TGLT

CONDENSED CONSOLIDATED AND INDIVIDUAL MID-TERM FINANCIAL STATEMENTS

TGLT S.A.

AS OF MARCH 31, 2012 (3-MONTH PERIOD)

Grant Thornton

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TGLT S.A.

CONDENSED MID-TERM FINANCIAL STATEMENTS

AS OF MARCH 31, 2012

Shown on a comparative basis – See Note 3.1.

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AS OF MARCH 31, 2012 (3-MONTH PERIOD)

TGLT S.A.

INFORMATIVE OVERVIEW

PERIOD ENDED AS OF MARCH 31, 2012 (THREE MONTHS)

I. BRIEF COMMENTS ON COMPANY OPERATIONS IN THE PERIOD ENDED AS OF MARCH 31, 2012

Period milestones

Lifting of injunction - Astor Palermo

Under a resolution dated April 26, 2012, the Court of Appeals for Adversary Administrative and Tax proceedings of the City of Buenos Aires decided to overturn the trial-court decision issued in the case captioned "*Asociación Amigos Alto Palermo c/ GCBA s/ Amparo - otros procesos incidentales*" Dossier No. 41,544/1 and lift the preliminary injunction that had been attached in due course to suspend the continued construction of the multi-family housing complex and commercial parking facility on the property located on Beruti 3351/59 in the City of Buenos Aires .

Extension of negotiation term – FACA Project

On March 15, 2011, the Company had entered with Servicios Portuarios S.A. ("SP") into a memorandum of understanding ("MOU") for the acquisition by TGLT S.A. (or by a subsidiary of TGLT S.A. under its control) of a property located in the city of Rosario, Province of Santa Fe, referred to by the Municipality of Rosario as Management Unit 1 of the 2nd Phase Special Plan for the Scalabrini Ortiz Urban Renovation Center, which adjoins the property on which "Forum Puerto Norte" project that belongs to subsidiary Maltería del Puerto S.A. is located.

As provided in the memorandum of understanding the parties had agreed to negotiate in good faith the final terms and conditions of the contracts, agreements and documents that established the rights and obligations of the parties for the joint development of a real estate project in the Property within no more than 6 (six) months from the signature of the MOU, then extended for 6 months until March 15, 2012. As long as the negotiations and efforts to close the agreements set out in the MOU, the Company and SP are currently negotiating the date until which the term established in the MOU will be extended to negotiate and sign the final contracts and documents of said transaction.

Performance of payment obligations - Pico y Cabildo S.A.

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

The total purchase price for the shares was agreed at US$ 12,600,000.

The Company paid the entire balance on the debt mentioned in time and form, Consequently, on March 7, 2012, the pledge furnished as a result of said transaction was fully released and there is no longer any collateral or lien on those assets of the Company.

Closing of Property Purchase in Montevideo

On January 5, 2012, TGLT's wholly-owned subsidiary Miwok S.A. closed on a purchase by executing the respective title-transfer instrument for the land with its buildings and other improvements attached thereto, located in the district of Montevideo, real estate tax locality of Montevideo, urban zone, with a surface area of 10,852.44 square meters, where it will develop the project known as "Forum Puerto del Buceo" (the "Property").

As consideration for the Property, Miwok agreed to pay: (i) the sum of US$ 600,000 (six hundred thousand United States dollars) simultaneously with the execution of the notarized purchase & sale instrument; (ii) the sum of US$ 5,400,000 (five million four hundred thousand United States Dollars) on March 31, 2012, and the sum of US$ 6,000,000 (six million United States Dollars) on March 31, 2013; and (iii) the balance, i.e. the sum of US$ 12,000,000 (twelve million United States dollars), to be paid through the sale of future condominium units in the "Forum Puerto del Buceo" project, on aggregate adding up to approximately five thousand eight hundred and fifty five (5,845) square meters on own property, comprising the common property for exclusive use pertaining to those units, and fifty four (54) parking spaces that Miwok will build on the Property. As security for the obligations assumed in the transaction, Miwok furnished a first-priority mortgage on the Property in favor of the sellers. Moreover, TGLT furnished a joint-and-several guaranty in favor of the sellers to secure the obligations assumed by Miwok under the purchase & sale and mortgage.

TGLT S.A.

INFORMATIVE OVERVIEW

PERIOD ENDED AS OF MARCH 31, 2012 (THREE MONTHS)

Summary of our real estate developments

Project	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Núñez	Astor Caballito	Venice	Forum Puerto del Buceo	FACA Project
Location	Rosario, Santa Fe	Bajo Belgrano, City of Buenos Aires	Palermo, City of Buenos Aires	Núñez, City of Buenos Aires	Caballito, City of Buenos Aires	Tigre, Buenos Aires	Montevideo, Uruguay	Rosario, Santa Fe
Segment	High/ Medium-High	High	Medium-High	Medium-High	Medium-High	High/Medium-High	High	High/Medium-High
Type	Urban Complex	Urban Complex	Multi-family	Multi-family	Multi-family	Development	Urban Complex	Urban Complex
Characteristics	Riverfront	Park	Urban	Urban	Urban	Riverfront	Riverfront	Riverfront
Year of Acquisition	2008	2008	2010	2011	2011	2007	2011	2011
Land (m2)	43,000	13,000	3,208	4,759	9,766	320,000	10,765	84,000
Sellable area (m2)	52,186	41,196	14,765	20,360	31,346	Single-family plots: approx, 22,300 Housing and commercial: approx 214,700	Approx, 44,000	Approx, 114,200
Sellable units	455	152	210	298	500	Single-family plots: approx. 24 Housing and commercial: approx. 2,610	Approx. 298	Approx. 1,772
Other sellable units	Parking spaces: 570 Boathouses: 96	Parking spaces: 400	Residential parking spaces: 195 Commercial parking spaces: 171	Parking spaces: 310	Residential parking spaces: 502	Parking spaces: approx. 3,030 Boathouses and marinas: approx. 182	Parking spaces, approx. 357	Parking spaces approx. 1.955
Total estimated PSV (millions of US$)	96	178,4	53,2	58,4	74,8	Approx. 540,0	Approx. 133,0	Approx. 292,0
PSV launched as of 3/31/11 (millions of US$)	96	178,4	53,2	58,4	40,2	46,4	45,2	-
Area sold as of 3/31/11 (m2)	43,203	23,560	6,882	3,135	4,161	3,766	4,284	-
Units sold as of 3/31/11	393	82	100	41	70	60	50	-
Other units sold as of 3/31/11	Parking spaces: 444 Boathouses: 70	Parking spaces: 178	Residential parking spaces: 85 Commercial parking spaces: 171	Residential parking spaces: 29 Commercial parking spaces: 20	Parking spaces: 68	Parking spaces: 54 Boathouses and marinas: 2	Parking spaces: 41	-

TGLT

TGLT S.A.

INFORMATIVE OVERVIEW

PERIOD ENDED AS OF MARCH 31, 2012 (THREE MONTHS)

Project	Forum Puerto Norte	Forum Alcorta	Astor Palermo	Astor Núñez	Astor Caballito	Venice	Forum Puerto del Buceo	FACA Project
Sales secured as of 3/31/11 (millions of $)	317	336	92	31	31	37	71	-
Sales secured during 2012 (millions of $)	9	10	0.8	10	20	21	44.3	-
Construction progress as of 3/31/11 (performance of monetary budget)	93%	42%	-	-	21%	-	-	-
Stage	Construction	Construction	Pre-construction	Product Design and Permitting	Construction	Product Design and Permitting	Product Design and Permitting	Product Design and Permitting

Mid-term milestones of our real estate projects

The milestones reached in our projects during the period include:

Forum Puerto Norte

- **Approvals**
  - Final permitting is underway for buildings TWO and NINE and the definitive surveying of the property, including donations and administrative easements for public use. These procedures are necessary to convey the title deed to the buyers of the units in those buildings.
- **Progress**
  - Work is progressing in all the buildings with pending activities, with 400 dedicated workers. They will be delivered as per the following timetable:
    - completed: TWO, NINE
    - May 2012: building THREE
    - September 2012: building ONE
    - October 2012: building TEN
    - November 2012: buildings FOUR, SEVEN, EIGHT,, CUBO A
    - March 2013: buildings FIVE, CUBO B
- **Showroom and sales**
  - Showroom open to the public, relocated to that effect to building NINE after the unit where it was previously located was delivered to its owners.

Forum Alcorta

- **Approvals**
  - All approvals to proceed with the construction of the project have been generally obtained. The municipal dossier for electrical facilities is currently being submitted.
- **Progress**
  - Architecture: The comprehensive architectural project of the project is 92% complete. Stage III (CASAS building) is being defined.
  - Works: The physical works is 25% complete. Currently, the reinforced concrete structure is being built on the 16th floor of Tower 1 and on the 2nd floor in Tower 2, as per the work plan. Engineering is also underway in relation to the curtain wall and the executive plans for both towers. Excavation work continues in stage II, as well as with demolition work for stage I (stage expected to be completed by the end of May).
- **Showroom and sales**
  - Showroom 100% operative.

Astor Palermo

- **Approvals**
  - Now that the injunction that prevented construction to commence has been lifted, conditions are now met with regard to permitting in order to commence work.
- **Progress**

- Start of demolition of existing structures expected for May 2012.
- Revised offers for excavation work and reinforced concrete structure are being evaluated.

- **Showroom and sales**
  - The showroom is now complete and will be opened together with the commercial re-launching of the project scheduled for May 2012.

Astor Caballito

- **Approvals**
  - All approvals to progress in the construction of the project have generally been obtained.
- **Progress**
  - The reinforced concrete structure is being built in Tower 3, and it has advanced up to the 4th floor.
  - Tenders are being evaluated for the reinforced concrete structure for Tower 2 and masonry and stonework for Tower 3, among other contracts.
- **Showroom and sales**
  - Inaugurated on May 12, 2012, along with the commercial launch of towers 3 and 2.

Astor Nuñez

- **Approvals**
  - The submission of the municipal plans is expected for May 2012. Their approval by the Planning Bureau and the DGROC of the GCBA is estimated for the third quarter of 2012.
- **Showroom and sales**
  - Construction of the showroom is expected to start once the plans are approved by the Planning Department. The launch is estimated to take place toward the end of the second half of the year.

Venice

- **Approvals**
  - Feasibility approvals to start construction are pending until July 2012.
- **Progress**
  - Once feasibility approvals are obtained, infrastructure work will begin (earthwork and fillers, deforesting, etc.), and the pre-works engineering is already at a very advanced stage.
  - Construction works of the first buildings are expected to start in the first half of 2013.
- **Showroom and sales**
  - Completed and operative since December 2011.
  - Commercial inauguration is expected for June 2012 along with feasibility approval and the ensuing commercial launch and opening sales of new buildings are the launched stage. The pre-sale of buildings is expected to take place on a cooperative financing basis.

Forum Puerto del Buceo

- **Approvals**
  - Process underway to have the Qualified Modification to the Land Use Plan approved by the Departmental Board. This approval is expected to be obtained in the third quarter of this year.
- **Progress**
  - Once this approval is obtained, rock excavation work will begin, for which various different rock extraction methods are being assessed.
  - Pre-construction engineering is already at an advanced stage.
- **Showroom and sales**
  - Showroom construction permit application depends on Board approval.
  - The construction systems to erect the showroom quickly considering the local topography are being currently evaluated.
  - Commercial launch is expected to take place concurrently with the opening of the showroom.

FACA Project

- **Approvals**
  - The Master Plan prepared by architects Foster & Partners was submitted in the first quarter to the Urban Development Technical Commission of the Municipality of Rosario. Approval is expected for the second quarter of this year.
  - Utility feasibilities are being requested.
- **Progress**
  - Contingent on the approval of the Municipality.
  - Project advisors have already been engaged to conduct their activities together with the architects.
- **Showroom and sales**

- At the project stage, construction is expected to begin in the third quarter. Opening is expected toward the end of that same quarter with the launch of the project and its first stage. The pre-sales launch of the buildings is expected to tame form on a cooperative financing basis.

II. BALANCE SHEET (1)

	Mar 31, 2012	Mar 31, 2011
Current assets	1,168,820,602	779,069,680
Noncurrent assets	202,884,422	166,377,744
Total assets	**1,371,705,024**	**945,447,423**
Current liabilities	801,188,397	350,965,719
Noncurrent liabilities	114,232,801	74,850,329
Total liabilities	**915,421,198**	**425,816,048**
Majority interests	429,574,929	449,409,479
Minority interests	26,708,897	35,110,948
Total shareholders' equity	**456,283,826**	**484,520,427**
Total liabilities and shareholders' equity	**1,371,705,024**	**945,447,423**

(1) See Note 5 to the condensed consolidated financial statements, which illustrates the reconciliation between Argentine GAAP and IFRS.

III. INCOME STATEMENT (1)

	Mar 31, 2012	Mar 31, 2011
Operational results	**(19,300,926)**	**(12,354,782)**
Other expenses	(172,374)	(16,981)
Financial results:		
Forex differences	(8,471,907)	(1,378,590)
Financial income	4,745,454	175,229
Financial costs	(1,668,885)	(849,428)
Other income and expenses, net	63,460	643,337
Period results before Income Tax	**(24,805,178)**	**(13,781,215)**
Income Tax	8,366,023	1,534,671
Period result	**(16,439,155)**	**(12,246,545)**

(1) See Note 5 to the condensed consolidated financial statements, which illustrates the reconciliation between Argentine GAAP and IFRS.

IV. CASH FLOW AND USE OF FUNDS

	Mar 31, 2012	Mar 31, 2011
Cash flow from (Use of funds in) operations	(1,904,267)	7,163,641
Cash flow from (Use of funds in) investments	(1,911,664)	(9,192,609)
Cash flow for financing activities	6,086,343	1,466,672
Total cash flow (use of funds) in the period	**2,270,412**	**(562,296)**

V. STATISTICAL DATA

Information on changes in staffing at the company:

	Mar 31, 2012	Mar 31, 2011
Staffing	59	39

VI. PROGRESS IN SALES AND ADVANCES:

	Project							
	Forum Puerto Norte	**Forum Alcorta**	**Astor Palermo**	**Astor Caballito**	**Astor Nuñez**	**Venice**	**Forum Puerto del Buceo**	**Total**
Units sold								
In the quarter ended as of March 31, 2012	5	2	(1)	45	16	31	34	132
In the quarter ended as of March 31, 2011	45	14	13	-	-	-	-	72
YTD until March 31, 2012	393	82	100	70	41	62	50	798
Sales secured (*)								
Period sales								
In the quarter ended as of March 31, 2012	4,911,789	4,437,483	-	19,659,157	9,172,647	20,431,298	43,803,224	102,415,598
In the quarter ended as of March 31, 2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjustments on sales from previous periods (**)								
In the quarter ended as of March 31, 2012	4,156,571	5,566,153	763,256	247,818	644,961	349,392	461,051	12,189,203
In the quarter ended as of March 31, 2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total sales								
In the quarter ended as of March 31, 2012	9,068,360	10,003,635	763,256	19,906,976	9,817,608	20,780,690	44,264,275	114,604,801
In the quarter ended as of March 31, 2011	37,413,885	73,733,594	8,976,786	-	-	-	-	120,124,265
YTD until March 31, 2012	316,787,185	336,234,454	92,337,004	30,849,534	31,088,224	37,525,644	70,722,428	915,544,474

	Project							
	Forum Puerto Norte	**Forum Alcorta**	**Astor Palermo**	**Astor Caballito**	**Astor Nuñez**	**Venice**	**Forum Puerto del Buceo**	**Total**
Customer advances								
In the quarter ended as of March 31, 2012	2,576,016	48,309,096	8,542,277	20,407,546	17,871,800	5,236,185	31,334,329	134,277,250
In the quarter ended as of March 31, 2011	27,402,051	21,059,207	9,023,446	-	-	-	-	57,484,704
YTD until March 31, 2012	235,863,086	211,664,101	58,383,580	31,350,124	26,203,548	14,634,019	31,484,969	600,632,022

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

(**) These are adjustments related to forex and CAGR index variations used to adjust certain sales contracts signed in previous periods, as well as other adjustments for sales secured in previous periods.

VII. MAIN INDICATORS, RATIOS OR INDEXES:

Indicator	Formula	Mar 31, 2012*
Current ratio	Current Assets / Current Liabilities	1.46
Acid-test ratio	Shareholders' Equity / Liabilities	0.50
Sunken capital	Non-current Assets / Total Assets	0.15
Rate of return	Annualized net results / Average Shareholders' Equity	(0.14)

**Current regulations do not require comparing with the previous period because financial results on an IFRS basis are not available as of March 31, 2011.*

VIII. OUTLOOK

The year 2012 began with a slack in the demand for real estate, reflected in a 16% YoY drop in the number of title deeds signed in January and February, as reported by the Buenos Aires Notaries' Association. In this context, and combined with the summer vacation period, the Company's pace of sales in some of our project experienced a downturn, such as in Forum Puerto Norte and Forum Alcorta. In contrast, the Venice and Forum Puerto del Buceo projects, recently launched, fared quite differently with very successful pre-sales launches at the "friends & family" stage, as projected.

The second quarter began with the commercial launch of Astor Caballito and the re-launch of Astor Palermo after the injunction that kept this project paralyzed for nine months was finally lifted. For the third quarter, we expect the showrooms and commercial launches for Venice, Forum Puerto del Buceo and the first stage of the FACA project to be ready. We also project the launch of the first projects that draw on a cooperative financing plan at Venice and FACA, which would signal our entry into a new market segment by offering a new modality and timeframe for housing payments.

Elsewhere. The Company is still making strides in several corporate initiatives such as the integration of certain activities associated with the construction and sales of the projects being developed by the Company, implementation of the new ERP system, the first stage of which, "Administration and Finance", has been operative since January 1, 2012, among others.

CONDENSED CONSOLIDATED MID-TERM FINANCIAL STATEMENTS

TGLT S.A.

AS OF MARCH 31, 2012 (3-MONTH PERIOD)

TGLT S.A.

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

8TH BUSINESS YEAR BEGUN ON JANUARY 1, 2012

CONDENSED MID-TERM FINANCIAL STATEMENTS AS OF MARCH 31, 2012

SHOWN ON A COMPARATIVE BASIS – SEE NOTE 3.1

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

Date of registry at the Corporate Records Office:

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

Registration number at the Corporate Records Office: 1,754,929

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

Tax ID No.: 30-70928253-7

Information on the subsidiary companies: See Note 13 to the individual financial statements.

Structure of Corporate capital
(Note 21.)
(figures in pesos)

Shares	Issued, subscribed, and paid	Registered
Common, book-entry voting shares with a Par Value (P.V.) of $ 1	70,349,485	22,350,000
	70,349,485	22,350,000

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

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TGLT S.A.

CONDENSED CONSOLIDATED BALANCE SHEET

AS OF MARCH 31, 2012, DECEMBER 31, 2011, AND DECEMBER 31, 2010

(figures expressed in Argentine pesos)

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
ASSETS				
Current assets				
Cash and cash equivalents	6	80,576,422	77,047,456	177,959,331
Trade receivables	7	6,776,532	8,551,085	-
Other receivables	8	114,163,688	108,760,971	24,110,418
Inventory	9	967,303,960	824,657,480	509,034,131
Total current assets		1,168,820,602	1,019,016,992	711,103,880
Noncurrent assets				
Other receivables	8	1,011,206	953,122	446,305
Properties, plant and equipment	11	4,764,678	3,370,290	1,873,577
Intangible assets	12	663,227	766,345	227,133
Tax assets	13	52,904,313	43,618,505	19,174,686
Goodwill	14	143,540,998	143,540,998	132,982,013
Total noncurrent assets		202,884,422	192,249,260	154,703,714
Total assets		**1,371,705,024**	**1,211,266,252**	**865,807,594**
LIABILITIES				
Current liabilities				
Trade payables	14	147,418,115	90,966,418	22,876,316
Loans	15	36,150,445	30,747,267	677,293
Employee benefits	16	1,750,676	2,141,143	796,871
Current tax liabilities	17	4,533,095	4,288,299	3,813,884
Other taxes payable	18	3,326,626	2,745,001	3,028,139
Customer advances	19	600,632,022	466,354,772	227,322,697
Other accounts payable	20	7,377,418	25,216,707	-
Total current liabilities		801,188,397	622,459,607	258,515,200
Noncurrent liabilities				
Loans	15	34,913,099	33,515,044	12,000,000
Other tax liabilities	18	355,600	374,639	406,420
Deferred tax liabilities	29	78,964,102	81,140,181	63,008,053
Total noncurrent liabilities		114,232,801	115,029,864	75,414,473
Total liabilities		**915,421,198**	**737,489,471**	**333,929,673**
SHAREHOLDERS' EQUITY				
Attributable to majority interests		429,574,929	445,423,657	498,491,953
Attributable to minority interests		26,708,897	28,353,124	33,385,968
Total shareholders' equity		**456,283,826**	**473,776,781**	**531,877,921**
Total liabilities and shareholders' equity		**1,371,705,024**	**1,211,266,252**	**865,807,594**

Notes 1 through 44 hereto are an integral part of these statements.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

TGLT

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF INCOME AND OF OTHER COMPREHENSIVE INCOME

FOR THE 3-MONTH PERIODS ENDED AS OF MARCH 31, 2012 AND 2011

(figures expressed in Argentine pesos.)

	Notes	Mar 31, 2012	Mar 31, 2011
Revenues		15,491,607	-
Cost of goods sold	23	(20,823,504)	-
Gross results		**(5,331,897)**	**-**
Works management expenses	24	(1,701,949)	(7,285,907)
Marketing expenses	25	(7,142,845)	(3,016,911)
Administration expenses	26	(5,124,235)	(2,051,964)
Operational results		**(19,300,926)**	**(12,354,782)**
Other expenses	11	(172,374)	(16,981)
Financial results			
Forex differences	27	(9,559,611)	(1,378,590)
Financial revenues		4,745,454	175,229
Financial costs		(1,668,885)	(849,428)
Other revenues	28	63,460	643,337
Period results before Income Tax		**(25,892,882)**	**(13,781,215)**
Income Tax	29	9,453,727	1,534,671
Period result		**(16,439,155)**	**(12,246,544)**
Other comprehensive income			
To be reclassified in profits or losses			
Forex difference of net investment abroad		(1,053,800)	-
Total other comprehensive income		**(1,053,800)**	-
Total comprehensive income for the period		**(17,492,955)**	**(12,246,544)**
Profit (Loss) for the period attributable to:			
Majority interests		(14,794,928)	(13,971,524)
Minority interests		(1,644,227)	1,724,980
Total profit (loss) for the period		**(16,439,155)**	**(12,246,544)**
Earnings per share attributable to majority interests			
Basic	40	**(0,23)**	**(0,17)**
Diluted	40	**(0,23)**	**(0,17)**
Total comprehensive earnings for the period attributable to:			
Majority interests		(15,848,728)	(13,971,524)
Minority interests		(1,644,227)	1,724,980
Total profit (loss) for the period		**(17,492,955)**	**(12,246,544)**

Notes 1 through 44 hereto are an integral part of these statements.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
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C.P.C.E.C.A.B.A. Tº 245 - Fº 74

Federico Nicolás Weil
Chairman of the Board

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE 3-MONTH PERIOD ENDED AS OF MARCH 31, 2012

(figures expressed in Argentine pesos)

Item	Capital				Reserves		Results	Shareholders' equity attributable to:		Totals
	Corp. capital	Issuance premium	Transactions between shareholders	Total	Forex. diff. from net investment made abroad (1)	Statutory reserve	Unallocated results	Majority interests	Minority interests	
Balance as of 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
Period result	-	-	-	-	-	-	(14,794,928)	(14,794,928)	(1,644,227)	(16,439,155)
Other comprehensive income for the period, net of Income Tax	-	-	-	-	(1,053,800)	-	-	(1,053,800)	-	(1,053,800)
Total comprehensive income for the period	-	-	-	-	(1,053,800)	-	(14,794,928)	(15,848,728)	(1,644,227)	(17,492,955)
Balance as of March 31, 2012	70,349,485	378,208,774	(7,826,480)	440,731,779	(1,053,800)	4,000	(10,107,050)	429,574,929	26,708,897	456,283,826

(1) Forex difference of a net investment made abroad.

Notes 1 through 44 hereto are an integral part of these statements.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

TGLT

TGLT S.A.

CONDENSED INDIVIDUAL STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE 3-MONTH PERIOD ENDED AS OF MARCH 31, 2011

(figures expressed in Argentine pesos)

	Capital			Reserves	Results	Shareholders' equity attributable to:		
Item	Corp. capital	Issuance premium	Total	Statutory reserve	Unallocated results	Majority interests	Minority interests	Totals
Balance as of 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
Period result	-	-	-	-	(13.971.524)	(13.971.524)	1.724.980	(12.246.544)
Balance as of March 31, 2011	70.349.485	378.208.774	448.558.259	4.000	35.958.169	484.520.428	35.110.949	519.631.377

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Federico Nicolás Weil
Chairman of the Board

TGLT

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE 3-MONTH PERIODS ENDED AS OF MARCH 31, 2012 AND 2011

(figures expressed in Argentine pesos)

	Mar 31, 2012	Mar 31, 2011
Operational activities		
Total comprehensive income for the period	(17,492,955)	(12,246,544)
Adjustments to arrive at cash flow from operations		
Income Tax	(9,453,727)	1,534,671
Depreciation of properties, plant and equipment	448,020	399,003
Amortization of intangible assets	172,374	16,981
Accrued unpaid forex differences, net	6,864,682	(1,455,161)
Changes to operational assets and liabilities		
Trade receivables	1,923,575	(54,450)
Other receivables	(4,950,861)	(27,263,400)
Inventories	(142,646,480)	(39,750,109)
Tax assets	167,919	(4,112,654)
Trade payables	56,428,771	9,251,238
Employee benefits	(390,467)	290,893
Taxes payable	(1,132,901)	957,374
Other taxes payable	562,586	1,939,160
Customer advances	126,232,868	57,484,908
Other payables	(17,839,289)	20,795,828
Minimum Presumptive Income Tax	(798,382)	(624,097)
Net use of funds in (cash flow from) operations	**(1,904,267)**	**7,163,641**
Investments		
Payments on purchase of properties, plant and equipment	(1,842,408)	(254,118)
Payment on purchase of intangible assets	(69,256)	(22,310)
Payment of shares in subsidiaries	-	(8,916,181)
Net use of funds in investments	**(1,911,664)**	**(9,192,609)**
Financing activities		
Increase in loans	6,086,343	1,466,672
Net cash flow from financing activities	**6,086,343**	**1,466,672**
Net increase / (decrease) in cash and cash equivalents	2,270,412	(562,296)
Cash and cash equivalents at start of period	77,047,456	177,959,331
Effects of forex variations on cash and equivalents in foreign currency	1,258,554	1,455,048
Cash and cash equivalents at close of period	**80,576,422**	**178,852,083**

Notes 1 through 44 hereto are an integral part of these statements.

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Federico Nicolás Weil
Chairman of the Board

Note 1. Corporate information

1.1. Introduction

TGLT S.A. ("the Company" or "TGLT") is a corporation organized under the laws of the Argentine Republic. It is a residential real estate developer active in the leading urban centers of Argentina and Uruguay. TGLT was established in 2005 by Federico Weil and in 2007 it associated with PDG Realty S.A. Empreendimentos e Participações ("PDG"), the biggest real estate developer in Latin America and currently the Company's largest shareholder. Initially focused on projects for high-income segments, TGLT has gradually been expanding its product offering to middle-income sectors.

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

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

TGLT is the leading developer in the Argentine real estate market and intends to be on top of the market in Uruguay as well. It is presently working on 8 projects in high-demand urban areas in Argentina and Uruguay, at the product design, permitting, pre-construction and construction stages, totaling app. 530,000 sellable m2 and US$ 1.3 billion in potential sales value ("PSV").

TGLT controls and participates in all aspects of the development process, from land purchases to construction management, from product design to marketing and sales, ensuring at all times strict working capital controls. At the same time, it develops customized products for each segment and location, standardizes processes for the production of new housing and thus attains a high growth rate.

1.2. Business model

TGLT focuses on developing residential real estate projects in Argentina and Uruguay.

The TGLT business model is based on its ability to identify the best land and build superior-quality residential projects, relying on an excellent professional team, standardized processes and support from sophisticated management tools that allow the Company to launch initiatives on a rolling basis and operate a large number of projects simultaneously.

