	9%
	3	20/07/2011	USD 1,000,000	USD 1,000,000	USD 1,000,000	9%
	4	20/07/2011	USD 505,310	USD 505,310	USD 505,310	10%
	5	20/07/2011	USD 2,000,000	USD 2,000,000	USD 2,000,000	9%
	6	29/07/2011	USD 505,310	USD 505,310	USD 505,310	10%
	7	07/10/2011	USD 1,000,000	USD 1,000,000	USD 1,000,000	9%

   USD: United States dollars

   The two first disbursements owed by Maltería del Puerto S.A. are past-due this period. The balance of the credit facility of USD 4,000,000 was fully paid up, together with interests accrued up to the maturity date, on May 5, 2012. Regarding the second disbursement, it had been converted into a current account, together with the interests accrued up to the maturity date. Such current account accrues nominal interest equivalent to 8% per annum, which will be invoiced on quarterly basis.

   On July 2, 2012, two new credit facilities were subscribed, in the form of commercial account for the maximum amount of USD 7,000,000 and ARS 10,000,000, with a maturity date on July 2, 2013. An addendum was enclosed on August 27, 2012 to that facility, in which the maximum amount was extended to ARS ARS25,000,000. The facilities in US Dollars will accrue a nominal interest of 8% per annum, and the facilities in Argentine Pesos will accrue an interest equivalent to the Badlar Rate, published by the Central Bank of Argentina, for time deposits in pesos for an amount over ARS 1,000,000, in periods of 30 and 35 days, plus two hundred nominal annual basic points. Such interests will be invoiced on quarterly basis.

   The credit facilities in dollars dated on July 20 and 29, 2012, together with the interests accrued up to their maturity date, were capitalised as disbursements of the commercial account in dollars.

   The amounts outstanding under the credit facilities in US dollars mentioned above, as to September 30, 2012 and December 31, 2011, included in “Other Receivables” amount to:

	Other receivables		
Date	Current	Non-current	Total
30/09/2012	30.127.144	-	30.127.144
31/12/2011	27.001.330	-	27.001.330

Note 36. Loans (continued)

The following are the disbursements made during the period, corresponding to the open account in pesos:

Shareholder	#	Date	Amount requested	Amount paid
TGLT S.A.	1	18/07/2012	ARS 2.000.000	ARS 2.000.000
	2	31/07/2012	ARS 5.000.000	ARS 5.000.000
	3	17/08/2012	ARS 2.000.000	ARS 2.000.000
	4	23/08/2012	ARS 1.000.000	ARS 1.000.000
	5	27/08/2012	ARS 1.000.000	ARS 1.000.000
	6	30/08/2012	ARS 5.000.000	ARS 5.000.000
	7	27/09/2012	ARS 1.000.000	ARS 1.000.000
	8	28/09/2012	ARS 2.750.000	ARS 2.750.000

The amounts outstanding under the credit facilities in pesos mentioned above, as to September 30, 2012, included in "Other Receivables" amount to: ARS 20.180.181

2. On December 16, 2010, the Company offered to make a loan to Alto Palermo S.A. (APSA) for the amount of USD 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 and until maturity at an interest rate equivalent to a nominal four per cent (4%) per annum on the principal amount.

   c) Interest must be paid together with principal.

   As to September 30, 2012 the loan and accrued interests were fully paid up. The outstanding amount of December 31, 2011 was of ARS 2,480,737, shown in "Other receivables" under the current assets.

3. On May 20, 2011, the Company applied for, and Pico y Cabildo S.A. granted, a credit facility for up to USD 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. The principal disbursed by Pico y Cabildo S.A. will accrue current interest at a rate of 5%, calculated on disbursed principal, and will be paid together with principal on the stipulated due date.

   On January 12 and 31, 2012, the Company applied for two new credit facilities in the sums of USD 1,534,667 and USD 120,000, respectively, with the same specifications as detailed in the paragraph above.

   As to the date of issuance of these individual condensed financial statements, the Company had received funds totalling USD 3,180,897, under the requested credit facilities.

Note 36. Loans (continued)

The amounts outstanding under the credit facilities mentioned above, as to September 30, 2012 and December 31, 2011, included under "Loans" amount to:

Loans			
Date	Current	Non-current	Total
30/09/2012	15.655.007	-	15.655.007
31/12/2011	6.673.816	-	6.673.816

4. The Company applied for, and Canfot S.A. granted, a credit facility for the sum of ARS 3,000,000 on February 24, 2012, providing for its refund within a maximum of one year, from the date of requested disbursement. The principal disbursed by the Company will accrue current interest at a nominal annual rate of 16 %, calculated on disbursed principal, and will be paid together with principal on the stipulated due date.