TGLT either wholly owns or is the majority partner in its projects, with its undivided commitment to each initiative, in line with the shareholders' objectives.

The TGLT team controls and participates in all aspects of the development process, from land searches and purchases, product design, marketing, sales to construction management, purchase of supplies, aftersales services and financial planning, with expert professional advice at each development stage. Although decisions in and control of those functions are within the TGLT organization, some of these tasks, such as architecture and construction, are outsourced to specialized companies, under the exhaustive supervision of TGLT. This business model allows the Company to ensure excellence in production for each location and segment, ensuring efficient working capital management at all times and allowing it to select the best possible partner for each aspect of development, with organizational size adaptable to changes in business volume.

The TGLT business model envisions quick land turnaround. Once the Company buys the land, it tries to launch the project or individual stages of the same within three to six months. TGLT thus tries to prevent the capital immobilization entailed in accumulating a land bank for long-term use.

Note 1. Corporate information (continued)

1.2. Business model (continued)

As reference, following is an outline of TGLT's range of tasks and strategy throughout the different stages of the development of a project::

Etapas	Visión	Adquisición de Tierra	Diseño de Producto	Marketing y Ventas	Construcción	Post Construcción
Funciones	Análisis de Mercado. Análisis de zonificación. Estrategia de banco de tierra.	Búsqueda de tierra. Análisis de Factibilidad. Negociación y estructuración.	Estudio de mercado y comparables. Anteproyecto. Proyecto ejecutivo.	Estrategia de marketing. Estrategia de ventas. Operación de ventas.	Preconstrucción. Estrategia de contratación. Licitaciones de construcción.	Control de Calidad. Adaptaciones de producto. Servicios al cliente.
Estrategia	Manejo del riesgo. Grandes proyectos. Proyectos de gran escala. Ubicaciones únicas.	Obtener la mejor tierra en cada submercado. Mantener una disciplina de precio. Enfocarse en grandes ciudades. Consolidar un banco de tierra para 3 años de desarrollo futuro, minimizando la inmobilización de capital mediante canjes.	Diseñar los mejores productos en cada categoría. Ingeniería de valor desde el comienzo del proceso de diseño.	Maximizar velocidad de ventas y facturación total. Desarrollo de un portfolio de marcas reconocidas y valoradas. Plataforma de ventas propia. Evitar conflicto de canales. Evitar retroceso de precios.	Construir con la mejor calidad para cada categoría de producto. Disciplina de control de costos. Desarrollo de relaciones de largo plazo con proveedores.	Tener una base de clientes satisfecha y leal. Atender a todas las necesidades del cliente vinculadas a la compra del inmueble.

1.3. Real estate projects

As of March 31, 2012, the Company participates, individually and/or together with other investors, in the following real estate projects (for more information on the projects, see Note 41 "Segment information"):

Forum Puerto Norte

The project consists in the construction of new residential and office buildings to be built on an app. 4-hectare plot of land, which is the only one in the Puerto Norte area with a closed perimeter and a flank of 178 meters along the Paraná river. It entails the construction of 9 apartment buildings, two office buildings, 22 shops, and a boathouse for 100 boats, among other amenities. "Forum Puerto Norte" is a project being developed through subsidiary Maltería del Puerto S.A.

Forum Alcorta

"Forum Alcorta" is located in the Belgrano neighborhood, in the City of Buenos Aires, at a site which was historically used by the OCA S.R.L. postal service company, and is surrounded by Ramsay, Juramento, Castañeda and Echeverría streets. The project is being developed on an app. 13,000-square meter plot of land, where three apartment buildings are to be built on a closed-in block with exceptional views toward the River Plate. "Forum Alcorta" is a project being developed through subsidiary Canfot S.A.

Note 1. Corporate information (continued)

1.3. Real estate projects (continued)

Astor Palermo

The development calls for a single 26-story building, with 210 units, four basements housing the various different amenities in the building, in addition to 171 commercial parking spaces, 195 residential parking spaces and storerooms for the apartments. The project is located in the neighborhood of Palermo, in the City of Buenos Aires.

Astor Núñez

The project is located in the neighborhood of Núñez, in the City of Buenos Aires, being developed on a property measuring 4,759 m^2, to be dedicated to commercial establishments and housing, plus parking spaces and storerooms.

“Astor Nuñez” was designed by architects Mario Roberto Álvarez & Asociados and is being developed by subsidiary Pico y Cabildo S.A.

Astor Caballito

Astor Caballito is a project is located in the neighborhood of Caballito in the City of Buenos Aires, consisting in three apartment buildings.

Venice

“Venice” is located in the Municipality of Tigre in the Province of Buenos Aires. The project is developed on a plot of land of about 32 hectares, which will be used for single-family housing lots, apartment buildings and business use, in addition to common recreational and transit areas. The Master Plan for Venice was designed by architects Duany Plater-Zyberk & Company (Miami, USA), and Bodas, Miani, Anger Arquitectos (Buenos Aires). The property has an almost 600-meter coastline along the Luján river, at the intersection of this river with the Vinculación channel, which is a recreational boating activity center in the northern area of the province of Buenos Aires. The scarcity of land and the demand for waterfront seascapes and boathouse facilities afford a unique opportunity for this project.

“Venice” is a project being developed through subsidiary Marina Río Luján S.A., where TGLT holds a 50% equity stake.

Forum Puerto del Buceo

This project is being developed in the city of Montevideo, Uruguay. The project is built on an app. 10,765 m2 property calling for the construction of 258 housing units. “Forum Puerto del Buceo” was designed by Carlos Ott Arquitectos in an association with Carlos Ponce de León Arquitectos, through subsidiary Miwok S.A. (now changing its name to FPB S.A.).

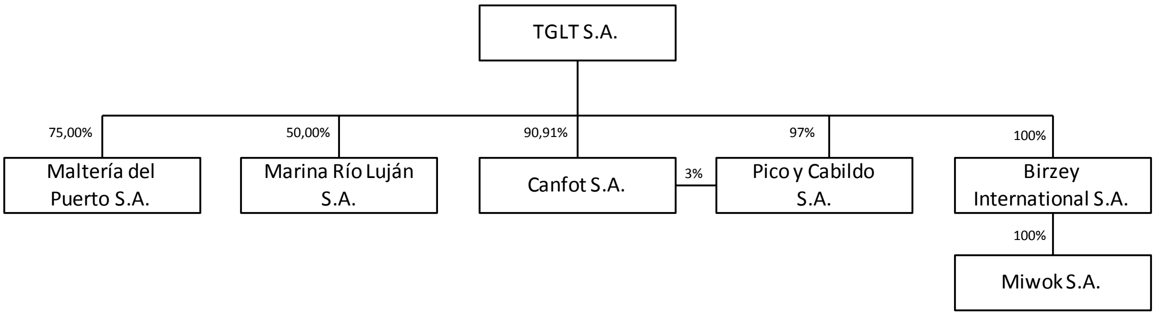
FACA

On March 15, 2011, the Company executed a memorandum of understanding with Servicios Portuarios S.A. (“SP”) for TGLT S.A. (or a controlled subsidiary of TGLT S.A.) to purchase a property located in the city of Rosario, Province of Santa Fe, which adjoins the property on which “Forum Puerto Norte” project. Renowned architects Foster & Partners (England) were engaged to design the master plan and the first phase of the project. The development contemplates a sellable area of app. 121,580 m2, the first phase of which should be launched in the second quarter of 2012.

Note 1. Corporate information (continued)

1.4. Corporate structure

The structure of the TGLT business group (the "Group") is shown in the following chart:



The Group conducts its real estate development projects through TGLT S.A. or its subsidiary companies. Maltería del Puerto is the owner of the land where the Forum Puerto Norte project is being developed- Marina Río Luján S.A. is the owner of the land where the Venice project is being developed. Canfot S.A. is the owner of the land where the Forum Alcorta project is being developed. Pico y Cabildo S.A. owns the land where the Astor Núñez project is being developed. Birzey International S.A. is a holding company in Uruguay that will hold our projects in that country. Miwok S.A. is a business corporation with registered offices in Montevideo, Republic of Uruguay, which will develop the Forum Puerto del Buceo project in Montevideo, Uruguay. The rest of the projects is being worked on directly by TGLT S.A.

Note 2. IFRS compliance statement

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

The condensed consolidated financial statements as of March 31, 2012 (the "financial statements") are the first mid-term statements prepared by the Company based on IFRS to be submitted to the regulatory entities.

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 in accordance with RG 562/09 of the National Securities Commission ("CNV"), whereby that entity adopted, for certain entities under its jurisdiction, Technical Resolution No. 26 ("Adoption of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)), modified by RT 29 ("Modification to Technical Resolution No. 26").

Note 3. Criteria Used to Draft the Consolidated Financial Statements

3.1. Drafting Criteria

The condensed consolidated balance sheet as of March 31, 2012, to December 2011, and as of December 31, 2010, and the income statements for the period and the other condensed consolidated comprehensive income statement, regarding changes in equity and cash flows as of March 31, 2012 and 2011 have been drafted in accordance with International Accounting Standard (IAS) 34 "*Intermediate Financial Information".* This condensed consolidated financial information must be read jointly with the Company's consolidated and individual financial statements to December 31, 2011 and 2010, drafted in accordance with former accounting regulations, and the relevant information provided in these financial statements drafted in accordance with the IFRS for said periods.

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

3.1. Drafting Criteria (continued)

Through General Resolution No. 562/09 dated December 29, 2009, entitled, “Adoption of the International Financial Reporting Standards”, and General Resolution No. 576/10 dated July 1, 2010 and entitled, “Extension of General Resolution No. 562”, the C.N.V. established application of Technical Resolution No. 26 by the F.A.C.P.C.E. (modified by Technical Resolution No. 29, approved by the F.A.C.P.C.E on December 3, 2010), which adopts the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), for certain entities included in the public offering system provided for in Law No. 17,811, whether it is due to their capital or their negotiable bonds, or because they have requested authorization to be included in said system.

Because the Company is part of the referred public offering system due to its capital, application of said provisions are mandatory as of this fiscal year, which began on January 1, 2012.

The financial statements have been drafted based on historic costs that have been modified, when applicable, to adopt other measurement criteria required by the IFRS.

These intermediate condensed consolidated financial statements reflect the three-month period beginning on January 1, 2012 and ending on March 31, 2012. According to the IFRS, the Company presents its condensed consolidated accounting information in comparison with the last two fiscal years closed as of December 31, 2011 and 2010, and shows the income statement for the period and the other comprehensive income, and changes in shareholders’ equity and cash flow for the three-month period closed on March 31, 2012, comparing it to the same period during the previous fiscal year.

3.2. New Regulations and Interpretations Issued: Regulations and Interpretations Issued and not Adopted to Date

As of the date of issuance of these financial statements, there are certain regulations, amendments, and interpretations of regulations already in place that are not applied and have not been instated by the Company.

The Company did not adopt the IFRS or revisions of the IFRS detailed following, because their application was not required as of the close of the period that ended on March 31, 2012:

IFRS 9 (modified 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)

IFRS 19: Employee benefits (1)

IAS 32 and IFRS 7: Amendment regarding Compensation of Financial Assets with Financial Liabilities (2).

(1) Applicable to fiscal years that begin on or after January 1, 2013.

(2) Applicable as of the periods beginning in 2014.

On the other hand, the Company decided to instate the modification to IAS 1 regarding presentation of the Other Comprehensive Income, issued in June 2011 and applicable as of July 2012.

Note 3. Criteria for Drafting Consolidated Financial Statements (continued)

3.2. New Regulations and Interpretations Issued: Regulations and Interpretations Issued and not Adopted to Date (continued)

IFRS 9, "Financial Instruments", issued in November 2009 and modified in October 2010 introduces new requirements for classifying and measuring financial assets and liabilities and for writing them off. IFRS 9 requires that all financial assets within the scope of IAS 39, "Financial Instruments - Recognition and Measurement" be measured after at amortized costs or fair value. Specifically, investments in debt maintained in a business model the objective of which is to collect contractual cash flows and which have contractual cash flows that are only payments of capital or interest on current capital are usually measured based on amortized cost as of the close of subsequent accounting periods. Any other debt investments or net worth are measured based on fair values as of the close of subsequent accounting periods.

The most significant effect of IFRS 9 related with classification and measurement of financial liabilities has to do with entering changes to the fair value of financial liabilities in the books (listed as financial liabilities based on the fair value with changes in income) that are ascribable to changes in the credit risk for the respective liability. Specifically, in accordance with IFRS 9, for financial liabilities listed as financial liabilities at fair value with changes in income, the amount of a change in the fair value of a financial liability that can be ascribed to changes in the credit risk for that debt is recognized through other comprehensive income, unless identification of the credit risk change for that debt in another comprehensive income creates or increases irregularity in the books. Changes in the fair value that can be ascribed to credit risk for a financial liability are not reclassified under income. Previously, according to IAS 39, the total amount of the change in fair value of a financial liability listed at fair value with changes in income was accounted for in earnings and losses. Company Management is assessing the potential impact of instating this amendment. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

IFRS 10 was issued by the IASB on May 12, 2011. It establishes principles for drafting and presenting consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements set forth in SIC-12, "Consolidation — Special Purpose Entities", and in IAS 27, "Consolidated and Separate Financial Statements". While the standard is in effect for yearly periods beginning as of January 1, 2013, early application of the same is advised. IFRS 10 is based on current principles for identifying the notion of control as the determining factor for establishing whether an entity should be included in the consolidated financial statements of the controlling entity. The standard provides additional guidance to help identify whether there is control in situations in which evaluation of this factor is difficult. Company Management is assessing the potential impact of adopting this modification. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

IFRS 11, "Joint Arrangements", issued by the IASB on May 12, 2011, contemplates reflecting the implications of joint arrangements more realistically, focusing on the rights and obligations inherent in the arrangement rather than its legal nature (as is currently the case). This standard is aimed at resolving discrepancies that arise in presenting joint arrangements by requiring a simple method for entering interests in jointly controlled entities in the books. Application of this standard will affect presentation of the investment in the Company's "Marina Río Luján S.A." joint venture. Company Management is assessing the potential impact of adopting this modification. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

On May 12, 2011 the IASB issued IFRS 12, "Disclosure of Interests in Other Entities". IFRS 12 is a new, complete standard that addresses the requirements regarding disclosure of any kind of interests in other entities, including subsidiaries, joint ventures, and related entities and unconsolidated structures. This applies to fiscal years beginning as of January 1, 2013. Early application is recommended. Company Management is assessing the potential impact of adopting this amendment. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

Note 3. Criteria for Drafting Consolidated Financial Statements (continued)

3.2. New Regulations and Interpretations Issued: Regulations and Interpretations Issued and not Adopted to Date (continued)

The amendment to IAS 19 includes a number of specific improvements to the Standard. The main modifications are in regard to:

- Eliminating the "corridor method", requiring companies to acknowledge all the earnings and losses for the period;
- Rationalizing presentation of the changes in the plan's assets and liabilities;
- Improving presentation requirements, including information regarding the characteristics of the benefit plans and risks to which companies are exposed by participating in the same.

The modified version of IAS 19 applies to all the periods beginning on January 1, 2013. Company Management believes that application of this standard will not have a significant impact.

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

IFRS 13 only establishes one structure for measuring fair value when it is required by other standards. This IFRS applies to both financial and non-financial elements measured at fair value.

Fair value is measured as "the price obtained to sell an asset or paid to transfer a liability in a transaction ordered between market participants on the measurement date." The Board foresees that IFRS 13 will be adopted in the Group's financial statements for the yearly period beginning on January 1, 2013. It is likely that the changes will not have a significant effect on what is shown in the Group's financial statements. However, we cannot reasonably determine the impact of the potential effect until a detailed analysis has been carried out.

In the June 2011 amendment to IAS 1, the Committee Presented the Other Comprehensive Income Items (Modifications to IAS 1). The modifications improve the consistency and clarity of the presentation of items of other gains or losses (in Spanish, ORI).

The modifications also underscored the importance of the Committee including the income and the ORI together in its presentation and assign them the same relevance. As explained in paragraph IN13, IAS 1 was modified in 2007, requiring that the income for a period and the ORI be presented together. The modifications made in June, 2011 maintained this requirement, but were aimed at the way in which ORI items are presented.

The main change that resulted from the modifications was the requirement that companies group the items presented in ORI based on whether it is possible to reclassify them under the income for the period subsequently (reclassification adjustments). The modifications did not contemplate which items are presented in ORI.

The modifications did not change the option of presenting ORI items before tax or net of tax. However, if the items are presented before tax, the tax associated with each one of the two groups of ORI items (those that can be reclassified and those that are not reclassified) must be shown separately.

While application of the amendment to IAS 1 is mandatory as of July 2012, the Company decided to apply it before then.

The amendment, "Compensation of Financial Assets and Liabilities" (Modifications to IAS 32 and IFRS 7), issued in December 2011, repealed paragraph GA38 and added paragraphs GA38A to GA38F. Companies apply these modifications to yearly periods that begin as of January 1, 2014. A company can apply these modifications retroactively. Early application of the same is allowed. If a company applies these amendments as of a previous date, it must reveal this fact as well as reveal the information required in "Disclosure of Compensation of Financial Assets and Liabilities" (Modifications to IFRS 7), issued in December 2011.

Note 4. Summary of the Main Accounting Policies Applied

4.1. Applicable Accounting Standards

These condensed consolidated financial statements are the first ones the Company has drafted 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 ($), the legal tender in the Republic of Argentina, drafted based on the accounting entries of TGLT S.A. and its controlled subsidiaries. Drafting of the financial reports—for which the Company's Board is responsible—requires that it perform certain accounting estimates and use its judgment when applying certain accounting standards. The areas with a greater degree of complexity and that are often require using criteria, and those in which hypotheses or estimates are significant are detailed in Note 4.22 regarding criteria, accounting estimates, and relevant hypotheses.

These intermediate condensed consolidated financial statements were approved by the Board at its meeting held on May 17, 2012.

4.2. Consolidation Criteria

TGLT's intermediate condensed consolidated financial statements include intermediate financial information from the Company, its controlled subsidiaries, and its jointly controlled subsidiaries. They are considered as controlled subsidiaries when the Company has the power to govern their financial and operational policies in order to obtain benefits from their activities, and it is assumed 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 to draft condensed consolidated financial statements were put together based on other accounting standards.

Because of the above, and for the purposes of applying accounting regulations standardized with TGLT S.A., the standards used by the controlled subsidiaries and jointly controlled subsidiaries and those resulting from application of Technical Resolution No. 26 (application of the IFRS) were reconciled for the following items: a) total net worth and b) net income for the period (according to the standard applied) at net income for the fiscal year (based on IFRS), and of that amount to the total comprehensive income for the fiscal year. The Board Meetings that approved the referred financial statements of the controlled subsidiaries, 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 National Securities 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.

For Birzey International S.A. and its subsidiary Miwok S.A., the assets and liabilities were converted to Argentinean pesos at the exchange rates in effect to the date of those financial statements. The profits and losses accounts were converted to Argentinean pesos using the exchange rates in effect to the dates of the transactions or approximate exchange rates.

For the jointly controlled company, the respective proportion was added to assets, liabilities, profits and losses, and cash flows.

In every case, the credit and debt and transactions among entities of the consolidated group were eliminated during consolidation. The profits and losses 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.

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

4.2. Consolidation Criteria (continued)

Following are the controlled companies and jointly controlled company the financial statements of which have been included in these intermediate condensed consolidated financial statements:

Company	Type of Control	Percentage Interest to 03/31/2012 and 12/31/2011 (1)	Percentage Interest to 12/31/2010 (1)	Consolidation Method
Canfot S.A.	Exclusive	90.91 %	75.04 %	Comprehensive
Pico y Cabildo S.A.	Exclusive	99.73 % (2)	-	Comprehensive
Maltería del Puerto S.A.	Exclusive	75.00 % (3)	75.00 %	Comprehensive
Marina Río Luján S.A.	Joint	49.99 % (4)	49.99 %	Proportional
Birzey International S.A.	Exclusive	100.00 % (5)	-	Comprehensive

(1) Direct and indirect interests
(2) See Note 38.2
(3) See Note 34.2.
(4) See Note 34.4.
(5) Company acquired by TGLT S.A. in October 2011. Furthermore, in November 2011 Birzey International S.A. acquired 100% of Miwok S.A.'s capital stock (see Note 38.3).

Non-controlled interests presented as part of the net worth represent the portion of profits and losses and net assets of a subsidiary that are not owned by TGLT S.A. Company Management ascribes the total other comprehensive income of the subsidiaries to the owners of the controlling company and the non-controlling interests based on their respective interests.

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 (the legal tender of the Republic of Argentina) which is the functional currency (currency of the main economic environment in which a company operates) for all companies with a legal address in the Republic of Argentina, being the currency in which consolidated financial statements are presented. The functional currency of Birzey International S.A. and its subsidiary, Miwok S.A., located in the Republic of Uruguay, is the Uruguayan peso.

When drafting the financial statements of the 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 reconverted using the exchange rates in effect on that date.

The non-monetary items recorded at the fair value and 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 historic costs in foreign currencies were not reconverted.

4.4. Loan Costs

The financial costs incurred through loans obtained to finance real estate development projects (undergoing development) directly are included as part of the cost of these 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 development project—the assignment criterion provided for in paragraph 14 of the referred IAS was used.

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

4.4. Loan Costs (continued)

The amount of loan costs capitalized during the period and 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 Corporate Income Tax charge represents the total current Corporate 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 years. The tax income differed from the income reported in the consolidated comprehensive income statement 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 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 added value 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 application of which was expected during the period in which the asset 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.

Measurement of the Deferred Tax Liabilities and Deferred Tax Assets as of the end of the period or fiscal years 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 compensated with 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 Corporate 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 statement.

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

4.8. Minimum Presumptive Corporate Income Tax

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

During the period ended on March 31, 2012, the amount calculated as the Minimum Presumptive Corporate Income Tax in excess of Corporate Income Tax was $ 2,008,160. This amount, which added to the charges from previous fiscal years represents $20,536,814 in credit, is listed under the “Tax Assets” entry as a noncurrent asset, because the amounts paid for this tax are considered as recoverable before they are barred by a statute of limitations.

4.9. Properties, Plant, and Equipment

The properties, plant, and equipment are expressed as the net cost of the cumulative depreciation and cumulative losses due to loss in value, 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 or equipment if the criteria for recognizing them are met. Any other repair and maintenance costs are entered in the income statement 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 experience obtained by the Company’s Management.

For more information regarding the useful lives assigned, please refer to Note 4.22 (Opinions, 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 income statement 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 period or fiscal year, when necessary.

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 Brands and Software

This includes expenses incurred in software acquisitions and brand registry. The intangible assets acquired are initially measured at 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 loss in value.

Amortization is calculated using the straight-line method, the rate of which is determined based on the useful life assigned to the assets as of the month they are incorporated, this month included. 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 as of 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 under intangible assets with predetermined useful lives is listed in the income statement under the expense category that is consistent with the purpose of the intangible asset in question.

The profits or losses that result from writing off an intangible asset are calculated as the difference between the net income obtained from the sale and the asset's book value, and included in the income statement 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, and
- The capacity to perform reliable measurements of disbursements during their development.

After a development expense is initially recognized as an asset, the cost model based on which the asset is entered in the books at its cost value minus cumulative amortization and cumulative losses due to loss in value is applied. Amortization of the asset 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 subjected to yearly tests for determining whether its value has decreased.

4.11. Test for Decrease in Goodwill, Intangible Assets, and Property, Plants, and Equipment

The general rule in IAS 36 is that as of the close of each period reported, Management must evaluate whether there is any indication that the value of a non-financial asset has decreased. If there is any such indication, or when yearly tests for determining an asset's loss in value is required, the recoverable value of the same is estimated. The recoverable value of an asset is the fair value minus sales costs—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 as deteriorated and its value is reduced to its recoverable value.

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

4.11. Test for Decrease in Goodwill, Intangible Assets, and Property, Plants, and Equipment (continued)

When evaluating in-use value, 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's 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 detected, the valuation model deemed most appropriate is used.

To determine the decrease in the added values that resulted from business combinations, they 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 value decrease tests on the CGUs on each date of issuance of the financial statements that include them.

Because the remaining assets that must undergo the deterioration evaluation established in IAS 36 are included in any of the CFUs to which added value was assigned, the Company must perform the deterioration test on each date on which financial statements are drafted, regardless of whether or not there are indications of deterioration. Consequently, creating a procedure for monitoring indications as established in IAS 36 was unnecessary.

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

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

For assets in general, once the added value has been excluded, as of the closing date of each period reported, an evaluation of whether or not there is any indication that value deterioration losses included previously no longer exist or have decreased is performed. If there is any such indication, Management conducts an estimate of the asset's recoverable amount or of the cash-generating unit. A loss due to deterioration already recognized previously is only reverted if there has been a change in the assumptions used for determining an asset's recoverable value as of the last time the last loss due to value deterioration has been recognized. This reversal is limited in such a way that the asset's 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 recognized in previous periods. This reversal is included in the income statement 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 also apply to evaluation of goodwill deteriorations of specific assets:

Goodwill

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

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

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

4.11. Test for Decrease in Goodwill, Intangible Assets, and Property, Plants, and Equipment (continued)

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 real estate development projects (works that are underway) and the completed units that are ready for sale.

4.12.1 Real estate development Projects

The 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 requirements 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 entry. Therefore, the greatest inventory value is obtained mainly by comparing the books 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 Completed Units

Real estate development units are listed as “Completed Units” when the construction process has finished and the referred units can be delivered or sold. Disbursements after construction has been completed are recognized as income, provided they are not part of post-construction costs required for the units to be ready for delivery or sale.

4.13. Leases

In accordance with IAS 17, “Leases”, the financial property of an asset in a financial lease is transferred to the lessee if the lessee takes on a substantial portion of the risks and benefits associated with the property of that 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 of March 31, 2012, the company has not entered into financial lease agreements.

All other leases are treated as operating leases. Operating lease payments are listed as expenses lineally 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 recognized based on the fair value of the consideration charged or to be charged, bearing in mind the estimated amount of any deduction, bonus, or commercial reduction provided by the entity.

Sale of Completed Units (Inventories)

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

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

4.15. Current and Noncurrent Classification of Entries

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's 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 IFRS 7) not applied 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 noncurrent assets.

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

a) Its liquidation is expected during the entity's regular business cycle;
b) It is maintained primarily for the purposes of negotiating;
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 noncurrent liabilities.

In accordance with the provisions set forth in IAS 1, an entity's regular business cycle is the period between acquisition of material assets incorporated in the production process and realization of the products as cash or cash equivalents. In the case of real estate development, which is the company's main line of business, the regular business cycle is the period between startup of sales launch and construction and delivery of the functional units. When the regular business cycle of an entity is not clearly identifiable, it is assumed to be 12 months.

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

4.16. Business Combinations

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

Thus, the Company recognized 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 of said date based on their fair values on the date of acquisition, as required by IFRS 3, "Business Combinations", and IAS 31, "Joint Ventures".

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

a) As of the date of acquisition of each one of the business combinations until December 31, 2010 (the date of transition to the IFRS), this being the amount listed for this concept in the opening income statement; and
b) From December 31, 2010 to December 31, 2011, according to equity interests by non-controlled shareholders in 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 income statement as of 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 with the referred acquisitions.

In summary, the purchases were entered in the books by applying the acquisition method. The consideration obtained for the acquisition was calculated at the estimated fair value (as of 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 and the liabilities or assets related with agreements entailing benefits for employees that were included and calculated in accordance with IAS 12, "Income Tax", and IAS 19, "Employee Benefits", respectively.

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

4.17. Goodwill

This results from restatement of business combinations prior to December 31, 2010. See Note 4.18. The goodwill 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 regard to the net amount as of the date of acquisition of the identifiable assets acquired and liabilities assumed.

Goodwill is not amortized, but rather the date of each report is reviewed to determine whether it is necessary to acknowledge any decrease. For the purposes of evaluating the decrease, goodwill is assigned to each one of the Company's cash-generating units for which benefits from the synergies of the respective combination are expected. The cash-generating units to which goodwill is assigned undergo deterioration evaluations on a yearly basis, or more frequently if there are indications that the unit may have suffered deterioration. If the cash-generating unit's recoverable amount is lower than the unit's book value, the loss due to deterioration is first assigned to reduction of the book value's goodwill assigned to the unit, and then to other of the unit's assets proportionally. To do this, the book value of each asset in the unit is used as a basis. Loss due to deterioration recognized for the purposes of goodwill is not reverted in any subsequent period.