   On May 29, 2012, a loan agreement was entered into with Canfot S.A. for a credit facility amounting to ARS 4,000,000, with a maturity date on July 30, 2012. The principal disbursed by the company will accrue a current nominal interest rate of 14% per annum, calculated on disbursed capital, and will be paid together with principal on the stipulated due date. On July 13 and July 30, 2012, the Company paid as part of the principal the balance of ARS 2,000,000 and ARS 2,000,000, respectively. Accrued interest was paid in two installments on August 31, and September 30, 2012.

   As to September 30, 2012, the outstanding amount corresponding to the first credit facility above mentioned is of ARS 3,280,000 and is shown in the entry "Loans" under current liabilities.

5. On July 2, 2012, Maltería del Puerto S.A. entered into a loan agreement with the Company for two new credit facilities in pesos. The principal disbursed by the Company will accrue current interest at a nominal annual rate, calculated on disbursed principal, and will be collected together with principal on the stipulated due date.

Note 37. Shareholders' Agreements

6. On December 22, 2008 the Company, PDG Realty S.A. Emprendimeentos e Participações, Eduardo Rubén Glusman, Juan Carlos Paladini, Osvaldo Roberto Paladini, Verónica Lis Gonzalo y Juan Carlos Rosseti 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 decided, to attend the Shareholders' Extraordinary General Meeting and meet the requisite quorum and vote in favour of certain increases to Share Capital.

Finally, the Company assumed the obligation –in case Maltería del Puerto S.A Share Capital was insufficient for attaining its corporate purpose - to loan it, pro se or on behalf of third parties, the amounts required for said business purpose.

Note 37. Shareholders' Agreements (continued)

7. 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 capital.

Among the most relevant provisions that govern this Shareholders' Agreement are the following:

a) Stipulations for the designation and removal of directors and statutory auditors;

b) Stipulations for voting at Shareholders' Meetings regarding any of the decisions detailed under the agreement (such as those decisions mentioned under c) below), whereby the shareholders may only cast their votes at the Shareholders' meeting as previously agreed by them in writing before such Meeting;

c) Majorities for certain decisions to be adopted at the 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 bylaws; (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 business in Argentina; (iv) approval of the aggregate annual budget, among others;

d) Limitations to share transfers;

e) Rights of first refusal to acquire 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 established therein, the non-breaching shareholder may opt for: (i) demanding specific performance and damage 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 a market value plus 25% as penalty; (c) filing for damages.

Note 38. 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 (USD 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 shares 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 Company to be created or acquired for that purpose. In the event that the sum of (i) PDG S.A. direct shareholding in each of the corporations created or acquired for the aforementioned purposes, (ii) PDG S.A. indirect shareholding in said corporations through its shareholding in the

Company should exceed 50%, PDG S.A consent shall be required when making the decisions listed specifically in the Agreement.

Note 38. Joint Venture Agreement between TGLT S.A. and PDG Realty S.A. Empreendimentos e Participações (continued)

The most significant decisions are the following:

- Carrying out individual actions that entail increasing the debt of the companies created or acquired above the net worth of said company.
- Hiring third-party services for amounts greater than USD 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 part of the assets of the companies created or acquired other than in the ordinary course of business.
- Share capital increases greater than those approved in the business plans of the companies created or acquired, whereby PDG S.A. consolidated shareholding interest was reduced, at least by 50 % of its initial interest in those companies in the cases in which PDG S.A does not subscribe to them.
- Presentation of the companies created or acquired as a result of reorganization proceedings, bankruptcy, or out of court arrangements 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 said companies.

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 said agreement. The agreement will be effective for 15 years as from its date of execution.

Note 39. Noncompetition agreement

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

I. For as long as Federico Nicolás Weil is acting as General Manager of TGLT S.A., he agrees to conduct any negotiation, investment and/or development of real estate business in the Argentine Republic exclusively through TGLT S.A.

II. Once Federico Nicolás Weil is no longer General Manager of TGLT S.A. for the period of two (2) years, he shall refrain—whether directly or indirectly through third parties- from conducting any negotiation, investment and/or development of real estate business for housing construction in the Argentine Republic.

III. 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 Argentine Republic 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.

IV. 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. 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 the Joint Venture Agreement.

V. 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.

Note 39. Noncompetition agreement (continued)

VI. 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 negotiation, investment, and/or total or partial, direct or indirect development of activities in the Argentine Republic, 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 40. Litigation

40.1 Ingeniero Milia S.A.

On January 5, 2012, Company learned that Ingeniero Guillermo Milia S.A. (IGM), a contractor that the Company hired for the provision of concrete and masonry service in the "Astor Caballito" urban project," had not paid the wages for the second half of December and the supplementary annual salary (SAC) to its employees, which resulted in a walkout by its workers from the site. The Company was forced to assume the labour contingencies, terminate the relationship with IGM and take over the works, as described below:

On December 18, 2011, the Company received a request for information from the Construction Workers' Union of the Argentine Republic (UOCRA) and from the Construction Personnel Health Insurance Corporation (OSPECON), in relation to the personnel affected at the works and hired through IGM. On January 25, 2012, said entity assessed a debt of ARS 78,745, making this claim extensive to the Company, on joint-and-several bases, pursuant to Law No. 22550, section 32.