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

4.17. Goodwill (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 goodwill.

As of March 31, 2012, goodwill has not suffered any deterioration.

4.18. Allowances

Allowances were recognized when 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 was likely that it would have to let go of resources that brought financial benefits to cancel the 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 canceling the current obligation at the close of the fiscal year reported, bearing in mind the respective risks and uncertainties. When an allowance is calculated using the cash flow estimated for canceling 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, it was listed as an account receivable 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 breakdown of the main complaints 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 covered by IAS 39 are classified as financial assets at their fair value with changes in income, loans, and accounts receivable, investments maintained until expiry, financial assets available for sale, or as derivatives assigned as hedge instruments 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.

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

The Company's 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.

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 income statement at their fair values, and the changes in this fair value are recognized as income or financial costs in the income statement.

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 using the effective interest rate method, minus any decrease in value. Amortized costs are calculated by contemplating any deduction or deposit 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 income statement. The losses that result from the decrease in value are entered in the income statement as financial costs.

c) Investments Maintained until Expiry

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as maintained until maturity when the Company has the intention and capacity of maintaining them until their maturity. Following their initial recognition, investments maintained until maturity are measured at the amortized cost by using the effective interest rate, minus any decrease in value. Amortized costs are calculated by contemplating any deduction or deposit 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 income statement. The losses that result from the decrease in value are recognized in the income statement as financial costs.

4.19.2 Financial Liabilities

1) Initial Recognition and Measurement

Financial liabilities covered by 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 Company's financial liabilities include commercial accounts payable, loans, and other accounts payable and those detected in bank checking accounts.

2) Subsequent Measurement

Subsequent measurement of financial liabilities depends on their classification as follows:

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 negotiating and the financial liabilities allotted during the initial recognition at the fair value with changes in income.

Financial liabilities are classified as maintained for the purposes of negotiating if 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 recognized in income statements.

b) Loans that accrue interest

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 income statements 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 deposit for acquisition, and the commissions or costs that are a comprehensive part of the effective interest rate. Amortization of the effective interest rate is recognized as a financial cost in the income statement.

4.20. Short-Term Employee Benefits

Short-term employee 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

The shareholders' equity items were put together 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 decisions made at assemblies, 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 the contributions committed to or performed by the Shareholders represented by stock, and includes shares in circulation at their nominal value.

4.21.2. **Statutory Reserve**

In accordance with the provisions set forth in Law No. 19,550, the Company must maintain a statutory reserve of no less than 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 a Shareholders' Meeting, provided they are not subject to legal restrictions such as the one referred to in the previous paragraph. It includes the profits and losses 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 Profits and Losses" account, when applicable, as of the close of the fiscal year to be taken into account 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 premiums (when the balance of this entry 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 Profits and Losses (continued)**

e) Capital adjustments, and

f) Share capital.

4.22. Opinions, Accounting Estimates, and Significant Assumptions

Preparation of the Company's financial statements requires that Management must issue opinions, accounting estimates, and significant assumptions that bear on the amounts of income, expenses, assets, and liabilities reported and the revelation of contingent liabilities as of the close of the period or fiscal years reported. In this sense, the uncertainty regarding these assumptions and estimates may result in profits and losses that will require a significant adjustment in future periods of the amount of the asset or liability earmarked and entered into the books.

In the process of applying the Company's accounting policies, Management did not issue opinions with a potentially significant bearing on the condensed, consolidated financial statements, except for what was indicated regarding recognition of tax credit.

Following are the main accounting estimates and underlying assumptions included in the Company's condensed, consolidated financial statements as of March 31, 2012. Management reviews them periodically. The effects of the reviews of the accounting estimates are recognized in the period or 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:

Following is a description of the periods during which Management believes that the assets will no longer be usable or stop benefitting the Company financially:

	Useful Life
Chattels and supplies	10 years
Hardware	5 years
Improvements to third-party real estate	5 years
Installations	5 years
Trademarks	10 years
Software	3 years
Software development	3 years
Showrooms	3 years

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

Goodwill has been classified as having an undefined useful life and is subject to a deterioration analysis.

b) Estimate of the decrease in the value of non-cash assets

There is a decrease in value when an asset's book value or that of a cash-generating unit exceeds its recoverable amount, which is the fair value minus 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 on 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. Opinions, Accounting Estimates, and Significant Assumptions (continued)

Calculation of use value is based on a discounted cash flow model. Cash flows are 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 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 interpretation may result in a large number of issues according to the conditions that prevail at the legal address of the financial group's 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 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 $ 32,367,499 as of March 31, 2012, which is presented in Note 12, "Tax Assets."

Furthermore, the Company has a Minimum Presumptive Corporate Income Tax credit of $ 20,536,814 as of March 31, 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 be easily converted to 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 nominal value

In foreign currency: these amounts were converted at the exchange rate in effect as of the close of the applicable period and fiscal years for liquidation of the respective transactions. Exchange rate differences were ascribed to the period's profits and losses.

Financial assets such as equity funds and commercial papers were classified as "Financial Assets at fair value with changes in income", bearing in mind the nature and purpose established during the initial recognition.

The net earnings or losses for any profits or losses obtained that result from financial assets were recognized in the profits and losses and classified as financial profits and losses in the consolidated comprehensive income statement.

(figures expressed in Argentine pesos)

Note 5. Adoption of International Financial Reporting Standards, reconciliation.

5.1. Balance sheet reconciliations of consolidated financial statements to IFRS as of December 31, 2011 and 2010.

	Ref.	As of December 31, 2011			As of 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
Inventory	(c)	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
Noncurrent assets							
Other receivables	(b)	19,481,776	(18,528,654)	953,122	14,143,866	(13,697,561)	446,305
Inventory	(c)	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 noncurrent assets		656,635,968	(607,927,706)	48,708,262	499,545,876	(477,824,175)	21,721,701
Goodwill	(d)	38,908,915	104,632,083	143,540,998	34,777,969	98,204,044	132,982,013
Total noncurrent 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.	Details
(a)	Current investments (classified as such according to GAAP in effect as of that date) were reclassified as cash equivalents as provided in IAS 7.
(b)	As of December 31, 2011 and 2010, the most significant effect from the application of IFRS was the inclusion of "Advance Payments to Suppliers" into this item (classified as "Inventory" under GAAP) and the segregation of current and deferred tax balances in a separate entry (classified under the same entry in accordance with GAAP).
(c)	IAS 1 provides that 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 supplies 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 assets at net realization value (on the basis of percentage completion and sales) was cancelled, as well as certain triggered expenses that must be debited to period results under IFRS. Moreover, Showroom items were reclassified a Fixed Assets (PP&E).

(figures expressed in Argentine pesos)

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

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

Ref.	Details
(d)	Business combinations dating prior to December 31, 2010, were recalculated to yield new goodwill (Goodwill). As required under IAS 36, the recoverability tests were performed, and no deterioration arose that would have to be included in calculating cash generation units (CGU) that include recognized goodwill.

	Ref.	As of December 31, 2011			As of December 31, 2010		
		Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
LIABILITIES							
Current liabilities							
Trade payables	(f)	46,568,605	44,397,813	90,966,418	22,531,080	345,237	22,876,317
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
Customer advances		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	227,674,786	258,515,201
Noncurrent liabilities							
Trade payables	(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
Customer advances	(e)	277,372,003	(277,372,003)	-	227,322,697	(227,322,697)	-
Total noncurrent 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**	**62,974,905**	**333,929,674**
Minority interests		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**	**498,491,952**
Total liabilities, minority interests and shareholders' equity		**1,088,322,096**	**122,944,156**	**1,211,266,252**	**722,999,120**	**142,808,475**	**865,807,594**

(figures expressed in Argentine pesos)

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

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

Ref.	Details
(e)	As provided in paragraph 70 of IAS 1, the Company has reclassified accounts payable and customer advances from noncurrent to current entries, since they are part of the Company's 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.
(g)	See point 5.2 below.

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

	As of December 31, 2011			As of December 31, 2010		
SHAREHOLDERS' EQUITY	Argentine GAAP (previous)	Transition effect	IFRS	Argentine GAAP (previous)	Transition effect	IFRS
Corporate capital	70,349,485	-	70,349,485	70,349,485	-	70,349,485
Issuance premium	378,208,774	-	378,208,774	378,208,774	-	378,208,774
Reserve for subsidiaries	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
Non-allocated results	(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
Minority interest	-	28,353,124	28,353,124	-	33,385,968	33,385,968
Total shareholders' equity	**413,331,634**	**60,445,147**	473,776,781	**435,644,608**	**96,233,312**	**531,877,920**

(figures expressed in Argentine pesos)

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

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

	Ref.	As of December 31, 2011 Argentine GAAP (previous)	 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 profit		**2,324,426**	**3,885,021**	**6,209,447**
Income from valuation of inventory at net realization value	(1)	34,516,581	(34,516,581)	-
Work management costs		-	(16,017,964)	(16,017,964)
Sales expenses	(2)	(10,252,833)	(4,488,559)	(14,741,392)
Administrative expenses		(11,055,019)	-	(11,055,019)
Operational results		**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)
Financial and holding revenue, net				
Generated by assets		18,808,132	-	18,808,132
Generated by liabilities		(37,915,360)	-	(37,915,360)
Other revenue and expenses, net		3,241,409	(1,517,336)	1,724,073
Period income before Income Tax		**(6,361,306)**	**(46,697,199)**	**(53,058,505)**
Income Tax		(10,222,664)	23,875,304	13,652,640
Period results		**(16,583,970)**	**(26,706,916)**	**(39,405,865)**
Profit (loss) attributable to:				
Owners of parent company	(4)	(21,679,145)	(23,562,670)	(45,241,815)
Minority interests	(4)	5,095,175	740,775	5,835,951
		(16,583,970)	**(22,821,895)**	**(39,405,865)**

Ref.	Details
(1)	The result from inventory valuation at net realization value ratably to percentage completion recognized under current GAAP 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 GAAP had been triggered in inventory cost.
(3)	IFRS does not allow for calculation of goodwill amortization.
(4)	IFRS require consolidated results to be attributable to the entity, and that the interest attributable to the parent company and minority interest to be shown at the bottom of the comprehensive income statement.

(figures expressed in Argentine pesos)

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

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

Rules applied

In preparing the reconciliations included in this Note, Company Management has considered the IFRS deemed applicable in preparing the first annual financial statements submitted under IFRS, for the year ended as of December 31, 2012. However, the entries and sums included in these reconciliations may be modified to the extent that, when the annual financial statements are prepared in accordance with IFRS, new rules should be issued or the existing ones modified, applied on a mandatory or anticipated authorized fashion as of such date, or if a change to any of the exemptions indicated in IFRS 1 is opted for.

Accordingly, the condensed consolidated mid-term 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 Management to determine the amounts under IFRS as of January 1, 2011 (IFRS transition date) and as of December 31, 2011, were consistent with those made as of those dates under current GAAP and reflect the conditions prevalent as of the respective dates.

5.4. Balance sheet reconciliations of consolidated financial statements to IFRS as of March 31, 2011

	March 31, 2011		
	Argentine GAAP (previous)	Transition effect	IFRS
ASSETS			
Current assets			
Cash and banks	77,119,649	101,732,434	178,852,083
Short-term investments	101,732,434	(101,732,434)	-
Trade receivables	54,450	-	54,450
Other receivables	13,111,576	38,267,331	51,378,907
Inventory	-	548,784,240	548,784,240
Total current assets	192,018,109	587,051,571	779,069,680
Noncurrent assets			
Other receivables	11,081,690	(10,620,572)	461,118
Inventory	572,411,325	(572,411,325)	-
Tax assets	-	22,057,278	22,057,278
Property, plant and equipment	409,502	1,319,190	1,728,692
Intangible assets	232,462	-	232,462
Long-term investments	8,916,181	-	8,916,181
Subtotal noncurrent assets	593,051,160	(559,655,429)	33,395,731
Goodwill	30,108,714	102,873,299	132,982,013
Total noncurrent assets	623,159,874	(456,782,130)	166,377,744
Total assets	**815,177,983**	**130,269,441**	**945,447,424**

See itemized explanation of main differences in Note 5.1.

(figures expressed in Argentine pesos)

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

5.4. Balance sheet reconciliations of consolidated financial statements to IFRS as of March 31, 2011 (continued)

	March 31, 2011		
	Argentine GAAP (previous)	Transition effect	IFRS
LIABILITIES			
Current liabilities			
Trade payables	31,576,428	570,917	32,147,345
Loans	2,143,965	-	2,143,965
Wages and social security contributions	1,048,808	38,956	1,087,764
Current tax liabilities	-	4,771,258	4,771,258
Taxes payable	9,983,212	(4,771,258)	5,211,954
Customer advances	204	284,807,401	284,807,605
Other liabilities	20,795,828	-	20,795,828
Total current liabilities	65,548,445	285,417,274	350,965,719
Noncurrent liabilities			
Trade payables	640,917	(640,917)	-
Loans	12,000,000	-	12,000,000
Taxes payable	996,277	(834,512)	161,766
Deferred tax liabilities	284,807,401	(284,807,401)	-
Customer advances		62,688,564	62,688,564
Total noncurrent liabilities	298,444,595	(223,594,266)	74,850,330
Total liabilities	**363,993,040**	**61,823,008**	**425,816,049**
Minority interests	19,147,769	15,963,179	**35,110,948**
SHAREHOLDERS' EQUITY	**432,037,174**	**52,483,253**	**484,520,427**
Total liabilities, minority interests and shareholders' equity	**815,177,983**	**114,306,261**	**945,447,424**

See itemized explanation of main differences in Note 5.1.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

(figures expressed in Argentine pesos)

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

5.5 Reconciliation of consolidated income statement to IFRS as of March 31, 2011

	As of March 31, 2011		
	Argentine GAAP (previous)	Transition effect	IFRS
Income	11,951,869	(11,951,869)	-
Cost of services rendered	(7,285,907)	7,285,907	-
Gross profit	**4,665,962**	**(4,665,962)**	**-**
Income from valuation of inventory at net realization value	9,970,870	(9,970,870)	-
Work management costs	-	(7,285,907)	(7,285,907)
Sales expenses	(1,803,244)	(1,213,667)	(3,016,911)
Administrative expenses	(2,051,964)	-	(2,051,964)
Operational results	**10,781,624**	**(23,136,406)**	**(12,354,782)**
Goodwill depreciation	(4,669,255)	4,669,255	-
Other expenses	(16,981)	-	(16,981)
Financial revenue			
Forex differences	-	(1,378,590)	(1,378,590)
Financial revenue	2,767,984	(2,592,755)	175,229
Financial expense	(4,820,773)	3,971,345	(849,428)
Other revenue and expenses, net	643,337	-	643,337
Period income before Income Tax	**4,685,936**	**(18,467,151)**	**(13,781,215)**
Income Tax	(5,545,344)	7,080,015	1,534,671
Period results	**(859,408)**	**(11,387,136)**	**(12,246,544)**
Other comprehensive income	**-**	-	-
Total other comprehensive income	**-**	-	-
Total comprehensive income	**-**	**-**	**-**
Period results and total comprehensive income attributable to:			
Parent company	**(3,607,434)**	**(10,364,090)**	**(13,971,524)**
Minority interests	**2,748,026**	**(1,023,046)**	**1,724,980**
Total comprehensive income	**859,408**	**(11,387,136)**	**(12,246,544)**
Earnings per share of common stock			
Basic	**(0.05)**		**(0.17)**
Diluted	**(0.05)**		**(0.17)**

See itemized explanation of main differences in Note 5.3.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

(figures expressed in Argentine pesos)

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

5.6. Reconciliation of statement of changes to shareholders' equity as of March 31, 2011:

	As of March 31, 2011		
SHAREHOLDERS' EQUITY	Argentine GAAP (previous)	Transition effect	IFRS
Corporate capital	70,349,485	-	70,349,485
Issuance premium	378,208,774	-	378,208,774
Reserve for subsidiaries	6,972,811	(6,972,811)	-
Statutory reserve	4,000	-	4,000
Non-allocated results	(23,497,896)	59,456,065	35,958,169
Total shareholders' equity attributable to Company	432,037,174	52,483,254	484,520,428
Minority interest	19,147,769	15,963,180	35,110,949
Total shareholders' equity	**451,184,943**	**68,446,434**	**519,631,377**

(figures expressed in Argentine pesos)

Note 6. Cash and cash equivalents

	Notes	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Cash				
In local currency		44,348	30,510	60,707
In foreign currency	42	146,039	154,330	93,101
Equity funds	42	5,282,207	-	-
Banks				
In local currency		7,532,595	3,981,094	1,518,128
In foreign currency	42	6,440,234	5,887,443	167,803,284
Funds to be deposited		570,399	1,482,884	210,248
Restricted funds		-	-	(1,200,000)
Time deposits		-		
In local currency		-	-	6,220,399
In foreign currency	42	836,239	813,780	-
Funds				
In local currency		5,035,223	-	1,501,944
In foreign currency	42	41,818,800	56,704,973	-
Commercial papers	42	8,574,732	7,992,442	-
Bonds		4,295,606	-	-
Foreign currency to be converted	42	-	-	1,751,520
Total Cash and cash equivalents		80,576,422	77,047,456	177,959,331

Time deposits in local currency are funds placed with HSBC Bank Argentina S.A., which earn an average annual interest of 11.5%

Time deposits in foreign currency are funds placed with Banco Santander Río S.A., with 30-day renewable terms, earning an average annual interest of 0.45%.

Equity funds in local currency are funds placed with Banco Itaú Argentina S.A.

Equity funds in foreign currency: a) as of March 31, 2012, they are funds placed abroad, without maturity, with a face value of USD 9,637,889, with a period-end market value of 104.9; b) As of December 31, 2011, they are funds placed abroad, without maturity, with a face value of USD 13,298,540, with a period-end market value of 104.8.

Commercial papers are a portfolio of unsecured notes issued by large foreign (US) banks and corporations. a) As of March 31, 2012, they are deposits in BNP PARIBAS US, without maturity and a face value of USD 2,000,000, with a period-end market value of USD 0.9881; b) As of December 31, 2011, they are deposits in BNP PARIBAS US, without maturity and a face value of USD 2,000,000, with a period-end market value of 94.

As of March 31, 2012, the Bonds are BODEN Gobierno Nacional in the sum of $ 2,359,145, maturing October 3, 2015, and Argentine Sovereign Bonds in the sum of $ 1,936,461 maturing in 2017. The Company intends to sell those bonds within three months from the end of the period ended on March 31, 2012.

(figures expressed in Argentine pesos)

Note 7. Trade receivables

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Accounts receivable from related parties in local currency	32	221,843	-	-
Accounts receivable from related parties in foreign currency	32 and 42	25,753	78,681	-
Individual debtors	42	6,528,936	8,472,404	-
Total trade receivables		6,776,532	8,551,085	-

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

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Due within			
0 to 90 days	3,177,265	3,544,553	-
91 to 180 days	1,783,795	2,562,286	-
181 to 270 days	381,129	1,752,962	-
Over 271 days	-	374,541	-
Past-due			
0 to 90 days	1,117,600	282,977	-
91 to 180 days	282,977	12,906	-
Over 181 days	33,766	20,860	-
Total	6,776,532	8,551,085	-

Note 8. Other receivables

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Current				
Value Added Tax		18,121,923	18,522,129	6,623,199
Gross Receipts Tax		381,160	238,984	632,267
Deposits as collateral		501,200	-	1,200,000
Accounts receivable from related parties in local currency	32	2,697,126	2,694,515	630,437
Accounts receivable from related parties in foreign currency	32 and 42	2,793,122	5,269,223	-
Insurance policies to be accrued in local currency		13,382	26,175	11,073
Insurance policies to be accrued in foreign currency	42	585,596	665,462	495,928
Advance payments to general suppliers in local currency		3,300	9,866	349,142
Advance payments to general suppliers in foreign currency	42	-	-	58,237
Advance payments to works suppliers in local currency		62,298,773	57,979,423	12,086,216
Advance payments to works suppliers in foreign currency	42	3,663,191	351,835	1,970,856
Advance payments to suppliers on inventory purchases	39.2 and 42	22,462,983	22,078,255	-
Other tax credits		-	-	47,702
Expenses to be recovered in local currency	35.4	734,296	507,583	-
Expenses to be recovered in foreign currency	42	2,558	2,558	3,761
Bad checks receivable		13,212	4,212	-
Rent receivable		125,146	116,434	-
Sundry receivables in local currency		51,654	227,268	1,600
Sundry receivables in foreign currency	42	40,458	67,049	-
Minus:				
Bad-debt allowance on other receivables	35.4	(325,392)	-	-
Total Other receivables – Current		114,163,688	108,760,971	24,110,418

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2012 SHOWN ON A COMPARATIVE BASIS – SEE NOTE 3.1.
(figures expressed in Argentine pesos)

Note 8. Other receivables (continued)

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Noncurrent				
Value Added Tax	42	512,998	146,472	-
Expenses to be accounted for		-	374,639	-
Deposits as collateral in local currency		147,148	21,100	-
Deposits as collateral in foreign currency	42	195,255	191,880	110,209
Insurance to be accrued	42	155,805	219,031	336,096
Total Other receivables - Noncurrent		1,011,206	953,122	446,305

Note 9. Inventory

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
"Astor Palermo" real estate project		79,623,398	79,533,354	76,886,003
"Astor Caballito" real estate project		60,722,392	58,884,406	-
"FACA" real estate project		14,992,865	-	-
"Forum Puerto Norte" real estate project		255,350,916	244,597,724	212,248,011
"Forum Alcorta" real estate project		216,340,378	194,958,048	150,405,918
"Venice" real estate project		72,122,138	71,164,113	69,494,199
"Astor Nuñez" real estate project		57,616,866	57,376,513	-
"Forum Puerto del Buceo" real estate project		108,264,176	843,276	-
Finished units at "Forum Puerto Norte"		102,270,831	117,300,046	-
Total Inventory		967,303,960	824,657,480	509,034,131

Note 10. Property, plant and equipment

	Furniture and supplies	Hardware	Leasehold improvements	Facilities	Showrooms	**Total**
Original value						
Balance as of January 1, 2012	457,240	508,509	727,661	3,087	5,257,417	**6,953,914**
Acquisitions	2,154	20,121	-	965,955	854,178	**1,842,408**
Decreases	-		-	-	-	-
Total as of March 31, 2012	459,394	528,630	727,661	969,042	6,111,595	**8,796,322**
Depreciation and wear						
Balance as of January 1, 2012	(129,098)	(296,959)	(411,033)	(618)	(2,745,916)	**(3,583,624)**
Depreciation	(11,743)	(32,531)	(39,579)	(2,352)	(361,815)	**(448,020)**
Loss from wear	-	-	-	-	-	-
Total as of March 31, 2012	(140,841)	(329,490)	(450,612)	(2,970)	(3,107,731)	**(4,031,644)**
Residual value as of March 31, 2012	318,553	199,140	277,049	966,072	3,003,864	**4,764,678**

(figures expressed in Argentine pesos)

Note 10. Property, plant and equipment (continued)

	Furniture and supplies	Hardware	Leasehold improvements	Facilities	Showrooms	**Total**
Original value						
Balance as of 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 of December 31, 2011	457,240	508,509	727,661	3,087	5,257,417	**6,953,914**
Depreciation and wear						
Balance as of January 1, 2011	(82,562)	(153,274)	(249,487)	-	(717,672)	**(1,202,995)**
Depreciation	(46,536)	(143,685)	(161,546)	(618)	(2,028,244)	**(2,380,629)**
Loss from wear	-	-	-	-	-	-
Total as of December 31, 2011	(129,098)	(296,959)	(411,033)	(618)	(2,745,916)	**(3,583,624)**
Residual value as of December 31, 2011	328,142	211,550	316,628	2,469	2,511,501	**3,370,290**

	Furniture and supplies	Hardware	Leasehold improvements	Facilities	Showrooms	**Total**
Original value						
Balance as of 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 of December 31, 2010	288,475	278,727	252,719	-	2,256,651	**3,076,572**
Depreciation and wear						
Balance as of January 1, 2010	(53,070)	(75,828)	(165,247)	-	(140,160)	**(434,305)**
Depreciation	(29,492)	(77,446)	(84,240)	-	(577,512)	**(768,690)**
Loss from wear	-	-	-	-	-	-
Total as of December 31, 2010	(82,562)	(153,274)	(249,487)	-	(717,672)	**(1,202,995)**
Residual value as of 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 of January 1, 2012	207,033	678,811	15,071	**900,915**
Acquisitions	-	69,256	-	**69,256**
Decreases	-	-	-	-
Total as of March 31, 2012	207,033	748,067	15,071	**970,171**
Amortization and wear				
Balance as of January 1, 2012	(131,944)	-	(2,626)	**(134,570)**
Amortization	(21,590)	(150,431)	(353)	**(172,374)**
Loss from wear	-	-	-	-
Total as of March 31, 2012	(153,534)	(150,431)	(2,979)	(306,944)
Residual value as of March 31, 2012	53,499	597,636	12,092	**663,227**

(figures expressed in Argentine pesos)

Note 11. Intangible assets (continued)

	Software	Software development	Trademarks	**Total**
Original value				
Balance as of January 1, 2011	188,798	98,973	3,510	**291,281**
Acquisitions	18,235	579,838	11,561	**609,634**
Decreases	-	-	-	**-**
Total as of December 31, 2011	207,033	678,811	15,071	**900,915**
Amortization and wear				
Balance as of January 1, 2011	(62,933)	-	(1,215)	**(64,148)**
Amortization	(69,011)	-	(1,411)	**(70,422)**
Loss from wear	-	-	-	**-**
Total as of December 31, 2011	(131,944)	-	(2,626)	**(134,570)**
Residual value as of December 31, 2011	75,089	678,811	12,445	**766,345**

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

Note 12. Tax assets

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Income Tax	-	-	629.450
Minimum Presumed Income Tax	20.536.814	18.528.654	8.986.729
Tax loss – local source	32.335.341	25.057.693	9.533.850
Tax loss – foreign source	32.158	32.158	24.657
Total Tax assets	**52.904.313**	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 under 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	339,783	339,783	-
2018	7,277,648	-	-
Total	32,367,499	25,089,851	9,558,507

Nota 13. Goodwill

	María Río Lujan S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as of January 1, 2012	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**
Acquisitions	-	-	-	-	**-**
Decreases	-	-	-	-	**-**
Total as of March 31, 2012	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**
Wear					
Balance as of January 1, 2012	-	-	-	-	-
Loss from wear	-	-	-	-	-
Total as of March 31, 2012	-	-	-	-	-
Residual value as of March 31, 2012	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**

	María Río Lujan S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as of 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 of December 31, 2011	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**
Wear					
Balance as of January 1, 2011	-	-	-	-	-
Loss from wear	-	-	-	-	-
Total as of December 31, 2011	-	-	-	-	-
Residual value as of December 31, 2011	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**

(figures expressed in Argentine pesos)

Nota 13. Goodwill (continued)

	María Río Lujan S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A	Canfot S.A.	**Total**
Original value					
Balance as of January 1, 2010	-	-	-	-	-
Acquisitions	21,487,412	32,095,394	-	79,399,207	**132,982,013**
Decreases	-	-	-	-	-
Total as of December 31, 2010	21,487,412	32,095,394	-	79,399,207	**132,982,013**
Wear					
Balance as of January 1, 2010	-	-	-	-	-
Loss from wear	-	-	-	-	-
Total as of December 31, 2010	-	-	-	-	-
Residual value as of December 31, 2010	21,487,412	32,095,394	-	79,399,207	**132,982,013**

Note 14. Trade payables

	Notes	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Suppliers in local currency		5,331,961	17,080,841	11,172,796
Suppliers in foreign currency	42	80,763,830	110,377	459,481
Post-dated checks		18,042,599	8,201,099	7,267,535
Provision for expenditures in local currency		14,320,396	17,886,543	2,994,396
Provision for expenditures in foreign currency	42	34,585	747,547	61,729
Provision for works in local currency		2,324,526	1,056,797	-
Provision for works in foreign currency	42	-	928,050	-
Fees payable		1,000	3,450	-
Insurance policies payable in local currency		21,908	20,501	7,455
Insurance policies payable in foreign currency	42	118,622	397,659	487,636
Security for contractual performance		81,799	68,521	37,128
Contingency fund in local currency		2,530,941	2,180,152	329,827
Contingency fund in foreign currency	42	61,725	59,981	55,410
Balance payable to related parties	32 and 42	23,784,223	42,224,900	-
Sundry		-	-	2,923
Total Trade payables		147,418,115	90,966,418	22,876,316