On the other hand, during December 2011, the Company signed collective employment agreements in relation to the IGM personnel assigned to the "Astor Caballito" works. Thus, in its capacity as owner of "Astor Caballito" urban project and as joint-and-several guarantors for the labour obligations of the workers of IGM, the Company paid-off, during January and February 2012, the debt IGM owed to its workers, paying them all salaries owned under the supervision of the Argentine Ministry of Labour, in addition to their supplementary annual salary, unemployment fund and final settlement.

As to the date of these condensed individual financial statements, the Board of Directors of the Company estimates that no significant losses would result from the resolution of the situation discussed in the preceding paragraphs.

Likewise, in July 2012, IGM filed a petition for reorganization proceedings before the Civil and Commercial Trial Court No. 1 in and for the City of Olavarría, in the case "Ingeniero Guillermo Milia S.A. s/Concurso Preventivo." The Company has appeared in court as unsecured creditor, claiming the amount of ARS 1,293,689. On September 12, 2012 the Court decided that the claimed credit was admissible as unsecured credit.

40.2 Astor Palermo Project - Injunction

On June 9, 2011, the Trial Court on Administrative and Tax Matter No. 9, Clerk's Office No. 18, granted a preliminary injunction in Court Record No. 41.544 "Asociación de Amigos Alto Palermo c/ Gobierno de la Ciudad Autónoma de Buenos Aires Sobre Amparo". Such injunction suspends the construction of the work of the premises located on Beruti No. 3351/59 between Bulnes street and Coronel Díaz Avenue of the City of Buenos Aires. Pursuant to paragraph II of said resolution, the suspension will remain in force until the Government of the City of Buenos Aires adds the administrative records No. 28831/2009 and 10788/2009 to the court record, whereby it has granted authorization for the construction of an apartment building with residential and commercial parking lots, to be built by the Company on that property.

On July 4, 2011, the Government of the City of Buenos Aires complied with this petition. On July 11, 2011, the acting judge granted the requested preliminary injunction. Said preliminary injunction was granted until all the evidence offered by the parties was produced, as well as any other evidence as might be required by the Court in due procedural course.

Note 40. Litigation (continued)

On July 15, 2011, the Company appealed against the resolution that granted this injunction, and said resolution was reversed.

On October 4, 2011, the plaintiff filed a brief (new fact) related to a request of reports on the conditions in which the project and its performance were authorized. Such new facts were answered, both on the appeal and in the main court record.

On April 26, 2012, the Appellate Court decided to reverse the trial court decision and lifted the injunction that had suspended resumption of works at Astor Palermo.

As to the date of issuance of these individual condensed financial statements, the Company has resumed the works and commercialization of said project.

40.3 Astor Caballito Project - Injunction

By means of a resolution on August 14, 2012, Room I of the Court of Appeals on Administrative and Tax Matters in and for the City of Buenos Aires, granted a preliminary injunction on the connected court records in the cases: "Asociación Civil y Vecinal SOS Caballito c/ GCBA s/ amparo" and "Asociación Civil Basta de Demoler c/ GCBA s/ amparo " both being handled by the Trial Court on Administrative and Tax Matters No. 14 in and for the city of Buenos Aires. Said injunction provides for the suspension of the construction of the works on the premises of "Astor Caballito" project, located in the block surrounded by Mendez de Andes Street 621/25/39/53/59, Colpayo 624/26/28/36/38/44, Felipe Vallese 702/24738/42/50/54 and Rojas 629/31/33/35/37/38/41/49/77, of the City of Buenos Aires.

For this reason, the Company filed an appeal for review by the Trial court, having subsidiary appellation to a Superior Court. As to the date of issue of these consolidated condensed financial statements, said Superior Court has not issued a decision.

Note 41. Stock options plan

On October 30, 2009, at the Company Shareholders' Meeting, shareholders decided that a purchase plan on shares to be issued by the Company was to be established, in favour 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 shares increased 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 shares occurs, and consequently, capital gains for the shareholders. Therefore, Stock Options entail the benefit of efficiently aligning the Executive's 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 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 the 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 seven percent (7%) of the share capital 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 of Directors. 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.

On December 20, 2011, at the Shareholders' Meeting, the majority of shareholders present approved to extend, for an additional of two years, the term to issue the shares needed to implement the plan of incentives for officers and employees of the Company as approved at the Shareholders' Meeting held on October 30, 2009.

Note 42. Limit to shareholding in other companies

As provided for in Section 31 of Law No. 19550 (Business Organizations Act), 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 share 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 to September 30, 2012, the Company held long-term investments in the sum of ARS 239,742,136. As to that date, the Company had exceeded the limit established in Section 31 of Law No. 19550 by ARS 19,372,247.