(figures expressed in Argentine pesos)

Note 15. Loans

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Current				
Mortgage-backed bank loans in local currency	31.2.A	150,419	189,939	100,358
Mortgage-backed bank loans in foreign currency	31.2.B and 42	79,385	69,034	-
Loans received in foreign currency	31.1.5 and 42	8,887,975	8,764,449	-
Balances with related parties	32 and 42	14,755,617	14,204,607	398,472
Advance payment into bank account		12,277,049	7,511,895	178,463
Sundry		-	7,343	-
Subtotal Current loans		36,150,445	30,747,267	677,293
Noncurrent				
Mortgage-backed bank loans in local currency		15,850,200	15,528,000	12,000,000
Mortgage-backed bank loans in foreign currency	42	19,062,899	17,987,044	-
Subtotal Noncurrent loans		34,913,099	33,515,044	12,000,000
Total Loans		71,063,544	64,262,311	12,677,293

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

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Opening balance	64,262,311	12,677,293	-
New loans and financing arrangements	1,072,746	42,214,903	12,000,000
Interest	1,501,224	4,885,653	100,358
Effects of forex variations	726,181	1,496,409	-
Advance payment in bank account	4,765,155	6,934,960	576,935
Principal payments	-	-	-
Interest payments	(1,256,727)	(3,946,908)	-
Sundry payments	(7,346)	-	-
Closing balance	71,063,544	64,262,311	12,677,293

Long-term entries have the following maturity timetable:

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
2013	34,913,099	33,515,044	12,000,000
Total	34,913,099	33,515,044	12,000,000

(figures expressed in Argentine pesos)

Note 16. Employee benefits

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Wages payable		541,234	782,108	11,995
Social security contributions payable		366,664	670,150	217,581
Provision for vacations in local currency		697,197	646,337	388,183
Provision for vacations in foreign currency	42	47,039	-	-
Federal Tax Payment Plan		342,626	272,212	172,260
Provision for board fees		86,219	67,220	40,000
Minus:				
Personnel advances		(330,303)	(296,884)	(33,148)
Total Employee benefits		1,750,676	2,141,143	796,871

Note 17. Current tax liabilities

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Minimum Presumed Income Tax		4,533,095	4,288,299	3,813,884
Total Current tax liabilities		4,533,095	4,288,299	3,813,884

Note 18. Other taxes payable

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Current				
Value Added Tax		1,168,643	20,789	859,253
Gross Receipts Tax		289,525	288,605	462,581
Stamp Tax		109,609	489,580	26,636
Provision for net worth tax	42	491,737	14,705	-
Federal Tax Payment Plan		-	-	527,005
Provincial Tax Payment Plan	35.4	211,567	406,420	552,072
Municipal Tax Payment Plan		127,484	72,976	45,412
Withholdings and earnings to be deposited		923,520	1,387,949	537,230
Registration and inspection duties		-	59,436	17,950
Other provincial taxes		4,541	4,541	-
Subtotal Other current taxes payable		3,326,626	2,745,001	3,028,139
Noncurrent				
Provincial Tax Payment Plan	35.4	355,600	-	406,420
Municipal tax Payment Plan		-	374,639	-
Subtotal Other noncurrent taxes payable		355,600	374,639	406,420
Total Other taxes payable		3,682,226	3,119,640	3,434,559

(figures expressed in Argentine pesos)

Note 19. Customer advances

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Early collections in local currency		48,910,997	44,189,396	24,816,315
Early collections in foreign currency	42	496,104,462	410,538,145	186,243,070
Amounts outstanding with related parties in local currency	32	4,022,989	4,022,989	1,103,347
Amounts outstanding with related parties in foreign currency	32 and 42	71,169,084	51,102,124	35,309,073
Stock sales advances		32,808,015	-	-
Working fund		670,936	496,468	-
Minus:				
Value Added Tax		(53,054,461)	(43,994,350)	(20,149,108)
Total Customer advances		600,632,022	466,354,772	227,322,697

Note 20. Other accounts payable

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Inventory creditors	42	6,366,878	6,257,790	-
Long-term investment creditors	42	-	18,145,137	-
Sundry creditors	42	836,239	813,780	-
Miscellaneous		174,301	-	-
Total Other accounts payable		7,377,418	25,216,707	-

Note 21. Corporate capital

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Equity capital	70,349,485	70,349,485	70,349,485
Issuance premium	378,208,774	378,208,774	378,208,774
Inter-shareholder transactions	(7,826,480)	(7,826,480)	-
Total Corporate capital	440,731,779	440,731,779	448,558,259

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Inter-shareholder transactions			
Opening balances	(7,826,480)	-	-
Acquisition of minority interests (a)	-	(13,749,943)	-
Divestment of minority 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 start of the second quarter of 2011. According to IAS 27 (paragraph 30), changes in the interest held by a parent in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with the owners as such). The price of this transaction totaled $30,824,714 and the reduction in the minority interest was $ 17,074,771, and therefore the effect of inter-shareholder transactions was $ 13,749,943.

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

(figures expressed in Argentine pesos)

Note 21. Corporate capital (continued)

Issued capital is comprised of:

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Fully-paid shares of common stock	70,349,485	70,349,485	70,349,485
Fully-paid shares of common stock	70,349,485	70,349,485	70,349,485

As of March 31, 2012, and as of December 2011 and 2010, corporate capital subscribed for and paid up at the Company totals $ 70,349,485. As of that date, corporate capital registered with the Corporate Records Office totals $ 22,350,000.

As of March 31, 2012, and as of December 2011 and 2010, interest in Company capital is distributed as follows:

	Mar 31, 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 certificates of deposit representing shares of common stock	17,548,905	25 %	17,548,905	25 %	16,005,710	23 %
Other holders of shares of common stock	20,129,024	29 %	20,129,024	29 %	19,577,108	28 %
Total Corporate capital	70,349,485	100 %	70,349,485	100 %	70,349,485	100 %

Note 22. Reserves, accumulated earnings and dividends

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Statutory reserve	4,000	4,000	4,000
Total reserves	4,000	4,000	4,000

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Accumulated earnings	(10,107,050)	4,687,878	49,929,693
Opening balance	4,687,878	49,929,693	
Total comprehensive income for the period/year	(14,794,928)	(45,241,815)	
Increase to statutory reserve	-	-	
Closing balance for the period/year	(10,107,050)	4,687,878	49,929,693

(figures expressed in Argentine pesos)

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

Dividend policy

The Board of Directors of the Company establishes and files a motion with the Shareholders' Meeting regarding the convenience, timing and amount of dividends to be distributed, as well as, if applicable, the capitalization of annual profits, when submitting its proposal for the distribution of profits/losses to the Shareholders' Meeting, in light of how the businesses and commitments undertaken by the Company have progressed and are being projected into the future. The Company does not have and does not 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 allow for value to be generated for its shareholders.

According to its Articles of Incorporation and the Law on Business Corporations, the Company may declare one or more dividends within any one business year, and even pay anticipated dividends pursuant to Article 224(ii) of the Law, out of realized net earnings as shown in the consolidated balance sheet of the company prepared in accordance with Argentine GAAP and the Regulations of the National Securities Commission as of the last day of that business year, or in special consolidated balance sheets in the case of anticipated or interim dividends, providing that such dividends must be paid ratably to all the holders of common stock of the Company as of the pertinent record date.

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

Note 23. Cost of goods sold

	Mar 31, 2012	Mar 31,2011
Inventory at start of period	117,300,046	-
Plus:		
Cost triggered during period	5,794,289	-
Minus:		
Inventory at end of period	(102,270,831)	-
Total cost of goods sold		
Total Cost of goods sold	20,823,504	-

Note 24. Works management expenses

	Mar 31, 2012	Mar 31,2011
Wages and social security	1,288,325	6,134,092
Other payroll expenses	-	158,274
Rent and maintenance fees	291,004	588,452
Transportation and per-diems	50,095	130,631
IT and services expenses	72,525	274,458
Total Works management expenses	**1,701,949**	**7,285,907**

(figures expressed in Argentine pesos)

Note 25. Marketing expenses

	Mar 31, 2012	Mar 31,2011
Wages and social security	885,836	375,485
Other payroll expenses	-	17,450
Rent and maintenance fees	63,657	26,095
Professional fees	1,496,665	880
Taxes, duties and assessments	2,889,968	1,251,325
Transportation and per-diems	12,683	19,136
IT and services expenses	16,851	11,619
Fixed asset depreciation	361,816	365,994
Office expenses	50,412	-
Insurance	5,296	-
Advertising expenses	643,430	62,635
Sales expenses	293,012	847,673
Overhead	423,219	38,619
Total Marketing expenses	**7,142,845**	**3,016,911**

Note 26. Administrative expenses

	Mar 31, 2012	Mar 31,2011
Wages and social security	2,159,930	571,045
Other payroll expenses	6,200	27,038
Rent and maintenance fees	149,567	39,686
Professional fees	822,012	593,267
Directors' fees	39,000	60,000
Examiners' fees	83,850	47,250
IPO expenses	368,371	194,404
Taxes, duties and assessments	883,945	231,798
Transportation and per diems	17,372	8,355
IT expenses and services	37,032	37,959
Fixed asset depreciation	90,367	33,009
Office expenses	153,078	52,337
Insurance	176,511	114,354
Overhead	-	36,462
Donations	137,000	5,000
Total Management expenses	**5,124,235**	**2,051,964**

(figures expressed in Argentine pesos)

Note 27. Financial results

	Mar 31, 2012	Mar 31,2011
Forex differences		
Income from forex differences	3,524,694	3,323,459
Costs from forex differences	(13,084,305)	(4,702,049)
Total Forex differences	(9,559,611)	(1,378,590)
Financial income		
Interest	1,292,451	166,148
Result from holding short-term investments	2,028,526	-
Result from sale of short-term investments	1,424,477	-
Sundry	-	9,081
Total Financial income	4,745,454	175,229
Financial costs		
Banking expenses	(80,556)	(20,836)
Result from short-term investments	-	(112,936)
Tax on bank debits and credits	(950,030)	(596,932)
Other bad debt	(325,392)	-
Interest	(309,227)	(118,724)
Sundry	(3,680)	-
Total Financial costs	(1,668,885)	(849,428)
Total Financial results	(6,483,042)	(2,052,789)

Note 28. Other revenues

	Mar 31, 2012	Mar 31,2011
Other revenues		
Rent earned	21,600	-
Revenues from administrative fees	15,185	-
Expenses recovered	-	624,615
Sundry	26,675	18,722
Total Other revenues	63,460	643,337

(figures expressed in Argentine pesos)

Note 29. Income Tax and Deferred Tax

The structure of "Income tax" determined in accordance with IFRS 12, which is shown in the income statement as of March 31, 2012 and 2011, is as follows:

	Mar 31, 2012	Mar 31, 2010
Income Tax	7,277,648	1,854,159
Deferred Tax	2,176,079	(319,488)
Total Income Tax	9,453,727	1,534,671

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

Assets from Deferred Tax:	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Properties, plant and equipment	1,087,706	961,070	205,233
Subtotal assets from Deferred Tax	1,087,706	961,070	205,233
Liabilities from Deferred Tax:	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Temporary investments	1,465,967	1,251,327	680
Inventory valuation	74,245,057	78,004,462	63,212,606
Foreign currency valuation	17,668	92,147	-
Financial costs	4,323,116	2,753,315	-
Subtotal liabilities from Deferred Tax	80,051,808	82,101,251	63,213,286
Net position of assets/(liabilities) from Deferred Tax	(78,964,102)	(81,140,181)	(63,008,053)

Following is a breakdown of the reconciliation between Income Tax charged to results and that which would result from applying the relevant tax rate to the accounting result before taxes:

	Mar 31, 2012	Mar 31, 2011
Income Tax calculated at the current rate on the accounting result before taxes	8,681,812	4,823,425
Permanent differences	771,915	(3,288,754)
Income Tax	9,453,727	1,534,671

(figures expressed in Argentine pesos)

Note 30. Leases

The Company has entered into operating leases in relation to the rental of the Company's administrative and commercial offices.

Payments made 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 3, 2011, respectively. Directive, Management and Marketing activities are conducted in those offices.

Moreover, on April 8, 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**
	$	**$**	**$**
March 31,2012	973,972	2,904,576	3,878,548
December 31, 2011	1,217,034	1,687,543	2,904,577
December 31, 2010	1,080,167	1,687,543	2,767,710

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 will accrue interest at a nominal annual rate on outstanding balances, to be paid in twelve consecutive monthly installments starting the month following execution of the loan agreements, repaying principal with the last installment.

   The breakdown of each loan agreement executed as of March 31, 2012, and December 31, 2011, is detailed below:

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

   US$: United States dollars.

   As of December 31, 2010, Maltería del Puerto S.A. had not entered into any loan agreement with Sociedad Italiana.

   The amounts outstanding under the agreements mentioned, as of March 31, 2012 and December 31, 2011, are:

	Loans		
Date	**Current**	**Noncurrent**	**Total**
03/31/2012	4,425,592	-	4,425,592
12/31/2011	4,378,494	-	4,378,494
12/31/2010		-	-

   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 of $30,000,000. Following is a summary of the sums disbursed by the Bank.

#	Date	Total Amount
1	06/17/2010	$ 12,000,000
2	06/29/2011	$ 518,400
3	07/29/2011	$ 457,200
4	08/30/2011	$ 185,400
5	10/07/2011	$ 527,400
6	10/31/2011	$ 475,200
7	12/02/2011	$ 1,170,000
8	12/29/2011	$ 194,400
		$ 15,528,000

The balance on the loan, i.e. the sum of $14,150,000, will be loaned through disbursements made within timeframes of no less than thirty (30) days, proportionate to the progress of the works and subject to delivery—to the full satisfaction of the Bank—of certain information on the project.

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

II. All the amounts disbursed by the Bank were to accrue interest on the amounts outstanding at the end of each monthly period until payment of said amounts, equivalent to the "BADLAR Bancos Privados Corrected" rate, plus a margin of 550 basis points.

The amount outstanding under the Agreement as of March 31, 2012, December 31, 2011, and December 31, 2010, totals:

	Loans		
Date	**Current**	**Noncurrent**	**Total**
03/31/2012	150,419	15,850,200	16,000,619
12/31/2011	189,939	15,528,000	15,717,939
12/31/2010	100,358	12,000,000	12,358,000

Note 31. Loans (continued)

B) Construction Financing Agreement secured by a mortgage in United States dollars:

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

#	Date	Total Amount
1	08/19/2011	US$ 2,800,000
2	08/29/2011	US$ 100,019
3	10/07/2011	US$ 285,007
4	10/31/2011	US$ 256,798
5	12/02/2011	US$ 632,268
6	12/29/2011	US$ 105,054
7	01/30/2012	US$ 145,908
8	03/14/2012	US$ 28,200
		US$ 4,353,254

The balance on the loan, i.e. the sum of US$ 7,646,746, 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 the project's units without any kind of penalty being applied by the Bank.

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

The amounts outstanding under the agreements mentioned, as of March 31, 2012 and December 31, 2011, are:

Loans			
Date	**Current**	**Noncurrent**	**Total**
03/31/2012	79,385	19,062,899	19,142,284
12/31/2011	69,034	17,987,044	18,056,078

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

3. Maltería del Puerto S.A. applied with certain shareholders for several credit facilities to fund works and other expenses related to the development and construction of the Forum Puerto Norte project. The disbursement of the funds must be requested by Maltería del Puerto S.A., providing for its refund within a maximum of 1 year, from the date of each requested disbursement.

The principal disbursed by the shareholders of Maltería del Puerto S.A. will accrue current interest at a nominal annual rate, calculated on disbursed principal, and will be paid together with principal on the stipulated due date.

(figures expressed in Argentine pesos)

Note 31. Loans (continued)

The breakdown of each credit facility applied for by Maltería del Puerto S.A. as of March 31, 2012, is detailed below:

Shareholder	#	Date	Total amount	Amount requested	Amount paid	Rate
Osvaldo Roberto Paladini	1	04/11/2011	US$ 400,000	US$ 400,000	US$ 400,000	9%
	2	05/20/2011	US$ 400,000	US$ 400,000	US$ 400,000	10%
Juan Carlos Rossetti	1	04/12/2011	US$ 400,000	US$ 400,000	US$ 400,000	9%
Eduardo Rubén Glusman	1	04/15/2011	US$ 400,000	US$ 300,000	US$ 300,000	9%
Juan Carlos Paladini	1	04/15/2011	US$ 800,000	US$ 800,000	US$ 800,000	9%
	2	07/18/2011	US$ 200,000	US$ 200,000	US$ 193,939	9%
			US$ 2,600,000	US$ 2,500,000	US$ 2,493,939	

US$: United States dollars.

The amounts outstanding under the agreements mentioned, as of March 31, 2012 and December 31, 2011, are:

Loans			
Date	Current	Noncurrent	Total
03/31/2012	11,811,240	-	11,811,240
12/31/2011	11,364,748	-	11,364,748

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

   On December 15, 2011, the Company 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, both interest previously or thereafter accruing and on the outstanding principal.

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

   On October 4, 2011, it applied for a new credit facility with its shareholders totaling US$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 earns 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.

   The amount outstanding under the Agreement as of March 31, 2012, December 31, 2011, and December 31, 2010, totals:

Loans			
Date	Current	Noncurrent	Total
03/31/2012	2,944,377	-	2,944,377
12/31/2011	2,839,859	-	2,839,859
12/31/2010	398,472	-	398,472

(figures expressed in Argentine pesos)

Note 31. Loans (continued)

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

The amounts outstanding under the agreements mentioned, as of March 31, 2012 and December 31, 2011, are:

#	Date	Amount	Rate
1	07/29/2011	US$ 505,310	10.14 %
2	07/29/2011	US$ 505,310	10.14 %
		US$ 1,060,620	

US$: United States dollars.

The amount outstanding under the Agreement as of March 31, 2012, December 31, 2011, and December 31, 2010, totals:

	Loans		
Date	Current	Noncurrent	Total
03/31/2012	4,462,383	-	4,462,383
12/31/2011	4,385,955	-	4,385,955

Note 32. Related parties

a) As of March 31, 2012, December 31, 2011 and 2010, the amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows:

TRADE RECEIVABLES	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
In local currency			
Maltería del Puerto S.A.	221,843	-	-
	221,843	-	-
In foreign currency			
Marina Río Luján S.A.	25,753	78,681	-
	25,753	78,681	-
OTHER RECEIVABLES			
In local currency			
Individual shareholders	2,487,250	910,282	356,176
PDG Realty S.A. Empreendimentos e Participações	174,633	842,516	250,455
Other shareholders	-	909,086	-
Directors	35,243	32,631	23,806
	2,697,126	2,694,515	630,437
In foreign currency			
Alto Palermo S.A.	-	2,480,737	-
Marina Río Luján S.A.	2,793,122	2,788,486	-
	2,793,122	5,269,223	-

(figures expressed in Argentine pesos)

Note 32. Related parties (continued)

a) As of March 31, 2012, December 31, 2011 and 2010, the amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows (continued):

TRADE PAYABLES	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
IRSA Inversiones y Representaciones S.A.	23,784,223	42,224,900	-
	23,784,223	42,224,900	-

LOANS			
In foreign currency			
Individual shareholders	11,811,240	11,364,748	-
Marina Río Luján S.A.	2,944,377	2,839,859	398,472
	14,755,617	14,204,607	398,472

CUSTOMER ADVANCES			
In local currency			
Individual shareholders	4,022,989	4,022,989	1,103,347
	4,022,989	4,022,989	1,103,347
In foreign currency			
Individual shareholders	4,159,752	4,088,507	-
Alto Palermo S.A.	35,659,208	35,048,466	32,377,486
IRSA Inversiones y Representaciones S.A.	31,350,124	11,965,151	-
Individual shareholders	-	-	2,931,587
	71,169,084	51,102,124	35,309,073

b) As of March 31, 2012 and 2011, the most significant operations with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows:

	Profit/ (Loss)	
	Mar 31, 2012	Mar 31, 2011
SERVICES PROVIDED		
Marina Río Luján S.A.	94,469	135,000
	94,469	135,000
FINANCIAL RESULTS		
Marina Río Luján S.A.	102,042	15,385
Alto Palermo S.A.	-	(595,909)
Individual shareholders	551,014	(73,193)
	653,056	(653,717)
PAYMENTS MADE		
Directors	2,013	-
Maltería del Puerto S.A.	-	12,907
	2,013	12,907

(figures expressed in Argentine pesos)

Note 32. Related parties (continued)

b) As of March 31, 2012 and 2011, the most significant operations with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows (continued):

	Profit/ (Loss)	
	Mar 31, 2012	Mar 31, 2011
COLLECTION ON SERVICES PROVIDED		
Canfot S.A.	-	1,592,233
Marina Río Luján S.A.	-	217,800
	-	1,810,033
COLLECTION ON LOANS MADE		
Alto Palermo S.A.	2,479,720	-
	2,479,720	-

c) As of March 31, 2012 and 2011, transactions with key personnel were as detailed below:

	Mar 31, 2012	**Mar 31, 2011**
Short-term employee benefits	1,409,651	744,018
Social security	144,701	135,000
Total	1,554,352	879,018

On December 13, 2011, the Board of Directors of the Company provided that its senior Management Departments, pursuant to Art. 270 of the Law on Business Corporations, are as follows:

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

Thus, TGLT's key personnel is comprised of the persons in charge of each of these Management Departments (4 persons).

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

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

Credits / Tax assets	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Maturing			
Up to 3 months	66,138,418	94,807,762	22,236,655
From 3 to 6 months	21,377,624	17,038,177	755,987
From 6 to 9 months	17,216,438	1,922,355	111,838
From 9 to 12 months	8,581,270	532,502	101,449
Over 12 months	23,255,270	44,571,627	19,620,991
No specific due date	34,524,900	2,694,516	904,489
Past-due			
Up to 3 months	3,761,820	233,942	-
From 3 to 6 months	-	82,802	-
	174,855,739	161,883,683	43,371,409

(figures expressed in Argentine pesos)

Note 33. Breakdown by maturity of and interest rates on credits, tax assets and debts (continued)

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

Debts	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Maturing			
Up to 3 months	199,697,828	142,314,836	26,413,753
From 3 to 6 months	5,149,414	53,658,694	4,046,422
From 6 to 9 months	117,164,430	58,590,830	154,220
From 9 to 12 months	61,192,992	45,541,315	144,258
Over 12 months	529,196,948	436,570,016	303,089,259
No specific due date	833,688	813,780	81,761
Past-due			
Up to 3 months	2,021,071	-	-
No specific due date	164,827	-	-
	915,421,198	737,489,471	333,929,674

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

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Credits			
Accruing interest	87,441,758	5,601,129	788,925
Not accruing interest	87,413,981	156,282,554	42,942,484
	174,855,739	161,883,683	43,731,409
Average nominal annual rate:	8%	7%	8%
Debts			
Accruing interest	108,425,621	64,281,935	14,502,616
Not accruing interest	806,995,577	673,207,536	319,427,058
	108,425,621	737,489,471	333,929,674
Average nominal annual rate:		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 of March 31, 2012, the recorded value of the mortgage property mentioned above totals $ 224,595,843, and is included under non-current "Inventory."

Note 34. Restricted assets (continued)

2. To secure the obligations assumed by the Company as a result of its purchase of the property where the "Astor Caballito" project is being built (see Note 39.3), the Company furnished a first-priority mortgage in favor of IRSA Inversiones y Representaciones S.A. ("IRSA") over the said property. Also, and to secure that operation, the Company furnished a first-priority pledge in favor of IRSA over the shares it holds in Maltería del Puerto S.A.

   As of March 31, 2012, the recorded value of the mortgage property mentioned above totals $ 94,616,264 (includes the value of the land and works underway) and is included under current "Inventory".

   As of March 31, 2012, the outstanding debt on the aforementioned purchase totals $ 55,134,348, of which $ 23,784,223 are included under current "Trade Payables", and $ 31,350,124 under current "Customer Advances" liabilities.

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

   Moreover, as a result of the acquisition by the Company of the remaining 5% of the equity package in Pico y Cabildo S.A., on June 2, 2011, the Company furnished a pledge in favor of the previous shareholder of that company on all these shares received from Pico y Cabildo S.A., securing total and timely performance of the payment obligations amounting to US$ 265,000.

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

   During January 2012, the Company fully repaid the debt mentioned in the previous paragraph, and therefore the security furnished as a result of that transaction was fully released at that time.

4. On December 27, 2007, Marinas Río de la Plata SL and Marcelo Gómez Prieto entered into two Stock Pledge Agreements, one in favor of Marcelo Gómez Prieto and the other in favor of Marinas Río de la Plata SL (the "Stock Pledge Agreements"). Under those agreements, each party granted the other, as security for the fulfillment of the financing obligations assumed by both in relation to Marina Río Luján S.A., a first-priority security interest pursuant to Art. 580 et sqq. of the Code of Commerce of the Argentine Republic, on all the shares issued by Marina Río Lujan S.A. owned by the party who ultimately becomes the Pledgor under each of the Stock Pledge Agreements. Following is a description of the financing obligations secured under the Pledge Agreements:

   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 (arm's length terms).

   II. First, Marcelo Gómez Prieto and Marinas Río de la Plata SL, through Marina Río Luján S.A., will try to obtain financing from independent third parties to develop the real estate project of that company. To this end, Marina Río Luján S.A. will accept third-party financing on arm's length terms. In case said third party financing is not disbursed, each party will provide financing to the other in the sum of up to US$4,000,000.

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

Note 34. Restricted assets (continued)

5. To secure obligations assumed by the Company as a result of the purchase of the property where the "Astor Palermo" project is being developed (see Note 39.1), the Company furnished a first-priority pledge in favor of Alto Palermo S.A. ("APSA") over that property. The mortgaged amount is US$ 8,143,231.

   As of March 31, 2012, the recorded value of the aforementioned mortgaged property totals $ 94,616,264 and is included under current "Inventory".

   As of March 31, 2012, the debt outstanding on the purchase of the aforementioned property totals $ 35,659,208, included under non-current liabilities as "Customer Advances."

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

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

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

   Consequently, current assets include the sum of $ 836,239 under "Cash and cash equivalents", and the sum of $ 836,239 is included in current liabilities under "Other accounts payable".

7. On January 5, 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), Miwok S.A. furnished a first-priority mortgage in favor of Héctor Fernando Colella Moix, Marta Eugenia Ortiz Fissore and Tomás Romay Buero (in their applicable proportions) on that property. The amount of the mortgage is US$ 23,600,000.

   Moreover, and in relation to that same operation, TGLT S.A. became a joint-and-several guarantor, purely and simply, and principal payer, waiving the benefits of discussion and division, and also waiving any defense accruing for Miwok 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. This security will remain effective until all the secured obligations have been discharged.

   As of the date of these condensed consolidated financial statements, Miwok S.A. had repaid the obligation due March 31, 2012, in the sum of US$ 5,400,000.

Note 35. Claims

35.1. Health & safety

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

As of the date of these 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. Nevertheless, as of the date of these consolidated financial statements, that entity had not issued the same. If any monetary penalties are imposed, they must be paid even if an appeal is filed with the Labor Court of Appeals of the Province of Santa Fe, under penalty of collection by way of coercion and shutdown of the Works.

The Board of Directors of the Company is of the opinion that the resolution issued on the aforementioned administrative proceedings will not entail any material losses for the Company, and therefore it had not recognized any debt in relation to this as of March 31, 2012.

35.2. **Labor matters**

As of March 31, 2012, Maltería del Puerto S.A. had been served three labor claims in its capacity as the owner of the "Forum Puerto Norte" real estate development and as joint-and-several guarantor of the labor obligations of certain subcontractors.

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

35.3. **Ingeniero Milia S.A.**

On January 5, 2012, Maltería del Puerto and the Company learned that Ingeniero Guillermo Milia S.A. (IGM), a contractor that both companies hired for the provision of concrete and masonry services in the "Forum Puerto Norte" and "Astor Caballito" projects, respectively, had not paid 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 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 demand 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 those works and hired through IGM. On January 25, 2012, those entities assessed a debt of $ 217,846 and $ 78,745, making this claim extensive to Maltería del Puerto S.A. and the Company, respectively, on a joint-and-several basis, pursuant to the provisions of article 32 of Law No. 22250.