In accordance with Chapter XXIII.11.11, Section 31 of Law No. 19550 of the restated CNV text, for the purposes of calculating the limit set out by Section 31 of Law 19550, only the interests held in companies, the business purposes of which are not supplemental or subsumed in the business purpose of the holding company, will be taken into consideration, at their recorded value.

As to September 30, 2012, the Company had shareholding in companies whose business purposes supplement and/or are included in the Company line of business, and therefore, the limit regarding shareholding in other companies established by Section 31 of Law No. 19550 are inapplicable regarding what was stated in the above paragraph.

Note 43. Restricted assets

The Company restricted assets as to September 30, 2012, are detailed in Note 34 to the condensed consolidated financial statements.

Note 44. Allocation of retained earnings originated by application of IFRS for the first time

Pursuant to the Business Organizations Act, the Bylaws and General Resolution No. 368/01 of the Argentine Securities and Exchange Commission (CNV), 5% of the earnings for the fiscal year must be transferred to the statutory reserve, after the accumulated losses, if any, have been absorbed, until the Reserve amounts to 20% of the adjusted capital.

According to General Resolution No. 609 of CNV, the Company must allocate the amount of ARS 46,257,485 to a special reserve. Such amount results from the difference between the initial balance of retained earnings, showed in the financial statements as to the first closing of year in which IFRS were applied, and the final balance of retained earnings at the closing of the last year, which were governed by former accounting standards. This reserve cannot be reversed to make distributions in cash or in kind among shareholders or owners of the organization, and may only be reversed for capitalization or to absorb possible negative balances in the account "Retained Earnings".

The decision arising from the application of the paragraph above shall be taken at the Shareholders' Meeting in which the financial statements as to December 31, 2012 will be considered.

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

Note 45. Assets and liabilities in foreign currency

	Sep 30, 2012				Dec 31, 2011	Dec 31, 2010
Item	**Class and amount of foreign currency**		**Exchange rate**	**Amount accounted for in pesos**	**Amount accounted for in pesos**	**Amount accounted for in pesos**
ASSETS						
Current assets						
Cash and banks:						
Cash	USD	350	4,657	1.630	3.624	3.208
	BRL	-	-	-	222	425
				1.630	3.846	3.633
Banks	USD	287.945	4,657	1.340.961	230.934	159.009.124
Investments:						
Mutual funds	USD	6.104.274	4,657	28.427.602	56.704.973	-
Commercial papers	USD	1.456.650	4,657	6.783.619	7.992.442	-
Trade receivables:						
Intercompany balances	USD	490.511	4,657	2.284.311	815.538	1.412.140
Private debtors	USD	74.283	4,657	345.937	316.743	-
Other receivables:						
Intercompany balances	USD	7.231.097	4,657	33.675.221	35.875.110	788.925
Insurance to be accrued	USD	85.352	4,657	397.482	384.003	241.343
Advance payments to work suppliers for the purchase of inventories	USD	5.129.706	4,657	23.889.041	22.078.255	58.237
Expenses to be accounted for	USD	-	-	-	2.558	3.761
Sundry	USD	-	-	-	42.640	-
Total current assets				97.145.804	124.447.042	161.517.163
Non current assets						
Other receivables:						
Security deposits	USD	45.000	4,657	209.565	191.880	110.209
Insurance to be accrued	USD	-	-	-	114.715	-
Intercompany balances	USD	373.235	4,657	1.738.155	1.591.474	-
Total non current assets				1.947.720	1.898.069	110.209
Total assets				**99.093.524**	**126.345.111**	**161.627.372**

USD: United States dollars

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

Note 45. Assets and liabilities in foreign currency (continued)

Item	Sep 30, 2012				Dec 31, 2011	Dec 31, 2010
	Class and amount of foreign currency		Exchange rate	Amount accounted for in pesos	Amount accounted for in pesos	Amount accounted for in pesos
LIABILITIES						
Current Liabilities						
Trades payable:						
Common suppliers	USD	5.529	4,697	25.970	-	424.446
Accrued expenses	USD	-	-	-	606.392	61.729
Provisions for works	USD	-	-	-	928.050	-
Insurance payable	USD	24.484	4,697	115.001	382.748	244.403
Intercompany balances	USD	5.431.428	4,697	25.511.417	42.224.900	-
Loans:						
Intercompany balances	USD	3.332.980	4,697	15.655.007	6.673.816	-
Loans received	USD	-	-	-	4.385.955	-
Corporate notes	USD	791.275	4,697	3.716.617	-	-
Advanced Payments of clients:						
Intercompany balances	USD	23.187.456	4,697	108.911.481	47.013.617	32.377.893
Sums collected in advance	USD	5.771.489	4,697	27.108.683	16.371.392	-
Other accounts payable:						
Intercompany balances	USD	398.794	4,697	1.873.134	6.424.607	-
Debt on purchase of stocks	USD	-	-	-	18.145.137	-
Total current liabilities				182.917.310	143.156.614	33.108.471
Non current liabilities						
Loans:						
Corporate notes	USD	7.738.600	4,697	36.348.202	-	-
Total non current liabilities				36.348.202	-	-
Total liabilities				219.265.512	143.156.614	33.108.471

USD: United States dollars

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

TGLT S.A.
ADDITIONAL INFORMATION REQUIRED BY ARTICLE NO. 68 OF THE REGULATION OF BUENOS AIRES STOCK EXCHANGE

(figures in pesos denominated in accordance with the description of Note 3.1)

1. There are no specific regulations entailing contingent declines or resurgences of earnings bearing on the Company.

2. There are no significant modifications to the Company activity except for what has been mentioned in Note 35 to the individual condensed financial statements in relation to the expansion of the business purpose to "Construction Activities".