Moreover, during December 2011, both companies signed collective employment agreements in relation to the IGM personnel assigned to the "Forum Puerto Norte" and "Astor Caballito" projects, respectively. Thus, in their capacities as owners of both developments 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 owed under the supervision of the Ministry of Labor, in addition to their respective supplementary annual salary, unemployment fond and final settlement.

Note 35. Claims (continued)

35.3. Ingeniero Milia S.A. (continued)

As of the date of these financial statements, the Boards of Directors of both companies felt that no material losses would result from the resolution of the situation discussed in the preceding paragraphs.

Moreover, 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 of the City of Rosario, Province of Santa Fe, to issue an order against further moves against IGM and Messrs. Carlos Domingo Tonsich and Gabriel Alejandro Pierre, in relation to the preliminary purchase agreements for functional units in the Forum Puerto Norte project, executed pursuant to the Letter Offers regarding the provision of concrete and masonry services, sent in due course by IGM to the Company. The Judge of said court granted an injunction against further moves as requested. .

As advised by the legal counsel of Maltería del Puerto S.A., Messrs. Pedro Arturo Aldave and Carlos Domingo Tonsich, in their capacities as assignees of preliminary purchase agreements for units in Forum Puerto Norte, would be able to bring action against the Company as a result of the injunction mentioned above.

As of March 31, 2012, Maltería del Puerto S.A. had not recognized any losses in relation to the assigned preliminary purchase agreements, in the understanding that, as of the date of these financial statements, there are no facts that would allow us to draw any conclusion regarding the prospects and amount of the losses that the company could face arising from the situations mentioned above.

35.4. Worksite advertising and fencing

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

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

As to the fee for occupying the public domain, on November 3, 2011, the Company adhered to a payment plan in the total sum of $ 591,770 (including principal and interest), to be paid in 60 monthly installments.

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

As of March 31, 2012, the outstanding liability totaled $475,960 (principal plus interest), including in “Other tax liabilities” under current liabilities, totaling $120,360, and under noncurrent liabilities totaling $355,600.

As of March 31, 2012, and in 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 a bad-debt allowance for that credit in the sum of $325,382. The opinion of the Company’s legal counsel was also taken into account at the time the allowance was set up.

Note 36. Astor Palermo Project- Injunction

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

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

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

On October 4, 2011, the claimant filed a brief related to a petition for reports on the conditions in which the Project and its performance were authorized. These new facts were challenged, both on appeal and in the principal case file.

On April 26, 2012, the Appellate Court decided to overturn the trial court's verdict and lifted the injunction that had suspended resumption of works at Astor Palermo.

As of the date of these condensed consolidated financial statements, the Company was preparing to resume the construction and marketing of the Project.

Note 37. Management and development & administration agreements

37.1. Canfot S.A.:

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

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

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

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

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

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

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

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

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

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

As a result of the execution of several addendums to the Development and Management Agreement, entered into among the Company, Marina Río Luján and Metro 21 S.A., accrual of payments for Development Services was suspended in late 2009 and for 2010 in its entirety, resuming accrual on January 1, 2011. On June 1, 2011, the parties signed a new addendum to the development and management agreement to suspend accrual of payments for Development Services from June 1, 2011, until August 31, 2011, inclusive. 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 of the date of these condensed consolidated financial statements, the Boards of Directors of both companies were analyzing 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, Maltería del Puerto S.A. entrusted the Company with the management, financial and commercial administration of the "Forum Puerto Norte" real estate development in the urban area known as "*Centro de Renovación Urbana Scalabrini 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 US$ 200,000 before December 31, 2008, a monthly amount of US$ 80,000 from October through December 2008 (inclusive), and is paying a monthly amount of US$ 40,000 from January 2009 and until June 2011 (both inclusive), and US$ 20,000 from July 2011 until the end of the effective term of the agreement. Additionally, it is established that the aforementioned amounts may not exceed 2% of the sum of the gross sales of the project; however, if at the end of the effective term of the agreement—once the referred amounts have been paid in full—said amount exceeds the established limit, the difference shall be allocated to payment of the pending pre-sales commissions; if lower, Maltería del Puerto S.A. shall pay the difference within 30 calendar days from the expiration date of this agreement.

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

Note 38. Interests in other companies – Acquisitions and transfers

38.1. Acquisition and transfer of shares in Canfot S.A.

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

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

As a result of the transactions mentioned above, the Company held 90.91% of the equity and votes in Canfot S.A. as of March 31, 2012.

38.2. Acquisition and transfer of shares in Pico y Cabildo S.A.

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

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

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

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

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

(i) US$ 2,199,354 was paid by the Company's delivery to the Sellers of bills of sale for functional units in the "Astor" development that the Company is building on the property it owns on Beruti Street No. 3351 in the Autonomous City of Buenos Aires.

(ii) US$ 6,184,775 was paid in cash on June 30, 2011.

(iii) US$ 4,215,877 will be paid in cash on January 30, 2012.

As security for the payment of the balance on the cash price, the Company furnished a first-priority pledge on the shares by executing a share pledge agreement in favor of the Sellers (see Note 34.3).

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

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

Note 38. Interests in other companies – Acquisitions and transfers (continued)

38.3. Acquisition of shares in Birzey International S.A. and Miwok S.A. (Uruguay):

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

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

Moreover, on November 22, 2011, Birzey International S.A. acquired 100% of the equity package in Miwok S.A. in the sum of US$ 5,100.

Miwok S.A., a company incorporated under the laws of the Oriental Republic of Uruguay, was acquired in order to develop the “Forum Puerto del Buceo” real estate project in that country.

Note 39. Acquisition of real estate properties

39.1. Property for the “Astor Palermo” development

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

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

On December 16, 2010 the transfer of title to the Property was executed, with Alto Palermo S.A. as the seller and the Company as the purchaser.

As a result of the property purchase and to secure performance of all the obligations TGLT S.A. assumed vis-à-vis APSA, TGLT furnished a first-priority mortgage over that property in favor of APSA. The mortgage is valued at US$8,143,231 (see Note 34.5).

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

39.2. Property for the development temporarily known as “FACA”

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

Note 39. Acquisition of real estate properties (continued)

39.2. Property for the development temporarily known as "FACA" (continued)

Under the memorandum of understanding, the parties agreed to enter into bona fide negotiations for the definitive terms and conditions of the contracts, agreements and documents that will set out the rights and obligations of the parties for the joint development of a real estate project on the Property within 6 months from the execution of the memorandum of understanding, which term may be extended on a one-time basis for 3 additional months by any of the parties. On December 21, 2011 (but effective retroactively to December 15, 2011, when the extension had expired), the parties agreed to extend the term of the MoU until March 15, 2012.

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

The total surface area of the Property is app. 84,000 m2, resulting from an FOT of 117,000 m2 and a sellable and/or marketable area of app. 121,000 m2 plus 1,380 parking spaces. TGLT S.A. (or a controlled subsidiary of TGLT S.A.) will acquire the Property where the Company will erect several premium-quality buildings that will include, among other things, apartments, commercial establishments, storerooms, parking spaces, boathouse, piers, marinas, etc.

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

The purchase price will be US$ 28,000,000. Also, the Company will offset the sums paid by SP for the works on Luis Candido Carballo Avenue, totaling $ 8,408,701, plus Value Added Tax.

As of March 31, 2012, the Company includes the advance payment made toward the purchase of the property mentioned in the preceding paragraphs in "Other receivables", under current assets.

39.3. Property for the "Astor Caballito" development

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

As consideration for the acquisition of the property, TGLT agreed to transfer to IRSA:

(i) a number to be determined of functional housing units (apartments), on aggregate representing 23.10% of the proprietary sellable square meters destined for housing (apartments) in the building to be erected;

(ii) a number to be determined of parking spaces, on aggregate representing 21.10% of the proprietary parking square meters located in the two underground levels of the real estate development to be built by TGLT in the Property;

(iii) If the Company builds additional storerooms, a number to be determined of additional storerooms equivalent to 21.1% of the proprietary storeroom square meters in the buildings that the Company will erect on the Property; and

(iv) the sum of US$ 159,375 payable within forty eight (48) hours after execution and delivery of the transaction documentation. The percentages specified in (i) above would be reduced by up to 21% of the sellable housing square meters (apartments) if possession of the units subject to this exchange is made before the deadlines agreed in the contractual documentation.

To secure its obligations under the exchange, TGLT furnished a first-priority mortgage in favor of IRSA over the Property, for up to the sum of US$12,750,000 plus interest, costs and expenses as applicable (see Note 34.2).

Note 39. Acquisition of real estate properties (continued)

39.4. Property for the "Forum Puerto del Buceo" development

On December 28, 2011, Miwok S.A. executed a Reservation for the acquisition of a property located on the corner of Rambla Armenia and Rambla Costanera de Pocitos in the Port of Buceo, City of Montevideo, Oriental Republic of Uruguay, measuring app. 10,765 square meters.

Following are the main conditions agreed:

a) The offeror, Héctor Colella Coix (owner of 90% of the property), agrees to reserve for sale to the acceptor, Miwok S.A., who accepts and in turn agrees to acquire the aforementioned property.

b) The price of this transaction is US$ 24,000,000, to be paid as follows:

   i. The sum of US$ 600,000 when signing the purchase instrument.

   ii. The sum of US$ 5,400,000 on March 31, 2012.

   iii. The sum of US$ 6,000,000 on March 31, 2013.

   iv. The sum of US$ 12,000,000 by selling (i) thirty-four (34) future condominium units, on aggregate with a surface area of 5,845 m2 and (ii) fifty-four (54) parking spaces in the same building to be erected on the property.

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

d) The purchase instrument will be executed within 30 days from the execution of this Reservation.

On January 5, 2012, as between Miwok S.A. (the buyer) and Héctor Fernando Colella Moix, Marta Eugenia Ortiz Fissore and Tomás Romay Buero the sellers, who own 100% of the property) executed the purchase instrument for the property, which document included the main terms and conditions agreed in the Reservation 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 34.7).

As of the date of these financial statements, US$ 600,000 had already been paid as stipulated in the executed purchase instrument, as well as the US$ 5,400,000 payment due on March 31, 2012.

(figures expressed in Argentine pesos)

Note 40. Earnings per share

Earnings per basic share:

The results and weighted average number of shares of common stock used to calculate earnings per basic share are as follows:

	Mar 31, 2012	Mar 31, 2011
Results attributable to the owners of the parent company	(14,794,928)	(13,971,524)
Results attributable to minority interests	(1,644,227)	1,724,980
Results used to calculate earnings per basic share	(16,439,155)	(12,246,544)
Results used to calculate earnings per basic share from ongoing operations	(16,439,155)	(12,246,544)
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	(0.23)	(0.17)

The weighted average number of outstanding shares was 70,349,485, as in the case of the weighted average number of diluted shares, since there were no debt securities convertible into stock as of March 31, 2012.

Note 41. Segment information

40.1. Introduction

The Company has adopted IFRS 8 – Segment Information, which provides that operative segments are identified on the basis 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 developments represents a business segment, namely: Forum Puerto Norte, Forum Alcorta, Astor Palermo, Astor Caballito, Astor Núñez, Venice, Forum Puerto del Buceo and FACA Project.

In this sense, Management accomplishes its mission by using the indicators summarized in the following sections:

40.2. Closed sales

	Mar 31, 2012	**Mar 31, 2011**
Forum Puerto Norte	9,068,360	37,413,885
Forum Alcorta	10,003,926	73,733,594
Forum Puerto del Buceo	47,380,601	-
Astor Palermo	763,256	8,976,786
Astos Caballito	19,906,976	-
Astor Núñez	9,817,608	-
Venice	20,780,690	-
FACA Project	-	-
Total	**117,721,418**	**120,124,265**

(figures expressed in Argentine pesos)

Note 41. Segment information (continued)

40.3. Gross result measured as percentage of completion

March 31, 2012	Forum Puerto Norte	Forum Alcorta	Astor Caballito	Total
Sales revenues measured as percentage of completion	28,479,730	16,786,251	3,683,396	48,949,377
Net cost of sales measured as percentage of completion	(28,935,697)	(9,673,485)	(3,463,283)	(42,072,465)
Gross result measured as percentage of completion	**(455,967)**	**7,112,766**	**220,113**	**6,876,912**

March 31, 2011	Forum Puerto Norte	Forum Alcorta	Astor Caballito	Total
Sales revenues measured as percentage of completion	42,049,575	67,647,540	-	109,697,115
Net cost of sales measured as percentage of completion	(37,944,208)	(52,869,252)	-	(90,813,460)
Gross result measured as percentage of completion	**4,105,367**	**14,778,288**	**-**	**18,883,655**

40.4. Inventory

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Forum Puerto Norte	357,621,747	361,897,770	212,248,011
Inventory under construction	*255,350,916*	*244,597,724*	-
Completed units	*102,270,831*	*117,300,046*	-
Forum Alcorta	216,340,378	194,958,048	150,405,918
Forum Puerto del Buceo	108,264,176	843,276	-
Astor Palermo	79,623,399	79,533,354	76,886,003
Astos Caballito	60,722,392	58,884,406	-
Astor Núñez	57,616,866	57,376,513	-
Venice	72,122,138	71,164,113	69,494,199
FACA Project	14,992,865	-	-
Total	**967,303,960**	**824,657,480**	**509,034,131**

40.5. Customer advances

Cumulative	**Mar 31, 2012**	**Dec 31, 2011**	**Dec 31, 2010**
Forum Puerto Norte	234,228,690	231,156,206	110,962,942
Forum Alcorta	211,664,101	163,355,005	83,982,269
Forum Puerto del Buceo	31,484,969	150,640	-
Astor Palermo	58,383,581	47,400,991	30,025,587
Astos Caballito	31,350,124	10,942,578	-
Astor Núñez	26,203,548	8,331,748	-
Venice	7,317,010	2,080,824	-
FACA Project	-	-	-
Total	**600,632,023**	**463,417,992**	**224,970,798**

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

(figures expressed in Argentine pesos)

Note 42. Assets and liabilities in foreign currency

	Mar 31, 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
ASSETS						
Current assets						
Cash and banks:						
Cash	US$	33,247	4.339	144,260	154,108	92,676
	$U	8,014	0.222	1,779	-	-
	Reales	-	-	-	222	425
				146,039	154,330	93,101
Funds held by third parties	US$	1,217,379	4.339	5,282,207	-	-
Banks	US$	1,484,267	4.339	6,440,234	5,887,443	167,803,284
Short-term investments:						
Time deposits	US$	190,966	4.379	836,239	813,780	-
Mutual funds	US$	9,637,889	4.339	41,818,800	56,704,973	-
Commercial papers	US$	1,976,200	4.339	8,574,732	7,992,442	-
Bonds and government securities	US$	989,999	4.339	4,295,606	-	-
Forex to be converted	US$	-	-	-	-	1,751,520
Sales receivables:						
Balances with related parties	US$	5,935	4.339	25,753	78,681	-
Private debtors	US$	1,504,710	4.339	6,528,936	8,472,404	-
Other receivables:						
Balances with related parties	US$	643,725	4.339	2,793,122	5,269,223	-
Insurance to be accrued	US$	134,961	4.339	585,596	665,462	495,928
Advances to general vendors	US$			-	-	58,237
Advances to works vendors	US$	844,248	4.339	3,663,191	351,835	1,970,856
Vendor advances on inventory purchases	US$	5,129,706	4.379	22,462,983	22,078,255	-
Refundable expenses	US$	590	4.339	2,558	2,558	3,761
Sundry	US$	9,324	4.339	40,458	67,049	-
Total current assets				103,496,454	108,538,435	172,176,687
Noncurrent assets						
Other receivables:						
Value added tax	$U	2,310,802	0.222	512,998	146,472	-
Security deposits	US$	45,000	4.339	195,255	191,880	110,209
Insurance to be accrued	US$	35,908	4.339	155,805	219,031	336,096
Total noncurrent assets				864,058	557,383	446,305
Total assets				**104,360,512**	**109,095,818**	**172,622,992**

US$: United States dollars.
$U: Uruguayan pesos.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

(figures expressed in Argentine pesos)

Note 42. Assets and liabilities in foreign currency (continued)

	Mar 31, 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						
Trade payables:						
Suppliers	US$	18,443,441	4.379	80,763,830	110,377	459,481
Expense provisions	US$	7,898	4.379	34,585	747,547	61,729
Works provisions	US$			-	928,050	-
Insurance payable	US$	27,089	4.379	118,622	397,659	487,636
Contingency fund	US$	14,096	4.379	61,725	59,981	55,410
Balances with related parties	US$	5,431,428	4.379	23,784,223	42,224,900	-
Loans:						
Mortgage-backed bank loans	US$	18,129	4.379	79,385	69,034	-
Loans received	US$	2,029,681	4.379	8,887,975	8,764,449	-
Balances with related parties	US$	3,369,632	4.379	14,755,617	14,204,607	398,472
Employee benefits:						
Vacation allowance	$U	209,996	0.224	47,039	-	-
Other tax obligations:						
Allowance for Net Worth Tax	$U	2,195,254	0.224	491,737	14,705	-
Customer advances:						
Sums collected in advance	US$	113,291,724	4.379	496,104,462	410,538,145	186,243,070
Balances with related parties	US$	16,252,360	4.379	71,169,084	51,102,124	35,309,073
Other payables:						
Creditors on the purchase of inventory	US$	1,453,957	4.379	6,366,878	6,257,790	-
Creditors on purchase of long-term investments	US$			-	18,145,137	-
Sundry creditors	US$	190,966	4.379	836,239	813,780	-
Total current liabilities				**703,501,401**	**554,378,285**	**223,014,871**
Noncurrent liabilities						
Loans:						
Mortgage-backed bank loans	US$	4,353,254	4.39	19,062,899	17,987,044	-
Total noncurrent liabilities				19,062,899	**17,987,044**	**-**
Total liabilities				**722,564,300**	**572,365,329**	**223,014,871**

US$: United States dollars.
$U: Uruguayan pesos.
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Note 43. Marketable debt securities program

At the Shareholders' Meeting of the Company held on December 20, 2011, approval was given for the creation of a global program for the issuance, reissuance and placement, using a public-offering mechanism, of short-, medium- or long-term simple Marketable Debt Securities not convertible into stock, subordinated or not, secured or unsecured, pursuant to law No. 23,576, as amended (the "DSs") to be denominated in United States Dollars or any other legal currency, in the outstanding amount at any time not exceeding fifty million United States Dollars (US$ 50,000,000) or its equivalent in other currencies (the "Program"), and reissue the successive classes and/or series that may be amortized. The Program will have an effective term of five (5) years from its authorization by the CNV, during which all issuances and re-issuances thereunder are to be made.

Approval was also given for the proceeds obtained from the placement of the DSs issued under the program to be used in any of the manners indicated in article 36(2) of law No. 23,576, as amended from time to time, e.g. investments in physical assets located in the country; and/or contribution of working capital in the country; and/or refinancing of debts; and/or capital contributions to subsidiaries or affiliates of the issuer Company, the proceeds of which should be used solely for the purposes indicated above, and the Board (or. if applicable, the directors or officers to which its authority may be sub-delegated) may determine to what use the proceeds from the issuance or re-issuance of each series or class of DSs to be issued under the program will be put.

As of the date of these condensed consolidated financial statements, the Company was in compliance of all the formal requirements to issue the marketable debt securities.

Note 44. 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 instruments used to finance its developments and obtaining liquidity on its investments. The Company does not presently use derivatives for hedging purposes.

Company Management regularly analyzes risks to apprise the Board on them, and devises risk management strategies and policies. It also ensures 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 most notably:

Risk of rising construction costs

Most of our costs are pegged to the fate of construction material prices and labor rates. The Argentine Construction Chamber publishes the CAC index to track these costs. Many construction contracts for our projects are pegged to this or comparable indexes. In the first quarter of 2012, the CAC index rose 7.2%, compared to +5.2% in the same period last year or 26.7% in 2011 as a whole. Increased construction costs narrow down our operational margins if we are unable to increase revenues commensurately. The strategies applied by the Company to avoid this include but are not limited to the following:

- We control the pace of sales throughout the life of 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 overhangs from accumulating and probably losing their purchasing power.

Note 44. Risks – financial risk management (continued)

- Our purchase & sale contracts have any one or more of the following characteristics:
  - ✓ Denominated in United States dollars: inflation is generally accompanied by currency depreciation. Thus, the value of payments in pesos goes up as the peso depreciates and pays in part for our rising costs.
  - ✓ Prices to be determined on the basis of the cost of construction: In some cases, purchase & sale contracts include clauses that adjust the value of the products sold and hence the advances made by our customers, based on how costs progress in our real estate projects. Thus, all increases to 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.
  - ✓ Payments adjusted according to the evolution of the CAC index: In some cases, we include a clause whereby customer payments are adjusted on the basis of the variations undergone by the CAC index.
- We pay some of our vendors 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.

Risks of demand for our products

Financing for our developments depends mostly on the performance of presales. The demand for our products depends, among other things, 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, competition in the sector, changes in our buyers' preferences, among others, affect the demand-side factors for our products, and a downturn in the former could slow down the pace of sales in our projects and, therefore, their financing. For this reason, 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.

Risks of vendor contract defaults

The Company largely outsources the construction of its real estate projects through works contracts with expert vendors. This way, meeting the project deadlines and budgets depends for a great extent on the effective performance of the contracts. In this sense, the Company carefully evaluates the contractors (before and during performance of the contract) to reduce the risk of contractual default, and demands that relevant insurance be taken.

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

Note 44. Risks – financial risk management (continued)

Credit risks

Credit risk related to the sales of our products

The Company finances its projects largely through unit presales. The purchase & sale contracts with our customers generally contemplate a payment plan that begins with the signature of the contract and ends with the passing of title to the finished 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. Purchase & sale contracts contemplate heavy penalties for defaults on payment commitments, generating a significant cost for our customers; we hence record a very low level of delays and bad 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, favoring 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.

Liquidity risks

All our real estate projects aspire to “self-funding”, i.e. that presales 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 marketable debt securities, to which end it seeks to maintain excellent rapport with financial institutions and the capital markets as a whole. As of March 31, 2012, the Company maintains a reduced level of loans equivalent to $71 million, 16% of its shareholder’s equity or 5% 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 debt securities in the capital markets. Fitch Argentina S.A. recently rated the Company’s long-term credit capacity as A-.

CONDENSED INDIVIDUAL MID-TERM FINANCIAL STATEMENTS

TGLT S.A.

AS OF MARCH 31, 2012 (3-MONTH PERIOD)

TGLT

TGLT S.A.

CONDENSED INDIVIDUAL BALANCE SHEET

AS OF MARCH 31, 2012, DECEMBER 31, 2011, AND DECEMBER 31, 2010

(figures expressed in Argentine pesos)

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
ASSETS				
Current assets				
Cash and cash equivalents	6	51,175,278	64,981,797	164,312,906
Trade receivables	7	2,693,280	1,132,281	1,412,140
Other receivables	8	68,974,249	78,334,738	4,396,281
Inventory	9	155,338,655	138,417,759	76,886,003
Total current assets		278,181,462	282,866,575	247,007,330
Noncurrent assets				
Other receivables	8	1,951,564	1,919,169	110,209
Properties, plant and equipment	10	1,721,679	1,326,166	305,730
Intangible assets	11	635,688	731,505	212,013
Tax assets	12	14,606,450	12,238,189	6,828,732
Goodwill	13	294,553,171	303,694,353	281,771,334
Total noncurrent assets		313,468,552	319,909,382	289,228,018
Total assets		**591,650,015**	**602,775,957**	**536,235,348**
LIABILITIES				
Current liabilities				
Trade payables	16	29,155,621	47,008,141	1,939,198
Loans	17	30,615,183	18,571,154	-
Employee benefits	18	1,700,091	2,106,312	780,329
Current tax liabilities	19	321,030	770,652	2,294,179
Other taxes payable	20	498,353	612,872	351,797
Customer advances	21	89,733,703	62,390,284	32,377,893
Other accounts payable	22	8,507,993	24,569,744	-
Total current liabilities		160,531,974	156,029,159	37,743,396
Noncurrent liabilities				
Deferred tax liabilities	23	1,543,112	1,323,141	-
Total noncurrent liabilities		1,543,112	1,323,141	-
Total liabilities		**162,075,086**	**157,352,300**	**37,743,396**
SHAREHOLDERS' EQUITY		**429,574,929**	**445,423,657**	**498,491,952**
Total liabilities and shareholders' equity		**591,650,015**	**602,775,957**	**536,235,348**

Notes 1 through 45 hereto are an integral part of these statements.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

TGLT S.A.

CONDENSED INDIVIDUAL STATEMENT OF INCOME AND OF OTHER COMPREHENSIVE INCOME

FOR THE 3-MONTH PERIODS ENDED AS OF MARCH 31, 2012 AND 2011

(figures expressed in Argentine pesos.)

	Notes	Mar 31, 2012	Mar 31, 2011
Revenues		1,533,771	4,129,709
Cost of services rendered	26	(1,701,153)	(1,985,616)
Gross results		**(167,382)**	**2,144,093**
Marketing expenses	27	(2,197,437)	(699,086)
Administration expenses	28	(4,324,876)	(1,827,218)
Operational results		**(6,689,695)**	**(382,211)**
Result from long-term investments		(9,894,443)	(15,751,721)
Other expenses		(165,073)	(15,091)
Financial results	29		
Forex differences		(1,951,631)	2,536,306
Financial revenues		2,462,731	181,282
Financial costs		(386,201)	(179,166)
Other revenues and expenses, net		-	624,615
Period results before Income Tax		**(16,624,312)**	**(12,985,986)**
Income Tax		1,829,384	(985,538)
Period result		**(14,794,928)**	**(13,971,524)**
Other comprehensive income			
To be reclassified in profits or losses			
Forex difference of net investment abroad	31	(1,053,800)	-
Total other comprehensive income		**(1,053,800)**	**-**
Total comprehensive income for the period		**(15,848,728)**	**(13,971,524)**
Earnings per share attributable to majority interests			
Basic		**(0.23)**	**(0.17)**
Diluted		**(0.23)**	**(0.17)**

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Chairman of the Board

TGLT

TGLT S.A.

CONDENSED INDIVIDUAL STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE 3-MONTH PERIOD ENDED AS OF MARCH 31, 2012

(figures expressed in Argentine pesos)

		Capital				Reserves		Results	
Item	Notes	Corp. capital	Issuance premium	Transactions between shareholders	Total	Forex. diff. from net investment made abroad (1)	Statutory reserve	Unallocated results	Totals
Balance as of January 1, 2012		70,349,485	378,208,774	(7,826,480)	440,731,779	-	4,000	4,687,878	445,423,657
Period result		-	-	-	-	-	-	(14,794,928)	(14,794,928)
Other comprehensive income for the period, net of Income Tax		-	-	(1,053,800)	(1,053,800)	-	-	-	(1,053,800)
				(1,053,800)	(1,053,800)	-	-	(14,794,928)	(15,848,728)
Balance as of March 31, 2012		70,349,485	378,208,774	(8,880,280)	439,677,979	-	4,000	(10,107,050)	429,574,929

(1) Forex difference of a net investment made abroad.

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TGLT

TGLT S.A.

CONDENSED INDIVIDUAL STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

FOR THE 3-MONTH PERIOD ENDED AS OF MARCH 31, 2011

(figures expressed in Argentine pesos)

		Capital				Reserves		Results	
Item	Notes	Corp. capital	Issuance premium	Transactions with owners	Total	Conversion of cross-border business	Statutory reserve	Unallocated results	Totals
Balance as of January 1, 2011		70,349,485	378,208,774	-	448,558,259	-	4,000	49,929,693	498,491,952
Period result		-	-	-	-	-	-	(13,971,524)	(13,971,524)
Balance as of March 31, 2011		70,349,485	378,208,774	-	448,558,259	-	4,000	35,958,169	484,520,428

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TGLT S.A.

CONDENSED INDIVIDUAL STATEMENT OF CASH FLOW

FOR THE 3-MONTH PERIODS ENDED AS OF MARCH 31, 2012 AND 2011

(figures expressed in Argentine pesos)

	Notes	Mar 31, 2012	Mar 31, 2011
Operational activities			
Total comprehensive income for the period		(15.848.728)	(13.971.524)
Income tax		(1.829.384)	985.538
Adjustments to arrive at cash flow from operations			
Depreciation of properties, plant and equipment		80.276	29.526
Amortization of intangible assets		165.073	15.091
Result from long-term investments		9.141.182	15.751.721
Accrued unpaid forex differences, net		422.629	(569.528)
Changes to operational assets and liabilities			
Trade receivables		(1.541.083)	(2.870.533)
Other receivables		10.387.627	(20.700.137)
Inventories		(16.920.896)	(360.552)
Tax assets		314.185	(694.068)
Trade payables		(18.477.134)	(999.165)
Employee benefits		(406.221)	298.421
Taxes payable		(229.651)	656.269
Other taxes payable		(114.519)	(15.733)
Customer advances		25.633.926	8.388.274
Other payables		(16.235.023)	20.795.828
Minimum Presumptive Income Tax		(665.159)	(37.142)
Net use of funds in (cash flow from) operations		**(26.122.900)**	**6.702.286**
Investments			
Payments on purchase of properties, plant and equipment		(475.789)	(100.535)
Payment on purchase of intangible assets		(69.256)	(22.310)
Payment of shares in subsidiaries		-	(8.916.180)
Net use of funds in investments		**(545.045)**	**(9.039.025)**
Financing activities			
Increase in loans		11.864.036	-
Net cash flow from financing activities		**11.864.036**	**-**
Net decrease in cash and cash equivalents		(14.803.909)	(2.336.739)
Cash and cash equivalents at start of period		64.981.797	164.312.906
Effects of forex variations on cash and equivalents in foreign currency		997.390	1.167.218
Cash and cash equivalents at close of period		**51.175.278**	**163.143.385**

Notes 1 through 45 hereto are an integral part of these statements.

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Chairman of the Board

Note 1. Purpose of financial statements

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

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

These condensed individual mid-term financial statements (the "financial statements") as of March 31, 2012, were drafted by Company Management for the purposes of complying with the law and with the requirements of the C.N.V. and the B.C.B.A. within the framework of the public offering of its stock.

Note 2. IFRS compliance statement

The condensed individual financial statements as of March 31, 2012, are the first mid-term statements prepared by the Company based on IFRS 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 International Financial 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 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 27and IAS 31, respectively. This criterion differs from that set out in IAS 27, 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 in accordance with Technical Resolution No. 26 (arranged text) of the Argentine Federation of Professional Economics Boards and the Regulations of the National Securities Commission ("CNV"), in this period, which began on January 1, 2012.

Note 3. Activity of the Company

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

To the date of issuance of these condensed individual financial statements, the Company has participated—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 Used to Draft the Consolidated Financial Statements

4.1. Drafting Criteria

The condensed individual balance sheet as of March 31, 2012, to December 2011, and as of December 31, 2010, and the income statements for the period and the other condensed individual comprehensive income statement, regarding changes in equity and cash flows as of March 31, 2012 and 2011 have been drafted in accordance with International Accounting Standard (IAS) 34 "*Intermediate Financial Information".* This condensed individual financial information must be read jointly with the Company's consolidated financial statements to December 31, 2011 and 2010, drafted in accordance with former accounting regulations, and the relevant information provided in these financial statements drafted in accordance with the IFRS for said periods.

Through General Resolution No. 562/09 dated December 29, 2009, entitled, "Adoption of the International Financial Reporting Standards", and General Resolution No. 576/10 dated July 1, 2010 and entitled, "Extension of General Resolution No. 562", the C.N.V. established application of Technical Resolution No. 26 by the F.A.C.P.C.E. (modified by Technical Resolution No. 29, approved by the F.A.C.P.C.E on December 3, 2010), which adopts the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), for certain entities included in the public offering system provided for in Law No. 17,811, whether it is due to their capital or their marketable debt securities, or because they have requested authorization to be included in said system.

Because the Company is part of the referred public offering system due to its capital, application of said provisions are mandatory as of this fiscal year, which began on January 1, 2012.

The financial statements have been drafted based on historic costs that have been modified, when applicable, to adopt other measurement criteria required by the IFRS.

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

These condensed individual financial statements have been approved by the Board at its meeting held on May 17, 2012.

4.2. New Regulations and Interpretations Issued: Regulations and Interpretations Issued and not Adopted to Date

As of the date of issuance of these financial statements, there are certain regulations, amendments, and interpretations of regulations already in place that are not applied and have not been instated by the Company.

The Company did not adopt the IFRS or revisions of the IFRS detailed following, because their application was not required as of the close of the period that ended on March 31, 2012:

IFRS 9 (modified 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 Drafting the Individual Financial Statements (continued)

4.2. New Regulations and Interpretations Issued: Regulations and Interpretations Issued and not Adopted to Date (continued)

IFRS 13: Fair Value Measurement (1)

IFRS 19: Employee benefits (1)

IAS 32 and IFRS 7: Amendment regarding Compensation of Financial Assets with Financial Liabilities (2).

(1) Applicable to fiscal years that begin on or after January 1, 2013.

(2) Applicable as of the periods beginning in 2014.

On the other hand, the Company decided to instate the modification to IAS 1 regarding presentation of the Other Comprehensive Income, issued in June 2011 and applicable as of July 2012.

IFRS 9, “Financial Instruments”, issued in November 2009 and modified in October 2010 introduces new requirements for classifying and measuring financial assets and liabilities and for writing them off. IFRS 9 requires that all financial assets within the scope of IAS 39, “Financial Instruments - Recognition and Measurement” be measured after at amortized costs or fair value. Specifically, investments in debt maintained in a business model the objective of which is to collect contractual cash flows and which have contractual cash flows that are only payments of capital or interest on current capital are usually measured based on amortized cost as of the close of subsequent accounting periods. Any other debt investments or shareholders’ equity are measured based on fair values as of the close of subsequent accounting periods.

The most significant effect of IFRS 9 related with classification and measurement of financial liabilities has to do with entering changes to the fair value of financial liabilities in the books (listed as financial liabilities based on the fair value with changes in income) that are ascribable to changes in the credit risk for the respective liability.

Specifically, in accordance with IFRS 9, for financial liabilities listed as financial liabilities at fair value with changes in income, the amount of a change in the fair value of a financial liability that can be ascribed to changes in the credit risk for that debt is recognized through other comprehensive income, unless identification of the credit risk change for that debt in another comprehensive income creates or increases irregularity in the books. Changes in the fair value that can be ascribed to credit risk for a financial liability are not reclassified under income. Previously, according to IAS 39, the total amount of the change in fair value of a financial liability listed at fair value with changes in income was accounted for in earnings and losses. Company Management is assessing the potential impact of instating this amendment. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

IFRS 10 was issued by the IASB on May 12, 2011. It establishes principles for drafting and presenting consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements set forth in SIC-12, “Consolidation — Special Purpose Entities”, and in IAS 27, “Consolidated and Separate Financial Statements”. While the standard is in effect for yearly periods beginning as of January 1, 2013, early application of the same is advised. IFRS 10 is based on current principles for identifying the notion of control as the determining factor for establishing whether an entity should be included in the consolidated financial statements of the controlling entity. The standard provides additional guidance to help identify whether there is control in situations in which evaluation of this factor is difficult. Company Management is assessing the potential impact of adopting this modification. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

IFRS 11, “Joint Arrangements”, issued by the IASB on May 12, 2011, contemplates reflecting the implications of joint arrangements more realistically, focusing on the rights and obligations inherent in the arrangement rather than its legal nature (as is currently the case). This standard is aimed at resolving discrepancies that arise in presenting joint arrangements by requiring a simple method for entering interests in jointly controlled entities in the books.

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.2. New Regulations and Interpretations Issued: Regulations and Interpretations Issued and not Adopted to Date (continued)

Application of this standard will affect presentation of the investment in the Company's "Marina Río Luján S.A." joint venture. Company Management is assessing the potential impact of adopting this modification. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

On May 12, 2011 the IASB issued IFRS 12, "Disclosure of Interests in Other Entities". IFRS 12 is a new, complete standard that addresses the requirements regarding disclosure of any kind of interests in other entities, including subsidiaries, joint ventures, and related entities and unconsolidated structures. This applies to fiscal years beginning as of January 1, 2013. Early application is recommended. Company Management is assessing the potential impact of adopting this amendment. It is not possible to reasonably determine the impact of the potential effect until the aforementioned analysis has been completed.

The amendment to IAS 19 includes a number of specific improvements to the Standard. The main modifications are in regard to:

- Eliminating the "corridor method", requiring companies to acknowledge all the earnings and losses for the period;
- Rationalizing presentation of the changes in the plan's assets and liabilities;
- Improving presentation requirements, including information regarding the characteristics of the benefit plans and risks to which companies are exposed by participating in the same.

The modified version of IAS 19 applies to all the periods beginning on January 1, 2013. Company Management believes that application of this standard will not have a significant impact.

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

IFRS 13 only establishes one structure for measuring fair value when it is required by other standards. This IFRS applies to both financial and non-financial elements measured at fair value.

Fair value is measured as "the price obtained to sell an asset or paid to transfer a liability in a transaction ordered between market participants on the measurement date." The Board foresees that IFRS 13 will be adopted in the Group's financial statements for the yearly period beginning on January 1, 2013. It is likely that the changes will not have a significant effect on what is shown in the Group's financial statements. However, we cannot reasonably determine the impact of the potential effect until a detailed analysis has been carried out.

In the June 2011 amendment to IAS 1, the Committee Presented the Other Comprehensive Income Items (Modifications to IAS 1). The modifications improve the consistency and clarity of the presentation of items of other gains or losses (in Spanish, ORI). The modifications also underscored the importance of the Committee including the income and the ORI together in its presentation and assign them the same relevance. As explained in paragraph IN13, IAS 1 was modified in 2007, requiring that the income for a period and the ORI be presented together. The modifications made in June, 2011 maintained this requirement, but were aimed at the way in which ORI items are presented.

The main change that resulted from the modifications was the requirement that companies group the items presented in ORI based on whether it is possible to reclassify them under the income for the period subsequently (reclassification adjustments). The modifications did not contemplate which items are presented in ORI.

The modifications did not change the option of presenting ORI items before tax or net of tax.

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.2. New Regulations and Interpretations Issued: Regulations and Interpretations Issued and not Adopted to Date (continued)

However, if the items are presented before tax, the tax associated with each one of the two groups of ORI items (those that can be reclassified and those that are not reclassified) must be shown separately. While application of the amendment to IAS 1 is mandatory as of July 2012, the Company decided to apply it before then

The amendment, “Compensation of Financial Assets and Liabilities” (Modifications to IAS 32 and IFRS 7), issued in December 2011, repealed paragraph GA38 and added paragraphs GA38A to GA38F. Companies apply these modifications to yearly periods that begin as of January 1, 2014. A company can apply these modifications retroactively. Early application of the same is allowed. If a company applies these amendments as of a previous date, it must reveal this fact as well as reveal the information required in “Disclosure of Compensation of Financial Assets and Liabilities” (Modifications 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 (the legal tender of the Republic of Argentina) which is the functional currency of the Company (currency of the main economic environment in which it operates), being the currency in which the condensed individual financial statements are presented.

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 reconverted using the exchange rates in effect on that date. The non-cash items recorded at the fair value and expressed in foreign currencies were reconverted using the exchange rates in effect on the date when the fair value was determined.

Forex differences were recognized in the income for each period except when originating in foreign-currency loans related to assets under construction for future 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 these condensed consolidated financial statements, the financial statements of each entity are expressed in pesos (the legal tender of the Republic of Argentina for all companies legally addresses therein) 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.

4.4. Loan Costs

The financial costs incurred through loans obtained to finance real estate development projects (undergoing development) directly are included as part of the cost of these 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 development project—the assignment criterion provided for in paragraph 14 of the referred IAS was used.

The amount of loan costs capitalized during the period and 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 Corporate Income Tax charge represents the total current Corporate Income Tax generated by tax losses and the Deferred Tax that results from temporary differences between accounting and tax measurements.

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.6. Current Taxes

The charge for the current tax was based on the tax losses recorded for the period/fiscal years. The tax income differed from the income reported in the consolidated comprehensive income statement 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 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 added value 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 application of which was expected during the period in which the asset 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. Measurement of the Deferred Tax Liabilities and Deferred Tax Assets as of the end of the period or fiscal years 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 compensated with 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 Corporate 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 statement.

4.8. Minimum Presumptive Corporate Income Tax

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

During the period ended on March 31, 2012, the amount calculated as the Minimum Presumptive Corporate Income Tax in excess of Corporate Income Tax was $ 318,906. This amount, which added to the charges from previous fiscal years represents $6,449,600 in credit, is listed under the "Tax Assets" entry as a noncurrent asset, because the amounts paid for this tax are considered as recoverable before they are barred by a statute of limitations.

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.9. Properties, Plant, and Equipment

The properties, plant, and equipment are expressed as the net cost of the cumulative depreciation and cumulative losses due to loss in value, 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 Group 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 or equipment if the criteria for recognizing them are met. Any other repair and maintenance costs are entered in the income statement 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 experience obtained by the Company's Management.

For more information regarding the useful lives assigned, please refer to Note 4.23 (Opinions, 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 income statement 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 period or fiscal year, when necessary.

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

4.10. Intangible Assets

4.10.1 Brands and Software

This includes expenses incurred in software acquisitions and brand registry. The intangible assets acquired are initially measured at 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 loss in value.

Amortization is calculated using the straight-line method, the rate of which is determined based on the useful life assigned to the assets as of the month they are incorporated, this month included. 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 as of 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 under intangible assets with predetermined useful lives is listed in the income statement under the expense category that is consistent with the purpose of the intangible asset in question.

The profits or losses that result from writing off an intangible asset are calculated as the difference between the net income obtained from the sale and the asset's book value, and included in the income statement when the asset is written off.

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.10. Intangible Assets (continued)

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, and
- The capacity to perform reliable measurements of disbursements during their development.

After a development expense is initially recognized as an asset, the cost model based on which the asset is entered in the books at its cost value minus cumulative amortization and cumulative losses due to loss in value is applied. Amortization of the asset 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 subjected to yearly tests for determining whether its value has decreased.

4.11. Test for Decrease in Goodwill, Intangible Assets, and Property, Plants, and Equipment

4.11.1 Decrease in the value of non-financial assets

As of the close of each period reported, Management must evaluate whether there is any indication that the value of a non-financial asset has decreased. If there is any such indication, or when yearly tests for determining an asset's loss in value is required, the recoverable value of the same is estimated. The recoverable value of an asset is the fair value minus sales costs—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 as deteriorated and its value is reduced to its recoverable value. When evaluating in-use value, 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's 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 detected, the valuation model deemed most appropriate is used.

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

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

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.11. Test for Decrease in Goodwill, Intangible Assets, and Property, Plants, and Equipment (continued)

4.11.1 Decrease in the value of non-financial assets (continued)

For assets in general, once the added value has been excluded, as of the closing date of each period reported, an evaluation of whether or not there is any indication that value deterioration losses included previously no longer exist or have decreased is performed. If there is any such indication, Management conducts an estimate of the asset's recoverable amount or of the cash-generating unit. A loss due to deterioration already recognized previously is only reverted if there has been a change in the assumptions used for determining an asset's recoverable value as of the last time the last loss due to value deterioration has been recognized. This reversal is limited in such a way that the asset's 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 recognized in previous periods. This reversal is included in the income statement 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 also apply to evaluation of value deteriorations of specific assets:

Goodwill

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

Goodwill deterioration is determined by evaluating the recoverable value of each cash-generating unit (or group of cash generating units) related with goodwill. When the recoverable value of a cash-generating unit is lower than its book value, a value deterioration loss is recognized. Losses due to value deterioration related with added value 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 real estate development projects (works that are underway).

The 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 requirements in IAS 24 are met), and real estate taxes are included in the costs.

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.13. Leases

In accordance with IAS 17, "Leases", the financial property of an asset in a financial lease is transferred to the lessee if the lessee takes on a substantial portion of the risks and benefits associated with the property of that 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 of March 31, 2012, the Company has not entered into financial lease agreements.

All other leases are treated as operating leases. Operating lease payments are listed as expenses lineally 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 recognized based on the fair value of the consideration charged or to be charged, bearing in mind 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 estate 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. Current and Noncurrent Classification of Entries

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's 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 IFRS 7) not applied 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 noncurrent assets.

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

a) Its liquidation is expected during the entity's regular business cycle;
b) It is maintained primarily for the purposes of negotiating;
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 noncurrent liabilities.

In accordance with the provisions set forth in IAS 1, an entity's regular business cycle is the period between acquisition of material assets incorporated in the production process and realization of the products as cash or cash equivalents. In the case of real estate development, which is the company's main line of business, the regular business cycle is the period between startup of sales launch and construction and delivery of the 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 Drafting the Individual Financial Statements (continued)

4.16. Investments in subsidiaries

As of March 31, 2012, and as of December 31, 2011 and 2010, the Company held direct interests in other companies as follows:

Company	Mar 31, 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 %
Birzey International S.A.	100.00%	100.00%	-

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

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

4.17. Business Combinations

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

Thus, the Company recognized 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 of said date based on their fair values on the date of acquisition, as required by IFRS 3, "Business Combinations", and IAS 31, "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 with the referred acquisitions.

In summary, the purchases were entered in the books by applying the acquisition method. The consideration obtained for the acquisition was calculated at the estimated fair value (as of 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 and the liabilities or assets related with agreements entailing benefits for employees that were included and calculated in accordance with IAS 12, "Income Tax", and IAS 19, "Employee Benefits", respectively.

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.18. Goodwill

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

The goodwill 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 regard to the net amount as of the date of acquisition of the identifiable assets acquired and liabilities assumed.

Goodwill is not amortized, but rather the date of each report is reviewed to determine whether it is necessary to acknowledge any decrease (see more on the deterioration test for goodwill 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 goodwill.

As of March 31, 2012, goodwill has not suffered any deterioration.

4.19. Allowances

Allowances were recognized when 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 was likely that it would have to let go of resources that brought financial benefits to cancel the 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 canceling the current obligation at the close of the fiscal year reported, bearing in mind the respective risks and uncertainties. When an allowance is calculated using the cash flow estimated for canceling 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, it was listed as an account receivable 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 condensed individual financial statements contains a breakdown of the main complaints received by the Company as of March 31, 2012.

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

4.20.1 Financial Assets

1) Initial Measurement

Financial assets covered by IAS 39 are classified as financial assets at their fair value with changes in income, loans, and accounts receivable, investments maintained until expiry, financial assets available for sale, or as derivatives assigned as hedge instruments 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 Drafting the Individual 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 sales of financial assets that require delivery of assets within a timeframe established in a regulation or market agreement (conventional purchase and sale agreements) are entered on the date of the purchase, that is, the date when the Company commits to purchase or sell the asset.

The Company's 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 income statement at their fair values, and the changes in this fair value are recognized as income or financial costs in the income statement.

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 using the effective interest rate method, minus any decrease in value. Amortized costs are calculated by contemplating any deduction or deposit 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 income statement. The losses that result from the decrease in value are entered in the income statement as financial costs.

c) Investments Maintained until Expiry

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as maintained until maturity when the Company has the intention and capacity of maintaining them until their maturity. Following their initial recognition, investments maintained until maturity are measured at the amortized cost by using the effective interest rate, minus any decrease in value. Amortized costs are calculated by contemplating any deduction or deposit 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 income statement. The losses that result from the decrease in value are recognized in the income statement as financial costs.

Note 4. Criteria for Drafting the Individual 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 covered by 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's financial liabilities include commercial accounts payable, loans, and other accounts payable and those detected in bank checking accounts.

2) Subsequent Measurement

Subsequent measurement of financial liabilities depends on their classification as follows:

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 negotiating and the financial liabilities allotted during the initial recognition at the fair value with changes in income.

Financial liabilities are classified as maintained for the purposes of negotiating if 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 income statements.

b) Loans that accrue interest

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 income statements 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 deposit for acquisition, and the commissions or costs that are a comprehensive part of the effective interest rate. Amortization of the effective interest rate is recognized as a financial cost in the income statement.

4.21. Short-Term Employee Benefits

Short-term employee 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

The shareholders' equity items were put together 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 decisions made at assemblies, 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 Drafting the Individual Financial Statements (continued)

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.22. Shareholders' Equity Accounts (continued)

4.22.1. **Share Capital**

This is made up of the contributions committed to or performed by the Shareholders represented by stock, and includes shares in circulation at their nominal value.

4.22.2. **Statutory Reserve**

In accordance with the provisions set forth in Law No. 19,550, the Company must maintain a statutory reserve of no less than 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 a Shareholders' Meeting, provided they are not subject to legal restrictions such as the one referred to in the previous paragraph. It includes the profits and losses 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 Profits and Losses" account, when applicable, as of the close of the fiscal year to be taken into account 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 premiums (when the balance of this entry 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. Opinions, Accounting Estimates, and Significant Assumptions

Preparation of the Company's financial statements requires that Management must issue opinions, accounting estimates, and significant assumptions that bear on the amounts of income, expenses, assets, and liabilities reported and the revelation of contingent liabilities as of the close of the period or fiscal years reported. In this sense, the uncertainty regarding these assumptions and estimates may result in profits and losses that will require a significant adjustment in future periods of the amount of the asset or liability earmarked and entered into the books.

In the process of applying the Company's accounting policies, Management did not issue opinions with a potentially significant bearing on the condensed, individual financial statements, except for what was indicated regarding recognition of tax credit.

Following are the main accounting estimates and underlying assumptions included in the Company's condensed, individual financial statements as of March 31, 2012. Management reviews them periodically. The effects of the reviews of the accounting estimates are recognized in the period or fiscal year in which the estimates are reviewed, whether it is in the current period or fiscal year or in a future one.

(figures expressed in Argentine pesos)

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.22. Opinions, Accounting Estimates, and Significant Assumptions (continued)

a) Estimate of Useful Lives:

Following is a description of the periods during which Management believes that the assets will no longer be usable or stop benefitting the Company financially:

	Useful Life
Chattels and supplies	10 years
Hardware	5 years
Improvements to third-party real estate	5 years
Trademarks	10 years
Software	3 years
Software development	3 years
Showrooms	3 years

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

Goodwill has been classified as having an undefined useful life and is subject to a deterioration analysis.

b) Estimate of the decrease in the value of non-cash assets

There is a decrease in value when an asset's book value or that of a cash-generating unit exceeds its recoverable amount, which is the fair value minus 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 on observable market prices, minus the incremental costs incurred in transferring ownership of the asset.

Calculation of use value is based on a discounted cash flow model. Cash flows are 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 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 interpretation may result in a large number of issues according to the conditions that prevail at the legal address of the financial group's 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 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 $ 8,156,850 as of March 31, 2012, which is presented in Note 12, "Tax Assets."

Furthermore, the Company has a Minimum Presumptive Corporate Income Tax credit of $ 6,449,600 as of March 31, 2012, as it is expected to be recoverable before it is barred by the statute of limitations.

(figures expressed in Argentine pesos)

Note 4. Criteria for Drafting the Individual Financial Statements (continued)

4.24. Cash and cash equivalents

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

In the national legal tender: at its nominal value

In foreign currency: these amounts were converted at the exchange rate in effect as of the close of the applicable period and fiscal years for liquidation of the respective transactions. Exchange rate differences were ascribed to the period's profits and losses.

Financial assets such as equity funds and commercial papers were classified as "Financial Assets at fair value with changes in income", bearing in mind the nature and purpose established during the initial recognition.

The net earnings or losses for any profits or losses obtained that result from financial assets were recognized in the profits and losses and classified as financial profits and losses in the individual comprehensive income statement.

Note 5. Adoption of International Financial Reporting Standards, reconciliation.

5.1. Balance sheet reconciliations of individual financial statements to IFRS as of December 31, 2011 and 2010.

		As of December 31, 2011			As of 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
Inventory	(c)	-	138,417,759	138,417,759	-	76,886,003	76,886,003
Total current assets		109,892,903	172,973,903	282,866,575	170,384,850	76,622,480	247,007,330
Noncurrent assets							
Other receivables	(b)	11,054,839	(9,135,670)	1,919,169	6,708,566	(6,598,357)	110,209
Inventory	(c)	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 noncurrent 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 of 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 the balance sheets as of December 31, 2011 and 2010:

Ref.	Details
(a)	Current investments (classified as such according to GAAP in effect as of that date) were reclassified as cash equivalents as provided in IAS 7.
(b)	As of December 31, 2011 and 2010, the most significant effect from the application of IFRS was the inclusion of "Advance Payments to Suppliers" into this item (classified as "Inventory" under GAAP) and the segregation of current and deferred tax balances in a separate entry (classified under the same entry in accordance with GAAP).
(c)	IAS 1 provides that 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 supplies 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 assets at net realization value (on the basis of percentage completion and sales) was cancelled, as well as certain triggered expenses that must be debited to period results under IFRS. Moreover, Showroom items were reclassified a Fixed Assets (PP&E).
(d)	Business combinations dating prior to December 31, 2010, were recalculated to yield new goodwill (Goodwill). As required under IAS 36, the recoverability tests were performed, and no deterioration arose that would have to be included in calculating cash generation units (CGU) that include recognized goodwill.

(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 of December 31, 2011 and 2010 (continued).

	Ref.	As of December 31, 2011			As of December 31, 2010		
		Argentine GAAP (prior)	Transition effect	IFRS	Argentine GAAP (prior)	Transition effect	IFRS
LIABILITIES							
Current liabilities							
Trade payables	(f)	4,749,700	42,258,442	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
Customer advances		-	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	104,419,062	156,029,160	5,399,058	32,344,338	37,743,396
Noncurrent liabilities							
Trade payables	(e)	42,325,662	(42,325,662)	-	-	-	-
Deferred tax liabilities	(f)	-	1,323,141	1,323,141	-	-	-
Customer advances	(e)	62,390,284	(62,390,284)	-	32,377,486	(32,377,486)	-
Total noncurrent liabilities		104,715,946	(103,392,805)	1,323,141	32,377,486	(32,377,486)	-
Total liabilities		**156,326,044**	**1,026,257**	**157,352,300**	**37,776,544**	**(33,148)**	**37,743,396**
Minority interests							
SHAREHOLDERS' EQUITY		**413,331,634**		**445,423,657**	**435,644,608**		**498,491,952**
Total liabilities, minority interests and shareholders' equity		**569,657,678**		**602,775,957**	**473,421,152**		**536,235,348**

Ref.	Details
(e)	As provided in paragraph 70 of IAS 1, the Company has reclassified accounts payable and customer advances from noncurrent to current entries, since they are part of the Company's 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 changes to shareholders' equity to IFRS, as of December 31, 2011, and 2010:

	As of December 31, 2011			As of December 31, 2010		
SHAREHOLDERS' EQUITY	Argentine GAAP (previous)	Transition effect	IFRS	Argentine GAAP (previous)	Transition effect	IFRS
Corporate capital	70,349,485	-	70,349,485	70,349,485	-	70,349,485
Issuance premium	378,208,774	-	378,208,774	378,208,774	-	378,208,774
Reserve for subsidiaries	6,338,982	(6,338,982)	-	6,972,811	(6,972,811)	-
Statutory reserve	4,000	-	4,000	4,000	-	4,000
Transactions with owners	-	(7,826,480)	(7,826,480)	-	-	-
Non-allocated results	(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
Minority interest	-			-		
Total shareholders' equity	**413,331,634**		**445,423,657**	**435,644,608**		**498,491,952**

(figures expressed in Argentine pesos)

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

5.3. Reconciliation of income statements as of December 31, 2011

		As of December 31, 2011		
		Argentine GAAP (previous)	Transition effect	IFRS
Income		9,170,564	-	9,170,564
Cost of services rendered		(10,717,673)	-	(10,717,673)
Gross profit		**(1,547,109)**		**(1,547,109)**
Income from valuation of inventory at net realization value	(1)	536,869	(536,869)	-
Sales expenses	(2)	(4,234,481)	(206,542)	(4,440,933)
Administrative expenses		(9,406,508)	-	(9,406,508)
Operational results		**(14,651,229)**	**(743,411)**	**(15,394,550)**
Long-term investment results	(3)	(17,087,053)	(21,489,916)	(38,576,969)
Other expenses		(62,862)	-	(62,862)
Financial and holding revenue, net				
Generated by assets		15,986,522	-	15,986,522
Generated by liabilities		(9,498,108)	-	(9,498,108)
Other revenue and expenses, net		2,743,113	(1,517,336)	1,225,777
Period income before Income Tax		**(22,569,617)**	**(23,750,663)**	**(46,320,191)**
Income Tax		(890,472)	187,904	1,078,376
Period results		**(21,679,145)**	**(23,562,759)**	**(45,241,815)**

Ref.	Details
(1)	The result from inventory valuation at net realization value ratably to percentage completion recognized under current GAAP 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 GAAP 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)

Rules applied

In preparing the reconciliations included in this Note, Company Management has considered the IFRS deemed applicable in preparing the first annual financial statements submitted under IFRS, for the year ended as of December 31, 2012. However, the entries and sums included in these reconciliations may be modified to the extent that, when the annual financial statements are prepared in accordance with IFRS, new rules should be issued or the existing ones modified, applied on a mandatory or anticipated authorized fashion as of such date, or if a change to any of the exemptions indicated in IFRS 1 is opted for.