3. Regarding the classification of the balances pertaining to investments, credit and debts by maturity, see note 34 a) to TGLT S.A individual condensed financial statements.

4. Regarding the classification of the balances pertaining to investments, credit and debts based on the financial effects caused by their maintenance, see note 34 b) to TGLT S.A. individual condensed financial statements.

   a) The description of investments, credits and debts in foreign currency as to September 30, 2012 is shown in Note 45 to the individual condensed financial statements.

   b) There are no assets or liabilities subject to adjustment clauses.

   c) The description of items which accrue interest is provided in note 34 b) to TGLT individual condensed financial statements.

5. A description of the percentage interest in companies provided for in Section No. 33 of Law No. 19550 as to September 30, 2012 (for more information, please refer to Note 4.16 to the individual condensed financial statements of the Company):

		Interest	
Company	**Capacity**	**% Share capital**	**% Votes**
Maltería del Puerto S.A.	Shareholder	75,00 %	75,00 %
Canfot S.A.	Shareholder	90,91 %	100,00 %
Marina Río Luján S.A.	Shareholder	49,99 %	49,99 %
Pico y Cabildo S.A.	Shareholder	97,00 %	100,00 %
TGLT Uruguay S.A.	Shareholder	100,00 %	100,00 %

Regarding the information on companies provided for in Section No. 33 of Law No. 19550, see Note 33 to TGLT S.A. individual condensed financial statements.

The description of how interest is distributed in the Company share capital is shown in Note 24 of TGLT S.A. individual condensed financial statements.

6. To the close of the period there is no credit for sales or loans in favour of the members of the Board of Directors, members of the Supervisory Commission, or their relatives up to the second degree, and there have not been any during the period.

7. As to September 30, 2012, the Company owns two properties in the City of Buenos Aires, included under "Inventories" in the sum of ARS 186,131,661. Additionally, that same entry includes costs related to the "FACA" urban project in the sum of ARS 22,305,515, whose advance payment is included under "Other receivables" in the sum of ARS 23,889,041.

No previsions have been established in relation to these properties.

8. The Company opted for restating the business combinations prior to the date of transition to the IFRS (December 31, 2010), and acquiring its stock in the joint controlled entity "Marina Río Luján S.A.", in accordance with the provisions set forth in IFRS 1.

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By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

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Federico Nicolás Weil
President

Thus, the Company recognised all the assets and liabilities on the date of the business combinations prior to the date of transition to the IFRS and calculated them as to said date based on their fair values on the date of acquisition, as required by IFRS 3 “Business Combinations” and IAS 31 “ Interests in Joint Ventures”.

Finally, upon recalculating the business combinations prior to the date of transition to the IFRS (and acquisition of the jointly controlled entity “Marina Río Luján S.A.”), the Company has proceeded to also recalculate the added values related to the referred acquisitions.

In summary, the purchases were entered in the books by applying the acquisition method. The consideration obtained as a result of the acquisition was calculated at the estimated fair value (at the date of exchange) of the assets assigned and liabilities incurred or assumed and the equity instruments, except for the deferred tax assets or liabilities, or assets related to agreements entailing benefits for employees that were included and calculated pursuant to IAS 12, “Income Taxes”, and IAS 19 “Employees’ Benefits”, respectively.

9. There are no reserves from technical revaluations of fixed assets.

10. There are no obsolete property plant and equipment. The total residual value of properties, plant, and equipments totals ARS 3,673,909.

11. As to September 30, 2012, the Company held long-term investments in the sum of ARS 239,992,672. As to that date, the Company had exceeded the limit established in Section 31 of Law No. 19550 by ARS 19,372,247.

As provided for in Section 31 of Law No. 19550 (Business Organizations Act), 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 share capital and legal reserves.

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

In accordance with Chapter XXIII.11.11, Section 31 of Law No. 19550 of the restated CNV text, for the purposes of calculating the limit set out by Section 31 of Law 19550, only the interests held in companies, the business purposes of which are not supplemental or subsumed in the business purpose of the holding company, will be taken into consideration, at their recorded value.

As to September 30, 2012, the Company had shareholding in companies whose business purposes supplement and/or are included in the Company line of business, and therefore, the limit regarding shareholding in other companies established by Section 31 of Law No. 19550 are inapplicable regarding what was stated in the above paragraph.

12. The recoverable value taken into account for permanent investments was the proportional equity value, for inventory the net realization value was used, whereas for fixed assets the economic use value was used.

TGLT S.A.

ADDIONAL 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)

13. Insurance:

	Risk covered	Amount Insured	
		ARS	USD
Building	Building fire	9.600.000	-
Building	General Fire	760.000	-
Building	General content theft	422.500	-
Building	Water damage	70.000	-
Financial assets	Valuables stolen from safe	40.000	-
Financial assets	Valuables soles in transit	20.000	-
Facilities	Glass	6.000	-
Facilities	Technical insurance	315.000	-
Computer assets	Reconstruction of documents	100.000	-
Personal	Full civil liability	2.500.000	-
Personal	D&O Civil Liability	-	10.000.000
Personal	E&O Civil Liability	-	5.000.000
All-risk construction	Physical damage to insured assets – “Astor Palermo”	-	24.000.000
All-risk construction	Physical damage to insured assets – “Astor Caballito”	-	24.000.000
All-risk	Extraordinary expenses	350.000	-

14. According to the Company Management criteria and in the opinion of its legal consultants there is no coverage registered. In Note 40 to the individual condensed financial statements of the Company, litigation cases as to September 30, 2012 are included.

15. There are no contingencies whose probability of occurrence isn’t considered remote by the Company Management or whose financial effects –if material- have not been accounted for in the books.

16. There are no irrevocable contributions charged to future subscriptions.

17. The Company’s share capital is only represented by ordinary shares.

18. In accordance with the Business Organizations Act, the Bylaws and General Resolution No. 368/2001 by the Argentine Securities and Exchange 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.

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)

Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

LIMITED REVIEW REPORT OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The Board of Directors of

TGLT S.A.

CUIT No (tax identification number): 30-70928253-7

Place of Business: Av. Scalabrini Ortiz 3333 - Piso 1º

City of Buenos Aires

1. IDENTIFICATION OF INTERIM CONDENSED FINANCIAL STATEMENTS SUBJECT TO THE LIMITED REVIEW

a) We have made a limited review to the enclosed individual condensed consolidated financial statements of **TGLT S.A**. (hereinafter "**TGLT S.A**." or the "Company") which include (a) the interim condensed balance sheet as at September 30, 2012, (b) the interim condensed statement of income and of other comprehensive income for the nine-month and three-month periods ended on September 30, 2012, (c) the statement of changes to shareholders' equity and the statement of cash flow for the nine-month period ended on said date, and (d) supplementary information shown in notes 1 to 45.

The amounts and any other information regarding the fiscal year ended on December 31, 2011 and 2010 and the nine-month and three-month periods ended on September 30, 2011 are an integral part of the individual condensed consolidated financial statement mentioned above, and are aimed at being read only in relation thereto.

The Company's Board of Directors is responsible for preparing and presenting the financial statements in accordance with the International Financial Reporting Standards adopted by Federación Argentina de Consejos Profesionales de Ciencias Económicas (Argentine Federation of Professional Economics Associations, FACPCE) as accounting professional standards incorporated by Comisión Nacional de Valores (Argentine Securities and Exchange Commission) to its own regulations, as approved by the International Accounting Standard Board (IASB); and therefore, it is responsible for the preparation and presentation of the enclosed interim consolidated financial statements, in accordance with International Accounting Standard 34 "Interim Financial Reporting". For the purposes of preparing the interim individual condensed financial statements referred to in this report, the Company has applied the professional accounting standards of Technical Resolution No. 26 of FACPCE for the preparation of individual financial statements of a controlling entity, which in some aspects differs from those established in the International Financial Reporting Standards, as explained in note 4.16 to the interim individual condensed financial statements.

a) We have made a limited review to the enclosed interim condensed consolidated financial statements of **TGLT S.A**. with those of their subsidiaries (detailed in note 4.2 to said consolidated financial statements), which include (a) interim condensed consolidated balance sheet as to September 30, 2012, (b) the interim consolidated condensed statement of income and of other comprehensive income for the nine-month and three-month periods ended on September 30, 2012, (c) the statement of changes to shareholders' equity and the statement of cash flow for the nine-month period ended on said date, and (d) supplementary information shown in notes 1 to 46.

The amounts and any other information regarding the fiscal year ended on December 31, 2011 and 2010 and the nine-month and three-month periods ended on September 30, 2011 are an integral part of the interim condensed consolidated financial statements mentioned above, and are aimed at being read only in relation thereto.

The Company's Board of Directors is responsible for preparing and presenting the financial statements in accordance with the International Financial Reporting Standards adopted by FACPCE as accounting professional standards incorporated by Comisión Nacional de Valores (Argentine Securities and Exchange Commission) to its regulations, as approved by the International

Accounting Standard Board (IASB); and therefore, it is responsible for the preparation and presentation of the enclosed interim consolidated condensed financial statements, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The Board of Directors is also responsible for the internal control necessary for the preparation of the financial statements free of material misstatements or irregularities. We are responsible for issuing a limited review report on the financial statements mentioned in paragraphs a) and b) of this section, based on our audit conducted within the scope mentioned in paragraph 2 below.