Accordingly, the condensed mid-term 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 Management to determine the amounts under IFRS as of January 1, 2011 (IFRS transition date) and as of December 31, 2011, were consistent with those made as of those dates under current GAAP and reflect the conditions prevalent as of the respective dates.

5.4. Balance sheet reconciliations of consolidated financial statements to IFRS as of March 31, 2011:

	March 31, 2011		
	Argentine GAAP (previous)	Transition effect	IFRS
ASSETS			
Current assets			
Cash and banks	61,410,951	101,732,434	163,143,385
Short-term investments	101,732,434	(101,732,434)	-
Trade receivables	4,605,643	(294,986)	4,310,657
Other receivables	4,253,999	20,795,828	25,049,827
Inventory	-	77,246,555	77,246,555
Total current assets	172,003,027		269,750,424
Noncurrent assets			
Other receivables	6,491,092	(6,310,462)	180,630
Inventory	98,042,383	(98,042,383)	-
Tax assets	-	6,726,329	6,726,329
Properties, plant and equipment	376,739	-	376,739
Intangible assets	219,232	-	219,232
Long-term investments	222,452,540	52,483,253	274,935,793
Subtotal noncurrent assets	327,581,986		282,438,723
Goodwill	-	-	-
Total noncurrent assets	327,581,986		282,438,723
Total assets	**499,585,013**		**552,189,147**

See itemized explanation of 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 consolidated financial statements to IFRS as of March 31, 2011 (continued):

	March 31, 2011		
	Argentine GAAP (previous)	Transition effect	IFRS
LIABILITIES			
Current liabilities			
Trade payables	1,024,366	(70,000)	954,366
Loans	-	-	-
Employee benefits	1,039,794	38,956	1,078,750
Current tax liabilities	-	2,950,448	2,950,448
Taxes payable	3,286,512	(2,950,448)	336,064
Customer advances	407	41,400,932	41,401,339
Other liabilities	20,795,828		20,795,828
Total current liabilities	26,146,907		67,516,795
Noncurrent liabilities			
Trade payables	-	-	-
Loans	-	-	-
Taxes payable	-	-	-
Customer advances	41,400,932	(41,400,932)	-
Deferred tax liabilities	-	151,925	151,925
Total noncurrent liabilities	41,400,932		151,925
Total liabilities	**67,547,839**		**67,668,720**
SHAREHOLDERS' EQUITY	**432,037,174**		**484,520,427**
Total liabilities and shareholders' equity	**499,585,013**		**552,189,147**

See itemized explanation of main differences in Note 5.1 to the condensed consolidated financial statements.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

AS OF MARCH 31, 2012 SHOWN ON A COMPARATIVE BASIS – SEE NOTE 4.1

(figures expressed in Argentine pesos)

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

5.5 Reconciliation of income statement to IFRS as of March 31, 2011

	As of March 31, 2011		
	Argentine GAAP (previous)	Transition effect	IFRS
Income	4,129,709	-	4,129,709
Cost of services rendered	(1,985,616)	-	(1,985,616)
Gross profit	**2,144,093**	**-**	**2,144,093**
Income from valuation of inventory at net realization value			
Work management costs			
Sales expenses	(699,086)	-	(699,086)
Administrative expenses	(1,827,218)	-	(1,827,218)
Operational results	**(382,111)**	**-**	**(382,211)**
Results from long-term investments	(5,387,631)	(10,364,090)	(15,751,721)
Goodwill depreciation			
Other expenses	(15,091)	-	(15,091)
Forex differences			
Financial and holding results, net			
Financial revenue	3,211,452	158,331	3,369,783
Financial expense	(673,030)	(158,331)	(831,361)
Other revenue and expenses, net	624,615	-	624,615
Period income before Income Tax	**(2,621,896)**		**(12,985,886)**
Income Tax	(985,538)	-	(985,538)
Period results	**(3,607,434)**		(13,971,524)
Other comprehensive income	**-**	-	-
Total other comprehensive income	**-**	-	-
Total comprehensive income	**-**	**-**	**-**
Period results and total comprehensive income attributable to:			
Parent company	**(3,607,434)**		
Minority interests	-		
Total comprehensive income	**(3,607,434)**		

(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 to IFRS as of March 31, 2011:

	As of March 31, 2011		
SHAREHOLDERS' EQUITY	Argentine GAAP (previous)	Transition effect	IFRS
Corporate capital	70,349,485	-	70,349,485
Issuance premium	378,208,774	-	378,208,774
Reserve for subsidiaries	6,972,811	(6,072,811)	-
Statutory reserve	4,000	-	4,000
Non-allocated results	(23,497,896)	59,456,064	35,958,168
Total shareholders' equity	**432,037,174**		**484,520,427**

Note 6. Cash and cash equivalents

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Cash				
In local currency		26,784	6,001	5,670
In foreign currency	45	3,846	3,846	3,633
Banks				
In local currency		10,110	43,601	63,832
In foreign currency	45	741,006	230,934	159,009,124
Sums to be deposited		-	-	210,248
Restricted funds		-	-	(1,200,000)
Time deposits		-	-	6,220,399
Funds In foreign currency	45	41,818,800	56,704,973	-
Commercial papers in foreign currency	45	8,574,732	7,992,442	-
Total Cash and cash equivalents		51,175,278	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., which earn an average annual interest of 11.5%.

Equity funds in foreign currency: a) as of March 31, 2012, they are funds placed abroad, without maturity, with a face value of USD 9,637,889, with a period-end market value of 104.9; b) As of December 31, 2011, they are funds placed abroad, without maturity, with a face value of USD 13,298,540, with a period-end market value of 104.8.

Commercial papers are a portfolio of unsecured notes issued by large foreign (US) banks and corporations. a) As of March 31, 2012, they are deposits in BNP PARIBAS US, without maturity and a face value of USD 2,000,000, with a period-end market value of USD 0.9881; b) As of December 31, 2011, they are deposits in BNP PARIBAS US, without maturity and a face value of USD 2,000,000, with a period-end market value of 94.

Note 7. Trade receivables

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Balances with related parties	33 and 45	2,370,965	815,538	1,412,140
Individual debtors	45	322,315	316,743	-
Total trade receivables		2,693,280	1,132,281	1,412,140

The trade receivables mentioned above are measured at amortized cost. The Company has not recognized any allowance for bad debts after conducting an individual recoverability analysis of the receivables portfolio.

The age of accounts receivable is as follows:

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Due within			
0 to 90 days	2,370,965	815,538	1,412,140
Past-due			
0 to 90 days	-	282,977	-
91 to 180 days	-	12,906	-
Over 181 days	322,315	20,860	-
Total	2,693,280	1,132,281	1,412,140

(figures expressed in Argentine pesos)

Note 8. Other receivables

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Current:				
Value Added Tax		3,182,368	2,730,581	1,437,628
Gross Receipts Tax		33,012	53,794	160,163
Deposits as collateral		-	-	1,200,000
Accounts receivable from related parties in local currency	33	2,503,230	4,103,426	344,890
Accounts receivable from related parties in foreign currency	33, 36.1 and 45	39,281,418	35,875,110	788,925
Insurance policies to be accrued in local currency		5,579	13,495	3,571
Insurance policies to be accrued in foreign currency	45	294,627	384,003	241,343
Advance payments to suppliers		-	7,366	108,461
Expenses to be accounted for in local currency		186,971	-	-
Expenses to be accounted for in foreign currency	45	2,558	2,558	3,761
Other tax credits		-	-	47,702
Expenses to be recovered		-	71,895	-
Advance payments to works suppliers		1,018,745	12,774,542	-
Advance payments to suppliers on inventory purchases	45	22,462,983	22,078,255	58,237
Sundry receivables in local currency		2,758	197,073	1,600
Sundry receivables in foreign currency	45	-	42,640	-
Total Other receivables - Current		68,974,249	78,334,738	4,396,281

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Noncurrent:				
Deposits as collateral in local currency		21,100	21,100	-
Deposits as collateral in foreign currency	45	195,255	191,880	110,209
Insurance to be accrued	45	115,742	114,715	-
Balances with related parties in foreign currency	33 and 45	1,619,467	1,591,474	-
Total Other receivables - Noncurrent		1,951,564	1,919,169	110,209

Note 9. Inventory

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
"Astor Palermo" real estate project	79,623,399	79,533,353	76,886,003
"Astor Caballito" real estate project	60,722,391	58,884,406	-
"FACA" real estate project	14,992,865	-	-
Total Inventory	155,338,655	138,417,759	76,886,003

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

AS OF MARCH 31, 2012 SHOWN ON A COMPARATIVE BASIS – SEE NOTE 4.1

(figures expressed in Argentine pesos)

Note 10. Properties, plant and equipment

	Furniture and supplies	Hardware	Leasehold improvements	Showroom	Total
Original value					
Balance as of January 1, 2012	449,108	441,771	727,661	508,106	**2,126,646**
Acquisitions	-	17,940	-	457,849	**475,789**
Decreases	-	-	-	-	**-**
Total as of March 31, 2012	449,108	459,711	727,661	965,955	**2,602,435**
Depreciation and wear					
Balance as of January 1, 2012	(126,182)	(263,265)	(411,033)	-	**(800,480)**
Depreciation	(11,228)	(29,469)	(39,579)	-	**(80,276)**
Loss from wear	-	-	-	-	**-**
Total as of March 31, 2012	(137,410)	(292,734)	(450,612)	-	**(880,756)**
Residual value as of March 31, 2012	311,698	166,977	277,049	965,955	**1,721,679**

	Furniture and supplies	Hardware	Leasehold improvements	Showroom	Total
Original value					
Balance as of 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 of December 31, 2011	449,108	441,771	727,661	508,106	**2,126,646**
Depreciation and wear					
Balance as of January 1, 2011	(81,272)	(140,191)	(249,487)	-	**(470,950)**
Depreciation	(44,910)	(123,074)	(161,546)	-	**(329,530)**
Loss from wear	-	-	-	-	**-**
Total as of December 31, 2011	(126,182)	(263,265)	(411,033)	-	**(800,480)**
Residual value as of December 31, 2011	322,926	178,506	316,628	508,106	**1,326,166**

	Furniture and supplies	Hardware	Leasehold improvements	Showroom	Total
Original value					
Balance as of January 1, 2010	232,918	106,088	252,719	-	**591,725**
Acquisitions	49,107	135,848	-	-	**184,955**
Decreases	-	-	-	-	**-**
Total as of December 31, 2010	282,025	241,936	252,719	-	**776,680**
Depreciation and wear					
Balance as of January 1, 2010	(53,070)	(73,374)	(165,247)	-	**(291,691)**
Depreciation	(28,202)	(66,817)	(84,240)	-	**(179,259)**
Loss from wear	-	-	-	-	**-**
Total as of December 31, 2010	(81,272)	(140,191)	(249,487)	-	**(470,950)**
Residual value as of 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 shown below:

	Software	Software development	Trademarks	**Total**
Original value				
Balance as of January 1, 2012	184,353	651,531	15,071	**850,955**
Acquisitions	-	69,256	-	**69,256**
Decreases	-	-	-	**-**
Total as of March 31, 2012	184,353	720,787	15,071	**920,211**
Amortization and wear				
Balance as of January 1, 2012	(116,824)	-	(2,626)	**(119,450)**
Amortization	(19,700)	(145,020)	(353)	**(165,073)**
Loss from wear	-	-	-	**-**
Total as of March 31, 2012	(136,524)	(145,020)	(2,979)	**(284,523)**
Residual value as of March 31, 2012	47,829	575,767	12,092	**635,688**

	Software	Software development	Trademarks	**Total**
Original value				
Balance as of January 1, 2011	166,118	98,973	3,510	**268,601**
Acquisitions	18,235	552,558	11,561	**582,354**
Decreases	-	-	-	**-**
Total as of December 31, 2011	184,353	651,531	15,071	**850,955**
Amortization and wear				
Balance as of January 1, 2011	(55,373)	-	(1,215)	**(56,588)**
Amortization	(61,451)	-	(1,411)	**(62,862)**
Loss from wear	-	-	-	**-**
Total as of December 31, 2011	(116,824)	-	(2,626)	**(119,450)**
Residual value as of December 31, 2011	67,529	651,531	12,445	**731,505**

	Software	Software development	Trademarks	**Total**
Original value				
Balance as of January 1, 2010	-	110,973	960	**111,933**
Acquisitions	166,118	-	2,550	**168,668**
Decreases	-	(12,000)	-	**(12,000)**
Total as of December 31, 2010	166,118	98,973	3,510	**268,601**
Amortization and wear				
Balance as of January 1, 2010	-	-	(960)	**(960)**
Amortization	(55,373)	-	(255)	**(55,628)**
Loss from wear	-	-	-	**-**
Total as of December 31, 2010	(55,373)	-	(1,215)	**(56,588)**
Residual value as of December 31, 2010	110,745	98,973	2,295	**212,013**

(figures expressed in Argentine pesos)

Note 12. Tax assets

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Income Tax	-	-	230,375
Minimum Presumed Income Tax	6,449,600	6,130,694	2,892,379
Tax loss – local source	8,124,692	6,075,337	3,681,321
Tax loss – foreign source	32,158	32,158	24,657
Total Tax assets	14,606,450	12,238,189	6,828,732

Local- and foreign- source tax losses accumulated as of March 31, 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	2,049,355	-	-
Total	8,156,850	6,107,495	3,705,978

Note 13. Long-term investments

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Canfot S.A.				
Shares	14	54,146,104	52,020,999	31,397,774
Implied goodwill	15	79,399,207	79,399,207	79,399,207
Other investment and adjustment components		(18,310,216)	(35,867,577)	12,609,999
		115,235,095	95,552,629	123,406,980
Maltería del Puerto S.A.				
Shares	14	21,590,858	24,331,463	17,856,370
Implied goodwill	15	32,095,394	32,095,394	32,095,394
Other investment and adjustment components		9,291,191	15,612,953	38,183,014
		62,977,443	72,039,810	88,134,778
Marina Río Luján S.A.				
Shares	14	7,641,437	8,436,323	8,846,726
Implied goodwill	15	21,487,412	21,487,412	21,487,412
Other investment and adjustment components		37,454,300	38,790,909	39,895,438
		66,583,148	68,714,644	70,229,576
Pico y Cabildo S.A.				
Shares	14	8,925,951	9,014,360	-
Implied goodwill	15	10,558,985	10,558,985	-
Other investment and adjustment components		30,272,549	47,813,925	-
		49,757,485	67,387,270	-
Total Long-term investments		294,553,171	303,694,353	281,771,334

(figures expressed in Argentine pesos)

Note 14. Information on subsidiaries

					Information on issuer						
					As per most recent financial statement issued (1)						
Name of issuer and characteristics of the securities	Face value	Value recorded as of Mar 31, 2012	Value recorded as of Dec 31, 2011	Value recorded as of Dec 31, 2010	Main line of business	Legal address	Closing date	Corp. capital	Period results	Shareholders' equity	Percentage interest
Canfot S.A.	$1 of 1 vote each	54,146,104	52,020,999	31,397,774	Construction and sale of real estate of all kinds	Av. S. Ortíz 3333 – Floor 1 - C Buenos Aires, Argentina	03/31/2012	48,238,100	2,331,297	59,371,848	90.91%
Maltería del Puerto S.A.	$100 of 1 vote each	21,590,858	24,331,463	17,856,370	Construction and sale of real estate of all kinds	Av. S. Ortíz 3333 – Floor 1 - C Buenos Aires, Argentina	03/31/2012	21,536,400)	(3,675,342)	28,492,208	75.00%
Marina Río Lujan S.A.	$100 of 1 vote each	7,641,437	8,436,323	8,846,726	Construction and sale of real estate of all kinds	Ing. Enrique Butty 220 - Floor 11 – Apt.. A – Buenos Aires, Argentina	03/31/2012	22,076,200	(1,587,757)	15,230,901	49.99%
Pico y Cabildo S.A.	$100 of 1 vote each	8,925,951	9,014,360	-	Construction and sale of real estate of all kinds	Juramento 2017 – 2nd floor Apt. B – Buenos Aires	03/31/2012	13,474,239	(157,697)	(9,072,363)	97.00%
Birzey Internacional S.A (2)	$U of 1 vote each	(1,833,202)	(26,141)	-	Investor	Plaza Independencia 811 P.B. – Montevideo –Uruguay	03/31/2012	4,459	(804,598)	(1,884,539)	100.00%
Totals		90,471,148	93,777,004	58,100,870				83,792,998	(3,894,097)	92,138,055	

(1) Information as per financial statements prepared without considering Technical Resolution No. 26.
(2) Shown in "Other accounts payable" in current liabilities.

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

(figures expressed in Argentine pesos)

Note 15. Goodwill

	Marina Río Lujan S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as of January 1, 2012	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**
Acquisitions	-	-	-	-	-
Decreases	-	-	-	-	-
Total as of March 31, 2012	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**
Wear	-	-	-	-	-
Balance as of January 1, 2012	-	-	-	-	-
Loss from wear	-	-	-	-	-
Total as of March 31, 2012	-	-	-	-	-
Residual value as of March 31, 2012	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**

	Marina Río Lujan S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A.	Canfot S.A.	**Total**
Original value					
Balance as of 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 of December 31, 2011	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**
Wear					
Balance as of January 1, 2011	-	-	-	-	**-**
Loss from wear	-	-	-	-	**-**
Total as of December 31, 2011	-	-	-	-	**-**
Residual value as of December 31, 2011	21,487,412	32,095,394	10,558,985	79,399,207	**143,540,998**

	Marina Río Lujan S.A.	Maltería del Puerto S.A.	Pico y Cabildo S.A	Canfot S.A.	**Total**
Original value					
Balance as of January 1, 2010	21,487,412	32,095,394	-	79,399,207	**132,982,013**
Acquisitions	-	-	-	-	**-**
Decreases	-	-	-	-	**-**
Total as of December 31, 2010	21,487,412	32,095,394	-	79,399,207	**132,982,013**
Wear	-	-	-	-	**-**
Balance as of January 1, 2010	-	-	-	-	**-**
Loss from wear	-	-	-	-	**-**
Total as of December 31, 2010					
Residual value as of December 31, 2010	21,487,412	32,095,394	-	79,399,207	**132,982,013**

(figures expressed in Argentine pesos)

Note 16. Trade payables

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Suppliers in local currency		1,298,315	1,000,149	266,355
Suppliers in foreign currency	45	1,037,055	-	424,446
Provision for expenditures in local currency		399,748	454,869	78,808
Provision for expenditures in foreign currency	45	-	606,392	61,729
Provision for works in local currency		2,324,526	1,056,797	-
Provision for works in foreign currency	45	-	928,050	-
Post-dated checks		-	150,673	766,236
Insurance policies payable in local currency		16,182	9,683	1,179
Insurance policies payable in foreign currency	45	101,691	382,748	244,403
Balance payable to related parties in local currency	33	93,119	93,118	93,118
Balance payable to related parties in foreign currency	33 and 45	23,784,223	42,224,900	-
Contingency fund		100,762	100,762	-
Sundry		-	-	2,924
Total Trade payables		29,155,621	47,008,141	1,939,198

Note 17. Loans

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Balance with related parties in local currency	33 and 36.4	3,036,000	-	-
Balance with related parties in foreign currency	33, 36.3 and 45	14,193,004	6,673,816	-
Loans received in foreign currency	45	4,462,383	4,385,955	-
Advance payment into bank account, in local currency		8,923,796	7,511,383	-
Subtotal Current loans		30,615,183	18,571,154	-

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

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Opening balance	18,571,154	-	-
New loans and financing arrangements	10,167,108	11,818,861	-
Interest	303,988	429,956	-
Effects of forex variations	278,774	482,577	-
Advance payment in bank account	1,412,413	7,511,383	-
Sundry payments	(7,343)	(288,464)	-
Interest payments	(110,911)	(1,379,159)	-
Closing balance	30,615,183	18,571,154	-

(figures expressed in Argentine pesos)

Note 18. Employee benefits

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Wages payable	541,236	782,108	-
Social security contributions payable	360,810	650,122	213,994
Provision for vacations	686,956	631,534	387,223
Federal Tax Payment Plan	342,628	272,212	172,260
Provision for board fees	-	67,220	40,000
Minus:			
Personnel advances	(231,539)	(296,884)	(33,148)
Total Employee benefits	1,700,091	2,106,312	780,329

Note 19. Current tax liabilities

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Minimum Presumed Income Tax	321.030	770.652	2.294.179
Total Current tax liabilities	321.030	770.652	2.294.179

Note 20. Other taxes payable

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Withholdings and earnings to be deposited	469,577	423,837	183,981
Federal Tax Payment Plan	-	-	164,807
Gross Receipts Tax	13,637	103,318	3,009
Stamp Tax	15,139	85,717	-
Total Other taxes payable	498,353	612,872	351,797

Note 21. Customer advances

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Balances with related parties	33 and 45	67,009,321	47,013,617	32,377,893
Early collections in local currency		864	164,828	-
Early collections in foreign currency	45	24,631,637	16,371,392	-
Minus:				
Value Added Tax		(1,908,119)	(1,159,553)	-
Total Customer advances		89,733,703	62,390,284	32,377,893

(figures expressed in Argentine pesos)

Note 22. Other accounts payable

	Notes	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Balances with related parties	33 and 45	8,343,166	6,424,607	-
Debt on purchase of stocks	45	-	18,145,137	-
Miscellaneous		164,827	-	-
Total Other accounts payable		8,507,993	24,569,744	-

Note 23. Deferred Tax Liabilities

		Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Short-term investments	31	1,454,313	1,251,326	-
Inventory valuation	31	88,799		
Forex valuation	31	-	71,815	-
Total Deferred Tax Liabilities		1,543,112	1,323,141	-

Note 24. Corporate capital and issuance premium

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Equity capital	70,349,485	70,349,485	70,349,485
Issuance premium	378,208,774	378,208,774	378,208,774
Total Corporate capital plus issuance premium	448,558,259	448,558,259	448,558,259

Issued capital is comprised of:

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Fully paid shares of common stock	70,349,485	70,349,485	70,349,485
Total fully paid shares of common stock	70,349,485	70,349,485	70,349,485

As of March 31, 2012, corporate capital subscribed for and paid up at the Company totals $ 70,349,485. As of that date, corporate capital registered with the Corporate Records Office totals $ 22,350,000.

As of December 2011 and 2010, corporate capital subscribed for and paid up at the Company totals $ 70,349,485. As of that date, corporate capital registered with the Corporate Records Office totals $ 22,350,000.

On November 4, 2010, the Board of Directors of the Company,. in the exercise of its authority delegated by the Shareholders' Meeting held on October 30, 2009, decided to establish the amount of the capital increase in the sum of $ 47,990,485, by issuing 47,990,485 book-entry shares of common stock, at a par value of 1 peso each and entitled to one vote per share. Therefore, as of December 2010, corporate capital subscribed for and paid up at the Company totals $ 70,349,485. As of that date, corporate capital registered with the Corporate Records Office totals $ 22,350,000.

(figures expressed in Argentine pesos)

Note 24. Corporate capital and issuance premium (continued)

As of March 31, 2012, and as of December 2011 and 2010, interest in Company capital is distributed as follows:

	Mar 31, 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 certificates of deposit representing shares of common stock	17,548,905	25 %	17,548,905	25 %	16,005,710	23%
Other holders of shares of common stock	20,129,024	29 %	20,129,024	29 %	19,577,108	28%
Total Corporate capital	70,349,485	100 %	70,349,485	100 %	70,349,485	100%

Note 25. Reserves, accumulated earnings and dividends

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Statutory reserve	4,000	4,000	4,000
Total reserves	4,000	4,000	4,000

	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Accumulated earnings			
Opening balance	4,687,878	49,929,693	
Total comprehensive income for the period/year	(14,794,929)	(45,241,815)	
Increase to statutory reserve	-		
Closing balance for the period/year	(10,107,051)	4,687,878	49,929,693

Dividend policy

The Board of Directors of the Company establishes and files a motion with the Shareholders' Meeting regarding the convenience, timing and amount of dividends to be distributed, as well as, if applicable, the capitalization of annual profits, when submitting its proposal for the distribution of profits/losses to the Shareholders' Meeting, in light of how the businesses and commitments undertaken by the Company have progressed and are being projected into the future.

The Company does not have and does not 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 allow for value to be generated for its shareholders.

According to its Articles of Incorporation and the Law on Business Corporations, the Company may declare one or more dividends within any one business year, and even pay anticipated dividends pursuant to Article 224(ii) of the Law, out of realized net earnings as shown in the consolidated balance sheet of the company prepared in accordance with Argentine GAAP and the Regulations of the National Securities Commission as of the last day of that business year, or in special consolidated balance sheets in the case of anticipated or interim dividends, providing that such dividends must be paid ratably to all the holders of common stock of the Company as of the pertinent record date.

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

(figures expressed in Argentine pesos)

Note 26. Cost of services rendered

	Mar 31, 2012	Mar 31,2011
Wages and social security	1,288,325	1,713,635
Other payroll expenses	-	79,637
Rent and maintenance fees	291,004	119,093
Transportation and per-diems	49,770	20,223
IT and services expenses	72,054	53,028
Total Cost of services rendered	1,701,153	1,985,616

Note 27. Marketing expenses

	Mar 31, 2012	Mar 31,2011
Wages and social security	827,975	375,485
Other payroll expenses	-	17,450
Rent and maintenance fees	63,657	26,095
Professional fees	512,589	880
Taxes, duties and assessments	580,190	197,029
Transportation and per-diems	10,887	4,431
IT and services expenses	15,762	11,619
Advertising expenses	186,377	42,726
Overhead	-	23,371
Total Marketing expenses	2,197,437	699,086

Note 28. Administrative expenses

	Mar 31, 2012	Mar 31,2011
Wages and social security	2,399,071	571,045
Other payroll expenses	6,200	26,538
Rent and maintenance fees	100,032	39,686
Professional fees	575,549	480,960
Directors' fees	39,000	60,000
Examiners' fees	18,000	15,000
IPO expenses	181,896	194,904
Taxes, duties and assessments	395,417	209,157
Transportation and per diems	17,108	6,738
IT expenses and services	24,768	17,671
Office expenses	141,455	42,934
Insurance	168,726	111,546
Fixed asset depreciation	80,275	29,528
Donations	137,000	-
Overhead	40,379	21,511
Total Administrative expenses	4,324,876	1,827,218

(figures expressed in Argentine pesos)

Note 29. Financial results

	Mar 31, 2012	Mar 31,2011
Forex differences		
Income from forex differences	1,079,752	3,188,501
Costs from forex differences	(3,031,383)	(652,195)
Total Forex differences	(1,951,631)	2,536,306
Financial income		
Interest	426,034	181,282
Result from short-term investments	2,036,697	-
Total Financial income	2,462,731	181,282
Financial costs		
Interest	(151,318)	(20,835)
Result from short-term investments	-	(112,936)
Banking expenses	(32,457)	(5,119)
Tax on bank debits and credits	(202,426)	(40,276)
Total Financial costs	(386,201)	(179,166)
Total Financial results	124,899	2,538,422

Note 30. Other revenues

	Mar 31, 2012	Mar 31,2011
Other revenues		
Expenses recovered	-	624,615
Total other revenues	-	624,615

(figures expressed in Argentine pesos)

Note 31. Income Tax and Deferred Tax

The structure of "Income tax" determined in accordance with IFRS 12, which is shown in the income statement as of March 31, 2012 and 2011, is as follows:

	Mar 31, 2012	Mar 31, 2011
Income Tax	2,049,355	-
Deferred Tax arising from temporary differences	(219,971)	(985,538)
Total Income Tax	1,829,384	(985,538)

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

(Liabilities) Assets from Deferred Tax:	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Valuation of short-term investments	(1,454,313)	(1,251,326)	-
Valuation of inventories	(88,799)	-	-
Valuation of foreign currency	-	(71,815)	-
Balances at end of period/year	(1,543,112)	(1,323,141)	-

Following is a breakdown of the reconciliation between Income Tax charged to results and that which would result from applying the relevant tax rate to the accounting result before taxes:

	Mar 31, 2012	Mar 31, 2011
Income Tax calculated at the current rate on the accounting result before taxes	5,818,509	4,545,095
Permanent differences	(3,989,125)	(5,530,633)
Income Tax	1,829,384	(985,538)

Note 32. Leases

The Company has entered into operating leases in relation to the rental of the Company's administrative and commercial offices.

Payments made 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 3, 2011, respectively. Directive, Management and Marketing activities are conducted in those offices.

Moreover, on April 8, 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.

(figures expressed in Argentine pesos)

Note 32. Leases (continued)

	Payments due under the operating leases		
	In 1 year	In 1 to 5 years	In over 5 years
	$	$	$
March 31,2012	973,972	2,904,576	3,878,548
December 31, 2011	1,217,034	1,687,543	2,904,577
December 31, 2010	1,080,167	1,687,543	2,767,710

Note 33. Related parties

a) The amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows:

TRADE RECEIVABLES	Mar 31, 2012	Dec 31, 2011	Dec 31, 2010
Canfot S.A.		-	268,722
Marina Río Luján S.R.L.	51,505	157,361	-
Maltería del Puerto S.A.	2,319,460	658,177	1,143,418
	2,370,965	815,538	1,412,140

OTHER RECEIVABLES			
Current			
In local currency			
Individual shareholder	-	747,227	248,210
Other shareholders	-	909,086	-
PDG Realty S.A. Empreendimentos e Participações	2,324,194	667,882	75,820
Maltería del Puerto S.A.	150,350	150,350	20,860
Canfot S.A.	-	1,612,741	-
Pico y Cabildo S.A.	16,140	16,140	-
Directors	12,546	-	-
	2,503,230	4,103,426	344,890
In foreign currency			
Marina Río Luján S.A.	5,586,243	5,576,973	788,925
Alto Palermo S.A.	-	2,480,737	-
Maltería del Puerto S.A.	28,126,464	27,001,330	-
Birzey International S.A.	1,402,021	21,746	-
Miwok S.A.	4,166,690	794,324	-
	39,281,418	35,875,110	788,925
Noncurrent			
In foreign currency			
Maltería del Puerto S.A.	1,619,467	1,591,474	-
	1,619,467	1,591,474	-

(figures expressed in Argentine pesos)

Note 33. Related parties (continued)

a) The amounts outstanding with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows (continued):

TRADE PAYABLES	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
In local currency			
Canfot S.A.	79,930	79,929	79,929
Maltería del Puerto S.A.	13,189	13,189	13,189
	93,119	93,118	93,118
In foreign currency			
IRSA Inversiones y Representaciones S.A.	23,784,223	42,224,900	
	23,784,223	42,224,900	-
LOANS			
In local currency			
Canfot S.A.	3,036,000	-	
	3,036,000	-	-
In foreign currency			
Pico y Cabildo S.A.	14,193,004	6,673,816	-
	14,193,004	6,673,816	-
CUSTOMER ADVANCES			
In foreign currency			
Alto Palermo S.A.	35,659,208	35,048,466	32,377,486
IRSA Inversiones y Representaciones S.A.	31,350,113	11,965,151	-
Marina Río Luján S.A.	-	-	407
	67,009,321	47,013,617	32,377,893
OTHER PAYABLES			
Maltería del Puerto S.A.	6,366,836	6,257,790	-
Canfot S.A.	143,128	140,676	-
Birzey International S.A. (1)	1,833,202	26,141	-
	8,343,166	6,424,607	-

(1) Long-term interest of TGLT S.A. in said company.

(figures expressed in Argentine pesos)

Note 33. Related parties (continued)

b) The most significant operations with Companies as per art. No. 33 – Law No. 19,550 and other related parties are as follows:

SERVICES PROVIDED AND COMMISSIONS EARNED	Mar 31, 2012	Mar 31, 2011
Maltería del Puerto S.A.	1,357,956	1,297,753
Canfot S.A.	-	2,561,956
Marina Río Luján S.A.	188,938	270,000
	1,546,894	4,129,709
LOANS MADE		
Canfot S.A.	3,000,000	-
Miwok S.A.	1,380,275	21,746
Birzey International S.A.	3,372,366	794,324
	7,752,641	816,070
CUSTOMER ADVANCES		
IRSA Inversiones y Representaciones S.A.	19,176,472	-
	19,176,472	-
FINANCIAL RESULTS, NET		
Maltería del Puerto S.A.	1,062,237	17,930
Marina Río Luján S.A.	206,712	30,942
Pico y Cabildo S.A.	(352,082)	-
Alto Palermo S.A.	(581,656)	(595,909)
IRSA Inversiones y Representaciones S.A.	(944,297)	-
Canfot S.A.	(38,451)	(11,342)
Miwok S.A.	(17,189)	-
Birzey International S.A.	383	-
	(664,343)	(558,379)

Note 34. Breakdown by maturity of credits and debts

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

	Mar 31, 2011	Dec 31, 2011	Dec 31, 2010
Credits			
Maturing			
Up to 3 months	46,336,929	43,889,619	4,550,090
From 3 to 6 months	-	32,674,511	26,136
From 6 to 9 months	-	81,422	47,245
From 9 to 12 months	-	71,728	827,771
Over 12 months	8,488,947	14,157,358	6,938,941
No specific due date	31,374,634	2,324,195	357,179
Past-due			
Up to 3 months	2,012,487	291,242	-
From 3 to 6 months	-	100,536	-
From 6 to 9 months	-	12,906	-
From 9 to 12 months	-	20,820	-
Total Credits	88,212,998	93,624,337	12,747,362

(figures expressed in Argentine pesos)

Note 34. Breakdown by maturity of credits and debts (continued)

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

Debts	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Maturing			
Up to 3 months	35,361,754	36,973,202	2,946,327
From 3 to 6 months	735,999	14,106,218	2,326,059
From 6 to 9 months	10,545,641	-	-
From 9 to 12 months	115,254,919	106,039,087	32,377,486
Over 12 months	-	93,118	93,524
Past-due			
Up to 3 months	164,827	140,676	-
Total Debts	162,062,540	157,352,301	37,743,396

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

Credits	**Mar 31, 2012**	Dec 31, 2011	Dec 31, 2010
Accruing interest	33,712,706	35,059,040	788,925
Not accruing interest	54,500,292	58,565,337	11,958,437
	88,212,998	93,624,377	12,747,362
Average nominal annual rate:		**8%**	**8%**
Debts			
Accruing interest	21,691,387	18,571,154	337,067
Not accruing interest	140,371,153	138,781,147	37,406,329
	162,062,540	157,352,301	37,743,396
Average nominal annual rate:		**18%**	**18%**

Note 35. Amendments to articles of incorporation

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

a) The subscription price was set at $ 9.034 per share as a result of the demand curve drafted in accordance with the subscription orders received during the share subscription period, which took place between October 21, 2010, and October 28, 2010. Therefore, the capital increase was set at $ 47,999,485 by means of the issuance of 47,999,485 common book-entry shares at a nominal value of $ 1 per share and with 1 voting right per share. The difference between the subscription price and the nominal price of each share was allocated—net of expenses—to setting up a special premium issuance provision. Additionally, the Board decided not to make another public subscription offering within the next six months.

b) The division of corporate capital into different types of shares was eliminated, thereby converting common book-entry shares into a single class of share.

c) The new shareholders' registry to be managed by Caja de Valores S.A. as of November 5, 2010 was implemented.

(figures expressed in Argentine pesos)

Note 35. Amendments to articles of incorporation (continued)

d) The Company's corporate equity was set at $ 70,349,485, and it was recorded that 31,984,275 common book-entry shares were subscribed in the Argentinean tranche of the offering of shares, and 16,015,210 common book-entry shares were subscribe as Global Depositary Shares in the international tranche of the offering of shares.

On December 20, 2011, the Special Shareholders' Meeting of the Company unanimously decided to modify Articles Nine (Authority of the Board) and Four (Business Purpose) of the Articles of Incorporation to allow for the furnishing of security in favor of third parties without having to secure the prior consent of the Shareholders' Meeting and to emend certain ambiguities as to the business purpose and expand the same to include construction activities, respectively.

On April 17, 2012, the Special Shareholders' Meeting unanimously voted to amend articles four (business purpose) and nine (authority of the board) of the Articles of Incorporation to limit the furnishing of security only in favor or subsidiaries or affiliates of the Company instead of third parties generally.

As of the date of these financial statements, the capital increase of November 4, 2010 and the amendments to Articles Nine and Four of the Articles of Incorporation were pending registration with the Public Registry of Commerce, having begun the requisite paperwork with the C.N.V.

Note 36. Loans

Following are details on the loans entered into by the Company and in effect as of March 31, 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 certain shareholders for several credit facilities to fund works and other expenses related to the development and construction of the Forum Puerto Norte project. The disbursement of the funds must be requested by Maltería del Puerto S.A., providing for its refund within a maximum of 1 year, from the date of each requested disbursement. The principal disbursed by the shareholders of Maltería del Puerto S.A. will accrue current interest at a nominal annual rate, calculated on disbursed principal, and will be paid together with principal on the stipulated due 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	US$ 4,000,000	US$ 4,000,000	US$ 4,000,000	9%
	2	06/23/2011	US$ 1,000,000	US$ 1,000,000	US$ 1,000,000	9%
	3	07/15/2011	US$ 500,000	US$ 500,000	US$ 500,000	9%
	4	07/20/2011	US$ 1,000,000	US$ 1,000,000	US$ 1,000,000	9%
	5	07/20/2011	US$ 505,310	US$ 505,310	US$ 505,310	10%
	6	07/20/2011	US$ 2,000,000	US$ 2,000,000	US$ 2,000,000	9%
	7	07/29/2011	US$ 505,310	US$ 505,310	US$ 505,310	10%
	8	10/07/2011	US$ 1,000,000	US$ 1,000,000	US$ 1,000,000	9%

US$: United States dollars.

(figures expressed in Argentine pesos)

Note 36. Loans (continued)

The amounts outstanding under the credit facilities mentioned above, as of March 31, 2012 and December 31, 2011, included in "Other receivables", are:

Loans			
Date	**Current**	**Noncurrent**	**Total**
03/31/2012	28,126,464	-	28,126,464
12/31/2011	27,001,330	-	27,001,330

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

   Following are the main characteristics of the loan extended:

   a) The final due date of the loan is one calendar year from the disbursement date.

   b) The loan accrues interest as from its disbursement date and until maturity at an interest rate equivalent to a nominal four percent (4%) per annum on the principal amount.

   c) Interest must be paid together with principal.

   As of March 31, 2012, and as of December 31, 2011, the loan amount of the aforementioned facilities, and included in "Other receivables", is:

Loans			
Date	**Current**	**Noncurrent**	**Total**
03/31/2012	-	-	-
12/31/2011	2,480,737	-	2,480,737

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

   On January 12 and 31, 2012, the Company applied for two new credit facilities in the sum of US$ 1,534,667 and US$ 120,000, respectively, with the same specifications as detailed in the preceding paragraph.

   As of the date of these condensed individual financial statements, the Company had received funds totaling US$ 3,509,334, under the requested credit facilities.

As of March 31, 2012, and as of December 31, 2011, the loan amount of the aforementioned facilities, and included in "Loans", is:

Loans			
Date	**Current**	**Noncurrent**	**Total**
03/31/2012	14,193,004		
12/31/2011	6,673,816	-	6,673,816

Note 36. Loans (continued)

4. The Company requested from Canfot S.A. and the latter granted a credit facility in the sum of $3,000,000 on February 24, 2012, providing for its refund within a maximum of 1 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. The amount outstanding under the aforementioned credit facility as of March 31, 2012, totals $ 3,036,000 and is shown in "Loans" under current liabilities.

Note 37. Shareholders' Agreements

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

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

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

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

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

a) Stipulations for the designation and removal of directors and statutory auditors;

b) Stipulations for voting at Shareholders' Meetings (such as those mentioned in c) below), whereby the shareholders may only cast their votes as previously agreed by them in writing in relation to the Shareholders' Meeting in question;

c) Supermajorities for certain decisions to be adopted at Board of Directors' meetings, such as: (i) call to Shareholders' Meeting to approve a capital increase, launch public share offerings, merge, spin off, dissolve and/or wind up the Company and/or amend its articles of incorporation; (ii) acquisition or sale of real estate other than in the ordinary course of business; (iii) approval of investments not related to the real estate or mortgage businesses in the Republic of Argentina; (iv) approval of the aggregate annual budget, among other things;

d) Limitations to share transfers;

e) Right of first refusal to acquire the shares; and

f) Tag-along rights.

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

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 (US$ 100,000,000) jointly with the Company in the real estate projects in which the Company participates, either directly by acquiring land or property already built, or by acquiring stock from companies owning land or real estate.

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

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

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

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

Note 39. Noncompetition agreement

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

I. For as long as Federico Nicolás Weil is acting General Manager of TGLT S.A., he agrees to conduct any negotiations, investments, and/or development of real estate businesses in the Republic of Argentina exclusively through TGLT S.A.

II. Once Federico Nicolás Weil is no longer General Manager of TGLT for a period of two (2) years, he shall refrain—whether directly or indirectly through third parties—from conducting any negotiations, investments, and/or development of real estate business for housing construction in the Republic of Argentina.

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 Republic of Argentina through TGLT S.A.

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

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

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

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

Nota 40. Litigation

41.1 Ingeniero Milia S.A.

On January 5, 2012, Maltería del Puerto and the Company learned that Ingeniero Guillermo Milia S.A. (IGM), a contractor that the Company hired for the provision of concrete and masonry services in the "Forum Puerto Norte" and "Astor Caballito" projects, respectively, had not paid 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 relationship with IGM and take over the works, as described below:

On December 18, 2011, the Company received a demand 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 those works and hired through IGM. On January 25, 2012, those entities assessed a debt of $ 78,745, making this claim extensive to the Company, respectively, on a joint-and-several basis, pursuant to the provisions of article 32 of Law No. 22250.

Moreover, during December 2011, the Company signed collective employment agreements in relation to the IGM personnel assigned to the "Astor Caballito" project. Thus, in its capacity as owner of the "Astor Caballito" project and as joint-and-several guarantor for the labor 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 owed under the supervision of the Ministry of Labor, in addition to their respective supplementary annual salary, unemployment fond and final settlement.

As of the date of these condensed individual financial statements, the Board of Directors of the Company felt that no material losses would result from the resolution of the situation discussed in the preceding paragraphs.

41.2 Astor Palermo Project – Injunction

On June 9, 2011, the 9th Court for Adversary Administrative and Tax Matters of the Autonomous City of Buenos Aires, granted pretrial injunctive relief in the proceedings captioned *"Asociación Amigos Alto Palermo c/ Gobierno de la Ciudad de Buenos Aires s/ Amparo"* (Art. 14 CCABA) number 41,544. The injunction granted suspends construction activities at the worksite of the property situate on Beruti No. 3351/59 between Bulnes and Coronel Díaz Avenue, in this City of Buenos Aires. Pursuant to paragraph II of that resolution, the suspension will remain in force until the Government of the City of Buenos Aires adds administrative dossiers No. 28,831/2009 and 10,788/2009 to the case file, whereby it has granted authorization for the construction of an apartment building with residential and commercial parking spaces, to be built by the Company on that property.

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

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

On October 4, 2011, the claimant filed a brief related to a petition for reports on the conditions in which the Project and its performance were authorized. These new facts were challenged, both on appeal and in the principal case file.

On April 26, 2012, the Appellate Court decided to overturn the trial court's verdict and lifted the injunction that had suspended resumption of works at Astor Palermo.

As of the date of these condensed individual financial statements, the Company was preparing to resume the construction and marketing of the Project.

Note 41. Stock options plan

On October 30, 2009, the Company's Shareholders' Meeting decided to establish an options purchase plan on shares to be issued by the Company for the benefit of certain executives and current and future outsourced consultants (the "Executives") (the "Stock Options").

The Stock Options would generate value for the Executives if the listed price of the Company's shares were to increase above the subscription price of the shares issued as a result of the capital increase approved on November 4, 2010 (the "Subscription Price"). Thus, exercising Stock Options would imply earnings for the Executives if an actual appreciation of the Company's shares occurs, and consequently, capital gains for the shareholders. Therefore, Stock Options entail the benefit of efficiently aligning the Executives' interests with those of the Company and its shareholders.

The price at which Stock Options are exercised shall be the same as the Subscription Price. In this regard, it is clarified that the value of Stock Options does not directly depend on there being earnings in a certain fiscal year nor on the distribution of dividends by the Company, but rather on the positive evolution of the price of Company shares on the stock markets (which by their very nature contemplate the potential issuing of shares upon the exercise of Stock Options).

Stock Options would collectively entitle holders to subscribe for up to the equivalent of seven percent (7%) of the corporate equity generated by the Offering, taking into account and including the shares issued under Stock Options, subject to the final terms and conditions determined by the Board. The full period during which Stock Options may be exercised by their holders shall be five (5) years counted as from the date on which they were granted, for up to one fifth per annum, with the exceptions that may be established by the Board in accordance with market practices in order to accelerate the exercise of Stock Options.

On December 20, 2011, the Shareholders' Meeting approved by majority vote of the shareholders present, to extend, for an additional two years, the term to issue the shares needed to implement the incentives plan for officers and employees of the Company as approved by the Shareholders' Meeting held on October 30, 2009.

Note 42. Limit to shareholding in other companies

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

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

As of March 31, 2012 the Company held long-term investments in the sum of $ 294,553,171. To said date, the Company had exceeded the limit established in Article 31 of Law No. 19.550 by $ 74,185.281.

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

As of March 31, 2012, the Company had shareholding in companies the lines of business of which supplement and/or are included in the Company's line of business, and therefore, the limit regarding shareholding in other companies established by Art. 31 of Law 19,550 are inapplicable regarding what was stated in the above paragraph.

Note 43. Marketable debt securities

At the Shareholders' Meeting of the Company held on December 20, 2011, approval was given for the creation of a global program for the issuance, reissuance and placement, using a public-offering mechanism, of short-, medium- or long-term simple Marketable Debt Securities not convertible into stock, subordinated or not, secured or unsecured, pursuant to law No. 23,576, as amended (the "DSs") to be denominated in United States Dollars or any other legal currency, in the outstanding amount at any time not exceeding fifty million United States Dollars (US$ 50,000,000) or its equivalent in other currencies (the "Program"), and reissue the successive classes and/or series that may be amortized. The Program will have an effective term of five (5) years from its authorization by the CNV, during which all issuances and re-issuances thereunder are to be made.

Approval was also given for the proceeds obtained from the placement of the DSs issued under the program to be used in any of the manners indicated in article 36(2) of law No. 23,576, as amended from time to time, e.g. investments in physical assets located in the country; and/or contribution of working capital in the country; and/or refinancing of debts; and/or capital contributions to subsidiaries or affiliates of the issuer Company, the proceeds of which should be used solely for the purposes indicated above, and the Board (or. if applicable, the directors or officers to which its authority may be sub-delegated) may determine to what use the proceeds from the issuance or re-issuance of each series or class of DSs to be issued under the program will be put.

As of the date of these condensed individual financial statements, the Company was in compliance with all the formal requirements to issue the marketable debt securities.

Note 44. Restricted assets

Restricted assets of the Company as of March 31, 2012, are detailed in Note 34 to the condensed consolidated financial statements.

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

AS OF MARCH 31, 2012 SHOWN ON A COMPARATIVE BASIS – SEE NOTE 4.1

(figures expressed in Argentine pesos)

Note 45. Assets and liabilities in foreign currency

	Mar 31, 2011				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	US$	835	4.339	3,624	3,624	3,208
	Reales	93	2.395	222	222	425
				3,846	3,846	3,633
Banks	US$	170,778	4.339	741,006	230,934	159,009,124
Investments:						
Mutual funds	US$	9,637,889	4.339	41,818,800	56,704,973	-
Commercial papers	US$	1,976,200	4.339	8,574,732	7,992,442	-
Sales receivables:						
Balances with related parties	US$	546,431	4.339	2,370,965	815,538	1,412,140
Private debtors	US$	74,283	4.339	322,315	316,743	-
Other receivables:						
Balances with related parties	US$	9,053,104	4.339	39,281,418	35,875,110	788,925
Insurance to be accrued	US$	67,902	4.339	294,627	384,003	241,343
Advances to works vendors	US$	5,129,706	4.339	22,462,983	22,078,255	58,237
Expenses to be accounted for	US$	590	4.339	2,558	2,558	3,761
Sundry	US$			-	42,640	-
Total current assets				115,873,250	124,447,042	161,517,163
Noncurrent assets						
Other receivables:						
Security deposits	US$	45,000	4.339	195,255	191,880	110,209
Insurance to be accrued	US$	26,675	4.339	115,742	114,715	-
Balances with related parties	US$	373,235	4.339	1,619,467	1,591,474	-
Total noncurrent assets				1,930,464	1,898,069	110,209
Total assets				**117,803,714**	**126,345,111**	**161,627,372**

US$: United States dollars

Signed for identification purposes
with our limited audit report dated May 17, 2012
Adler, Hasenclever & Asociados S.R.L.
Certified Public Accountants
C.P.C.E.C.A.B.A. Tº 1 - Fº 68

For the Supervisory Commission

Ignacio Fabián Gajst
Examiner

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

Federico Nicolás Weil
Chairman of the Board

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

AS OF MARCH 31, 2012 SHOWN ON A COMPARATIVE BASIS – SEE NOTE 4.1

(figures expressed in Argentine pesos)

Note 45. Assets and liabilities in foreign currency (continued)

	Mar 31, 2012				Dec 31, 2010	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**
LIABILITIES						
Current liabilities						
Trade payables:						
Common suppliers	US$	236,825	4.379	1,037,055	-	424,446
Expense provisions	US$			-	606,392	61,729
Works provisions	US$			-	928,050	-
Insurance payable	US$	23,222	4.379	101,691	382,748	244,403
Balances with related parties	US$	5,431,428	4.379	23,784,223	42,224,900	-
Loans:						
Balances with related parties	US$	3,241,152	4.379	14,193,004	6,673,816	-
Loans received	US$	1,019,042	4.379	4,462,383	4,385,955	-
Customer advances:						
Balances with related parties	US$	15,302,425	4.379	67,009,321	47,013,617	32,377,893
Sums collected in advance	US$	5,624,946	4.379	24,631,637	16,371,392	-
Other payables:						
Balances with related parties	US$	1,905,267	4.379	8,343,166	6,424,607	-
Debt on share purchases	US$			-	18,145,137	-
Total current liabilities				143,562,480	143,156,614	33,108,471
Total liabilities				143,562,480	143,156,614	33,108,471

US$: United States dollars

TGLT

TGLT S.A.

ADDITIONAL INFORMATION REQUIRED BY ARTICLE NO. 68 OF THE REGULATION OF THE BUENOS AIRES STOCK EXCHANGE

(figures in pesos denominated in accordance with the description of Note 3.1.)

1. There are no significant specific regulations entailing contingent declines or resurgences of earnings that bear on the Company.

2. There are no significant modifications to the Company's activity except as mentioned in Note 35 to the condensed individual financial statements in relation to the expansion of the business purpose to "Construction Activities."

3. Regarding classification of the balances pertaining to investments, credit, and debts by age of accounts, see Note 34.a) to **TGLT S.A.**'s condensed individual financial statements.

4. Regarding classification of balances pertaining to investments, credit, and debts based on the financial effects caused by maintenance of the same, see Note 34.b) to **TGLT S.A.**'s individual financial statements.

   a) The breakdown of investments, credit, and debts in foreign currency as of March 31, 2012, is provided in Note 45 to the condensed individual financial statements.

   b) There are no assets or liabilities subject to adjustment clauses.

   c) The breakdown of the items which accrue interest is provided in Note 34.b) to **TGLT S.A.**'s condensed individual financial statements.

5. Breakdown of the percentage interest in companies provided for in Article No. 33 of Law No. 19,550 as of March 31, 2012 (for more information, please refer to Note 4.16 to the condensed individual financial statements of the Company):

		Interest	
Company	**Capacity**	**% Equity**	**% 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 %
Birzey International S.A.	Shareholder	100.00 %	100.00 %

Regarding the information on companies provided for in Article No. 33 of Law No. 19,550, see Note 33 to **TGLT S.A.**'s condensed individual financial statements.

The breakdown of how interest is distributed in the Company's capital is presented in Note 24 to the condensed individual financial statements de **TGLT S.A.**

6. To the close of the period there is no credit for sales or loans to the benefit of members of the Board, members of the Supervisory Commission, or relatives up to the second degree, and there have not been any during the period.

7. As of March 31, 2012, the Company owns two properties in the Autonomous City of Buenos Aires, included under "Inventory" in the sum of $ 140,345,790. Moreover, that same entry includes costs related to the "FACA" project in the sum of $14,992,865, the advance payment for which is included in "Other receivables" in the sum of $ 22,462,983.

No provisions have been established in relation to these properties.

8. The Company opted for restating business combinations that preceded the date of transition to IFRS (December 31, 2010) and the acquisition of its interest in the joint venture known as "Marina Río Luján S.A.", as provided in IFRS 1.

TGLT S.A.

ADDITIONAL INFORMATION REQUIRED BY ARTICLE NO. 68 OF THE REGULATION OF THE BUENOS AIRES STOCK EXCHANGE

(figures in pesos denominated in accordance with the description of Note 3.1.)

This way, the Company has recognized all the assets and liabilities on the date of the business combinations preceding the transition date to IFRS, and measured them as of such date on the basis of their fair values on the acquisition date, as required by IFRS 3 “Business Combinations” and IAS 31 “Joint Ventures.”

Finally, on recalculating business combinations preceding the transition date to IFRS (and the acquisition of the joint venture known as “Marina Río Luján S.A.”), the Company has also proceeded to recalculated the goodwill associated with the aforementioned acquisitions.

In summary, purchases were accounted for using the acquisition method. Consideration for the acquisition was measured at the estimated fair value (at the date of exchange) of the assigned assets and liabilities incurred or assumed and equity instruments, except for assets or liabilities for deferred Tax and assets or liabilities related to employee benefits agreements recognized and measured in accordance with IAS 22 Income Tax and IAS 19 Employee Benefits, respectively.

9. There are no reserves from technical revaluations of fixed assets.

10. There are no obsolete fixed assets. The total residual value of properties, plant and equipment totals $ 1,721,679.

11. As of March 31, 2012, the Company maintained long-term investments in the sum of $ 294,553,171. As of that date, the Company had exceeded the limit provided for in Article 31 of Law No. 19,550 in the sum of $ 74,185,281.

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

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

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

As of March 31, 2012, the Company had interests in companies the lines of business of which supplement and/or are included in the Company’s line of business, and therefore, the limit regarding shareholding in other companies established by Art. 31 of Law 19,550 are inapplicable regarding what was stated in the above paragraph

12. The recoverable value taken into account for permanent investments was the proportional equity value, for inventory the net realization value was used, whereas for fixed assets the economic use value was used.

TGLT S.A.

ADDITIONAL INFORMATION REQUIRED BY ARTICLE NO. 68 OF THE REGULATION OF THE BUENOS AIRES STOCK EXCHANGE

(figures in pesos denominated in accordance with the description of Note 3.1.)

13. Insurance:

Risk covered		Amount insured	
		$	US$
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 theft from safe	40,000	-
Financial assets	Theft of valuables 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. There is no coverage registered according to Company Management criteria and in the opinion of its legal consultants. In Note 41 to the condensed individual financial statements of the Company, we include litigation as of March 31, 2012.

15. There are no contingencies that Company Management considers as being other than remote or the financial effects of which—if material—have not been accounted for in the books.

16. There are no irrevocable contributions charged to future subscriptions.

17. The company’s equity is only represented by common shares.

In accordance with the Law on Business Corporations, the articles of incorporation, and General Resolution No. 368/2001 by the National Securities Commission, 5% of earnings in a fiscal year must be moved to statutory reserves until said reserves reach 20% of the capital, restated in constant currency.