2. SCOPE OF THIS AUDIT

We conducted our revision in accordance with the standards of Technical Resolution No. 7 of the FACPCE, applicable to the limited review of interim financial statements. These standards set a scope for this review, which is much more limited than an audit carried out with all of the proceedings necessary for expressing a professional opinion on the individual consolidated financial statements as a whole. Overall, said standards require the application of analytical procedures on the information included in the interim individual consolidated financial statements, global verifications and inquiries to the Company personnel that is responsible for the preparation of said financial statements. Therefore, we do no express our opinion on the individual balance sheet of the Company as to September 30, 2012, or the statement of income and of other comprehensive income, or the statement of changes to shareholders' equity, or the statements of cash flow for the nine-month period ended on said date.

We do not either express an opinion on the interim condensed balance sheet of the Company as to September 30, 2012, or the consolidated statement of income and of other comprehensive income, or the interim consolidated statement of changes to shareholders' equity or the interim statement of cash flow for the nine-month and three-month periods ended on September 30, 2012.

3. AUDITORS' REPRESENTATIONS

Based on the performed task, according to paragraph 2 above, we may report the following:

a) We have not been informed of any material amendment that should be made on the interim individual condensed financial statements of TGLT S.A., identified in paragraph 1. a) above, for the purposes of presenting them in accordance with the standards of Technical Resolution No. 26 of FACPCE for the preparation of the interim individual financial statements of a controlling company.

We have not been informed of any material amendment that should be made on the interim condensed consolidated financial statements of TGLT S.A. identified on paragraph 1.b) for the purposes of presenting them in accordance with International Accounting Standard 34;

c) As stated in Note 5 to the enclosed interim individual condensed consolidated financial statements, the items and figures contained in the conciliations between the former professional accounting standards and the IFRSs included in said note are subject to amendments, and they will only be considered definite when the annual financial statements for the years 2012 are prepared.

4. INFORMATION REQUIRED BY ENFORCEABLE STANDARDS

a) The interim individual condensed consolidated financial statements mentioned in paragraphs 1.a) and 1. b) of this report, have been prepared in conformity with the Business Organizations Act, Law No. 19500 and the applicable standards of Argentine Securities and Exchange Commission;

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)

Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 245 Page 74

Federico Nicolás Weil
President

b) The interim individual condensed financial statements mentioned in paragraphs 1.a) and 1.b) of this report have been transcribed to the Inventory and Financial Statements Books;

4. INFORMATION REQUIRED BY ENFORCEABLE STANDARDS (continued)

c) As part of our work, whose the scope is described under paragraph 2, we have conducted a review of the Reporting Summary requested by the Argentine Securities and Exchange Commission, prepared by the Board of Directors and over which, within the scope of our capacity, we have no observations to make;

d) According to the Company accounting records mentioned in paragraph 1.a) the liabilities for the National Administration of the Social Security accrued as to September 30, 2012, on account of social security contributions, amounted to ARS 290,249.01, and were not payable on that date.

Buenos Aires, November 9, 2012.

Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires (C.P.C.E.C.A.B.A.) Book 1 Page 68

Gabriel Righini (Partner)
Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires (C.P.C.E.C.A.B.A.) Book 245 Page 74

REPORT BY THE SUPERVISORY COMMISION

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. 19550 and the Buenos Aires Stock Exchange Regulations, we have conducted a limited review of the documents listed in paragraph I below. The Board of Directors of the Company is responsible for drafting and issuing said documents within the scope of their exclusive duties.

I. DOCUMENTS SUBJECT TO THE LIMITED REVIEW

a) Individual Condensed Balance Sheet as to September 30, 2012.
b) Individual Statement of Income and of Other Comprehensive Income for the nine-month and three-month periods ended on September 30, 2012.
c) Individual Condensed Statement of Changes to Shareholders' Equity for the nine-month period ended on September 30, 2012.
d) Individual Statement of Cash Flow for the nine-month period ended on September 30, 2012.
e) Notes to the Individual Financial Statements as to September 30, 2012.
f) Condensed Consolidated Balance Sheet as to September 30, 2012.
g) Condensed consolidated Statement of Income and of Other Comprehensive Income for the nine-month and three-month periods ended on September 30, 2012.
h) Condensed Consolidated Statement of changes to shareholders' equity for the nine-month period ended on September 30, 2012.
i) Condensed consolidated Statement of Cash Flow for the nine-month period ended on September 30, 2012.
j) Notes to the Consolidated Financial Statements for the nine-month period ended on September 30, 2012.
k) Additional information required by Article No. 68 of the Buenos Aires Stock Exchange Regulations.

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

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Federico Nicolás Weil
President

l) Reporting Summary required by the Argentine Securities and Exchange Commission No. 368/01

II. SCOPE OF THE LIMITED REVIEW

Our task was carried out in accordance with the auditing standards in effect, Technical Resolution No. 15 of the Argentine Federation of Professional Economics Boards. Said regulations require the application of the procedures established in Technical Resolution No. 7 of FACPCE regarding the limited review of financial statements for interim periods, 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 bylaws 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.** external auditors, Adler, Hasenclever & Asociados S.R.L., who issued their limited review report on November 9, 2012, in accordance with enforceable auditing standards, which apply to limited reviews of interim financial statements. Thereby they represent they had not been notified of any substantial amendment that should be made to the interim individual condensed financial statements or to the interim condensed consolidated financial statements of TGLT S.A. for the purposes of presenting them in accordance with the standards of Technical Resolution 26 of the FACPCE for the preparation of interim individual financial statements of a controlling entity, and in accordance with the International Accounting Standard 34, respectively.

A limited review mainly consists of applying analytical procedures to accounting information, and inquiring 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. For this reason, we have not expressed such opinion.

We have not assessed 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, we have complied with the provisions set forth in Section 294 of the Business Organizations Act.

III. PRELIMINARY CLARIFICATIONS

a) The amounts and any other information regarding the fiscal year ended on December 31, 2011 and 2010 and the nine-month and three-month periods ended on September 30, 2011 are an integral part of the interim individual condensed consolidated financial statement mentioned above, and are aimed at being read only in relation thereto.

b) The Company Board of Directors is responsible for preparing and presenting the financial statements in accordance with the International Financial Reporting Standards adopted by Federación Argentina de Consejos Profesionales de Ciencias Económicas (Argentine Federation of Professional Economics Associations, FACPCE) as accounting professional standards incorporated by Comisión Nacional de Valores (Argentine Securities and Exchange Commission) to its own regulations, as approved by the International Accounting Standard Board (IASB); and therefore, it is responsible for the preparation and presentation of the enclosed interim consolidated financial statements, in accordance with International Accounting Standard 34 “Interim Financial Reporting”. For the purposes of preparing the interim individual condensed financial statements referred to in this report, the Company has applied the professional accounting standards of Technical Resolution No. 26 of FACPCE for the preparation of individual financial statements of a controlling entity, which in some aspects differs from those established in the International Financial Reporting Standards, as explained in note 4.16 to the interim individual condensed financial statements.

The Board of Directors is also responsible for the internal control necessary for the preparation of the financial statements free of material misstatements or irregularities.

c) As stated in Note 5 to the enclosed interim individual condensed consolidated financial statements, the items and figures contained in the conciliations between the former professional accounting standards and the IFRSs included in said note are subject to amendments, and they will only be considered definite when the annual financial statements for the year 2012 are prepared.

IV. CONCLUSION

Based on our review, within the scope provided in chapter II and the aspects mentioned in chapter III, we hereby report that TGLT S.A. interim individual condensed financial statements as to September 30, 2012, and the interim condensed consolidated financial statements as to said date as detailed in chapter I, have been prepared in conformity with the Business Organizations Act, Law No. 19550, enforceable accounting standards for the City of Buenos Aires and the relevant regulations of C.N.V., and contemplate all the facts and circumstances of which we are aware of and regarding which we have no further observations to make.

We additionally advise that:

a) The Reporting Summary established in General Resolution No. 368/01 of Argentine Securities and Exchange 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, in all material respects, regarding the financial statements referred to in Chapter I, taken as a whole.

REPORT BY THE SUPERVISORY COMMISION (CONTINUED)

c) The financial statements referred to in Sections a) to e) of Chapter I are taken from accounting records kept in compliance with legal provisions currently in effect, pursuant to their formal aspects.
d) TGLT S.A. individual financial statements and its condensed consolidated financial statements are entered in the “Inventory and Financial Statements” book.

e) In accordance with the requirements of General Resolution No. 340 of CNV regarding the independence of external auditors and the quality of auditing policies they apply, and regarding the Company accounting policies, the external auditor’s report described above includes the representation that they have applied the enforceable auditing reporting standards in the Argentine Republic, which require independence, and do not contain any exception for the application thereof.

f) In the exercise of our duty to ensure legality, we have applied during the period the procedures described in Section No. 294 of Law No. 19550, which we deem necessary for these circumstances, having no significant observations on the mater.

Buenos Aires, November 9, 2012.

IGNACIO FABIAN GAJST

Chairman of the Supervisory Commission

Signed for identification purposes
with our limited review report dated on November 9, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
Professional Counsel of Economic Science for the City of Buenos Aires
(C.P.C.E.C.A.B.A.) Book 1 Page 68

By Supervisory Committee

Ignacio Fabián Gajst
Statutory Auditor

Gabriel Righini (Partner)

Certified Public Accountant (U.B.A.)
Professional Counsel of Economic Science for the City of Buenos Aires
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Federico Nicolás Weil
President

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